West Hants
something inspiring awaits

WEST HANTS REGIONAL MUNICIPALITY REPORT

Information ☑	Recommendation ☐	Decision Request ☐	Councillor Activity ☐

To: Mayor Zebian and members of Council

Submitted by: ___________________________________
Carlee Rochon, Director, Financial Services

Date: March 10, 2026

Subject: 2024-25 Audited Financial Statements

LEGISLATIVE AUTHORITY

Municipal Government Act (MGA) – Part IV (Finance)

Sets municipal responsibilities for financial administration, including requirements for financial reporting, appointing an auditor, and Council's oversight of municipal finances.

Financial Reporting & Accounting Manual (FRAM)

Defines provincial financial reporting and audit requirements, including mandatory accounting policies, audit obligations, and expectations for year-end reporting.

Together, the MGA and FRAM create a statutory obligation for municipalities to prepare, audit, review, and submit annual financial statements.

Municipal Government Act (MGA) - Section 44

This section requires municipalities to have an Audit Committee, which must review the audited financial statements and related audit matters before they go to Council. Audit committees strengthen oversight, ensure audit integrity, and help Council meet its responsibilities.

RECOMMENDATION or DECISION REQUEST
N/A

BACKGROUND

Under provincial legislation and public-sector accounting standards, municipalities must prepare annual financial statements, have them audited by an independent auditor, and present them to Council for approval. Approval typically occurs after the auditor confirms that the statements fairly represent the Municipality's financial position. Once approved, the statements are submitted to the Province.

Timely approval of financial statements is essential to completing the annual reporting cycle, meeting statutory deadlines, and maintaining transparency and accountability to residents, senior governments, and other stakeholders.

Following Council's defeated motion to approve the 2024-25 Financial Statements, staff have prepared this report to outline the legislative, financial, operational, and reputational implications of non-approval. The external auditor has also been invited to Committee of the Whole to address any direction needed regarding next steps for the 2024-25 audit.

Property ☐	Public Opinion ☐	Environment ☐	Social ☐	Economic ☑	Councillor Activity ☐

DISCUSSION

Staff have grouped the financial implications into seven key areas:

1. Inability to File Mandatory Provincial Reports

If the statements are not approved, the Municipality cannot submit required provincial filings. This can lead to:

- Non-compliance flags,
- Follow-up or intervention from the Department of Municipal Affairs,
- Delays in approving the annual Financial Information Return (FIR).

A non-compliance flag can jeopardize funding disbursements, including the Canada Community Building Fund and Municipal Financial Capacity Grant, and can affect other provincial or federal grants.

2. Risk to Provincial Funding and Grant Eligibility

Many grants require Council-approved audited statements to confirm the Municipality's financial position.

Without approval:

- Required documents cannot be submitted,
- Funding releases may be delayed, and

- Eligibility for cost-shared infrastructure programs may be at risk.

This directly impacts cash flow and may delay capital projects.

3. Impact on Borrowing and Banking Relationships

Lenders rely on audited, Council-approved financial statements. Not approving the statements may cause:

- Delays in temporary borrowing approvals,
- More restrictive lending terms,
- Requests for additional financial assurances,
- Tighter covenants and potentially higher borrowing costs.

This is especially concerning given recent borrowing needs, including the PACE Program and the 2026 Spring Debenture Issue (deadline April 23).

4. Disruption to Budgeting, Capital Planning, and Reserves

Audited figures are essential for accurate:

- Annual budgets,
- Capital plans,
- Long-term financial strategies.

Without approved financials:

- Plans may rely on outdated or unaudited numbers, increasing financial risk,
- Timelines become compressed, which increases costs and may impact service delivery.

5. Increased Audit Costs

Delaying approval often means auditors must revisit work or update testing, which increases costs.

It also delays the Request for Proposal (RFP) process for future audit services, which can push the next year's audit schedule back and increase prices.

6. Impacts on Future Audits

Non-approval creates several long-term audit challenges:

- More audit testing (expanded sampling, more journal-entry testing),
- Scheduling delays if the current audit remains open,
- Additional work on opening balances and possible qualified opinions,
- Higher control risk assessments and more interim testing,
- Potential modified audit opinions due to unresolved issues.

These impacts can raise audit costs for several years.

7. Reputational and Governance Risks

Ongoing non-approval can signal governance or financial management issues, affecting:

- Creditworthiness,
- Public confidence,
- Relationships with provincial and federal partners.

This may invite increased scrutiny, as Council is responsible for financial stewardship under the Municipal Government Act.

8. Administrative and Operational Delays

Failure to approve the statements delays:

- Completion of the audit cycle,
- Closing of the previous fiscal year,
- Preparation of reports for the next budget cycle.

These delays increase staff workload and may affect financial decision-making and service delivery.

NEXT STEPS

Staff request direction from Council on how they wish to proceed.

FINANCIAL IMPLICATIONS

As discussed above, non-approval creates significant ongoing internal and external financial impacts.

ALTERNATIVES

- Suspend the Rules of Order (parliamentary procedure support to be provided by the CAO or Municipal Clerk) to Reconsider the defeated motion made at the February 24, 2026 Council meeting pertaining to the Audit Committee Excerpt and approve the Financial Statements as presented.
- Provide Notice of Reconsideration pertaining to the defeated motion made at the February 24, 2026 Council meeting pertaining to the Audit Committee Excerpt and tell staff and the auditor what concerns need to be fixed or reviewed before the statements come back to Council at the next meeting for Reconsideration.
- Maintain the defeated motion (not recommended).

ATTACHMENTS

- 2024-25 Audited Financial Statements

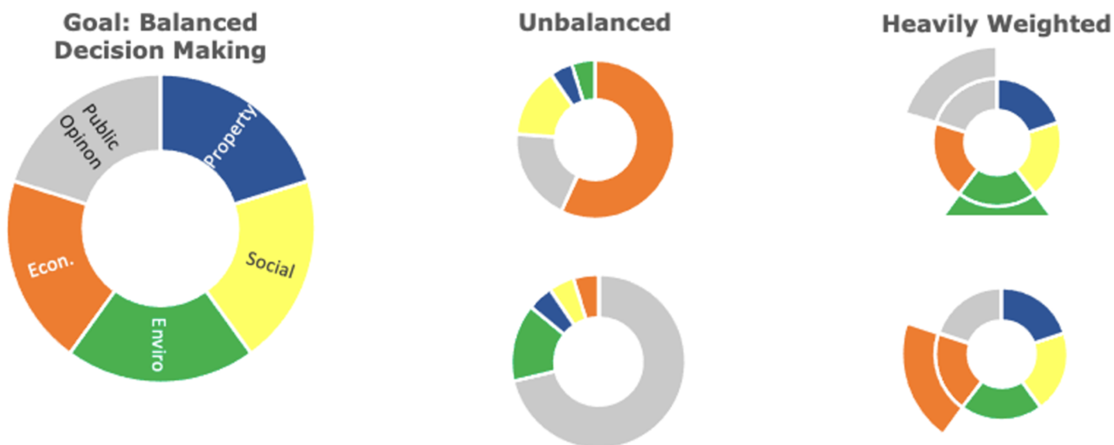
- 2024-25 Management Letter

CHIEF ADMINISTRATIVE OFFICER REVIEW

The director has provided information associated with the municipality not having approved financial statements. In addition to having the report and recommendation from the Audit Committee she has confirmed the attendance of the municipal auditor Provide for the COTW meeting. This will provide the opportunity for Council to ask and request the desired information so that the statements can be adopted.

Staff will await Council's position on the matter and will provide advice, if required, on the correct parliamentary procedure in order for the adoption of the statements.

Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C "Decision Making by Council and Committee of the Whole" as a reminder of the principles highlighted for good decision making.



Report Prepared by: ___________________________________

Report Reviewed by: ___________________________________

Report Approved by: ___________________________________

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

KENT & DUFFETT
Chartered Professional Accountants

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025

WEST HANTS REGIONAL MUNICIPALITY

The accompanying consolidated financial statements of the West Hants Regional 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 established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). 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 Kent & Duffett, independent external auditors appointed by the Municipality. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Municipality's consolidated financial statements.

A. Zebian	M. Phillips
Mayor	Chief Administrative Officer
February 3, 2026	February 3, 2026

KENT & DUFFETT
Chartered Professional Accountants

Incorporated Partners
Forse Investments Limited
Crosby Smith Holdings Limited

46 Chipman Dr, Unit 1, Box 817
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INDEPENDENT AUDITOR'S REPORT

His Worship the Mayor and Members of Council of the
West Hants Regional Municipality

Opinion

We have audited the consolidated financial statements of the West Hants Regional Municipality which comprise the consolidated statement of financial position as at March 31, 2025, consolidated statement of financial activities, consolidated change in net assets and consolidated cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Municipality are prepared, in all material respects, in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

KENT & DUFFETT
Chartered Professional Accountants

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INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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.

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.

