

Municipality of the County of Pictou
Consolidated Financial Statements
March 31, 2025

Municipality of the County of Pictou
Management's Responsibility for Financial Reporting
March 31, 2025

The accompanying consolidated financial statements of the Municipality of the County of Pictou (the Municipality) are the responsibility of the Municipality'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 Municipality 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 financial statements and discuss any significant reporting or internal control matters prior to the approval of the consolidated financial statements.

The consolidated financial statements have been audited by MacDonald & Murphy Inc., independent external auditors appointed by the Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion of the Municipality's consolidated financial statements.

Rebecca Waddell

Audit Committee Chairperson

Brian Cullen

Chief Administrative Officer

Feb 13, 2026

Date

INDEPENDENT AUDITORS' REPORT

To the Warden and Council of the
Municipality of the County of Pictou
Pictou, Nova Scotia

Opinion

We have audited the financial statements of the Municipality of the County of Pictou (County), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of financial activities, changes in net financial liabilities and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the County as at March 31, 2025, and its results of operations 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 Financial Statements section of our report. We are independent of the County in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Those charged with governance are responsible for overseeing the County's financial reporting

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 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:

(continues)



Independent Auditors Report to the Members of the Municipality of the County of Pictou (continued)

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 County's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the County to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

February 2, 2026
New Glasgow, Nova Scotia

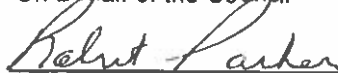
MacDonald & Murphy Inc.
Chartered Professional Accountants

Municipality of the County of Pictou
Consolidated Statement of Financial Position

March 31	2025	2024
		<i>(Restated - Note 16)</i>
FINANCIAL ASSETS		
Cash	\$ 13,657,054	\$ 11,419,390
Receivables		
Taxes (Note 3)	1,903,948	1,602,117
Due from Federal Government and its Agencies		
Harmonized Sales Tax	2,821,352	3,047,519
Conditional Transfers and Grants	6,220,148	3,552,455
Due from Provincial Government and its Agencies		
Conditional Transfers	548,945	1,569,415
Other Receivables		
Trade Accounts	179,835	136,919
Receivable from Residents (Notes 3 & 4)	416,562	247,695
	<u>25,747,844</u>	<u>21,575,510</u>
FINANCIAL LIABILITIES		
Payables		
Joint Expenditure Board	2,806	2,690
Trade Accounts	3,547,102	3,904,131
New Scotland Business Development Inc.	132,958	149,473
Prepaid Accounts	833,807	886,435
Short term debt (Note 11)	13,459,832	31,540,600
Long term debt (Note 12)	28,047,000	
Deferred Revenue and Capital Grants	2,379,929	1,710,622
Asset Retirement Obligation (Note 15)		223,209
	<u>48,403,434</u>	<u>38,417,160</u>
NET FINANCIAL LIABILITIES	<u>(22,655,590)</u>	<u>(16,841,650)</u>
NON-FINANCIAL ASSETS		
Capital Assets - Net of Accumulated Amortization (Page 16)	98,908,297	87,926,146
Investment, New Scotland Business Development		
Incorporated (Note 13)	480,926	480,926
Prepaid Expenses	57,621	37,637
NET NON-FINANCIAL ASSETS	<u>99,446,844</u>	<u>88,444,709</u>
ACCUMULATED SURPLUS (Page 17)	<u>\$ 76,791,256</u>	<u>\$ 71,603,061</u>

COMMITMENTS (NOTE 10)

On Behalf of the Council

 Warden

 Clerk

Municipality of the County of Pictou

Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

(Restated -
Note 16)

	Page	Budget	Actual	Actual
Revenue				
Taxes	29	\$ 26,528,436	\$ 26,237,161	\$ 24,222,006
Less taxes collected on behalf of others				
Regional school board	29	(6,338,598)	(6,338,604)	(5,650,488)
Provincial correctional service	29			(297,108)
Regional housing authority	29			(185,365)
		20,189,838	19,898,557	18,089,045
Grants in lieu of taxes	30	290,212	296,301	275,540
Intermunicipal Agreements	30	500	1,723	541
Sale of services	30	73,000	35,964	110,329
Other Revenue from Own Sources	30	1,136,506	1,012,179	671,812
Transfers from Government	30	524,396	508,591	334,449
Water Revenue	31	465,150	433,358	447,231
Grants for Capital	31	8,507,426	11,140,464	10,688,749
Other Revenue	31		719,911	705,673
Proceeds from sale of assets	31		174	5,504
Internet revenue	31		321,057	108,209
Total Revenue		31,187,028	34,368,279	31,437,082
Expenditures				
General Government Services	32	4,157,200	4,105,234	3,737,538
Protective Services	33	9,188,009	8,919,217	8,309,316
Transportation Services	33	494,475	857,507	827,248
Environmental Health Services	34	3,401,771	4,671,935	4,457,526
Environmental Development Services	34	565,226	703,169	718,193
Recreation Services	35	847,680	782,654	985,037
Cultural Services	35	586,112	288,991	250,451
Water Utility Services	35	564,540	596,091	493,607
Other Transfers and Grants	35	900,000	1,384,136	1,439,133
Internet Services	36		6,846,155	3,513,907
Cost of Assets Disposed			24,995	14,263
Total Expenditures		20,705,013	29,180,084	24,746,219
Net surplus		\$ 10,482,015	5,188,195	6,690,863
Accumulated surplus, beginning of year			71,603,061	64,975,803
Prior period adjustment (Note 16)				(63,605)
Accumulated surplus, end of year			\$ 76,791,256	\$ 71,603,061

Municipality of the County of Pictou
Consolidated Statement of Change in Net Financial Liabilities

Year Ended March 31

2025

2024

*(Restated -
 Note 16)*

Change in municipal position	\$ 5,188,195	\$ 6,690,863
Acquisition of capital assets	(16,590,624)	(20,254,699)
Amortization of capital assets	5,583,478	4,558,304
Cost of assets sold/disposed	24,995	14,263
Acquisition of investment		
Asset retirement obligation adjustment		
	<u>(10,982,151)</u>	<u>(15,682,132)</u>
Acquisition of prepaid expense	(57,621)	(37,637)
Use of prepaid expense	37,637	11,611
	<u>(19,984)</u>	<u>(26,026)</u>
Change in net financial liabilities	(5,813,940)	(9,017,294)
Net financial liabilities, beginning of year	(16,841,650)	(7,824,356)
Net financial liabilities, end of year	\$ (22,655,590)	\$ (16,841,650)

Municipality of the County of Pictou

Consolidated Statement of Cash Flow

Year Ended March 31

2025

2024

		<i>(Restated - Note 16)</i>
Increase (Decrease) in Cash		
Operating Activities		
Net surplus (Page 5)	\$ 5,188,195	\$ 6,690,863
Add back amortization	5,583,478	4,558,304
Changes in accounts receivable	(1,934,670)	(4,917,884)
Changes in other assets	(19,984)	(26,026)
Changes in accounts payable and prepaid accounts	(426,056)	506,940
Change in deferred revenue	669,307	1,685,622
Change in ARO liability	(223,209)	(1,209,159)
	<u>8,837,061</u>	<u>7,288,660</u>
Investing Activities		
Purchase of capital assets and investments	(16,590,624)	(20,254,699)
Disposal of capital assets	24,995	14,263
	<u>(16,565,629)</u>	<u>(20,240,436)</u>
Financing Activities		
Short term financing	(18,080,768)	10,900,000
Debenture financing	28,047,000	
	<u>9,966,232</u>	<u>10,900,000</u>
Net (Decrease) Increase in Cash	2,237,664	(2,051,776)
Cash		
Beginning of Year	<u>11,419,390</u>	<u>13,471,166</u>
End of Year	<u>\$ 13,657,054</u>	<u>\$ 11,419,390</u>

