



ANNUAL REPORT | 2021



NOVA SCOTIA  
FEDERATION OF  
MUNICIPALITIES

# INTRODUCTION

The Nova Scotia Federation of Municipalities (NSFM) is the collective voice of municipalities in the province. We are a non-profit organization that represents all 375 municipally elected officials and all 49 municipalities.

We are governed by a 13-member board of directors. Twelve are elected by our members at our annual general meeting, and one is appointed from our sister organization, the Association of Municipal Administrators of Nova Scotia (AMANS).

## ***Our Mission***

To enable effective local government for Nova Scotia's communities by facilitating strategic advocacy, education, and collaboration.

## ***Our Vision***

Effective local government and strong, sustainable communities.

# Board of Directors



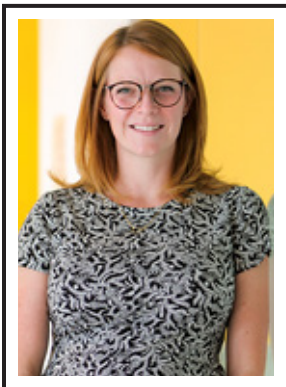
**Deputy Mayor  
Emily Lutz**

County of Kings  
President



**Mayor Brenda  
Chisholm-Beaton**

Town of Port Hawkesbury  
Towns Caucus Chair



**Mayor Amanda  
McDougall**

Cape Breton Regional  
Municipality  
Vice President



**Mayor Carolyn  
Bolivar-Getson**

Municipality of the District  
of Lunenburg  
Rural Caucus Chair



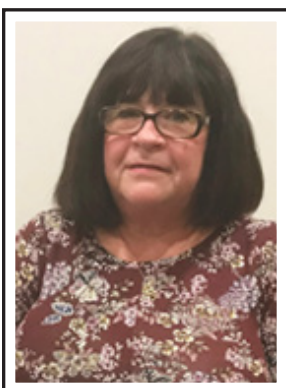
**Mayor  
Pam Mood**

Town of Yarmouth  
Past President



**Councillor  
Pamela Lovelace**

Halifax Regional  
Municipality  
Regional Caucus  
Representative



**Councillor  
Deborah Wadden**

Municipality of Pictou  
County  
Rural Caucus  
Representative



**Councillor Eldon  
MacDonald**

Cape Breton Regional  
Municipality  
Regional Caucus  
Representative

# Board of Directors



**Mayor  
Sandra Snow**

Town of Kentville  
Towns Caucus  
Representative



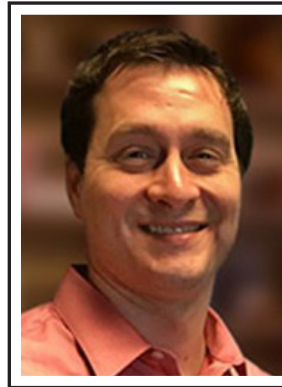
**Councillor Andrew  
Tanner**

Town of Bridgewater  
Towns Caucus  
Representative



**Councillor  
Waye Mason**

Halifax Regional  
Municipality  
Regional Caucus Chair



**Alain Muise, CAO**

District of Argyle  
AMANS Representative



**Councillor  
Patti Durkee**

Municipality of the  
District of Yarmouth  
Rural Caucus  
Representative

# MESSAGE FROM THE PRESIDENT

*Deputy Mayor Emily Lutz*



Looking back on my term as president, one thing springs to mind: legacy. What is a legacy? As they say in Hamilton, ‘It’s planting seeds in a garden you never get to see.’ I believe that’s the kind of impact we’re making for future generations of residents in our local communities across the province.

That said, amongst the winds of change and immense amount of work sitting before the NSFM, I can easily see the progress we’ve made from where we were when I began as Vice President, to where we are now as I sit as Past-President.

My time as President asked for some adaptability of everyone on our board. I would like to thank Amanda McDougall, acting president, for taking the lead in my absence. She was able to keep the wheels turning, while also being a busy mayor and a busier mom. For that she has my gratitude.

While I was away there was a provincial election, with a federal one right on its heels. Our membership demonstrated commitment to municipal issues that overlap with those other levels of government, as well as flexibility and adaptability in engaging with newly elected Ministers. Your dedication as elected officials allows NSFM to be unflappable in the face of the uncertainties that inevitably cause us to reflect and to adjust. It’s a reflection of that dedication that means NSFM can manage major changes while continuing to push for results on the priorities of our membership. Looking back on 2021, I can be very proud of what we overcame, where we pushed, and the ways in which we moved the dial for our members.

