

Non-consolidated financial statements

(Unaudited – see advisory to readers)

Municipality of the County of Richmond

March 31, 2026

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Advisory to readers

The Municipality of the County of Richmond prepares both consolidated and non-consolidated financial statements.

Non-consolidated financial statements are prepared to show the details of the individual funds managed by the Municipality. In particular, they provide information as to how each of the funds performed compared to the approved Operating Budget of the Municipality. For all other purposes, readers are advised to refer to the consolidated financial statements that have been audited.

These non-consolidated financial statements have not been audited. The non-consolidated financial statements are not presented in full accordance with Canadian generally accepted accounting principles.

Municipality of the County of Richmond

General section

Operating fund statement of financial position

(Unaudited - see advisory to readers)

March 31	2026	2025
		(restated – Note 20)
Financial assets		
Cash	<u>\$ 2,863,510</u>	<u>\$ 2,592,113</u>
Receivables		
Taxes (Note 4)	<u>1,530,975</u>	<u>1,527,990</u>
Interest on taxes	<u>1,180,067</u>	<u>1,158,823</u>
	<u>2,711,042</u>	<u>2,686,813</u>
Less: allowance for doubtful accounts (Note 11)	<u>1,325,730</u>	<u>1,366,815</u>
	<u>1,385,312</u>	<u>1,319,998</u>
Sewer - special assessments	<u>282,867</u>	<u>291,155</u>
Due from provincial governments and its agencies (Note 5)	<u>89,065</u>	<u>166,130</u>
Due from federal government and its agencies (Note 5)	<u>117,250</u>	<u>1,049,909</u>
Due from own funds and agencies (Note 6)	<u>610,289</u>	<u>595,925</u>
Due from other local organizations (Note 7)	<u>73,744</u>	<u>130,951</u>
Defined benefit pension asset (Note 18)	<u>-</u>	<u>-</u>
Other	<u>116,328</u>	<u>113,114</u>
	<u>2,674,855</u>	<u>3,666,182</u>
Loans and advances		
Employee loans (Note 3)	<u>1,984</u>	<u>4,026</u>
Total financial assets	<u>\$ 5,540,349</u>	<u>\$ 6,263,321</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Operating fund statement of financial position

(Unaudited - see advisory to readers)

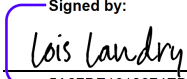
March 31 2026 2025
(restated – Note 20)

Financial liabilities

Term loan (Note 13) (Schedule D)	<u>\$ 64,632</u>	<u>\$ 130,000</u>
Due to own funds and agencies (Note 8)	946,909	2,129,587
Due to other local organizations (Note 9)	-	125,624
Trade and other payables	1,749,681	1,443,956
Retirement benefits (Note 16 and 18)	<u>114,783</u>	<u>131,295</u>
	<u>2,811,373</u>	<u>3,830,462</u>
Other liabilities		
Prepayment of taxes	482,996	418,313
Tax sale surplus (Note 10)	1,914,503	1,609,074
Deferred revenue	<u>691,735</u>	<u>700,694</u>
	<u>3,089,234</u>	<u>2,728,081</u>
Total financial liabilities	<u>5,965,239</u>	<u>6,688,543</u>
Net financial liabilities	<u>(424,890)</u>	<u>(425,222)</u>
Non-financial assets		
Land acquired for special assessments	351,499	351,499
Prepaid expense	<u>73,391</u>	<u>73,723</u>
Total non-financial assets	<u>424,890</u>	<u>425,222</u>
Net assets and fund balance (page 5)	<u>\$ -</u>	<u>\$ -</u>

Commitments and contingencies (Note 15)

On behalf of the Municipality of the County of Richmond

Signed by:

 5A27DE1612674EB... Warden

Signed by:

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See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Operating fund statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2026		2025
	Budget	Actual	Actual
Revenue (Schedule A)			
Taxes	\$ 9,945,750	\$10,074,459	\$10,112,124
Grants in lieu of taxes	2,570,442	2,574,325	2,588,664
Other revenue from own sources	1,003,798	975,965	907,933
Conditional transfers from federal and provincial governments and agencies	77,500	527,501	2,290,540
Recreation and cultural services	243,500	246,467	250,674
Collections for other government	<u>234,638</u>	<u>233,439</u>	<u>219,559</u>
	<u>14,075,628</u>	<u>14,632,156</u>	<u>16,369,494</u>
Expenditures (Schedule B)			
General government services	3,379,262	3,194,284	3,326,586
Protective services	3,921,935	3,881,317	3,682,371
Transportation services	631,198	724,610	680,236
Environmental health services	2,977,992	3,810,160	5,389,099
Public health and welfare services	-	-	(23,920)
Environmental development services	882,578	1,335,178	1,155,074
Recreation and cultural services	1,369,196	1,217,880	1,280,012
Collections for other government	<u>234,638</u>	<u>233,439</u>	<u>208,952</u>
	<u>13,396,799</u>	<u>14,396,868</u>	<u>15,698,410</u>
Excess of revenue over expenditures	<u>678,829</u>	<u>235,288</u>	<u>671,084</u>
Financing and transfers			
Debenture principal instalment - general capital	(88,329)	(88,329)	(85,941)
Transfer from (to) general capital fund	(590,500)	757,431	1,033,465
Transfer to operating reserve – landfill closure	-	42,240	-
Transfer to operating reserve - surplus	<u>-</u>	<u>(946,630)</u>	<u>(1,618,608)</u>
	<u>(678,829)</u>	<u>(235,288)</u>	<u>(671,084)</u>
Change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Operating fund statement of fund balance

(Unaudited - see advisory to readers)

Year ended March 31

	2026	2025
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Operating fund surplus, beginning of year	\$ -	\$ -
Change in fund balance	<u>-</u>	<u>-</u>
Operating fund surplus, end of year	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Capital fund statement of financial position

(Unaudited - see advisory to readers)

March 31	2026	2025
Financial liabilities		
Due to general operating fund		
Temporary financing – other	\$ 432,457	\$ 440,877
Long-term debt (Note 13) (Schedule D)		
Serial debentures and term debt payable	<u>224,521</u>	<u>312,850</u>
Net financial liabilities	<u>656,978</u>	<u>753,727</u>
Non-financial assets		
Tangible assets		
Property acquired at tax sale	99,433	99,433
Plant and equipment (Schedule C)	16,886,860	16,739,725
Work in progress	<u>92,419</u>	<u>-</u>
	<u>17,078,712</u>	<u>16,839,158</u>
Net assets	<u>\$ 16,421,734</u>	<u>\$ 16,085,431</u>
Investment in capital assets (page 7)	<u>\$ 16,421,734</u>	<u>\$ 16,085,431</u>

On behalf of the Municipality of the County of Richmond

Signed by:

Lois Landry

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Warden

Signed by:

Amanda Mombourquette

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Deputy Warden

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Capital fund statement of investment in capital assets

(Unaudited - see advisory to readers)

Year ended March 31	2026	2025
Balance, beginning of year	\$ 16,085,431	\$ 16,213,879
Debentures and term debt retired	88,329	85,941
Transfer from capital reserve – Canada Community Building Fund (CCBF)	522,476	98,861
Transfer from capital reserve – Sustainable Services Growth Fund (SSGF)	298,542	272,429
Transfer from reserves	175,967	97,121
Miscellaneous recoveries	8,420	123,992
Grant and contributions for tangible capital asset additions	-	226,671
Capital out of revenue	<u>477,223</u>	<u>125,980</u>
	<u>1,570,957</u>	<u>1,030,995</u>
Current year amortization	<u>(1,234,654)</u>	<u>(1,159,443)</u>
Balance, end of year	<u>\$ 16,421,734</u>	<u>\$ 16,085,431</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Schedule A - Details of revenue

(Unaudited - see advisory to readers)