Municipality of the County of Pictou

Schedule of General Operating Fund

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes, net of amounts collected on behalf of others	29	\$ 20,189,838	\$ 19,898,557	\$ 18,089,045
Grants in Lieu of Taxes	30	290,212	296,301	275,540
Intermunicipal Agreements	30	500	1,723	541
Sale of services	30	73,000	35,964	110,329
Other Revenue from Own Sources	30	1,136,506	1,012,179	671,812
Transfers from Governments	30	524,396	508,591	334,449
Total Revenue		<u>22,214,452</u>	<u>21,753,315</u>	<u>19,481,716</u>
Expenditures				
General Government Services	32	4,157,200	3,968,733	3,610,426
Protective Services	33	9,188,009	8,919,217	8,309,316
Transportation Services	33	494,475	524,797	484,118
Environmental Health Services	34	3,401,771	3,446,427	3,141,699
Environmental Development Services	34	565,226	484,475	499,499
Recreation Services	35	847,680	782,654	985,037
Cultural Services	35	586,112	288,991	250,451
Other transfers and grants	35	900,000	1,084,923	864,191
Total Expenditures		<u>20,140,473</u>	<u>19,500,217</u>	<u>18,144,737</u>
Net Revenues		<u>2,073,979</u>	<u>2,253,098</u>	<u>1,336,979</u>
Financing and Transfers				
Transfers (to) from Reserve Funds				
Municipal Services Grant		(300,000)	(300,000)	(300,000)
Interest Earned on Reserve Funds			182,149	290,389
Transfer to Street Light Replacement Reserve		(157,661)	(157,661)	(175,204)
Transfer from Hydrant Area Rate				
Transfer to General Operating Reserve		(1,438,071)	(1,438,071)	
Transfers to Water Operating Fund				
Fire Protection Charge		(112,247)	(114,806)	(123,246)
Transfers to General Capital Fund				
Capital out of Revenue		(66,000)	(376,570)	(726,346)
Transfers to Water Capital Fund				
Capital out of Revenue				(24,351)
Net Financing and Transfers		<u>(2,073,979)</u>	<u>(2,204,959)</u>	<u>(1,058,758)</u>
Change in General Operating Fund		<u>\$</u>	<u>48,139</u>	<u>278,221</u>
General Operating Fund, Beginning of Year				
Transfer of Surplus to Operating Reserve Fund			<u>(48,139)</u>	<u>(278,221)</u>
General Operating Fund, End of Year			<u>\$</u>	<u>\$</u>

**Municipality of the County of Pictou
Schedule of Water Operating Fund
Statement of Changes in Fund Balance**

Year Ended March 31

2025

2024

	Page	Budget	Actual	Actual
Water Revenue	31	\$ 465,150	\$ 433,358	\$ 447,231
Water Utility Services Expenses	35	519,540	530,537	434,684
Net Expenditures		(54,390)	(97,179)	12,547
Financing and Transfers				
Transfer to water capital fund				
Depreciation charge		(45,000)	(46,274)	(45,730)
Transfer from general operating fund				
Fire protection charge		112,247	114,806	123,246
Net Financing and Transfers		67,247	68,532	77,516
Change in Water Operating Fund		\$ 12,857	(28,647)	90,063
Water Operating Fund, Beginning of Year			213	(89,850)
Water Operating Fund, End of Year			\$ (28,434)	\$ 213

**Municipality of the County of Pictou
Schedule of Water Operating Fund
Statement of Financial Position**

March 31

2025

2024

Assets

Receivables

Rates (less allowance for doubtful accounts - \$NIL; 2024 - \$NIL)

Harmonized Sales Tax

\$ 137,141	\$ 131,973
10,817	12,793
\$ 147,958	\$ 144,766

Liabilities

Bank indebtedness

Payables and accruals

Prepaid water charges

\$ 80,472	\$ 85,051
73,532	39,583
22,388	19,919
176,392	144,553

Equity

Surplus (Deficit)

(28,434)	213
\$ 147,958	\$ 144,766

Municipality of the County of Pictou
Schedule of General Capital Fund

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Expenditures				
Transportation services		\$ 10,000	\$ 62,901	\$ 365,000
Environmental services		296,000	284,477	369,718
General government		30,000	30,596	62,495
Protective services				15,699
Total Expenditures (Page 38)		<u>336,000</u>	<u>377,974</u>	<u>812,912</u>
Net Expenditures		<u>(336,000)</u>	<u>(377,974)</u>	<u>(812,912)</u>
Financing and Transfers				
Transfer from general operating fund				
Capital out of revenue		51,000	345,746	726,346
Transfer from reserve funds		285,000		
Operating reserve			18,834	62,495
Capital reserve			13,394	24,071
Net Financing and Transfers		<u>336,000</u>	<u>377,974</u>	<u>812,912</u>
Change in General Capital Fund		<u>\$</u>		
General Capital Fund, Beginning of Year				
General Capital Fund, End of Year			<u>\$</u>	<u>\$</u>

Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Changes in Fund Balance

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Province of Nova Scotia - Investing in Canada Infrastructure Program Interest	31	\$ 91,215	\$ 84,750 91,055	\$
		<u>91,215</u>	<u>175,805</u>	
Expenditures				
Water transmission and distribution	38	\$ 124,384	<u>983,019</u>	\$ 1,391,175
Net Expenditures				
		<u>(33,169)</u>	<u>(807,214)</u>	<u>(1,391,175)</u>
Financing and Transfers				
Transfer from reserve funds				
Canada Community Building Fund reserve Capital reserve			867,445	264,808 1,102,016
Transfer from general operating fund				
Capital out of revenue		33,169	30,824	24,351
Transfer from water operating fund				
Depreciation charge			<u>46,274</u>	<u>45,730</u>
Net Financing and Transfers				
		<u>33,169</u>	<u>944,543</u>	<u>1,436,905</u>
Change in Water Capital Fund				
		<u>\$</u>	<u>137,329</u>	<u>45,730</u>
Water Capital Fund, Beginning of Year				
			<u>693,510</u>	<u>647,780</u>
Water Capital Fund, End of Year				
			<u>\$ 830,839</u>	<u>\$ 693,510</u>

**Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Financial Position**

March 31	2025	2024 <i>(Restated - Note 16)</i>
Assets		
Cash	\$ 830,839	\$ 693,510
Utility plant and equipment	<u>8,184,285</u>	<u>7,201,266</u>
	<u><u>\$ 9,015,124</u></u>	<u><u>\$ 7,894,776</u></u>
Liabilities		
Accumulated Allowance For Depreciation	\$ 950,977	\$ 885,423
Deferred contributions (net of accumulated amortization)	<u>3,942,240</u>	<u>3,086,123</u>
	<u>4,893,217</u>	<u>3,971,546</u>
Equity		
Investment in capital assets	<u>4,121,907</u>	<u>3,923,230</u>
	<u><u>\$ 9,015,124</u></u>	<u><u>\$ 7,894,776</u></u>

**Municipality of the County of Pictou
Schedule of Water Capital Fund
Statement of Investment in Capital Assets**

Year ended March 31	2025	2024 <i>(Restated - Note 16)</i>
Balance, Beginning of Year	\$ 3,923,230	\$ 5,694,976
Adjustment for capital grants removed from balance and corresponding depreciation	<u>76,798</u>	<u>(1,796,097)</u>
	<u>4,000,028</u>	<u>3,898,879</u>
Capital additions, funded from County resources	30,824	24,351
Interest	91,055	
Balance, End of Year	<u><u>\$ 4,121,907</u></u>	<u><u>\$ 3,923,230</u></u>

