



Consolidated Financial Statements

Municipality of the District of Argyle

March 31, 2025

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# Independent Auditors' Report

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**Doane Grant Thornton LLP**  
328 Main Street, PO Box 297  
Yarmouth, NS  
B5A 4B2

T +1 902 742 7842  
F +1 902 742 0224  
[www.DoaneGrantThornton.ca](http://www.DoaneGrantThornton.ca)

**To the Warden and Council of  
Municipality of District of Argyle**

## **Opinion**

We have audited the consolidated financial statements of Municipality of the District of Argyle (the "Municipality"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Municipality of the District of Argyle as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

## **Basis for Opinion**

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

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

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

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

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

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

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

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

We also:

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

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

*Doane Grant Thornton LLP*

Chartered Professional Accountants

Yarmouth, Canada  
September 25, 2025

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# Municipality of the District of Argyle

## Management's Responsibility for Financial Reporting

March 31, 2025

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

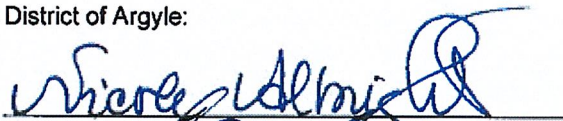
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

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

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

On behalf of Municipality of the District of Argyle:

Warden



Chief Administrative Officer



**Municipality of the District of Argyle**  
**Consolidated Statement of Operations**

Year Ended March 31

2025

2024

	<u>Budget</u> (Note 17)	<u>Actual</u>	<u>Actual</u>
<b>Revenues</b>			
Taxes (Note 18)	\$ 7,067,930	\$ 7,172,604	\$ 6,555,461
Grants in lieu of taxes	150,545	154,437	153,067
Other revenue from own sources (Note 19)	2,647,792	3,062,238	1,883,735
Unconditional transfers from Federal and Provincial governments	238,164	234,584	209,134
Conditional transfers from Federal and Provincial governments	4,449,672	4,271,109	2,547,616
Services provided to other governments	142,778	255,555	149,420
Sales of services	355,926	356,840	343,358
Interest	563,685	617,855	673,031
Rental and events	318,621	275,201	221,332
Food and beverages	126,821	112,250	111,727
	<u>16,061,934</u>	<u>16,512,673</u>	<u>12,847,882</u>
<b>Expenses</b>			
General government services	2,265,066	2,392,628	2,156,428
Protective services	2,732,956	2,675,355	2,722,855
Transportation services	827,040	739,847	691,650
Environmental health services	2,146,328	2,329,197	2,208,440
Public health services	36,500	36,962	34,313
Environmental development services	957,579	1,045,986	1,123,401
Recreational and cultural services	1,931,342	2,514,193	1,950,217
	<u>10,896,811</u>	<u>11,734,168</u>	<u>10,887,304</u>
Annual surplus before the undernoted	5,165,123	4,778,505	1,960,578
Gain on disposal of tangible capital assets	-	-	30,963
Annual surplus	<u>\$ 5,165,123</u>	<u>\$ 4,778,505</u>	<u>\$ 1,991,541</u>
Accumulated surplus, beginning of year		\$ 27,528,949	\$ 25,537,408
Annual surplus		<u>4,778,505</u>	<u>1,991,541</u>
Accumulated surplus, end of year		<u>\$ 32,307,454</u>	<u>\$ 27,528,949</u>

See accompanying notes to the consolidated financial statements

**Municipality of the District of Argyle**  
**Consolidated Statement of Financial Position**

March 31

2025

2024

**Financial Assets**

Cash and cash equivalents		
Restricted	\$ 683,795	\$ 587,368
Unrestricted	15,327,836	12,828,703
Taxes receivable (Note 3)	515,966	497,782
Special assessment receivable (Note 4)	128,255	170,219
Due from Provincial government and its agencies	100,679	677,149
Due from Federal government and its agencies (Note 5)	120,080	103,355
Water supply upgrade lending program (Note 6)	288,974	274,681
Other receivables	423,529	1,071,835
Portfolio investment	232,643	225,002
Land held for resale (Note 7)	60,190	60,190
Inventory held for resale	20,437	20,532
Properties acquired at tax sale	3,794	3,794
	<u>17,906,178</u>	<u>16,520,610</u>

**Financial Liabilities**

Payables and accruals (Note 8)	950,501	1,091,247
Prepayment of taxes	317,517	263,041
Deferred revenue (Note 9)	4,911,079	5,261,949
Tax sale surplus	690,124	718,269
Other post employment benefits	50,762	46,120
Asset retirement obligation (Note 24)	601,563	573,760
Contaminated sites	14,225	14,225
Loans payable	82,228	278,671
Long-term debt (Note 10)	2,562,493	2,441,773
	<u>10,180,492</u>	<u>10,689,055</u>

**NET FINANCIAL ASSETS**

7,725,686                      5,831,555

**Non-Financial Assets**

Work in progress	1,530,180	235,707
Tangible capital assets (Note 11)	39,469,963	36,745,935
Less: accumulated amortization (Note 11)	(16,485,926)	(15,340,970)
	24,514,217	21,640,672
Prepaid expenses	67,551	56,722
	<u>24,581,768</u>	<u>21,697,394</u>

**ACCUMULATED SURPLUS**

\$ 32,307,454                      \$ 27,528,949

Commitments and contractual obligations (Note 12)

Contingent liabilities (Note 14)

On behalf of the Municipality of the District of Argyle

 Warden

 CAO

See accompanying notes to the consolidated financial statements

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**Municipality of the District of Argyle**  
**Consolidated Statement of Change in Net Financial Assets**  
March 31 2025 2024