Year ended March 31

		2026	2025
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Taxes			
Assessable property			
Residential	\$ 6,949,830	\$ 6,938,372	\$ 6,456,204
Commercial			
Based on taxable assessment	2,856,243	2,837,517	3,013,810
Resource			
Based on taxable assessment	1,216,616	1,210,151	1,214,656
Forest property tax (less than 50,000 acres)	13,449	13,562	13,573
Forest property tax (50,000 acres or more)	7,383	7,383	7,302
	<u>11,043,521</u>	<u>11,006,985</u>	<u>10,705,545</u>
Area rates			
Fire protection	1,189,000	1,164,701	1,099,928
Environmental health services	26,380	26,179	24,870
	<u>1,215,380</u>	<u>1,190,880</u>	<u>1,124,798</u>
Business property			
Based on revenue	34,429	34,429	34,839
Other			
Deed transfer tax	450,000	584,392	552,252
Special assessments			
Sewer services by-law	759,870	815,223	820,475
	13,503,200	13,631,909	13,237,909
Education expenditure as a reduction of tax revenue			
Appropriation to regional school board	(3,557,450)	(3,557,450)	(3,125,785)
	<u>\$ 9,945,750</u>	<u>\$ 10,074,459</u>	<u>\$ 10,112,124</u>
Grants in lieu of taxes			
Federal government	\$ 40,000	\$ 38,329	\$ 42,853
Provincial government			
Property	112,000	125,910	74,098
Crown timber lands		-	44,669
Provincial grant in lieu - windmills	958	-	949
Other			
Nova Scotia Power Incorporated	2,250,852	2,243,454	2,247,237
Windmills	166,632	166,632	178,858
	<u>\$ 2,570,442</u>	<u>\$ 2,574,325</u>	<u>\$ 2,588,664</u>

Municipality of the County of Richmond

General section

Schedule A - Details of revenue (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2026

2025

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Other revenue from own sources			
Licenses and permits	\$ 48,000	\$ 46,700	\$ 55,740
Return on investments	250,000	191,890	275,857
Penalties and interest on taxes and special assessments	256,500	296,820	257,794
Miscellaneous	<u>449,298</u>	<u>440,555</u>	<u>318,542</u>
	<u>\$ 1,003,798</u>	<u>\$ 975,965</u>	<u>\$ 907,933</u>
Conditional transfers from federal and provincial governments and agencies			
Federal government			
Recreation and cultural services			
Summer student grant	\$ 10,000	\$ 10,850	\$ 14,050
CCBF funding	-	-	1,729,783
Provincial government			
Green energy grants	-	456,755	488,680
Program grants	60,000	59,896	49,210
Environmental health services recycling	<u>7,500</u>	<u>-</u>	<u>8,817</u>
	<u>\$ 77,500</u>	<u>\$ 527,501</u>	<u>\$ 2,290,540</u>
Recreation and cultural services			
User fees recreation programs	\$ 80,000	\$ 67,290	\$ 73,335
Arena revenue	<u>163,500</u>	<u>179,177</u>	<u>177,339</u>
	<u>\$ 243,500</u>	<u>\$ 246,467</u>	<u>\$ 250,674</u>
Collections for other government			
Village of St. Peter's	<u>\$ 234,638</u>	<u>\$ 233,439</u>	<u>\$ 219,559</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures

(Unaudited - see advisory to readers)

Year ended March 31

		2026	2025
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative			
Warden			
Stipend	\$ 51,613	\$ 51,614	\$ 50,601
Travel and meeting fees	20,000	4,078	11,753
Council			
Stipend	117,289	117,288	114,989
Travel and meeting fees	15,000	17,449	10,634
	<u>203,902</u>	<u>190,429</u>	<u>187,977</u>
Administrative			
Salaries and wages	720,000	680,120	714,917
Employee benefits	823,386	726,115	868,280
Office buildings	284,963	266,185	259,159
Legal services	40,000	17,390	20,756
Office expenses	350,924	324,314	197,806
Other administrative services	40,000	39,755	23,817
Financial management	80,000	79,954	97,116
Taxation			
Transfer for assessment services	287,252	287,252	275,169
Exemption to halls	414,835	412,109	421,538
	<u>3,041,360</u>	<u>2,833,194</u>	<u>2,878,558</u>
Debt charges			
Interest and bank charges	5,000	1,049	2,626
Valuation allowance			
Uncollectible taxes	50,000	(21,818)	80,014
Uncollectible interest	50,000	69,775	18,564
	<u>100,000</u>	<u>47,957</u>	<u>98,579</u>
Other general services			
Amortization		97,515	92,076
Intergovernmental relations	29,000	24,140	66,771
	<u>29,000</u>	<u>121,655</u>	<u>158,847</u>
	<u>\$ 3,379,262</u>	<u>\$ 3,194,284</u>	<u>\$ 3,326,586</u>

