

**TOWN OF NEW GLASGOW**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2025**

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# Town of New Glasgow

## Management's Responsibility for Financial Reporting

March 31, 2025

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The accompanying consolidated financial statements of Town of New Glasgow are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of the estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town maintains systems of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by Management.

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

  
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Audit Committee Chairperson

  
\_\_\_\_\_

Chief Administrative Officer

November 13, 2025  
\_\_\_\_\_

Date

## Independent Auditors' Report

To the Mayor and Council of the  
Town of New Glasgow  
New Glasgow, Nova Scotia

### *Opinion*

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

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

### *Other Matters - Supplemental Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 30 to 34 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of consolidated financial statements as a whole.

### *Responsibilities of Management and Those Charged with Governance for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of the 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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*Independent Auditors Report to the Members of Town of New Glasgow (continued)*

*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 Town'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 Town'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 Town to cease to continue as a going concern.

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

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

New Glasgow, Nova Scotia  
November 13, 2025

*MacDonald & Murphy Inc.*  
Chartered Professional Accountants



# Town of New Glasgow

## Consolidated Statement of Operations

Year Ended March 31

2025

2024

		(in thousands)		<i>(Restated - Note 18)</i>
	Page	Budget (Note 12)	Actual	Actual
<b>Revenue</b>				
Taxes	8	\$ 17,589.6	\$ 18,107.0	\$ 16,510.2
Grants in lieu of taxes	8	70.7	70.7	66.0
Services provided to other governments	9	1,113.5	1,113.2	978.8
Sale of services	9	430.0	438.3	486.8
Other revenue from own sources	9	581.1	872.1	935.6
Transfers from government	9	2,262.5	2,022.5	1,622.3
Water revenues	10	3,626.9	3,707.8	3,644.2
Grants for capital	10	8,432.3	2,942.8	4,333.9
Other revenue	10	-	32.6	36.8
Other proceeds	10	-	32.0	55.1
<b>Total revenue</b>		<u>34,106.6</u>	<u>29,339.0</u>	<u>28,669.7</u>
<b>Expenditures</b>				
General government services	11	3,753.1	4,036.8	3,775.3
Protective services	11	7,896.8	7,556.7	7,321.3
Transportation services	12	5,978.8	5,997.3	5,445.7
Environmental health services	12	2,030.0	1,969.7	2,023.4
Planning and community development	12	1,434.8	1,461.7	673.6
Recreation and cultural services	13	1,490.9	1,576.7	1,456.4
Water treatment and distribution	13	4,394.8	4,241.3	4,243.3
<b>Total expenditures</b>		<u>26,979.2</u>	<u>26,840.3</u>	<u>24,939.1</u>
<b>Net surplus</b>		<u>\$ 7,127.4</u>	<u>2,498.7</u>	<u>3,730.6</u>
<b>Accumulated surplus, beginning of year</b>			<u>66,984.4</u>	<u>64,898.8</u>
<b>Prior period adjustment (Note 18)</b>			-	<u>(1,645.0)</u>
<b>Accumulated surplus, end of year</b>			<u>\$ 69,483.1</u>	<u>\$ 66,984.4</u>

**Town of New Glasgow**  
**Consolidated Statement of Change in Net Financial Assets (Liabilities)**

Year Ended March 31

2025

2024

(in thousands)

*(Restated -  
Note 18)*

	<u>Actual</u>	<u>Actual</u>
<b>Net surplus</b>	<b>\$ 2,498.7</b>	<b>\$ 3,730.6</b>
<b>Changes in tangible capital assets</b>		
Acquisition of capital assets	(6,757.1)	(8,314.6)
Amortization of capital assets	3,295.4	3,205.5
Increase in net book value of tangible capital assets	<u>(3,461.7)</u>	<u>(5,109.1)</u>
<b>Changes in other non-financial assets</b>		
Change in inventories	(70.6)	29.4
Change in prepaid expense	(0.5)	(1.3)
Amortization of debt discount	<u>(4.3)</u>	<u>-</u>
	<u>(75.4)</u>	<u>28.1</u>
<b>Change in net financial assets (liabilities)</b>	<b>(1,038.4)</b>	<b>(1,350.4)</b>
<b>Net financial assets (liabilities), beginning of year</b>	<b>(1,093.2)</b>	<b>257.1</b>
<b>Net financial assets (liabilities), end of year</b>	<b>\$ <u>(2,131.6)</u></b>	<b>\$ <u>(1,093.2)</u></b>

# Town of New Glasgow

## Consolidated Statement of Cash Flow

Year Ended March 31

2025

2024

(in thousands)

(Restated -  
Note 18)

### Increase (decrease) in cash and cash equivalents

#### Operating activities

Net surplus	\$ 2,498.7	\$ 3,730.6
Change in taxes receivable	(187.3)	(307.7)
Change in water rates receivable	103.9	31.0
Change in accounts receivable	1,482.9	(4,670.7)
Change in other assets	(75.3)	28.2
Change in accounts payable and accrued liabilities	(661.2)	761.3
Change in deferred revenue	1,910.0	1,355.6
Change in tax sale surplus	2.2	7.6
Change in asset obligation liability	8.7	8.0
	<u>5,082.7</u>	<u>944.0</u>

#### Capital activities

Increase in net book value of capital assets	<u>(3,461.7)</u>	<u>(5,109.1)</u>
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#### Financing activities

Long term debt issued	2,981.0	942.9
Debt principal repayment	(1,254.1)	(1,270.7)
Term loan repayment	(47.5)	(155.7)
Capital lease obligation repayment	(71.8)	(91.2)
	<u>1,607.6</u>	<u>(574.7)</u>

### Net change in cash and cash equivalents

3,228.7 (4,739.8)

### Cash and cash equivalents

Beginning of year	<u>10,067.7</u>	<u>14,807.5</u>
End of year	<u>\$ 13,296.4</u>	<u>\$ 10,067.7</u>

### Comprised of

Cash	\$ 13,296.4	\$ 12,446.3
Bank indebtedness		(2,378.6)
	<u>\$ 13,296.4</u>	<u>\$ 10,067.7</u>

# Town of New Glasgow

## Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

(in thousands)

Taxes	Budget	Actual	Actual
<b>Assessable property</b>			
Residential	\$ 10,618.9	\$ 10,644.9	\$ 9,865.8
Commercial	6,943.9	6,905.3	6,461.5
Resource	51.7	55.7	46.5
	<u>17,614.5</u>	<u>17,605.9</u>	<u>16,373.8</u>
<b>Business property</b>			
Based on revenue (Aliant)	46.0	46.6	47.2
Nova Scotia Power Corp.	1.5	1.5	1.5
H.S.T. offset grant	70.0	64.3	84.4
	<u>117.5</u>	<u>112.4</u>	<u>133.1</u>
<b>Special assessments</b>			
Environmental Health Services			
Pollution control	1,218.0	1,226.1	1,191.5
Solid waste disposal	632.2	634.5	561.7
Fire Protection Charges	69.6	71.3	65.3
	<u>1,919.8</u>	<u>1,931.9</u>	<u>1,818.5</u>
<b>Deed transfer tax</b>	-	518.9	531.3
<b>Total tax levied</b>	<u>19,651.8</u>	<u>20,169.1</u>	<u>18,856.7</u>
<b>Less taxes collected on behalf of others;</b>			
Regional centre for education	(2,062.2)	(2,062.1)	(1,885.4)
Provincial correctional service	-	-	(110.9)
Regional housing authority	-	-	(350.2)
	<u>(2,062.2)</u>	<u>(2,062.1)</u>	<u>(2,346.5)</u>
	<u>\$ 17,589.6</u>	<u>\$ 18,107.0</u>	<u>\$ 16,510.2</u>