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	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 5,165,123	\$ 4,778,505	\$ 1,991,541
Acquisition of tangible capital assets	(5,419,000)	(2,724,028)	(3,196,801)
Proceeds on disposal of tangible capital assets	-	-	30,963
(Gain) loss on disposal of tangible capital assets	-	-	(30,963)
Work in progress	-	(1,294,473)	(206,534)
Amortization of tangible capital assets	958,647	1,117,500	978,226
Amortization of asset retirement obligation	-	<u>27,456</u>	<u>27,457</u>
	<u>704,770</u>	<u>1,904,960</u>	<u>(406,111)</u>
Change in prepaid assets	-	<u>(10,829)</u>	<u>3,314</u>
(Decrease) increase in net financial assets	<u>\$ 704,770</u>	<u>1,894,131</u>	<u>(402,797)</u>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<u><b>5,831,555</b></u>	<u><b>6,234,352</b></u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<u><b>\$ 7,725,686</b></u>	<u><b>\$ 5,831,555</b></u>

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See accompanying notes to the consolidated financial statements

**Municipality of the District of Argyle**  
**Consolidated Statement of Cash Flow**

Year Ended March 31

2025

2024

Increase in cash and cash equivalents

**Operating activities**

Annual surplus	\$ 4,778,505	\$ 1,991,541
Amortization regular	1,117,500	978,226
Amortization asset retirement obligations	27,456	27,457
Accretion expense	27,804	26,704
(Gain) loss on disposal of tangible capital assets	-	(30,963)
Change in non-cash items (Note 20)	<u>560,546</u>	<u>447,146</u>
	<u>6,511,811</u>	<u>3,440,111</u>

**Capital transactions**

Acquisition of tangible capital assets	(2,724,028)	(3,196,801)
Proceeds on disposal of tangible capital assets	-	30,963
Addition of work in progress	(1,294,473)	(206,533)
Change in prepaid expenses	<u>(10,829)</u>	<u>3,314</u>
	<u>(4,029,330)</u>	<u>(3,369,057)</u>

**Financing transactions**

Issuance of long-term debt	410,956	-
Repayment of long-term debt	<u>(290,236)</u>	<u>(829,246)</u>
	<u>120,720</u>	<u>(829,246)</u>

**Investing transactions**

Purchase of portfolio investment	<u>(7,641)</u>	<u>(4,928)</u>
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Net increase (decrease) in cash and cash equivalents 2,595,560 (763,120)

Cash and cash equivalents

Beginning of year	<u>13,416,071</u>	<u>14,179,192</u>
End of year	<u>\$ 16,011,631</u>	<u>\$ 13,416,071</u>

Cash and cash equivalents are comprised of:

Restricted cash	\$ 683,795	\$ 587,368
Unrestricted cash	<u>15,327,836</u>	<u>12,828,703</u>
	<u>\$ 16,011,631</u>	<u>\$ 13,416,071</u>

See accompanying notes to the consolidated financial statements

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 1. Summary of significant accounting policies

The consolidated financial statements of the Municipality of the District of Argyle are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Municipality and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Municipality.

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

#### Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, and expenditures in the financial position of the reporting entity. The reporting entity is comprised on all organizations and enterprises accountable for the administration of their affairs and resources to the Municipality and which are owned, controlled or proportionately controlled by the Municipality.

The Municipality has consolidated the following proportionately controlled entities:

- Mariners Centre Management Authority
- Mariners Centre Health and Wellness Fund
- Yarmouth International Airport Corporation
- Yarmouth Area Industrial Commission
- Yarmouth & Acadian Shores Tourism Association
- Yarmouth County Solid Waste Management Authority

Interdepartmental and organizational transactions and balances are eliminated.

#### Budget

The budget figures contained in these financial statements were approved by Council on May 9, 2024 in its original fiscal plan; they also include budgets prepared and approved by controlled entities and are adjusted for amortization in accordance with Public Sector requirements. Note 17 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these financial statements.

#### Revenue recognition

- (a) Taxes are recognized as assets and revenue when they meet the definition of an asset, are authorized and a taxable event occurs, which for property taxes is the period for which the tax is levied.

At each financial statement date, management evaluates the extent to which its tax receivables are ultimately collectible and valuation allowances are used to reflect tax receivables at their net recoverable amount.

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 1. Summary of significant accounting policies (continued)

#### Revenue recognition (continued)

At each financial statement date, management evaluates the likelihood of having to repay taxes collected under tax measures that have been deemed authorized using the concept of legislative convention and recognizes a liability when required. Related refunds are accounted for in the period in which the change in estimate occurs.

- (b) Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.
- (c) Other revenue is recorded when it is earned.

#### Expenses

- (a) Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation.
- (b) Government transfers made to a recipient by the Municipality are recorded as an expense when they are authorized and the recipient meets all eligibility criteria.

#### Cash and cash equivalents

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

#### Tangible capital assets

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

<u>Asset type</u>	<u>Rate</u>
Land improvements	25 years
Tennis and volleyball courts	15 years
Buildings	2.5%, 5, 25, 40, 50 years
Wastewater infrastructure	40 years
Water utilities	20 years
Dewatering units	20 years
Streets, roads, sidewalks and trails	8%, 25 years
Wind turbines	20 years
Solar panels	20 years
Construction and demolition debris sites	5-7 years
Asbestos and contaminated soil sites	20-25 years
Wharves	5%, 2, 4, 10, 25 years
Hangar	4%
Organic compost bins	10 years

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 1. Summary of significant accounting policies (continued)

#### Tangible capital assets (continued)

Equipment and machinery	20%, 5, 10 years
Vehicles	20%, 30%, 8 years

Assets under construction are not amortized until the asset is available for productive use. Funding related to the purchase of tangible capital assets is recorded as revenue when received.

#### Asset retirement obligation

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

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

The liability for the closure and decommissioning of wind turbines, wells, wharves, transfer station, ice plant equipment, C & D sites, airport facilities, fuel oil storage tanks, fuel systems and refuelling areas has been recognized based on estimated future expenses. The liability associated with the remediation of contaminants present within buildings/land owned by the Municipality has also been recognized based on estimated future expenses on closure of the sites and post-closure care.