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31

2026

2025

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective services			
Police protection			
Contracted policing	\$ 2,193,742	\$ 2,190,675	\$ 2,057,394
Fire protection			
Fire fighting force			
Fire services	124,000	108,957	119,182
Area rate levies	1,189,000	1,164,702	1,099,928
Water supply and hydrants	<u>321,000</u>	<u>328,356</u>	<u>321,000</u>
	<u>1,634,000</u>	<u>1,602,015</u>	<u>1,540,110</u>
Other			
Amortization	-	541	431
Maintenance area rate	26,393	26,157	24,870
Animal and pest control	2,800	1,930	2,027
Emergency measures	<u>65,000</u>	<u>60,000</u>	<u>57,539</u>
	<u>94,193</u>	<u>88,628</u>	<u>84,867</u>
	<u>\$ 3,921,935</u>	<u>\$ 3,881,317</u>	<u>\$ 3,682,371</u>
Transportation services			
Transportation fee	\$ 215,739	\$ 211,183	\$ 201,968
Street lighting	400,000	415,971	377,334
Amortization		81,257	84,417
Air transport	15,000	15,000	15,000
Interest on long-term debt	<u>459</u>	<u>1,199</u>	<u>1,517</u>
	<u>\$ 631,198</u>	<u>\$ 724,610</u>	<u>\$ 680,236</u>

Municipality of the County of Richmond

General section

Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31	2026		2025
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Environmental health services			
Administration	\$ 262,497	\$ 237,895	\$ 236,338
Sewage collection and disposal			
Central treatment plant	633,041	625,679	589,900
Garbage collection and disposal			
Garbage and waste collection	905,000	779,367	650,987
Municipal dumps	1,167,290	1,134,302	2,945,953
Amortization	-	1,023,158	953,577
Interest on long-term debt	10,164	9,759	12,344
	<u>\$ 2,977,992</u>	<u>\$ 3,810,160</u>	<u>\$ 5,389,099</u>
Public health and welfare services			
Housing			
Deficit of Cape Breton Island			
Housing Authority (Richmond district)	\$ -	\$ -	\$ (23,920)
Environmental development services			
Transfer to			
Eastern District Planning Commission	\$ 177,357	\$ 181,282	176,237
Economic development and tourism	705,221	1,153,896	978,837
	<u>\$ 882,578</u>	<u>\$ 1,335,178</u>	<u>\$ 1,155,074</u>
Recreation and cultural services			
Recreation facilities			
Administration	\$ 994,968	\$ 862,313	\$ 901,427
Amortization	-	32,183	28,943
Programs and grants	181,490	160,443	165,357
Canada works program	64,938	39,239	47,840
	1,241,396	1,094,178	1,143,566
Cultural buildings and facilities			
Libraries	48,700	44,602	57,346
Transfer to regional library	79,100	79,100	79,100
	127,800	123,702	136,446
	<u>\$ 1,369,196</u>	<u>\$ 1,217,880</u>	<u>\$ 1,280,012</u>

Municipality of the County of Richmond
General section
Schedule B - Details of expenditures (Continued)

(Unaudited - see advisory to readers)

Year ended March 31	2026		2025
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Collections for other government			
Village of St. Peter's	\$ <u>234,638</u>	\$ <u>233,439</u>	\$ <u>208,952</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

General section

Schedule C – Details of plant and equipment

(Unaudited - see advisory to readers)

Year ended March 31		2026		2025
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Land	\$ 719,576	\$ -	\$ 719,576	\$ 719,575
Buildings and land Improvements	24,045,005	11,181,109	12,863,896	13,035,403
Machinery and equipment	1,850,583	1,311,352	539,231	584,998
Vehicles	941,892	429,979	511,913	302,201
Sidewalks	2,548,828	742,086	1,806,742	1,882,022
Landfill	723,228	297,226	426,002	197,026
Road signs	<u>56,825</u>	<u>37,325</u>	<u>19,500</u>	<u>18,500</u>
	<u>\$30,885,937</u>	<u>\$13,999,077</u>	<u>\$ 16,886,860</u>	<u>\$ 16,739,725</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Reserve funds section

Capital reserve statement of financial position

(Unaudited - see advisory to readers)

