

**Town of Stewiacke**  
**Consolidated Financial Statements**

*March 31, 2021*

## Independent Auditor's Report

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To the Mayor and Council of Town of Stewiacke:

### Opinion

We have audited the consolidated financial statements of Town of Stewiacke (the "Town") on pages 2 - 17, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at March 31, 2021, and the results of its consolidated operations, changes in its consolidated net financial assets and its consolidated 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 Matter - 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 18 – 26 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 related 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.

### 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

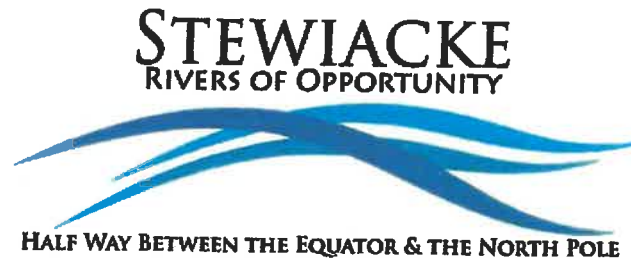
Sydney, Nova Scotia  
August 30, 2021

**MNP LLP**  
Chartered Professional Accountants

**Town of Stewiacke**  
**Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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**Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of the Town of Stewiacke (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies is described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

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

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



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Mr. Dale Bogle  
Chief Administrative Officer


**Town of Stewiacke**  
**Consolidated Statement of Financial Position**  
As at March 31, 2021

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 2,281,091	\$ 2,190,558
Taxes and rates receivable (note 2)	162,856	171,496
Other receivables (note 3)	118,724	91,568
	2,562,671	2,453,622
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities	100,015	290,475
Deferred revenue	135,530	99,631
Tax sale surplus	31,784	-
Long-term debt (note 5)	998,783	1,200,101
	1,266,112	1,590,207
<b>NET FINANCIAL ASSETS</b>	1,296,559	863,415
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets, general capital (note 6)	5,729,827	5,849,960
Tangible capital assets, water capital (note 7)	3,574,701	3,502,560
	9,304,528	9,352,520
<b>ACCUMULATED SURPLUS</b> (note 8)	\$ 10,601,087	\$ 10,215,935

Contingencies (note 14)

See accompanying notes to consolidated financial statements.

On behalf of the Town of Stewiacke:

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Chief Administrative Officer

**Town of Stewiacke**  
**Consolidated Statement of Financial Activities**

*For the year ended March 31, 2021*

	Budget (Unaudited)	2021	2020
<b>REVENUES (Schedule A)</b>			
Taxes	\$ 1,597,490	\$ 1,670,781	\$ 1,611,295
Grants in lieu of taxes	5,673	5,404	5,394
Sale of services	220,932	166,707	161,637
Other revenue from own sources	55,900	54,537	114,943
Unconditional transfers from other governments	205,600	205,671	205,600
Conditional transfers from other governments	46,500	195,220	254,517
Water rates	451,746	436,812	386,528
	<u>2,583,841</u>	<u>2,735,132</u>	<u>2,739,914</u>
<b>EXPENSES (Schedule B)</b>			
General government services	573,894	591,828	589,168
Protective services	286,770	274,363	275,071
Transportation services	421,507	512,519	569,229
Environmental health services	195,761	281,466	236,866
Environmental development services	31,000	31,117	35,057
Recreation and cultural services	260,345	272,999	251,779
Water treatment and distribution	453,499	385,688	402,881
	<u>2,222,776</u>	<u>2,349,980</u>	<u>2,360,051</u>
<b>ANNUAL SURPLUS</b>	361,065	385,152	379,863
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	10,215,935	10,215,935	9,836,072
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 10,577,000</u>	<u>\$ 10,601,087</u>	<u>\$ 10,215,935</u>

See accompanying notes to consolidated financial statements.

