

# TOWN OF MULGRAVE

## CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2021



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**Town of Mulgrave**  
**Consolidated Financial Statements**  
**March 31, 2021**

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

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

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

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

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

On behalf of the Town of Mulgrave



Chief Administration Officer

June 21, 2021

# Independent auditor's report

His Worship the Mayor and Members  
of the Council of the Town of Mulgrave

## Opinion

We have audited the consolidated financial statements of Town of Mulgrave ("the Entity"), which comprise the consolidated statement of financial position as at March 31, 2021 and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Town of Mulgrave as at March 31, 2021, and its results of operations, its changes in its net debt, 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 Entity 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 – Supplementary Financial Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in the schedules on pages 16 to 19 and 21 to 25 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the consolidated financial statements taken 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 these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity'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 Entity'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 Entity'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 Entity 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.

Sydney, Canada  
June 21, 2021

*Grant Thornton LLP*  
Chartered Professional Accountants

**Town of Mulgrave  
Consolidated Statement of Financial Activities**

| <b>Year Ended March 31</b>                     |             | <b>2021</b>                              | <b>2021</b>          | <b>2020</b>          |
|--|-------------|--|----------------------|----------------------|
|  | <b>Page</b> | <b><u>Budget</u></b><br><b>(Note 15)</b> | <b><u>Actual</u></b> | <b><u>Actual</u></b> |
| <b>Revenue</b>                                 |             |  |                      |                      |
| Taxes  | 16          | \$ 1,450,337                             | \$ 1,619,170         | \$ 1,490,218         |
| Payments in lieu of taxes                      | 16          | 14,171                                   | 14,432               | 14,170               |
| Other revenue from own sources                 | 16          | 73,984                                   | 168,230              | 183,671              |
| Unconditional transfers from other governments | 16          | 137,334                                  | 137,928              | 138,676              |
| Conditional transfers from other governments   | 17          | 77,830                                   | 178,125              | 151,844              |
| Water rates                                    | 21          | 486,900                                  | 504,817              | 490,280              |
|  |             | <u>2,240,556</u>                         | <u>\$ 2,622,702</u>  | <u>2,468,859</u>     |
| <b>Expenditures</b>                            |             |  |                      |                      |
| General government services                    | 17          | 556,581                                  | 769,081              | 489,499              |
| Protective services                            | 18          | 248,560                                  | 248,577              | 239,834              |
| Transportation services                        | 18          | 464,119                                  | 421,031              | 395,849              |
| Environmental health services                  | 18-19       | 324,533                                  | 281,330              | 349,023              |
| Environmental development services             | 20          | -  | -                    | 651                  |
| Recreation and cultural services               | 20          | 120,053                                  | 133,398              | 205,346              |
| Water utility                                  | 21          | 547,964                                  | 584,923              | 482,377              |
|  |             | <u>2,261,810</u>                         | <u>2,438,340</u>     | <u>2,162,579</u>     |
| Annual Surplus                                 |             | (21,254)                                 | <u>184,362</u>       | <u>306,280</u>       |
| Accumulated surplus, beginning of year         |             |  | \$ 8,608,420         | 8,302,140            |
| Accumulated surplus, end of year               |             |  | <u>\$ 8,792,782</u>  | <u>\$ 8,608,420</u>  |

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See accompanying notes to the consolidated financial statements

**Town of Mulgrave  
Consolidated Statement of Financial Position**

| <b>March 31</b>                | <b>2021</b>         | <b>2020</b>         |
|--------------------------------|---------------------|---------------------|
| <b>Financial Assets</b>        |                     |                     |
| Cash and cash equivalents      | \$ 2,530,216        | \$ 2,271,690        |
| Receivables (Note 3)           | <u>358,064</u>      | <u>410,799</u>      |
|                                | <u>2,888,280</u>    | <u>2,682,489</u>    |
| <b>Financial Liabilities</b>   |                     |                     |
| Payables and accruals          | 280,855             | 222,836             |
| Deferred revenue               | 53,189              | 24,794              |
| Long term debt (Note 5)        | <u>1,561,855</u>    | <u>1,673,847</u>    |
|                                | <u>1,895,899</u>    | <u>1,921,477</u>    |
| <b>Net Debt</b>                | <u>992,381</u>      | <u>761,012</u>      |
| <b>Non-financial Assets</b>    |                     |                     |
| Capital assets (Note 4)        | 7,763,605           | 7,805,639           |
| Unamortized debenture discount | 9,680               | 10,425              |
| Inventory not held for resale  | 9,937               | 15,937              |
| Prepaid expenses               | <u>17,179</u>       | <u>15,407</u>       |
|                                | <u>7,800,401</u>    | <u>7,847,408</u>    |
| <b>Accumulated Surplus</b>     | <u>\$ 8,792,782</u> | <u>\$ 8,608,420</u> |

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On behalf of the Town

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
C.A.O.

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See accompanying notes to the consolidated financial statements

**Town of Mulgrave**  
**Consolidated Statement of Changes in Net Debt**

| Year Ended March 31                         | 2021<br><u>Budget</u> | 2021<br><u>Actual</u> | 2020<br><u>Actual</u> |
|---|-----------------------|-----------------------|-----------------------|
| Annual surplus                              | -\$ 21,254            | \$ 184,362            | \$ 306,280            |
| Acquisition of capital assets               | (396,167)             | (382,852)             | (367,165)             |
| Acquisition/consumption of supply inventory | -                     | 6,000                 | (15,937)              |
| Payment of debenture discount               | -                     | 745                   | 801                   |
| Amortization of capital assets              | 298,779               | 249,789               | 304,913               |
| Loss on sale of capital assets              | -                     | 105,110               | -                     |
| Proceeds from sale of capital assets        | -                     | 69,987                | -                     |
| Change in prepaid expenses                  | <u>-</u>              | <u>(1,772)</u>        | <u>1,172</u>          |
| Change in net financial assets              | <u>\$ (118,642)</u>   | <u>231,369</u>        | <u>230,064</u>        |
| <b>Net debt</b>                             |                       |                       |                       |
| Beginning of year                           |                       | 761,012               | 530,948               |
| End of year                                 |                       | <u>\$ 992,381</u>     | <u>\$ 761,012</u>     |

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See accompanying notes to the consolidated financial statements