Kent & Duffett

Kentville, Nova Scotia
February 3, 2026

Chartered Professional Accountants
Registered Municipal Auditor

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31, 2025

	Budget (unaudited)	2025 Actual	2024 Actual
REVENUES			
Taxes	$ 28,383,453	**$ 28,946,097**	$ 26,315,447
Payments in lieu of taxes	243,157	**276,114**	259,798
Services provided to other governments	1,537,479	**1,091,823**	1,178,179
Sales of services	888,328	**1,087,018**	996,749
Other revenue from own sources	735,089	**2,758,220**	3,454,999
Unconditional transfers from other governments	1,712,489	**1,722,896**	799,508
Conditional transfers from Federal and Provincial governments and agencies	162,319	**215,584**	198,957
Gas tax transfers	-	**867,309**	1,942,929
Proceeds from disposal of assets	-	**10,000**	25,000
Other	-	**1,986,401**	1,593,690
Cemetary	112,258	**116,926**	124,357
Water rates	3,854,526	**3,278,218**	3,844,799
	37,629,098	**42,356,606**	40,734,412
EXPENSES			
General government services	3,813,233	**3,438,332**	3,069,871
Protective services	10,244,688	**8,746,668**	9,201,972
Public works and transportation services	2,084,490	**2,822,053**	2,127,881
Environmental health services	3,464,407	**3,862,837**	3,708,940
Public health services	215,000	**133,565**	209,342
Environmental development services	1,699,990	**1,249,253**	1,191,659
Recreation and cultural services	3,589,595	**3,556,526**	3,093,667
Other transfers	1,166,895	**1,329,801**	1,878,997
Cemetary	112,258	**91,396**	119,964
Appropriation to school boards	5,611,626	**5,611,284**	5,028,024
Write off of tangible capital assets	-	**-**	-
Amortization	725,646	**5,857,194**	4,634,074
Water treatment and distribution	2,998,113	**3,015,430**	2,615,449
	35,725,941	**39,714,339**	36,879,840
ANNUAL SURPLUS	$ 1,903,157	**2,642,267**	3,854,572
ACCUMULATED SURPLUS AT BEGINNING OF		**97,691,892**	93,939,805
Other items affecting accumulated surplus		-	(102,485)
ACCUMULATED SURPLUS AT END OF YEAR		**$ 100,334,159**	$ 97,691,892
			note 12

The accompanying notes are an integral part of these financial statements.

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash (note 1(e))	**$ 27,244,617**	$ 30,119,640
Accounts receivable (net of valuation allowance) (note 4)	**9,017,322**	7,864,820
Equity in Valley Waste Resource Management	**152,558**	152,558
	36,414,497	38,137,018
LIABILITIES		
Bank indebtedness	**30,000**	30,000
Accounts payable	**5,105,214**	6,200,852
Asset retirement obligations (note 1(m))	**731,600**	731,600
Deferred revenue (note 10)	**14,662,196**	12,770,553
Tax sales surplus (note 10)	**658,795**	531,011
Long-term debt (note 5)	**17,881,218**	16,402,191
	39,069,023	36,666,207
NET ASSETS (DEBT) (page 5)	**(2,654,526)**	1,470,811
NON-FINANCIAL ASSETS		
Tangible capital assets (note 7)	**102,800,196**	96,010,281
Prepaid expenses	**188,489**	210,800
	102,988,685	96,221,081
ACCUMULATED SURPLUS	**$ 100,334,159**	$ 97,691,892

On behalf of the West Hants Regional Municipality

________________________ Mayor

________________________ Chief Administrative Officer

The accompanying notes are an integral part of these financial statements.

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

AS AT MARCH 31, 2025

	Budget (unaudited)	2025	2024
ANNUAL SURPLUS (page 3)	$ 1,903,157	**$ 2,642,267**	$ 3,854,572
Acquisition of tangible capital assets	-	**(12,637,146)**	(9,846,830)
Amortization of tangible capital assets	725,646	**5,857,194**	4,634,074
Other items affecting tangible capital assets	-	**(9,964)**	-
NBV of assets disposed for accounting purposes	-	**-**	869,713
Other items affecting accumulated surplus	-	**-**	(102,485)
	2,628,803	**(4,147,649)**	(590,956)
Change in prepaid expenses	-	**22,312**	36,713
CHANGE IN NET ASSETS	$ 2,628,803	**(4,125,337)**	(554,243)
Net assets (debt) beginning of year		**1,470,811**	2,025,054
NET ASSETS (DEBT) AT END OF YEAR		**$ (2,654,526)**	$ 1,470,811

WEST HANTS REGIONAL MUNICIPALITY

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT MARCH 31, 2025

	2025	2024
OPERATING TRANSACTIONS		
Annual surplus	**$ 2,642,267**	$ 3,854,572
Amortization of tangible capital assets	**5,857,194**	4,634,074
NBV of assets disposed for accounting purposes	**-**	869,713
Other items affecting accumulated surplus	**-**	(102,485)
Other items affecting tangible capital assets	**(9,964)**	-
	8,489,497	9,255,874
(Increase) decrease in accounts receivables	**(1,152,502)**	(2,345,165)
Increase (decrease) in bank indebtedness	**-**	(3,511)
Increase (decrease) in accounts payable	**(1,095,638)**	(232,833)
Increase (decrease) in asset retirement obligations	**-**	-
Increase (decrease) in deferred revenue	**1,891,643**	3,585,105
Increase (decrease) in tax sale surplus	**127,784**	(6,237)
(Increase) decrease in non-financial assets	**22,311**	36,712
	8,283,095	10,289,945
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	**(12,637,146)**	(9,846,830)
FINANCING ACTIVITIES		
Proceeds from issuance of new debt	**3,050,153**	4,817,597
Repayment of long term debt	**(1,571,125)**	(1,476,861)
	1,479,028	3,340,736
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,875,023)**	3,783,851
Opening balance	**30,119,640**	26,335,789
CASH AND CASH EQUIVALENTS AT END OF YEAR	**$ 27,244,617**	$ 30,119,640

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the West Hants Regional Municipality are prepared by management in accordance with Canadian generally accepted accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Municipality are as follows:

(a) Reporting entity

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

Trust funds administered by the Municipality amounting to $546,824 have not been included in the Consolidated Statement of Financial Position nor have these operations been included in the Consolidated Statement of Financial Activities.

Interdepartmental and organizational transactions and balances have been eliminated.

(b) Basis of accounting

The Municipality follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Fund accounting

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

(d) Use of estimates

In preparing the Municipality's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenses.

In addition, the Municipality’s implementation of PS3280 Asset Retirement Obligations has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs.

Actual amounts could differ from these estimates.

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks, bank overdrafts, and highly liquid temporary money instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

1. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

(f) **Accounts receivable**

Uncollected taxes and rates

Accounts receivable are shown net of allowance for doubtful accounts. The Municipality provides a valuation allowance for estimated losses that will be incurred on collecting receivables outstanding.

(g) **Revenue and expenditure**

The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of a legal obligation to pay.

Tax and related revenue

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 during the budget approval process. Tax adjustments as a result of appeals and re-assessment are recorded when the result of the appeals process is known.

Government transfers

Federal and/or provincial transfers for operating and capital purposes are recognized in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until conditions have been met. When revenue is received without any eligibility criteria or stipulations, it is recognized when the transfer(s) from the Federal government and/or the Province of Nova Scotia are authorized.

Interest revenue

Interest earned on investments in the depreciation fund or on any other fund is recorded within the respective funds, unless otherwise approved by the Nova Scotia Utility and Review Board.

Other revenues

Other revenues are recognized as services or goods are provided, the exchange amount is measurable and collectability of the amount is reasonably assured.

(h) **Tangible capital assets**

Capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset.

Amortization is recorded in the financial statements on a straight line basis over an asset's estimated useful life as noted below.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Municipality's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write downs are accounted for as expenses in the consolidated statement of financial activities.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Tangible capital assets (continued)

Capital	Years
Land improvements	
Buildings	40
Small equipment	5-25
Vehicles	5
Roads and streets	30
Sidewalks	30
Sewer system	25-50
Fire department vehicles and equipment	5
Parks	40

Water Utility	Years
Structures, improvements, and wells	20-77
Equipment	5-25
Transmission	77
Distribution	77
Meters	20
Hydrants	50-77
Services	50

(i) Depreciation - water utility

In accordance with the Nova Scotia Utility and Review Board regulations, the depreciation expense in the Water Operating Fund are transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment or, subject to approval by the Utility and Review Board, to repay the principal of capital debt.

(j) Financial instruments

The Municipality's financial instruments include cash and cash equivalents, temporary investments, receivables, payables and accruals and long-term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit risks arising from financial instruments. The fair market value of these instruments approximate their carrying value.

(k) Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Municipality on behalf of the Water Utility are charged to the Utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the Water Utility. Administration and general expenses incurred for the benefit of both the Municipality and Water Utility are partially allocated to the Water Utility.

(l) Deferred revenue

Deferred revenue includes government transfers received with eligibility criteria that have not been met. When criteria have been met, deferred revenue is recognized as revenue in the fiscal year in a manner consistent with the circumstances and evidence used to support the initial recognition of the contributions received as a liability as detailed in Note 1(g).

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) 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 future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The liability is recorded for asbestos removal and decommissioning of a water station has been recognized based on estimated future expenses, using the cost escalation method and reviewed annually for valuation and adjusted when required. The recognition of a liability, or change in liability valuation results in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the depreciation accounting policies outlined in 1.(h).

(n) Equity in Valley Waste Resource Management

The Valley Region Solid Waste-Resource Management Authority is a corporate body formed under an Inter-Municipal Services Agreement encompassing the Municipality of Annapolis County, the Municipality of the County of Kings, and the Towns of Annapolis Royal, Berwick, Kentville, Middleton, Wolfville, for the purpose of collaborative resource management in the region. The Municipality records the investment in Valley Regional Solid Waste-Resource Management under the modified equity method.