**Town of Stewiacke**  
**Consolidated Statement of Change in Net Financial Assets**  
*For the year ended March 31, 2021*

	2021	2020
<b>ANNUAL SURPLUS</b>	\$ 385,152	\$ 379,863
Other non-financial assets		
Amortization of tangible capital assets	432,249	414,612
Additions to tangible capital assets	(384,257)	(244,604)
<b>INCREASE IN NET FINANCIAL ASSETS</b>	433,144	549,871
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	863,415	313,544
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ 1,296,559	\$ 863,415

See accompanying notes to consolidated financial statements.

**Town of Stewiacke**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2021*

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Annual surplus	\$ 385,152	\$ 379,863
Add		
Amortization of tangible capital assets	432,249	414,612
Change in non-cash items		
Decrease in taxes and rates receivable	8,640	7,228
Decrease (increase) in other accounts receivable	(27,156)	16,826
Increase (decrease) in accounts payable and accrued liabilities	(190,460)	26,426
Increase in deferred revenue	35,899	34,891
Increase in tax sale surplus	31,784	-
	<u>676,108</u>	<u>879,846</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(426,318)	(228,069)
Proceeds of long-term debt	225,000	-
	<u>(201,318)</u>	<u>(228,069)</u>
<b>CASH FLOWS FROM CAPITAL ACTIVITIES</b>		
Additions to tangible capital assets	(384,257)	(244,604)
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>90,533</u>	<u>407,173</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	2,190,558	1,783,385
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 2,281,091</u>	<u>\$ 2,190,558</u>

See accompanying notes to consolidated financial statements.

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**

*For the year ended March 31, 2021*

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**1. SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of presentation

These consolidated financial statements of Town of Stewiacke (the "Town") have been prepared, in all material respects, in accordance with Canadian public sector accounting standards.

(b) Basis of consolidation

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

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

(c) Segment information

The Town of Stewiacke is a diversified entity 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. Town services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

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

Protective services

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

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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

Transportation services

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

Environmental health services

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

Environmental development services

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

Recreation and cultural services

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

Water treatment and distribution

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

(d) Fund accounting

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

(e) Basis of accounting

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

(f) Cash and cash equivalents

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

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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

(g) Tangible capital assets

Tangible capital assets are reported in the statement of financial position at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the assets, net of accumulated amortization. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

	Basis	Rate
Buildings	Straight-line	2.5%
Machinery and equipment	Straight-line	5 – 33.33%
Sewers	Straight-line	2%%
Sidewalks and crosswalks	Straight-line	4 – 5%
Streets	Straight-line	3.33%
Land improvements	Straight-line	4%
Leasehold improvements	Straight-line	4%
Sewage treatment plant	Straight-line	4%
Water storage plant	Straight-line	1.33%
Water utility equipment	Straight-line	5 - 20%
Water utility mains	Straight-line	1.33%
Water utility services	Straight-line	2%
Water utility meters	Straight-line	5%
Water utility hydrants	Straight-line	1.33%
Water treatment plant	Straight-line	2%

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

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

(h) Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Town of Stewiacke 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.

(i) Government transfers

Government transfers are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

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

(j) Deferred revenue

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

(k) Reserve funds

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

(l) Taxation and related revenues

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

(m) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes. Significant items subject to management's estimate and assumptions include the valuation of receivables and carrying amount of tangible capital assets. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**

*For the year ended March 31, 2021*

**2. TAXES AND RATES RECEIVABLE**

	2021	2020
Taxes receivable	\$ 82,515	\$ 119,303
Less valuation allowance	(30,000)	(30,000)
Subtotal	52,515	89,303
Sewer rates receivable	36,309	47,522
Less valuation allowance	(1,191)	(1,191)
Subtotal	35,118	46,331
Water rates receivable	77,059	37,698
Less valuation allowance	(1,836)	(1,836)
Subtotal	75,223	35,862
Taxes and rates receivable, net	\$ 162,856	\$ 171,496

**3. OTHER RECEIVABLES**

	2021	2020
Due from federal government and its agencies	\$ 109,679	\$ 86,259
Other	9,045	5,309
	\$ 118,724	\$ 91,568

**4. BANK LINE OF CREDIT**

The Town has available a line of credit of \$250,000 with an interest rate of prime and has signed a security agreement with a first ranking security interest on specific assets. The line of credit was undrawn at March 31, 2021 and 2020.