March 31	2026	2025
Financial assets (liabilities)		
Cash	\$ 3,410,127	\$ 3,172,031
Due from operating fund	40,554	510,786
Due from Village of St. Peter's	(104,728)	(51,079)
	<u>\$ 3,345,953</u>	<u>\$ 3,631,738</u>
Reserve		
Canada Community Building Fund (CCBF)	\$ 2,699,970	\$ 2,693,278
Capital	645,983	938,460
	<u>\$ 3,345,953</u>	<u>\$ 3,631,738</u>

On behalf of the Municipality of the County of Richmond

Signed by: Lois Landry Warden Amanda Mombourquette Deputy Warden
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Reserve funds section

Capital reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31	2026	2025
Canada Community Building Fund (CCBF) revenue	\$ 482,846	\$ 459,707
Interest earned – CCBF	72,199	153,983
Interest earned – other capital	29,505	66,203
Transfer from operating fund – tax sale surplus	17,113	500
	<u>601,663</u>	<u>680,393</u>
Transfer to operating fund – non-capital expenditures (CCBF)	(45,000)	(1,729,783)
Transfer from CCBF reserve to fund general capital	(522,476)	(98,861)
Transfer from reserve to fund general capital	-	(202,999)
Transfer from SSGF reserve to fund general capital	(298,542)	(272,429)
Transfer to water capital	(21,430)	(23,305)
Change in fund balance	<u>(285,785)</u>	<u>(1,646,984)</u>
Balance, beginning of year	<u>3,631,738</u>	<u>5,278,722</u>
Balance, end of year	<u>\$ 3,345,953</u>	<u>\$ 3,631,738</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Reserve funds section

Operating reserve statement of financial position

(Unaudited - see advisory to readers)

March 31 2026 2025

Financial assets (liabilities)

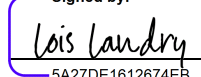
Cash	\$ 10,755,007	\$ 9,064,085
Due from operating fund	<u>906,076</u>	<u>1,618,608</u>
	<u>\$ 11,661,083</u>	<u>\$ 10,682,693</u>

Reserve

General operating reserve	\$ 8,009,046	\$ 7,888,416
Tax rate stabilization reserve	2,737,387	2,737,387
Sewer reserve	56,890	56,890
Infrastructure reserve	400,000	-
Landfill closure	<u>457,760</u>	<u>-</u>
	<u>\$ 11,661,083</u>	<u>\$ 10,682,693</u>

On behalf of the Municipality of the County of Richmond

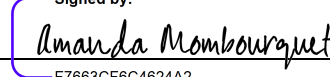
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Warden

Signed by:



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Deputy Warden

Reserve funds section

Operating reserve statement of financial activities

(Unaudited - see advisory to readers)

Year ended March 31 2026 2025

Financing and transfers		
Transfer from operating fund – current year surplus	\$ 946,630	\$ 1,618,608
Interest earned on operating reserve	<u>249,967</u>	<u>354,783</u>
Change in fund balance	1,196,597	1,973,391
Transfer to operating fund	(42,240)	-
Transfer of reserves to fund general capital	<u>(175,967)</u>	<u>(97,120)</u>
	(218,207)	(97,120)
Balance, beginning of year	<u>10,682,693</u>	<u>8,806,422</u>
Balance, end of year	<u>\$ 11,661,083</u>	<u>\$ 10,682,693</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

1. Summary of significant accounting policies

Operating funds

i) Properties acquired at tax sale

Properties acquired at tax sale are stated at cost.

ii) Revenue and expenditures

Major revenue and expenditure items are recorded on the accrual basis.

Tangible capital assets

Tangible assets are recorded at cost using the declining balance method at the following rates:

Buildings and land improvements	2.5% - 4%
Office equipment	20%
Machinery & equipment	20%
Computer equipment	30%
Vehicles	30%
Sidewalks	4%
Road Signs	15%

One-half year's amortization is taken in the year of acquisition.

Use of estimates

The preparation of financial statements for municipal governments requires that management 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.

2. Inter-fund balances

The various funds of the Municipality and its Water Utility include a series of inter-fund balances as noted in the respective funds. It is anticipated that all inter-fund balances will be settled within the next fiscal year, except where noted or where there is a longer term plan in place to fund such balances.