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

#### Tax sale surplus

Annually, the Municipality hosts a tax sale for properties whose owners are not up to date on their tax payments. The amounts from the proceeds of sale in excess of tax owing must be held for a period of 20 years. After the 20 year period of holding these funds in trust has expired, the cash will be transferred to the capital reserve. During the current year there were transfers of \$17,963 (2024 - \$4,960) made from the tax sale amounts to the capital reserve.

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 1. Summary of significant accounting policies (continued)

#### Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates that effect the amounts recorded in the financial statements. Management reviews the carrying amounts of items in the financial statements at each fiscal year end date to assess the need for revisions. Items in preparation of these consolidated financial statements require management's best estimate based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to annual surplus as appropriate in the year they become known.

Significant items subject to management estimates include:

<u>Financial statement element</u>	<u>Management estimate</u>
Taxes receivable	Allowance for doubtful accounts
Payables and accruals	Accrued liability
Tangible capital assets	Useful lives
Asset retirement obligations	Discount rate

#### Liability for contaminated sites

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

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Municipality is directly responsible or accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

Management has reviewed potential sites where they feel a material liability may exist and has concluded there is no known liability at this time.

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### 2. Contributions to Boards and Commissions

The Municipality is required to assist the operation of various Boards and Commissions. The Municipality has recorded its contributions to these organizations as expensed in these financial statements.

In addition to any budgeted contributions, the Municipal Units share in the deficits or surpluses of some these organizations 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.

#### Regional Housing Authority

During the period, the Municipality of the District of Argyle paid \$nil (2024 - \$58,834) to fund its share of the prior year's deficit. During the year, a new agreement was reached with the Province of Nova Scotia, and the Municipality is not longer required to fund any deficits of the Regional Housing Authority.

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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 2. Contributions to Boards and Commissions (continued)

##### Regional Library

During the period, the Municipality of the District of Argyle paid \$67,100 (2024 - \$63,900) to the Regional Library.

##### Western Regional Solid Waste Management Authority (Waste Check)

During the year, the Municipality contributed \$22,981 (2024 - \$21,826) as its share of the cost of operations of the Western Regional Solid Waste Management Authority.

##### Western Regional Enterprise Network

During the year, the Municipality contributed \$50,927 (2024 - \$49,088) as its share of the cost of operations of the Western Regional Enterprise Network.

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3. Taxes receivable			<u>2025</u>	<u>2024</u>
	<u>Current</u>	<u>Prior</u>	<u>Total</u>	<u>Total</u>
Taxes receivable, beginning of year	\$ -	\$ 497,782	\$ 497,782	\$ 385,523
Assessable property taxes				
Residential	6,380,810	-	6,380,810	5,931,364
Commercial	1,561,487	-	1,561,487	1,364,834
Resource	482,550	-	482,550	456,290
Other – recreation property tax	15,810	-	15,810	15,057
Wind farm taxes from developers	196,180	-	196,180	194,237
Area rates, uniform charges and special assessments	47,876	-	47,876	36,051
Sewer rates and charges	338,390	-	338,390	332,640
Taxes and rates collected for other governments and agencies	<u>579,932</u>	<u>-</u>	<u>579,932</u>	<u>533,837</u>
	<u>9,603,036</u>	<u>497,782</u>	<u>10,100,817</u>	<u>9,249,833</u>
Collections	9,286,587	51,524	9,338,110	8,580,245
Write-offs	-	4,201	4,201	10,633
Reduced taxes	<u>267,913</u>	<u>-</u>	<u>267,913</u>	<u>189,958</u>
	<u>9,554,500</u>	<u>55,725</u>	<u>9,610,224</u>	<u>8,780,836</u>
	48,535	442,058	490,593	468,997
Interest on taxes	28,943	1,201	30,144	34,885
Less valuation allowance	<u>-</u>	<u>(4,772)</u>	<u>(4,772)</u>	<u>(6,100)</u>
Taxes receivable, end of year	<u>\$ 77,479</u>	<u>\$ 438,488</u>	<u>\$ 515,966</u>	<u>\$ 497,782</u>

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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#### 4. Special assessments receivable

##### Special assessment – Tusket sewer

Upon completion of the Tusket sewer capital project, residents in the Tusket Wastewater District were assessed a capital fee for a portion of the project cost. These residents were given the option to pay immediately or over a 20 year period. As at March 31, 2025, the principal balance owed from the Tusket residents is \$4,027 (2024 - \$26,072). Interest is recorded as revenue in the year that it is received, and not included in the Special assessment – Tusket sewer receivable.

##### Special assessment – Wedgeport sewer

Upon completion of the Wedgeport sewer capital project, residents in the Wedgeport Wastewater District were assessed a capital fee for a portion of the project cost. These residents were given the option to pay immediately or over a 10 year period. As at March 31, 2025, the principal balance owed from the Wedgeport residents is \$124,228 (2024 - \$144,147). Interest is included as revenue in the year that it is received, and not included in the Special assessment receivable.

Total long term taxes receivable for Tusket, West Pubnico and Wedgeport is \$128,255 (2024 - \$170,219).

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5. Due from Federal government and its agencies	<u>2025</u>	<u>2024</u>
HST receivable	<u>\$ 120,080</u>	<u>\$ 103,355</u>

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#### 6. Water supply upgrade lending program

On January 16, 2017, Council adopted a bylaw which allowed for lending to qualified residents to dig or drill a new well on their property. This bylaw is enabled under legislation through the Municipal Government Act.

A loan under the water supply upgrade lending program is recognized when funds are disbursed, the Municipality assumes the risks associated with the loan, repayment of principal and interest is established, and the loan can be reliably measured. Interest is recognized over the term of a loan according to the terms of the underlying agreement.