**Town of Mulgrave**  
**Consolidated Statement of Changes in Financial Position**

| Year Ended March 31                                  | 2021                | 2020                |
|--|---------------------|---------------------|
|  | <u>Actual</u>       | <u>Actual</u>       |
| Increase (decrease) in cash and cash equivalents     |                     |                     |
| Operating activities                                 |                     |                     |
| Annual surplus                                       | \$ 184,362          | \$ 306,280          |
| Amortization of capital assets                       | 249,789             | 304,913             |
| Amortization of debenture discount                   | 745                 | 801                 |
| Loss on sale of capital assets                       | 105,110             | -                   |
| Change in non-cash assets and liabilities            |                     |                     |
| Receivables  | 52,735              | (168,060)           |
| Prepaid expenses                                     | (1,772)             | 1,172               |
| Payables and accruals                                | 58,019              | 32,038              |
| Inventory  | 6,000               | (15,937)            |
| Deferred revenue                                     | 28,395              | (9,999)             |
|  | <u>683,383</u>      | <u>451,208</u>      |
| Investing activities                                 |                     |                     |
| Acquisition of capital assets                        | (382,852)           | (367,165)           |
| Proceeds from sale of capital asset                  | 69,987              | -                   |
|  | <u>(312,865)</u>    | <u>(367,165)</u>    |
| Financing activities                                 |                     |                     |
| Repayment of long term debt                          | (111,992)           | (111,678)           |
| Net increase (decrease) in cash and cash equivalents | 258,526             | (27,635)            |
| Cash and cash equivalents,                           |                     |                     |
| Beginning of year                                    | <u>2,271,690</u>    | <u>2,299,325</u>    |
| End of year  | <u>\$ 2,530,216</u> | <u>\$ 2,271,690</u> |

See accompanying notes to the consolidated financial statements

**1. Significant accounting policies**

The consolidated financial statements of the Town of Mulgrave have been prepared by management in accordance with Canadian Public Sector Accounting Standards, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the Town are as follows:

a) Reporting entity

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

Interdepartmental and organizational transactions and balances are eliminated.

b) Basis of accounting

The basis of accounting followed in the consolidated financial presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenditures in the period the 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 operating, capital and reserve funds of both the general section and the Mulgrave Water Utility.

d) Use of estimates

In preparing the Town's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported amounts of revenue and expenditures. Actual amounts could differ from these estimates.

e) Valuation allowance

*Uncollected taxes and rates*

The Town provides a valuation allowance for estimated losses that will be incurred in collecting outstanding receivables.

f) Cash and cash equivalents

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

g) Financial instruments

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

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**1. Significant accounting policies (continued)**

**h) Revenue and expenditure**

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

**i) Taxation and related revenue**

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 Town Council during the budget approval process. Tax adjustments as a result of appeals and roll revisions are recorded when official notification is received.

**ii) Government transfers**

Transfers from other governments are recognized in the period in which all eligibility criteria and/or stipulations have been met and the amounts are authorized. Any funding received prior to satisfying these conditions is deferred until the conditions have been met. When revenue is received without eligibility criteria or stipulations, it is recognized when the transfers are authorized by the other governments.

**iii) Other revenues**

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

**i) Tangible capital assets**

Tangible capital assets and projects in progress are recorded at cost. Interest incurred during construction on significant projects is recorded as part of the cost of the project asset.

Amortization of general assets is recorded in the financial statements on a straight line basis over an asset's estimated useful life as noted below. Amortization is not recorded on work in progress until put in use by the Town.

|                                 |    |
|---------------------------------|----|
| Wastewater lines                | 50 |
| Buildings                       | 40 |
| Roads and streets               | 25 |
| Land improvements               | 20 |
| Wastewater treatment facilities | 20 |
| Heavy equipment                 | 10 |
| Vehicles                        | 5  |
| Machinery and equipment         | 5  |

Amortization of capital assets used by the Mulgrave Water Utility is recorded as prescribed by the Nova Scotia Utility and Review Board and must be funded with financial assets.

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**Town of Mulgrave**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2021**

**2. Contributions to Boards, Regional Authorities and Other Agencies**

The Town of Mulgrave is required to finance the operations of various Boards, Regional Authorities and other Agencies, along with other municipal units based on formulae contained in agreements, legislation or regulation.

In addition, the Town shares in the deficits or surpluses of some of these organizations based upon the relevant cost sharing percentage.

Strait Regional School Board

During 2020-21, the Town paid \$140,366 (2020 - \$144,139) as its share of the operations of the Strait Regional School Board, serving the counties of Antigonish, Guysborough, Inverness and Richmond.

Eastern Mainland Regional Housing Authority

An estimated amount of \$34,266 (2020 - \$17,477) was provided as at March 31, 2021 as the Town's share of the operating deficit of the Eastern Mainland Housing Authority for the year ended March 31, 2021, serving Antigonish, Guysborough and Pictou counties.

Eastern Counties Regional Library Board

During 2020-2021 the Town paid \$5,736 (2020 - \$4,302) as its share of the operations of the Eastern Counties Regional Library Board, serving counties Antigonish, Guysborough, Inverness, and Richmond.

**3. Receivables**

|                                | <u>Current</u>   | <u>Prior</u>   | <u>2021</u>       | <u>2020</u>       |
|--------------------------------|------------------|----------------|-------------------|-------------------|
|                                | <u>Year</u>      | <u>Years</u>   | <u>Total</u>      | <u>Total</u>      |
| Taxes                          |                  |                |                   |                   |
| Balance, beginning of year     | \$ -             | \$ 228,929     | \$ 228,929        | \$ 148,686        |
| Current year levy and interest | <u>1,794,031</u> | <u>-</u>       | <u>1,794,031</u>  | <u>1,658,052</u>  |
|                                | 1,794,031        | 228,929        | 2,022,960         | 1,806,738         |
| Current year collections       | <u>1,636,553</u> | <u>108,669</u> | <u>1,745,222</u>  | <u>1,577,809</u>  |
|                                | <u>157,478</u>   | <u>120,260</u> | 277,738           | 228,929           |
| Valuation allowance            |                  |                | <u>(46,118)</u>   | <u>(38,345)</u>   |
| Balance, end of year           |                  |                | 231,620           | 190,584           |
| Water rates                    |                  |                | 82,998            | 81,104            |
| Federal Government             |                  |                | 37,626            | 106,550           |
| Provincial Government          |                  |                |                   |                   |
| Other                          |                  |                | <u>5,820</u>      | <u>32,561</u>     |
|                                |                  |                | <u>\$ 358,064</u> | <u>\$ 410,799</u> |