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

3. Loans and advances, employees, and elected officials

Municipal Council has approved a computer purchase program which is available to all elected officials and full-time employees. The Municipality provides a three-year interest free loan up to a maximum of \$4,000 per employee or elected official towards the purchase of a personal computer. The amount outstanding of \$1,984 as at March 31, 2026, represents the cost of computers acquired less any repayments to date.

4. Taxes receivable	<u>2026</u>	<u>2025</u>
Balance, beginning of year	\$ 1,527,990	\$ 1,290,458
Levy	<u>12,197,865</u>	<u>11,830,342</u>
	13,725,855	13,120,800
Collections	<u>12,194,880</u>	<u>11,592,810</u>
	<u>\$ 1,530,975</u>	<u>\$ 1,527,990</u>
Allocation of balance:		
Current	\$ 1,100,533	\$ 1,023,436
Prior year	<u>430,442</u>	<u>504,554</u>
	<u>\$ 1,530,975</u>	<u>\$ 1,527,990</u>

5. Due from governments and agencies	<u>2026</u>	<u>2025</u>
Provincial		
Provincial – Sundry	<u>\$ 89,065</u>	<u>\$ 166,130</u>
Federal		
Federal Grants (CCBF)	\$ -	\$ 510,786
Harmonized sales tax	<u>117,250</u>	<u>539,123</u>
	<u>\$ 117,250</u>	<u>\$ 1,049,909</u>

6. Due from own funds and agencies	<u>2026</u>	<u>2025</u>
Own funds		
Capital fund – temporary financing	\$ 432,457	\$ 440,877
Water Utility fund	<u>177,832</u>	<u>155,048</u>
	<u>\$ 610,289</u>	<u>\$ 595,925</u>

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

7. Due from other local organizations	<u>2026</u>	<u>2025</u>
St. Peter's Fire Department	\$ -	\$ 130,000
Loch Lomond Fire Department	73,744	357
Louisdale Fire Department	-	129
Isle Madame Fire Department	-	109
Grand River Fire Department	-	94
District 10 Fire Department	-	101
Framboise Fourchu Fire Department	-	90
L'Ardoise Fire Department	-	71
	<u>\$ 73,744</u>	<u>\$ 130,951</u>

8. Due to own funds and agencies	<u>2026</u>	<u>2025</u>
Own funds		
Capital Reserve	\$ 40,554	\$ 510,786
Operating reserve	906,076	1,618,608
Own agencies		
Joint Development Commission	279	192
	<u>\$ 946,909</u>	<u>\$ 2,129,586</u>

9. Due to other local organizations	<u>2026</u>	<u>2025</u>
St. Peter's Fire Department	\$ -	\$ 125,624

10. Tax sale surplus

There is a twenty-year period of holding these funds in trust, after which cash must be transferred to the Capital Reserve Fund. Of the total amount, the following can be transferred:

2027	\$ 18,937	2036	\$ 23,922
2029	\$ 18,400	2038	\$ 307,204
2030	\$ 13,400	2039	\$ 82,317
2031	\$ 12,092	2042	\$ 280,610
2032	\$ 8,643	2043	\$ 48,507
2034	\$ 117,565	2044	\$ 123,402
2035	\$ 13,706	2045	\$ 845,798

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

11. Asset valuation allowances	<u>2026</u>	<u>2025</u>
For uncollected taxes		
Balance, beginning of year	\$ 461,916	\$ 400,760
Provision for the year	<u>(50,886)</u>	<u>61,156</u>
Balance, end of year	<u>\$ 411,030</u>	<u>\$ 461,916</u>
For uncollected interest		
Balance, beginning of year	\$ 904,899	\$ 893,441
Provision for the year	<u>9,801</u>	<u>11,458</u>
Balance, end of year	<u>\$ 914,700</u>	<u>\$ 904,899</u>
	<u>\$ 1,325,730</u>	<u>\$ 1,366,815</u>

12. Schools

On January 1, 1982, the Municipality of the County of Richmond joined with the Town of Port Hawkesbury to form the Richmond District School Board. Under the agreement, all school buildings on hand at December 31, 1981, will remain assets of the Municipality but will be under the operational control of the District School Board, now operating as part of the Strait Regional Centre for Education, until such time as the Centre no longer requires the asset for school purposes. At that time, control will revert back to the Municipality.