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**

*For the year ended March 31, 2021*

**5. LONG-TERM DEBT**

	Interest rate - %	Matures	Balance March 31/20	Proceeds	Repaid	Balance March 31/21
<b>General Capital Fund</b>						
Royal Bank of Canada						
Truck	4.2%	2024	\$ 118,204	\$ -	\$ (34,608)	\$ 83,596
Generator	4.2%	2024	44,404	-	(13,008)	31,396
			162,608	-	(47,616)	114,992
Nova Scotia Municipal Finance Corporation						
Streets	4.7 – 4.9%	2021	225,000	-	(225,000)	-
Streets	4.1 – 4.9%	2025	11,770	-	(11,770)	-
Streets	0.7 – 1.2%	2026	-	225,000	(37,500)	187,500
Sewage	2.1 – 3.3%	2029	236,250	-	(26,250)	210,000
			473,020	225,000	(300,520)	397,500
			635,628	225,000	(348,136)	512,492
<b>Water Capital Fund</b>						
Scotia Bank						
Truck	5.89%	2024	20,069	-	(5,017)	15,052
Nova Scotia Municipal Finance Corporation						
	2.1 – 3.3%	2029	78,750	-	(8,750)	70,000
	2.0 – 2.3%	2024	140,924	-	(28,185)	112,739
	4.1 – 4.9%	2025	263,230	-	(15,730)	247,500
	2.6 – 3.5%	2023	61,500	-	(20,500)	41,000
			564,473	-	(78,182)	486,291
			\$ 1,200,101	\$ 225,000	\$ (426,318)	\$ 998,783

Principal payments required in each of the next five years on debt held as of March 31, 2021 are as follows:

	General	Water	Total
2022	\$ 111,366	\$ 89,935	\$ 201,301
2023	111,366	90,237	201,603
2024	83,510	69,185	152,695
2025	63,750	201,934	265,684
2026	63,750	8,750	72,500

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**6. TANGIBLE CAPITAL ASSETS, GENERAL CAPITAL**

	Cost		Disposals and		Cost	Amortization	2021		Net Book	2020
	Beginning of Year	Additions	Write-downs	End of Year			End of Year	Disposals		
Land	\$ 292,817	\$ —	\$ —	\$ 292,817	\$ —	\$ —	\$ —	\$ 292,817	\$ 292,817	
Buildings	803,824	80,968	—	884,792	511,158	—	—	356,896	356,896	
Machinery and equipment	1,042,534	41,626	—	1,084,160	581,079	—	—	658,614	658,614	
Sewers	1,968,557	70,338	—	2,038,895	746,541	—	—	784,407	784,407	
Sidewalks	568,955	—	—	568,955	320,447	—	—	340,696	340,696	
Streets	4,090,020	430,389	—	4,520,409	1,680,879	—	—	1,818,128	1,818,128	
Land improvements	459,417	—	—	459,417	192,622	—	—	207,369	207,369	
Sewage Treatment Plant	1,069,111	—	—	1,069,111	990,064	—	—	1,031,730	1,031,730	
Leasehold improvements	154,940	—	—	154,940	10,320	—	—	16,517	16,517	
Perry Lake Development	388,000	—	(388,000)	—	—	—	—	—	—	
Computer software	48,102	—	—	48,102	3,207	—	—	6,414	6,414	
	\$ 10,886,277	\$ 623,321	\$ (388,000)	\$ 11,121,598	\$ 5,036,317	\$ —	\$ 355,454	\$ 5,391,771	\$ 5,729,827	\$ 5,849,960

