



Consolidated Financial Statements

Municipality of the District of Digby

March 31, 2025

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Municipality of the District of Digby
Management's Responsibility for the Consolidated Financial Statements
March 31, 2025

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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 consolidated financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Council. The Council reviews internal financial statements on a monthly basis and external audited consolidated financial statements yearly. The Council also discusses any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The external auditors, Doane Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the Municipality of the District of Digby and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Municipality of the District of Digby


Warden


CAO

Independent Auditor's Report

Her Worship the Warden and Members of Council of the Municipality of the District of Digby

Opinion

We have audited the consolidated financial statements of the Municipality of the District of Digby ("the Municipality"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, change in net assets and cash flow 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 the Municipality of the District of Digby as at March 31, 2025, and its results of operations, its changes in its net assets, and its cash flow 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 Municipality 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 matter

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 8-12 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 in the audit of the consolidated financial statements taken 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Municipality 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.

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

Doane Grant Thornton LLP

Chartered Professional Accountants

Digby, Canada
July 22, 2025

Municipality of the District of Digby**Consolidated Statement of Operations and Accumulated Surplus**

Year Ended March 31

2025

2024

	<u>Page</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue				
Taxes	8	\$ 7,481,353	\$ 7,634,397	\$ 6,759,933
Grants in lieu of taxes	9	1,102,470	1,099,421	1,060,862
Services provided to other governments	9	107,659	107,659	101,118
Sales of service	9	152,178	152,760	133,234
Other revenue from own sources	9	1,014,133	1,297,278	1,229,967
Unconditional transfers from other governments	9	356,642	362,272	356,409
Conditional transfers from other governments	9	620,306	795,779	847,125
		<u>10,834,741</u>	<u>11,449,566</u>	<u>10,488,648</u>
Expenditures				
General government services	10	2,217,802	2,093,557	1,917,296
Protective services	11	3,420,562	3,285,498	2,989,252
Transportation services	11	1,034,112	975,091	937,574
Environmental health services	12	1,848,630	1,726,286	1,729,293
Environmental development services	12	720,006	684,506	836,536
Recreational and cultural services	12	777,253	761,012	703,869
		<u>10,018,365</u>	<u>9,525,950</u>	<u>9,113,820</u>
Annual surplus before the undernoted		816,376	1,923,616	1,374,828
Loss on disposal of tangible capital assets		-	(156,368)	(28,640)
Settlement of asset retirement obligations		-	-	59,575
Annual surplus		<u>\$ 816,376</u>	<u>1,767,248</u>	<u>1,405,763</u>
Accumulated surplus, beginning of the year			<u>19,332,554</u>	<u>17,926,791</u>
Accumulated surplus, end of the year			<u>\$ 21,099,802</u>	<u>\$ 19,332,554</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Consolidated Statement of Financial Position

March 31

2025

2024

Financial Assets

Cash and cash equivalents	\$ 6,664,584	\$ 6,580,889
Reserve funds - Treasury Account	5,917,632	4,654,767
Tax sale surplus bank (Note 4)	939,723	955,469
Receivables (Note 2)	1,741,835	1,473,092
Pension benefit excess (Note 11)	696,726	623,290
	<u>15,960,500</u>	<u>14,287,507</u>

Liabilities

Tax sale surplus (Note 4)	939,723	955,469
Payables and accruals	842,846	771,950
Payable to fire departments	390,906	434,296
Asset Retirement Obligations (Note 13)	495,626	476,106
Deferred revenue (Note 6)	2,842,132	3,124,370
Long term debt (Note 7)	138,000	207,000
	<u>5,649,233</u>	<u>5,969,191</u>

Net Financial Assets

	<u>10,311,267</u>	<u>8,318,316</u>
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Non-Financial Assets

Tangible capital assets (Note 5)	<u>10,788,535</u>	<u>11,014,238</u>
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Accumulated Surplus

	<u>\$ 21,099,802</u>	<u>\$ 19,332,554</u>
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Commitments and contingencies (Notes 8 and 9)

On behalf of the Municipality of the District of Digby:

 Warden



CAO

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Consolidated Statement of Change in Net Financial Assets

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 816,376	\$ 1,767,248	\$ 1,405,763
Acquisition of tangible capital assets	(729,000)	(529,431)	(365,159)
Loss on disposal of tangible capital assets	-	156,368	28,640
Proceeds on disposal of tangible capital assets	-	-	23,400
Amortization of tangible capital assets	<u>568,630</u>	<u>598,766</u>	<u>607,712</u>
Increase in net financial assets	<u>\$ 656,006</u>	1,992,951	1,700,356
Net financial assets, beginning of year		<u>8,318,316</u>	<u>6,617,960</u>
Net financial assets, end of year		<u>\$ 10,311,267</u>	<u>\$ 8,318,316</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby

Consolidated Statement of Cash Flow

Year Ended March 31

2025

2024

Operating Activities

Annual surplus	\$ 1,767,248	\$ 1,405,763
Changes in non-cash working capital		
Loss on disposal of tangible capital assets	156,368	28,640
Accretion expense	19,520	18,751
Amortization of tangible capital assets	598,766	607,712
Increase in treasury account	(1,262,865)	(897,486)
Decrease (increase) in tax sale surplus bank	15,746	(83,962)
Increase in receivables	(268,743)	(229,442)
Increase in pension benefit excess	(73,436)	(51,022)
(Decrease) increase in tax sale surplus	(15,746)	83,962
Increase (decrease) in payables	70,896	(104,573)
(Decrease) increase in payable to fire departments	(43,390)	29,262
Settlement of asset retirement obligations	-	(59,575)
Decrease increase in deferred revenue	(282,238)	(114,028)
	<u>682,126</u>	<u>634,002</u>

