



NOTICE

MEETING: Regular Council Meeting

DATE: Wednesday September 17th, 2025

TIME: 6:00pm

PLACE: Council Chambers, 8296 Highway 7, Sherbrooke

Please Advise If Unable To Attend



Municipality of the District of St. Mary's

Regular Council Meeting
Wednesday, September 17th, 2025

We acknowledge that we are gathering in Mi'kmaq the traditional unceded territory of the Mi'kmaq people.

1. Call to Order
2. Roll Call
3. Additions to the Agenda
4. Approval of the Agenda
5. Approval of Minutes
 - a. Council Meeting held July 16th, 2025
 - b. Emergency Council Meeting held July 22nd, 2025
 - c. Special Council Meeting held September 3rd, 2025
6. Business Arising from Minutes
7. Recommendations from Committees of Council
 - a. Committee of the Whole - July 16th, 2025
 - b. Committee of the Whole – September 3rd, 2025
8. Outside Committee Reports
 - a. Guysborough Adult Learning Association (GALA) – May 2025
 - b. Guysborough Adult Learning Association (GALA) – August 2025
 - c. Port Bickerton & Area Planning Association – July 2025
9. Other Matters of Business
 - a. 2024-2025 Approval of Audited Financial Statements
 - b. Committee of the Whole/Council Meeting Time Change
10. CAO Report
11. In-Camera: Contract Negotiations

Adjournment



Municipality of the District of St. Mary's

Regular Council Meeting
Wednesday, July 16th, 2025

We acknowledge that we are gathering in Mi'kma'ki the traditional unceded territory of the Mi'kmaq people.

1. Meeting, Date & Time:

The Regular Council meeting of the St. Mary's Municipal Council was called to order on Wednesday, July 16th, 2025, at 5:00pm in the Council Chambers Sherbrooke, N.S.

2. Attending:

Warden James Fuller
Deputy Warden Beulah Malloy
Councillor Dana O'Connell
Councillor Scott Beaver

Absent with Regrets:

Councillor Emma Tibbo

Also Attending:

Marian Fraser, Director of Finance & Interim CAO
Jadzia Rudolph, Municipal Clerk
Mallory Fraser, Director of Community Development and Recreation

3. Additions to the Agenda:

- There were no additions to the agenda.

4. Approval of Agenda:

On motion of Councillor O'Connell and seconded by Deputy Warden Malloy, Council approved the agenda as presented.

Motion approved.

5. Approval of Previous Minutes:

The Warden called for errors or omissions to the previous minutes, hearing none, Council approve the minutes from the Council meeting held June 18th, 2025 and Special Council meeting held June 18th, 2025.

Motion Approved.

6. Business Arising from the Minutes:

- There was no business arising from the minutes.

7. Recommendations from Committees of Council:

Committee of the Whole – June 18th, 2025

On motion of Councillor Beaver seconded by Councillor O'Connell, Council agree to approve Warden James Fuller to attend the Annual Provincial Seamen's memorial in Canso on August 10th, 2025, at 2:00pm.

Motion approved.

On motion of Deputy Warden Malloy seconded by Councillor Beaver, Council approve GFL Environmental to complete trenchless repairs of the two-sewer service lateral connections included in the phase 3 Inflow and Infiltration capital project at the quoted cost of \$17,900 plus HST funded through the capital grants.

Motion approved.

Committee of the Whole – July 2nd, 2025

On motion of Councillor O'Connell seconded by Councillor Beaver, Council adopt the Municipal Transfer Station Policy as presented at the Committee of the Whole on July 2nd, 2025.

Motion approved.

On motion of Councillor Beaver seconded by Deputy Warden Malloy, Council approve Leading Technology to supply and install all components the heating and cooling system at the Sherbrooke Water Treatment Plant as outlined in their quote at the cost of \$15,850 plus HST funded through the Canada Community Building Fund.

Motion approved.

8. Outside Committees Reports:

- a. Port Bickerton & Area Lighthouse Association
 - Please see attached report.
 - Deputy Warden Malloy, informed Council that the Port Bickerton Art Festival is going to take place August 23rd and 24th, 2025.
- b. Eastern Region Solid Waste Management
 - Please see attached report.

9. Other Matters of Business:

- There was no Other Matters of Business.

10. CAO Report:

- Please see the Agenda/Package for the report.
- Marian Fraser, Director of Finance & Interim CAO informed Council of staff meeting with Canada Mortgage and Housing Corporation regarding the Housing Accelerator Fund for housing initiatives, milestones, and goals. Staff have also met with Clean Nova Scotia regarding the four on-going projects.
- Tax collection – staff have processed 35 provincial low-income grants and 30 municipal low-income grants, the deadline to apply is December 31st, 2025.
- Tourism – analytics have been provided on the new tourism website and social media platforms; 11,000 people have visited the new tourism sites for the month of June
- Infrastructure – Strait Engineering has completed the 1st draft of the water and wastewater feasibility study, staff will be providing feedback, and the final version will be coming to council soon.
- Construction & Demolition (C&D) – the C&D service has been running since July 16th, 2025 and is being very well utilized by residents.
- Municipal Events – First Responders Event is scheduled for September 8th, 2025 at 6:30pm.

Adjournment

On motion of Warden Fuller, there being no further matters of business, the Council adjourned at 5:20pm.

Motion approved.

Recorded By
Jadzia Rudolph, Municipal Clerk

Approved By
Warden Fuller



Municipality of the District of St. Mary's

Emergency Council Meeting

Tuesday, July 22nd, 2025

We acknowledge that we are gathering in Mi'kma'ki the traditional unceded territory of the Mi'kmaq people.

1. Meeting, Date & Time:

The Emergency Council meeting of the St. Mary's Municipal Council was called to order on Tuesday, July 22nd, 2025, at 4:58pm. in the Council Chambers Sherbrooke, N.S.

2. Attending:

Warden James Fuller
Deputy Warden Beulah Malloy
Councillor Dana O'Connell
Councillor Scott Beaver
Councillor Emma Tibbo

Also Attending:

Marian Fraser, Director of Finance & Interim CAO

3. Approval of Agenda:

On motion of Deputy Warden Malloy and seconded by Councillor Tibbo, Council approved the agenda as presented.

Motion approved.

4. In-Camera: Personnel Matters

On motion of Councillor O'Connell seconded by Councillor Tibbo, Council agree to move In-Camera for personnel matters at 4:59pm.

Motion approved.

On motion of Councillor Tibbo seconded by Councillor Deputy Warden Malloy Council agree to reconvene to regular session at 5:06pm.

Motion approved.

Adjournment

On motion of Warden Fuller, there being no further matters of business, the Council adjourned at 5:06pm.

Motion approved.

Recorded By
Marian Fraser, DOF/Interim CAO

Approved By
Warden Fuller



Municipality of the District of St. Mary's

Special Council Meeting
Wednesday, September 3rd, 2025

We acknowledge that we are gathering in Mi'kma'ki the traditional unceded territory of the Mi'kmaq people.

1. Meeting, Date & Time:

The Special Council meeting of the St. Mary's Municipal Council was called to order on Wednesday September 3rd, 2025, at 8:09pm. in the Council Chambers Sherbrooke, N.S.

2. Attending:

Warden James Fuller
Deputy Warden Beulah Malloy
Councillor Dana O'Connell
Councillor Scott Beaver
Councillor Emma Tibbo

Also Attending:

Marian Fraser, Director of Finance/Acting CAO
Jadzia Rudolph, Municipal Clerk

3. Approval of Agenda:

On motion of Councillor O'Connell and seconded by Councillor Beaver, Council approved the agenda as presented.

Motion approved.

4. In-Camera: Personnel Matters

On motion of Councillor Tibbo seconded by Deputy Warden Malloy, Council agreed to move In-Camera for Personnel Matters at 8:09pm.

Motion approved

On motion of Councillor Tibbo seconded by Deputy Warden Malloy, Council agreed to reconvene to regular session at 8:16pm

Motion approved.

On motion of Deputy Warden Malloy seconded by Councillor Beaver, Council agree to appoint Lesley McFarlane as Chief Administrative Officer for the Municipality of the District of St. Mary's, effective October 1st, 2025 in accordance with the employment conditions as specified in the letter of offer and appoint Lesley McFarlane as a designated signing officer all-encompassing for the Municipality of the District of St. Mary's, effective October 1st, 2025.

Motion approved.

Adjournment

On motion of Warden Fuller, there being no further matters of business, the Council adjourned at 8:16pm.

Motion approved.

Recorded By
Jadzia Rudolph, Municipal Clerk

Approved By
Warden Fuller



Municipality of the District of St. Mary's

Wednesday September 17th, 2025

Regular Council Meeting

Recommendations from Internal Committees of Council

Committee of the Whole - July 16th, 2025 (Absent: Councillor Tibbo)

On recommendation of Councillor Beaver, seconded by Deputy Warden Malloy, Council approve the Flag Policy with the removal of section 5.4 and the non-substantive changes to section 7.1.

Recommendation adopted.

On recommendation of Councillor Beaver seconded by Deputy Warden Malloy, Council accept the grant funding from the Federation of Canadian Municipalities and sign the contract for the Climate Ready Plan and Process Fund – Climate Risk Assessment and Adaptation Planning.

Recommendation adopted.

Committee of the Whole – September 3rd, 2025

On recommendation of Deputy Warden Malloy seconded by Councillor Beaver, Council approve the attendance of the Warden or designate at the 2025 Provincial Volunteer Awards Ceremony in Halifax, Nova Scotia, on September 29th, 2025, with related expenses to be funded from the Council Travel & Professional Development budget.

Recommendation adopted.

On recommendation of Councillor O'Connell seconded by Councillor Beaver, Council agree to send Warden Fuller, Deputy Warden Malloy, Councillor O'Connell, and Councillor Beaver to attend the NSFM Fall Conference on November 5th-7th, 2025 in Halifax NS.

Recommendation adopted.