All loans are considered first liens on the residential property, identical to municipal taxes. The loans are repayable monthly over a period of 10 years.

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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 7. Land held for resale

The Municipality purchased and developed land for resale in the years 1985 through 1989. The costs are removed from the property accounts as land is sold and proceeds are recorded as revenue in the capital reserve.

During 2012, the Municipality re-acquired the Tusket Business Park property from the Yarmouth Area Industrial Commission in exchange for \$1. Of the lots re-acquired, two have been kept by the Municipality. The remaining eighteen lots were held for resale and as of March 31, 2025, fourteen of the lots have been sold.

During 2015, the Municipality began marketing seven lots of residential park land in Wedgeport as available for sale. In 2017, one additional piece of residential park land was acquired by the Municipality with the intent to resell. Five lots of land have been sold as of March 31, 2025.

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8. Payables and accruals	<u>2025</u>	<u>2024</u>
Trade	\$ 466,566	\$ 643,549
Amounts due to controlled entities		
- Mariners Centre Management Authority	182,899	129,749
- Mariners Centre Wellness Fund	3,333	85
- Yarmouth International Airport Corporation	43,598	55,166
- Yarmouth Area Industrial Commission	22,697	31,123
- Yarmouth & Acadian Shores Tourism Association	10,979	9,704
- Yarmouth County Solid Waste Management Authority	135,429	136,871
Sick leave	<u>85,000</u>	<u>85,000</u>
	<u>\$ 950,501</u>	<u>\$1,091,247</u>

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9. Deferred revenue	<u>2025</u>	<u>2024</u>
Operating revenue	\$ 108,960	\$ 116,233
East Pubnico utility	-	88,780
Canada Community-Building Fund	385,912	634,222
Other capital projects	<u>4,416,207</u>	<u>4,422,714</u>
	<u>\$4,911,079</u>	<u>\$5,261,949</u>

Funds received with specific spending criteria and stipulations are recorded in deferred revenue until these funds are spent on eligible expenditures. Canada Community-Building Fund monies must be held in special reserve accounts until spent on specific expenditures in accordance with the Canada-Nova Scotia Gas Tax Agreement.

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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 9. Deferred revenue (continued)

Deferred revenue reported on the consolidated statement of financial position is made up of the following:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	<u>\$5,261,949</u>	<u>\$4,616,696</u>
Contributions from:		
Canada Community-Building Fund	359,083	360,525
Province of Nova Scotia	2,043,294	1,276,626
Local municipal governments	30,538	55,304
Other	-	62,479
Interest earned	<u>25,486</u>	<u>46,185</u>
	<u>2,458,401</u>	<u>1,801,119</u>
Utilized for:		
Tangible capital asset acquisitions and work in progress	2,337,873	1,011,664
Operations	<u>471,398</u>	<u>144,202</u>
	<u>2,809,271</u>	<u>1,155,866</u>
Balance, end of year	<u>\$4,911,079</u>	<u>\$5,261,949</u>

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

10. Long-term debt

	Balance April 1, 2024	Issued	Repaid	Balance March 31, 2025	Interest	Interest rate
NS Dept. of Finance & Treasury Board - Term loan, payable in principal payments Of \$52,784 plus interest, due 2028	\$ -	\$ 410,956	\$ (2,404)	\$ 408,552	\$ 15,126	4.433% - 4.940%
Federation of Canadian Municipalities - Green Municipal Fund loan, payable in one annual blended payment of \$332,246 and one semi-annual interest payment, maturing in March 2032	\$ 2,441,773	\$ -	\$ (287,832)	\$ 2,153,941	\$ 89,441	3.65%
	<u>\$ 2,441,773</u>	<u>\$ 410,956</u>	<u>\$ (290,236)</u>	<u>\$ 2,562,493</u>	<u>\$ 104,567</u>	

Principal repayments required during the next five years on long-term debt are as follows:

2026	\$ 334,138
2027	339,442
2028	632,432
2029	309,242
2030	314,839

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

**11. Tangible capital assets**

	Land Improvements	Land	Tennis & Volleyball Courts	Buildings	West Pubnico Sewer	Tusket Sewer	Tusket Business Park Sewer	Wedgeport Sewer	East Pubnico Water Utility	West Pubnico Dewatering Unit	Roads and Paving	Construction & Demolition Debris Sites
<b>Cost</b>												
Balance, beginning of year	\$ 593,220	\$ 1,162,851	\$ 201,645	\$ 9,916,323	\$ 8,232,567	\$ 2,803,137	\$ 751,807	\$ 2,053,116	\$ 589,030	\$ 286,150	\$ 881,093	\$ 1,612,762
Add												
Net additions during the year	-	1,658,029	-	233,611	-	251,780	-	37,804	26,768	-	-	21,712
Less												
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	<u>593,220</u>	<u>2,820,880</u>	<u>201,645</u>	<u>10,149,934</u>	<u>8,232,567</u>	<u>3,054,917</u>	<u>751,807</u>	<u>2,090,920</u>	<u>615,798</u>	<u>286,150</u>	<u>881,093</u>	<u>1,634,474</u>
<b>Accumulated amortization</b>												
Balance, beginning of year	2,592	201,760	111,555	2,931,901	3,977,063	1,315,652	280,405	198,413	43,275	42,924	457,437	492,954
Add												
Amortization during the year	1,296	76,833	12,395	259,016	157,185	70,078	18,795	52,043	14,425	14,308	22,169	81,061
Less												
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	<u>3,888</u>	<u>278,593</u>	<u>123,950</u>	<u>3,190,916</u>	<u>4,134,248</u>	<u>1,385,730</u>	<u>299,200</u>	<u>250,456</u>	<u>57,700</u>	<u>57,232</u>	<u>479,606</u>	<u>574,015</u>
<b>NET BOOK VALUE</b>	<u>\$ 589,332</u>	<u>\$ 2,542,287</u>	<u>\$ 77,695</u>	<u>\$ 6,959,018</u>	<u>\$ 4,098,319</u>	<u>\$ 1,669,187</u>	<u>\$ 452,607</u>	<u>\$ 1,840,464</u>	<u>\$ 558,098</u>	<u>\$ 228,918</u>	<u>\$ 401,487</u>	<u>\$ 1,060,459</u>