Investing Activities

Proceeds on disposal of tangible capital assets	-	23,400
Acquisition of tangible capital assets	(529,431)	(365,159)
	<u>(529,431)</u>	<u>(341,759)</u>

Financing Activities

Repayment of long term debt	(69,000)	(179,000)
Change in net cash and cash equivalents	83,695	113,243
Cash and cash equivalents		
Beginning of year	6,580,889	6,467,646
End of year	<u>\$ 6,664,584</u>	<u>\$ 6,580,889</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

REVENUE

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 6,963,720	\$ 6,947,648	\$ 6,186,191
Commercial property	1,149,313	1,153,296	1,015,121
Resource			
Taxable assessments	428,165	429,678	403,336
Recreational	2,478	2,475	2,360
Forest (less than 50,000 acres)	22,293	22,220	22,596
Forest (50,000 acres or more)	31,928	31,928	31,978
Collection for other municipalities	323,478	323,357	288,839
Protective services	1,589	1,641	1,657
Sidewalks	13,005	12,990	12,048
Street light rate	102,170	102,106	91,921
Digby Neck fire rate	38,300	37,966	33,242
Smith's Cove fire rate	37,562	37,504	32,927
Freeport fire rate	10,241	10,214	8,970
Tiverton fire rate	6,997	6,980	6,353
Westport fire rate	8,869	8,806	7,763
Brighton/Barton fire rate	73,552	73,051	65,082
Plympton fire rate	23,591	23,580	21,063
Weymouth fire rate	41,045	41,106	37,629
Bear River fire rate	18,142	18,073	16,053
Digby fire rate	90,151	89,977	81,373
Southville fire rate	15,742	15,644	14,468
Sewage charges	217,461	218,018	217,236
Business property			
Based on revenue (Aliant)	37,636	37,636	35,705
NS Power HST rebate	10,000	18,608	11,360
Other taxes			
Deed transfer tax	250,000	378,915	372,671
Wind turbine tax	208,534	202,460	206,470
Transmission of taxes collected for other governments and bodies			
Fire Departments	(356,908)	(356,908)	(319,102)
Village supply	(318,118)	(316,871)	(283,544)
Deficit of Digby Housing Authority	(41,000)	(9,118)	(26,509)
Transfer to Correctional Services	-	-	(103,448)
Education expenses as a reduction of tax revenue			
Appropriation to Regional Centre for Education	(1,928,583)	(1,928,583)	(1,731,876)
	<u>\$ 7,481,353</u>	<u>\$ 7,634,397</u>	<u>\$ 6,759,933</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

	2025		2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Grants in Lieu of Taxes			
Federal government	\$ 28,045	\$ 24,491	\$ 26,414
Provincial government			
Crown timberland	62,150	62,019	62,019
Department of Energy	2,177	2,198	2,155
Provincial property and supported institutions	79,767	79,769	72,867
Conservation properties	6,800	7,413	6,710
Nova Scotia Power Corporation	923,531	923,531	890,697
	<u>\$ 1,102,470</u>	<u>\$ 1,099,421</u>	<u>\$ 1,060,862</u>
Services Provided to Other Governments	<u>\$ 107,659</u>	<u>\$ 107,659</u>	<u>\$ 101,118</u>
Sales of Service			
General government services	\$ 750	\$ 1,150	\$ 1,025
Protective services	81,469	81,469	66,474
Transportation services (airport)	69,959	70,141	65,735
	<u>\$ 152,178</u>	<u>\$ 152,760</u>	<u>\$ 133,234</u>
Other Revenue From Own Sources			
Licenses and permits	\$ 18,000	\$ 17,234	\$ 23,580
Fines	35,150	29,473	39,066
Return on investment	458,983	497,392	551,061
Interest on taxes	150,000	185,832	164,150
Commercial solid waste fees	130,500	122,268	111,305
Miscellaneous	96,500	85,366	63,876
Canada Community Building Fund interest	-	124,728	134,425
Tax sale excess (20 years)	-	40,699	1,089
Wind turbine revenue	125,000	189,624	135,605
Tax sale fees	-	4,662	5,810
	<u>\$ 1,014,133</u>	<u>\$ 1,297,278</u>	<u>\$ 1,229,967</u>
Unconditional Transfers From Other Governments			
Provincial government			
Assessment Act, farm property acreage	\$ 18,526	\$ 18,526	\$ 18,034
Divert NS	4,500	10,130	4,759
Department of Municipal Affairs			
Equalization grants	333,616	333,616	333,616
	<u>\$ 356,642</u>	<u>\$ 362,272</u>	<u>\$ 356,409</u>
Conditional Transfers From Other Governments			
Other			
Lighthouses	\$ -	\$ -	\$ 225,000
Special projects	-	-	36,880
Trail project	19,800	19,800	43,545
Safe restart	-	175,528	-
Accessibility	-	-	-
Grants for capital projects			
Canada Community-Building Fund	247,422	247,422	312,614
Sustainable Services Growth Fund	350,084	350,084	191,127
Provincial Government			
Flood line mapping	-	-	35,000
EMO 911 recovery fee	3,000	2,945	2,959
	<u>\$ 620,306</u>	<u>\$ 795,779</u>	<u>\$ 847,125</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