### Grants in lieu of taxes

Federal Government	\$ 57.9	\$ 57.9	\$ 54.2
Provincial Government	12.8	12.8	11.8
	<u>\$ 70.7</u>	<u>\$ 70.7</u>	<u>\$ 66.0</u>

**Town of New Glasgow**  
**Schedules to Consolidated Statement of Operations**

Year Ended March 31

2025

2024

(in thousands)

	Budget	Actual	Actual
<b>Services provided to other governments</b>			
Sale of IT services	\$ 310.5	\$ 281.7	\$ 192.0
Sale of policing services	803.0	831.5	786.8
	<u>\$ 1,113.5</u>	<u>\$ 1,113.2</u>	<u>\$ 978.8</u>
<b>Sales of services</b>			
Parking meters	\$ 70.0	\$ 89.8	\$ 92.5
Sale of power to NSPC	10.0	7.9	11.3
Rentals	99.0	105.6	98.5
Engineering contract work	1.0	-	0.7
Criminal record checks	250.0	235.0	283.8
	<u>\$ 430.0</u>	<u>\$ 438.3</u>	<u>\$ 486.8</u>
<b>Other revenue from own sources</b>			
Licenses and permits	\$ 30.5	\$ 42.2	\$ 33.3
Fines	65.0	62.7	73.2
Interest on bank accounts	260.0	494.1	566.8
Penalties and interest on taxes	154.0	197.4	162.1
Mortgage service fees	15.0	17.1	18.8
Recreation revenue	3.0	3.2	3.3
AE Fraser Trust - tax exemption	16.0	11.2	-
Miscellaneous	37.6	44.2	78.1
	<u>\$ 581.1</u>	<u>\$ 872.1</u>	<u>\$ 935.6</u>
<b>Transfers from government</b>			
Unconditional transfers from Provincial Government			
Financial capacity grant	\$ 1,161.9	\$ 1,211.9	\$ 1,055.4
Civic addressing initiative	3.1	3.1	3.1
	<u>1,165.0</u>	<u>1,215.0</u>	<u>1,058.5</u>
Conditional transfers from Federal and Provincial Governments and agencies			
Department of Justice Policing Program	500.0	500.0	500.0
Housing Accelerator Fund	495.4	246.3	-
Fuel tax rebate	32.0	36.2	38.8
MPAL program	25.0	25.0	25.0
Communities on the Move	45.1	-	-
	<u>1,097.5</u>	<u>807.5</u>	<u>563.8</u>
	<u>\$ 2,262.5</u>	<u>\$ 2,022.5</u>	<u>\$ 1,622.3</u>

# Town of New Glasgow

## Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

(in thousands)

	Budget	Actual	Actual
<b>Water revenues</b>			
Metered sales	\$ 3,296.7	\$ 3,383.2	\$ 3,320.8
Flat rate sales	292.7	292.7	292.7
Public fire protection	8.0	7.5	8.0
Other	29.5	24.4	22.7
	<u>\$ 3,626.9</u>	<u>\$ 3,707.8</u>	<u>\$ 3,644.2</u>
<b>Grants for capital</b>			
			<i>(Restated - Note 18)</i>
Canada Community Building Fund		\$ 757.6	\$ 635.7
Sustainable Services Growth Fund		674.2	-
Province of Nova Scotia, Dept of Communities, Culture, Tourism and Heritage-Recreation		65.9	-
GGVAF Contribution		180.9	-
DPW/Municipal trunks & routes		105.5	-
Fire department grant		90.2	-
Other municipal unit		9.2	-
Housing Accelerator Fund		163.2	-
Town of New Glasgow Community Centres		-	128.6
Province of Nova Scotia - Connect 2		-	23.2
Provincial Capital Assistance Program		-	78.7
Province of Nova Scotia, Dept of Communities, Culture, Tourism and Heritage-Library		9.1	565.0
Provincial Emergency Services Provider Fund		-	20.0
Province of Nova Scotia - Develop Nova Scotia		-	50.0
Infrastructure Canada (ICIP)		886.9	2,832.6
	<u>\$ 8,432.3</u>	<u>\$ 2,942.8</u>	<u>\$ 4,333.9</u>
<b>Other revenue</b>			
			<i>(Restated - Note 18)</i>
Interest on capital and reserve funds	<u>\$</u>	<u>\$ 32.6</u>	<u>\$ 36.8</u>
<b>Other proceeds</b>			
Sale of assets, net of net book value	\$	\$ 28.3	\$ 47.2
Parkland transfers		3.7	7.9
	<u>\$</u>	<u>\$ 32.0</u>	<u>\$ 55.1</u>

# Town of New Glasgow

## Schedules to Consolidated Statement of Operations

Year Ended March 31

2025

2024

(in thousands)

	Budget	Actual	Actual
<b>General government services</b>			
Legislative	\$ 237.0	\$ 227.3	\$ 215.3
General administration	1,728.0	1,639.2	1,591.9
Taxation exemptions	140.4	134.3	125.9
Information Technology	864.6	765.1	566.0
Town owned buildings	115.0	93.2	105.5
Interest and bank charges	55.5	62.7	45.5
Deed Transfer Tax Trust	-	518.9	531.3
Property Valuation Services Corporation	113.1	113.1	112.1
Municipal elections	55.0	53.6	-
Uncollectible taxes allowance	33.5	33.5	55.0
Other	81.0	65.8	78.1
	<u>3,423.1</u>	<u>3,706.7</u>	<u>3,426.6</u>
Amortization	330.0	330.1	348.7
	<u>\$ 3,753.1</u>	<u>\$ 4,036.8</u>	<u>\$ 3,775.3</u>

### Protective services

Police protection			
Crime investigation, prevention and protective services	\$ 5,502.2	\$ 5,212.5	\$ 5,024.7
Provincial police program	500.0	500.0	500.0
	<u>6,002.2</u>	<u>5,712.5</u>	<u>5,524.7</u>
Fire protection			
Fire service operations	1,519.1	1,463.5	1,412.9
Emergency measures	13.5	17.5	15.5
Interest and bank charges	22.0	22.9	18.7
	<u>7,556.8</u>	<u>7,216.4</u>	<u>6,971.8</u>
Amortization	340.0	338.8	348.1
Accretion expense	-	1.5	1.4
	<u>\$ 7,896.8</u>	<u>\$ 7,556.7</u>	<u>\$ 7,321.3</u>

**Town of New Glasgow**  
**Schedules to Consolidated Statement of Operations**

Year Ended March 31

2025

2024

(in thousands)

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Transportation services</b>			
Common services			
Engineering	\$ 456.5	\$ 435.4	\$ 329.8
Planning and inspection	236.5	197.7	207.3
Equipment	890.0	786.0	836.9
Mechanic shop	259.0	234.2	230.1
Salaries and benefits	642.2	689.6	614.1
Road transport			
Streets	1,498.0	1,315.8	1,183.2
Street lighting	85.0	56.7	76.8
Storm sewers & catchpits	85.0	35.5	63.1
Traffic activities	177.5	163.7	153.2
Parking	32.5	8.5	27.5
Storm/hurricane expenses	50.0	510.5	236.8
Other	189.5	181.5	133.5
Interest and bank charges	97.1	97.2	92.3
	<u>4,698.8</u>	<u>4,712.3</u>	<u>4,184.6</u>
Amortization	1,280.0	1,279.4	1,255.9
Accretion expense		5.6	5.2
	<u>\$ 5,978.8</u>	<u>\$ 5,997.3</u>	<u>\$ 5,445.7</u>