Municipality of the County of Pictou
Schedule of Internet Operating Fund

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Internet revenue	31	\$	\$ 321,057	\$ 108,209
Internet expenses				
Cost of sales	36		842,435	133,036
Administration	36		792,600	374,712
Operating costs	36		371,937	511,540
Interest and fees on financing	36		1,234,672	
			<u>3,241,644</u>	<u>1,019,288</u>
Net expenditures			(2,920,587)	(911,079)
Deficit, beginning of year			<u>(1,347,724)</u>	<u>(436,645)</u>
Deficit, end of year		\$	<u>\$ (4,268,311)</u>	<u>\$ (1,347,724)</u>

Municipality of the County of Pictou

Schedule of Internet Capital Fund

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Government of Canada - Innovation, Science and Economic Development Canada	31	\$	\$	\$ 1,114,493
Universal Broadband Fund	31	7,301,139	7,274,741	6,888,392
Province of Nova Scotia - Internet Trust	31	<u>7,301,139</u>	<u>2,665,901</u>	<u>1,566,793</u>
		7,301,139	9,940,642	9,569,678
Expenditures				
Rural Broadband Project	38	12,168,565	15,229,631	18,050,612
Net Expenditures		<u>(4,867,426)</u>	<u>(5,288,989)</u>	<u>(8,480,934)</u>
Financing and Transfers				
Short term financing			(4,511,071)	10,900,000
Temporary borrowing			(18,080,768)	(2,542,255)
Long-term borrowing		4,867,426	27,880,828	
Transfer from reserve funds				
Capital reserve				123,189
Net Financing and Transfers		<u>4,867,426</u>	<u>5,288,989</u>	<u>8,480,934</u>
Change in Internet Capital Fund		<u>\$</u>		
Internet Capital Fund, Beginning of Year				
Internet Capital Fund, End of Year			<u>\$</u>	<u>\$</u>

Municipality of the County of Pictou

Schedule of Reserve Funds

Year Ended March 31

2025

2024

	Page	Budget	Actual	Actual
Revenue				
Investment income	31	\$	\$ 576,439	\$ 649,681
Residents share of capital costs	31		52,417	55,992
Canada Community Building Fund	31	1,115,072	1,115,072	1,119,071
Proceeds from sale/disposal of assets	31		174	5,504
Total Revenue		<u>1,115,072</u>	<u>1,744,102</u>	<u>1,830,248</u>
Expenditures				
Municipal services grants	35		299,213	305,919
Ivor MacDonald Memorial Rink grant	35			150,000
Asset retirement costs	35			119,023
Total Expenditures			<u>299,213</u>	<u>574,942</u>
Net Revenues		<u>1,115,072</u>	<u>1,444,889</u>	<u>1,255,306</u>
Financing and Transfers				
Transfer (to) from general operating fund				
Municipal services grant		300,000	300,000	300,000
Interest earned on reserve funds			(182,149)	(290,389)
Transfer for Street Light Replacement Reserve		157,661	157,661	175,204
General operating		1,438,071	1,438,071	
Transfer (to) from general capital fund				
Capital reserve			(13,394)	(24,071)
Operating reserve			(18,834)	(62,495)
Transfer (to) from water capital fund				
Canada Community Building Fund reserve			(867,446)	(264,808)
Capital reserve				(1,102,016)
Transfer (to) from internet capital fund				
Capital reserve				(123,189)
Net Financing and Transfers		<u>1,895,732</u>	<u>813,909</u>	<u>(1,391,764)</u>
Change in Reserve Funds		<u>\$ 3,010,804</u>	<u>2,258,798</u>	<u>(136,458)</u>
Reserve Funds, Beginning of Year			<u>11,561,819</u>	<u>11,420,056</u>
Transfer of General Operating Surplus			<u>48,139</u>	<u>278,221</u>
Reserve Funds, End of Year			<u>\$ 13,868,756</u>	<u>\$ 11,561,819</u>
Reserves				
Capital Reserve			\$ 854,499	\$ 720,464
Street Light Replacement Reserve			1,076,955	893,803
Canada Community Building Fund			5,954,229	5,469,163
Valley View Replacement Reserve			134,875	129,263
Municipal Services Grant Reserve (Page 37)			156,997	156,211
Tax Sale Surplus Reserve (Note 6)			160,315	181,823
General Operating Reserve			5,530,886	4,011,092
			<u>\$ 13,868,756</u>	<u>\$ 11,561,819</u>

Municipality of the County of Pictou Consolidated Statement of Property and Equipment

March 31

	Land	Buildings	Engineered structures / environmental health	Roads and paving	Street lights	Machinery, equipment and vehicles	Rural Broadband	Wind towers	2025	2024 (Resated)
	General capital									
Cost:										
Balance, beginning of year	\$ 245,432	\$ 4,819,417	\$ 51,231,080	\$ 4,508,882	\$ 2,103,502	\$ 304,750	\$	\$ 3,280,412	\$ 66,493,275	\$ 65,694,627
Acquisition of capital assets		30,596	284,476	44,714	18,188				377,974	812,911
Disposition of capital assets			(24,995)						(24,995)	(14,263)
Balance, end of year	<u>245,432</u>	<u>4,850,013</u>	<u>51,490,561</u>	<u>4,553,396</u>	<u>2,121,690</u>	<u>304,750</u>		<u>3,280,412</u>	<u>66,846,254</u>	<u>66,493,275</u>
Accumulated amortization:										
Balance, beginning of year		1,910,197	20,248,608	1,995,547	1,164,576	230,223		2,394,083	27,943,234	25,938,472
Annual amortization		131,949	1,225,508	196,227	91,923	49,112		218,694	1,913,413	2,004,762
Balance, end of year		<u>2,042,146</u>	<u>21,474,116</u>	<u>2,191,774</u>	<u>1,256,499</u>	<u>279,335</u>		<u>2,612,777</u>	<u>29,856,647</u>	<u>27,943,234</u>
Net book value of general capital	<u>\$ 245,432</u>	<u>\$ 2,807,867</u>	<u>\$ 30,016,445</u>	<u>\$ 2,361,622</u>	<u>\$ 865,191</u>	<u>\$ 25,415</u>	<u>\$</u>	<u>\$ 667,635</u>	<u>\$ 36,989,607</u>	<u>\$ 38,550,041</u>
Internet capital										
Cost:										
Balance, beginning of year	\$ 25,006	\$	\$	\$	\$	\$	\$ 45,525,487	\$	\$ 45,550,493	\$ 27,499,881
Acquisition of capital assets							15,229,631		15,229,631	18,050,612
Balance, end of year	<u>25,006</u>						<u>60,755,118</u>		<u>60,780,124</u>	<u>45,550,493</u>
Accumulated amortization:										
Balance, beginning of year							2,494,619		\$ 2,494,619	\$
Annual amortization							3,604,511		3,604,511	2,494,619
Balance, end of year							<u>6,099,130</u>		<u>6,099,130</u>	<u>2,494,619</u>
Net book value of Internet capital	<u>\$ 25,006</u>						<u>\$ 54,655,988</u>		<u>\$ 54,680,994</u>	<u>\$ 43,055,874</u>
Water capital										
Cost:										
Balance, beginning of year	\$	\$	\$ 6,461,735	\$	\$	\$ 742,920	\$	\$	\$ 7,204,655	\$ 5,813,480
Acquisition of capital assets			983,019						983,019	1,391,175
Balance, end of year			<u>7,444,754</u>			<u>742,920</u>			<u>8,187,674</u>	<u>7,204,655</u>
Accumulated amortization:										
Balance, beginning of year			625,741			182,885			884,424	825,501
Annual amortization			49,266			16,288			65,554	58,923
Balance, end of year			<u>675,007</u>			<u>199,173</u>			<u>949,978</u>	<u>884,424</u>
Net book value of water capital	<u>\$</u>	<u>\$</u>	<u>\$ 6,769,747</u>	<u>\$</u>	<u>\$</u>	<u>\$ 543,747</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,237,696</u>	<u>\$ 6,320,231</u>
	<u>\$ 270,438</u>	<u>\$ 2,807,867</u>	<u>\$ 36,786,192</u>	<u>\$ 2,361,622</u>	<u>\$ 865,191</u>	<u>\$ 569,162</u>	<u>\$ 54,655,988</u>	<u>\$ 667,635</u>	<u>\$ 98,908,297</u>	<u>\$ 87,926,146</u>