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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 12. Commitments and contractual obligations

##### Organic waste collection and disposal contract

The Municipality has entered into a contract with Royal Environmental Inc. for the handling and disposal of organic waste and recycling. The duration of the contract is seven years commencing April 1, 2025 and the estimated annual payment for the remaining years of the contract is as follows (excluding HST):

2026	\$655,166
2027	\$681,373
2028	\$708,628
2029	\$736,973
2030	\$766,452
2031	\$797,110
2032	\$828,994

##### Scotia Recycling contract

On September 1, 2024, Yarmouth County Solid Waste Management Authority entered into an agreement with Scotia Recycling for the processing of recyclable waste. In the March 31, 2025 fiscal year, the Authority paid \$194.00 plus taxes per metric tonne of recyclables. The agreement expires on March 31, 2027.

Estimated rates per metric tonne of recyclables over the remaining two years of the amended agreement is as follows:

2026	\$195.75 plus HST
2027	\$197.50 plus HST

##### Region of Queens Municipality contract

On behalf of the Municipality of the District of Argyle, the Municipality of the District of Yarmouth and the Town of Yarmouth, the Yarmouth county Solid Waste Management Authority manages an agreement with the Region of Queens Municipality ("Queens") to oversee the transfer of waste from their facility to the Queens site. The agreement is dated August 10, 2005 and expires March 31, 2027.

Rates per tonne under the agreement are as follows:

- a) For acceptable 2<sup>nd</sup> Generation Solid Waste, transportation and disposal cost of \$78.25 plus HST
- b) Should acceptable 2<sup>nd</sup> Generation Solid Waste be delivered direct to the Queens facility, disposal cost of \$67.50 plus HST
- c) For acceptable 1<sup>st</sup> Generation Solid Waste, disposal fee of \$48.50 plus HST

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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 12. Commitments and contractual obligations (continued)

After March 31, 2007, Queens may increase the fees once per year by a percentage equal to the percentage increase in each calendar year's percentage ten year average Consumer Price Index for Nova Scotia. As well, Queens may increase the applicable fees by the actual percentage increase whereby there has been a significant regulatory change beyond the control of the parties, which has demonstrably increased Queens' cost of performance of its obligations under the contract provided that the increase is based on the proportionate share of tonnage disposed of in the Queens facility by the Authority.

The cost per tonne on April 1, 2025 is \$114.90 plus HST.

#### Mariners Centre Expansion

On August 10, 2023, the Mariners Centre Management Authority announced the planned expansion at the Mariners Centre, with an initial budget of \$36 million, updated to \$42 million during 2025. In October 2024, the construction contract was signed with RCS Construction for \$42,231,450. To March 31, 2025, \$4,833,385 in cost has been incurred for the project. The Authority has secured funding from the Province of Nova Scotia through Communities, Culture, Tourism and Heritage for \$7,000,000; from the Federal Government through Green and Inclusive Community Buildings for \$15,902,200; from the municipal owners for \$10,000,000; and has a committee organized to raise the remaining amount needed.

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#### 13. Pension obligations

During the year the Municipality matched contributions to their employees defined contribution pension plans at a rate of 6% of total wages. Contributions for the year totalled \$71,991 (2024 - \$73,757). As of March 31, 2025, there were no required future contributions in respect of past service and all contributions required under the plan had been funded.

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#### 14. Contingent liabilities

The Municipality may be periodically involved in other legal actions arising in the normal course of business. In the opinion of management, the Municipality has adequate defences or insurance coverage with respect to each of these actions and does not believe that they will materially affect the Municipality's financial position or results of future operations.

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 15. Segment disclosure

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

#### General Government Services - Administration

This segment is responsible for the overall financial and local government administration. Its tasks include tax billings and payments, trade payables and receivables, budgets, financial statements, adherence to the Municipal Government Act, bylaw administration, and information technology management.

#### Protective Services

This segment is managed by the administration department. The Municipality is primarily responsible for police and fire protection for its residents. The Municipalities of Argyle and Yarmouth operate a joint police detachment which serves both Municipalities. The Municipality also engages the services of various not for profit, volunteer fire departments in order to fulfill its fire protection role. The Municipality pays operating and capital grants to each fire department.

Other protective services include fees paid to the Province for correctional services and animal and pest control.

#### Transportation Services

The Municipality is responsible for the maintenance of specialized roads within its jurisdiction. The Municipality is also a partner in the operation and ownership of the Yarmouth International Airport Corporation. This segment is managed by the administration department.

#### Environmental Health Services - Department of Property Inspection and Public Works

The 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, recycling, and composting services and are responsible for the issuance of development permits and approving subdivision applications. This segment also manages animal control and dangerous and unsightly premises issues.

#### Public Health Services

This segment is managed by the administration department. The Municipality's contribution to public health is primarily in the form of doctor retention and recruitment. The Municipality works collaboratively with other units to attract and retain this essential service via the construction of medical clinics in our communities, and the commitment to financially offset operational deficits of these operations.

#### Environmental Development Services

This segment is responsible for the planning and development within the Municipality and its neighbouring regions. Its tasks include offering shared services to the Municipalities of Yarmouth, Argyle, Digby, and Clare, developing strategies, planning reports, mapping capabilities and ensuring that Provincial mandates for boundary reviews and strategies are met.

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 15. Segment disclosure (continued)

This segment also includes municipal contributions to the regional industrial commission and economic development authorities, who are mandated to promote development within our respective communities.