On recommendation of Councillor Beaver seconded by Deputy Warden Malloy, Council agree to submit Cameron Road, Bennetts Loop, and Restoration Drive to be double chipped for the 2025-2026 years submission.

Councillor O'Connell declared Conflict of Interest and abstained from voting.

Recommendation adopted.

On recommendation of Councillor Beaver seconded by Deputy Warden Malloy, Council agree to move forward with option 2, and award Monarch Enterprises with the contract to replace (materials and delivery) and install 4,200 square feet of Recplex flooring at the quoted price of \$56,700 plus HST.

Recommendation adopted.

On recommendation of Councillor Tibbo seconded by Deputy Warden Malloy, Council approve the ZZAP Architecture & Planning to complete St. Mary's Housing Policy recommendations (2A, 2E, 4B, 4C, 4D AND 4E) as outlined in the quoted proposal for a cost of \$13,500 plus HST funded through the Housing Accelerator Fund (HAF).

Recommendation adopted.

1. Purpose

The purpose of this policy is to establish clear practices regarding flags to be flown on municipal properties and the procedures for flying flags.

2. Authority

This policy derives its authority from section 48 (3) of the *Municipal Government Act (MGA)*.

3. Scope

This policy applies to all flags flown on municipally owned flag poles.

4. Definitions

- 4.1 *CAO* – the Chief Administration Officer of the Municipality of the District of St. Mary's.
- 4.2 *Commercial Entities* – for profit organizations or businesses that are not affiliated with government bodies, non-profits, or community groups and whose primary purpose is commercial activity such as selling goods or services.
- 4.3 *Council* – the Council of the Municipality of the District of St. Mary's.
- 4.4 *Equity Seeking Group* – groups that identify barriers to equal access, opportunities and resources due to disadvantage and discrimination and actively seek social justice and reparation.
- 4.5 *First Responder* – includes volunteers and professionals who are responsible for the protection and preservation of life, property and the environment during an emergency such as police, firefighters, military personnel, auxiliary coast guard members, paramedics, dispatchers, doctors, nurses, medical evacuation pilots, mental health providers, emergency managers, tow truck drivers and ground search and rescue volunteers.
- 4.6 *Political Parties* – organized groups of people who share similar political beliefs, values, or goals and work together to influence public policy, win elections, and govern.
- 4.7 *Religious Organizations* – groups or organizations formed around shared beliefs, practices and systems of faith or worship.

5. Flag Flying Protocol

- 5.1 Only one flag is to be displayed per municipal flagpole.
- 5.2 The Canadian Flag should be given the place of honour and as such no flag should be flown or displayed above the Canadian Flag. The Canadian Flag shall be flown on the 30-foot pole located at 8296 Highway 7, Sherbrooke, Nova Scotia. The Canadian Flag on this pole shall not be substituted for any other flag.

- 5.3 Flags should be the standard size of three feet by five feet.
- 5.4 One additional flag may be flown at the second flagpole located at the intersection of Old Road Hill and Highway 7.
- 5.5 The Municipality of the District of St. Marys shall not fly the following flags that are:
 - 5.5.1 Political or partisan in nature including political parties and organizations,
 - 5.5.2 Promote hatred, racism, violence, or discrimination of any kind, or
 - 5.5.3 Represent religious organizations or commercial entities.

6. Procedure for Flying Flags at Half Mast

- 6.1 In keeping with the Federal and Provincial protocol, flags will be lowered to half-mast on the occasions provided annually by the Province of Nova Scotia Protocol and Honours Secretariat.
- 6.2 Flags flown on municipal flag poles will be flown at half mast to mark the passing of specific individuals for a period beginning when the Municipality is notified of the individual's death until sunset on the day of funeral or if there is to be a memorial service the half-masting should take place from the time of notification of death until sunset the following day and from sunrise to sunset on the day of the memorial service.
- 6.3 Flags on all Municipal Flagpoles will be lowered to half-mast on the day of passing until sunset on the day of the funeral, in memory of the following people:
 - 6.3.1 The sovereign or a member of the sovereign's immediate family,
 - 6.3.2 The Governor General of Canada,
 - 6.3.3 The Prime Minister of Canada,
 - 6.3.4 A former Prime Minister of Canada,
 - 6.3.5 The Lieutenant Governor of the Province of Nova Scotia,
 - 6.3.6 The Member of Parliament for the Municipality of the District of St. Mary's,
 - 6.3.7 The current member of the Legislative Assembly of Nova Scotia who represents the Municipality of St. Mary's,
 - 6.3.8 A current or former municipal councillor of the Municipality of the District of St. Mary's,
 - 6.3.9 An individual who is or was an employee of the Municipality for a period of at least 5 years, upon their passing,
 - 6.3.10 A member of the Canadian Armed Forces whose life is lost while on active duty, and
 - 6.3.11 A Municipal First Responder who dies in the line of duty.

7. Requests for Raising Flags

- 7.1 Individuals and organizations may request to hold a flag raising and to have a flag raised on the municipal flagpole on a one-time basis or an annual basis. Approved flags will be added to *Appendix A* of this policy.
- 7.2 Flag raising ceremonies may be held at the flagpole located at the intersection of Old Road Hill and Highway 7.

- 7.3 Requests shall be made using *Form A - Application for Flying a Flag*. The form must be submitted to the Municipal Office a minimum of 60 days prior to the flag raising event. Staff will review applications for approval and notify the applicant within 10 business days of receiving the application.
- 7.4 Those that make an application for flying a flag and are successful shall be responsible for providing the appropriate flag to the Municipality in the standard size of 3 feet by five feet prior to the flag raising.
- 7.5 The Municipality will notify the community in advance of the raising of honour flags. Details will be shared publicly through the Municipality's website and official social media platforms.
- 7.6 The Municipality reserves the right to reject any request that does not comply with the Municipality's policies or bylaws.

8. Special Days

Flags will be Half-masted on all Municipal Flagpoles from sunrise to sunset on the following days:

- 8.1 April 28, Day of Mourning for Persons Killed or Injured in the Workplace (Workers' Mourning Day),
- 8.2 June 23, National Day of Remembrance for Victims of Terrorism,
- 8.3 Second Sunday in September, Firefighters' National Memorial Day,
- 8.4 Last Sunday in September, Police and Peace Officers' National Memorial Day,
- 8.5 September 30, National Day for Truth and Reconciliation,
- 8.6 November 11, Remembrance Day,
- 8.7 December 6, National Day of Remembrance and Action on Violence Against Women,
- 8.8 April 9, Vimy Ridge Day.

9. Policy Review & Amendments

This policy shall be reviewed by Council at least once every four years. All amendments to this policy shall be recorded using *Schedule A- Policy Amendments*.

Municipal Clerk

Date

SCHEDULE A
POLICY AMENDMENTS

Version #	Amendment Description	Approved By	Approval Date
1	Adoption of Policy	Council	July 8 th 2024
2	Amendments to Sections 2, 3,4, 5, 6, 7 & 8	Council	

DRAFT

APPENDIX A APPROVED FLAGS

Date	Recognition	Flags
Last Week of May starting on the last Sunday	Access Awareness Week	Access Awareness Flag
August 1	Emancipation Day	Pan African Flag
June	Pride Month	Progress Pride Flag
November 13-19	Transgender Awareness Week	Transgender Flag
March 31	International Transgender Day of Visibility	Transgender Flag
February	African Heritage Month	Pan African Flag/African Nova Scotia Flag
September 30	National Day for Truth and Reconciliation	Mi'kmaq Grand Council Flag
June 21	National Aboriginal Day	Mi'kmaq Grand Council Flag
October	Mi'kmaq History Month	Mi'kmaq Grand Council Flag
August 15	National Acadian Day	Acadian Flag

FORM A

APPLICATION FOR FLYING A FLAG ON A MUNICIPAL FLAGPOLE

Please note: To have an application considered by Council, this form must be submitted at least 60 days prior to the date requested. Once a decision has been reached, you will be advised through the contact information you provide below. Approved applicants must provide the flag noted in their application at least two business days prior to the date of the flag being flown and will be requested to provide a jpg/png file of the flag, along with promotional text/media release information.

Applicant Name & Organization if Applicable

Flag to be Flown.

Significance of the Flag. If additional space is required, please attach information to the application form. This information may be used in St. Mary's social media posts regarding the flag being flown.

Do you plan on having a flag raising ceremony? If yes, please share the details.

Contact Person: Please provide first and last name, email and phone number.

Signature of Applicant

Date

DRAFT



Report to Council

Member of Council: James Fuller

Board/Agency/Organization: GALA

Date Attended: 13 May 2025 Location: Guysborough

See attached

**Guysborough County Adult Learning Association
Board Meeting – Guysborough Office & via Zoom
Thursday May 13th, 2025**

Present: Reverend Heather Manuel – *Board chairperson*
Donna Jackson – *Vice-chair*
Liz MacIntosh – *Secretary/Treasurer*
Barry Potter – *Member-at-Large – via Zoom*
James Fuller – *Warden for the District of St. Mary's*
Donna Hochman – *NS Works Career Practitioner*
Fin Armsworthy – *Municipality of the District of Guysborough*

Non – Voting: Donna Casey

Regrets: Rob Haywood – *Member-at-Large*

Call to order: Heather called the meeting to order at 10:04 a.m.

Approval of Agenda: Agenda circulated. Donna H. made motion to accept agenda with addition under “New Business” – Board Meeting Before Staff Returns in September. Seconded by James. Motion carried.

Approval of Previous Mins. Minutes for March 5th, 2025 meeting circulated. Donna J. made motion to accept minutes with correction – James is the warden, not the deputy warden. Seconded by Barry. Motion carried.