2. CHANGE IN ACCOUNTING POLICIES

On April 1, 2023, the Municipality adopted the new Public Sector Accounting Standards Section PS 3400 Revenue. New Section 3400 Revenue establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers or restricted revenues. The Section distinguishes between revenue that arises from transactions that include performance obligations (i.e. exchange transactions) and transactions that do not have performance obligations (i.e. non-exchange transactions). Revenue from transactions with performance obligations will be recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payor. Revenue from transactions with no performance obligation will be recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset. In accordance with the provisions of this new standard, the Municipality has no adjustments.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

3. CONTRIBUTIONS TO BOARDS, REGIONAL AUTHORITIES, AND OTHER ENTITIES

The West Hants Regional Municipality is required to finance the operations of various Boards and Regional Authorities, along with other municipalities in the Annapolis Valley, to the extent of its participation based upon assessment and/or population formula.

In addition to any budgeted contributions, the Municipality shares in the deficits or surpluses of some of these organizations based upon the relevant cost-sharing percentage. The Municipality's share of any deficit is to be paid in the next fiscal year and any surplus is to be taken into operations in the estimates of the organization in the next fiscal year.

Nova Scotia Housing Development Corporation

An amount of $133,565 (2024 - $209,342) was provided for as at March 31, 2025 as the Municipality's share of the deficit of the Nova Scotia Housing Development Corporation for the period April 1, 2024 to March 31, 2025.

Annapolis Valley Regional Library Board

During 2024-25, the Municipality paid $134,400 (2024 - $134,440) as its share of the operations of the Annapolis Valley Regional Library Board, which serves Annapolis, Kings, and West Hants.

Annapolis Valley Regional School Board

During 2024-25, the Municipality paid $5,611,284 (2024 - $5,028,024) as its share of the operations of the Annapolis Valley Regional School Board, which serves Annapolis, Kings, and West Hants.

4. ACCOUNTS RECEIVABLE

Taxes receivable	Current year	Prior years	2025 Total	2024 Total
Balance, net of prepaid taxes, beginning of year	$ -	$ 2,271,818	$ 2,271,818	$ 1,892,952
Current year tax levy	23,608,449	-	23,608,449	21,631,982
	23,608,449	2,271,818	25,880,267	23,524,934
Deduct:				
Current year collections	21,702,605	1,553,639	23,256,244	21,309,793
Reduced taxes	(56,677)	-	(56,677)	(56,677)
	21,645,928	1,553,639	23,199,567	21,253,116
Total taxes receivable	$ 1,962,521	$ 718,179	$ 2,680,700	$ 2,271,818
Interest on taxes			367,177	307,036
Valuation allowance			(60,138)	(60,138)
Net taxes receivable			2,987,739	2,518,716
Water rates and Sewer charges			1,552,558	1,522,664
Due from federal government and its agencies			1,118,531	315,142
Other receivables			3,358,494	3,508,298
			$ 9,017,322	$ 7,864,820

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

5. LONG-TERM DEBT	2025	2024
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.575% to 4.119%, with annual principal repayments of $15,422 plus interest; maturing in 2037.	**$ 200,479**	$ 215,901
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.844% to 4.939%, with annual principal repayments of $54,000 plus interest. Repaid in the year.	**-**	54,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.826% to 4.026%, with annual principal repayments of $37,667 plus interest; maturing in 2026.	**75,329**	112,996
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.443% to 2.925%, with annual principal repayments of $218,603 plus interest; maturing in 2026.	**437,208**	655,811
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.048% to 3.108%, repayable in annual instalments of $154,000 plus interest; maturing in 2031.	**708,000**	862,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.617% to 3.073%, repayable in annual instalments of $59,700 plus interest; maturing in 2027.	**179,100**	238,800
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.884% to 3.501%, with annual principal repayments of $49,944 plus interest; maturing in 2033.	**948,939**	998,883
Municipal Finance Corporation debenture, bearing interest at a rate of 4.367% to 5.029%, with annual principal repayments of $69,024 plus interest; maturing 2039.	**1,051,431**	-
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.205% to 2.265%, with annual principal repayments of $18,754 plus interest. Repaid in the year.	**-**	18,754
Municipal Finance Corporation debenture, bearing interest at a variable rate from 0.955% to 2.378%, with annual principal repayments of $43,333 plus interest; maturing in 2035.	**476,669**	520,003
Carried forward	**$ 4,077,155**	$ 3,677,148

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

5. LONG-TERM DEBT

Brought forward	**$ 4,077,155**	$ 3,677,148
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.720% to 4.875%, with annual principal repayments of $26,000 plus interest; maturing in 2025.	**70,000**	96,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.566% to 3.856%, with annual principal repayments of $8,000 plus interest; maturing in 2027.	**64,000**	72,000
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.193% to 3.347%, with annual principal repayments of $4,500 plus interest. Repaid in the year.	**-**	4,500
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.550% to 4.714%, with annual principal repayments of $188,717 plus interest; maturing 2043.	**3,937,187**	4,125,904
Municipal Finance Corporation debenture, bearing interest at a variable rate from 0% to 5.536%, with annual principal repayments of $30,127 plus interest; maturing 2043.	**661,566**	691,693
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.428% to 4.731%, with annual principal repayments of $126,762 plus interest; maturing 2044.	**1,998,722**	-
Municipal Finance Corporation debenture, bearing interest at a variable rate from 5.534% to 5.644%, with annual principal repayments of $58,933 plus interest. Repaid in the year.	**-**	58,938
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.720% to 4.875%, with annual principal repayments of $160,885 plus interest; maturing in 2025.	**965,300**	1,126,185
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.720% to 4.875%, with annual principal repayments of $20,513 plus interest; maturing in 2025.	**123,093**	143,606
Municipal Finance Corporation debenture, bearing interest at a variable rate from 3.614% to 4.114%, with annual principal repayments of $4,307 plus interest; maturing in 2028.	**17,223**	21,530
Carried forward	**$ 11,914,246**	$ 10,017,504

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

5. LONG-TERM DEBT

Brought forward	**$ 11,914,246**	$ 10,017,504
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.573% to 3.449%, with annual principal repayments of $11,740 plus interest; maturing in 2030.	**70,440**	82,180
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.573% to 3.382%, with annual principal repayments of $181,574 plus interest; maturing in 2032.	**2,360,452**	2,542,024
Municipal Finance Corporation debenture, bearing interest at a variable rate from 2.131% to 3.048%, with annual principal repayments of $10,888 plus interest; maturing in 2034.	**163,310**	174,195
Municipal Finance Corporation debenture, bearing interest at a variable rate from 0.565% to 2.809%, with annual principal repayments of $91,446 plus interest; maturing in 2036.	**1,085,117**	1,176,563
Municipal Finance Corporation debenture, bearing interest at a variable rate from 0.565% to 2.809%, with annual principal repayments of $7,446 plus interest; maturing in 2036.	**44,705**	52,150
Municipal Finance Corporation debenture, bearing interest at a variable rate from 4.177% to 4.567%, with annual principal repayments of $30,930 plus interest; maturing in 2037.	**402,092**	433,032
Municipal Finance Corporation debenture, bearing interest at a variable rate from 0.775% to 2.677%, with annual principal repayments of $83,676 plus interest; maturing in 2036.	**1,840,856**	1,924,543
	$ 17,881,218	$ 16,402,191

All long-term debt outstanding has been authorized by Nova Scotia Department of Municipal Affairs.

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

2026	$ 2,535,034
2027	1,464,637
2028	1,127,282
2029	1,019,575
2030	1,006,791

6. ASSET RETIREMENT OBLIGATION

a) Well obligation

The Municipality owns a water hauler well, which will need to be decommissioned and properly capped following the Nova Scotia Water Well Decommissioning Guidelines. The liability for the closure of this well and post-closure care has now been recognized under PS 3280 – Asset Retirement Obligation. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the well. Estimated costs at retirement of $5,000. Annually the Municipality will revalue the obligation and when applicable record the increase, following the cost escalation method. (note 1m)

b) Asbestos obligation

The Municipality owns and operates several buildings that are known to have asbestos, which represents a health hazard upon demolition of the building or to meet environmental standards, and therefore there is a legal obligation for the removal of these contaminants on the decommissioning. Following PS3280 – Asset retirement obligations, the Municipality recognized an obligation relating to the decommissioning and remediation of contaminants as estimated at April 1, 2022. The buildings have estimated useful lifes ranging between 15 to 20 years. Estimated costs have been calculated using a range of $15 to $20 per square foot for asbestos removal, totalling estimated costs at retirement of $726,600. Annually the Municipality will revalue the obligation and when applicable record the increase, following the cost escalation method. (note 1m)

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

Asset Retirement Obligation	**Asbestos removal**	**Well remediation**	**Balance at March 31, 2025**
Opening balance	$ 726,600	$ 5,000	**$ 731,600**
Current year change in estimate	-	-	**-**
Closing balance	$ 726,600	$ 5,000	**$ 731,600**
Reserve fund			431,234
Excess of liability over available reserve			**$ 300,366**

The Municipality plans to fund the ARO reserve at a value of $146,320 per year for the four years ending March 31, 2028.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

7. TANGIBLE CAPITAL ASSETS

General Capital Fund

Cost	2024	Additions	Disposals/ Reallocation	2025
Land	$ 3,902,048	$ 23,484	$ -	**$ 3,925,532**
Parks	2,782,453	64,574	-	**2,847,027**
Buildings	41,909,366	507,557	-	**42,416,923**
Motor vehicles	3,577,780	1,670,373	-	**5,248,153**
Sewer lagoon	3,603,279	-	-	**3,603,279**
Sewers	22,366,633	430,042	-	**22,796,675**
Roads	20,494,414	3,811,110	10,645	**24,316,169**
Equipment	15,550,998	1,839,831	(28,457)	**17,362,372**
Donated assets	1,364,094	-	-	**1,364,094**
Assets under construction	1,935,561	1,445,732	(1,935,561)	**1,445,732**
	$ 117,486,626	$ 9,792,703	$ (1,953,373)	**$ 125,325,956**