Municipality of the County of Pictou

Consolidated Municipal Position

Year Ended March 31

2025

2024

Operating and Reserve Funds

General Operating Fund (Page 8)	\$	\$
Water Operating Fund (Page 9)	(28,434)	213
General Capital Fund (Page 10)		
Water Capital Fund (Page 11)	830,839	693,510
Internet Operating Fund (Page 13)	(4,268,311)	(1,347,724)
Internet Capital Fund (Page 14)		
Reserve Funds (Page 15)	13,868,756	11,561,819
	<u>\$ 10,402,850</u>	<u>\$ 10,907,818</u>

Investment in Capital Assets

Balance, Beginning of Year	\$ 60,695,243	\$ 53,434,462
Prior period amortization adjustment (Note 16)		(63,605)
	<u>60,695,243</u>	<u>53,370,857</u>
Capital funding from		
Operations	376,570	750,697
Capital reserve	880,839	1,514,084
Operating reserve	18,834	62,495
Depreciation reserve		
Government grants	10,025,392	9,569,678
Amortization expense - General capital	(1,913,413)	(2,004,762)
Amortization expense - Water capital	(65,554)	(58,923)
Amortization expense - Internet capital	(3,604,511)	(2,494,619)
Cost of assets sold/disposed	(24,995)	(14,263)
Balance, End of Year	<u>\$ 66,388,406</u>	<u>\$ 60,695,243</u>
Consolidated municipal position	<u>\$ 76,791,256</u>	<u>\$ 71,603,061</u>

Municipality of the County of Pictou
Consolidated Schedule of Segmented Disclosure

March 31

	General government services	Protective services	Transportation services	Environmental Health Services	Environmental Development Services	Recreation	Cultural Services	Other transfers	Water	Internet	2025 Total
Revenue											
Taxes, assessed	\$ 5,415,620	\$ 11,969,295	\$ 644,156	\$ 4,431,515	\$ 736,325	\$ 1,104,280	\$ 763,533	\$ 1,172,437			\$ 26,237,161
Less amounts collected on behalf of others	(1,308,352)	(2,891,648)	(155,821)	(1,070,604)	(177,888)	(266,782)	(184,461)	(283,248)			(6,338,604)
Net taxes	4,107,268	9,077,647	488,335	3,360,911	558,437	837,498	579,072	889,189			19,898,557
Water rates									433,358		433,358
Internet sales										321,057	321,057
Grants in lieu of taxes	61,160	195,171	7,275	50,046	8,315	12,471	8,623	13,240			296,301
Intermunicipal agreements		1,723									1,723
Sale of services	434,153	16,110		17,325	17,764	18,200					35,964
Other revenue from own sources	104,978	232,017	12,487	85,902	14,273	21,406	14,801	22,727			467,588
Transfers from government											508,591
Interest and other proceeds	544,591										544,591
Capital contributions and grants	5,252,150	9,462,668	508,297	3,761,811	598,789	889,575	602,496	1,645,241	952,195	9,940,642	11,140,464
									1,385,553	10,261,699	34,368,279
Expenses											
Salaries, wages and benefits	1,263,254	593,839		642,943	179,613	246,870				471,280	3,397,799
Operating materials and supplies	591,334	191,897	11,838	715,533	211,636	66,929	55,774		530,537	1,324,123	3,699,601
Contracted services	1,043,650	7,226,486	317,850	2,087,951	79,176		195,112			1,446,241	12,396,466
Rents and financial expenses	11,708	737,332	195,109			238,333	20,705	1,084,923			2,288,110
Community grants and exemptions	1,058,787	169,663			14,050	230,522	17,400	299,213			1,789,635
Amortization and writedowns	136,501		332,710	1,250,503	218,694				65,554	3,604,511	5,608,473
	4,105,234	8,919,217	857,507	4,696,930	703,169	782,654	286,991	1,384,136	596,091	6,846,155	29,180,084
Annual surplus	\$ 1,146,916	\$ 543,451	\$ (349,210)	\$ (935,119)	\$ (104,380)	\$ 106,921	\$ 313,505	\$ 261,105	\$ 789,462	\$ 3,415,544	\$ 5,188,195

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

1. Significant Accounting Policies

The consolidated financial statements of the Municipality of the County of Pictou are prepared by management in accordance with Canadian Public Sector Accounting Standards.

Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Reporting Entity

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The operating funds, capital funds and reserves funds include the activities of all committees of Council. Interdepartmental and organization transactions and balances are eliminated.
- (ii) The financial activities of certain entities associated with the Municipality are not consolidated. The Municipality's contributions to these entities are recorded in the consolidated statement of financial activities as disclosed in Note 9.
- (iii) The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school board are not reflected in the municipal fund balances of the financial statements.

(b) Basis of Accounting

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measurable. Certain sources of revenue are recorded on a cash basis. Expenditures are recognized in the period 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 funds, capital funds and reserves funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

The operating funds reflect the financial activities associated with the provision of municipal government services for general, water and internet operations.

The capital funds reflect the financial activities associated with the acquisition, construction and funding of capital assets.

The reserves funds reflect funds authorized by Municipal Council to be set aside for the funding of future operating or capital assets, or the repayment of long term debt.

(d) Taxation and related revenue

Tax revenues are property tax billings which are prepared by the County based on assessment rolls. Tax rates are established annually by County Council. Taxes are based on the assessment rolls provided by the Property Services Valuation Corporation.

Taxation revenues are recorded at the time billings are issued with any supplementary billing adjustments approved and deemed necessary are recorded in the fiscal year they are determined.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

(continued)

(e) **Capital Assets**

General and Other Funds

Capital assets and projects in progress are recorded at cost. Funds received through capital assistance programs, cost-sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets. Interest incurred during construction on significant capital projects is capitalized.

For years beginning on or after January 1, 2009, municipalities are required to adopt Public Sector Accounting Standards Section PS 3150 Tangible Capital Assets. This section requires amortization of tangible capital assets recorded in the General Capital Fund be recorded each year based on rates that represent the assets useful economic life.

The Municipality has established a policy of straight line amortization at the following rates:

Sewer lines	50 years	Broadband:	
Buildings	40 years	Outside plant, cables, wires and poles	30 years
Streets	20 years	Towers	20 years
Vehicles	5 years	Radio and general equipment	10 - 5 years
Machinery and equipment	5 years	Software	5 years
Wind towers	15 years	Vehicles	5 years

Water Capital Fund

Capital assets and projects in progress are recorded at the utility's net cost on a non-consolidated basis. Funds received through capital assistance programs or cost-sharing arrangements are treated as a reduction in the cost of the asset acquired for amortization calculation purposes on a non-consolidated basis and at the gross cost on consolidation. Interest incurred during construction on significant water capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded by general or water utility operations.

Depreciation - Water Capital Fund

Depreciation of fixed assets is recorded in the water capital fund calculated on a formula prescribed by the NS Utility and Review Board. Depreciation is not recorded on fixed assets donated to the water utility.

The depreciation charge in the water operating fund is transferred to a special bank account in the water capital fund which is used to help fund replacement of existing plant and equipment or, subject to approval by the NS Utility and Review Board, to repay principal of capital debt.

Internet Capital Fund

Capital assets and projects in progress are recorded at cost. Funds received through capital assistance programs, cost-sharing arrangements or loan forgiveness are treated as additions to the Investment in Capital Assets. Interest incurred during construction on significant capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded by general operations.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

(continued)

(e) Non-Municipal Owned Assets

Contributions by the Municipality towards the cost of non-municipal owned assets are recorded as current expenditures out of operations in the applicable operating fund to the extent they are not funded by the issuance of long term debt.