At the start of Spring 2021, we held a board retreat that wasn’t nearly as luxurious as the image that phrase usually conjures. We spent two days on Zoom with facilitator Gordon McIntosh seeking clarity on our direction, our capacity, and areas where we can align our advocacy efforts for the best results possible. It’s never easy to take stock of our capabilities and push ourselves into uncharted territory—but it was a session that allowed us to have a better understanding of how to best meet the needs of our membership. Later in the year, we headed to Truro with a singular goal: adapting NSFM to advocacy in the 21st century. An intense few days were spent discussing what the most effective organization for our members would look like and what we need to do to get there. You’re now watching the results unfold as we engage with our members on the reimagined NSFM.

Amongst everything else, we also returned to a conference setting. Well, sort of. Members supported our 2021 Virtual Spring Conference with the always-hilarious keynote speaker Bill Carr providing valuable lessons in resilience. While also remaining virtual, our Fall Conference continued to provide practical and interesting sessions. Members were treated to an incredible keynote from well-known climate author and activist Seth Klein, and were also able to share in the success stories of their colleagues. We've had a series of webinars that have grown in size, scope, and member engagement—including one on treaty rights and decolonization; something we've heard is important to our membership, and we agree.

Nothing really prepares you to take the big seat in an organization like NSFM. We move fast, we work hard, and before you know it—your time is up. You leave hoping you planted seeds but also witness to the growth that took place during your tenure. I would like to thank everyone who put in the hours to move the needle for NSFM in 2021: our board, our members, and our staff. I also want to specifically thank Mayor Pam Mood, and Councillor Wayne Mason for their years of dedicated services as they completed their time on our board. Your absences will be felt as we welcome new eyes, ears, and perspectives to a reimagined NSFM table.

# MESSAGE FROM THE CEO

*Juanita Spencer, Chief Executive Officer*



Many will agree that last year continued to test the adaptability of both individuals and organizations. I'm pleased to report that despite those trying times, NSFAM can look back on a year of progress. From responding to a new provincial government, to movement on EPR, to embarking on a suite of organizational changes, we've experienced success amid the turbulence. I'm grateful to have weathered the challenges and the opportunities with a committed and engaged board. We also have a membership that truly believes in the potential of hard work and is uniquely passionate about what they do.

With the guidance and support of our membership, we've been able to deliver real wins for Nova Scotian communities. We championed the doubling of the Municipal Financial Capacity Grant, worked with the province to establish a Joint Code of Conduct Committee to oversee the implementation of regulations, and coordinated consultation between our membership and the province on issues ranging from accessibility to coastal protection.

While much was going on externally, introspection was also an important part of 2021 as we carefully considered how best to optimize our governance and organizational structure to serve our members. Our board came together for two days in Truro near the end of the year to consider nearly every aspect of what NSFAM does, the needs and expectations of our members, and how we can align our efforts with outcomes that matter to the membership. Together, we're building an NSFAM ready for 21st century advocacy.

We've been strengthening our profile here in Nova Scotia, and throughout Atlantic Canada. During the summer we met with our Atlantic municipal association counterparts to craft a release regarding municipal priorities for the federal election. We will continue to leverage the impact of municipal associations across Canada to influence other levels of government.

Engagement is what keeps NSFAM going strong. Our members demonstrated their commitment to providing us with valuable perspectives as we asked our provincial government for action on housing, municipal funding, EPR, and climate change during a summer election. Although meeting in person remained a challenge, members continued to show up for each other - at webinars, at online conferences, or via Zoom meetings for Mayors and Wardens that hosted

the people you told us you needed to hear from.

The type of results we seek require a team effort. I would like to thank our Past-President Pam Mood for her contributions in 2021 as well as Deputy Mayor Emily Lutz and Mayor Amanda McDougall for their leadership. NSFM also has a dedicated staff of professionals, working behind the scenes for our members.

An organization our size demands the ability to think strategically about multiple, complex issues consistently coming across our proverbial desk. Given the importance of our work and the ever-increasing needs of Nova Scotian communities, the ability to think critically, act rationally, and constantly create value for members is essential. Our track record speaks to what we've accomplished together, and I can say with confidence that we have more wins coming.