**Environmental health services**

Sewage treatment and disposal	\$ 122.0	\$ 64.3	\$ 76.1
Central treatment plant operation	1,004.0	1,004.0	1,097.2
Garbage and waste collection and disposal	611.3	606.9	594.6
Recycling	59.7	60.7	59.7
Pictou County Shared Services Authority	17.0	17.5	16.4
Interest and bank charges	16.0	16.7	10.2
	<u>1,830.0</u>	<u>1,770.1</u>	<u>1,854.2</u>
Amortization	200.0	199.6	169.2
	<u>\$ 2,030.0</u>	<u>\$ 1,969.7</u>	<u>\$ 2,023.4</u>

**Planning and community development**

Administration	\$ 634.0	\$ 581.0	\$ 550.7
Pictou County Partnership (REN)	47.4	47.4	47.4
New Scotland Business Development Incorporated	195.0	152.1	24.5
Housing Accelerator fund	495.4	246.3	6.0
Destination Eastern & Northumberland Shores	12.0	11.9	9.6
Marketing and communications	14.0	1.9	9.5
Demolition and community clean-up	15.0	398.5	-
Interest and bank charges	22.0	22.6	25.9
	<u>\$ 1,434.8</u>	<u>\$ 1,461.7</u>	<u>\$ 673.6</u>

**Town of New Glasgow**  
**Schedules to Consolidated Statement of Operations**

Year Ended March 31

2025

2024

(in thousands)

	Budget	Actual	Actual
<b>Recreation and cultural services</b>			
Recreation instruction and sundry	\$ 155.7	\$ 98.5	\$ 51.1
Marina	10.0	28.4	24.6
Pictou County Wellness Centre Building Authority			
Incorporated	410.0	429.1	443.8
Community centres	39.0	40.3	40.4
Glasgow Square	57.5	121.9	66.2
Farmers Market	7.0	14.8	13.2
Parks and playgrounds	141.6	156.3	157.3
Summer grounds maintenance	135.5	158.6	142.9
Public grants	25.0	16.6	17.7
Public transit	134.7	135.0	132.5
Other recreation services	10.9	10.9	10.9
Pictou-Antigonish Regional Library	84.0	83.4	83.4
	<u>1,210.9</u>	<u>1,293.8</u>	<u>1,184.0</u>
Amortization	280.0	281.3	271.0
Accretion expense		1.6	1.4
	<u>\$ 1,490.9</u>	<u>\$ 1,576.7</u>	<u>\$ 1,456.4</u>

**Water treatment and distribution**

Operating expenditures			
Source of supply	\$ 181.0	\$ 223.9	\$ 248.0
Pumping	147.7	161.5	156.2
Water treatment	914.4	833.4	812.4
Transmission and distribution	1,117.8	860.6	947.5
Administrative and general	1,096.3	1,134.8	1,138.3
	<u>3,457.2</u>	<u>3,214.2</u>	<u>3,302.4</u>
Interest and bank charges	171.6	160.9	128.3
	<u>3,628.8</u>	<u>3,375.1</u>	<u>3,430.7</u>
Amortization	766.0	866.2	812.6
	<u>\$ 4,394.8</u>	<u>\$ 4,241.3</u>	<u>\$ 4,243.3</u>

# Town of New Glasgow Consolidated Statement of Property and Equipment

March 31

	Land	Land improvements	Buildings	Equipment	Roads and transportation services	Engineered structures	Total 2025	Total 2024
(in thousands)								
(Restated Note 18)								
<b>General capital</b>								
Cost:								
Balance, beginning of year	\$ 2,374.0	\$ 3,112.7	\$ 10,963.7	\$ 12,611.5	\$ 32,141.5	\$ 15,098.6	\$ 76,302.0	\$ 71,992.8
Acquisition of capital assets		180.9	611.8	1,131.5	1,584.2	1,808.7	5,317.1	4,531.0
Disposition of capital assets				(43.7)			(43.7)	(221.8)
Balance, end of year	<u>2,374.0</u>	<u>3,293.6</u>	<u>11,575.5</u>	<u>13,699.3</u>	<u>33,725.7</u>	<u>16,907.3</u>	<u>81,575.4</u>	<u>76,302.0</u>
Accumulated amortization:								
Balance, beginning of year		1,647.6	5,471.7	7,872.0	21,056.8	3,797.1	39,845.2	37,674.1
Annual amortization		62.2	283.1	914.9	969.5	199.6	2,429.3	2,392.9
Accumulated amortization on disposals				(43.7)			(43.7)	(221.8)
Balance, end of year		<u>1,709.8</u>	<u>5,754.8</u>	<u>8,743.2</u>	<u>22,026.3</u>	<u>3,996.7</u>	<u>42,230.8</u>	<u>39,845.2</u>
<b>Net book value of general capital</b>	<u>\$ 2,374.0</u>	<u>\$ 1,583.8</u>	<u>\$ 5,820.7</u>	<u>\$ 4,956.1</u>	<u>\$ 11,699.4</u>	<u>\$ 12,910.6</u>	<u>\$ 39,344.6</u>	<u>\$ 36,456.8</u>
<b>Water capital</b>								
Cost:								
Balance, beginning of year	\$ 602.7							
Opening balance adjustment, Note 18				4,128.7				
Acquisition of capital assets			225.8	971.6		242.6	1,440.0	(89.1)
Disposition of capital assets								3,783.6
Balance, end of year	<u>602.7</u>		<u>16,792.1</u>	<u>5,100.3</u>		<u>23,428.5</u>	<u>45,923.7</u>	<u>44,483.6</u>
Accumulated amortization:								
Balance, beginning of year			4,655.3	2,953.2		6,292.5	13,901.0	12,032.7
Opening balance adjustment, Note 18								1,103.7
Annual amortization			276.1	304.0		286.1	866.2	812.6
Accumulated amortization on disposals								(48.0)
Balance, end of year			<u>4,931.4</u>	<u>3,257.2</u>		<u>6,578.6</u>	<u>14,767.2</u>	<u>13,901.0</u>
<b>Net book value of water capital</b>	<u>\$ 602.7</u>	<u>\$</u>	<u>\$ 11,860.7</u>	<u>\$ 1,843.1</u>	<u>\$</u>	<u>\$ 16,849.9</u>	<u>\$ 31,156.5</u>	<u>\$ 30,582.6</u>
<b>Total consolidated capital</b>	<u>\$ 2,976.7</u>	<u>\$ 1,583.8</u>	<u>\$ 17,681.4</u>	<u>\$ 6,799.2</u>	<u>\$ 11,699.4</u>	<u>\$ 29,760.5</u>	<u>\$ 70,501.1</u>	<u>\$ 67,039.4</u>