Contributions funded by the issuance of long term debt are recorded at a value equal to the financing and are written down on the same basis as the principal retirement on the debt.

(f) **Government Transfers**

Government transfers are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

(g) **Investment Income**

Investment income earned on operating and reserves funds surplus is reported as revenue in the period earned.

(h) **Valuation Allowances**

Uncollected Taxes

The allowance for uncollected taxes represents taxes in arrears (all taxes outstanding other than current).

Other Receivables

The Municipality provides a valuation allowance for all current receivables which are outstanding for more than one fiscal period, along with providing for any possible losses on receivables that are due beyond a one year period.

(i) **Cash**

Cash include cash on hand and balances with banks, bank overdrafts, and short-term deposits with original maturities of three months or less.

(j) **Use of Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles for municipal governments 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 financial statements, and the reported amounts of revenues and expenditures during the reporting period. Where estimation uncertainty exists, the financial statements have been prepared within reasonable limits of materiality.

Actual results could differ from those estimates.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

(continued)

(k) Segmented information

The Municipality of Pictou County is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality'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

The Municipality is primarily responsible for fire protection for its residents. The Municipality remits funds to volunteer fire departments that has been collected from residents. Other protective services include fees paid to the province for police and correctional services.

Transportation services

The Municipality is responsible for the maintenance and construction of local roads and sidewalks including snow removal. They are also responsible for the street lighting within the Municipality.

Environmental health services

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

Environmental development services

This department is responsible for activities related to land use planning development and activities that enhance local community and regional economic development.

Recreation and cultural services

This department is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents. This department is also responsible for the maintenance and operations of parks and recreation facilities for the benefit of all residents.

2. Budget figures

Reconciliation to approved Municipality of the County of Pictou budget amounts to consolidated financial statements:

Approved budget for the year		
General operations	\$	
Water operations		12,857
		<u>12,857</u>
Add:		
Transfers to other funds		1,961,732
Grants for Capital		<u>8,507,426</u>
Adjusted budgeted surplus for the year		<u>\$ 10,482,015</u>

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

3.

A) Taxes Receivable

	Current Year	Prior Year	2025 <u>Total</u>	2024 <u>Total</u>
Balance, Beginning of Year		\$ 3,465,152	\$ 3,465,152	\$ 2,923,444
Residential	\$ 14,772,705		14,772,705	13,667,234
Commercial	3,568,918		3,568,918	3,369,347
Resource	993,431		993,431	903,924
Non profit acres	7,926		7,926	7,550
Forest	108,501		108,501	108,984
Area rates - current	4,618,434		4,618,434	4,261,390
	<u>24,069,915</u>	<u>3,465,152</u>	<u>27,535,067</u>	<u>25,241,873</u>
Deduct				
Current year's tax collections	21,920,813	1,133,267	23,054,080	21,481,298
Reduced taxes	51,838		51,838	55,383
Tax policy reductions	291,854		291,854	238,104
Write Offs	712	203,647	204,359	1,936
	<u>22,265,217</u>	<u>1,336,914</u>	<u>23,602,131</u>	<u>21,776,721</u>
Balance, End of Year	<u>\$ 1,804,698</u>	<u>\$ 2,128,238</u>	3,932,936	3,465,152
Interest Outstanding at Year End			<u>698,737</u>	<u>735,720</u>
Total Taxes and Interest			4,631,673	4,200,872
Valuation Allowance (Note 4)			2,727,725	2,598,755
Financial Statement Tax Receivables			<u>\$ 1,903,948</u>	<u>\$ 1,602,117</u>
Percentage of Taxes Collected			83.7%	85.1%

B) Taxes Receivable (con't)

Resident Receivables	Internet Subscribers	Water Rates	Road Paving Capital Charges	SWITCH Program	2025
					Total
Balance, End of Year	\$ 37,842	\$ 137,141	\$ 53,302	\$ 188,277	\$ 416,562
Deduct					
Valuation Allowance					
Financial Statement Other Receivables	<u>\$ 37,842</u>	<u>\$ 137,141</u>	<u>\$ 53,302</u>	<u>\$ 188,277</u>	<u>\$ 416,562</u>

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

4. Receivable - Residents

Certain costs related to paving projects are recoverable from the residents. This amount is receivable over a 10 year period if levied prior to 2005 and over a 3 year period if levied after 2005 with interest calculated in accordance with the Municipality of Pictou County Interest Rate Policy.

5. Valuation Allowance - Uncollected Taxes	<u>2025</u>	<u>2024</u>
Balance, Beginning of Year	\$ 2,598,755	\$ 2,139,485
Add: Provision for the year	<u>332,617</u>	<u>459,270</u>
	2,931,372	2,598,755
Deduct: Write-offs	<u>(203,647)</u>	
Balance, End of Year	<u>\$ 2,727,725</u>	<u>\$ 2,598,755</u>
Comprised of		
Interest	\$ 598,570	\$ 652,044
Taxes	<u>2,129,155</u>	<u>1,946,711</u>
	<u>2,727,725</u>	<u>2,598,755</u>

6. Pension plans

The Municipality had a defined contribution pension plan for the employees up to September 30, 2018, after which the Municipality transitioned to participate in the multi-employer pension plan administered by the Public Service Superannuation Plan Trustee Incorporated (PSSPTI), which became effective April 1, 2013.

The Public Service Superannuation Plan (PSSP) is accounted for as a defined contribution plan as the obligation to pay retirement obligations does not reside with the Municipality. The PSSP provides pension benefits based on length of service and earnings. The PSSP is funded by equal employee and employer contributions at rates set by PSSPTI.

The following contributions have been made and recognized as an expense by the Municipality during the period
> PSSP - \$190,723 (2024 - \$157,449)

7. Restricted Tax Sale Surplus

Funds accumulated from tax sale surplus have been transferred to the capital reserve and are restricted for a period of 20 years. At the expiration of the restricted period, the funds can be used for capital purposes.

The following is the schedule of expiration periods:

	<u>2025</u>		<u>2024</u>
2027	\$ 8,348	2025	\$ 21,509
2028	7,769	2027	8,348
2030	45,743	2028	7,769
2034	34,079	2030	45,743
2034	25,179	2034	34,079
2039	39,197	2034	25,179
		2039	39,197
	<u>\$ 160,315</u>		<u>\$ 181,824</u>

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

8. Area Rates

The following is an accumulated schedule of area rates levied and provided to residents for the specified services. The surplus balance at the end of the year has been transferred from the operating surplus to the operating reserve fund.

	Street Lights	Fire Protection	Fire Hydrant Protection	Sewer Services	2025 Total
Balance, Beginning of Year	\$	\$ (1,674)	\$ (2,427)	\$ (9,050)	\$ (13,151)
Add:					
Rates levied for current year	261,235	2,673,136	509,807	1,069,654	4,513,832
County contribution			340,000		340,000
	261,235	2,671,462	847,380	1,060,604	4,840,681
Deduct:					
Services provided in current year	103,574	2,558,716	852,139	1,145,041	4,659,470
Transfer to replacement reserve	157,661				157,661
	261,235	2,558,716	852,139	1,145,041	4,817,131
Balance, End of Year	\$	\$ 112,746	\$ (4,759)	\$ (84,437)	\$ 23,550

9. Contributions to Boards and Commissions

Riverton Guest Home Corporation - 100% interest

Under the articles of incorporation, the Municipality of the County of Pictou has undertaken to fund any accumulated operating deficits of the Corporation if the Home is unable to have rate increases approved by the Department of Health which will be sufficient to cover the deficit in future years and if a formal request is made to Municipal Council. At year end, the Corporation had both an operating surplus and an accumulated operating surplus.