# ADVOCACY & POLICY REPORT

Your Federation creates change for municipalities in multiple ways. Throughout 2021, we lead or collaborated on significant issues in the municipal arena. Our results include seeing the provincial government make changes to legislation, helping to create regulations in areas of municipal interest, and making sure municipalities are consulted on issues that affect our membership.

## Advocacy Highlights

### *Legislation and Regulations*

The process for amending existing legislation as well as introducing new legislation is complex and involves both the coordination of stakeholders and a proactive working relationship with other levels of government.

We advocated on your behalf for legislative changes to **the Municipal Government Act and the Halifax Regional Municipality Charter** including:

- Driving modernization of our municipalities by allowing for virtual council meetings on an ongoing basis
- Strengthening code of conduct guidelines for elected officials
- Shaping the municipal role in housing through additional planning tools
- Creating flexibility for members to work with businesses on enhancing accessibility

After new legislation is passed, we often collaborate with the province on the creation of regulations that will help guide implementation. In 2021 NSFM staff and members participated on the **Nova Scotia Joint Municipal-Provincial Code of Conduct Committee**.

### *Consultation*

Ensuring our members have an opportunity to be heard at other levels of government is a core part of our advocacy efforts. We work to make sure members are collaborative partners in decisions that affect your communities.

After hearing from members, NSFM and AMANS submitted a joint **response to recommendations put forward by the Affordable Housing Commission**.

NSFM met with Ministers in multiple departments across the provincial government to sign the **Partnership Framework** – a document that helps guide our priority areas and address the emerging issues municipalities are facing.

After receiving requests from members, NSFM successfully petitioned the Department of Environment and Climate Change to **extend consultation on the Proposed Coastal Protection Act Regulation** and remove participant limits per municipality.

NSFM continues to be engaged with the **Accessibility Directorate** to facilitate consultation with municipalities on accessibility standards for the built environment.

Advocacy is getting legislation passed and helping to craft regulations, it's ensuring municipal governments are consulted when they should be, and it's strengthening the relationship between local, provincial, and federal governments.

We hope you agree that we've created positive change for our members over the past year and with your help – we look forward to continuing to do so.

## MEMBERSHIP ENGAGEMENT AND SPECIAL PROJECTS REPORT

Engaging with our members is top priority of NSFM. We connect with our members on a regular basis to understand their issues and share information from a variety of sources. Whether it's through our communications products like the Monday Memo and Municipal Observer, or educational sessions via our webinar and conference platforms, we keep elected officials in-the-know. Strong, sustainable communities require engagement with residents and partners from across the business, government, and non-profit sectors. Through the Main Streets project, NSFM continued to demonstrate a dedication to working with multiple, diverse stakeholders to reinvigorate the heart of local areas.

# Engagement Highlights:

## ***Mayors and Wardens Meetings***

NSFM holds regular meetings throughout the year to connect Mayors and Wardens with the people and information they need in the moment. During 2021, our line-up included Dr. Strang, the Affordable Housing Commission, and the Minister of Municipal Affairs. We covered areas of municipal concern including the pandemic, Minister's mandates, and housing. As always, we want our membership to hear the most up-to-date information from reliable sources, have an opportunity to ask questions, and voice the municipal perspective.

## ***Regional Meetings***

Our annual regional meetings are an opportunity to provide an update on priorities, advocacy efforts, and strategic direction to elected officials in 5 separate geographical areas across the province. The 2021 presentation included information on working with a new Premier and Ministers, preparing for an upcoming election, and a review of legislative changes influenced by our membership. Regional meetings in 2021 also provided an opportunity to highlight areas of interest to municipalities in the recently released provincial budget.

## ***Spring and Fall Conferences***

NSFM offers bi-annual conferences to present networking, learning, and professional development opportunities for our members. In 2021, the NSFM held its first-ever virtual conference through Zoom in early May, hosting more than 90 municipally elected and appointed officials. The event featured keynote speaker Bill Carr on Living with Resilience and had sessions focused on: Collaboration Success Stories; The Mentoring Plus Strategy; Partnerships and Collaboration for Moving Asset Management Forward; and Getting Regulation right.