**Town of Mulgrave**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2021**

| 6. Tangible capital assets       | Cost<br>2020         | Additions         | Disposals           | Cost<br>2021         | Accumulated<br>Amortization<br>2020 | Disposals &<br>Adjustments | Amortization<br>Expense | Accumulated<br>Amortization<br>2020 | Net Book<br>Value 2021 | Net Book<br>Value 2020 |
|----------------------------------|----------------------|-------------------|---------------------|----------------------|-------------------------------------|----------------------------|-------------------------|-------------------------------------|------------------------|------------------------|
|                                  |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| General government services      |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Land                             | \$ 284,352           | \$ -              | \$ -                | \$ 284,352           | \$ -                                | \$ -                       | \$ -                    | \$ -                                | \$ 284,352             | \$ 284,352             |
| Buildings                        | 134,451              | -                 | -                   | 134,451              | 28,869                              | -                          | 3,062                   | 31,931                              | 102,520                | 105,582                |
| Equipment                        | 141,037              | -                 | -                   | 141,037              | 139,125                             | -                          | 1,912                   | 141,037                             | -                      | 1,912                  |
| Protective services              |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Buildings                        | 357,714              | -                 | -                   | 357,714              | 292,185                             | -                          | 8,942                   | 301,127                             | 56,587                 | 65,529                 |
| Heavy equipment                  | 277,383              | -                 | -                   | 277,383              | 277,383                             | -                          | -                       | 277,383                             | -                      | -                      |
| Vehicles                         | 27,283               | -                 | -                   | 27,283               | 27,283                              | -                          | -                       | 27,283                              | -                      | -                      |
| Equipment                        | 79,549               | -                 | -                   | 79,549               | 47,380                              | -                          | 5,362                   | 52,742                              | 26,807                 | 32,169                 |
| Transportation services          |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Roads, street and sidewalks      | 2,329,950            | 331,205           | -                   | 2,661,155            | 1,808,411                           | -                          | 51,079                  | 1,859,490                           | 801,665                | 521,539                |
| Buildings                        | 176,054              | -                 | -                   | 176,054              | 111,360                             | -                          | 4,702                   | 116,062                             | 59,992                 | 64,694                 |
| Heavy equipment                  | 521,686              | -                 | -                   | 521,686              | 298,759                             | -                          | 36,514                  | 335,273                             | 186,413                | 222,927                |
| Vehicles                         | 28,959               | -                 | -                   | 28,959               | 28,959                              | -                          | -                       | 28,959                              | -                      | -                      |
| Equipment                        | 51,380               | -                 | -                   | 51,380               | 50,504                              | -                          | 97                      | 50,601                              | 779                    | 876                    |
| Environmental health services    |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Wastewater treatment plant       | 1,202,641            | 17,134            | -                   | 1,219,775            | 813,223                             | -                          | 26,668                  | 839,891                             | 379,884                | 389,418                |
| Wastewater collection lines      | 2,372,108            | 17,844            | -                   | 2,389,952            | 1,292,135                           | -                          | 37,630                  | 1,329,765                           | 1,060,187              | 1,079,973              |
| Solid waste collection equipment | 7,740                | -                 | -                   | 7,740                | 620                                 | -                          | 155                     | 775                                 | 6,965                  | 7,120                  |
| Recreation and cultural services |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Land improvements                | 416,153              | 2,794             | -                   | 418,947              | 404,762                             | -                          | 2,855                   | 407,617                             | 11,330                 | 11,391                 |
| Facilities                       | 178,293              | -                 | -                   | 178,293              | 116,195                             | -                          | 4,627                   | 120,822                             | 57,471                 | 62,098                 |
| Equipment                        | 52,321               | 13,875            | -                   | 66,196               | 45,540                              | -                          | 2,772                   | 48,312                              | 17,884                 | 6,781                  |
| Property acquired at tax sale    | 4,448                | -                 | -                   | 4,448                | -                                   | -                          | -                       | -                                   | 4,448                  | 4,448                  |
|                                  | <u>8,643,502</u>     | <u>382,852</u>    | <u>-</u>            | <u>9,026,354</u>     | <u>5,782,693</u>                    | <u>-</u>                   | <u>186,377</u>          | <u>5,969,070</u>                    | <u>3,057,284</u>       | <u>2,860,809</u>       |
| Water utility                    |                      |                   |                     |                      |                                     |                            |                         |                                     |                        |                        |
| Land and land rights             | 9,984                | -                 | -                   | 9,984                | -                                   | -                          | -                       | -                                   | 9,984                  | 9,984                  |
| Structures and improvements      | 75,888               | -                 | -                   | 75,888               | 31,994                              | -                          | 1,215                   | 33,209                              | 42,679                 | 43,894                 |
| Equipment                        | 39,699               | -                 | -                   | 39,699               | 24,169                              | -                          | 3,996                   | 28,165                              | 11,534                 | 15,530                 |
| Mains                            | 750,022              | -                 | -                   | 750,022              | 204,243                             | -                          | 9,975                   | 214,218                             | 535,804                | 545,779                |
| Treatment plant                  | 330,277              | -                 | (304,195)           | 26,082               | 144,747                             | 129,099                    | 1,304                   | 16,952                              | 9,130                  | 185,530                |
| Rate Study                       | 9,996                | -                 | -                   | 9,996                | 7,997                               | -                          | 1,999                   | 9,996                               | -                      | 2,000                  |
| Services                         | 20,303               | -                 | -                   | 20,303               | 4,872                               | -                          | 406                     | 5,278                               | 15,025                 | 15,431                 |
| Meters                           | 35,912               | -                 | -                   | 35,912               | 10,913                              | -                          | 1,796                   | 12,709                              | 23,203                 | 24,999                 |
| Hydrants                         | 33,684               | -                 | -                   | 33,684               | 16,306                              | -                          | 448                     | 16,754                              | 16,930                 | 17,378                 |
| Computer                         | 13,516               | -                 | -                   | 13,516               | 13,321                              | -                          | 195                     | 13,516                              | -                      | 195                    |
| Other                            | 8,029                | -                 | -                   | 8,029                | 6,760                               | -                          | 160                     | 6,920                               | 1,109                  | 1,269                  |
| Vehicles                         | 28,139               | -                 | -                   | 28,139               | 28,139                              | -                          | -                       | 28,139                              | -                      | -                      |
| Meadow Brook Hill Treatment Pit  | 4,191,973            | -                 | -                   | 4,191,973            | 109,132                             | -                          | 41,918                  | 151,050                             | 4,040,923              | 4,082,841              |
|                                  | <u>5,547,422</u>     | <u>-</u>          | <u>(304,195)</u>    | <u>5,243,227</u>     | <u>602,593</u>                      | <u>129,099</u>             | <u>63,412</u>           | <u>536,906</u>                      | <u>4,706,321</u>       | <u>4,944,830</u>       |
| Total                            | <u>\$ 14,190,924</u> | <u>\$ 382,852</u> | <u>\$ (304,195)</u> | <u>\$ 14,269,581</u> | <u>\$ 6,385,286</u>                 | <u>129,099</u>             | <u>\$ 249,789</u>       | <u>\$ 6,505,976</u>                 | <u>\$ 7,763,605</u>    | <u>\$ 7,805,639</u>    |

**Town of Mulgrave**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2021**

**5. Bank indebtedness**

The Town has an authorized borrowing limit with a Canadian financial institution of up to 50% of the previous year's tax levy and has an interest rate of prime. The borrowing limit available to the Town for 2020-21 was \$630,000. As at March 31, 2021 the balance outstanding was \$ nil (2020 (\$ nil)).