EXPENDITURES

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General Government Services			
Legislative			
Warden remuneration	\$ 45,114	\$ 44,246	\$ 43,379
Council remuneration	124,484	122,089	119,697
Council expenses	56,500	40,452	41,984
Other legislative expenses	14,525	10,490	14,931
General administrative			
Administrative	145,123	149,563	131,256
Administrative support staff	396,827	371,586	348,950
Taxations			
By-law exemptions	46,789	43,141	41,258
Bad debts	-	6,690	7,267
Transfers for assessment services	194,636	194,637	191,242
Property tax exemption	75,000	84,913	63,751
Seasonal business reduction	14,979	14,979	13,155
Advertising	35,500	36,033	32,421
Audit and legal	49,000	43,855	56,735
Elections and enumerations	15,000	42,638	-
Employee benefits	245,099	239,558	213,528
Pension contributions	108,973	100,715	95,983
Pension adjustment	10,000	(71,507)	(41,897)
Common services	14,700	14,785	14,083
Insurance	52,000	50,026	46,553
Office operations	36,000	33,116	21,492
Office administration	87,000	82,013	73,793
Technology improvements	63,981	72,484	55,956
Bank and other fees	80,450	87,112	74,066
Other taxes	90,451	90,451	77,379
Conditional transfers to other governments and agencies	29,000	29,000	29,000
Other general government services			
Conventions and travel - administration	18,000	14,645	9,619
Grants to organizations and individuals	146,720	123,896	112,804
	<u>2,195,851</u>	<u>2,071,606</u>	<u>1,888,385</u>
Amortization	<u>21,951</u>	<u>21,951</u>	<u>28,911</u>
	<u>\$ 2,217,802</u>	<u>\$ 2,093,557</u>	<u>\$ 1,917,296</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby

Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective Services			
Police protection			
RCMP	\$ 1,861,024	\$ 1,861,024	\$ 1,753,007
Prosecuting attorney	12,000	6,038	4,950
Senior's safety program	22,000	22,000	20,800
Special investigations	6,500	6,148	6,494
Fire protection			
Grants - community fire departments	637,452	636,835	552,464
Hydrants	36,752	38,531	34,772
Insurance	103,485	98,875	18,975
Fire services coordinator	77,000	28,117	225
Emergency measures	65,683	15,860	10,441
Dispatch services	329,205	306,399	327,340
Other			
Animal control	41,627	39,464	40,281
Buildings - salaries	194,999	195,865	185,332
- expenses	30,500	28,007	29,118
	<u>3,418,227</u>	<u>3,283,163</u>	<u>2,984,199</u>
Amortization	<u>2,335</u>	<u>2,335</u>	<u>5,053</u>
	<u>\$ 3,420,562</u>	<u>\$ 3,285,498</u>	<u>\$ 2,989,252</u>
Transportation Services			
Road transport			
Administration	\$ 78,604	\$ 71,715	\$ 67,626
Sidewalk snow & ice removal	14,000	15,300	8,643
Street lighting	42,500	33,832	35,290
Public works - salaries	118,539	118,861	111,955
- expenses	29,000	21,738	25,314
Air transport			
Airport building	69,934	62,985	47,789
Office and telephone	13,550	13,167	11,211
Tractor	12,000	9,542	7,765
Other	2,500	3,053	2,457
Fuel and oil	50,100	45,605	41,387
Maintenance	29,000	17,171	23,135
Administration of public transit			
Kings Transit Authority (Note 12)	400,000	384,086	369,049
Le Transport de Clare Society	30,000	30,000	30,000
	<u>889,727</u>	<u>827,055</u>	<u>781,621</u>
Accretion	-	1,460	1,403
Amortization	<u>144,385</u>	<u>146,576</u>	<u>154,550</u>
	<u>\$ 1,034,112</u>	<u>\$ 975,091</u>	<u>\$ 937,574</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Environmental Health Services			
Sewage collection and disposal			
Sewage collection systems	\$ 90,517	\$ 82,982	\$ 87,811
Sewage lift stations	65,417	31,389	59,692
Sewage treatment and disposal	117,873	106,078	104,673
Debenture interest	-	-	2,494
Solid waste administration	21,498	21,396	20,143
Waste water administration	28,058	19,581	20,351
Garbage and waste collection and disposal			
Garbage and waste collection	<u>1,250,000</u>	<u>1,183,100</u>	<u>1,162,511</u>
	<u>1,573,363</u>	<u>1,444,526</u>	<u>1,457,675</u>
Accretion	-	2,258	2,169
Amortization	<u>275,267</u>	<u>279,502</u>	<u>269,449</u>
	<u>\$ 1,848,630</u>	<u>\$ 1,726,286</u>	<u>\$ 1,729,293</u>
Environmental Development Services			
Community development	\$ 82,000	\$ 73,731	\$ 77,855
Subdivision and planning	73,776	61,970	90,676
Community economic development			
Rural internet	147,000	135,000	224,503
Western Regional Enterprise Network	46,157	46,045	44,382
Industrial Commission	20,000	20,000	20,000
Tourism	79,000	51,758	33,689
Renewable energy development	71,340	64,001	89,129
Debenture interest	4,182	4,182	5,991
Biogas generator	8,500	3,964	4,135
Wind turbines	<u>85,000</u>	<u>81,292</u>	<u>102,889</u>
	<u>616,955</u>	<u>541,943</u>	<u>693,249</u>
Accretion	-	15,802	15,179
Amortization	<u>103,051</u>	<u>126,761</u>	<u>128,108</u>
	<u>\$ 720,006</u>	<u>\$ 684,506</u>	<u>\$ 836,536</u>
Recreation and Cultural Services			
Administration and programs	\$ 383,081	\$ 382,581	\$ 348,047
Trail coordinator	52,080	49,759	46,797
Parks & trails	58,300	55,935	73,125
Parks & open space	33,000	35,362	12,806
Lighthouses	21,500	12,397	9,171
Heritage programs	96,535	87,398	88,747
Regional library	61,500	61,500	58,600
Digby library	20,000	24,274	18,838
Weymouth library	24,116	24,665	20,597
Westport library	<u>5,500</u>	<u>5,500</u>	<u>5,500</u>
	<u>755,612</u>	<u>739,371</u>	<u>682,228</u>
Amortization	<u>21,641</u>	<u>21,641</u>	<u>21,641</u>
	<u>\$ 777,253</u>	<u>\$ 761,012</u>	<u>\$ 703,869</u>