**Town of New Glasgow**  
**Consolidated Schedule of Segmented Disclosure**

March 31, 2025

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Planning and Community Development Services	Recreation and Cultural Services	Water	2025 Consolidated	2024 Consolidated
<b>Revenue</b>									
Taxes, assessed	\$ 3,528.3	\$ 6,643.4	\$ 4,130.9	\$ 3,540.7	\$ 1,261.4	\$ 1,064.4	\$	\$ 20,169.1	\$ 18,856.7
Less amounts collected on behalf of others	(387.7)	(849.6)	(527.9)		(160.8)	(136.1)		(2,062.1)	(2,346.5)
Net taxes	3,140.6	5,793.8	3,603.0	3,540.7	1,100.6	928.3		18,107.0	16,510.2
Water rates							3,707.8	3,707.8	3,644.2
Grants in lieu of taxes	13.4	29.1	18.0		5.5	4.7		70.7	66.0
Services provided to other governments	281.7	831.5						1,113.2	978.8
Sale of services	203.3	235.0						438.3	486.8
Other revenue from own sources	378.0							378.0	368.8
Unconditional transfers from other governments	228.4	500.6	311.0		94.8	80.2		1,215.0	1,058.5
Conditional transfers from other governments	246.3	500.0	36.2		25.0			807.5	563.8
Interest and other proceeds	558.7							558.7	658.8
Capital contributions and grants	121.9	280.2	293.3	1,749.7		65.9	431.8	2,942.8	4,333.8
	\$ 5,172.3	\$ 8,170.2	\$ 4,261.5	\$ 5,290.4	\$ 1,225.8	\$ 1,079.1	\$ 4,139.6	\$ 29,339.0	\$ 28,669.7
									(Restated - Note 18)
<b>Expenses</b>									
Salaries, wages and benefits	\$ 1,733.9	\$ 6,268.2	\$ 1,932.2	\$	\$ 592.7	\$ 198.9	\$ 351.0	\$ 11,077.0	\$ 9,475.3
Operating materials and supplies	911.0	925.3	2,609.1	64.3	216.6	573.7	2,863.2	8,163.2	8,134.3
Contracted services	140.8		47.8	1,671.6	397.7	167.3		2,425.2	2,177.9
Rents and financial expenses	786.7	22.9	123.2	34.2	174.7		160.9	1,302.6	454.3
Community grants and exemptions	134.3				80.0	353.9		568.2	1,483.8
Accretion		1.5	5.6			1.6		8.7	8.0
Amortization and writedowns	330.1	338.8	1,279.4	199.6		281.3	866.2	3,295.4	3,205.5
	4,086.8	7,556.7	5,997.3	1,969.7	1,461.7	1,576.7	4,241.3	26,840.3	24,939.1
<b>Annual surplus</b>	\$ 1,135.5	\$ 613.5	\$ (1,735.8)	\$ 3,320.7	\$ (235.9)	\$ (497.6)	\$ (101.7)	\$ 2,498.7	\$ 3,730.6

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# Town of New Glasgow

## Notes to Consolidated Financial Statements

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March 31, 2025

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### 1. Significant accounting policies

The consolidated financial statements of the Town of New Glasgow are prepared by management in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

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

#### (a) Reporting entity

- (i) The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in fund balances and in financial position of the reporting entity. The operating funds, capital funds and reserve funds include the activities of all committees of Council. Interdepartmental and organization transactions and balances are eliminated.
- (ii) The financial activities of certain entities associated with the Town are not consolidated. The Town's contributions to these entities are recorded in the Consolidated Statements of Financial Activities as disclosed in Note 11.
- (iii) The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the centre for education are not reflected in the municipal fund balances of the consolidated financial statements.

#### (b) Basis of accounting

Revenues are recorded on the accrual basis of accounting, whereby revenues are recognized as they are earned and measurable. Certain sources of revenue are recorded on a cash basis. Expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

#### (c) Fund accounting

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

The operating funds reflects the financial activities associated with the provision of municipal government services for general and water.

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

The reserve funds reflects funds authorized by Council to be set aside for the funding of future operations, capital assets or the retirement of long term debt.

#### (d) Taxation and related revenue

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

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

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# Town of New Glasgow

## Notes to Consolidated Financial Statements

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March 31, 2025

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(e) **Other revenue**

Revenues from services to other governments, sale of services and other revenues are recognized when services are performed, amounts are reasonably estimated and collection is reasonably assured.

Grant revenues that are externally restricted for a specific purpose are recognized when the related expenditure or capital item has been incurred and related criteria has been met.

Unrestricted revenue is recognized when received or receivable when the amounts are reasonably estimated and collection is reasonably assured.

(f) **Tangible capital assets**

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

Sewer lines	50 years
Buildings	40 years
Sidewalks	30 years
Land improvements	25 years
Streets	20 years
Bridges	20 years
Traffic and street lights	20 years
Playground structures	20 years
Machinery and heavy equipment	10 years
Vehicles	5 years
Equipment	5 years
Computer equipment	3 years

Amortization is charged in the year of acquisition. Assets under construction are not amortized until the asset is available for productive use.

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

When conditions indicate that a tangible capital asset no longer contributes to the Town's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

(g) **Budget figures**

The budget figures contained in these consolidated financial statements were approved by Council on July 15, 2025 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 12 outlines the original fiscal plan and the adjustments made to come to the budget figures shown in these consolidated financial statements.

(h) **Trust funds**

The trust funds being administered by the Town are not consolidated with the accounts of the Town. See page 29 for trust fund balances.

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# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

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(i) **Allocation of municipal costs to water utility funds**

Where identifiable, costs incurred by the Town general operating fund 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 municipal units and water utility are allocated on a percentage basis to each fund.

(j) **Unamortized deferred charges**

The discounts on the water capital fund debentures are being amortized to the water operating fund on a straight line basis over the term of the debenture.

(k) **Inventory**

Inventory is valued at the lower of cost and net realizable value.

(l) **Government transfers**

Government transfers received are recognized in the consolidated 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.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(m) **Investment income**

Investment income earned on operating, capital and reserve funds are reported as revenue in the period earned.

(n) **Deferred revenue**

Deferred revenue relates to various operating and capital related funding and Canada Community Building Fund revenue. The operating and capital deferred revenue balance consists of grants for, but not limited to, the Housing Accelerator Fund, Library renovations and the Viola's Way project. These deferred grants will be recognized in the period in which stipulations and eligibility criteria have been met. Canada Community Building funding that is deferred revenue will be recognized in the period in which stipulations and eligibility criteria have been met. See Note 10.

(o) **Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the surplus, provides the consolidated change in net financial assets (liabilities) for the year.

(p) **Use of estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles for municipal governments required management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Where estimation uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

(q) **Cash**

Cash is defined as cash on hand, net of cheques issued and outstanding at the reporting period.

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# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

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(r) **Segmented Information**

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

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, IT services, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

Protective services

The Town is primarily responsible for fire protection for its residents. The Town pays the operating and capital expenditures for the police and fire departments. Other protective services include fees paid to the province for correctional services.

Transportation services

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

Environmental health services

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

Planning and community development

The Town is responsible for the issuance of development permits and approval of development applications. This department also includes municipal contributions to the regional economic development organizations.

Recreation and cultural services

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

(s) **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 would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized when all the following criteria are met:

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

As at March 31, 2025 there are no known contaminated sites identified.