**6. Long term debt**

|   | <u>2021</u>         | <u>2020</u>         |
|---|---------------------|---------------------|
| MFC 3.69% - 3.87% debenture repaid during the year.   | \$ -                | \$ 5,000            |
| MFC 1.192% - 3.205% debenture maturing in 2030, repayable in equal annual principal instalments of \$8,433, interest payable semi-annually. | 84,335              | 92,768              |
| MFC 1.15% - 3.475% debenture maturing in 2031, repayable in equal annual principal instalments of \$12,100, interest payable semi-annually. | 193,600             | 205,700             |
| MFC 1.15% - 3.108% debenture maturing in 2031, repayable in equal annual principal instalments of \$80,000, interest payable semi-annually. | 1,280,000           | 1,360,000           |
| Nova Scotia Power 5% capital lease, repayable in equal monthly payments of \$569 including interest, maturing in 2021                       | <u>3,920</u>        | <u>10,379</u>       |
|   | <u>\$ 1,561,855</u> | <u>\$ 1,673,847</u> |

Principal repayments over the next five years are as follows:

|      |            |
|------|------------|
| 2022 | \$ 104,453 |
| 2023 | 100,533    |
| 2024 | 100,533    |
| 2025 | 100,533    |
| 2026 | 100,533    |

**Town of Mulgrave**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2021**

**7. Remuneration**

The total remuneration paid to member of Council and Chief Administrative Officers are as follows:

|                              | <u>Remuneration</u> | <u>Expenses</u> |
|------------------------------|---------------------|-----------------|
| Council                      |                     |                 |
| Ralph Hadley                 | \$ 7,324            | \$ 258          |
| Bob Russell                  | 7,637               | 200             |
| Tanya Snow                   | 7,427               | 420             |
| Ron Chisholm                 | 9,259               | 350             |
| Sheila Brophy                | 4,027               | 141             |
| Krista Luddington            | 2,877               |                 |
| Crystal Durling              | 2,877               |                 |
| Chief Administrative Officer |                     |                 |
| Darlene Berthier Sampson     | 75,500              | -               |
| David Gray                   | 4,356               |                 |

**8. Rate of return on rate base**

For the year ended March 31, 2021, the Mulgrave Water Utility had a rate of return on rate base of 6.01% (2020-4.78%).

**9. Pension plan**

The Town provides its employees with a defined contribution pension plan. As of March 31, 2021, there were no required future contributions in respect of past service and all contributions required under the plan have been funded. During the fiscal year, the Town contributed \$21,422 (2020 - \$22,594) to the plan.

**10. Comparative figures**

Certain of the 2020 figures have been reclassified to conform with financial statement presentation adopted for 2021.

**11. Segmented information**

The Town of Mulgrave is a municipal unit that provides a wide range of services to its residents and property owners. The Town's operations and activities are organized and reported by fund for the purpose of recording specific activities to meet objectives as outlined by legislation, regulations, by-laws, or other limitations and restrictions. Services are provided in the following categories:

*General government services*

This includes the legislative function of Town Council which provides direction through by-laws, policies and strategic planning. It also encompasses the administrative functions of the Town including organizational management, finance, accounting, tax billing and collections

*Protective services*

The Town acquires police services from the RCMP through an agreement with the Province of Nova Scotia and pays the province for correctional services. Fire protection is provided by the Mulgrave Volunteer Fire Department. The Town pays the operating expenses of the Department.

**11. Segmented information (continued)**

*Transportation services*

The Town owns and maintains all public roads, street and sidewalks in the community, including snow removal and streetlights.

*Environmental health services*

The Town provides both sanitary and storm wastewater management and treatment. Solid waste collection and disposal is provided in conjunction with the Municipality of the District of Guysborough.

*Public health services*

The Town contributes to public housing through the Eastern Mainland Housing Authority.

*Recreation and cultural services*

The Town has a number of recreational facilities and offers programming in conjunction with other community organizations. Staff assists in planning of community festivals and events.

*Mulgrave Water Utility*

The utility sources, treats and distributes potable water to the community and provides flows to assist with fire protection.

**12. Dissolution**

The Town submitted an application in October of 2015 to the Nova Scotia Utility and Review Board to dissolve under Section 394 of the *Municipal Government Act*. During the year, that application was withdrawn after the Province of Nova Scotia and the Municipality of the District of Guysborough were unable to negotiate an agreed upon Letter of Intent. The Town will continue to review options for its future governance.

**13. Liability for contaminated sites**

organic or radioactive material or live organism that exceeds an environmental standard. The liability would be

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

As at March 31, 2021, there are no known contaminated sites identified.

**14. Sick Leave**

The Town provides sick leave benefits to its employees. Public sector accounting standards require a liability and expense for compensated absences that vest, or accumulate and do not vest. Employees of the Town are entitled to 18 days sick leave annually which can accumulate to a total of 95 days. Accumulated sick days cannot be cashed out. The Town has not had the liability calculated by an actuary, but has made its own estimate of \$29,633 (2020-\$16,278) which is reflective of the expected cash expense expected to be incurred in the event an employee needs to be replaced during an extended sick leave. The Town recognized the liability in the 2021 financial statements.

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**15. Budget figures**

Public Sector Accounting Standards require a comparison of the results for the period with those originally planned on the same basis as that used for actual results. The fiscal plan in the consolidated statement of operations and consolidated statement of change in net debt has been adjusted to be in on a consistent basis as actual results. Below is a reconciliation of the figures from the approved fiscal plan to the fiscal plan per the consolidated financial statements. Adjustments consist of budgeted capital funding and amortization of tangible capital assets.

|  | <u>Approved Fiscal</u><br><u>Plan</u> | <u>Adjustments</u>  | <u>Fiscal Plan per</u><br><u>Consolidated</u><br><u>Financial</u><br><u>Statements</u> |
|--|---------------------------------------|---------------------|--|
| <b>Revenue</b>                                 |                                       |                     |  |
| Taxes  | \$ 1,446,205                          | \$ 4,132            | \$ 1,450,337   |
| Payments in lieu of taxes                      | 14,171                                |                     | 14,171   |
| Other revenue from own sources                 | 73,984                                |                     | 73,984   |
| Unconditional transfers from other governments | 137,334                               |                     | 137,334  |
| Conditional transfers from other governments   | 77,830                                |                     | 77,830   |
| Water rates                                    | <u>600,438</u>                        | <u>(113,538)</u>    | <u>486,900</u>   |
|  | <u>2,349,962</u>                      | <u>(109,406)</u>    | <u>2,240,556</u>   |
| <b>Expenditures</b>                            |                                       |                     |  |
| General government services                    | 546,327                               | 10,254              | 556,581  |
| Protective services                            | 362,098                               | (113,538)           | 248,560  |
| Transportation services                        | 369,258                               | 94,861              | 464,119  |
| Environmental health services                  | 254,140                               | 70,393              | 324,533  |
| Recreation and cultural services               | 109,799                               | 10,254              | 120,053  |
| Water utility                                  | <u>547,964</u>                        | <u>-</u>            | <u>547,964</u>   |
|  | <u>2,189,586</u>                      | <u>72,224</u>       | <u>2,261,810</u>   |
| <b>Annual Surplus</b>                          | <u>\$ 160,376</u>                     | <u>\$ (181,630)</u> | <u>\$ (21,254)</u>   |