**7. TANGIBLE CAPITAL ASSETS, WATER CAPITAL**

	Cost		Disposals and		Cost	Amortization	2021		Net Book	2020
	Beginning of Year	Additions	Write-downs	End of Year			End of Year	Disposals		
Water Storage Plant	\$ 1,716,814	\$ —	\$ —	\$ 1,716,814	\$ 259,492	\$ —	\$ 22,891	\$ 282,383	\$ 1,434,431	\$ 1,457,322
Equipment	147,077	—	—	147,077	114,330	—	5,445	119,775	27,302	32,747
Mains	1,856,000	90,865	—	1,946,865	325,141	—	25,958	351,099	1,595,766	1,530,859
Services	149,427	58,071	—	207,498	19,338	—	4,150	23,488	184,010	130,089
Meters	41,626	—	—	41,626	29,996	—	1,877	31,873	9,753	11,630
Hydrants	77,718	—	—	77,718	20,247	—	1,036	21,283	56,435	57,471
Water Treatment Plant	405,786	—	—	405,786	162,949	—	8,116	171,065	234,721	242,837
Trucks	28,595	—	—	28,595	11,438	—	5,719	17,157	11,438	17,157
Computer software	24,051	—	—	24,051	1,603	—	1,603	3,206	20,845	22,448
	\$ 4,447,094	\$ 148,936	\$ —	\$ 4,596,030	\$ 944,534	\$ —	\$ 76,795	\$ 1,021,329	\$ 3,574,701	\$ 3,502,560

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**

*For the year ended March 31, 2021*

**8. ACCUMULATED SURPLUS**

	2021	2020
General operating fund	\$ -	\$ 3,203
Water operating fund	504,946	328,709
General capital fund	5,217,588	5,214,330
Water capital fund	3,321,934	3,228,501
Reserve funds	1,556,619	1,441,192
	<b>\$ 10,601,087</b>	<b>\$ 10,215,935</b>

**9. DEFINED CONTRIBUTION PENSION PLAN**

The Town provides a defined contribution pension plan for their employees. The assets of the plan are held separately from those of the Town in independently administered funds. Contributions paid and expensed by the Town in the current year amounts to \$34,434 (2020 - \$28,479).

**10. TRANSFERS TO PROVINCIAL BOARDS AND COMMISSIONS**

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

	2021	2020
	Contribution	Contribution
Regional Housing Authority – 12% interest	\$ 24,282	\$ 31,575
Regional Library – 2% interest	6,995	9,326
Chignecto Regional Centre for Education	274,800	271,512
Corrections contribution	17,153	17,350
Assessment services contribution	21,545	21,481
Truro Colchester Regional Enterprise Network	2,546	5,730

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**11. SEGMENT DISCLOSURE**

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Culture Services	Water Treatment and Distribution	Total 2021
<b>REVENUES</b>								
Taxes								
Grants in lieu of taxes	\$ 1,670,781							\$ 1,670,781
Sale of services	5,404							5,404
Other revenue from own sources				158,607				158,607
Unconditional transfers from other governments	49,806					11,650		62,637
Conditional transfers from other governments	205,671							205,671
Water rates	166,401							166,401
								166,401
	2,098,063			158,607		40,469	436,812	2,735,132
<b>EXPENSES</b>								
Salaries, wages and benefits	358,021	7,202	157,396	19,278		137,807	91,799	771,503
Operating materials, supplies and general expenses	229,141	262,096	127,539	172,643	31,117	88,120	190,547	1,101,203
Amortization	9,731		216,101	89,545		40,077	76,795	432,249
Rents and financial expenses			11,483				20,687	32,170
Other							5,860	12,855
	596,893	269,298	512,519	281,466	31,117	272,999	385,688	2,349,980
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 1,501,170</b>	<b>\$ (269,298)</b>	<b>\$ (512,519)</b>	<b>\$ (122,859)</b>	<b>\$ (31,117)</b>	<b>\$ (232,530)</b>	<b>\$ 52,305</b>	<b>\$ 385,152</b>