Non-Consolidated Boards

The Municipality of the County of Pictou is required to finance the operations of various Boards and Commissions, along with the other Municipal units in Pictou County, to the extent of its participation

Board	Contribution	
	2025	2024
East River Environmental Control Centre	\$ 342,783	\$ 166,443
Pictou County Solid Waste Management System	1,641,584	1,631,126
Pictou-Antigonish Regional Library	195,112	195,112
Chignecto-Central Regional Centre for Education (a)	6,338,604	5,650,488
Pictou Regional Housing Commission (b)		185,365
Pictou County Wellness Centre Building Authority Incorporated	238,333	368,175

(a) Payments for the year ended March 31, 2025 are based on \$0.32/\$100 of uniform assessment (year ended March 31, 2024 - \$0.32/\$100) as approved by the Nova Scotia Department of Education.

(b) The Municipality is charged 11.5% to 12.5% of the operating deficit of all Section 43 and 10-1/4% of the deficit of all Section 40 projects located in the Municipality.

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

10. Commitments

The Municipality of the County of Pictou has implemented a deed transfer tax of 1% on all properties acquired in the county. The proceeds from this tax will be contributed to the new Pictou County Wellness Centre project as well as 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 participating municipalities within the County.

Pictou County Wellness Centre Building Authority Incorporated

The Municipality of the County of Pictou together with other participating municipalities in the County have provided security for a debenture. The balance of this debenture March 31, 2025 is \$7,490,240 (2024 - \$6,160,000), of which the Municipality provides security for \$3,565,354 (47.6% of the total).

Pictou County Shared Services Authority - Aberdeen Hospital Renovation Project

The Municipality of the County of Pictou has provided security for a debenture for the Aberdeen Hospital Renovation project that is being administered by Pictou County Shared Services Authority in the amount of \$4,144,680 with the remaining portion of the total \$8,700,000 being secured by other participating municipal units.

At March 31, 2025 the balance of the loan outstanding for this project is \$6,993,486 (2024 - \$7,197,780); of which the Municipality provides security for \$3,331,779 (47.6% of the total).

Rural Broadband Project

The Municipality of the County of Pictou has a temporary borrowing resolution in place for this project up to the amount of \$31,542,110, which expires July 4, 2026.

To carry out the services to provide rural broadband, the Municipality of the County of Pictou has entered into contracts that extend to a five year period;

	Monthly approximate fee	Year Expires
Hurricane Electric Services	\$ 1,000	2026
Eastlink	10,500	2026
Fiber Centre	1,470	2028
EXA	1,365	2028
GTF	1,050	2028
Rogers	10,000	2028

11. Short term debt

At March 31, 2025 the amount of Banker Acceptance notes issued is \$13,459,832 (2024 - \$31,540,600), at a base interest rate of 2.99% to 4.04% (RBC Daily Simple Canadian Overnight Repo Rate Average).

The interest and discount costs associated with this financing has been capitalized with the Internet Capital Fund at a total of \$2,581,904 (2024 - \$2,581,904).

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

12. Long term debt

	<u>2025</u>	<u>2024</u>
NS Finance and Treasury Board Debenture 44-A-1, maturing May 21, 2027 at an interest rate of 4.433% to 4.94%	<u>\$ 28,047,000</u>	<u>\$</u>

Principal repayments required during the next five years, assuming rates and terms remain the same, are as follows:

2026	\$	701,175
2027		701,175
2028		26,644,650

13. Investment in New Scotland Business Development Incorporated

The New Scotland Business Development Incorporated (NSBDI) was incorporated December 31, 2014 pursuant to Section 60 of the Municipal Government Act. The Municipality of the County of Pictou and the Town of New Glasgow entered into an inter-municipal services agreement representing equal ownership of NSBDI.

As a result of this agreement, the Municipality of the County of Pictou, together with the Town of New Glasgow have jointly guaranteed a bank loan for New Scotland Business Development Inc. to a maximum of \$6,250,000 for purchase of land for a business park. The outstanding balance of the Bankers Acceptance Note at March 31, 2025 is \$4,612,161 (2024 - \$4,542,161).

The method of accounting for the investment is the modified equity approach which results in the Municipality recognizing the carrying value of the capital contributions at 50% of the net assets of NSBDI.

The value of the investment at March 31, 2025 represents capital contributions only. There is no other income or loss generated from NSBDI up to March 31, 2025.

14. Other

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

	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Parker, R	Warden	\$ 69,507	\$ 10,674	\$ 80,181
Murray, W	Deputy Warden	32,094	10,114	42,208
Baillie, R	Councillor	10,864	4,550	15,414
Boyles, P	Councillor	26,972	12,910	39,882
Butler, D	Councillor	16,108	1,392	17,500
Dewar, C	Councillor	26,972	3,674	30,646
MacDonald, J	Councillor	10,864	3,869	14,733
MacKeil, D	Councillor	26,972	9,708	36,680
Palmer, R	Councillor	26,972	4,878	31,850
Parker, David	Councillor	16,108	3,874	19,982
Parker, Donald	Councillor	10,864	6,378	17,242
Thompson, A	Councillor	26,972	10,786	37,758
Turner, L	Councillor	26,972	8,625	35,597
Wadden, D	Councillor	26,972	4,936	31,908
Woolridge-Elliott, M	Councillor	16,108	1,658	17,766
Cullen, B.	C.A.O.	138,385	7,366	145,751

Municipality of the County of Pictou

Notes to Consolidated Financial Statements

March 31, 2025

15. Asset retirement obligation

Effective April 1, 2022 the County recognized the asset retirement obligation (ARO) identified for the demolition of a school building no longer in use by the Province. The ARO reflected was the expected costs that will be incurred under the current provincial environmental regulations to decommission the building that does not have any future use.

The school building has been demolished and the costs have been realized in previous periods.

There are no remaining asset retirement obligations identified at March 31, 2025.

16. Prior period adjustment

The opening surplus has been adjusted to account for additional accumulated amortization on the assets of the water capital fund.

The previous method of recording the annual amortization in the water capital fund was on the net cost but should have been based on the gross cost upon consolidation.

The result is an adjustment to the opening net surplus by \$63,605 for the amortization up to and including 2023.

The consolidated net surplus of the County in 2024 was previously reported at \$6,704,056 but has been reduced by \$13,193 to adjust the comparative figures using the appropriate method of accounting for the capital assets in the Water Fund.

The total impact of the restatement is the reduction of the net surplus by \$76,798.

15 . Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable Property			
Residential	\$ 14,836,931	\$ 14,772,705	\$ 13,667,234
Commercial			
Based on taxable assessments	3,576,654	3,568,918	3,369,347
Resource			
Based on taxable assessments	995,785	993,431	903,924
Non Profit Acres	9,526	7,926	7,550
Wind Energy by Province of NS	957	957	947
Conservation Tax Province of NS	155	157	155
Farm property acreage by Province of NS	181,328	181,328	177,564
Forest - less than 50,000 acres	68,431	68,468	68,882
Forest - more than 50,000 acres	40,053	40,033	40,102
	<u>1,296,235</u>	<u>1,292,300</u>	<u>1,199,124</u>
Area Rates			
Fire protection	2,574,467	2,573,137	2,376,305
Fire hydrant fees	677,889	677,609	609,532
Street lighting	261,358	261,235	247,451
Sewer	1,174,216	1,106,453	1,028,102
	<u>4,687,930</u>	<u>4,618,434</u>	<u>4,261,390</u>
Business Property			
Based on revenue	72,612	72,612	68,780
Tax agreements	108,858	88,055	78,556
Tourism Levy	330,000	19,998	1,291
	<u>511,470</u>	<u>180,665</u>	<u>148,627</u>
Other Taxes			
Deed transfer tax	900,000	1,084,923	864,191
Wind Energy	719,216	719,216	712,093
	<u>1,619,216</u>	<u>1,804,139</u>	<u>1,576,284</u>
Total tax levied	<u>\$ 26,528,436</u>	<u>\$ 26,237,161</u>	<u>\$ 24,222,006</u>
Less taxes collected on behalf of others;			
Regional school board	(6,338,598)	(6,338,604)	(5,650,488)
Provincial correctional service			(297,108)
Regional housing authority			(185,365)
	<u>(6,338,598)</u>	<u>(6,338,604)</u>	<u>(6,132,961)</u>
	<u>\$ 20,189,838</u>	<u>\$ 19,898,557</u>	<u>\$ 18,089,045</u>