13. Long-term debt

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

	<u>General capital</u>	<u>General operations</u>
2027	\$ 47,280	\$ 15,313
2028	\$ 48,260	\$ 15,313
2029	\$ 49,279	\$ 15,313
2030	\$ 50,333	\$ 15,313
2031	\$ 20,369	\$ 3,381

All existing long-term debt has been approved by the Minister of Municipal Affairs.

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

14. Contributions to Boards and Commissions

- (a) Boards and commissions in which the Municipality has less than a 100% interest:

The Municipality is required to finance the operations of various boards and commissions, along with the other local municipal units to the extent of its participation based on assessment, population, or prescribed formulae.

In addition to any budgeted contributions, the municipal units share in the deficits or surpluses of these boards based on their sharing percentages. A municipal unit's share of any deficit must be paid in the next fiscal year while a surplus may be taken into the next year's estimates. Alternatively, the Municipality may provide for its share of the surplus or deficit in the current year.

Details of contributions to these boards and commissions are as follows:

	<u>2026</u>	<u>2025</u>
Eastern Counties Regional Library	\$ 79,100	\$ 79,100
Eastern District Planning Commission	181,282	176,237

The Municipality has no further financial obligations in connection with the operating results of the above-mentioned entities for the year ended March 31, 2026.

- (b) Boards and commissions in which the Municipality has a 100% interest:

- i) Richmond Housing Corporation (Richmond Villa)

The Municipality has guaranteed a line of credit in the amount of \$200,000 (2025 - \$200,000) on behalf of the Housing Corporation which is indebted to the bank in the amount of \$Nil as at March 31, 2026 (2025 - \$Nil).

The Housing Corporation had an accumulated operating surplus of \$2,613,539 as at March 31, 2026, (2025 - \$2,324,421 surplus).

- ii) Municipality of the County of Richmond Water Utility

During the year the Municipality paid \$147,063 (2025 - \$147,063) in respect of public fire protection. The annual utility charge is determined under a formula as set out in the utility rate structure which has been approved by the Nova Scotia Utilities and Review Board. The Municipality, through its public works department, provided water maintenance services for the Utility during the year, in the amount of \$85,398 (2025 - \$82,911).

The Utility has an accumulated operating surplus of \$387,232 as at March 31, 2026, (2025 - \$291,580).

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)
March 31, 2026

15. Commitments and contingencies

Pension costs and obligations

During the year the Municipality contributed to the registered pension plan for full time employees to a maximum of 9% of each employee's gross pay. Total contributions during the year by the Municipality were \$260,522 (2025 - \$167,920).

Assets retirement obligation related to landfill sites

The Municipality is required to properly close and monitor its old landfill sites. During the prior year, the Municipality completed its required obligations for remediation of their landfill sites. As a result, the liability and corresponding asset that were recorded on the consolidated financial statements were removed. As no original liability or assets were record in these non-consolidated financial statements no adjustment for removal was made.

16. Retirement benefits

The Municipality has a policy to pay a retirement benefit to employees upon retirement or termination due to disability, or to the employee's estate in the case of death, for employees who have been employed with the Municipality for at least ten years. The benefit is graduated based on years of service. Included in retirement benefit payable is \$114,783 (2025 - \$131,295) related to these benefits.

17. Other

Total remuneration paid to elected and senior appointed officials of the Municipality are as follows:

<u>Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Lois Landry	Warden	\$ 51,614	\$ 4,078
Amanda Mombourquette	Councillor/Deputy Warden	\$ 30,452	\$ 9,584
Brent Sampson	Deputy Warden/Councillor	\$ 31,582	\$ 6,527
Shawn Samson	Councillor	\$ 27,627	\$ -
Brian Marchand	Councillor	\$ 27,627	\$ 1,339
Troy MacCulloch	CAO	\$ 138,221	\$ 10,525

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

18. Pension agreements

The Municipality provides a defined benefit pension plan for a limited number of current and former employees. On December 31, 2023 the Municipality signed a termination agreement for the plan. Effective January 1, 2024 all active employees still remaining on the defined benefit pension plan were transferred to the defined contribution plan. As at March 31, 2026 the plan settlement was not finalized. The pension information is based on a wind-up valuation completed December 31, 2023 and extrapolated to March 31, 2026.