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**11. SEGMENT DISCLOSURE**

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Culture Services	Water Treatment and Distribution	Total 2020
<b>REVENUES</b>								
Taxes	\$ 1,611,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,611,295
Grants in lieu of taxes	5,394	-	-	-	-	-	-	5,394
Sale of services	-	-	-	161,637	-	-	-	161,637
Other revenue from own sources	85,873	-	-	-	-	16,948	12,122	114,943
Unconditional transfers from other governments	205,600	-	-	-	-	-	-	205,600
Conditional transfers from other governments	181,927	-	-	-	-	41,304	31,286	254,517
Water rates	-	-	-	-	-	-	386,528	386,528
	2,090,089	-	-	161,637	-	58,252	429,936	2,739,914
<b>EXPENSES</b>								
Salaries, wages and benefits	370,036	7,803	146,240	18,444	-	112,514	57,477	712,514
Operating materials, supplies and general expenses	180,011	267,268	193,614	127,372	35,057	97,448	219,880	1,120,650
Amortization	10,724	-	199,157	91,050	-	32,491	81,190	414,612
Rents and financial expenses	4,370	-	30,218	-	-	-	29,288	63,876
Other	24,027	-	-	-	-	9,326	15,046	48,399
	589,168	275,071	569,229	236,866	35,057	251,779	402,881	2,360,051
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 1,500,921</b>	<b>\$ (275,071)</b>	<b>\$ (569,229)</b>	<b>\$ (75,229)</b>	<b>\$ (35,057)</b>	<b>\$ (193,527)</b>	<b>\$ 27,055</b>	<b>\$ 379,863</b>

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**12. FINANCIAL INSTRUMENTS**

Fair value of financial instruments

The fair value of the Town's financial instruments that are comprised of cash, taxes receivable, other accounts receivable, and accounts payable and accrued liabilities approximate their carrying value due to their short-term nature.

The fair value of long-term debt is based on rates currently available to the Town with similar terms and maturities and approximates its carrying value.

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

**13. REMUNERATION OF MEMBERS OF COUNCIL AND CHIEF ADMINISTRATIVE OFFICER**

The total remuneration paid to the Mayor, Council and Chief Administrative Officer of the Town is as follows:

Name	Title	Annual Remuneration	Travel and Other Expenses	Total
W. Robinson	Mayor	\$ 7,112	\$ 466	\$ 7,578
G. Lloy	Mayor	5,080	95	5,174
R. Chapman	Deputy Mayor	9,484	—	9,484
S. Lutz	Deputy Mayor	3,426	—	3,426
C. Ramsey	Councillor	8,221	—	8,221
M. Commo	Councillor	8,221	—	8,221
S. Creelman	Councillor	8,221	—	8,221
R. Rogers-Laing	Councillor	8,221	—	8,221
D. Bogle	Chief Administrative Officer	90,000	408	90,408
		\$ 147,986	\$ 969	\$ 148,954

**14. CONTINGENCIES**

The Town has guaranteed the borrowing resolution of the Stewiacke Fire Department for \$643,000.

**Town of Stewiacke**  
**Notes to Consolidated Financial Statements**

*For the year ended March 31, 2021*

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**15. IMPACT OF COVID-19 ON OPERATIONS**

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Town as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