**Town of New Glasgow**  
**Notes to Consolidated Financial Statements**

March 31, 2025

**2. Taxes and rates receivable**

	Current Year	Prior Years	2025 <u>(in thousands)</u>	2024 <u>(in thousands)</u>
	<u>Total</u>	<u>Total</u>	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 19,646.9	\$ 1,153.0	\$ 1,153.0	\$ 852.3
Current period tax & rate levy	19,646.9		19,646.9	16,506.9
	<u>19,646.9</u>	<u>1,153.0</u>	<u>20,799.9</u>	<u>17,359.2</u>
Collections & write-offs	(18,597.6)	(827.8)	(19,425.4)	(16,206.2)
Balance, end of year	<u>\$ 1,049.3</u>	<u>\$ 325.2</u>	1,374.5	1,153.0
Pollution control receivable			533.0	539.8
Interest receivable			<u>93.3</u>	<u>87.2</u>
			<u>2,000.8</u>	<u>1,780.0</u>
Less: Valuation allowance			<u>(285.1)</u>	<u>(251.6)</u>
			<u>\$ 1,715.7</u>	<u>\$ 1,528.4</u>

**3. Valuation allowance - uncollected taxes and rates**

	2025 <u>(in thousands)</u>	2024 <u>(in thousands)</u>
Balance, beginning of year	\$ 251.6	\$ 196.6
Add: Increase in allowance for year	33.5	55.0
Less: Approved write offs/collections		
Balance, end of year	<u>\$ 285.1</u>	<u>\$ 251.6</u>

**4. Bank indebtedness**

The Town has a consolidated operating line of credit with The Bank of Nova Scotia to an approved consolidated limit of \$4,000,000. The line of credit limit has been approved by the bank based on a resolution of the Town's Council authorizing the borrowing limit. The bank does not hold security on this debt and charges interest at prime minus 0.60% per annum.

# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

### 5. Long term debt

	2025	2024
	(in thousands)	
Debentures Issued to Provincial Government or its agencies		
NS Municipal Finance Corporation		
Glasgow Square 30-A-1 due 2025	\$ 360.0	\$ 420.0
Equipment 34-A-1 due 2024		63.7
Equipment 35-A-1 due 2025	136.3	272.7
Equipment 36-A-1 due 2026	127.8	191.6
Equipment 37-A-1 due 2032	215.4	287.1
Water treatment plant 37-A-1 due 2032	910.0	980.0
Water 37-B-1 due 2033	585.0	630.0
Equipment 38-A-1 due 2033	348.1	418.7
Water 39-A-1 Due 2034	333.3	366.7
Equipment 39-A-1 Due 2034	329.0	448.6
Equipment 40-A-1 Due 2035	1,022.5	1,141.3
Water 40-A-1 Due 2035	293.3	320.0
Equipment 41-A-1 Due 2036	339.5	389.2
Equipment 42-A-1 Due 2033	830.0	941.2
Equipment FCM-N Due 2048	450.0	450.0
Water 42-A-1 Due 2037	1,516.7	1,633.3
Equipment 43-A-1 Due 2039	846.0	942.9
Various 44-A-1 due 2040	948.2	
Various 44-B-1 due 2040	1,032.8	
Water 44-A-1 due 2040	1,000.0	
	<u>\$ 11,623.9</u>	<u>\$ 9,897.0</u>

The above debentures bear interest at rates that range between 0.400% and 5.029%.

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

	General Capital	Water Capital	Total
2026	1,349.5	358.3	1,707.8
2027	863.0	358.3	1,221.3
2028	792.3	358.3	1,150.6
2029	659.1	358.3	1,017.4
2030	555.4	358.3	913.7

A temporary borrowing resolution has been issued until permanent financing is secured with the NS Municipal Finance Corporation. A debenture will be floated to finance capital acquisitions incurred to March 31, 2025 for the following purposes:

Transportation	\$ 842.2
Protective services	134.4
Environmental health services	529.8
General government	261.4
Water capital	258.7
	<u>\$ 2,026.5</u>

# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

### 6. Capital lease obligations

	<u>2025</u>	<u>2024</u>
	(in thousands)	
Capital lease obligation, repaid during the year	\$ -	\$ 7.1
Capital lease obligation, with interest of 2.22% implicit in the lease payments, payable in monthly instalments of \$3,271. The obligation is secured by a street sweeper.	240.2	273.7
Capital lease obligation, with interest of 2.97% implicit in the lease payments, payable in monthly instalments of \$2,667. The obligation is secured by computer equipment and a public works vehicle.	<u>10.6</u>	<u>41.8</u>
	<u>\$ 250.8</u>	<u>\$ 322.6</u>

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

	<u>General capital</u>
2026	44.9
2027	205.9

### 7. Term loan obligations

	<u>2025</u>	<u>2024</u>
	(in thousands)	
Term loan, repaid during the year	\$ -	\$ 3.1
Term loan, with interest at 4.11%, payable in monthly instalments of \$3,429 including interest. The obligation is secured by a 2018 Plow Truck.	3.6	45.8
Term loan, repaid during the year	<u>-</u>	<u>2.2</u>
	<u>\$ 3.6</u>	<u>\$ 51.1</u>

Principal repayments required during the next year is as follows:

	<u>General capital</u>
2026	\$ 3.6

# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

### 8. Trade payables and accruals

	<u>2025</u>	<u>2024</u>
	(in thousands)	
General Operating		
Trade payables	\$ 1,377.4	\$ 2,124.6
Payroll accruals	1,278.3	1,034.9
Other accruals	<u>83.8</u>	<u>233.0</u>
	<u>2,739.5</u>	<u>3,392.5</u>
Water Operating		
Trade payables		
Payroll accruals	76.5	82.7
Other accruals	<u>73.9</u>	<u>113.3</u>
	<u>150.4</u>	<u>196.0</u>
	<u>\$ 2,889.9</u>	<u>\$ 3,588.5</u>

### 9. Asset retirement obligation

Effective April 1, 2022 the Town recognized the asset retirement obligation (ARO) identified for the remediation of contaminants present within a number of buildings owned by the Town. The ARO reflected is the expected costs that will be incurred under the current provincial environmental regulations to decommission the buildings identified with contaminants which have a estimated useful life of six to 42 years.

The estimated cost of the asset retirement obligation to be expensed over 42 years equates to \$693,400. This amount represents the costs identified as \$833,400 adjusted to net present value at a discount rate of 5.5%. The current year accretion expense represents the portion of the future obligation to be recognized within the General Capital fund.

#### Balance of ARO liability:

ARO liability, opening April 1, 2024	\$ 155.7
Current year accretion expense	<u>8.7</u>
ARO liability, ending March 31, 2025	<u>\$ 164.4</u>

# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

10. Deferred revenue	CCBF	Operating and Capital	2025	<i>(Restated - Note 18)</i> 2024
Deferred revenue, beginning of year	\$ 631.4	\$ 4,220.3	\$ 4,851.7	\$ 3,496.3
Current year additions	813.0	2,906.4	3,719.4	2,544.3
Current year usage	<u>(757.6)</u>	<u>(1,051.8)</u>	<u>(1,809.4)</u>	<u>(1,188.9)</u>
Deferred revenue, end of year	<u>\$ 686.8</u>	<u>\$ 6,074.9</u>	<u>\$ 6,761.7</u>	<u>\$ 4,851.7</u>

### 11. Contributions to Boards and Commissions

(a) Glasgow Square - 100% interest

The Town is to finance the operations of Glasgow Square out of its current operations. Contributions from the Town of New Glasgow for operational purposes during the fiscal year ended March 31, 2025 was \$121,900 (2024 - \$66,200).