**Town of Mulgrave**  
**Schedules to Consolidated Statement of Financial Activities**

| Year Ended March 31                          | 2021                | 2021                | 2020                |
|--|---------------------|---------------------|---------------------|
|  | <u>Budget</u>       | <u>Actual</u>       | <u>Actual</u>       |
| <b>REVENUE</b>                               |                     |                     |                     |
| <b>Taxes</b>                                 |                     |                     |                     |
| General                                      |                     |                     |                     |
| Residential                                  | \$ 315,554          | \$ 315,018          | \$ 312,484          |
| Resource                                     | 18,539              | 19,061              | 22,325              |
| Commerical                                   | 885,141             | 1,050,410           | 920,903             |
| Forestry                                     | 320                 | 331                 | 320                 |
|  | <u>1,219,554</u>    | <u>1,384,820</u>    | <u>1,256,032</u>    |
| By services                                  |                     |                     |                     |
| Sanitary Sewer                               | 230,626             | 239,064             | 236,964             |
| Hydrants                                     | 113,538             | 118,270             | 112,280             |
| Solid waste                                  | 36,712              | 35,672              | 36,712              |
|  | <u>380,876</u>      | <u>393,006</u>      | <u>385,956</u>      |
| Other  |                     |                     |                     |
| Aliant                                       | 2,430               | 2,213               | 2,430               |
| Deed Transfer                                | 250                 | 6,355               | 250                 |
| Wind turbines                                | 16,390              | 16,205              | 16,064              |
|  | <u>19,070</u>       | <u>24,773</u>       | <u>18,744</u>       |
| Transferred to Regional Centre for Education | (140,366)           | (140,366)           | (144,139)           |
| Transfer to correctional services            | (8,797)             | (8,797)             | (8,898)             |
| Deficit of housing Authority                 | (20,000)            | (34,266)            | (17,477)            |
|  | <u>(169,163)</u>    | <u>(183,429)</u>    | <u>(170,514)</u>    |
|  | <u>\$ 1,450,337</u> | <u>\$ 1,619,170</u> | <u>\$ 1,490,218</u> |
| <b>Grants in Lieu of Taxes</b>               |                     |                     |                     |
| Province of NS                               | \$ 1,099            | \$ 1,099            | \$ 1,099            |
| CBC  | 1,212               | 1,222               | 1,212               |
| NSLC   | 11,860              | 12,111              | 11,860              |
|  | <u>\$ 14,171</u>    | <u>\$ 14,432</u>    | <u>\$ 14,171</u>    |
| <b>Revenue Own Sources</b>                   |                     |                     |                     |
| Recreation programs & fees                   | \$ -                | \$ 17,477           | \$ 29,639           |
| Recreation fundraising                       | 6,800               | 14,771              | 36,770              |
| Licenses, permits and fines                  | 300                 | 789                 | 510                 |
| Rent   | 37,984              | 36,430              | 34,735              |
| Public Works                                 | 900                 | 7,687               | -                   |
| Interest on taxes                            | 15,000              | 43,587              | 25,953              |
| Bank interest                                | 6,000               | 21,569              | 46,950              |
| Sale of Property                             | -                   | 18,057              | -                   |
| Miscellaneous                                | 7,000               | 7,863               | 9,114               |
|  | <u>\$ 73,984</u>    | <u>\$ 168,230</u>   | <u>\$ 183,671</u>   |
| <b>Unconditional Transfers</b>               |                     |                     |                     |
| Equalization                                 | \$ 127,508          | \$ 127,508          | \$ 127,508          |
| HST Offset                                   | 8,000               | 8,594               | 9,372               |
| NSPC   | 826                 | 826                 | 796                 |
| Emergency measures - 911                     | 1,000               | 1,000               | 1,000               |
|  | <u>\$ 137,334</u>   | <u>\$ 137,928</u>   | <u>\$ 138,676</u>   |

**Town of Mulgrave**  
**Schedules to Consolidated Statement of Financial Activities**

| Year Ended March 31                                   | 2021              | 2021              | 2020              |
|---|-------------------|-------------------|-------------------|
|   | <u>Budget</u>     | <u>Actual</u>     | <u>Actual</u>     |
| <b>Conditional Transfers</b>                          |                   |                   |                   |
| Visitor Information Centre                            | \$ 3,000          | \$ 8,615          | \$ 7,788          |
| Federal Gas Tax                                       | 58,730            | 58,730            | 116,233           |
| Health and Wellness                                   | 15,000            | 15,000            | 15,500            |
| Educational Centre Operating Grant                    | -                 | 68,925            | -                 |
| Federal Grant   | -                 | 13,875            | -                 |
| Recreation grants                                     | -                 | 12,081            | 12,323            |
| Fuel tax rebate                                       | 1,100             | 899               | -                 |
|   | <u>\$ 77,830</u>  | <u>\$ 178,125</u> | <u>\$ 151,844</u> |
| <b>EXPENDITURES</b>                                   |                   |                   |                   |
| <b>General Government Services</b>                    |                   |                   |                   |
| Legislative   |                   |                   |                   |
| Council remuneration                                  | \$ 43,897         | \$ 43,956         | \$ 43,850         |
| Council Travel & Expenses                             | 1,750             | 959               | 1,144             |
| Elections   | 6,000             | 7,480             | 128               |
| Other   | 1,450             | -                 | -                 |
|   | <u>53,097</u>     | <u>52,395</u>     | <u>45,122</u>     |
| Administration  |                   |                   |                   |
| Salaries & benefits                                   | 139,928           | 172,797           | 144,738           |
| Travel & training                                     | 2,000             | 664               | 827               |
| Office  | 17,000            | 16,285            | 12,670            |
| Town hall   | -                 | 137               | 7,967             |
| Information technology                                | 24,600            | 49,464            | 14,595            |
| Contract services                                     |                   |                   |                   |
| Legal   | 25,000            | 2,803             | 1,772             |
| Audit   | 19,000            | 17,483            | 19,730            |
| Engineering services                                  | 4,000             | -                 | -                 |
| Consulting  | 4,000             | 22,562            | 1,950             |
| Insurance   | 11,244            | 11,303            | 13,239            |
| Taxation  |                   |                   |                   |
| Exemptions and reductions                             | 125,136           | 291,220           | 95,666            |
| PVSC  | 16,122            | 16,122            | 16,201            |
| Bad debts and collection expenses (net of recoveries) | 4,600             | 7,772             | 5,070             |
| Other   | 9,900             | 24,621            | 8,249             |
|   | <u>402,530</u>    | <u>633,233</u>    | <u>342,674</u>    |
| Municipal property                                    |                   |                   |                   |
| Post office   | 21,900            | 17,830            | 20,223            |
| Former School   | 68,800            | 54,181            | 71,988            |
| Marina  | -                 | 656               | -                 |
|   | <u>90,700</u>     | <u>72,667</u>     | <u>92,211</u>     |
| Amortization  | 4,974             | 4,974             | 5,211             |
| Interest  | 5,280             | 5,812             | 4,281             |
|   | <u>\$ 556,581</u> | <u>\$ 769,081</u> | <u>\$ 489,499</u> |