This segment also includes Tourism Development, which is closely tied to economic development. This department ensures that our local tourism product is continuously developed to attract tourists in this area.

#### Recreation and Cultural Services

This segment is responsible for promoting and offering recreation opportunities and activities to the Municipality's residents, specializing in offering day camps to youth and social activities for senior groups. This segment also is responsible for the maintenance and operations of recreation fields for the benefit of all residents.

Also included in this grouping is the Argyle Courthouse and Gaol, the oldest standing courthouse in North America. The Municipality staffs this facility with an archivist who has the responsibility to manage this facility as well as the Municipal and public archives. This segment works in conjunction with a local non-profit society for the preservation of the community's rich heritage. The Courthouse is open for tours during the tourist season.

# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

### 15. Segment disclosure (continued)

	General government	Protective	Transportation	Environmental health	Public health	Environmental development	Recreation and cultural	2025	2024
<b>Revenues</b>									
Taxes	\$ 1,556,251	\$ 1,607,112	\$ 444,434	\$ 1,399,169	\$ 22,203	\$ 628,333	\$ 1,515,102	\$ 7,172,604	\$ 6,555,461
Grants in lieu of taxes	33,509	34,604	9,569	30,126	478	13,529	32,622	154,437	153,067
Other revenue from own sources	232,628	-	442,031	552,008	-	452,358	1,383,213	3,062,238	1,883,735
Unconditional transfers from Federal and Provincial governments or agencies	234,584	-	-	-	-	-	-	234,584	209,134
Conditional transfers from Federal and Provincial governments or agencies	662,531	2,764	-	2,309,035	-	47,385	1,249,394	4,271,109	2,547,616
Services provided to other governments	255,555	-	-	-	-	-	-	255,555	149,420
Sales of services	84,942	-	-	-	-	-	271,898	356,840	343,358
Interest	522,621	-	-	-	-	9,154	86,080	617,855	673,032
Rental and events	-	-	-	-	-	-	275,201	275,201	221,332
Food and beverages	-	-	-	-	-	-	112,250	112,250	111,727
	<u>3,582,621</u>	<u>1,644,479</u>	<u>896,034</u>	<u>4,290,338</u>	<u>22,681</u>	<u>1,150,758</u>	<u>4,925,761</u>	<u>16,512,673</u>	<u>12,847,882</u>
<b>Expenses</b>									
Salaries and benefits	1,099,062	539,080	205,293	231,039	-	287,548	915,592	3,277,614	3,201,270
Goods and services	162,944	1,860,949	317,149	1,109,306	36,962	274,261	14,903	3,776,474	4,143,193
Amortization	114,960	43,293	37,102	479,716	-	188,144	281,742	1,144,957	1,005,682
Interest	89,441	-	-	-	-	-	-	89,441	103,023
Other	<u>926,221</u>	<u>232,033</u>	<u>180,303</u>	<u>509,136</u>	<u>-</u>	<u>296,033</u>	<u>1,301,955</u>	<u>3,445,681</u>	<u>2,434,136</u>
	<u>2,392,628</u>	<u>2,675,355</u>	<u>739,847</u>	<u>2,329,197</u>	<u>36,962</u>	<u>1,045,986</u>	<u>2,514,192</u>	<u>11,734,168</u>	<u>10,887,304</u>
Annual surplus (deficit) before the undernoted	1,189,112	(1,030,876)	156,187	1,961,141	(14,281)	104,772	2,411,569	4,778,505	1,960,578
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	30,963
Annual surplus (deficit)	<u>\$ 1,189,112</u>	<u>\$ (1,030,876)</u>	<u>\$ 156,187</u>	<u>\$ 1,961,141</u>	<u>\$ (14,281)</u>	<u>\$ 104,772</u>	<u>\$ 2,411,569</u>	<u>\$ 4,778,505</u>	<u>\$ 1,991,541</u>

## Municipality of the District of Argyle Notes to the Consolidated Financial Statements

March 31, 2025

### 16. Subsidiary operations

	<u>2025</u>	<u>2024</u>
Mariners Centre Management Authority	\$ 3,547,223	\$ 2,881,217
Yarmouth International Airport Corporation	\$ 502,411	2,979,252
Yarmouth County Solid Waste Management Authority	\$ 614,714	\$ (98,035)
Yarmouth Area Industrial Commission	\$ 292,617	\$ 5,157,692
Yarmouth and Acadian Shores Tourism Association	\$ 200,727	3,216,332
Yarmouth County Solid Waste Management Authority	\$ 807,373	\$ 1,941,360
Yarmouth Area Industrial Commission	\$ 317,727	\$ (8,726)
Yarmouth and Acadian Shores Tourism Association	\$ 209,453	\$ 2,881,217
Yarmouth County Solid Waste Management Authority	\$ (192,660)	2,979,252
Yarmouth Area Industrial Commission	\$ (25,110)	\$ (98,035)
Yarmouth and Acadian Shores Tourism Association	\$ 30,311	\$ 2,309,751
Yarmouth County Solid Waste Management Authority	\$ 184,485	3,952,044
Yarmouth Area Industrial Commission	\$ 406,359	224,928
Yarmouth and Acadian Shores Tourism Association	\$ 38,599	7,007,612
Yarmouth County Solid Waste Management Authority	\$ 803,287	\$ 7,232,539
Yarmouth Area Industrial Commission	\$ 161,987	\$ (2,047)
Yarmouth and Acadian Shores Tourism Association	\$ 6,242	\$ 5,599,369
Yarmouth County Solid Waste Management Authority	\$ 1,645,490	\$ 5,277,833
Yarmouth Area Industrial Commission	\$ 1,432,306	\$ 5,599,369
Yarmouth and Acadian Shores Tourism Association	\$ 1,594,293	\$ 5,277,833
Yarmouth County Solid Waste Management Authority	\$ 1,026,689	\$ 5,277,833
Yarmouth Area Industrial Commission	\$ 92,962	\$ 5,277,833
Yarmouth and Acadian Shores Tourism Association	\$ 92,962	\$ 5,277,833
Revenues	\$ 3,496,836	\$ 4,176,971
Expenses	2,740,416	3,952,044
Annual (deficit) surplus	756,419	224,928
Financial assets	3,764,223	7,007,612
Financial liabilities	4,520,642	7,232,539
Net financial assets	\$ 243,581	\$ (224,928)
Non-financial assets	\$ 243,581	\$ (224,928)
Accumulated surplus	\$ 243,581	\$ (224,928)

These amounts represent the proportion owned by the Municipality of the District of Argyle and are included in the consolidated statement of operations and statement of financial position.