**16. COMPARATIVE FIGURES**

Certain 2020 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

## **SUPPLEMENTARY SCHEDULES**

**Town of Stewiacke**  
**Schedule A – Details of Revenues**

*For the year ended March 31, 2021*

	Budget (Unaudited)	2021	2020
<b>Taxes</b>			
Assessable property			
Residential	\$ 1,318,297	\$ 1,328,792	\$ 1,310,049
Commercial	339,128	335,491	344,979
Resource			
Taxable assessments	21,752	21,752	21,087
Forest property tax			
Less than 50,000 acres	–	452	124
More than 50,000 acres	454	–	247
Business property			
Based on revenue – Aliant	7,000	7,922	7,862
Area rates			
Environmental health services	96,114	96,317	96,620
Protective services	91,891	92,011	90,128
Other			
Deed transfer tax	45,000	104,279	60,636
	<u>1,919,636</u>	<u>1,987,016</u>	<u>1,931,732</u>
Expenditures as a reduction to tax revenue			
Appropriations to Regional Centre for Education	274,796	274,800	271,512
Provincial corrections	17,350	17,153	17,350
Nova Scotia Housing Commission	30,000	24,282	31,575
	<u>\$ 1,597,490</u>	<u>\$ 1,670,781</u>	<u>\$ 1,611,295</u>
Grants in lieu of taxes			
Federal government			
Royal Canadian Mounted Police	\$ 3,300	\$ 2,926	\$ 3,019
Provincial property			
Department of Transportation	2,373	2,478	2,375
	<u>\$ 5,673</u>	<u>\$ 5,404</u>	<u>\$ 5,394</u>
Sale of services			
Environmental health services	\$ 220,932	\$ 155,807	\$ 161,637
Sewer connections	–	10,900	–
	<u>\$ 220,932</u>	<u>\$ 166,707</u>	<u>\$ 161,637</u>

**Town of Stewiacke**  
**Schedule A – Details of Revenues (Continued)**

*For the year ended March 31, 2021*

	Budget (Unaudited)	2021	2020
<b>Other revenue from own sources</b>			
Community centre	\$ 7,000	\$ 5,000	\$ 15,110
Fines	1,000	1,733	693
Gasoline rebates	–	1,966	2,891
Interest on investments	5,000	6,548	37,567
Interest on taxes	16,000	7,675	19,936
Licenses and permits	400	4,275	2,735
Miscellaneous	5,300	18,696	8,330
Recreation	200	87	(282)
Town days	12,000	720	13,618
HST offset revenue	9,000	7,837	14,345
	<b>\$ 55,900</b>	<b>\$ 54,537</b>	<b>\$ 114,943</b>
<b>Unconditional transfers from other governments</b>			
Provincial government			
Equalization grant	\$ 202,349	\$ 202,349	\$ 202,349
Farm and acreage grant	3,251	3,322	3,251
	<b>\$ 205,600</b>	<b>\$ 205,671</b>	<b>\$ 205,600</b>
<b>Conditional transfers from other governments</b>			
Federal government			
Federal gas tax rebate	\$ –	\$ 79,302	\$ 163,757
Provincial government			
Other government grant	30,500	87,099	49,456
Nova Scotia Health Promotion and Protection			
Recreation	16,000	28,819	41,304
	<b>\$ 46,500</b>	<b>\$ 195,220</b>	<b>\$ 254,517</b>

**Town of Stewiacke**  
**Schedule B – Details of Expenditures**

*For the year ended March 31, 2021*

	2021		2020
	Budget	Actual	Actual
<b>General government services</b>			
<b>Legislative</b>			
Mayor remuneration and expenses	\$ 14,192	\$ 14,120	\$ 12,466
Council remuneration and expenses	54,094	48,575	49,585
Other	11,000	13,428	7,136
	<u>79,286</u>	<u>76,123</u>	<u>69,187</u>
<b>General administrative</b>			
Administration	233,043	330,528	264,057
Equipment rental	8,000	7,965	7,421
Postage	4,000	6,086	3,084
Stationery and supplies	8,000	10,120	11,977
Telecommunications	7,450	4,723	7,575
Other	20,900	4,449	7,420
Assessment costs	21,600	21,545	21,481
Financial management	21,000	22,365	21,897
<b>Other</b>			
Building maintenance	22,900	19,463	21,641
Employee benefits	73,195	29,678	63,302
Employee pension plans	34,320	10,155	28,596
Union of Nova Scotia Municipalities	–	–	2,546
	<u>454,408</u>	<u>467,077</u>	<u>460,997</u>
<b>Other general government services</b>			
Amortization	–	9,731	10,724
Insurance	23,000	24,965	22,692
Interest and bank charges	5,000	6,537	4,370
Town days, lighting, volunteer week and levees	12,200	7,395	21,198
	<u>40,200</u>	<u>48,628</u>	<u>58,984</u>
	<u>\$ 573,894</u>	<u>\$ 591,828</u>	<u>\$ 589,168</u>