**Town of Mulgrave**  
**Schedules to Consolidated Statement of Financial Activities**

| Year Ended March 31                  | 2021              | 2021              | 2020              |
|--------------------------------------|-------------------|-------------------|-------------------|
|                                      | <u>Budget</u>     | <u>Actual</u>     | <u>Actual</u>     |
| <b>Protective Services</b>           |                   |                   |                   |
| Police - RCMP                        | \$ 163,098        | \$ 163,100        | \$ 158,940        |
| Fire Department                      |                   |                   |                   |
| Honoraria & training                 | 14,050            | 7,575             | 7,460             |
| Building                             | 26,800            | 26,582            | 33,118            |
| Vehicles                             | 13,300            | 16,777            | 9,899             |
| Equipment                            | 7,000             | 11,446            | 3,577             |
| Other                                | 775               | 2,080             | 1,893             |
|                                      | <u>61,925</u>     | <u>64,460</u>     | <u>55,947</u>     |
| Emergency measures                   | 6,500             | 6,149             | 3,486             |
| Animal control                       | 250               | 192               | 188               |
| Building inspection                  | 1,500             | -                 | 827               |
| Amortization                         | 14,304            | 14,304            | 19,761            |
| Interest                             | 983               | 372               | 685               |
|                                      | <u>\$ 248,560</u> | <u>\$ 248,577</u> | <u>\$ 239,834</u> |
| <b>Transportation Services</b>       |                   |                   |                   |
| Public works                         |                   |                   |                   |
| Salaries, wages & benefits           | \$ 206,362        | \$ 175,547        | \$ 180,875        |
| Personal protective equipment        | 3,500             | 1,235             | 2,508             |
| Telephone                            | 2,100             | 1,892             | 2,079             |
| Insurance                            | 10,000            | 9,625             | 9,859             |
| Workshop                             | 9,600             | 9,483             | 6,611             |
| Vehicles & equipment                 | 53,450            | 39,088            | 27,601            |
|                                      | <u>285,012</u>    | <u>236,870</u>    | <u>229,533</u>    |
| Roads                                |                   |                   |                   |
| Snow removal                         | 44,575            | 53,187            | 45,364            |
| Maintenance                          | 15,000            | 10,867            | 6,426             |
|                                      | <u>59,575</u>     | <u>64,054</u>     | <u>51,790</u>     |
| Street lights                        | 24,000            | 25,246            | 22,166            |
| Amortization                         | 92,392            | 92,392            | 90,089            |
| Interest                             | 3,140             | 2,469             | 2,271             |
|                                      | <u>\$ 464,119</u> | <u>\$ 421,031</u> | <u>\$ 395,849</u> |
| <b>Environmental Health Services</b> |                   |                   |                   |
| Wastewater operations                |                   |                   |                   |
| Salaries and benefits                | \$ 97,900         | \$ 86,606         | \$ 97,303         |
| Training & safety                    | 4,000             | 4,224             | -                 |
| Insurance                            | 5,000             | 7,048             | 5,757             |
| Power                                | 41,686            | 37,132            | 38,875            |
| Maintenance                          | 37,600            | 12,954            | 28,212            |
|                                      | <u>\$ 186,186</u> | <u>\$ 147,964</u> | <u>\$ 170,147</u> |

**Town of Mulgrave**  
**Schedules to Consolidated Statement of Financial Activities**

| Year Ended March 31                           | 2021              | 2021              | 2020              |
|---|-------------------|-------------------|-------------------|
|   | <u>Budget</u>     | <u>Actual</u>     | <u>Actual</u>     |
| <b>Environmental Health Services (cont'd)</b> |                   |                   |                   |
| Solid waste                                   |                   |                   |                   |
| Spring cleanup                                | 3,500             | -                 | 3,286             |
| Contracted services                           | 45,200            | 45,093            | 44,808            |
| Tipping fees                                  | 15,000            | 14,022            | 21,025            |
| ERSWM   | 4,254             | 3,858             | 4,164             |
|   | <u>67,954</u>     | <u>62,973</u>     | <u>73,283</u>     |
| Amortization                                  | 64,453            | 64,453            | 99,485            |
| Interest                                      | 5,940             | 5,940             | 6,108             |
|   | <u>\$ 324,533</u> | <u>\$ 281,330</u> | <u>\$ 349,023</u> |
| <b>Recreation and Cultural Services</b>       |                   |                   |                   |
| Administration                                |                   |                   |                   |
| Salaries and benefits                         | \$ 53,839         | \$ 74,983         | \$ 52,586         |
| Training, conferences, dues                   | 3,250             | 482               | 2,431             |
| Office  | 1,750             | 1,089             | 2,288             |
|   | <u>58,839</u>     | <u>76,554</u>     | <u>57,305</u>     |
| Facilities                                    |                   |                   |                   |
| Pool operations                               | 370               | 1,743             | 25,282            |
| Pool improvements                             | -                 | -                 | 5,085             |
| Parks and fields                              | 25,017            | 12,102            | 24,740            |
| Youth centre                                  | 100               | -                 | -                 |
| Tennis courts                                 | 500               | 419               | 475               |
| Visitor Information Centre                    | 3,000             | 7,453             | 7,786             |
| Trails  | 251               | 542               | 1,402             |
| Insurance                                     | 3,500             | 3,894             | 3,485             |
|   | <u>32,738</u>     | <u>26,153</u>     | <u>68,255</u>     |
| Programs                                      | 5,500             | 5,948             | 35,893            |
| Libraries and museums                         |                   |                   |                   |
| Regional Library Board                        | 5,222             | 5,736             | 4,302             |
| Local branch library                          | -                 | 1,253             | 11,077            |
| Museum grant                                  | 7,500             | 7,500             | 7,500             |
|   | <u>12,722</u>     | <u>14,489</u>     | <u>22,879</u>     |
| Amortization                                  | 10,254            | 10,254            | 21,014            |
|   | <u>\$ 120,053</u> | <u>\$ 133,398</u> | <u>\$ 205,346</u> |