The fall virtual conference, *Reshaping the Future – Together*, took place on November 3rd and 4th through the interactive Pheedloop event platform. The event focused on topics such as Municipal Responses to the Climate Change Crisis; Prioritizing your wellbeing and mental health as an elected official; Cyber Security; Municipal Success Stories and more. The conference hosted 102 attendees, and 20 exhibitors over two days.

## ***Webinars***

In 2021 NSFM, in partnership with the Association of Municipal Administrators of Nova Scotia and other stakeholders, continued hosting webinars for members on topics of interest including:

- Quality of Life Initiative with Engage Nova Scotia
- Media Training
- The Canoe Group Procurement Program
- Capital and Operating Grants for Municipalities
- Mi'kmaw 101 with Robert Bernard
- Working Together for a Clean Energy Future with NS Power
- The Critical Role of Municipal Parks and Recreation Departments

## **Communications**

### ***Monday Memo***

The Monday Memo is a weekly source of important news and events information issued by NSFM. It continued to see a strong 'open rate' of almost 40% in 2021. Members are encouraged to access this newsletter on a regular basis and connect with NSFM if you have news you want to share.

### ***Municipal Observer***

Published three times yearly, in the Spring, Summer, and Fall/Winter, the Municipal Observer contains articles to inform members, advertise opportunities, and celebrate successes. In 2021 we published the following:

- The Water and Waste Water Issue (Spring), featuring the impact of climate change on municipal infrastructure, the ways municipalities had adapted to the impacts of the pandemic, and a spotlight on the County of Antigonish's Water Tower and Utility Upgrade project.
- The Summer Travel Issue (Summer), featuring road trip ideas to the Municipality of Argyle and its Acadian culture, the Town of Bridgewater and its trails along the LaHave River, and the District of Yarmouth with its new Access-A-Beach.
- The Environment Issue (Fall/Winter), featuring our work in bringing expanded Extended Producer Responsibility to Nova Scotia, a spotlight on the Village of Pugwash's Harbourfront Centre, and how municipalities can help build local food systems.

## ***Special Project Highlights:***

Ongoing and short-term special projects also provide an opportunity to offer support to municipalities here in Nova Scotia, and around the globe. For over six years, we've been working with local governments to promote their infrastructure projects and ensure they comply with requirements for accessing the Canada Community Building Fund. NSFM has continued to be a key partner in increasing the capacity for proactive asset management – providing educational modules specifically for elected officials and partnering with the province on an innovative mentoring strategy so municipalities can learn from one another.

## ***Main Streets***

### **Phase 2 of NSFM's Main Street Project Completed**

NSFM, in collaboration with FBM, has completed Phase 2 of our Main Street Project. The aim of this second phase was to implement policy recommendations from the Main Streets Community Workbook (which was completed and launched in June 2020) and further engage with local municipalities (including Hubbards, Canning and North Sydney/Sydney Mines). The main project deliverables include a conversation guide and assessment tool to help municipalities develop a community-driven process for enhancing their main streets, and to determine where and how to prioritize their investments in making their communities more sustainable, vibrant and prosperous.


## ***Canada Community Building Fund***

Since 2015, NSFM has been collaborating with the Province to support the administration of the Canada Community-Building Fund (CCBF), focusing its efforts on helping municipalities meet the requirements for communications, signage and asset management. The aim of this collaboration is to provide valuable support and resources for municipalities, while helping to raise the profile of federally-funded local initiatives.

NSFM works to support the goals of the CCBF and to position municipalities to take full advantage of this important federal program, as a means to address local infrastructure priorities to make our communities more sustainable, prosperous and vibrant.

Here are examples of two CCF projects developed by NSFM.

*The Canada Community - Building Fund: A Year in Review*



# Federal Gas Tax Fund

## At Work In Nova Scotia

### 2020 - 2021: A Year in Review

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A new agreement for the federal Gas Tax Fund (GTF) between Canada and Nova Scotia became effective April 1, 2014. This agreement represents a 10-year investment of an estimated \$580 million in predictable and stable funding for local municipalities. The GTF helps build and revitalize public infrastructure in Nova Scotia, while supporting the national objectives of a cleaner environment, stronger cities & communities, and productivity & economic growth.

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**Nova Scotia receives**

## \$55,047,487

for its 2019-20 total GTF allocation.