This schedule does not take into account inter-organization eliminations.

# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

### 17. Budget figures

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the statement of operations and statement of changes in net assets has been adjusted to be on a consistent basis as actual results. The adjustments below include netting school board appropriations and reduced taxes against tax revenues, reclassification of revenues and expenditures amongst categories, and the elimination of revenues and expenditures between the Municipality and its proportionately consolidated entities. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the financial statement:

	Approved <u>Fiscal Plan</u>	<u>Adjustments</u>	Fiscal Plan Per Financial <u>Statements</u>
<b>Revenues</b>			
Taxes	\$ 7,335,355	\$ (267,425)	\$ 7,067,930
Grants in lieu of taxes	150,545	-	150,545
Other revenue from own sources	2,907,106	(259,314)	2,647,792
Unconditional transfers from other governments	238,164	-	238,164
Conditional transfers from Federal and Provincial governments and agencies	4,449,672	-	4,449,672
Services provided to other governments	143,278	(500)	142,778
Sales of services	355,926	-	355,926
Interest	563,685	-	563,685
Rental and events	318,621	-	318,621
Food and beverages	<u>126,821</u>	<u>-</u>	<u>126,821</u>
	<u>16,589,173</u>	<u>(527,239)</u>	<u>16,061,934</u>
<b>Expenses</b>			
General government services	2,417,306	(152,240)	2,265,066
Protective services	2,689,663	43,293	2,732,956
Transportation services	870,559	(43,519)	827,040
Environmental health services	1,882,877	263,451	2,146,328
Public health and welfare services	36,500	-	36,500
Environmental development services	938,301	19,278	957,579
Recreational and cultural services	1,931,767	(425)	1,931,342
Transfers (from) to own reserves, funds and agencies	<u>293,341</u>	<u>(293,341)</u>	<u>-</u>
	<u>11,060,314</u>	<u>(163,277)</u>	<u>10,896,811</u>
Annual (deficit) surplus before the undernoted	5,528,859	(363,736)	5,165,123
Gain on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Annual surplus	<u>\$ 5,528,859</u>	<u>\$ (363,736)</u>	<u>\$ 5,165,123</u>

# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

18. Taxes	<u>2025 Budget</u>	<u>2025 Actual</u>	<u>2024 Actual</u>
Assessable property			
Residential	\$ 6,382,000	\$ 6,380,810	\$ 5,931,364
Commercial			
Commercial property	1,527,775	1,532,122	1,344,339
Seasonal property	29,325	29,333	20,463
Forest property (50,000 acres or more)	<u>32</u>	<u>32</u>	<u>32</u>
	<u>7,939,132</u>	<u>7,942,297</u>	<u>7,296,198</u>
Resource			
Taxable assessments	472,500	472,762	446,301
Forest property tax (less than 50,000 acres)	<u>9,789</u>	<u>9,789</u>	<u>9,989</u>
	<u>482,289</u>	<u>482,551</u>	<u>456,290</u>
Other assessable property taxes			
Recreation property tax	15,057	15,810	15,057
Farm property tax	7,176	7,176	7,297
Wind farm payment – Province of Nova Scotia	<u>35,134</u>	<u>35,138</u>	<u>34,790</u>
Conservation payment	<u>13,000</u>	<u>14,443</u>	<u>13,396</u>
	<u>70,367</u>	<u>72,567</u>	<u>70,540</u>
Special tax agreements			
Based on revenue (Aliant)	32,000	35,023	33,556
Wind farm developer tax	<u>196,179</u>	<u>196,180</u>	<u>194,237</u>
	<u>228,179</u>	<u>231,203</u>	<u>227,793</u>
Other rates, charges and assessments			
Environmental services, sewer	337,590	338,390	332,640
East Pubnico industrial water system	47,500	47,877	36,051
Fire area rates, tax	580,244	579,932	533,837
Appropriation to regional fire departments	<u>(580,244)</u>	<u>(579,898)</u>	<u>(533,829)</u>
	<u>385,090</u>	<u>386,301</u>	<u>368,699</u>
Other taxes			
Deed transfer tax	190,000	285,629	251,691
Intermunicipal tax sharing agreement – Yarmouth Airport	<u>28,000</u>	<u>27,898</u>	<u>27,720</u>
	<u>218,000</u>	<u>313,527</u>	<u>279,411</u>
Expenses as a reduction of tax revenue			
Appropriation to regional school board	(1,987,927)	(1,987,927)	(1,793,863)
Transfer to correctional services	-	-	(100,815)
Deficit of Regional Housing Authority	-	-	(58,834)
Tax rebates or cancellations, by bylaw	<u>(267,200)</u>	<u>(267,914)</u>	<u>(189,958)</u>
	<u>(2,255,127)</u>	<u>(2,255,841)</u>	<u>(2,143,470)</u>
	<u>\$ 7,067,930</u>	<u>\$ 7,172,604</u>	<u>\$ 6,555,461</u>

## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

19. Other revenue from own sources	<u>2025</u> <u>Budget</u>	<u>2025</u> <u>Actual</u>	<u>2024</u> <u>Actual</u>
Non-consolidated Operating Fund	\$ 228,359	\$ 264,352	\$ 257,235
Tax sale surplus	17,963	17,963	4,960
Mariners Centre Management Authority	987,196	1,490,041	322,721
Yarmouth International Airport Corporation	578,059	502,411	501,126
Yarmouth County Solid Waste Management Authority	658,517	614,714	638,060
Yarmouth Area Industrial Commission	230,633	283,463	276,913
Yarmouth & Acadian Shores Tourism Association	206,379	200,727	168,053
Reclassification of interest	(3,000)	(3,000)	(3,000)
Inter-organizational eliminations	<u>(256,314)</u>	<u>(308,434)</u>	<u>(282,333)</u>
	<b><u>\$ 2,647,792</u></b>	<b><u>\$ 3,062,238</u></b>	<b><u>\$ 1,883,735</u></b>

#### 20. Change in non-cash items

The following are changes in non-cash items. The total is carried back to the Consolidated Statement of Cash Flow on page 7.

	<u>2025</u>	<u>2024</u>
Taxes receivable	\$ (18,184)	\$ (112,259)
Special assessment receivable	41,964	(73,981)
Due from Provincial government and its agencies	(576,470)	(633,084)
Due from Federal government and its agencies	(16,725)	245,424
Water supply upgrade lending program	(14,293)	66,384
Other receivables	660,527	(648,446)
Inventory held for resale	94	3,815
Land held for resale	-	(18,978)
Payables and accruals	(152,968)	517,073
Prepayment of taxes	54,476	15,257
Loans payable	212,109	278,671
Deferred revenue	(350,872)	645,253
Other post employment benefits	4,642	25,167
Tax surplus sale	<u>(28,144)</u>	<u>136,848</u>
	<b><u>\$ 560,546</u></b>	<b><u>\$ 447,146</u></b>

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 21. Previously closed landfill sites

The Municipality has landfill sites that were closed many years ago in accordance with the standards required at that time. Management believes that clean-up costs have been incurred in full, and thus has not recorded any additional liability. Any costs incurred in future years would be charged to operations in the fiscal year when the work is performed. A transfer of \$30,000 was made to and remains in the Special Reserve Fund - Capital Reserve Section in the 1995 - 1996 fiscal periods for future landfill closure costs.

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### 22. Reserves

The following is the non-consolidated accumulated surplus of the reserves at the end of the year:

	<u>2025</u>	<u>2024</u>
Operating	<u>\$ 4,620,841</u>	<u>\$ 4,207,934</u>
Capital	<u>\$ 5,229,791</u>	<u>\$ 4,577,605</u>

The Tuskett wastewater operations, West Pubnico wastewater operations, and East Pubnico water utility operations are included in the non-consolidated operating fund. The accumulated surplus in these facilities is as follows:

	<u>2025</u>	<u>2024</u>
Tuskett wastewater	<u>\$ 59,174</u>	<u>\$ 67,241</u>
West Pubnico wastewater	<u>\$ 406,796</u>	<u>\$ 356,679</u>
East Pubnico water utility	<u>\$ 124,607</u>	<u>\$ 109,117</u>
Wedgeport sewer	<u>\$ 35,283</u>	<u>\$ 24,905</u>

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## Municipality of the District of Argyle

### Notes to the Consolidated Financial Statements

March 31, 2025

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#### 23. Remuneration and expense reimbursements

The total remuneration and expense reimbursements paid to councillors and the Chief Administrative Officer during the year ended March 31, 2025 was as follows:

	<u>Remuneration</u>	<u>Expenses</u>
Danny Muise – Warden	\$ 26,848	\$ 436
Nicole Albright – Warden	32,893	47
Ted Saulner – Deputy Warden	26,436	323
Malcolm Madden – Councillor	8,905	1,572
Greg Foster – Councillor	8,905	229
Darryl LeBlanc – Councillor	8,905	2,776
Racheal Surette – Councillor	8,905	616
Guy Surette – Councillor	16,505	734
Richard Donaldson – Councillor	16,505	5,058
Calvin d'Entremont – Councillor	16,505	302
Kathy Bourque – Councillor	25,410	81
Glenn Diggdon – Councillor	25,410	770
Gordon Boudreau – Councillor	25,410	62
Alain Muise – Chief Administrative Officer	150,492	2,708

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# Municipality of the District of Argyle

## Notes to the Consolidated Financial Statements

March 31, 2025

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### 24. Asset retirement obligation

The Municipality's asset retirement obligation consists of the liability for the decommissioning of wind turbines, wells, wharves, transfer station, ice plant equipment, C & D sites, airport facilities, fuel oil storage tanks, fuel systems and refuelling areas, and the remediation of contaminants present within/on buildings owned by the Municipality. These contaminants represent a health hazard upon demolition or to meet environmental standards, and therefore there is a legal obligation for the removal of these contaminants on decommissioning. Following the adoption of PS 3280 – Asset retirement obligations, the Municipality recognized an obligation relating to this decommissioning and remediation as estimated at April 1, 2022. These assets have remaining useful lives of 1-58 years. Estimated costs have been discounted to the present value using a discount rate of 3.4%-5.5% per annum.

In accordance with the provisions of this new standard, the Municipality has reflected the following adjustments as at April 1, 2022:

- a) An asset retirement obligation in the amount of \$521,479, representing the original \$2,227,594 obligation discounted to the present value using a discount rate of 3.4%-5.5% per annum.
- b) An increase to tangible capital assets, representing the original estimate of the obligation as at the date of the transition.

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

	<u>2025</u>	<u>2024</u>
Opening balance	\$ 573,760	\$ 547,055
Settlement	-	-
Accretion expense	<u>27,803</u>	<u>26,705</u>
Closing balance	<u>\$ 601,563</u>	<u>\$ 573,760</u>