Accumulated Amortization	2024	Adjustments	Amortization	2025
Land	$ -	$ -	$ -	**$ -**
Parks	505,291	-	70,765	**576,056**
Buildings	9,329,141	-	1,078,693	**10,407,834**
Motor vehicles	2,124,153	-	662,115	**2,786,268**
Sewer lagoon	1,124,812	-	71,314	**1,196,126**
Sewers	9,763,292	-	566,079	**10,329,371**
Roads	8,887,031	11,383	804,340	**9,702,754**
Equipment	9,786,752	(11,383)	1,520,684	**11,296,053**
Donated assets	243,769	-	27,282	**271,051**
Assets under construction	-	-	-	**-**
	$ 41,764,241	$ -	$ 4,801,272	**$ 46,565,513**

Net book value	2024	2025
Land	$ 3,902,048	**$ 3,925,532**
Parks	2,277,162	**2,270,971**
Buildings	32,580,225	**32,009,089**
Motor vehicles	1,453,627	**2,461,885**
Sewer lagoon	2,478,467	**2,407,153**
Sewers	12,603,341	**12,467,304**
Roads	11,607,383	**14,613,415**
Equipment	5,764,246	**6,066,319**
Donated assets	1,120,325	**1,093,043**
Assets under construction	1,935,561	**1,445,732**
	$ 75,722,385	**$ 78,760,443**

Cemetery Fund

Net book value	2024	Additions	Disposals	2025
Land	$ 42,591	$ -	$ -	**$ 42,591**

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

7. TANGIBLE CAPITAL ASSETS (continued)

Consolidated - West Hants Water Capital

Cost	2024	West Hants	Windsor	Additions	Disposals/ Reallocation	**2025**
Intangible assets	$ -	$ 1,293	$ -	$ -	$ -	**$ 1,293**
Land and land rights	-	266,692	427,899	-	-	**694,591**
Structures and improvements	-	6,032,636	1,293,031	590,364	2,971,399	**10,887,430**
Plants and equipment	-	1,320,385	4,560,167	418,705	(2,971,399)	**3,327,858**
Mains	-	3,736,654	6,902,152	451,438	-	**11,090,244**
Meters	-	1,100,085	211,670	22,915	-	**1,334,670**
Hydrants	-	431,026	79,421	-	-	**510,447**
Services	-	988,216	29,747	23,383	(29,747)	**1,011,599**
Other assets	-	244,919	-	12,065	14,078	**271,062**
Donated assets	-	2,122,315	-	49,634	15,669	**2,187,618**
Assets under construction	-	44,082	-	3,683,404	(44,082)	**3,683,404**
	$ -	$ 16,288,303	$ 13,504,087	$ 5,251,908	$ (44,082)	**$ 35,000,216**

Accumulated Amortization	2024	West Hants	Windsor	Adjustments	Amortization	**2025**
Intangible assets	$ -	$ -	$ -	$ -	$ -	**$ -**
Land and land rights	-	-	-	-	-	**-**
Structures and improvements	-	2,313,520	360,201	1,512,056	303,114	**4,488,891**
Plants and equipment	-	512,886	2,168,780	(1,512,056)	441,381	**1,610,991**
Mains	-	916,418	1,830,703	(9,964)	144,188	**2,881,345**
Meters	-	763,960	109,222	-	66,734	**939,916**
Hydrants	-	198,365	29,758	-	8,129	**236,252**
Services	-	196,206	5,991	-	20,232	**222,429**
Other assets	-	204,664	-	-	39,148	**243,812**
Donated assets	-	346,421	-	-	32,997	**379,418**
Assets under construction	-	-	-	-	-	**-**
	$ -	$ 5,452,440	$ 4,504,655	$ (9,964)	$ 1,055,923	**$ 11,003,054**

Net book value	2024	**2025**
Intangible assets	$ -	**$ 1,293**
Land and land rights	-	**694,591**
Structures and improvements	-	**6,398,539**
Plants and equipment	-	**1,716,867**
Mains	-	**8,208,899**
Meters	-	**394,754**
Hydrants	-	**274,195**
Services	-	**789,170**
Other assets	-	**27,250**
Donated assets	-	**1,808,200**
Assets under construction	-	**3,683,404**
	$ -	**$ 23,997,162**

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

7. TANGIBLE CAPITAL ASSETS (continued)

West Hants Water Capital

Cost	Apr. 1, 2024	Additions	Disposals	Transfer to WH Water Utility	**Oct. 1, 2024**
Intangible assets	$ 1,293	$ -	$ -	$ (1,293)	**$ -**
Land and land rights	266,692	-	-	(266,692)	-
Structures and improvements	6,032,636	-	-	(6,032,636)	-
Plants and equipment	1,320,385	-	-	(1,320,385)	-
Mains	3,736,654	-	-	(3,736,654)	-
Meters	1,100,085	-	-	(1,100,085)	-
Hydrants	431,026	-	-	(431,026)	-
Services	988,216	-	-	(988,216)	-
Other assets	244,919	-	-	(244,919)	-
Donated assets	2,122,315	-	-	(2,122,315)	-
Assets under construction	44,082	-	-	(44,082)	-
	$ 16,288,303	$ -	$ -	$ (16,288,303)	**$ -**

Accumulated Amortization	Apr. 1, 2024	Adjustments	Amortization	Transfer to WH Water Utility	**Oct. 1, 2024**
Intangible assets	$ -	$ -	$ -	$ -	**$ -**
Land and land rights	-	-	-	-	-
Structures and improvements	2,313,520	-	-	(2,313,520)	-
Plants and equipment	512,886	-	-	(512,886)	-
Mains	916,418	-	-	(916,418)	-
Meters	763,960	-	-	(763,960)	-
Hydrants	198,365	-	-	(198,365)	-
Services	196,206	-	-	(196,206)	-
Other assets	204,664	-	-	(204,664)	-
Donated assets	346,421	-	-	(346,421)	-
Assets under construction	-	-	-	-	-
	$ 5,452,440	$ -	$ -	$ (5,452,440)	**$ -**

Net book value	Apr. 1, 2024	**Oct. 1, 2024**
Intangible assets	$ 1,293	**$ -**
Land and land rights	266,692	-
Structures and improvements	3,719,116	-
Plants and equipment	807,499	-
Mains	2,820,236	-
Meters	336,125	-
Hydrants	232,661	-
Services	792,010	-
Other assets	40,255	-
Donated assets	1,775,894	-
Assets under construction	44,082	-
	$ 10,835,863	**$ -**

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

7. TANGIBLE CAPITAL ASSETS (continued)

Windsor Water Capital

Cost	Apr. 1, 2024	Additions	Disposals	Transfer to Consolidated	**Oct. 1, 2024**
Land and land rights	$ 427,899	$ -	$ -	$ (427,899)	**$** -
Structures and improvements	1,293,031	-	-	(1,293,031)	-
Plants and equipment	4,560,167	-	-	(4,560,167)	-
Mains	6,902,152	-	-	(6,902,152)	-
Meters	211,670	-	-	(211,670)	-
Hydrants	79,421	-	-	(79,421)	-
Services	23,107	6,640	-	(29,747)	-
Assets under construction	416,650	-	(416,650)	-	-
	$ 13,914,097	$ 6,640	$ (416,650)	$ (13,504,087)	**$** -

Accumulated Amortization	Apr. 1, 2024	Adjustments	Amortization	Transfer to Consolidated	**Oct. 1, 2024**
Land and land rights	$ -	$ -	$ -	$ -	**$** -
Structures and improvements	360,201	-	-	(360,201)	-
Plants and equipment	2,168,780	-	-	(2,168,780)	-
Mains	1,830,703	-	-	(1,830,703)	-
Meters	109,222	-	-	(109,222)	-
Hydrants	29,758	-	-	(29,758)	-
Services	5,991	-	-	(5,991)	-
Assets under construction	-	-	-	-	-
	$ 4,504,655	$ -	$ -	$ (4,504,655)	**$** -

Net book value	Apr. 1, 2024	**Oct. 1, 2024**
Land	$ 427,899	**$** -
Parks	932,830	-
Buildings	2,391,387	-
Motor vehicles	5,071,449	-
Sewer lagoon	102,448	-
Sewers	49,663	-
Roads	17,116	-
Assets under construction	416,650	-
	$ 9,409,442	**$** -

a) Assets under construction

Assets under construction have not been amortized. Amortization of these assets will commence when the asset is put into service.

b) PS 3280 Asset retirement obligation

Additions and amortization expenses include costs related to the April 2022 adoption of PS 3280 Asset Retirement Obligation.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

8. 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 0.05% . The rate of return is calculated using the amortization approved by the Nova Scotia Utility and Review Board.

9. DISCLOSURE OF REMUNERATION

The total remuneration paid to each member of Municipal Council and to the Chief Administrative Officer is as follows:

Council	Elected Officials	
	Salary	Expenses
Abraham Zebian Mayor	$ 66,484	$ 5,118
Councillor District #1	35,970	1,368
Councillor District #2	35,970	1,238
Councillor District #3	35,856	946
Councillor District #4	35,970	591
Councillor District #5	39,642	384
Councillor District #6	35,970	239
Councillor District #7	35,856	567
Councillor District #8	37,110	260
Councillor District #9	35,970	218
Councillor District #10	35,856	440
Councillor District #11	33,138	105
	$ 463,792	$ 11,474
Chief Administrative Officer	$ 188,667	$ 10,764

10. DEFERRED REVENUE

	2025	2024
Tax and user charges	**$ 154,807**	$ 115,528
Gas tax	**6,835,303**	6,255,512
Other	**7,672,086**	6,399,513
	$ 14,662,196	$ 12,770,553

Tax and user charges represent funds collected for which the related services have yet to be performed.