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Grants in Lieu of Taxes			
Federal Government	\$ 8,461	\$ 9,218	\$ 8,306
Federal Government Agencies			
Canadian Broadcasting Corporation	1,405	1,333	1,464
Canada Post	5,020	6,856	6,361
Provincial Government			
Real property	275,326	278,894	259,409
	<u>\$ 290,212</u>	<u>\$ 296,301</u>	<u>\$ 275,540</u>
Intermunicipal Agreements			
Town's of New Glasgow and Pictou	<u>\$ 500</u>	<u>\$ 1,723</u>	<u>\$ 541</u>
Sale of services			
Recreation services sales	\$ 23,000	\$ 18,200	\$ 67,851
Wind power sales	50,000	17,764	42,478
	<u>\$ 73,000</u>	<u>\$ 35,964</u>	<u>\$ 110,329</u>
Other Revenue from Own Sources			
Licenses and Permits			
Dogs	\$ 800	\$ 851	\$ 1,121
Building permits	70,000	310,407	55,758
Sub-division permits	5,000	4,900	4,550
Fines	15,000	15,259	19,644
Interest on bank accounts	600,000	220,667	235,961
Interest on tax arrears	275,000	323,924	306,113
Election recovery	94,118	78,234	
Solid waste expense recovery	17,325	17,325	17,325
Tax sale expense recovery	36,000	21,700	
Tax certificates	9,000	11,280	9,480
Miscellaneous	14,263	7,632	21,860
	<u>\$ 1,136,506</u>	<u>\$ 1,012,179</u>	<u>\$ 671,812</u>
Transfers from Government			
Federal Government	\$ 185,140	\$ 169,853	\$ 9,135
Provincial Government			
Municipal Financial Capacity grant	270,601	270,602	270,601
Nova Scotia Power Corporation	16,955	16,955	15,100
H.S.T. Offset Grant	40,000	43,413	26,380
911 Civic addressing database	7,700	7,768	7,762
Communities, Culture and Recreation			960
Service NS and Municipal Relations	4,000		4,511
	<u>\$ 524,396</u>	<u>\$ 508,591</u>	<u>\$ 334,449</u>

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	Budget	Actual	Actual
Water Revenue			
Metered sales	\$ 335,750	\$ 313,736	\$ 329,607
Flat rate sales	72,300	72,662	72,379
Sprinkler/Hydrant service	5,500	5,500	5,500
Interest on water accounts	1,600	1,760	1,401
Interest income	20,000		33,573
Capital charges paid by residents	30,000	36,000	
Connection revenue		3,700	4,771
	<u>\$ 465,150</u>	<u>\$ 433,358</u>	<u>\$ 447,231</u>

Grants for Capital

Canada Community Building Fund Government of Canada Innovation, Science and Economic Development Canada	\$ 1,115,072	\$ 1,115,072	\$ 1,119,071
Universal Broadband Fund	7,301,139	7,274,741	6,888,392
Province of Nova Scotia - Internet Trust		2,665,901	1,566,793
Province of Nova Scotia - Investing in Canada Infrastructure Program	91,215	84,750	
	<u>\$ 8,507,426</u>	<u>\$ 11,140,464</u>	<u>\$ 10,688,749</u>

Other Revenue

Interest on operating reserve	\$	\$ 182,149	\$ 290,389
Interest on capital reserve		156,850	127,191
Interest on Canada Community Building Fund reserve		237,440	232,101
Residents share of capital costs, general		52,417	55,992
Interest on water capital depreciation reserve		91,055	
	<u>\$</u>	<u>\$ 719,911</u>	<u>\$ 705,673</u>

Proceeds from Sale of Assets

Property and tax sale	<u>\$</u>	<u>\$ 174</u>	<u>\$ 5,504</u>
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Internet Revenue

Wireless subscribers	\$	\$ 172,255	\$ 48,268
Fibre subscribers		148,802	59,941
	<u>\$</u>	<u>\$ 321,057</u>	<u>\$ 108,209</u>

Municipality of the County of Pictou

Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	Budget	Actual	Actual
General Government Services			
Legislative			
Warden	\$ 80,816	\$ 80,181	\$ 74,060
Council	423,252	397,969	381,966
Other legislative services	9,950	9,088	5,175
	514,018	487,238	461,201
General administrative			
Administrative			
CAO	172,547	171,187	163,615
Administration	193,559	182,846	179,757
Finance	534,952	513,627	424,257
IT and office expenses	335,033	301,876	263,975
Legal services	40,000	42,442	27,056
Buildings maintenance	216,100	214,739	211,947
Banking fees	15,000	11,707	12,997
Financial management	32,000	35,007	33,087
Human resources management	10,000	5,989	3,253
Taxation			
Exemptions	53,000	51,838	55,833
Tax policy reductions	291,954	291,853	238,104
Tax sale expenses	45,000		
Assessment services	501,447	501,447	490,435
Reserve for uncollected taxes	300,000	332,617	459,270
Other general government services			
Grants to Comm. Service Organizations	400,621	382,478	344,418
Liability insurance	115,854	115,854	112,549
Communication officer expense	92,757	86,353	73,552
Elections	227,151	197,921	47
Intergovernmental relations	22,000	11,609	21,451
Newsletter	27,000	21,035	25,910
Sundry	17,207	9,070	7,712
	3,643,182	3,481,495	3,149,225
	4,157,200	3,968,733	3,610,426
Amortization		136,501	127,112
	\$ 4,157,200	\$ 4,105,234	\$ 3,737,538

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective Services			
Provincial Prosecution Service	\$ 23,000	\$ 18,848	\$ 19,615
Police Protection	4,449,344	4,449,394	4,191,096
By-Law Enforcement	94,543	102,250	87,805
Dog Control and Unsightly Premises	15,000	10,967	9,411
	<u>109,543</u>	<u>113,217</u>	<u>97,216</u>
Fire Protection			
District charges	2,574,467	2,558,716	2,372,570
Fire hydrant fees - District charges	677,889	512,139	564,563
Fire hydrant fees - County cost	227,753	225,194	176,754
Grants to fire brigades	173,710	183,247	190,047
Insurance for fire brigade members	89,196	97,323	86,143
WCB for fire brigade members	40,000	40,126	33,951
Fire inspector	109,577	107,974	108,403
	<u>3,892,592</u>	<u>3,724,719</u>	<u>3,532,431</u>
Emergency Management			
Emergency Services Director	156,306	148,056	132,482
Emergency Measures Organization	28,010	38,761	34,408
ACOA Disaster Support Grant	174,500	150,081	
	<u>358,816</u>	<u>336,898</u>	<u>166,890</u>
Other			
Building inspection - wages and expenses	354,714	276,141	302,068
	<u>\$ 9,188,009</u>	<u>\$ 8,919,217</u>	<u>\$ 8,309,316</u>

Transportation Services

Street lighting district charges	\$ 103,697	\$ 95,077	\$ 63,271
Street lighting - intersections	1,500	3,341	7,007
Street lighting - maintenance	5,000	8,497	8,976
Roads and streets	198,778	195,109	188,681
Road maintenance - County	75,500	96,106	95,117
Sidewalks	110,000	126,667	121,066
	<u>494,475</u>	<u>524,797</u>	<u>484,118</u>
Amortization		<u>332,710</u>	<u>343,130</u>
	<u>\$ 494,475</u>	<u>\$ 857,507</u>	<u>\$ 827,248</u>