**Town of Stewiacke**  
**Schedule B – Details of Expenditures (Continued)**

*For the year ended March 31, 2021*

	2021		2020
	Budget	Actual	Actual
<b>Protective services</b>			
<b>Police protection</b>			
Prosecution services	\$ –	\$ –	\$ 38
Royal Canadian Mounted Police	167,960	163,100	158,940
Security services	1,600	1,608	2,157
	<u>169,560</u>	<u>164,708</u>	<u>161,135</u>
<b>Fire protection</b>			
Fire dispatch service	4,000	2,982	4,046
Fire fighting force	87,891	87,891	86,124
	<u>91,891</u>	<u>90,873</u>	<u>90,170</u>
Emergency measures	6,719	714	4,550
<b>Other protective services</b>			
Dog control	6,000	5,590	6,348
Ground search and rescue	5,100	5,276	5,065
Other	7,500	7,202	7,803
	<u>18,600</u>	<u>18,068</u>	<u>19,216</u>
	<u>\$ 286,770</u>	<u>\$ 274,363</u>	<u>\$ 275,071</u>
<b>Transportation services</b>			
<b>Common services</b>			
Amortization	\$ –	\$ 58,603	\$ 53,739
Equipment operation and maintenance	33,000	26,034	51,551
Public works wages	152,988	140,183	92,892
Seminars and training	6,500	650	1,513
Shop tools and equipment	10,500	2,281	3,201
Workshops, yard and other buildings	29,400	38,690	35,921
	<u>232,388</u>	<u>266,441</u>	<u>238,817</u>
<b>Road transport</b>			
Amortization	–	157,499	145,418
Drainage ditches	6,000	964	6,373
Interest and bank charges	68,789	11,483	24,435
Roadway services	45,500	22,145	78,044
Snow and ice removal	42,000	30,267	50,363
Street lighting	26,830	23,720	25,779
	<u>189,119</u>	<u>246,078</u>	<u>330,412</u>
	<u>\$ 421,507</u>	<u>\$ 512,519</u>	<u>\$ 569,229</u>

**Town of Stewiacke**  
**Schedule B – Details of Expenditures (Continued)**

*For the year ended March 31, 2021*

	2021		2020
	Budget	Actual	Actual
<b>Environmental health services</b>			
Amortization	\$ —	\$ 89,545	\$ 91,050
Garbage disposal	92,760	102,427	86,634
Sewage collection and disposal			
Sewage collection system	37,751	23,946	18,975
Sewage lift stations	32,250	42,984	18,941
Sewage treatment and disposal	33,000	22,564	21,266
	<b>\$ 195,761</b>	<b>\$ 281,466</b>	<b>\$ 236,866</b>
<b>Environmental development services</b>			
Building inspection	\$ 11,500	\$ 10,704	\$ 9,965
Planning and zoning	8,500	7,736	6,967
Promotional development	6,000	10,131	12,395
Tourism	5,000	2,546	5,730
	<b>\$ 31,000</b>	<b>\$ 31,117</b>	<b>\$ 35,057</b>
<b>Recreational and cultural services</b>			
Recreation facilities			
Amortization	\$ —	\$ 40,077	\$ 32,491
Community Centre	44,160	34,470	54,238
Recreation	204,885	186,013	155,143
Cultural buildings and facilities			
Library	800	5,444	581
Regional Library	10,500	6,995	9,326
	<b>\$ 260,345</b>	<b>\$ 272,999</b>	<b>\$ 251,779</b>
<b>Water treatment and distribution</b>			
Administration	\$ 10,868	\$ 5,860	\$ 15,046
Amortization	88,200	76,795	81,190
Interest and bank charges	25,199	20,687	29,288
Plant operation and pumping	2,917	152,703	140,764
Taxes	33,481	31,570	31,600
Transmission and distribution	77,911	21,139	24,401
Water treatment	214,923	76,934	80,592
	<b>\$ 453,499</b>	<b>\$ 385,688</b>	<b>\$ 402,881</b>