**Town of Mulgrave  
Schedule of Consolidated Segmented Disclosure**

Year Ended March 31, 2021

2021

|  | <u>General<br/>government<br/>services</u> | <u>Protective<br/>services</u> | <u>Transportation<br/>services</u> | <u>Environmental<br/>health services</u> | <u>Recreation and<br/>cultural<br/>services</u> | <u>Water utility</u> | <u>Total</u>      |
|--|--|--------------------------------|------------------------------------|--|---|----------------------|-------------------|
| <b>Revenue</b>                                 |  |                                |                                    |  |   |                      |                   |
| Taxes  | 1,226,164                                  | 118,270                        | -                                  | 274,736                                  | -   | -                    | 1,619,170         |
| Payments in lieu of taxes                      | 14,432                                     | -                              | -                                  | -  | -   | -                    | 14,432            |
| Other revenue from own sources                 | 122,381                                    | 709                            | 7,687                              | -  | 33,514  | 3,938                | 168,229           |
| Unconditional transfers from other governments | 136,928                                    | 1,000                          | -                                  | -  | -   | -                    | 137,928           |
| Conditional transfers from other governments   | 127,655                                    | -                              | 899                                | -  | 49,571  | -                    | 178,125           |
| Water rates                                    | -  | -                              | -                                  | -  | -   | 504,817              | 504,817           |
|  | <u>1,627,560</u>                           | <u>119,979</u>                 | <u>8,586</u>                       | <u>274,736</u>                           | <u>83,085</u>                                   | <u>508,755</u>       | <u>2,622,701</u>  |
| <b>Expenditures</b>                            |  |                                |                                    |  |   |                      |                   |
| Salaries, wages and benefits                   | 216,046                                    | -                              | 196,736                            | 86,606                                   | 92,240  | 158,436              | 750,064           |
| Contracted services                            | 42,848                                     | 163,100                        | -                                  | 45,093                                   | -   | 8,740                | 259,781           |
| Other operating                                | 483,278                                    | 70,802                         | 129,435                            | 75,380                                   | 25,167  | 213,566              | 997,628           |
| Loss on disposal of capital assets             | -  | -                              | -                                  | -  | -   | 105,110              | 105,110           |
| Other Boards and Agencies                      | 16,122                                     | -                              | -                                  | 3,858                                    | 5,736   | -                    | 25,716            |
| Interest                                       | 5,812                                      | 372                            | 2,469                              | 5,940                                    | -   | 34,913               | 49,506            |
| Amortization                                   | 4,974                                      | 14,305                         | 92,391                             | 64,452                                   | 10,254  | 64,158               | 250,534           |
|  | <u>769,080</u>                             | <u>248,579</u>                 | <u>421,031</u>                     | <u>281,329</u>                           | <u>133,397</u>                                  | <u>584,923</u>       | <u>2,438,339</u>  |
| <b>Annual Surplus</b>                          | <u>\$ 858,480</u>                          | <u>\$ (128,600)</u>            | <u>\$ (412,445)</u>                | <u>\$ (6,593)</u>                        | <u>\$ (50,312)</u>                              | <u>\$ (76,168)</u>   | <u>\$ 184,362</u> |


**Town of Mulgrave  
Water Operating Fund  
Statement of Financial Activities**

| Year ended March 31                       | 2021              | 2021              | 2020              |
|---|-------------------|-------------------|-------------------|
|   | <u>Budget</u>     | <u>Actual</u>     | <u>Actual</u>     |
| <b>Operating revenue</b>                  |                   |                   |                   |
| Metered sales                             | \$ 238,500        | \$ 264,699        | \$ 238,872        |
| Flat rate sales                           | 229,300           | 221,269           | 229,308           |
| Sales to boats                            | 16,000            | 15,255            | 18,092            |
| Benefit cost sharing recovery             | 1,000             | 1,352             | 1,727             |
| Interest and penalties on rates           | <u>2,100</u>      | <u>2,242</u>      | <u>2,281</u>      |
|   | 486,900           | 504,817           | 490,280           |
| Public fire protection                    | <u>113,538</u>    | <u>107,793</u>    | <u>107,793</u>    |
|   | <u>600,438</u>    | <u>612,610</u>    | <u>598,073</u>    |
| <b>Operating expenditures</b>             |                   |                   |                   |
| Source of supply                          | 1,600             | 1,590             | 1,590             |
| Power & pumping                           | 75,000            | 49,702            | 62,892            |
| Purification                              | 130,591           | 109,902           | 107,494           |
| Transmission & distribution               | 45,525            | 41,964            | 40,290            |
| Administration & general                  | 95,608            | 90,312            | 76,565            |
| Depreciation                              | 80,000            | 63,413            | 69,354            |
| Interest                                  | <u>36,500</u>     | <u>34,913</u>     | <u>36,121</u>     |
|   | 464,824           | 391,796           | 394,306           |
| Property taxes                            | <u>83,140</u>     | <u>87,272</u>     | <u>87,272</u>     |
|   | <u>547,964</u>    | <u>479,068</u>    | <u>481,578</u>    |
| <b>Operating Profit</b>                   | <u>52,474</u>     | <u>133,542</u>    | <u>116,495</u>    |
| <b>Non-operating revenue</b>              |                   |                   |                   |
| Amortization of deferred contributions    | 25,611            | 25,611            | 25,611            |
| Other                                     | <u>2,000</u>      | <u>735</u>        | <u>1,370</u>      |
|   | <u>27,611</u>     | <u>26,346</u>     | <u>26,981</u>     |
| <b>Non-operating expenditures</b>         |                   |                   |                   |
| Principal repayments                      | 80,000            | 80,000            | 80,000            |
| Capital out of Revenue                    | <u>-</u>          | <u>-</u>          | <u>28,829</u>     |
|   | <u>80,000</u>     | <u>80,000</u>     | <u>108,829</u>    |
| <b>Excess of revenue over expenditure</b> | <u>\$ 85</u>      | <u>\$ 79,888</u>  | <u>\$ 34,647</u>  |
| <b>Accumulated surplus</b>                |                   |                   |                   |
| Beginning of year                         | \$ 295,735        | 295,735           | 261,088           |
| End of year                               | <u>\$ 295,820</u> | <u>\$ 375,623</u> | <u>\$ 295,735</u> |