Gas tax represents funds received from the Federal Government that have not yet been used to fund eligible projects under the terms of the Gas Tax Agreement. These funds remain in deferred revenue until the stipulations for their use have been met.

Tax Sale Surplus - the Municipal Government Act requires a twenty year holding period for maintaining these funds.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

11. PENSION PLANS

Defined contribution plan

The Municipality provides its employees with a defined contribution pension plan. The Municipality will match the employees contribution up to a maximum of 6%. During the year the Municipality contributed $465,900.

Defined benefit plan

The Municipality provides a pension to the surviving spouse of a retired former Town of Hantsport clerk and uses the accrual method of accounting. The Municipality estimates its obligation based on the present value of the remaining term of the agreement. This plan finished in the current year, and there is no future obligation.

Pension cost	$	23,572

The Municipality provides a pension to a retired Municipal clerk and uses the accrual method of accounting. The Municipality estimates its obligation to the retired clerk based on estimated life expectancy and future inflation rate of 2%.

Pension cost	$	50,085

12. SEGMENTED INFORMATION

The West Hants Regional Municipality is a municipal unit that provides a wide range of services to its residents. The Municipality's operations and activities are organized and reported by fund for the purpose of recording specific activities to meet objectives as outlined by legislation, special regulation, or other limitations and restrictions.

Services are provided by department and their activity is reported in these funds.

General government services

Legislative - The council serves as elected representatives of the West Hants Regional Municipality. It facilitates the decision-making process. In this role it formulates policy and provides strategic direction to guide the Chief Administrative Officer.

Administrative - This department is responsible for financial and local government administration. Functions include budget and financial statement preparation, tax collection, the Municipal Government Act administration, and accounts payable and receivable.

Protection services

The Municipality contracts with the Royal Canadian Mounted Police for police services. Fire protection is provided by grants to fire departments throughout the Municipality.

The Municipality supplies animal control services through this department.

Transportation services

Transportation services provides the administration and provision of engineering and public works, and street lighting.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2025

12. SEGMENTED INFORMATION (continued)

Environmental health services

This department provides for sewage collection and treatment, solid waste collection and recycling.

Public health services

Public health services provides a transfer to the Regional Housing Authority.

Environmental development services

Environmental planning and zoning administers policy and enforces codes, by-laws, and regulations pertaining to the Municipal Planning Strategy.

Recreation and cultural services

This department is responsible for promoting and offering opportunities and activities to residents.

Water treatment and distribution

The water utilities provide the delivery of drinking water through supply, pumping, treatment, and distribution to its users.

13. TRUST FUNDS

Trust funds administered by the Municipality amounting to $546,824 (2024 - $532,762) have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations.

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025

14. CONSOLIDATED SCHEDULE OF OPERATIONS BY FUNCTION

	General Gov't	Protective Services	Transportation Services	Env. Health Services	Public Health Services	Env. Development	Recreation and Cultural Services	Water Utility	2025
REVENUE									
TAXES	$ 26,484,652	$ -	$ -	$ 2,356,886	$ -	$ -	$ 104,559	$ -	**$ 28,946,097**
PAYMENTS IN LIEU OF TAXES	275,939	175	-	-	-	-	-	-	**276,114**
SERVICES PROVIDED TO OTHER LOCAL GOVERNMENTS	92,793	171,355	-	827,675	-	-	-	-	**1,091,823**
SALE OF SERVICES	160,790	-	754	-	-	-	925,474	-	**1,087,018**
OTHER REVENUE FROM OWN SOURCES	2,758,220	-	-	-	-	-	-	-	**2,758,220**
UNCONDITIONAL TRANSFERS FROM OTHER GOV'TS	1,722,896	-	-	-	-	-	-	-	**1,722,896**
CONDITIONAL TRANSFERS FROM FEDERAL OR PROVINCIAL GOVERNMENTS AND AGENCIES	215,584	-	-	-	-	-	-	-	**215,584**
GAS TAX FUNDING	867,309	-	-	-	-	-	-	-	**867,309**
WATER RATES	-	-	-	-	-	-	-	3,278,218	**3,278,218**
OTHER	1,998,968	-	-	-	114,359	-	-	-	**2,113,327**
TOTAL REVENUE	**34,577,151**	**171,530**	**754**	**3,184,561**	**114,359**	**-**	**1,030,033**	**3,278,218**	**42,356,606**
EXPENDITURES									
SALARIES, WAGES AND BENEFITS	2,005,982	750,127	731,813	881,313	71,970	914,727	1,886,441	1,518,225	**8,760,598**
OPERATING COSTS	4,133,890	9,273,481	1,590,751	3,242,653	100,185	734,526	1,749,603	2,129,676	**22,954,765**
AMORTIZATION	488,300	1,644,706	1,027,988	690,455	8,246	11,741	929,836	1,055,922	**5,857,194**
OTHER	42,240	784,758	174,936	319,817	-	-	139,114	110,248	**1,571,113**
INTEREST ON LONG-TERM DEBT	1,192	264,312	94,803	90,222	-	-	90,000	30,140	**570,669**
TOTAL EXPENDITURES	**6,671,604**	**12,717,384**	**3,620,291**	**5,224,460**	**180,401**	**1,660,994**	**4,794,994**	**4,844,211**	**39,714,339**
SURPLUS (DEFICIT)	**$ 27,905,547**	**$ (12,545,854)**	**$ (3,619,537)**	**$ (2,039,899)**	**$ (66,042)**	**$ (1,660,994)**	**$ (3,764,961)**	**$ (1,565,993)**	**$ 2,642,267**

WEST HANTS REGIONAL MUNICIPALITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2025

15. OPERATING BUDGET DATA

The unaudited operating budget data presented in these consolidated financial statements is based upon the 2024-2025 operating budgets approved by Council. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Approved budget surplus (deficit) for the year	$ (58,884)
Budget adjustments:	
Other transfers	(518,400)
Debt principal repayments	2,480,441
Total PSAS adjustments	1,962,041
PSAS adjusted budget surplus per consolidated financial statements	$ 1,903,157

16. COMPARATIVE FIGURES

In some instances, the comparative prior year figures have been reclassified to conform to the current year's financial statement presentation. The changes do not affect prior year earnings.

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL OPERATING FUND AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 3,583,243**	$ 8,928,080
Taxes receivable (net of valuation allowance $60,138 in the current year)	**2,989,012**	2,526,298
Sewer rates receivable	**617,050**	615,731
Due from other local governments	**27,398**	27,398
Due from Province of Nova Scotia	**6,716**	6,716
Due from Region 6 Waste Management	**-**	604,755
Other accounts receivable	**2,095,193**	1,657,176
Harmonized sales tax	**1,118,531**	315,142
Due from		
General capital	**20,519,256**	18,638,410
Water operating	**-**	630,563
Water capital	**3,708,277**	-
Due from perpetual care	**2,816**	2,816
Prepaid expenses	**183,189**	205,500
	$ 34,850,681	$ 34,158,585
LIABILITIES		
Accounts payable and accrued liabilities	**$ 4,680,654**	$ 5,831,305
Bank indebtedness	**30,001**	30,001
Pension liability	**-**	-
Due to Region 6 Waste Management	**98,273**	-
Due to trust funds	**4,280**	4,280
Due to		
Capital reserve	**13,617,875**	12,154,967
Special reserve	**3,425,095**	3,045,201
Water operating	**488,053**	-
Hantsport cemetery	**224,726**	201,763
Operating reserve	**6,360,752**	6,866,750
Water capital	**-**	1,878,279
	28,929,709	30,012,546
OTHER LIABILITIES		
Deferred revenue	**2,288,403**	2,104,772
Tax sale surplus	**658,795**	531,011
	2,947,198	2,635,783
	31,876,907	32,648,329
ACCUMULATED SURPLUS (DEFICIT)	**2,973,774**	1,510,256
	$ 34,850,681	$ 34,158,585

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
OF THE GENERAL OPERATING FUND

YEAR ENDED MARCH 31, 2025

	2025 Budget	**2025 Actual**	2024 Actual
REVENUE			
Taxes	$ 28,383,453	**$ 28,946,097**	$ 26,315,447
Grants in lieu of taxes	243,157	**276,114**	259,798
Services provided to other governments	1,537,479	**1,638,661**	1,563,861
Sales of services	888,328	**1,087,018**	996,749
Other revenue from own sources	735,089	**1,276,278**	1,291,283
Unconditional transfers from other governments	1,712,489	**1,722,896**	799,508
Conditional transfers from federal and provincial governments and agencies	162,319	**215,584**	198,957
Other	-	**-**	5,564
	33,662,314	**35,162,648**	31,431,167
EXPENDITURES			
General government services	3,813,233	**3,438,332**	3,069,870
Protective services	10,244,688	**9,903,623**	9,201,972
Public works and transportation services	2,084,490	**2,832,960**	2,138,592
Environmental health services	3,464,407	**4,045,064**	3,879,646
Public health services	215,000	**133,565**	209,342
Environmental development services	1,699,990	**1,649,253**	1,191,659
Recreation and cultural services	3,589,595	**3,556,526**	3,099,020
Other transfers	559,331	**554,232**	956,871
Interest on long-term debt	576,995	**540,529**	436,332
Appropriation to regional school boards	5,611,626	**5,611,284**	5,028,024
	31,859,355	**32,265,368**	29,211,328
NET REVENUE	1,802,959	**2,897,280**	2,219,839
FINANCING AND TRANSFERS			
Debenture principal instalments	(2,372,859)	**(1,460,865)**	(1,270,684)
Net transfer from (to) own reserves, funds and agencies	569,900	**27,103**	(688,737)
	(1,802,959)	**(1,433,762)**	(1,959,421)
Change in fund balance	$ -	**1,463,518**	260,418
Opening fund balance		**1,510,256**	1,249,838
Opening surplus transferred to operating reserve		**-**	-
Closing fund balance		**$ 2,973,774**	$ 1,510,256