Status of Strategies: a) **ED Report:** Donna C. gave this report. Classes are going well – we have 53 participants registered. Community Literacy continues to do well. Five GALA learners were featured in the LNS *Adult Learner Week* booklet: Donna Jackson, Marian Byard, Mandy Mosher, Jenna Dort and Jody Luddington. Marian won for her category – African NS submissions – she attended the Adult Learners’ Week celebration and won an iPad mini. The report for the LEAPS project has been submitted. GALA has submitted another proposal to the Community Food Access & Literacy Fund. People continue to utilize the GEO program. Many learners have completed online WHMIS training. Condolences to Fin on the death of his brother. GALA is partnering with AWRC to do a workshop about food sustainability. There will be 2 workshops – one each in Canso and Guysborough. Time Management workshop presented to GALA participants by Marilyn Pellerine.

b) **ANSCLO Conference Update** – Donna attended the ANSCLO conference in Debert which included the ANSCLO board meeting. At the conference, the ANSCLO executive gave an update regarding the Terms of Reference document they have drafted. Those attending were able to offer comments and suggestions. The executive will draft another proposal to submit to AED.

c) **New NSSAL Proposal** – Donna C. completed and submitted the NSSAL application to LaMPSS on May 2nd.

Fin joined the meeting at 10:12 am.

Financial **a) Update of Financials** – Liz presented this update. CRA & WCB paid.

Stewardship: Discussion about how to change the tax rate in Sage so we can do the HST Recoverable – will need to contact Sage tech support. Update on overspending in wage category. James made motion to accept financials as presented. Seconded by Donna J. Motion carried.

b) RBC Mastercard Update – Need to change the name on our credit card but paperwork has not been completed yet. Donna C. will take care of this.

Policies: **a) Policies Meeting – Storm Days & Medical (Chelsa)** – Have not met yet.

b) OHS Committee – Has not met lately. Committee is made up of volunteers from the board on a need to meet basis.

c) HR Covered & Governing Good – Donna C. gave update. Circulated GALA Compliance Policy Manual from HR Covered. Will discuss this at a future meeting, once everyone has had the opportunity to look through it.

Community **a) Club 7/AWRC/RCMP/GALA Workshops** – GALA partnered with Club 7,

Engagement: RCMP &AWRC to do 2 more Lunch & Learn workshops about Staying Safe Online – very well attended.

b) Early Years – The committee is planning on doing another Family Health Fair in September.

Personnel Has not met.

Committee:

Human Resources: N/A.

Board Education/ Updates/Recruitment: Eva Wallace is considering joining our board. She will be invited to the next regular board meeting. Heather will speak to Natasha about joining the board.

Board Member Roundtable: Board members were given the opportunity to provide updates about what is going on with their individual organizations. Donna H – the job fair in Antigonish went well. Fin mentioned about the BMO bank closing in Canso – discussion about what that means for Guysborough County residents. Heather has been very busy.

Old Business: None.

New Business: A) Next Meeting Date – Tuesday, August 19th @ 10 am. Send out a reminder.

B) Board Meeting Before Staff Returns in September – Board will have an abbreviated meeting on August 19th – agenda, minutes, staffing.

Adjournment: Fin made motion to adjourn @ 11:04 am. Seconded by Donna J. Motion carried.



Report to Council

Member of Council: James Fuller

Board/Agency/Organization: GALA

Date Attended: 19 August 2025

Location: Guysborough

Meeting of board consisted of personnel assignments and issues for the upcoming school year.



Report to Council

Member of Council: Deputy Warden Malloy

Board/Agency/Organization: Port Bickerton Lighthouse

Date Attended: July 28/2025 Location: Port Bickerton Fire Dept.

- Meeting called to order at 6:30
 - Chase the Ace jackpot is approximately \$4,400
 - Participation in St. Mary's River days to promote the lighthouse
 - Update to the lighthouse page featuring artist bio and picture gallery
 - Committee has been formed to help manage the festival
- Next meeting date August 25/2025.

DRAFT

**Municipality of the District of
St. Mary's
Consolidated Financial Statements**

March 31, 2025

Municipality of the District of St. Mary's Consolidated Financial Statements

For the year ended March 31, 2025

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Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Municipality of the District of St. Mary's (the "Municipality") are the responsibility of the Municipality's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of 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.

The Municipality's management maintains a system 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 consolidated financial statements. These systems are monitored and evaluated by management.

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

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

Marian Fraser
Acting Chief Administrative Officer

Municipality of the District of St. Mary's Consolidated Statement of Financial Position

As at March 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,848,460	\$ 3,214,443
Restricted cash (Note 2)	384,824	384,824
Taxes receivable (Note 3)	261,484	208,229
Other accounts receivable	467,702	537,017
	<u>3,962,470</u>	<u>4,344,513</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	379,052	961,091
Asset retirement obligation (Note 4)	19,049	19,049
Tax sale surplus	384,824	384,824
Deferred revenue	562,911	562,272
Long-term debt (Note 5)	197,022	211,095
	<u>1,542,858</u>	<u>2,138,331</u>
NET FINANCIAL ASSETS	<u>2,419,612</u>	<u>2,206,182</u>
NON-FINANCIAL ASSETS		
Properties acquired at tax sale	21,299	21,299
Tangible capital assets (Note 6)	6,680,222	6,202,425
Inventory, prepaid expenses and other	44,226	124,906
	<u>6,745,747</u>	<u>6,348,630</u>
ACCUMULATED SURPLUS (Note 7)	<u>\$ 9,165,359</u>	<u>\$ 8,554,812</u>

Commitment (Note 9)

See accompanying notes to consolidated financial statements.

On behalf of the Municipality of the District of St. Mary's:

Warden

Chief Administrative Officer

Municipality of the District of St. Mary's

Consolidated Statement of Operations

For the year ended March 31, 2025

	Budget (Note 10)	2025	2024
REVENUES			
Taxes	\$ 2,531,946	\$ 2,627,152	\$ 2,470,635
Grants in lieu of taxes	165,265	162,950	166,350
Revenue from own sources	308,617	329,029	845,098
Conditional transfers from other governments	26,227	112,116	4,534
Unconditional transfers from other governments	187,420	188,060	187,325
Capital grants		410,078	116,075
Canada Community Building Fund	145,160	145,160	146,170
Water utility revenue	162,100	144,673	157,117
	3,526,735	4,119,218	4,093,304
EXPENSES			
General government services	895,793	985,602	965,855
Protective services	776,843	754,050	716,257
Transportation services	113,617	113,106	113,066
Environmental health services	862,637	832,952	1,072,939
Environmental development services	162,968	222,647	145,120
Recreation and cultural services	611,522	424,306	410,224
Water utility expenses	209,457	176,008	196,416
	3,632,837	3,508,671	3,619,877
ANNUAL SURPLUS (DEFICIT)	(106,102)	610,547	473,427
ACCUMULATED SURPLUS, BEGINNING OF YEAR		8,554,812	8,081,385
ACCUMULATED SURPLUS, END OF YEAR		\$ 9,165,359	\$ 8,554,812

See accompanying notes to consolidated financial statements.

Municipality of the District of St. Mary's
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2025

	Budget (Note 10)	2025	2024
ANNUAL SURPLUS (DEFICIT)	\$ (106,102)	\$ 610,547	\$ 473,427
Other non-financial assets			
Amortization of tangible capital assets	237,882	237,882	238,622
Additions to tangible capital assets	—	(715,679)	(228,071)
Change in tangible capital asset related to estimate of asset retirement obligation	—	—	6,112
Change in inventory, prepaid expenses and other	—	80,680	(93,753)
INCREASE IN NET FINANCIAL ASSETS	131,780	213,430	396,337
NET FINANCIAL ASSETS, BEGINNING OF YEAR		2,206,182	1,809,845
NET FINANCIAL ASSETS, END OF YEAR		\$ 2,419,612	\$ 2,206,182

See accompanying notes to consolidated financial statements.

Municipality of the District of St. Mary's

Consolidated Statement of Cash Flows

For the year ended March 31, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	\$ 610,547	\$ 473,427
Items not involving cash		
Amortization of tangible capital assets	237,882	238,622
Accretion expense	–	732
Change in non-cash items		
Taxes receivable	(53,255)	(97,292)
Other accounts receivable	69,315	(80,309)
Accounts payable and accrued liabilities	(582,039)	253,641
Deferred revenue	639	107,770
Inventory, prepaid expenses and other	80,680	(93,753)
	363,769	802,838
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments on long-term debt	(14,073)	(148,715)
CASH FLOWS FROM CAPITAL ACTIVITIES		
Additions to tangible capital assets	(715,679)	(228,071)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(365,983)	426,052
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,599,267	3,173,215
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 3,233,284	\$ 3,599,267
Cash and cash equivalents consist of the following:		
Cash	\$ 2,848,460	\$ 3,214,443
Restricted cash	384,824	384,824
	\$ 3,233,284	\$ 3,599,267
Supplementary cash flow information		
Reductions to tangible capital assets related to asset retirement obligations	\$ –	\$ (6,112)

See accompanying notes to consolidated financial statements.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements of Municipality of the District of St. Mary's (the "Municipality") have been prepared, in all material respects, in accordance with Canadian public sector accounting standards.

(b) Basis of consolidation

These consolidated financial statements reflect the assets, liabilities, revenue, expenses and changes in fund balances of all resources of the Municipality. The Municipality is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Municipality and that are owned or controlled by the Municipality. Inter-fund and inter-corporate balances and transactions have been eliminated. The entities included are as follows:

- General Operating and Capital Funds
- Water Operating and Capital Funds
- Reserve Funds

(c) Segment information

The Municipality is a diversified entity 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. Municipality 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 segment is responsible for the overall local government administration. Its tasks include direction for Municipality services, such as planning, engineering, finance, and information technology in adherence to the Municipal Government Act.

(c) Segment information (Continued)

Protective services

This segment is primarily responsible for police, fire protection and bylaw administration for its residents. The Municipality engages the services of the volunteer fire department in order to fulfill its fire protection role. The Municipality collects a rate for the fire department.

Transportation services

The Municipality is responsible for the maintenance of certain local roads, sidewalks and street lights within its jurisdiction.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Environmental health services

This segment is responsible for the maintenance and operations of waste and sewer services provided to residents and other customers. Its tasks include the provision of waste collection through contract, recycling and composting.