See accompanying notes and schedules to the consolidated financial statements.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2025

1. Significant accounting policies

The consolidated financial statements of the Municipality of the District of Digby (the Municipality) are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures 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 Municipality and which are owned or controlled by the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these consolidated financial statements in Note 15 were approved by Council on May 28, 2024.

Basis of accounting

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

Fund accounting

Funds within the consolidated financial statements consist of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance.

- a) Operating Fund – Costs of providing services to the residents of the Municipality are budgeted based on the revenue generated from property tax assessments.
- b) Capital Fund – The capital fund contains the capital assets which are funded from long term financing and from operations.
- c) Reserve Funds – The reserve funds are restricted funds set by the Municipality for specific projects and are approved by council.

Valuation allowance

Uncollected taxes and rates

The Municipality provides a valuation allowance for estimated losses that will be incurred in collecting receivables outstanding through a combination of specific account identification and allowing for 5% of outstanding taxes.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Municipality of the District of Digby
Notes to the Consolidated Financial StatementsMarch 31, 2025

1. Significant accounting policies (continued)**Measurement uncertainty**

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Items requiring the use of significant estimates include the useful life of capital assets, rates for amortization, and asset retirement obligations.

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

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

Revenue recognition

(a) Tax revenue is property tax billings which are prepared by the Municipality based on assessment rolls issued by Property Valuation Services Corporation. Tax rates are established annually by Municipal Council. Taxation revenues are recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal. Any supplementary billing adjustments made necessary by the determination of such changes will be recognized in the fiscal year they are determined. The Municipality is entitled to collect interest on overdue taxes and is recorded in the period the interest is levied.

(b) Revenue from provincial or municipal units without eligibility criteria or stipulations is recognized as revenue by the Municipality when the transfer is authorized. Revenue with eligibility criteria is recognized as revenue by the Municipality when the transfer is authorized and all eligibility criteria have been met. Revenue with stipulations is recognized as revenue by the Municipality when the transfer is authorized and all stipulations have been met.

(c) Other revenue is recorded when it is earned.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Asset type	Years
Municipal buildings	40 years
Buildings and plants	25 years
Electronic data equipment	5 years
Small equipment	5 years
Machinery and equipment	15 years
Vehicles	5 years
Streets, roads and curbs	30 years
Sidewalks	25 years
Lagoons	50 years
Sanitary sewer lines	50 years
Street Lights	25 years
Wind turbines	20 years

1. Significant accounting policies (continued)

Tangible capital assets (continued)

Assets under construction are not amortized until the asset is available for productive use. Funding related to the purchase of capital assets is recorded as revenue when received. School buildings formally under operational control of the Municipality have not been recorded as tangible capital assets, as it is more likely than not they would be sold and not put into municipal use.

Contaminated sites

The Municipality follows Public Sector Accounting Section 3260 Liability for Contaminated Sites, which establishes the recognition, measurement and disclosure requirements for reporting liabilities associated with the remediation of contaminated sites. Management has reviewed all potential sites that are owned for application to this section and has concluded there is no known liability at this time.

Related party transactions

The Municipality follows Public Sector Accounting Section 2200, Related Party Transactions, which establishes the disclosure requirements for reporting related party transactions. Management has determined that there are no transactions to disclose at this time.

Contractual rights

The Municipality follows Public Sector Accounting Section 3380, Contractual Rights, which establishes the disclosure requirements for contractual rights. Management has determined that there are no contractual rights to disclose at this time.

Restructuring transactions

The Municipality follows Public Sector Accounting Section 3430, Restructuring Transactions, which establishes the disclosure requirements for restructuring transactions. Management has determined that there are no transactions to disclose at this time.

Asset retirement obligation

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

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

The liability for the closure and decommissioning of wind turbines, transfer station and fuel containers has been recognized based on estimated future expenses. The liability associated with the remediation of contaminants present within buildings/land owned by the Municipality has also 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.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2025

1. Significant accounting policies (continued)

Employee benefit plans

The Municipality provides certain employment benefits to employees. The Municipality provides benefits for sick leave under the following conditions:

- a) Full time employees receive an initial sick leave allowance of 216 hours on the date their employment commences and earn an additional 9 hours per month, up to a maximum of 900 hours;
- b) Sick leave can be used only for paid time off for illness or medical appointments of the employee. Sick leave taken off, in time, is paid at the employee's normal rate of pay.
- c) Sick leave will not be paid out when an employee is dismissed, retires, or otherwise ceased employment with the Municipality.