(b) The Town of New Glasgow provides contributions for operations to the following:

	2025	2024
Pictou County Wellness Centre Building Authority Incorporated	\$ 429.1	\$ 443.8
Pictou Antigonish Regional Library	83.4	83.4
Pictou County Solid Waste Management (PCSSA)	667.6	654.3
East River Environmental Control Centre (PCSSA)	1,004.0	1,097.2
Pictou County Partnership	47.4	47.4
Eastern Mainland Housing Authority		350.2
Chignecto Central Regional Centre for Education	2,062.1	1,885.4

### 12. Budget figures

Public Sector Accounting Standards ("PSA") require a comparison of the results for the period with those originally planned on the same basis as that used for the actual results. The fiscal plan presented in the Consolidated statement of financial activities and Consolidated statement of changes in net financial assets (liabilities) has been adjusted to be presented on a basis consistent with the actual results. A reconciliation of the approved and reported budgets is set out below.

Approved budgeted deficit for the year	General operations	\$ -
	Water utility operations	(1,264.7)
Approved budgeted deficit		<u>(1,264.7)</u>
Add:	Transfers to other funds	1,016.5
	Grants for tangible capital assets	8,432.3
	Capital debt repayments	1,373.3
Less:	Annual amortization	(2,430.0)
Net PSA adjustments		<u>8,392.1</u>
PSA adjusted budgeted surplus for the year		<u>\$ 7,127.4</u>

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## Town of New Glasgow

### Notes to Consolidated Financial Statements

March 31, 2025

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#### 13. Other Commitments

##### Pictou County Wellness Centre Building Authority Incorporated and Aberdeen Hospital Renovation Project

The Town of New Glasgow has implemented a deed transfer tax on all properties sold in the town. The proceeds from this tax will be contributed to the new Pictou County Wellness Centre project as well as towards the renovations and improvements to the Aberdeen Hospital. Since these projects will benefit all residents of Pictou County, a similar tax has been implemented by other participating municipalities within the County. During the year ending March 31, 2025 the amount transferred was \$518,933 (2024 - \$531,309).

The agreement with the Pictou County Wellness Centre Building Authority Incorporated also stipulates that the Town of New Glasgow, along with other participating municipalities within the County, will provide an annual contribution for operations. At March 31, 2025, the Town's contribution was \$429,118 (2024 - \$443,845).

The Town of New Glasgow has provided security for two debentures for the Aberdeen Hospital Renovation project that is being administered by the Pictou County Shared Services Authority in the amount of \$1,465,103 (21%) with the remaining portion of the total \$6,993,486 being secured by other participating municipal units located in Pictou County.

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#### 14. Investment in New Scotland Business Development Incorporated

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

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

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

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

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## Town of New Glasgow Notes to Consolidated Financial Statements

March 31, 2025

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### 15. Pension Plans

#### Pension Plan for Employees of the Town of New Glasgow

The Town of New Glasgow sponsors a contributory defined benefit pension plan for substantially all employees. The most recent actuarial valuation at December 31, 2022 provided the value of the pension fund assets and the present value of the pension obligations as follows:

Going Concern Financial Position	
Pension fund assets	<u>\$ 24,624,200</u>
Pension fund obligation	<u>\$ 18,056,000</u>

The net difference of \$5,580,000 represents a surplus in the plan.

#### Solvency Financial Position (Valuation method required by the Nova Scotia Pension Benefits Act)

Pension fund assets	<u>\$ 24,491,200</u>
Pension fund obligation	<u>\$ 23,621,000</u>

The net difference of \$870,200 represents a surplus in the plan.

The Town of New Glasgow realized pension expense of \$453,993 (2024 - \$428,033) for the defined benefit pension plan described above for the year ending March 31, 2025.

#### Atlantic Police Association Pension Plan

The Town of New Glasgow sponsors a contributory defined benefit pension plan for its Police employees. The most recent actuarial valuation at December 31, 2022 provided the value of the pension fund assets and the present value of the pension obligations as follows:

Going Concern Financial Position	
Pension fund assets	<u>\$ 75,862,200</u>
Pension fund obligations including additional liability	<u>\$ 61,768,900</u>

The net difference of \$14,093,300 represents a surplus in the plan.

#### Solvency Financial Position (Valuation method required by the Nova Scotia Pension Benefits Act)

Pension fund assets	<u>\$ 69,508,600</u>
Pension fund obligation	<u>\$ 71,294,400</u>

The net difference of \$1,785,800 represents a deficit in the plan.

The Town of New Glasgow realized pension expense of \$263,490 (2024 - \$255,350) for the defined benefit pension plan described above for the year ending March 31, 2025.

Both Plans have a going concern surplus. The Plan for the Employees of the Town of New Glasgow has a surplus based on the Solvency Financial Position where the Atlantic Police Association Pension Plan has a deficit based on the Solvency Financial Position.

Both Plans satisfy the definition of a Municipality Pension Plan in the regulations of the Nova Scotia Pension Benefits Act and therefore are exempt from solvency special payments after December 31, 2012. The going concern surplus and exemption under the Pension Benefits Act means no special payments are required.

# Town of New Glasgow

## Notes to Consolidated Financial Statements

March 31, 2025

### 16. Other

Total remuneration and reimbursed expenses paid to elected and senior appointed officials of the Town of New Glasgow are as follows:

	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>	<u>Total</u>
Nancy Dicks	Mayor	\$ 41,202	\$ 12,088	\$ 53,290
Jocelyn Dorrington	Councillor/Deputy Mayor	26,858	157	27,015
Clyde Fraser	Councillor	26,094	916	27,010
Joe MacDonald	Councillor/Deputy Mayor	27,563	4,703	32,266
Fred El-Haddad	Councillor	15,857	660	16,517
Russell Borden	Councillor	15,857	73	15,930
Dawn Peters	Councillor	26,094	2,335	28,429
Jessica MacDonald	Councillor	10,237	2,217	12,454
James McKenna	Councillor	10,237	2,246	12,483
Lisa MacDonald	CAO	175,002	5,904	180,906

### 17. Comparative figures

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

### 18. Prior period adjustment

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

The previous method of recording the annual amortization in the water capital fund was on the net cost but should have been based on the gross cost. The net cost equates to the cost of the addition less any government grants or transfers. The gross cost equates to the cost of the addition.

The resulting adjustment decreases the opening surplus for the accumulated amortization on the government grants up to 2023 that relate to the acquisition and construction of water capital assets.

In addition to the accumulated amortization adjustment, the opening cost of water capital has been reduced by \$89,100 to remove a duplicate addition recorded in a prior period.

In addition, total annual Canada Community Building funds received were previously taken in to revenue in the year received versus the unspent amounts being recorded as deferred revenue. It is the Town's position that the unspent funds create a liability and should be recorded as deferred revenue.