Environmental development services

This segment is responsible for the issuance of development permits and approving subdivision applications.

Recreation and cultural services

This segment is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents, specializing in maintaining and assisting recreational facilities within the Municipality such as recreation facilities and the library.

Water treatment and distribution

This segment manages water treatment and distribution facilities and services within the Municipality and includes activities such as plant operation and pumping, water treatment, transmission and distribution.

(d) School boards

The assets, liabilities, taxation and other revenue and expenses with respect to the operations of the school boards are not reflected in these consolidated financial statements as they are provincial government entities.

School boards in Nova Scotia were created by the Province under provisions in the Education Act, and, under provincial statute, every Municipality is required to make a mandatory contribution to its school board. The mandatory contribution is set at the value of the Education Rate, set by the Province each year, multiplied by the previous year's Uniform Assessment.

(e) Fund accounting

The resources and operations of the Municipality are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(f) Basis of accounting

Revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Cash and cash equivalents

Cash and cash equivalents is defined as cash on hand and on deposit at banks net of any outstanding cheques or deposits.

(h) Short-term investments

Short-term investments are recorded at the lower of cost and net realizable value. A permanent decline in value would result in a write down.

(i) 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 cash and cash equivalents, taxes receivable, other accounts receivable, accounts payable and accrued liabilities and long-term debt.

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 cash and cash equivalents, taxes receivable, other accounts receivable, accounts payable and accrued liabilities and long-term debt.

(i) Financial instruments (Continued)

Impairment

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 that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest or credit risks arising from financial instruments.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) 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 benefits will be given up; and
- d) A reasonable estimate of the amount can be made.

The liability associated with the remediation of contaminants present within a number of buildings owned by the Municipality has been recognized based on estimated future expenses of remediation.

(k) Tangible capital assets

Tangible capital assets are reported in the consolidated statement of financial position at cost net of accumulated amortization. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

	Basis	Rate
Buildings	Straight-line	40 years
Rink complex	Straight-line	20 years
Equipment	Straight-line	5 - 10 years
Sewer collection and disposal	Straight-line	50 years
Transfer station	Straight-line	20 years
Paving and sidewalks	Straight-line	40 years
Water system	Straight-line	75 years
Water treatment plant	Straight-line	50 years

A full year's amortization is taken in the year of acquisition.

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

(l) Government transfers

Government transfers are recognized in the consolidated financial statements in the period in which 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.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Deferred revenue

Deferred revenue represents user charges, prepayment of taxes, and other fees that have been collected, for which the related services have yet to be performed. These amounts will be recognized as revenue in the fiscal year the services are performed.

(n) Reserve funds

Certain amounts, as approved by Council of the Municipality, are set aside in reserve funds for future operating and capital purposes. Transfers to and or from reserves funds are an adjustment to the respective fund when approved.

(o) Taxation and related revenues

Property tax billings are prepared by the Municipality based on assessment rolls issued by the Property Valuation Services Corporation. Tax rates are established annually by Council, incorporating amounts to be raised for local services and the requisition made by the Province in respect of education taxes and other mandatory contributions. Taxation revenues are recorded at the time tax billings are due. Assessments and the related property taxes are subject to appeal. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. An allowance for unresolved assessment appeals is also provided.

(p) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Amortization is based on the estimated useful lives of capital assets.

Taxes and other receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Asset retirement obligations are recognized based upon assumptions and estimates related to the amount and timing of costs for future removal and site restoration.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in operations in the years in which they become known.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

2. CASH

	2025	2024
Cash		
General operating fund	\$ 2,541,980	\$ 2,931,486
Water capital fund	117,921	104,642
Water operating fund	42,015	63,348
Canada Community Building reserve fund	146,544	114,967
	2,848,460	3,214,443
Restricted cash		
Tax sale surplus	384,824	384,824
	\$ 3,233,284	\$ 3,599,267

3. TAXES RECEIVABLE

	2025	2024
Balance, beginning of year	\$ 330,615	\$ 224,565
Current year's levy of property taxes	2,691,697	2,502,278
Subtotal	3,022,312	2,726,843
Less		
Current year's collections	2,618,072	2,385,577
Bad debts and reduced taxes	11,765	10,651
	2,629,837	2,396,228
Gross taxes receivable, end of year	392,475	330,615
Less		
Allowance for uncollectible taxes	130,991	122,386
Taxes receivable, net	\$ 261,484	\$ 208,229

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

4. ASSET RETIREMENT OBLIGATION

The Municipality's asset retirement obligation consists of the liability for remediation of contaminants present within a number of buildings owned by the Municipality. These contaminants represent a health hazard upon demolition and therefore there is a legal obligation for removal of these contaminants on decommissioning. These buildings have expected useful lives of 17 years. Estimated costs have been discounted to the present value using discount rates ranging of 5.34% per annum.

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

	2025	2024
Opening balance	\$ 19,049	\$ 24,429
Accretion expense	–	732
Change in estimate of asset retirement obligation	–	(6,112)
	\$ 19,049	\$ 19,049

5. LONG-TERM DEBT

	2025	2024
Municipal Finance Corporation, repayable in annual principal payments of \$14,073, plus interest at 3.05% to 3.55% maturing in 2033	\$ 197,022	\$ 211,095
	\$ 197,022	\$ 211,095

Principal payments required in each of the next five years on debt held as of March 31, 2025 are as follows:

2026	\$ 14,073
2027	14,073
2028	14,073
2029	14,073
2030	14,073

6. TANGIBLE CAPITAL ASSETS

	2025								2024	
	Cost Beginning of Year	Additions and Transfers	Disposals and Write-downs	Cost End of Year	Amortization Beginning of Year	Additions	Disposals	Amortization End of Year	Net Book Value	Net Book Value
Land	\$ 99,196	\$ –	\$ –	\$ 99,196	\$ –	\$ –	\$ –	\$ –	\$ 99,196	\$ 99,196
Lighthouse	133,600	3,650	–	137,250	–	287	–	287	136,963	133,600
Buildings	2,050,836	31,676	–	2,082,512	596,179	51,224	–	647,403	1,435,109	1,454,657
Rink complex	1,614,688	260,967	–	1,875,655	885,930	90,645	–	976,575	899,080	728,758
Equipment	360,638	109,500	–	470,138	349,069	7,484	–	356,553	113,585	11,569
Sewer collection and disposal	1,842,556	196,549	–	2,039,105	1,052,870	39,028	–	1,091,898	947,207	789,686
Transfer station	72,682	–	–	72,682	68,428	3,634	–	72,062	620	4,254
Paving and sidewalks	464,080	–	–	464,080	18,337	11,602	–	29,939	434,141	445,743
Water Utility assets	2,952,309	113,337	–	3,065,646	417,347	33,978	–	451,325	2,614,321	2,534,962
	\$ 9,590,585	\$ 715,679	\$ –	\$ 10,306,264	\$ 3,388,160	\$ 237,882	\$ –	\$ 3,626,042	\$ 6,680,222	\$ 6,202,425

Municipality of the District of St. Mary's Notes to Consolidated Financial Statements

For the year ended March 31, 2025

7. ACCUMULATED SURPLUS

	2025	2024
Water operating fund	\$ (167,130)	\$ (146,280)
Capital funds	6,571,553	6,063,328
	6,404,423	5,917,048
Operating reserve fund	1,751,192	1,751,192
Capital reserve fund	779,710	752,526
Canada Community Building reserve fund	155,034	134,046
Fire services reserve fund	75,000	–
	2,760,936	2,637,764
	\$ 9,165,359	\$ 8,554,812

8. FINANCIAL INSTRUMENTS

The Municipality as part of its operations carries a number of financial instruments. It is management's opinion that the Municipality is not exposed to significant interest or currency risks arising from these financial instructions except as otherwise disclosed.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of the Municipality's financial instruments best represents the maximum exposure to credit risk. The Municipality manages its credit risk by providing allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Municipality will encounter difficulty in meeting its obligations associated with financial liabilities. The Municipality enters into transactions to borrow funds from financial institutions or other creditors for which repayment is required at various maturity dates. The Municipality manages liquidity risk by monitoring forecasted and actual cash flows.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Municipality's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of these long-term debt with fixed interest rates to fluctuate but do not affect net income, as the Municipality's long-term debt is carried at amortized cost and the carrying value does not change as the interest rate changes. The Municipality's future obligations with respect to debt repayment are disclosed in Note 5.

Municipality of the District of St. Mary's

Notes to Consolidated Financial Statements

For the year ended March 31, 2025

9. TRANSFERS TO BOARDS AND COMMISSIONS

The Municipality is required to share in financing the operations of various Boards and Commissions. In addition to any budgeted contributions, the Municipality shares in the deficits or surpluses of these Boards based on their sharing percentages. The Municipality's share of the deficit is to be paid in the next fiscal year, while a surplus is to be taken into the next year's estimates.

	2025 Contribution	2024 Contribution
Eastern Mainland Housing Authority	\$ —	\$ 44,319
Eastern Counties Regional Library	24,397	23,785

10. BUDGET INFORMATION

The disclosed budget information has been approved by the Warden and Council at the council meeting on April 15, 2024.

The Municipality budgets for rate settling purposes. These budgeted amounts do not include amortization or revenue from Canada Community Building Fund. The following adjustments to the annual surplus reconcile the operating budgets to the financial reporting presentation under Canadian Public Sector Accounting Standards ("PSAB").