The following summarizes the plan for the fiscal year ended March 31, 2026:

	<u>2026</u>	<u>2025</u>
Liability – Statement of financial position		
Accrued benefit obligation end of year	\$ 8,271,800	\$ 9,362,800
Pension fund assets end of year	(8,122,800)	(9,773,100)
Unamortized actuarial (losses) gains	(429,300)	(74,000)
Valuation allowance	<u>280,300</u>	<u>484,300</u>
Total (asset) liability	<u>\$ -</u>	<u>\$ -</u>
Expenses – Statement of operations		
Current service cost	\$ 88,700	\$ 97,700
Amortization of actuarial (gains) losses	133,100	(407,400)
Change in valuation allowance	(204,000)	484,300
Interest on average pension liability during the year	<u>(17,800)</u>	<u>(26,100)</u>
Total expense	<u>\$ -</u>	<u>\$ 148,500</u>

19. Sick leave benefit liability

A liability and expense have been recorded for compensated absences that are both accumulating and non-vesting and accumulating and vesting. The valuation was completed as at March 31, 2026 and projected until March 31, 2029.

Actuarial Method:

The actuarial cost method used was the “Projected Unit Credit” method (also known as the “Projected Accrued Benefit” method) pro - rated on service.

Components of benefit expense under PS3250:

	<u>2026</u>	<u>2025</u>
Current service cost	\$ 13,400	\$ 13,000
Interest expense	<u>4,500</u>	<u>4,300</u>
Benefit expense	<u>\$ 17,900</u>	<u>\$ 17,300</u>

Municipality of the County of Richmond

Notes to the non-consolidated financial statements

(Unaudited - see advisory to readers)

March 31, 2026

19. Sick leave benefit liability (continued)	<u>2026</u>	<u>2025</u>
Balance, beginning of year (unfunded)	\$ 109,400	\$ 100,600
Benefit expense	17,900	17,300
Benefit payments	<u>(15,700)</u>	<u>(8,500)</u>
Balance, end of year (unfunded)	<u>\$ 111,600</u>	<u>\$ 109,400</u>

Assumptions:

Discount rate:	4.0% per annum
Salary increases:	2.5% per annum.
Mortality rate:	CPM-2014 and scale CPM-B
Retirement age:	Age 62 or in one year if currently over 62
Current sick leave utilization:	10.6 days each year from that year's allotment of sick leave

Plan Provisions:

The main provisions of the program are as follows:

- Eligible employees are granted 1.5 sick leave days per month (i.e., 18 days per year based on an employee working full time).
- Employees may accumulate 100% of their unused sick time, up to a maximum of 115 days in a sick leave bank.
- Unused accumulative sick leave banks (to a maximum of 30 days) are paid at retirement, termination or death provided the member has at least 10 years of employment with the Municipality.

20. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

Municipality of the County of Richmond

Schedule D - Debt charges and term debt

(Unaudited - see advisory to readers)

Year ended March 31, 2026

Loan Continuity							
	Fiscal year due date	Interest rate	Balance March 31, 2025	Additions	Redeemed	Balance March 31, 2026	Interest
<u>General capital</u>							
Municipal purposes							
Serial debentures							
Sewer	2030	2.77-3.79%	<u>110,330</u>	<u>-</u>	<u>22,067</u>	<u>88,263</u>	<u>3,375</u>
Term debt							
CMHC	2026 - 2031	3.65-3.89%	<u>202,520</u>	<u>-</u>	<u>66,262</u>	<u>136,258</u>	<u>7,972</u>
			<u>\$ 312,850</u>	<u>\$ -</u>	<u>\$ 88,329</u>	<u>\$ 224,521</u>	<u>\$ 10,958</u>

			Loan Continuity				
	Fiscal year due date	Interest rate	Balance March 31, 2025	Additions	Redeemed	Balance March 31, 2026	Interest
<u>General operating</u>							
Term debt							
Royal Bank	2031	Prime +.50%	<u>\$ 130,000</u>	<u>\$ -</u>	<u>\$ 130,000</u>	<u>\$ -</u>	<u>\$ 3,631</u>
Term debit							
Royal Bank	2030	Prime +.50%	<u>\$ -</u>	<u>\$ 76,564</u>	<u>\$ 11,932</u>	<u>\$ 64,632</u>	<u>\$ 2,313</u>