Financial instruments

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. Financial instruments consist of receivables, receivables from the Province of Nova Scotia and federal government, bank indebtedness, and payables.

Subsequent measurement

At each reporting date, the Municipality 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 Municipality uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized cost are bank indebtedness, receivables, payables and accruals, and loans payable.

For financial assets measured at cost or amortized cost, the Municipality regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Municipality determines there is 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.

Unless otherwise noted, it is managements opinion that the Municipality is not exposed to significant interest or credit risk arising from financial instruments.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2025

2. Receivables			<u>2025</u>	<u>2024</u>
Taxes receivable	<u>Current Year</u>	<u>Prior Years</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ -	\$ 917,426	\$ 917,426	\$ 797,275
Current year's levy	<u>9,245,357</u>	<u>-</u>	<u>9,245,357</u>	<u>8,273,283</u>
	9,245,357	917,426	10,162,783	9,070,558
Add				
Interest	<u>185,832</u>	<u>-</u>	<u>185,832</u>	<u>164,150</u>
	9,431,189	917,426	10,348,615	9,234,708
Deduct				
Current year's collections	<u>(8,491,831)</u>	<u>(734,623)</u>	<u>(9,226,454)</u>	<u>(8,317,282)</u>
Balance, end of year	<u>\$ 939,358</u>	<u>\$ 182,803</u>	1,122,161	917,426
Fire Departments			189,000	194,803
Town of Digby			45,798	36,081
HST			35,814	51,657
PACE program			153,772	144,052
Province of Nova Scotia			44,858	7,536
Digby Area Recreation Commission			50,000	-
Digby Ground Search and Rescue			29,872	39,872
Other			<u>106,330</u>	<u>110,863</u>
			1,777,605	1,502,290
Asset valuation allowance for uncollectible taxes and other			<u>(35,770)</u>	<u>(29,198)</u>
			<u>\$ 1,741,835</u>	<u>\$ 1,473,092</u>

3. Bank indebtedness

The Municipality has an unsecured line of credit with a limit of \$1,000,000, and an interest rate of prime minus 0.75%, none of which is used at March 31, 2025 (2024 – nil).

4. Tax sale surplus

After a twenty year period of holding these funds in trust has expired, the cash will be transferred to the capital reserve.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2025

5. Tangible capital assets

	Opening Cost	Asset Retirement Obligations	Additions	Disposals	Ending Cost
Land	\$ 319,895	\$ -	\$ -	\$ -	319,895
Municipal buildings	2,700,558	-	159,441	(512,404)	2,347,595
Buildings - plant	2,083,248	-	100,477	-	2,183,725
Electronic data equipment	155,479	-	-	-	155,479
Small equipment	241,033	-	-	-	241,033
Machinery and equipment	2,399,237	-	3,645	(594,470)	1,808,412
Vehicles	221,278	-	-	-	221,278
Streets, roads and curbs	1,276,605	-	20,439	-	1,297,044
Sidewalks	227,773	-	245,429	(77,487)	395,715
Wind turbines	1,640,637	-	-	-	1,640,637
Street lights	716,332	-	-	-	716,332
Lagoons	1,499,085	-	-	-	1,499,085
Sanitary sewer lines	7,015,305	-	-	-	7,015,305
	<u>\$ 20,496,465</u>	<u>\$ -</u>	<u>\$ 529,431</u>	<u>\$ (1,184,361)</u>	<u>\$ 19,841,535</u>

	Opening Accumulated Amortization	Amortization	Disposals	Ending Accumulated Amortization
Municipal buildings	\$ 1,435,977	\$ 49,951	\$ (512,404)	\$ 973,524
Buildings - plant	1,253,853	102,253	-	1,356,106
Electronic data equipment	152,103	1,124	-	153,227
Small equipment	226,259	14,774	-	241,033
Machinery and equipment	1,263,882	91,676	(474,649)	880,909
Vehicles	102,809	25,322	-	128,131
Streets, roads and curbs	1,007,887	19,313	-	1,027,200
Sidewalks	181,365	10,228	(40,940)	150,653
Wind turbines	495,478	87,960	-	583,438
Street lights	258,124	28,653	-	286,777
Lagoons	608,197	29,982	-	638,179
Sanitary sewer lines	2,496,293	137,530	-	2,633,823
	<u>\$ 9,482,227</u>	<u>\$ 598,766</u>	<u>\$ (1,027,993)</u>	<u>\$ 9,053,000</u>

	NBV 2025	NBV 2024
Land	\$ 319,895	\$ 319,895
Municipal buildings	1,374,071	1,264,581
Buildings - plant	827,619	829,395
Electronic data equipment	2,252	3,376
Small equipment	-	14,774
Machinery and equipment	927,503	1,135,355
Vehicles	93,147	118,469
Streets, roads and curbs	269,844	268,718
Sidewalks	245,062	46,408
Wind turbines	1,057,199	1,145,159
Street lights	429,555	458,208
Lagoons	860,906	890,888
Sanitary sewer lines	4,381,482	4,519,012
	<u>\$ 10,788,535</u>	<u>\$ 11,014,238</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2025