	2025
Approved budgeted surplus for the year	
General operations	\$ —
Water utility operations	(13,380)
Approved budget surplus	(13,380)
Addition of:	
Canada Community Building Fund	145,160
Amortization of tangible capital assets	(237,882)
Net PSAB adjustments	(92,722)
	\$ (106,102)

Municipality of the District of St. Mary's
Schedule of Remuneration and Expenses of Members of Council and Chief
Administrative Officer

For the year ended March 31, 2025

Name	Title	Remuneration	Expenses
Greg Wier	Warden	\$ 13,404	\$ 3,907
James Fuller	Warden/Deputy Warden	23,833	7,969
Beulah Malloy	Deputy Warden/Councillor	16,705	6,661
Courtney Mailman	Councillor	8,193	2,425
Charlene Zinck	Councillor	8,193	191
Everett Baker	Councillor	8,193	74
James Harpell	Councillor	8,193	1,115
Emma Tibbo	Councillor	7,153	1,752
Dana O'Connell	Councillor	7,153	1,353
Scott Beaver	Councillor	7,153	580
Doug Patterson	Chief Administrative Officer	95,745	3,124

Municipality of the District of St. Mary’s
Schedule of Segment Disclosure
For the year ended March 31, 2025

Segment reporting is designed to assist users in identifying the resources allocated to support the major activities of the Municipality and to better understand the performance of segments.

The following schedule provides segment information for the 2025 fiscal year. Segment results represent the activities of that segment and are based on the same accounting policies as described in the Significant Accounting Policies as described in Note 1. The Municipality has determined that the following segments represent the major activities of government.

Year ended March 31, 2025	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Recreation and Cultural Services	Environmental Development Services	Water Utility	Total
REVENUES								
Taxation	\$ 2,240,581	\$ –	\$ 81,048	\$ 305,523	\$ –	\$ –	\$ –	\$ 2,627,152
Grants in lieu of taxes	162,950	–	–	–	–	–	–	162,950
Revenue from own sources	270,854	–	–	–	58,175	–	–	329,029
Conditional transfers from other governments	112,116	–	–	–	–	–	–	112,116
Unconditional transfers from other governments	188,060	–	–	–	–	–	–	188,060
Capital grants	410,078	–	–	–	–	–	–	410,078
Gas tax revenue	145,160	–	–	–	–	–	–	145,160
Water utility revenue	–	–	–	–	–	–	144,673	144,673
	3,529,799	–	81,048	305,523	58,175	–	144,673	4,119,218
EXPENSES								
Salaries, wages and benefits	430,459	20,406	–	217,488	135,023	48,476	38,500	890,352
Contracted services	93,615	–	–	–	–	–	–	93,615
Purchased goods from public sector	–	651,748	–	–	–	–	–	651,748
External transfers and grants	–	52,394	–	–	–	–	–	52,394
Interest on long-term debt	–	29,502	–	–	–	–	–	29,502
Other operating expenses	397,144	–	113,106	573,154	192,073	174,171	103,530	1,553,178
Amortization	64,384	–	–	42,310	97,210	–	33,978	237,882
	985,602	754,050	113,106	832,952	424,306	222,647	176,008	3,508,671
ANNUAL SURPLUS (DEFICIT)	\$ 2,544,197	\$ (754,050)	\$ (32,058)	\$ (527,429)	\$ (366,131)	\$ (222,647)	\$ (31,335)	\$ 610,547

Year ended March 31, 2024	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Recreation and Cultural Services	Environmental Development Services	Water Utility	Total
REVENUES								
Taxation	\$ 2,087,820	\$ –	\$ 75,241	\$ 307,574	\$ –	\$ –	\$ –	\$ 2,470,635
Grants in lieu of taxes	166,350	–	–	–	–	–	–	166,350
Revenue from own sources	333,097	–	–	457,135	54,866	–	–	845,098
Conditional transfers from other governments	1,227	–	–	–	3,307	–	–	4,534
Unconditional transfers from other governments	187,325	–	–	–	–	–	–	187,325
Capital grants	116,075	–	–	–	–	–	–	116,075
Gas tax revenue	146,170	–	–	–	–	–	–	146,170
Water utility revenue	–	–	–	–	–	–	157,117	157,117
	3,038,064	–	75,241	764,709	58,173	–	157,117	4,093,304
EXPENSES								
Salaries, wages and benefits	443,352	22,057	–	201,881	146,653	67,498	41,903	923,344
Contracted services	89,892	–	–	–	–	–	–	89,892
Purchased goods from public sector	–	615,407	–	–	–	–	–	615,407
External transfers and grants	–	51,506	–	–	–	–	–	51,506
Other operating expenses	343,158	27,287	113,066	834,501	183,449	77,622	122,694	1,701,777
Amortization	89,453	–	–	36,557	80,122	–	31,819	237,951
	965,855	716,257	113,066	1,072,939	410,224	145,120	196,416	3,619,877
ANNUAL SURPLUS (DEFICIT)	\$ 2,072,209	\$ (716,257)	\$ (37,825)	\$ (308,230)	\$ (352,051)	\$ (145,120)	\$ (39,299)	\$ 473,427

**Municipality of the District of
St Mary's**
Non-Consolidated Financial Statements
(Unaudited)
March 31, 2025

Municipality of the District of St Mary's

Non-Consolidated Financial Statements

(Unaudited)

For the year ended March 31, 2025

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Municipality of the District of St Mary's
General Section
Statement of Financial Position - Operating Fund
(Unaudited)
As at March 31, 2025

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 2,926,804	\$ 3,316,310
Receivables		
Taxes, net of valuation allowance	261,484	208,229
Other receivables	416,165	490,316
	677,649	698,545
Prepaid expenses	20,049	123,556
Vested properties	21,299	21,299
	\$ 3,645,801	\$ 4,159,710
LIABILITIES AND OPERATING SURPLUS		
Due to general public	\$ 378,024	\$ 955,889
Deferred revenue	562,911	562,272
Due to own funds	2,320,042	2,256,725
Tax sale surplus	384,824	384,824
	\$ 3,645,801	\$ 4,159,710

Municipality of the District of St Mary's
General Section
Statement of Operations - Operating Fund

(Unaudited)

For the year ended March 31, 2025

		2025	2024
	Budget	Actual	Actual
REVENUE (Schedule A)			
Taxes	\$ 2,531,946	\$ 2,627,152	\$ 2,470,635
Grants in lieu of taxes	165,265	162,950	166,350
Revenue from own sources	308,617	322,094	380,150
Unconditional transfers from other governments	187,420	188,060	187,325
Conditional transfers from other governments	26,227	112,116	4,534
Other transfers	—	—	226,272
	3,219,475	3,412,372	3,435,266
EXPENDITURE (Schedule B)			
General government services	831,408	921,217	876,402
Protective services	776,843	754,050	716,257
Transportation services	113,617	113,106	113,066
Environmental health services	820,327	790,642	1,036,382
Environmental development services	162,968	222,647	145,120
Recreational and cultural services	514,312	327,096	328,698
Financing and transfers	—	283,614	214,341
	3,219,475	3,412,372	3,430,266
EXCESS OF REVENUE OVER EXPENDITURES	\$ —	\$ —	\$ 5,000

Municipality of the District of St Mary's
General Section
Statement of Surplus - Operating Fund

(Unaudited)
For the year ended March 31, 2025

	2025	2024
SURPLUS, BEGINNING OF YEAR	\$ —	\$ —
Excess of revenue over expenditure	—	5,000
Transfer to operating reserve fund for future use	—	(5,000)
SURPLUS, END OF YEAR	\$ —	\$ —

DRAFT

Municipality of the District of St Mary's
General Section
Schedule A - Details of Revenue - Operating Fund

(Unaudited)
For the year ended March 31, 2025

		2025	2024
	Budget	Actual	Actual
Taxes			
Assessable property			
Residential	\$ 1,764,251	\$ 1,759,832	\$ 1,604,249
Commercial			
Based on taxable assessments	607,334	607,334	589,152
Resource			
Taxable assessments	283,234	282,220	266,383
Forest property tax less than 50,000	13,870	13,687	13,870
Forest property tax more than 50,000	28,624	28,624	28,624
Area rates			
Street lighting	81,225	81,048	75,241
Sherbrooke sewer	87,215	86,249	86,689
Solid waste	219,890	219,274	220,885
Assessment Act, farm property acreage	10,845	11,093	10,845
Business property			
Based on revenue – Aliant	18,433	19,508	18,433
Other			
Deed transfer tax	120,000	207,372	279,634
Fire Protection Levy	159,538	173,999	162,314
Transfer of Fire Protection Levy	(159,538)	(173,999)	(162,314)
	3,234,921	3,316,241	3,194,005
Expenditures as a reduction of tax revenue			
Appropriations to Regional School Board	(702,975)	(702,980)	(637,966)
Transfer to correctional services	–	–	(41,085)
Deficit of Regional Housing Authority	–	13,891	(44,319)
	\$ 2,531,946	\$ 2,627,152	\$ 2,470,635
Grants in lieu of taxes			
Federal government	\$ 19,500	\$ 19,171	\$ 18,702
Provincial property	145,000	143,779	147,648
CBC	765	–	–
	\$ 165,265	\$ 162,950	\$ 166,350

Municipality of the District of St Mary's
General Section
Schedule A - Details of Revenue - Operating Fund

(Unaudited)
For the year ended March 31, 2025

		2025	2024
	Budget	Actual	Actual
Revenue from own sources			
Licences and permits	\$ 3,000	\$ 1,698	\$ 2,689
Fines	11,500	10,701	14,209
Interest on taxes	60,000	82,141	66,343
Interest on investments	120,200	176,751	189,348
St Mary's Recplex	33,585	43,514	54,865
Miscellaneous	69,332	7,289	34,382
Scrap metal	11,000	—	18,314
	\$ 308,617	\$ 322,094	\$ 380,150
Unconditional transfers from other governments			
Provincial government			
Equalization grant	\$ 175,432	\$ 177,978	\$ 175,430
HST offset program	8,000	5,715	7,907
Nova Scotia Power Corp	3,988	4,367	3,988
	\$ 187,420	\$ 188,060	\$ 187,325
Conditional transfers from other governments			
Province of Nova Scotia			
Civic addressing	\$ 1,227	\$ 1,214	\$ 1,227
Seeds of literacy	—	—	3,307
Community works grant	25,000	—	—
Other PNS	—	110,902	—
	\$ 26,227	\$ 112,116	\$ 4,534
Other transfers			
Gas tax reserve	\$ —	\$ —	\$ 127,091
Capital reserve fund	—	—	99,181
	\$ —	\$ —	\$ 226,272