**Town of Mulgrave  
Water Operating Fund  
Statement of Financial Position**

| March 31                    | 2021              | 2020              |
|-----------------------------|-------------------|-------------------|
| <b>Financial Assets</b>     |                   |                   |
| Receivables                 |                   |                   |
| Federal Government - HST    | \$ -              | \$ 15,738         |
| Rates                       | 82,998            | 81,104            |
| Own Funds                   |                   |                   |
| General operating           | <u>325,991</u>    | <u>252,756</u>    |
|                             | <u>408,989</u>    | <u>349,598</u>    |
| <b>Liabilities</b>          |                   |                   |
| Trade payables and accruals | 35,760            | 26,669            |
| Payables to own funds       |                   |                   |
| Water Capital Fund          | -                 | 38,652            |
| Deferred revenue            | <u>11,379</u>     | <u>7,776</u>      |
|                             | <u>47,139</u>     | <u>73,097</u>     |
| <b>Net Financial Assets</b> | <u>361,850</u>    | <u>276,501</u>    |
| <b>Non-Financial Assets</b> |                   |                   |
| Inventory                   | 9,937             | 15,937            |
| Prepaid expenses            | <u>3,836</u>      | <u>3,297</u>      |
|                             | <u>13,773</u>     | <u>19,234</u>     |
| <b>Accumulated Surplus</b>  | <u>\$ 375,623</u> | <u>\$ 295,735</u> |

On behalf of the Town

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
C.A.O.



**Town of Mulgrave  
Water Operating Fund  
Schedule to Statement of Financial Activities**

| Year ended March 31           | 2021<br><u>Budget</u> | 2021<br><u>Actual</u> | 2020<br><u>Actual</u> |
|-------------------------------|-----------------------|-----------------------|-----------------------|
| <b>Operating expenditures</b> |                       |                       |                       |
| Power & pumping               |                       |                       |                       |
| Electricity                   | 60,000                | 48,866                | 55,256                |
| Maintenance                   | <u>15,000</u>         | <u>836</u>            | <u>7,636</u>          |
|                               | <u>75,000</u>         | <u>49,702</u>         | <u>62,892</u>         |
| Purification                  |                       |                       |                       |
| Salaries & benefits           | 78,441                | 70,146                | 68,336                |
| Training                      | 3,000                 | 267                   | 124                   |
| Chemicals                     | 21,000                | 27,799                | 18,657                |
| Testing                       | 17,000                | 10,312                | 16,045                |
| Other                         | <u>11,150</u>         | <u>1,378</u>          | <u>4,331</u>          |
|                               | <u>130,591</u>        | <u>109,902</u>        | <u>107,493</u>        |
| Transmission & distribution   |                       |                       |                       |
| Salaries and benefits         | 28,675                | 33,018                | 28,066                |
| Maintenance                   | 9,950                 | 5,668                 | 5,480                 |
| Vehicle                       | <u>6,900</u>          | <u>3,278</u>          | <u>6,744</u>          |
|                               | <u>45,525</u>         | <u>41,964</u>         | <u>40,290</u>         |
| Administation & general       |                       |                       |                       |
| Salaries and benefits         | 50,908                | 55,273                | 49,813                |
| Audit                         | 5,000                 | 8,740                 | 6,577                 |
| Insurance                     | 9,500                 | 10,183                | 8,450                 |
| Office                        | <u>30,200</u>         | <u>16,116</u>         | <u>11,725</u>         |
|                               | <u>95,608</u>         | <u>90,312</u>         | <u>76,565</u>         |

**Town of Mulgrave  
Water Capital Fund  
Statement of Financial Position**

| March 31                            | 2021                | 2020                |
|-------------------------------------|---------------------|---------------------|
| <b>Financial Assets</b>             |                     |                     |
| Cash and cash equivalents           | \$ 525,698          | \$ 375,738          |
| Due from own funds                  |                     |                     |
| Water operating                     | -                   | 38,652              |
| Due from General operating          | -                   | 308                 |
|                                     | <u>525,698</u>      | <u>414,698</u>      |
| <b>Financial liabilities</b>        |                     |                     |
| Holdbacks payable                   | 5,496               | 5,495               |
| Long-term debt                      | <u>1,280,000</u>    | <u>1,360,000</u>    |
|                                     | <u>1,285,496</u>    | <u>1,365,495</u>    |
| <b>Net Debt</b>                     | <u>(759,798)</u>    | <u>(950,797)</u>    |
| <b>Non-financial Assets</b>         |                     |                     |
| Tangible capital assets             | 5,243,227           | 5,547,422           |
| Less: Accumulated Depreciation      | (536,915)           | (602,592)           |
| Debenture discount                  | 9,680               | 10,426              |
| Deferred contributions              | <u>(2,484,283)</u>  | <u>(2,509,895)</u>  |
|                                     | <u>2,231,709</u>    | <u>2,445,361</u>    |
| <b>Investment in Capital Assets</b> | <u>\$ 1,471,911</u> | <u>\$ 1,494,564</u> |

On behalf of the Town

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
C.A.O.

**Town of Mulgrave  
Water Capital Fund  
Statement of Investment in Capital Assets**

| <b>Year Ended March 31</b>             | <b>2021</b>         | <b>2020</b>         |
|--|---------------------|---------------------|
| <b>Balance, beginning of year</b>      | \$ 1,494,564        | \$ 1,377,978        |
| Amortization of discount on debentures | (745)               | (801)               |
| Loss on asset disposal                 | (105,110)           | -                   |
| Interest earned                        | 3,203               | 8,558               |
| Capital out of revenue                 | -                   | 28,829              |
| Term debt retired                      | 80,000              | 80,000              |
| <b>Balance, end of year</b>            | <u>\$ 1,471,912</u> | <u>\$ 1,494,564</u> |

**Statement of Deferred Contributions**

| <b>Year Ended March 31</b>        | <b>2021</b>         | <b>2020</b>         |
|-----------------------------------|---------------------|---------------------|
| <b>Balance, beginning of year</b> | \$ 2,509,895        | \$ 2,535,506        |
| Amortization                      | (25,611)            | (25,611)            |
| <b>Balance, end of year</b>       | <u>\$ 2,484,284</u> | <u>\$ 2,509,895</u> |

**Statement of depreciation fund cash**

| <b>Year Ended March 31</b>                | <b>2021</b>       | <b>2020</b>       |
|---|-------------------|-------------------|
| <b>Cash, beginning of year</b>            | \$ 375,738        | \$ 367,489        |
| Transfers from other funds                | 76,771            | -                 |
| Interest earned                           | 3,203             | 8,249             |
| Proceeds from sale of old treatment plant | 69,986            | -                 |
| <b>Balance, end of year</b>               | <u>\$ 525,698</u> | <u>\$ 375,738</u> |