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE GENERAL CAPITAL FUND

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 1,195,000**	$ 430,429
Receivables		
Third party gas tax	**1,188,246**	1,113,039
Due from		
Capital reserves	**6,175,732**	5,991,697
Operating reserves	**1,106,884**	791,310
Water operating	**6,024**	6,024
Water capital	**-**	81,717
Special reserves	**5,933,552**	5,529,797
	15,605,438	13,944,013
Property and equipment, at cost	**125,325,956**	117,486,626
Accumulated amortization	**(46,565,513)**	(41,764,241)
Investment in Valley Waste Resource Management	**152,558**	152,558
	78,913,001	75,874,943
	$ 94,518,439	$ 89,818,956
LIABILITIES		
Payables and accruals	**$ 142,225**	$ 83,758
Due to		
Municipal operating	**20,519,256**	18,638,410
Water operating	**-**	-
Water capital	**15,215**	-
Deferred revenue	**1,339,448**	1,202,316
Asset retirement obligations	**726,600**	726,600
Long-term debt	**16,271,547**	15,300,417
	39,014,291	35,951,501
ACCUMULATED SURPLUS	**55,504,148**	53,867,455
	$ 94,518,439	$ 89,818,956

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF INVESTMENT IN CAPITAL ASSETS OF THE GENERAL CAPITAL FUND

YEAR ENDED MARCH 31, 2025

	2025	2024
BALANCE, BEGINNING OF YEAR	**$ 53,867,455**	$ 51,969,752
Add:		
Capital additions	**7,839,330**	8,094,526
Repayment of debt	**1,460,865**	1,262,801
Grants	**1,900,274**	1,378,203
Other revenue from own sources	**2,830**	21,020
Interest	**35,100**	11,846
Insurance proceeds	**86,127**	209,922
Proceeds from disposal of assets	**10,000**	25,000
Transfers and other	**(2,464,554)**	(314,232)
Less:		
Proceeds of long-term debt	**(2,432,007)**	(4,790,941)
Net book value of assets disposed	**-**	-
Amortization	**(4,801,272)**	(4,000,442)
BALANCE, END OF YEAR	**$ 55,504,148**	$ 53,867,455

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE WEST HANTS WATER UTILITY OPERATING FUND

AS AT MARCH 31, 2025

		2025
ASSETS		
Cash	$	2,073,340
Receivables		
Water rates (net of valuation allowance $21,950)		934,234
Prepaids		5,300
Due from		
Windsor water utility		-
General operating		488,053
	$	3,500,927
LIABILITIES		
Payables and accruals	$	244,988
Deferred revenue		36,365
Due to		
General operating		-
Windsor water utility		-
General capital		6,024
Water capital		1,805,220
Operating reserves		10,000
Reserve for future expenditures		132,362
		2,234,959
ACCUMULATED SURPLUS		1,265,968
	$	3,500,927

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE WEST HANTS WATER UTILITY OPERATING FUND

YEAR ENDED MARCH 31, 2025

	2025 Budget	2025 Actual
OPERATING REVENUE		
Revenue from water rates	$ 2,002,060	**$ 2,095,247**
Flat rate sales	1,186,823	**1,191,514**
Water supply for fire protection	1,071,342	**1,199,977**
Sprinkler service	6,550	**7,164**
Interest	21,336	**49,732**
Other	23,902	**79,295**
	4,312,013	**4,622,929**
OPERATING EXPENDITURES		
Source of supply	414,800	**208,154**
Power and pumping	-	**-**
Water treatment	1,081,814	**1,075,770**
Transmission and distribution	1,391,589	**1,627,233**
Administration and general	501,333	**573,228**
Taxes	66,064	**72,502**
Depreciation	725,646	**1,055,922**
	4,181,246	**4,612,809**
NET OPERATING REVENUE (EXPENDITURES)	130,767	**10,120**
NON-OPERATING EXPENDITURES		
Capital expenditures out of revenue	31,500	**71,012**
Transfer to reserves	20,000	**20,000**
Debenture principal	107,582	**110,248**
Interest repayment	30,569	**30,140**
	189,651	**231,400**
Change in fund balance	$ (58,884)	**(221,280)**
Transfer of fund balances		
West Hants Water Utility		**408,881**
Windsor Water Utility		**1,078,367**
Closing fund balance		**$ 1,265,968**

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
OF THE WEST HANTS WATER UTILITY AND WINDSOR WATER UTILITY OPERATING FUNDS

AS AT MARCH 31, 2025

	West Hants 2024	Windsor 2024
ASSETS		
Cash	$ 1,546,018	$ 803,331
Receivables		
Water rates (net of valuation allowance $350)	549,083	-
Water rates (net of valuation allowance $21,600)	-	344,107
Prepaids	24,276	-
Due from		
West Hants water utility	-	25,338
General operating	-	237,508
	$ 2,119,377	$ 1,410,284
LIABILITIES		
Payables and accruals	$ 154,610	$ 70,746
Deferred revenue	31,756	13,322
Due to		
General operating	868,071	-
Windsor water utility	25,338	-
General capital	3,012	3,012
Water capital	515,347	244,837
Operating reserves	10,000	-
Reserve for future expenditures	102,362	-
	1,710,496	331,917
ACCUMULATED SURPLUS	408,881	1,078,367
	$ 2,119,377	$ 1,410,284

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
OF THE WEST HANTS WATER UTILITY AND WINDSOR WATER UTILITY OPERATING FUNDS

YEAR ENDED MARCH 31, 2025

	West Hants 2024	Windsor 2024
OPERATING REVENUE		
Revenue from water rates	$ 1,052,170	$ 989,698
Flat rate sales	726,899	458,147
Water supply for fire protection	613,607	474,303
Sprinkler service	1,800	5,650
Interest	50,671	51,086
Other	(58,679)	3,500
	2,386,468	1,982,384
OPERATING EXPENDITURES		
Source of supply	442,631	9,513
Power and pumping	-	-
Water treatment	507,467	576,452
Transmission and distribution	752,605	496,265
Administration and general	284,760	136,275
Taxes	35,909	28,060
Depreciation	412,535	221,098
	2,435,907	1,467,663
NET OPERATING REVENUE (EXPENDITURES)	(49,439)	514,721
NON-OPERATING EXPENDITURES		
Capital expenditures out of revenue	68,475	23,739
Transfer to reserves	10,000	10,000
Debenture principal	60,134	146,043
Interest repayment	15,953	18,001
	154,562	197,783
Change in fund balance	(204,001)	316,938
Opening fund balance	612,882	761,429
Closing fund balance	$ 408,881	$ 1,078,367

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE WEST HANTS UTILITY CAPITAL FUND

AS AT MARCH 31, 2025

		2025
ASSETS		
Cash	$	926,520
Cash - depreciation		2,229,782
Receivables		4,204
Due from		
General capital		15,215
Water operating		1,805,220
Special reserves		425,453
		5,406,394
Capital assets at cost		35,000,216
Accumulated amortization		(11,003,054)
		23,997,162
	$	29,403,556
LIABILITIES		
Payables and accruals	$	39,910
Deferred government assistance		4,159,387
Asset retirement obligations		5,000
Nova Scotia Municipal Finance Corporation		1,609,671
Due to		
General operating		3,708,277
		9,522,245
ACCUMULATED SURPLUS		19,881,311
	$	29,403,556

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION
OF THE WINDSOR WATER UTILITY AND WEST HANTS UTILITY CAPITAL FUNDS

AS AT MARCH 31, 2025

	West Hants 2024	Windsor 2024
ASSETS		
Cash	$ 886,240	$ -
Cash - depreciation	587,351	179,410
Receivables	4,204	-
Due from		
Water operating	515,347	244,837
General operating	-	2,060,247
Special reserves	240,922	-
	2,234,064	2,484,494
Capital assets at cost	16,288,303	13,914,097
Accumulated amortization	(5,452,440)	(4,504,655)
	10,835,863	9,409,442
	$ 13,069,927	$ 11,893,936
LIABILITIES		
Payables and accruals	$ 83,153	$ -
Long-term debt	666,932	434,842
Deferred government assistance	1,085,179	3,075,034
Due to		
General operating	181,968	-
General capital	-	81,717
	2,017,232	3,591,593
ACCUMULATED SURPLUS	11,052,695	8,302,343
	$ 13,069,927	$ 11,893,936

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF INVESTMENT IN CAPITAL ASSETS OF THE WATER UTILITY CAPITAL FUNDS

YEAR ENDED MARCH 31, 2025

2025	West Hants
BALANCE, BEGINNING OF YEAR	**$ 19,355,038**
Add:	
Capital additions	**4,797,815**
Repayment of debt	**110,248**
Less:	
Proceeds from issuance of new debt	**(618,146)**
Net book value of assets disposed	**-**
Amortization	**(1,055,922)**
Net transfers and other	**(2,707,722)**
BALANCE, END OF YEAR	**$ 19,881,311**