**Town of Stewiacke**  
**Schedule of Reserves**  
*For the year ended March 31, 2021*

	Five Year Restricted for Economic Development					2021	2020
	\$	8	\$	1,175	\$	2,929	\$
		-		79,302		79,302	
		8		80,477	45	82,231	173,841
		-	(203,592)		(41,626)	33,196	572,984
		8	(123,115)		(41,581)	115,427	746,825
		14,442	412,549		106,796	1,441,192	694,367
	\$	14,450	\$	289,434	\$	\$	\$
				289,434	65,215	1,187,520	1,441,192
<b>REVENUES</b>							
Interest							
Nova Scotia Federal Gas Tax Rebate							
Transfer from (to) other funds							
<b>NET CHANGE IN FUND</b>							
<b>FUND BALANCE, BEGINNING OF YEAR</b>							
<b>FUND BALANCE, END OF YEAR</b>							

**Town of Stewiacke**  
**General Operating Fund**  
**Schedule of Changes in Operating Fund**  
*For the year ended March 31, 2021*

	2021		2020
	Budget	Actual	Actual
<b>REVENUES</b>			
Taxes	\$ 1,597,490	\$ 1,670,781	\$ 1,611,295
Grants in lieu of taxes	5,673	5,404	5,394
Sale of services	220,932	166,707	212,518
Other revenue from own sources	55,900	50,172	90,805
Unconditional transfers from other governments	205,600	205,671	205,600
Conditional transfers from other governments	46,500	115,918	59,474
	<u>2,132,095</u>	<u>2,214,653</u>	<u>2,185,086</u>
<b>EXPENDITURE</b>			
General government services	573,894	591,828	589,168
Protective services	475,770	463,363	450,270
Transportation services	421,507	512,519	569,229
Environmental health services	195,761	281,466	236,866
Environmental development services	31,000	31,117	35,057
Recreational and cultural services	260,345	272,999	251,779
	<u>1,958,277</u>	<u>2,153,292</u>	<u>2,132,369</u>
<b>ANNUAL SURPLUS</b>	173,818	61,361	52,717
Transfer of amortization	-	355,454	333,422
Transfer to other funds	(173,818)	(420,018)	(822,265)
<b>NET CHANGE IN FUND BALANCE</b>	-	(3,203)	(436,126)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	3,203	3,203	439,329
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 3,203</u>	<u>\$ -</u>	<u>\$ 3,203</u>

**Town of Stewiacke**  
**General Capital Fund**  
**Schedule of Changes in Capital Fund**  
*For the year ended March 31, 2021*

	2021	2020
<b>REVENUES</b>		
Interest	\$ 254	\$ 1,933
<b>ANNUAL SURPLUS</b>	254	1,933
Capital out of revenue	-	122,348
Assets transferred to water capital	(90,865)	(28,595)
Proceeds of long-term debt	(225,000)	-
Repayment of long-term debt	348,136	128,866
Long-term debt transferred	-	25,086
Amortization of capital assets	(355,454)	(333,422)
Transfer from gas tax reserve	203,592	-
Transfer from capital reserve	41,626	-
Transfer from operating reserve	80,969	-
Transfer to other funds	-	(1,933)
<b>NET CHANGE IN FUND BALANCE</b>	3,258	(85,717)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	5,214,330	5,300,047
<b>FUND BALANCE, END OF YEAR</b>	<b>\$ 5,217,588</b>	<b>\$ 5,214,330</b>