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Environmental Health Services			
Sewer - District charges	\$ 914,216	\$ 885,407	\$ 767,188
Sewer - connection supplies	80,000	112,311	66,403
Combined collection	848,974	851,544	831,897
Tipping fees	781,757	793,642	757,181
Pictou Island collections	25,000	26,797	27,458
Administration	46,716	43,920	42,048
Public Works Department			
Salaries and expenses	702,108	732,092	647,435
Other	3,000	714	2,089
	<u>3,401,771</u>	<u>3,446,427</u>	<u>3,141,699</u>
Amortization		<u>1,225,508</u>	<u>1,315,827</u>
	<u>\$ 3,401,771</u>	<u>\$ 4,671,935</u>	<u>\$ 4,457,526</u>

Environmental Developmental Services

G. I. S. salaries and expenses	\$ 106,170	\$ 102,881	\$ 110,281
Community Sustainability and Planning	10,000		45,100
Development Officer (Sub-divisions)	104,410	92,024	95,810
Regional development expenses	79,176	79,176	79,176
Local Community Development (BDO & CEF)	56,000	58,717	55,556
Climate change program	10,000	12,783	6,048
Wind turbines expenses	40,000	18,724	64,238
Boundaries	1,000		780
Other community grants	14,100	14,050	20,000
New Scotland Business Development expenses	134,370	101,953	22,510
Accessibility Committee programs	10,000	4,167	
	<u>565,226</u>	<u>484,475</u>	<u>499,499</u>
Amortization		<u>218,694</u>	<u>218,694</u>
	<u>\$ 565,226</u>	<u>\$ 703,169</u>	<u>\$ 718,193</u>

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Recreation Services			
Recreation grants			
Grants Youth Travel	\$ 2,000	\$ 1,300	\$ 1,600
Grants Sponsorship	26,900	27,650	20,120
Grants High & Low Participant Costs	25,000	22,225	24,415
Grants Community Recreation Operational	52,500	56,347	49,700
Grants Community Capital	58,000	58,000	122,000
Grants Agreements	65,000	65,000	55,000
	<u>229,400</u>	<u>230,522</u>	<u>272,835</u>
Recreation program expenses	49,000	49,081	92,344
Recreation department - salary and expenses	266,809	264,718	251,683
PCWCA Contribution	302,471	238,333	368,175
	<u>\$ 847,680</u>	<u>\$ 782,654</u>	<u>\$ 985,037</u>
Cultural Services			
Regional Library	\$ 195,112	\$ 195,112	\$ 195,112
Branch Library	43,000	55,774	41,491
Tourism Levy - DEANS	330,000	20,705	1,291
Community Connectivity Event Grants	18,000	17,400	12,557
	<u>\$ 586,112</u>	<u>\$ 288,991</u>	<u>\$ 250,451</u>
Water Utility Services			
Operating expenditures			
Source of supply	\$ 298,000	\$ 311,865	\$ 259,965
Pumping	18,000	11,759	11,190
Water treatment	66,000	77,790	64,346
Transmission and distribution	80,700	10,252	46,799
Administrative and general	56,840	118,871	52,384
	<u>519,540</u>	<u>530,537</u>	<u>434,684</u>
Amortization	45,000	65,554	58,923
	<u>\$ 564,540</u>	<u>\$ 596,091</u>	<u>\$ 493,607</u>
Other Transfers and Grants			
Municipal services grants	\$	\$ 299,213	\$ 305,919
Ivor MacDonald Memorial Rink grant			150,000
Hurricane Fiona costs			
Tax sale refund			
Asset retirement costs			119,023
Deed transfer tax	900,000	1,084,923	864,191
	<u>\$ 900,000</u>	<u>\$ 1,384,136</u>	<u>\$ 1,439,133</u>

Municipality of the County of Pictou
Schedules to Consolidated Statement of Financial Activities

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u> (reclassified)
Internet Services			
Cost of sales			
Source of supply		\$ 256,682	\$ 103,000
Retail installations and supplies		386,577	
Fibre installations and supplies		<u>199,176</u>	<u>30,036</u>
		842,435	133,036
Administration			
Office supplies		46,433	22,688
Advertising and promotion		57,049	27,928
Travel		935	
Bank and transaction fees		30,311	2,324
Salaries and wages		471,280	309,387
Financial management		181,258	12,385
Allowance for uncollected accounts		<u>5,334</u>	
		792,600	374,712
Operating costs			
Equipment and repairs		278,244	324,518
Tower expenses		76,226	173,161
Vehicle expenses		<u>17,467</u>	<u>13,861</u>
		371,937	511,540
Interest and fees on financing		<u>1,234,672</u>	
		3,241,644	1,019,288
Amortization		<u>3,604,511</u>	<u>2,494,619</u>
	<u>\$</u>	<u>\$ 6,846,155</u>	<u>\$ 3,513,907</u>

Municipality of the County of Pictou
Allocation of Municipal Services Grant Reserve

Year Ended March 31, 2025

<u>District</u>	<u>Balance April 1 2024</u>	<u>Revenue Allocation</u>	<u>Expenditures</u>	<u>Balance March 31 2025</u>	<u>Committed at March 31, 2025</u>
1	\$ 5,925	\$ 25,446	\$ 26,724	\$ 4,647	\$
2	9,833	28,668	21,981	16,520	
3	13,940	26,797	21,299	19,438	
3PI	2,834	1,013		3,847	
4	12,157	27,181	32,532	6,806	
5	332	23,770	7,580	16,522	
6	66,029	23,351	35,635	53,745	
7	22,421	23,171	20,650	24,942	
8	3,942	24,887	25,682	3,147	
9	5,255	23,157	28,000	412	
10	1,442	24,000	22,500	2,942	
11	2,163	24,941	27,000	104	
12	9,938	23,618	29,630	3,926	
	<u>\$ 156,211</u>	<u>\$ 300,000</u>	<u>\$ 299,213</u>	<u>\$ 156,998</u>	<u>\$ -</u>

**Municipality of the County of Pictou
Supplementary Schedule of Capital Projects Funding**

March 31, 2025

	Total Capital Cost	Short term Financing	Temporary Financing	Debt/ure Financing	Capital Grant	Capital Reserve Fund	Operating Reserve Fund	General Operating Fund
GENERAL CAPITAL								
General government services								
Municipal Building (HVAC) Building improvements	\$ 11,762	\$	\$	\$	\$	\$	\$	\$ 11,762
	18,834						18,834	
	<u>30,596</u>						<u>18,834</u>	<u>11,762</u>
Transportation services								
Steel Paving - (New Row, Second St., Herve Lane)	29,414							29,414
Blue Acres Sidewalk	15,299							15,299
Street Lights	18,188				13,394			4,794
	<u>62,901</u>				<u>13,394</u>			<u>49,507</u>
Environmental health services								
E-one pump replacements	74,648							74,648
Hillside Wastewater Pumping Station	30,871							30,871
Thorburn STP Upgrade	115,803							115,803
Salem Wastewater Project	2,253							2,253
Manhole Upgrades	11,889							11,889
Lyons Brook Town of Pictou upgrade	49,013							49,013
	<u>284,477</u>							<u>284,477</u>
	377,974				13,394		18,834	345,746
INTERNET CAPITAL								
Rural broadband project	15,229,631	(4,511,071)	(18,080,768)	27,880,828	9,940,642			
WATER CAPITAL								
Salem Loop water project	867,445				867,445			30,824
MacLellans Brook Extension	115,574				84,750			30,824
	<u>983,019</u>				<u>952,195</u>			<u>30,824</u>
	<u>\$ 16,590,624</u>	<u>\$ (4,511,071)</u>	<u>\$ (18,080,768)</u>	<u>\$ 27,880,828</u>	<u>\$ 10,892,837</u>	<u>\$ 13,394</u>	<u>\$ 18,834</u>	<u>\$ 376,570</u>