The following is the impact on the opening surplus, April 1, 2023:

Decrease from adjustment to accumulated amortization	\$	(1,192.8)
Reduction in revenue previously recognized, now deferred		(452.2)
	\$	(1,645.0)

The following are the impacts on the various schedules at March 31, 2024:

	<u>Previously stated</u>	<u>Adjustment</u>	<u>Restated</u>
<b>Consolidated statement of financial position</b>			
Capital assets - net of accumulated amortization	\$ 68,345.7	\$ (1,306.3)	\$ 67,039.4
Deferred revenues	4,220.3	631.40	4,851.7
Trade payables	3,563.1	25.40	3,588.5
Accumulated surplus	68,947.5	(1,963.1)	66,984.4
<b>Consolidated statement of operations</b>			
Net surplus-water, deferred revenue, payables	\$ 4,048.7	\$ (318.1)	\$ 3,730.6

**Town of New Glasgow**  
**Schedule of Capital Projects Funding**

March 31, 2025

	TOTAL CAPITAL COSTS	Temporary Borrowing	Depreciation reserve	Housing Accelerator Fund	Capital out of revenue	Canada Community Building Fund	External Funding
<b>GENERAL CAPITAL</b>							
Sidewalks	\$ 220,426	\$ -	\$ -	\$ -	\$ 45,176	\$ -	\$ 175,250
Street Paving & Curbs	1,172,061	495,794				595,578	80,689
Streets and intersections	163,908	117,475			9,146		37,287
Police Capital	292,660	102,648					190,012
Public Works							
- Traffic lights	45,712	32,051			13,661		
- Equipment	224,017	218,605			5,412		
- Building	262,249	262,249					
Sanitary sewer	423,231	311,593			39,729		71,909
Storm Sewer Separation Project	1,411,733	524,790					886,943
Recreation Capital	313,269	81,211		145,970	4,171	162,000	65,887
Housing Accelerator Fund	145,970						
Fire Capital	121,918	31,743					90,175
Town office - equipment	138,605	138,107			498		
Library building	9,145						9,145
Energy Efficiency Project	330,284	330,284					
Downtown Development	26,404	26,404					
Town Hall building upgrades	15,469				15,469		
<b>Sub-total</b>	<b>5,317,061</b>	<b>2,672,954</b>		<b>145,970</b>	<b>133,262</b>	<b>757,578</b>	<b>1,607,297</b>
<b>WATER CAPITAL</b>							
Equipment	971,627		17,439	17,203	732,072		204,913
Source of Supply	209,731						209,731
Building	225,755	225,755					
Meters	32,949	32,949					
<b>Sub-total</b>	<b>1,440,062</b>	<b>258,704</b>	<b>17,439</b>	<b>17,203</b>	<b>732,072</b>		<b>414,644</b>
	<b>\$ 6,757,123</b>	<b>\$ 2,931,658</b>	<b>\$ 17,439</b>	<b>\$ 163,173</b>	<b>\$ 865,334</b>	<b>\$ 757,578</b>	<b>\$ 2,021,941</b>

TOWN OF NEW GLASGOW  
TRUST FUND BALANCE SHEET  
YEAR ENDED MARCH 31, 2025

ASSETS	School Library	A.E. Fraser Trust	James Roy Trust	Margaret C. Cameron Trust	W.G. Matheson Burnside Trust	George Sylvester Trust	Lincoln Fraser Memorial	Carmichael Scholarship Trust	Graduation Class Trust	Graduation Class 95 Trust	Bruce Stewart Trust	Eric Doucette Trust	J.D. MacGregor Trust	Irish MacInnis Trust	H. Goodman Trust	War Memorial Trust	2025 Total	2024 Total
Cash	\$ 59,787	\$ 179,164	\$ 4,040	\$ 1,796	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,288	\$ 402	\$ 1,955	\$ 12,705	\$ 2,366	\$ 684	\$ 1,266	\$ 271,150	\$ 269,284
Investments, at cost	\$ 91,134	\$ 179,164	\$ 4,040	\$ 1,796	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,288	\$ 402	\$ 1,955	\$ 12,705	\$ 2,366	\$ 684	\$ 1,266	\$ 91,134	\$ 89,075
RESERVE																		
Due to own funds	\$ 3,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General operating fund	\$ 141,131	\$ 179,164	\$ 4,040	\$ 1,796	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,288	\$ 402	\$ 1,955	\$ 12,705	\$ 2,366	\$ 684	\$ 1,266	\$ 368,494	\$ 356,172
Trust balance	\$ 144,821	\$ 179,164	\$ 4,040	\$ 1,796	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,288	\$ 402	\$ 1,955	\$ 12,705	\$ 2,366	\$ 684	\$ 1,266	\$ 368,284	\$ 356,859

STATEMENT OF TRUST FUND RESERVES  
YEAR ENDED MARCH 31, 2025

Balance, begin year	\$ 136,744	\$ 162,632	\$ 3,979	\$ 1,798	\$ 948	\$ 3,531	\$ 1,526	\$ 4,027	\$ 1,164	\$ 1,267	\$ 410	\$ 1,871	\$ 12,105	\$ 2,333	\$ 655	\$ 1,212	\$ 356,172	\$ 339,647
Add:																		
Interest Earned	2,980	7,774	176	78	42	158	68	181	52	56	17	84	545	103	29	54	11,777	13,338
Investment gain (loss)	1,459	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,459	1,944
Investment allocation	4,359	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,359	4,349
	\$ 144,821	\$ 190,326	\$ 4,155	\$ 1,846	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,323	\$ 427	\$ 1,955	\$ 12,730	\$ 2,436	\$ 684	\$ 1,266	\$ 373,766	\$ 359,279
Deduct:																		
Transfers	3,790	11,162	115	50	-	-	-	-	-	35	25	-	25	70	-	-	15,272	3,107
Bank Charges																		
Investment loss	3,790	11,162	115	50	-	-	-	-	-	35	25	-	25	70	-	-	15,272	3,107
	\$ 141,131	\$ 179,164	\$ 4,040	\$ 1,796	\$ 990	\$ 3,689	\$ 1,594	\$ 4,208	\$ 1,216	\$ 1,288	\$ 402	\$ 1,855	\$ 12,705	\$ 2,366	\$ 684	\$ 1,266	\$ 358,494	\$ 356,172

ON BEHALF OF THE TOWN

*no.*  
Mayor  
CAO

# **SUPPLEMENTARY SCHEDULES**

**Town of New Glasgow**  
**Supplementary Schedule of Water Operating Fund**  
**Non-consolidated Statement of Financial Position**

Year Ended March 31

2025

2024

(in thousands)

**Assets**

Cash	\$ 2,818.9	\$ 3,333.1
Receivables		
Rates (less allowance for doubtful accounts)	367.1	471.0
Province of Nova Scotia		45.0
Due from own funds and agencies		
Water capital fund	27.8	1.9
Inventories, at cost	23.9	23.9
	<u>\$ 3,237.6</u>	<u>\$ 3,874.9</u>

**Liabilities**

Payables and accruals	\$ 150.4	\$ 196.0
Due from own funds and agencies	210.2	40.2
<b>Total financial liabilities</b>	<b>360.6</b>	<b>236.2</b>

**Equity**

Surplus	2,877.0	3,638.7
	<u>\$ 3,237.6</u>	<u>\$ 3,874.9</u>

**Town of New Glasgow**  
**Supplementary Schedule of Water Operating Fund**  
**Non-consolidated Statement of Operations**

Year Ended March 31

2025

2024

(in thousands)