6. Deferred revenue

Funds received with specific spending criteria and stipulations, are recorded in deferred revenue until these funds are spent on eligible expenditures. Canada Community-Building Fund (CCBF) monies must be held in special reserve accounts until spent on specific expenditures in accordance with the Canada – Nova Scotia Gas Tax Agreement. Safe Restart funds must be held in special reserve accounts until spent on specific expenditures in accordance with the Safe Restart Agreement. The deferred revenue balance changed during the year as follows:

	<u>2025</u>	<u>2024</u>
Opening CCBF balance	\$ 2,374,734	\$ 2,289,763
Funding received	398,175	397,585
Eligible expenditures	<u>(247,422)</u>	<u>(312,614)</u>
Ending CCBF balance	2,525,487	2,374,734
Safe Restart funds	-	175,528
Tax prepayments	316,645	260,714
Sustainable Services Growth Fund	<u>-</u>	<u>313,394</u>
Total deferred revenue	<u>\$ 2,842,132</u>	<u>\$ 3,124,370</u>

7. Long term debt

NS Dept. of Finance & Treasury Board debenture, bearing interest at rates from 1.441% to 2.925%, repayable in annual instalments of \$69,000 plus interest, maturing in 2027.

	<u>2025</u>	<u>2024</u>
	<u>\$ 138,000</u>	<u>\$ 207,000</u>

Principal repayments during the next two years are due as follows:

2026	\$	69,000
2027	\$	69,000

All long term debt outstanding at year end has been properly authorized by the Department of Municipal Affairs.

Interest expense on the long term debt during the year was \$4,182.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2025

8. Commitments**Boards in which the Municipality of the District of Digby has less than 100% interest**

The Municipality is required to finance the operations of various boards and commissions, along with other municipal units.

Digby Housing Authority

Under an agreement between Canada Mortgage and Housing Corporation, the Nova Scotia Department of Housing, the Municipality, Town of Digby and the Digby Housing Authority, the Digby Housing Authority has lease title to certain housing properties for control, operation, management and administration.

The equity in operations, amortization expense and advances for each project is determined under the respective agreements.

The Municipality's net share of the 2025 operating deficit of the Digby Housing Authority which has been included in current expenditures was \$9,118 (2024 - \$26,509).

Regional Library

During the year ended March 31, 2025, the Municipality paid \$61,500 (2024 - \$58,600) to the Regional Library.

Digby and Area Recreation Facility

During the year ended March 31, 2025, the Municipality paid \$368,081 (2024 - \$335,547) as its share of operations for the Digby and Area Recreation Facility.

Digby Development Agency

During the year ended March 31, 2025, the Municipality paid \$20,000 (2024 - \$20,000) as its share of operations for the Digby Development Agency.

Western Regional Enterprise Network

During the year ended March 31, 2025, the Municipality contributed \$46,045 (2024 - \$44,382) to the Western Regional Enterprise Network.

Provincial police service agreement

The Municipality has entered into the Provincial Agreement to receive policing services for the period April 1, 2014 to March 31, 2032. The Municipality will be responsible for 30% of the cost to provide and maintain the Provincial Police Service. This agreement can be terminated at any point with written notice not less than 24 months prior to termination.

Curb-side collection and transportation of source separated solid waste

The Municipality has entered into a contract with Digby Salvage and Disposal Company Limited to collect and transport the Municipality's solid waste. The contract is effective April 1, 2020 to March 31, 2025. The monthly base cost expected for the respective fiscal years for 2021 through 2025 ranges from, \$43,850 to \$49,355. The amounts paid can be adjusted to reflect changes in fuel costs. During the year, a new contract was entered into with Digby Salvage and Disposal for the period April 1, 2025 to March 31, 2030. The monthly base cost expected for the respective fiscal years 2026 through 2030 ranges from \$56,263 to \$68,388.

Transportation and disposal of solid waste

The Municipality has entered into a contract with the Region of Queens Municipality and Waste Check to transport and dispose of the Municipality's solid waste at the solid waste disposal facility in Milton. The contract is effective January 1, 2006 to March 31, 2027. The Municipality pays a transportation and disposal fee from \$64.50 to \$78.25/tonne. The fee may be increased based on the consumer price index for Nova Scotia.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2025

8. Commitments (continued)

Public transit services

Effective August 29, 2014, the Municipality has entered into an agreement with the Kings Transit Authority to provide public transportation services. The Municipality is responsible for the net operating costs of the defined route to be paid monthly. This agreement was terminated on June 28, 2025. The expense for the year was \$384,086 (2024 - \$369,049). See Note 12 for detailed breakdown.

9. Contingencies

The Municipality has revolving term credit in the amount of \$2,000,000 to allow individual fire departments in the Municipality to fund capital purchases (with each advance guaranteed by the Municipality) and to finance capital expenditures of smaller organizations within the Municipality. The following balances are drawn and guaranteed by the Municipality at year end:

	<u>2025</u>	<u>2024</u>
Brighton/Barton Fire Department	\$ 25,500	\$ 42,500
Smith's Cove Fire Department	\$ 149,800	\$ 171,200
Digby Fire Department	\$ 700,000	\$ 88,207
Weymouth Fire Department	\$ 635,466	-

The fire rates are set to take into consideration the repayment of the loans. All payments are up to date, and there is no expectation for loss to the Municipality.

The Municipality has guaranteed a loan for the Digby and Area Recreation Commission in the amount of \$10,255 (2024 - 20,508).

No amounts have been required for these guarantees in the past. Digby Area Recreation Commission is up to date with the payments and there is no expectation for loss to the Municipality.