Municipality of the District of St Mary's
General Section
Schedule B - Details of Expenditure - Operating Fund

(Unaudited)
For the year ended March 31, 2025

		2025	2024
	Budget	Actual	Actual
General government services			
Legislative			
Warden remuneration and expenses	\$ 34,964	\$ 30,992	\$ 28,250
Council remuneration and expenses	126,164	108,022	111,888
General administrative			
Administration and employee benefits	191,522	182,851	206,376
Financial management	153,979	163,840	147,367
Audit fees	17,000	17,836	22,431
Property valuation services	95,349	93,615	89,892
Low-income rebates	10,080	9,900	9,795
Tax exemptions	—	46,693	35,565
General insurance	50,050	67,127	53,001
Solicitor expense	30,000	36,503	23,337
Computer/office expense	50,000	68,635	58,311
Building utilities and janitorial	47,800	63,592	54,937
Common services	14,500	18,004	24,601
Municipal Election expense	—	1,842	—
Other general government services			
Valuation allowances	10,000	11,765	10,651
Debenture interest	—	—	—
	\$ 831,408	\$ 921,217	\$ 876,402
Protective services			
Police protection			
R.C.M.P. policing	\$ 649,821	\$ 641,732	\$ 604,485
Law enforcement and corrections			
Public prosecutions	6,000	3,757	5,288
DNA testing	2,000	1,949	1,973
Fire protection			
Workmen's compensation insurance	8,500	8,849	7,544
Fire department grants	61,322	52,394	51,506
EMO	20,700	20,653	19,741
Other-property inspection and animal control	28,500	24,716	25,720
	\$ 776,843	\$ 754,050	\$ 716,257

Municipality of the District of St Mary's
General Section
Schedule B - Details of Expenditure - Operating Fund

(Unaudited)

For the year ended March 31, 2025

		2025	2024
	Budget	Actual	Actual
Transportation services			
Road transport	\$ 32,392	\$ 32,058	\$ 33,518
Street lighting	81,225	81,048	79,548
	\$ 113,617	\$ 113,106	\$ 113,066
Environmental health services			
Sewer and public works			
Sewer maintenance	\$ 51,965	\$ 59,791	\$ 50,054
Public works maintenance	56,550	43,286	48,631
Public works salaries/benefits	181,352	200,143	165,471
Major repairs	16,888	—	—
Solid waste			
Transfer station and collection	500,909	474,759	741,029
Transfer station salaries/benefits	12,663	12,663	31,197
	\$ 820,327	\$ 790,642	\$ 1,036,382
Environmental development services			
Planning and subdivision services	\$ 8,500	\$ 6,722	\$ 5,429
Economic development and tourism	154,468	215,925	139,691
	\$ 162,968	\$ 222,647	\$ 145,120
Recreational and cultural			
Community development and recreation	\$ 374,642	\$ 190,983	\$ 184,285
St Mary's Recplex	100,770	102,364	104,207
Sherbrooke Library	12,500	9,352	16,422
Eastern Counties Regional Library	26,400	24,397	23,784
	\$ 514,312	\$ 327,096	\$ 328,698
Financing and transfers			
Debt charges			
Debenture principal	\$ —	\$ —	\$ 125,000
Transfer to water capital fund	—	—	7,214
Transfer to capital reserve fund	—	208,614	82,127
Transfer to fire services reserve fund	—	75,000	—
	\$ —	\$ 283,614	\$ 214,341

Municipality of the District of St Mary's
General Section
Statement of Financial Position - Capital Fund

(Unaudited)
As at March 31, 2025

	2025	2024
Assets		
Capital assets	\$ 4,065,899	\$ 3,667,462
Liabilities		
Due to own funds	\$ 31,451	\$ 31,451
Asset retirement obligation	19,049	19,049
Capital debt	—	—
	50,500	50,500
Equity		
Investment in capital assets	4,015,399	3,616,962
	\$ 4,065,899	\$ 3,667,462

Municipality of the District of St Mary's
General Section
Statement of Investment in Capital Assets - Capital Fund

(Unaudited)
For the year ended March 31, 2025

	2025	2024
BALANCE, BEGINNING OF YEAR	\$ 3,616,962	\$ 3,591,478
Capital debt retired	–	125,000
Transfer from capital reserve for capital projects	160,799	64,091
Transfer from gas tax reserve for capital projects	120,051	–
Capital grant, Province of Nova Scotia	80,000	32,000
Capital grant, Sustainable Service Growth Fund	20,836	11,929
Capital grant, ACOA	110,502	–
Capital grant, Municipal Capital Growth Fund	55,662	–
Capital grant, Employment and Social Development Canada	54,492	–
Amortization of tangible capital assets	(203,905)	(206,132)
Accretion expense	–	(732)
Amortization of asset retirement obligations	–	(672)
BALANCE, END OF YEAR	\$ 4,015,399	\$ 3,616,962

Municipality of the District of St Mary's
Reserve Section
Reserve Fund Statement of Financial Position - Capital and Operating Reserves
(Unaudited)
As at March 31, 2025

	2025	2024
ASSETS		
Capital reserve fund		
Due from own funds	\$ 779,710	\$ 752,526
Operating reserve fund		
Due from own funds	1,751,192	1,751,192
Fire services reserve fund		
Due from own funds	75,000	–
	\$ 2,605,902	\$ 2,503,718
RESERVES		
Capital Reserve		
Capital reserve, beginning of year	\$ 752,526	\$ 402,948
Proceeds on disposal of assets	–	457,135
Funds transferred for operating expenditures	–	(99,181)
Funds transferred for capital projects	(181,430)	(90,503)
Funds transferred from operating fund	208,614	82,127
	779,710	752,526
Operating Reserve		
Operating reserve, beginning of year	1,751,192	1,746,192
Transfer from operating fund surplus	–	5,000
	1,751,192	1,751,192
Fire services reserve fund		
Funds transferred from operating fund	75,000	–
	75,000	–
	\$ 2,605,902	\$ 2,503,718

Municipality of the District of St Mary's
Reserve Section
Reserve Fund Statement of Financial Position – Canada Community Building
Fund Reserve

(Unaudited)
As at March 31, 2025

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 146,544	\$ 114,967
Due to own funds	8,490	19,079
	\$ 155,034	\$ 134,046
RESERVE		
Capital reserve, beginning of year	\$ 134,046	\$ 109,911
Grant – Canada Community Building Fund Reserve	145,160	146,170
Interest revenue	–	5,056
Funds transferred for general operating costs	–	(127,091)
Funds transferred for capital projects	(124,172)	–
	\$ 155,034	\$ 134,046

Municipality of the District of St Mary's
Water Utility Section
Statement of Financial Position - Operating Fund
(Unaudited)
As at March 31, 2025

	2025	2024
ASSETS		
Cash and cash equivalents	\$ 42,015	\$ 63,348
Receivables	51,537	46,701
Prepaid expense	24,177	1,350
	\$ 117,729	\$ 111,399
LIABILITIES		
Trade payables	\$ 10,424	\$ 14,598
Due to water capital fund	10,169	7,093
Due to general operating fund	264,266	235,988
	284,859	257,679
DEFICIT	(167,130)	(146,280)
	\$ 117,729	\$ 111,399

Municipality of the District of St Mary's
Water Utility Section
Statement of Operations and Surplus - Operating Fund

(Unaudited)

For the year ended March 31, 2025

	2025		2024
	Budget	Actual	Actual
OPERATING REVENUES			
Operating			
Metered rate sales	\$ 139,000	\$ 127,616	\$ 140,903
Sherbrooke Village grant	20,500	17,057	16,214
	159,500	144,673	157,117
NON-OPERATING REVENUES			
Interest	2,600	3,960	2,757
Amortization of deferred assistance	—	20,598	18,826
	2,600	24,558	21,583
	162,100	169,231	178,700
OPERATING EXPENSES			
Source of supply	13,000	18,586	17,418
Pumping	12,000	22,890	8,200
Transmission and distribution	38,500	38,500	41,903
Water treatment	36,500	36,167	52,560
Administration and general	22,480	18,626	36,826
Depreciation	30,000	33,978	31,819
Debt charges, principal	14,073	14,073	14,073
Debt charges, interest	8,927	7,261	7,690
	175,480	190,081	210,489
CHANGE IN FUND BALANCE	(13,380)	(20,850)	(31,789)
DEFICIT, BEGINNING OF YEAR	(146,280)	(146,280)	(114,491)
DEFICIT, END OF YEAR	\$ (159,660)	\$ (167,130)	\$ (146,280)

Municipality of the District of St Mary's
Water Utility Section
Statement of Financial Position - Capital Fund

(Unaudited)
As at March 31, 2025

	2025	2024
ASSETS		
Restricted cash – depreciation fund	\$ 117,921	\$ 104,642
Due from general operating fund	1,367	1,367
Due from water operating fund	10,169	7,093
Tangible capital assets		
Utility plant and equipment	3,065,647	2,952,309
	\$ 3,195,104	\$ 3,065,411
LIABILITIES		
Long-term debt	\$ 197,022	\$ 211,095
Deferred assistance	1,457,205	1,389,217
Accumulated depreciation	451,324	417,346
	2,105,551	2,017,658
FUND BALANCE	1,089,553	1,047,753
	\$ 3,195,104	\$ 3,065,411

Municipality of the District of St Mary's
Water Utility Section
Statement of Accumulated Depreciation of Utility Plant and Equipment - Capital Fund
(Unaudited)
For the year ended March 31, 2025

	2025	2024
BALANCE, BEGINNING OF YEAR	\$ 417,346	\$ 385,527
Depreciation	33,978	31,819
BALANCE, END OF YEAR	\$ 451,324	\$ 417,346