	West Hants 2024	Windsor 2024
BALANCE, BEGINNING OF YEAR	$ 10,662,755	$ 8,130,627
Add:		
Capital additions	646,672	1,195,688
Repayment of debt	68,017	146,043
Less:		
Proceeds from issuance of new debt	(13,328)	(13,328)
Amortization	(384,250)	(222,302)
Net transfers and other	72,829	(934,385)
BALANCE, END OF YEAR	$ 11,052,695	$ 8,302,343

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE OPERATING RESERVE FUNDS

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 3,852,888**	$ 3,559,823
PACE program receivable	**136,472**	89,036
Due from		
Municipal operating	**6,360,752**	6,866,750
West Hants water operating	**10,000**	10,000
Special reserves	**419,766**	419,766
	$ 10,779,878	$ 10,945,375
Due to		
General capital	**$ 1,106,884**	$ 791,310
Capital reserves	**789,328**	789,328
	1,896,212	1,580,638
RESERVE	**8,883,666**	9,364,737
	$ 10,779,878	$ 10,945,375

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE OPERATING RESERVE FUNDS

YEAR ENDED MARCH 31, 2025

	Sewer Reserve	Carryover Reserve	Region Operating Reserve	West Hants Operating Reserve	Windsor Operating Reserve	Equipment Reserve	Landfill Reserve	Balance forward
REVENUE								
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	-	10,000	-	-	-	-	-	10,000
	-	10,000	-	-	-	-	-	10,000
EXPENDITURES								
Contributions to other organizations	-	-	150,000	-	-	-	-	150,000
NET REVENUE	-	10,000	(150,000)	-	-	-	-	(140,000)
FINANCING AND TRANSFERS								
Transfers (to) from other funds, net	-	361,708	(549,565)	(150,000)	(170,330)	-	-	(508,187)
Change in fund balance	-	371,708	(699,565)	(150,000)	(170,330)	-	-	(648,187)
Opening fund balance	242	1,176,611	2,507,487	2,533,550	1,094,393	22,844	692	7,335,819
Closing fund balance	$ 242	$ 1,548,319	$ 1,807,922	$ 2,383,550	$ 924,063	$ 22,844	$ 692	$ 6,687,632

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE OPERATING RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	General Fund Snow Removal Reserve	Swimming Pool Reserve	Hantsport Snow Removal Reserve	RCMP Operating Reserve	Acquisition of Land	Election Reserve	5% Res Land and Improvement Reserve	Balance forward
REVENUE								
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
EXPENDITURES								
Contributions to other organizations	-	-	-	-	-	-	-	-
NET REVENUE	-	-	-	-	-	-	-	-
FINANCING AND TRANSFERS								
Transfers (to) from other funds, net	-	-	-	(83,215)	78,524	(50,000)	-	(54,691)
Change in fund balance	-	-	-	(83,215)	78,524	(50,000)	-	(54,691)
Opening fund balance	17,851	68,518	27,105	1,367,323	224,728	50,000	30,916	1,786,441
Closing fund balance	$ 17,851	$ 68,518	$ 27,105	$ 1,284,108	$ 303,252	$ -	$ 30,916	$ 1,731,750

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE OPERATING RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	Open Space (Brison) Reserve	Sports Complex Donation Reserve	Fire Equipment Reserve	Boundary Reserve	Interest Earned	Balance brought forward	2025	2024
REVENUE								
Interest	$ -	$ -	$ -	$ -	$ 117,744	$ -	$ 117,744	$ 170,540
Other	-	-	-	-	-	10,000	10,000	14,368
	-	-	-	-	117,744	10,000	127,744	184,908
EXPENDITURES								
Contributions to other organizations	-	-	-	-	-	150,000	150,000	410,907
NET REVENUE	-	-	-	-	117,744	(140,000)	(22,256)	(225,999)
FINANCING AND TRANSFERS								
Transfer (to) from other funds	-	-	91,813	12,250	-	(562,878)	(458,815)	572,669
Change in fund balance	-	-	91,813	12,250	117,744	(702,878)	(481,071)	346,670
Opening fund balance	(45,885)	2,000	(16,188)	24,500	278,050	9,122,260	9,364,737	9,018,067
Closing fund balance	$ (45,885)	$ 2,000	$ 75,625	$ 36,750	$ 395,794	$ 8,419,382	$ 8,883,666	$ 9,364,737

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE SPECIAL RESERVE FUNDS

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 11,385,903**	$ 10,216,725
Due from		
Municipal operating	**3,425,095**	3,045,201
Capital reserves	**4,939,692**	4,939,692
Cemetery	**167,927**	167,927
	$ 19,918,617	$ 18,369,545
Due to		
General capital	**$ 5,933,552**	$ 5,529,797
Water capital	**425,453**	240,922
Operating reserves	**419,766**	419,766
	6,778,771	6,190,485
RESERVE	**13,139,846**	12,179,060
	$ 19,918,617	$ 18,369,545

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS

YEAR ENDED MARCH 31, 2025

	Consolidation Reserve	Capital Grant Reserve	Hantsport Capital Grant Reserve	Sale of Land Reserve	Hantsport Sale of Land Reserve	Tax Sale Surplus Reserve	Sinking Fund Reserve	Balance forward
REVENUE								
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Conditional transfers	-	-	-	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
EXPENDITURES								
Other expenditures	-	-	-	-	-	-	-	-
NET REVENUE	-	-	-	-	-	-	-	-
FINANCING AND TRANSFERS								
Transfers (to) from other funds, net	(523,792)	-	-	-	-	-	-	(523,792)
Change in fund balance	(523,792)	-	-	-	-	-	-	(523,792)
Opening fund balance	3,284,704	2,327	56,801	4,583	1,479	22,499	765	3,373,158
Closing fund balance	$ 2,760,912	$ 2,327	$ 56,801	$ 4,583	$ 1,479	$ 22,499	$ 765	$ 2,849,366

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	Dissolution Sale of Asset Reserve	Housing Accelerator Fund Reserve	Landfill Current Closure Reserve	West Hants Gas Tax Reserve	Windsor Gas Tax Reserve	Sustainability Services Growth Reserve	Balance brought forward	Balance forward
REVENUE								
Interest	$ -	$ -	$ -	$ -	$ -	$ 59,414	$ -	$ 59,414
Conditional transfers	-	540,943	-	-	-	-	-	540,943
Proceeds from sale of assets	-	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-	-
	-	540,943	-	-	-	59,414	-	600,357
EXPENDITURES								
Other expenditures	-	-	-	-	-	-	-	-
NET REVENUE	-	540,943	-	-	-	59,414	-	600,357
FINANCING AND TRANSFERS								
Transfers (to) from other funds, net	-	(52,696)	-	(429,862)	-	-	(523,792)	(1,006,350)
Total financing and transfers	-	(52,696)	-	(429,862)	-		(523,792)	(1,006,350)
Change in fund balance	-	488,247	-	(429,862)	-	59,414	(523,792)	(405,993)
Opening fund balance	35,566	-	1,662	3,057,072	-	1,107,673	3,373,158	7,575,131
Closing fund balance	$ 35,566	$ 488,247	$ 1,662	$ 2,627,210	$ -	$ 1,167,087	$ 2,849,366	$ 7,169,138

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	Gas Tax Reserve	ARO Reserve	Hantsport Smoothing Reserve	Interest earned	Investment in Capital Assets Reserve	Dissolution Transition Reserve	Balance brought forward	Balance forward
REVENUE								
Interest	$ 287,525	$ -	$ -	$ 164,539	$ -	$ -	$ 59,414	$ 511,478
Conditional transfers	1,084,369	-	-	-	-	-	540,943	1,625,312
Proceeds from sale of assets	-	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-	-
	1,371,894	-	-	164,539	-	-	600,357	2,136,790
EXPENDITURES								
Other expenditures	-	54,900	-	-	-	-	-	54,900
NET REVENUE	1,371,894	(54,900)	-	164,539	-	-	600,357	2,081,890
FINANCING AND TRANSFERS								
Transfers (to) from other funds, net	(437,446)	218,980	(60,030)	-	-	-	(1,006,350)	(1,284,846)
Change in fund balance	934,448	164,080	(60,030)	164,539	-	-	(405,993)	797,044
Opening fund balance	2,085,399	267,154	60,030	347,871	56,475	173,675	7,575,131	10,565,735
Closing fund balance	$ 3,019,847	$ 431,234	$ -	$ 512,410	$ 56,475	$ 173,675	$ 7,169,138	$ 11,362,779

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE SPECIAL RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	Infrastructure - Hantsport Dissolution Reserve	Hantsport Infrastructure Reserve	Windsor Infrastructure Reserve	Hantsport Tax Sale Surplus Reserve	Balance brought forward	2025	2024
REVENUE							
Interest	$ -	$ -	$ -	$ -	$ 511,478	$ 511,478	$ 685,874
Conditional transfers	-	-	-	-	1,625,312	1,625,312	2,138,046
Proceeds from sale of assets	-	-	-	-	-	-	-
Gain on disposal of asset	-	-	-	-	-	-	-
	-	-	-	-	2,136,790	2,136,790	2,823,920
EXPENDITURES							
Other expenditures	-	-	-	-	54,900	54,900	430,480
NET REVENUE	-	-	-	-	2,081,890	2,081,890	2,393,440
FINANCING AND TRANSFERS							
Transfers (to) from other funds, net	-	185,387	(21,645)	-	(1,284,846)	(1,121,104)	(2,373,317)
Change in fund balance	-	185,387	(21,645)	-	797,044	960,786	20,123
Opening fund balance	-	1,163,386	445,249	4,690	10,565,735	12,179,060	12,158,937
Closing fund balance	$ -	$ 1,348,773	$ 423,604	$ 4,690	$ 11,362,779	$ 13,139,846	$ 12,179,060