10. Other matters

The total remuneration and expense reimbursements to each member of the council and senior management official are as follows:

<u>Council</u>	<u>2025</u>	<u>2025</u>
	<u>Remuneration</u>	<u>Expenses</u>
Gregory, L. - Warden	\$ 44,246	\$ 18,220
Ross, M. - Deputy Warden	\$ 35,188	\$ 760
Manzer, G. - Councillor	\$ 28,967	\$ 1,380
Thurber, A. - Councillor	\$ 17,607	\$ 4,707
Tudor, D. - Councillor	\$ 17,607	\$ 1,129
Ross, J. - Councillor	\$ 11,360	\$ 2,639
Scherer, P. - Councillor	\$ 11,360	\$ 3,482
 <u>Senior Management</u>		
Chief Administrative Officer	\$ 149,563	\$ 8,027

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2025

11. Pension plans

The Municipality contributes to a defined contribution pension plan that covers most of its employees. The plan provides pensions based on accumulated contributions made equally by employees and the Municipality. The expense for the year was \$95,983 (2023 - \$85,437).

The Municipality has a defined benefit plan whereby the spouse of one former employee receives a monthly pension. Actuarial valuations for accounting purposes are performed triennially using a going concern basis. The most recent actuarial valuation was prepared at March 31, 2023 and at that time the pension plan had an accrued benefit excess of \$570,017. The actuarial valuation was based on a number of assumptions about future events. The Municipality's actuary performed an extrapolation of the March 31, 2023 valuation to determine the position of the plan as at March 31, 2025. The accrued benefit excess is estimated to be \$696,726. Benefits paid during the year were \$22,070.

The following summarizes the major assumptions in the 2023 valuation:

- the expected inflation rate is 2.30%;
- the discount rate used to determine the accrued benefit obligation is 4.75%;
- the provision for adverse returns is 3.89%; and
- mortality assumption based on CPM2014 projected with mortality improvement scale CPM-B.

12. Kings Transit Authority

Kings Transit Authority delivers public transit services on behalf of the Municipality (Note 8). Details of the revenues and expenditures relating to the transit service are as follows:

	<u>2025</u>	<u>2024</u>
<u>Revenue</u>		
Fares	\$ 80,390	\$ 71,474
Grants and other	-	-
Municipal contributions	<u>385,497</u>	<u>342,643</u>
	<u>465,887</u>	<u>414,117</u>
<u>Expenses</u>		
Advertising	360	296
Fuel	99,987	93,558
Insurance	22,347	14,236
Management fees	128,855	100,046
Office	1,063	6,790
Rents	-	8,785
Repairs and maintenance	61,352	42,293
Salaries and benefits	<u>170,989</u>	<u>146,704</u>
	<u>484,953</u>	<u>412,708</u>
Current year deficit	<u>\$ (19,066)</u>	<u>\$ 1,409</u>
Budgeted current year Municipal contributions	\$ 385,495	\$ 340,333
Transit route review	-	25,599
Payment (overpayment) of prior year deficit	<u>(1,409)</u>	<u>3,117</u>
Total Municipal contributions in fiscal period	<u>\$ 384,086</u>	<u>\$ 369,049</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2025

13. Asset retirement obligation

The Municipality's asset retirement obligation consists of the liability for the closure and decommissioning of wind turbines, removal of above ground fuel tanks, closure and decommissioning of transfer station site, and the remediation of contaminants present within/on buildings or lands owned by the Municipality. These contaminants represent a health hazard upon demolition or to meet environmental standards, and therefore there is a legal obligation for the removal of these contaminants on decommissioning. Following the adoption of PS 3280 - Asset retirement obligations, the Municipality recognized an obligation relating to this decommissioning and remediation as estimated at April 1, 2022. These assets have remaining useful lives of 5-15 years. Estimated costs have been discounted to the present value using a discount rate of 4.1% per annum. On April 1, 2022 the Municipality recognized a \$496,570 asset retirement obligation, representing the original cost of \$889,067, discounted to the present value.

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

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 476,106	\$ 516,930
Liability recognized on adoption of PS 3280	-	-
Settlement	-	(59,575)
Accretion expense	<u>19,520</u>	<u>18,751</u>
Closing balance	<u>\$ 495,626</u>	<u>\$ 476,106</u>

14. Subsequent events

Subsequent to year end, the Municipality has approved to enter into an Intermunicipal Service Agreement with the Town of Berwick, Town of Kentville, Town of Wolfville, Town of Middleton, Municipality of the County of Kings and Municipality of the County of Annapolis for the provision of transit services, through the Kings Transit Authority. As a result of this agreement, the Municipality will also enter into the Valley Regional Services Agreement, which provides the Board of Directors of Valley Regional Services the decision making authority for the Kings Transit Authority. The agreement projects that the Municipality will have a 7% interest in the operations. As part of the agreement, the Municipality will sell their current bus to Kings Transit Authority for \$444,645, its current net book value. The agreement allows for withdrawal with one years notice and at the time of withdrawal, the Municipality ceases to have interest in any assets of Kings Transit Authority

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2025

15. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and statement of changes in net assets have been adjusted to be on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements. The reconciling items include capital funding from other sources reported as revenue and amortization of tangible capital assets reported as expenses.