Statement of Investment in Capital Assets - Capital Fund
(Unaudited)
For the year ended March 31, 2025

	2025	2024
BALANCE, BEGINNING OF YEAR	\$ 1,047,753	\$ 1,000,054
Capital debt retired	14,073	14,073
Transfer from capital reserve	20,631	26,412
Transfer from Municipality of the District of St. Mary's, Canada Community Building Fund	4,121	—
Interest income	2,975	—
Transfer from general operating fund	—	7,214
BALANCE, END OF YEAR	\$ 1,089,553	\$ 1,047,753

Statement of Depreciation Fund Cash
(Unaudited)
For the year ended March 31, 2025

	2025	2024
FUND, BEGINNING OF YEAR	\$ 111,735	\$ 98,742
Depreciation	33,978	31,819
Deferred assistance transferred	(20,598)	(18,826)
Interest income	2,975	—
FUND, END OF YEAR	128,090	111,735
Amount in excess (unfunded)	(10,169)	(7,093)
CASH, END OF YEAR	\$ 117,921	\$ 104,642

**Municipality of the District of
St. Mary's Sherbrooke Water Utility
Financial Statements**

March 31, 2025

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Municipality of the District of St. Mary's Sherbrooke Water Utility

Financial Statements

For the year ended March 31, 2025

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Management's Responsibility for the Financial Statements

The accompanying financial statements of the Municipality of the District of St. Mary's Sherbrooke Water Utility (the "Water Utility") are the responsibility of the Water Utility's management and have been prepared in compliance with legislation and in accordance with the Accounting and Reporting Handbook for Water Utilities in Nova Scotia. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of 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.

The Water Utility's management maintains a system 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.

The audit committee meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by MNP LLP, independent external auditors appointed by the Water Utility. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Water Utility's financial statements.

Marian Fraser
Acting Chief Administrative Officer

Municipality of the District of St. Mary's Sherbrooke Water Utility

Statement of Financial Position - Operating Fund

As at March 31, 2025

	2025	2024
ASSETS		
Cash	\$ 42,015	\$ 63,348
Receivables	51,537	46,701
Prepaid expense	24,177	1,350
	\$ 117,729	\$ 111,399
LIABILITIES		
Trade payables	\$ 10,424	\$ 14,598
Due to water capital fund	10,169	7,093
Due to Municipality of the District of St. Mary's, operating fund	264,266	235,988
	284,859	257,679
DEFICIT	(167,130)	(146,280)
	\$ 117,729	\$ 111,399

See accompanying notes to financial statements.

On behalf of the Municipality of the District of St. Mary's Sherbrooke Water Utility:

Warden

Chief Administrative Officer

Municipality of the District of St. Mary's Sherbrooke Water Utility

Statement of Financial Activities - Operating Fund

For the year ended March 31, 2025

	2025		2024
	Budget	Actual	Actual
OPERATING REVENUES			
Operating			
Metered rate sales	\$ 139,000	\$ 127,616	\$ 140,903
Sherbrooke Village grant	20,500	17,057	16,214
	159,500	144,673	157,117
OPERATING EXPENSES			
Source of supply	13,000	18,586	17,418
Pumping	12,000	22,890	8,200
Transmission and distribution	38,500	38,500	41,903
Water treatment	36,500	36,167	52,560
Administration and general	22,480	18,626	36,826
Depreciation	30,000	33,978	31,819
Amortization of deferred assistance	—	(20,598)	(18,826)
	152,480	148,149	169,900
Excess (deficiency) of operating revenues over expenses before the following	7,020	(3,476)	(12,783)
NON-OPERATING REVENUES (EXPENSE)			
Interest	2,600	3,960	2,757
Debt charges, principal	(14,073)	(14,073)	(14,073)
Debt charges, interest	(8,927)	(7,261)	(7,690)
	(20,400)	(17,374)	(19,006)
CHANGE IN FUND BALANCE	(13,380)	(20,850)	(31,789)
DEFICIT, BEGINNING OF YEAR	(146,280)	(146,280)	(114,491)
DEFICIT, END OF YEAR	\$ (159,660)	\$ (167,130)	\$ (146,280)

See accompanying notes to financial statements.

Municipality of the District of St. Mary's Sherbrooke Water Utility
Statement of Cash Flows – Operating Fund

For the year ended March 31, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in fund balance	\$ (20,850)	\$ (31,789)
Change in non-cash operating working capital		
Receivables	(4,836)	(2,137)
Prepaid expenses	(22,827)	–
Trade payables	18,799	2,085
	(29,714)	(31,841)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due from own funds	8,381	54,171
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(21,333)	22,330
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	63,348	41,018
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 42,015	\$ 63,348

See accompanying notes to financial statements.

Municipality of the District of St. Mary's Sherbrooke Water Utility

Statement of Financial Position - Capital Fund

As at March 31, 2025

	2025	2024
ASSETS		
Restricted cash – depreciation fund	\$ 117,921	\$ 104,642
Due from Municipality of the District of St. Mary's, operating fund	1,367	1,367
Due from water operating fund	10,169	7,093
Tangible capital assets		
Utility plant and equipment (Schedule A)	3,065,647	2,952,309
	\$ 3,195,104	\$ 3,065,411
LIABILITIES		
Deferred contributions	\$ 1,457,205	\$ 1,389,217
Accumulated depreciation	451,324	417,346
Long-term debt (Note 2)	197,022	211,095
	2,105,551	2,017,658
FUND BALANCE	1,089,553	1,047,753
	\$ 3,195,104	\$ 3,065,411

See accompanying notes to financial statements.

On behalf of the Municipality of the District of St. Mary's Sherbrooke Water Utility:

Warden

Chief Administrative Officer

Municipality of the District of St. Mary's Sherbrooke Water Utility
Water Utility Section
Statement of Accumulated Allowance for Depreciation

For the year ended March 31, 2025

	2025	2024
BALANCE, BEGINNING OF YEAR	\$ 417,346	\$ 385,527
Depreciation for the year	33,978	31,819
BALANCE, END OF YEAR	\$ 451,324	\$ 417,346

Statement of Investment in Capital Assets

For the year ended March 31, 2025

	2025	2024
FUND BALANCE, BEGINNING OF YEAR	\$ 1,047,753	\$ 1,000,054
Long-term debt retired	14,073	14,073
Transfer from Municipality of the District of St Mary's, capital reserve	20,631	26,412
Transfer from Municipality of the District of St Mary's, Canada Community Building Fund	4,121	—
Transfer from general operating fund	—	7,214
Interest income	2,975	—
BALANCE, END OF YEAR	\$ 1,089,553	\$ 1,047,753

Statement of Depreciation Fund Cash

For the year ended March 31, 2025

	2025	2024
FUND, BEGINNING OF YEAR	\$ 111,735	\$ 98,742
Depreciation	33,978	31,819
Deferred assistance transferred	(20,598)	(18,826)
Interest income	2,975	—
FUND, END OF YEAR	128,090	111,735
Amount in excess (unfunded)	(10,169)	(7,093)
CASH, END OF YEAR	\$ 117,921	\$ 104,642

Municipality of the District of St. Mary's Sherbrooke Water Utility

Notes to Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements have been prepared in accordance with generally accepted accounting principles adopted for Water Utilities in Nova Scotia and are intended for the use of the Municipality of the District of St. Mary's Sherbrooke Water Utility (the "Water Utility"), Council and Service Nova Scotia and Municipal Relations.

The basis of accounting used in these financial statements differs materially from Canadian public sector accounting standards as prescribed by the Chartered Professional Accountants Handbook (the CPA Handbook). The significant differences between generally accepted accounting principles for Water Utilities in Nova Scotia and the CPA Handbook are that the CPA Handbook requires the:

- Financial statements be prepared on a consolidated basis to reflect the assets, liabilities, revenues and expenses, and changes in net assets and in financial position of all organizations, commissions and agencies which are owned or controlled by the Water Utility. This would include, at a minimum, the individual funds represented in these financial statements – Operating Fund and Capital Fund. The consolidated financial statements prepared in accordance with the CPA Handbook would include a Statement of Financial Position, Statement of Financial Activities and a Statement of Changes in Financial Position;
- Revenues and expenses be recorded on a full accrual basis;
- The Water Utility capitalize all of its capital acquisitions rather than charging some to operations in the year acquired; and
- Principal debt repayments not be recorded as an expense of the Water Utility;

(b) Cash and cash equivalents

Cash and cash equivalents of the operating fund is defined as cash on hand and on deposit at banks net of outstanding cheques and deposits.

(c) Revenues and expenses

Major revenues and expenses items are recorded on an accrual basis. Resident billings of rates for subsequent periods are recorded as deferred revenues.

Certain sources of revenues, including forfeited discounts and interest on past due rates, are recorded on a cash basis.

(d) Allowance for doubtful accounts

A valuation allowance is provided for estimated losses that will be incurred in collecting consumer rates receivable outstanding.

Municipality of the District of St. Mary's Sherbrooke Water Utility

Notes to Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles adopted for Water Utilities in Nova Scotia 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 expenses during the reporting period.

Amortization is based on the estimated useful lives of capital assets.

Receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the years in which they become known.

(f) 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 cash and cash equivalents, receivables, trade payables and long-term debt.

Subsequent measurement

At each reporting date, the Water Utility 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 Water Utility uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of financial activities. The financial instruments measured at amortized cost are cash and cash equivalents, receivables, trade payables and long-term debt.

Municipality of the District of St. Mary's Sherbrooke Water Utility

Notes to Financial Statements

For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment

For financial assets measured at cost or amortized cost, the Water Utility regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Water Utility determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of financial activities. Any reversals of previously recognized impairment losses are recognized in activities in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the Water Utility is not exposed to significant interest or credit risks arising from financial instruments.