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE CAPITAL RESERVE FUNDS

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Cash	**$ 1,944,061**	$ 2,930,922
Due from		
Municipal operating	**13,617,875**	12,154,967
Operating reserves	**789,328**	789,328
	$ 16,351,264	$ 15,875,217
Due to		
General capital	**$ 6,175,732**	$ 5,991,696
Cemetery	**167,927**	167,927
Special reserves	**4,939,692**	4,939,692
	11,283,351	11,099,315
RESERVE	**5,067,913**	4,775,902
	$ 16,351,264	$ 15,875,217

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE CAPITAL RESERVE FUNDS

YEAR ENDED MARCH 31, 2025

	Building Reserve	Transportation Reserve	Vehicle Reserve	West Hants Sewer Reserve	Windsor Fire Reserve	West Hants Sewer Reserve	Windsor Sewer Reserve	Sale of Land Reserve	Road Infrastructure Reserve	Balance Forward
REVENUE										
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other revenue	-	-	-	-	-	-	-	252,810	-	252,810
	-	-	-	-	-	-	-	252,810	-	252,810
EXPENDITURES										
Contributions to other organizations	-	-	-	-	-	-	-	95,049	-	95,049
NET REVENUE	-	-	-	-	-	-	-	157,761	-	157,761
FINANCING AND TRANSFERS										
Transfers (to) from other funds, net	(36,341)	7,305	(7,305)	(95,776)	(53,092)	355,397	(135,644)	-	396,570	431,114
Change in fund balance	(36,341)	7,305	(7,305)	(95,776)	(53,092)	355,397	(135,644)	157,761	396,570	588,875
Opening fund balance	684,396	176,083	7,305	1,444,772	272,674	-	562,647	116,594	413,168	3,677,639
Closing fund balance	$ 648,055	$ 183,388	$ -	$ 1,348,996	$ 219,582	$ 355,397	$ 427,003	$ 274,355	$ 809,738	$ 4,266,514

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF
FINANCIAL ACTIVITIES OF THE CAPITAL RESERVE FUNDS (CONTINUED)

YEAR ENDED MARCH 31, 2025

	Windsor Equipment Reserve	Recreation Reserve	Vehicle Reserve	Capital Reserve	Building Reserve	Hantsport Fire Reserve	Interest Earned Reserve	Balance forward	2025	2024
REVENUE										
Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ 115,741	$ -	$ 115,741	$ 175,536
Other revenue	-	-	-	-	-	75	-	252,810	252,885	65,950
	-	-	-	-	-	75	115,741	252,810	368,626	241,486
EXPENDITURES										
Contributions to other organizations	-	-	-	-	-	-	-	95,049	95,049	696
NET REVENUE	-	-	-	-	-	75	115,741	157,761	273,577	240,790
FINANCING AND TRANSFERS										
Transfers (to) from other funds, net	(201,243)	-	(161,963)	(10,162)	(39,312)	-	-	431,114	18,434	(81,141)
Change in fund balance	(201,243)	-	(161,963)	(10,162)	(39,312)	75	115,741	588,875	292,011	159,649
Opening fund balance	236,910	215,633	226,590	(56,395)	159,969	19,644	295,912	3,677,639	4,775,902	4,616,253
Closing fund balance	$ 35,667	$ 215,633	$ 64,627	$ (66,557)	$ 120,657	$ 19,719	$ 411,653	$ 4,266,514	$ 5,067,913	$ 4,775,902

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE SCHOOL FUNDS

AS AT MARCH 31, 2025

	2025	2024
ASSETS		
Falmouth District School	**$ 277,199**	$ 277,199
School Bus garage	**407,273**	407,273
	684,472	684,472
Accumulated amortization	**(684,472)**	(684,472)
	$ -	$ -
SURPLUS	**$ -**	$ -

On behalf of the West Hants Regional Municipality

Mayor

CAO

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE CEMETERY FUND

AS AT MARCH 31, 2025

		2025		2024
ASSETS				
Cash	**$**	**53,878**	$	51,311
Land		**42,591**		42,591
Due to				
Capital reserves		**167,928**		167,928
General capital		**224,728**		201,765
	$	**489,125**	$	463,595
Due to				
Special reserves	**$**	**167,928**	$	167,928
Deferred revenue		**1,000**		1,000
ACCUMULATED SURPLUS		**320,197**		294,667
	$	**489,125**	$	463,595

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE CEMETERY FUND

YEAR ENDED MARCH 31, 2025

	2025	2024
REVENUE		
Operating grant	**$ 80,758**	$ 83,345
Interest income	**2,567**	2,119
Sale of lots	**8,784**	10,034
Care of lots	**7,157**	6,845
Burial fees	**17,661**	22,014
	116,927	124,357
EXPENDITURES		
Wages	**71,970**	95,385
Ground maintenance	**14,767**	18,588
Equipment maintenance	**661**	1,432
General projects	**185**	312
Miscellaneous	**3,814**	4,248
	91,397	119,965
Change in fund balance	**25,530**	4,392
Opening fund balance	**294,667**	290,275
Closing fund balance	**$ 320,197**	$ 294,667

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE TRUST FUNDS

AS AT MARCH 31, 2025

	Perpetual Care Cemetery	Grace Oulton	Ellen Beazley Scholarship	Windsor Trust Fund	Windsor Youth Recreation	2025	2024
ASSETS							
Cash	$ 91,874	$ -	$ (15)	$ 91,940	$ 34,981	$ 218,780	$ 209,003
Investment	71,728	21,993	-	260,682	-	354,403	350,118
Land	-	1	-	-	-	1	1
	$ 163,602	$ 21,994	$ (15)	$ 352,622	$ 34,981	$ 573,184	$ 559,122
Due to							
Municipal operating	$ (11,453)	$ 4,113	$ (8,358)	$ 37,354	$ 4,704	$ 26,360	$ 26,360
TRUST BALANCE	175,055	17,881	8,343	315,268	30,277	546,824	532,762
	$ 163,602	$ 21,994	$ (15)	$ 352,622	$ 34,981	$ 573,184	$ 559,122

WEST HANTS REGIONAL MUNICIPALITY

NON-CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES OF THE TRUST FUNDS

YEAR ENDED MARCH 31, 2025

	Perpetual Care Cemetery	Grace Oulton	Ellen Beazley Scholarship	Windsor Trust Fund	Windsor Youth Recreation	2025	2024
REVENUE							
Interest earned	$ 13,889	$ -	$ -	$ 173	$ -	$ 14,062	$ 14,982
Investment income	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
	13,889	-	-	173	-	14,062	14,982
NET REVENUE	13,889	-	-	173	-	14,062	14,982
Change in fund balance	13,889	-	-	173	-	14,062	14,982
Opening fund balance	161,166	17,881	8,343	315,095	30,277	532,762	517,780
Closing fund balance	$ 175,055	$ 17,881	$ 8,343	$ 315,268	$ 30,277	$ 546,824	$ 532,762

On behalf of the West Hants Regional Municipality

Mayor

CAO

KENT & DUFFETT
Chartered Professional Accountants

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February 4, 2026

Mayor Abraham Zebian & Members of the Audit Committee
West Hants Regional Municipality
PO Box 3000, 76 Morrison Drive
Windsor NS B0N 2T0

Dear Mayor Zebian,

Management letter for the year ended March 31, 2025

We have recently completed our audit of West Hants Regional Municipality. As part of an audit, we plan and perform the audit to obtain reasonable assurance that the annual financial statements are free of material misstatements but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit is conducted to enable us to form and express an opinion on the financial statements that have been prepared by management with the oversight of council. The audit of the financial statements does not relieve management or council of their responsibilities.

However, in accordance with our normal practice, we write to draw your attention to two issues which we identified during our audit of the financial statements of West Hants Regional Municipality for the year ended March 31, 2025. Those issues are detailed in the attached report.

We would like to thank the management and staff of West Hants Regional Municipality for their assistance and co-operation during the audit.

We would be pleased to provide any clarification that you may require on the issues raised in this report.

Yours truly,

KENT & DUFFETT

Per

Andrew Forse, CPA, CA

1.1 Maintaining balanced funds at all times

Issue

During the audit process we identified that some of the individual funds were out of balance at year end.

Implication

It is best practice to maintain balanced funds at all times. Without balanced funds the information to users may not be as reliable as it could be and may lead to additional human resources to correct the issues or troubles providing completely accurate information from the system.

Recommendation

While we felt the issue was minor in magnitude, we do recommend an improved internal accounting process to ensure all entries are recorded in a way that keeps each fund in balance. This would include adding due to from accounts to adjustments made between funds. We assess this finding as minor and no follow-up is required.

1.2 HST rebate calculations

Issue

During the audit process we identified that HST rebates had been improperly calculated resulting in incorrect rebate amounts. We note this error was also discovered and corrected by management independently.

Implication

If undetected, incorrect rebate submissions could lead to incorrect information and receipt of rebates. Depending on the direction of the error it could also have a minor effect on cash flow.

Recommendation

While we felt the issue was also minor in magnitude, we do recommend an improved internal review process of the HST rebates to ensure no future errors go uncorrected prior to the rebates being filed. We assess this finding as minor and no follow-up is required.