	Approved Operating Fiscal Plan	Adjustments	Fiscal Plan Per Financial Statements
Revenues			
Taxes	\$ 7,481,353	\$ -	\$ 7,481,353
Grants in lieu of taxes	1,102,470	-	1,102,470
Services provided to other governments	107,659	-	107,659
Sales of service	152,178	-	152,178
Other revenue from own sources	1,014,133	-	1,014,133
Unconditional transfers from other governments	356,642	-	356,642
Conditional transfers from other governments	22,800	597,506	620,306
	<u>10,237,235</u>	<u>597,506</u>	<u>10,834,741</u>
Expenditures			
General government services	2,195,851	21,951	2,217,802
Protective services	3,418,227	2,335	3,420,562
Transportation services	889,727	144,385	1,034,112
Environmental health services	1,573,363	275,267	1,848,630
Environmental development services	616,955	103,051	720,006
Recreational and cultural services	755,612	21,641	777,253
	<u>9,449,735</u>	<u>568,630</u>	<u>10,018,365</u>
Annual surplus	787,500	28,876	816,376
Approved transfers	<u>(787,500)</u>	<u>787,500</u>	<u>-</u>
Planned annual result	<u>\$ -</u>	<u>\$ 816,376</u>	<u>\$ 816,376</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements

March 31, 2025

16. Segmented information

The Municipality is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes, the Municipality's operations and activities are organized and reported by fund. Funds were 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 billings and payments, accounts payable and receivables, budgets and financial statements, the Municipal Government Act, administration and maintenance of bylaws and change of address.

Protective Services

This department is responsible for ensuring the safety of the residents. Its tasks include bylaw enforcement, animal control, emergency measures and maintaining the radio dispatch system.

Transport Services

This department is responsible for transportation services within the Municipality. Its tasks include maintaining roads and sidewalks, street lighting, maintaining the airport and administering public transit.

Environmental Health Services

This department is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include recycling, composting and sewer hook-up.

Environmental Development Services

This department is responsible for the planning and development within the Municipality. Its tasks include developing strategies and planning reports, issuing development permits and approving subdivision applications.

Recreation and Cultural Services

This department is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents.

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
March 31, 2025

16. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Cultural Services	2025 Consolidated	2024 Consolidated
Revenue								
Taxes	\$ 1,677,843	\$ 2,633,102	\$ 781,469	\$ 1,383,500	\$ 548,585	\$ 609,899	\$ 7,634,398	\$ 6,759,933
Grants in lieu of taxes	241,624	379,190	112,538	199,236	79,001	87,831	1,099,420	1,060,862
Services provided to other governments	23,661	37,132	11,020	19,510	7,736	8,601	107,660	101,118
Sales of services	1,150	81,469	70,141	-	-	-	152,760	133,234
Other revenue from own sources	808,425	78,830	19,022	155,944	220,211	14,846	1,297,278	1,229,967
Unconditional transfers from other governments	79,618	124,948	37,083	65,651	26,032	28,941	362,273	356,409
Conditional transfers from other governments	412,509	3,828	36,182	46,930	35,000	261,330	795,779	847,125
	<u>3,244,829</u>	<u>3,338,498</u>	<u>1,067,455</u>	<u>1,870,771</u>	<u>916,565</u>	<u>1,011,448</u>	<u>11,449,568</u>	<u>10,488,648</u>
Expenditures								
Salaries and benefits	1,017,615	462,689	118,861	-	46,562	117,834	1,763,561	1,711,244
Goods and services	587,707	1,904,891	665,261	1,444,526	453,760	621,537	5,677,682	5,558,962
Amortization	21,951	2,335	148,036	281,760	142,563	21,641	618,286	626,463
Interest	-	-	-	-	4,182	-	4,182	8,485
Other	466,284	915,583	42,933	-	37,439	-	1,462,239	1,208,666
	<u>2,093,557</u>	<u>3,285,498</u>	<u>975,091</u>	<u>1,726,286</u>	<u>684,506</u>	<u>761,012</u>	<u>9,525,950</u>	<u>9,113,820</u>
Surplus for the year	\$ <u>1,151,272</u>	\$ <u>53,000</u>	\$ <u>92,364</u>	\$ <u>144,485</u>	\$ <u>232,059</u>	\$ <u>250,436</u>	\$ <u>1,923,616</u>	\$ <u>1,374,828</u>

Municipality of the District of Digby
Notes to the Consolidated Financial Statements
 March 31, 2025

17. Reserve funds

	Operating Surplus	Special Capital	Power Board	Sustainable Growth Fund	Doctor Recruitment	Heritage Properties	Election	Gas Tax	Trails	Lighthouses	2025 Total	2024 Total
Revenue												
Interest	\$ -	\$ 40,699	\$ -	\$ 36,690	\$ -	\$ -	\$ -	\$ 124,726	\$ -	\$ -	\$ 202,115	\$ 135,531
Grants	-	-	-	313,394	-	-	-	-	-	-	313,394	416,127
Transfers from (to) other funds	993,156	834,716	-	(350,084)	-	(2,500)	-	-	11,000	(6,686)	1,479,602	905,479
Annual (deficit) surplus	993,156	875,415	-	-	-	(2,500)	-	124,726	11,000	(6,686)	1,995,111	1,457,137
Accumulated surplus, beginning of year	6,431,761	1,438,574	149,379	-	200,000	8,000	28,447	311,312	83,400	275,513	8,926,386	7,469,249
Accumulated surplus, end of year	\$ 7,424,917	\$ 2,313,989	\$ 149,379	\$ -	\$ 200,000	\$ 5,500	\$ 28,447	\$ 436,038	\$ 94,400	\$ 268,827	\$ 10,921,497	\$ 8,926,386