	Budget	Actual	Actual
<b>Operating revenue</b>			
Metered sales	\$ 3,296.7	\$ 3,383.2	\$ 3,320.8
Flat rate sales	292.7	292.7	292.7
Public fire protection	833.0	832.5	833.0
Miscellaneous	29.5	24.4	22.7
	<u>4,451.9</u>	<u>4,532.8</u>	<u>4,469.2</u>
<b>Operating expenditures</b>			
Source of supply	181.0	223.9	248.0
Pumping	147.7	161.5	156.2
Water treatment	914.4	833.4	812.4
Transmission and distribution	1,117.8	860.6	947.5
Administration and general	1,096.3	1,134.8	1,138.3
Depreciation	766.0	726.8	699.1
Taxes	135.0	133.8	133.3
	<u>4,358.2</u>	<u>4,074.8</u>	<u>4,134.8</u>
<b>Operating income</b>	<u>93.7</u>	<u>458.0</u>	<u>334.4</u>
<b>Non-operating expenditures</b>			
Debt charges			
Debenture discount amortized	10.0	3.1	2.6
Principal	291.7	291.7	291.7
Interest	161.7	157.8	124.8
Term Debt Principal			50.3
Term Debt Interest			0.9
Capital expenditures out of operations	860.0	732.1	97.6
Transfer to General - Owner Dividend			100.0
Transfer to Land Reserve	35.0	35.0	35.0
	<u>1,358.4</u>	<u>1,219.7</u>	<u>702.9</u>
<b>Excess (deficiency) of revenue over expenditures</b>	<u>\$ (1,264.7)</u>	<u>(761.7)</u>	<u>(368.5)</u>
<b>Surplus, beginning of year</b>		<u>3,638.7</u>	<u>4,007.2</u>
<b>Surplus, end of year</b>		<u>\$ 2,877.0</u>	<u>\$ 3,638.7</u>

**Town of New Glasgow**  
**Supplementary Schedule of Water Capital Fund**  
**Non-consolidated Statement of Financial Position**

Year Ended March 31

2025

2024

	(in thousands)	
		<i>(Restated - Note 1)</i>
<b>Assets</b>		
Cash		
Water land reserve fund	\$ 754.8	\$ 688.7
Depreciation fund	1,754.5	2,430.6
Due to own funds and agencies		
General Operating fund	659.8	
Unamortized debenture discount	30.9	26.6
Utility plant and equipment	45,923.7	44,483.6
	<u>\$ 49,123.6</u>	<u>\$ 47,629.5</u>
<b>Liabilities</b>		
Long term debt	\$ 4,638.3	\$ 3,930.0
Due to own funds and agencies		
Water operating fund	27.8	1.9
General operating fund		1,471.7
Water capital reserve		17.0
Accumulated allowance for depreciation	14,767.2	13,901.0
Deferred contributions (net of accumulated amortization)	8,357.7	8,065.2
	<u>27,791.0</u>	<u>27,386.8</u>
<b>Equity</b>		
Investment in capital assets	20,577.8	19,554.0
Water land reserve	754.8	688.7
	<u>21,332.6</u>	<u>20,242.7</u>
	<u>\$ 49,123.6</u>	<u>\$ 47,629.5</u>

**Town of New Glasgow**  
**Supplementary Schedule of Water Capital Fund**  
**Non-consolidated Statement of Investment in Capital Assets**

Year Ended March 31

2025

2024

	(in thousands)	
		<i>(Restated - Note 1)</i>
Balance, beginning of year	\$ 19,554.0	\$ 25,699.9
Prior period adjustment for unrecorded addition		877.0
Prior period adjustment to record reduction of accumulated amortization		4.7
Prior period adjustment to remove grant revenue		(7,502.5)
	<u>19,554.0</u>	<u>19,079.1</u>
Capital out of revenue	732.1	97.6
Capital from watershed reserve		35.3
Term debt retired	291.7	291.7
Capital lease obligations		50.3
Balance, end of year	<u>\$ 20,577.8</u>	<u>\$ 19,554.0</u>

**Town of New Glasgow**  
**Supplementary Schedule of Water Capital Fund**  
**Statement of Utility Plant and Equipment**

Year Ended March 31

2025

2024

	<u>Actual</u>	<u>(Restated - Note 1) Actual</u>
Intangible asset		
Working Capital	<u>\$ 80,000</u>	<u>\$ 80,000</u>
Tangible plant and equipment		
Land and land rights		
Source of supply	567,166	567,166
Reservoir	5,483	5,483
Transmission	7,693	7,693
Structures and improvements		
Source of supply	719,621	509,891
Intakes	474,010	474,010
Pumping	399,644	399,644
Water treatment plant	13,109,032	12,879,597
Distribution reservoirs and standpipes	2,899,870	2,674,115
Storage Barn	5,541	5,541
Capital lease		
Pumping	410,426	410,426
Water treatment plant	426,315	420,285
Office furniture and equipment	35,106	35,106
Transportation	2,958,319	2,239,360
Tools and work equipment	359,248	359,248
G.I.S. system	35,370	35,370
Other	180,749	180,749
Mains		
Transmission	4,145,804	4,145,804
Distribution	15,157,110	15,157,110
Services	637,414	620,209
Meters	2,845,949	2,813,001
Hydrants	252,286	252,286
Other	211,511	211,511
	<u>45,843,667</u>	<u>44,403,605</u>
	<u>\$ 45,923,667</u>	<u>\$ 44,483,605</u>

# Town of New Glasgow

## Note to the Supplementary Schedules

March 31, 2025

### 1. Prior Period Adjustment on Supplementary Schedules

Opening investment in capital assets has been adjusted to remove the capital grants that had previously been recorded as an addition to the investment in capital assets of the water capital fund. These capital grants that have been received by the Town of New Glasgow accumulatively since 2012 to fund capital additions in the water fund.

The capital grants have been adjusted to be reflected as deferred contributions and amortized at the same rate as the capital addition the funding acquired.

In addition to the adjustment for capital grants to be removed from the investment in capital assets is the addition of capital additions made historically not previously reflected.

The impact of these prior period adjustments are as follows:

	Previously stated at March 31, 2024	Adjustment	Restated at March 31, 2024
Utility plant and equipment	\$ 44,572.6	(\$89.0) (1)	\$ 44,483.6
Accumulated allowance for depreciation	(12,683.8)	(1,217.2) (2)	(13,901.0)
Deferred contributions (net of accumulated amortization)	-	(8,065.2) (3)	(8,065.2)

(1) Capital addition duplicated in 2021.

(2) Depreciation was previously recorded on based on the net cost of addition (cost less capital grant funding). The adjustment required is to increase the accumulated allowance for depreciation based on the gross cost.

Accumulated allowance for depreciation, April 1, 2023 opening	(\$12,032.6)
Depreciation - water operating fund	(699.1)
Depreciation on disposal	47.9
Adjustment to accumulated allowance to agree to continuity schedule	4.7
Depreciation charge on gross cost adjustment on opening	(1,108.4)
Depreciation charge on gross cost adjustment, current year	(113.5)
Accumulated allowance for depreciation, March 31, 2024 ending	(13,901.0)

(3) The capital grants received previously were an addition to the investment in capital assets.

The adjustment is made to reflect these capital grants as deferred contributions accumulatively and amortized at the same rate annually as the capital asset acquired.

Deferred contributions (net of accumulated amortization),	
April 1, 2023 opening	\$ -
Capital grants received 2012 to 2023	(7,502.5)
Capital grant received 2024	(2,021.2)
Depreciation charge on gross cost adjustment on opening	1,108.4
Depreciation charge on gross cost adjustment, current year	113.5
	(8,301.8)