2. LONG-TERM DEBT

	2025	2024
Municipal Finance Corporation, repayable in annual principal payments of \$14,073 plus interest at 3.048 – 3.551%, maturing in 2033	\$ 197,022	\$ 211,095

Principal payments required in each of the next five years on debt held as at March 31, 2025 are as follows:

2026	\$ 14,073
2027	14,073
2028	14,073
2029	14,073
2030	14,073

3. TRANSACTIONS WITH MUNICIPALITY OF THE DISTRICT OF ST. MARY'S

- a) In general, and where identifiable, costs incurred by the Municipality on behalf of the Water Utility are charged to the Water Utility.
- b) Salary and wage-related costs are allocated in proportion to time spent performing functions on behalf of the Water Utility.
- c) At March 31, 2025, the Water Utility owed \$236,786 to the Municipality (2024 – \$234,621) with respect to this inter-fund balance, no interest has been charged by the Municipality.

Municipality of the District of St. Mary's Sherbrooke Water Utility

Notes to Financial Statements

For the year ended March 31, 2025

4. RATE OF RETURN ON RATE BASE

For the year ended March 31, 2025, the Water Utility had a rate of return on rate base of -.30% (2024 – -1.12%).

5. FINANCIAL INSTRUMENTS

The Water Utility as part of its operations carries a number of financial instruments. It is management's opinion that the Water Utility is not exposed to significant interest or currency risks arising from these financial instructions except as otherwise disclosed.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of the Water Utility's financial instruments best represents the maximum exposure to credit risk. The Water Utility manages its credit risk by providing allowances for potentially uncollectible accounts receivable.

Liquidity risk

Liquidity risk is the risk that the Water Utility will encounter difficulty in meeting its obligations associated with financial liabilities. The Water Utility enters into transactions to borrow funds from financial institutions or other creditors for which repayment is required at various maturity dates. The Water Utility manages liquidity risk by monitoring forecasted and actual cash flows.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Water Utility's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of these long-term debt with fixed interest rates to fluctuate but do not affect net income, as the Water Utility's long-term debt is carried at amortized cost and the carrying value does not change as the interest rate changes. The Water Utility's future obligations with respect to debt repayment are disclosed in Note 3.

6. BUDGET INFORMATION

The disclosed budget information has been approved by the Warden and Council at the council meeting on April 15, 2024.

Municipality of the District of St. Mary's Sherbrooke Water Utility
Schedule A – Utility Plant and Equipment

For the year ended March 31, 2025 with comparative figures for 2024

	2025	2024
Water system	\$ 221,056	\$ 205,118
Water treatment plant upgrade	889,673	792,273
Computer	2,673	2,673
New waterline	1,952,245	1,952,245
	\$ 3,065,647	\$ 2,952,309

DRAFT



2025-2026

CAO Report – Project Summary

For the period of July 1st to August 31st, 2025

The Municipality of the District of St. Mary's

MAJOR PROJECT SUMMARY

1. **Ecum Secum Volunteer Fire Department Project** – Staff will be meeting with the consultants and community/committee members in July to review the status of the project and steps moving forward.
2. **Housing Initiatives** - Staff have continued to work on housing initiatives through reviewing and assisting with the Feasibility Study for Water/Sewer upgrades. Progress report meetings were held with Canada Mortgage and Housing Corporation on the Housing Accelerator Fund regarding status update of milestones as they continue to be revised as additional information comes in. Follow up meetings with ZAPP on policy and incentive documentation as well as community engagement discussions. Submittal of short list of incentives for developers to Zzap for policy generation. Created a list of items that require a mitigation recovery plan, completing the necessary request forms from CMHC. Currently there are five requests for extension and 11 initiatives/milestones on schedule.
3. **Climate Change Projects** – Staff met with Clean Nova Scotia representatives to identify the status of the 4 climate related initiatives that are currently on the go establishing a progress schedule, associated staff resources required and priorities going forward. Meeting on Aug. 21st with CLEAN team had follow up on the current status of the projects.
Current programs now include:
 - a) Quest Net-Zero Community Accelerator Program -
 - b) Low Carbon Communities – Solar Feasibility Study RFP is under review.
 - c) Climate Resilient Coastal Communities- AIM- Kick Off meeting August 21st
 - d) Climate Risk Assessment and Readiness Plans – RFP for consultant in development.
4. **EMO/REMO** – Staff are working towards fostering a well-informed team, capable of responding effectively to emergencies, ensuring the safety and continuity of services within the community. The Clerk/Emergency Management Coordinator participated in a Fire Services Governance review (Administration portion) on July 21st, 2025, to provide feedback on the existing governance, operations, communications, funding, training, mental health, and climate change. Information on the Fire Service Governance was also shared at the Municipal Fire Service committee held during the summer. Sharing communications with the public regarding emergency management such as the drought conditions, emergency management preparedness, and safety tips. During the month of August the Municipal EMO team worked with the province and community to provide support for water and shower location assistance during the drought.
5. **Nova Scotia Electric Charger Stations** - Located in Municipal parking lot at the administration building. The clerk has been attending meetings with representatives of Nova Scotia Power to plan for a “Community kick off” to celebrate and promote the Electric Vehicle chargers located on the Municipal Office parking lot.

6. **Civic Addressing and Road Naming** – Staff assigned street names for Archibald Mill Lake, Denver, NS. The Municipal Clerk has been working on Civic Addressing with the building inspector to update civic addresses and PID's on the Nova Scotia Civic Address Finder (NSCAF) website. The clerk has been coordinating with residents to get civic numbers purchased and posted.
7. **Tourism Promotion & Electronic Content/Advertisements** – Ongoing work with Tourism Nova Scotia on the Digital Campaign Marketing Program (DCMP) grant program for the digital advertising campaign which went live June 2nd. Ongoing sourcing of local digital content, utilizing search engine optimization research for ads, re-developed new digital ads for display through Google and on Face Book. Continuing to create new social media posts for Face Book and Google Ads. Some ads were removed due to the NS Fire Restrictions. Updated the Tourism website and Facebook for the Provincial Fire Restrictions Aug. 5th and canceled the DCMP ads for hiking and fishing. A new fall photo contest was launched to encourage photo content submissions during the best time of the year so we have some new photo content to utilize over the winter season. Follow-up in person and correspondence with local businesses and individuals including Sherbrooke Village, Sherbrooke Village Inn, and Rivers Edge Campground. Building relationships with local businesses.
8. **Business Support and Business Awards** – Staff have booked guest speakers, an oyster bar, secured Lions Hall venue for October 2nd and made arrangements for meal preparation and server volunteers. Created invitations, itinerary, and voting submission forms which were posted on the municipal websites and facebook accounts as well as emailed out to local businesses and dignitaries. In person meeting with Sherbrooke Village Inn owners to discuss the tourism season and upcoming photo contest, they have offered to contribute to a grand prize. Discussed their interest in creating some packages with other local establishments or attractions. Staff met with owner from the campground to discuss upcoming Show and Shine event and the tourism season so far this year. Went over contributions to the Tourism website and promotion on social media. Reached out to Liscombe Lodge regarding photo contest request for prize. Connected with local photographers to source new digital content for the Tourism Website. Staff met with ACOA representatives to discuss business within the local area. Staff attended the Nova Sustainable Fuels open house.
9. **Monthly Municipal Newsletter** - Staff completed the monthly newsletter for August and September encompassing community information and municipal news. Approximately 1,600 copies were mailed out.
10. **Municipal Utilities & Infrastructure**
 - a. **Sherbrooke Water & Sewer Utility** – Staff worked with Strait Engineering to complete the feasibility study of the Water and Wastewater Treatment system. Public Works along with Leading Technologies have installed the new heat pumps within the Sherbrooke Water Treatment Plant. Public Works continues to install new meters where required for the Sherbrooke Water Utility. Public Works have been working hard at making the sewer treatment system and collection system as efficient as possible. Currently Public Works along with GFL Environmental has completed the Phase 3 of the chemical grouting along with the trenchless repair of 2 service laterals on Sonora

Road. Public Works is now working with local contractors to finish the remaining aspects of the 3 phases of the Inflow and Infiltration which is the replacement of 16 manhole covers with watertight manhole covers. Public Works has also tendered the repair and replacement of the cross supports for the equalization tank at the Sewer Treatment Plant.

- b. Municipal Transfer Station – Construction & Demolition Service - Public Works has continue to operate and monitor the development of the C&D transfer residential bin service. The clerk is prepping documentation and materials for the annual data call report. This report is a compilation of all solid waste materials such as garbage, recycling, compostables, and others.

11. Policy and Bylaws

- a. Fire Services Capital Reserve Fund Policy – draft work has begun, requires further staff reviews before presented at COTW. The goal is to present a draft at COTW in the fall.
- b. Flag Policy – Staff worked to revise the Flag Policy and it will be presented to Council at the July 16th COTW Meeting and September 3rd with final approval on September 17th, 2025

12. Upcoming Municipal Events

- a. First Responders Event – Monday, September 8th, 2025, at 6:30pm
- b. Guysborough County 55 plus games – October 1st & 2nd at Liscomb Lodge
- c. Small Business Event – October 2nd, 2025 at St. Mary's Lions Hall
- d. St. Mary's Annual Volunteer Awards Event – Tuesday, November 4th, 2025 @ 6:30pm
- e. Healthcare Professional Appreciation Event – Winter 2025/2026.

13. Community Development and Recreation Programs

- a. Summer Softball Programs: programs wrapped up in the first week of September, it was an extremely successful season across all ages.
- b. Before and After Program - began to operate for another school year on September 4, 2025.
- c. Summer Day Camp and Spouts Program: day camps wrapped up at the end of August, it was a very successful summer for attendance and programming.

14. Capital projects supporting Community Development and Recreation

- a. Office Accessible Public Washroom 16 Main - Project is delayed due to the placement of the Shoppers Temporary trailer at 16 Main Street Parking lot.
- b. Connect 2 – Multi Use Trail Feasibility Study - Funding Approved, in the process of developing a tender for consultants to reply to, a staff report at Fall COTW.