**Total Municipal Funding from 2014 to 2020:**

## \$441 million

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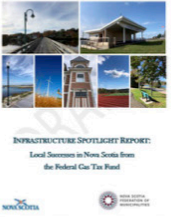
**Cumulative Municipal Funding (est.)**

## \$992 million

From 2005 to 2025 (19 years)

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**Infrastructure Spotlight Report to be released**



**The Infrastructure Spotlight Report** highlights local GTF projects covering the period from 2014 to 2020 to demonstrate how Nova Scotia municipalities are using federal funding to benefit their communities.

**Federal government fast-tracks gas tax funding to municipalities**

**Nova Scotia receives**



## \$55 million

in one allocation to alleviate financial pressures from COVID

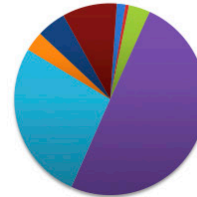
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For more information, visit: [beta.novascotia.ca/federal-gas-tax-fund-municipalities](https://beta.novascotia.ca/federal-gas-tax-fund-municipalities) or [www.nsfm.ca](http://www.nsfm.ca)

This Year in Review was produced by NSFM in partnership with the Department of Municipal Affairs.

### Percentage of GTF Spent in Project Categories for 2019 - 20\*



**Highest project category investments:**  
**Local Roads & Bridges - 49%**  
**Public Transit - 27%**

- Capacity Building
- Drinking Water
- Public Transit
- Solid Waste
- Comm Energy Systems
- Local Roads and Bridges
- Recreation
- Wastewater

Please Note: Less than 1% of the total GTF was spent in the broadband, disaster mitigation, highways, sport and tourism categories.

### GTF Project Tweets

From investments in water treatment facilities to solar projects and trail enhancements, municipalities across Nova Scotia are putting the GTF to good use!

**Nova Scotia Federation of Municipalities** @nsfmns - Sep 24

All-ages and accessible Pitt Pond Trail in Springhill was created with @nsfmns member's Federal Gas Tax Funds, along with countless volunteers, the local business community, @clvof & @NSFC\_eng. NSFM's Debbie Nielsen visited this living link to the town's mining past today.



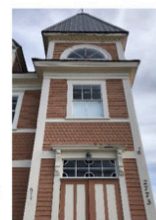
**Nova Scotia Federation of Municipalities** @nsfmns - Oct 8

The new Harbourfront Centre replaces the 70-year-old stage in Cynes Eaton Park in @Hypocentredns. @nsfmns member's Federal Gas Tax Funds, the new multi-purpose venue is accessible. NSFM's Debbie Nielsen checked it out for an upcoming Project Spotlight! @NSFC\_eng



### NS Asset Management Program Highlights

**New Tools:** Provincial resources are being expanded to include data collection tools for municipal buildings. DMA, in association with the NS Asset Management Working Group, is updating its standard operating procedures for linear and building assets.



**IRMA:** The technical support model for the **Infrastructure Registry for Municipal Assets or IRMA** continues to be developed. IRMA is a **one-stop shop** registry to house, maintain and map asset information, and provide state of infrastructure analytics.

**The Asset Management Policy Network** was launched to support municipalities in developing asset management policies through a network of local mentors who facilitate learning and share resources.

To capture highlights from the 2020-21 fiscal year, NSFM developed the Canada Community-Building Fund: Year in Review to provide a graphical overview of the CCBF in Nova Scotia. It outlines key financial information, as well as highlights from local projects and asset management initiatives to demonstrate how municipalities are using the CCBF to support sustainable infrastructure in their communities.



NSFM developed the Infrastructure Spotlight Report to provide an overview of projects undertaken by Nova Scotia municipalities with support from the CCBF from 2014 to 2020. The report aims to demonstrate how municipalities are using this federal funding to benefit their communities. It also highlights best practices and innovation, providing a range of local municipal initiatives that support the national objectives of the CCBF. NSFM's [Infrastructure Spotlight Report](#) is available on our website.

## ***Asset Management***

In May of 2021, NSFM relaunched its online course, ***The Basics of Asset Management for Elected Officials***, which provides municipal leaders with a simple and clear understanding of asset management and how to use it to inform infrastructure decision-making and improve service delivery. The revised course now includes a new module to enhance local asset management practices by providing a methodology to help ensure municipal infrastructure is more resilient to our changing climate.

## ***Vietnam***

With a view to building international capacity for municipal governance, 2021 concluded a 4-year collaboration between FCM, the Cape Breton Partnership, and the Association of Cities of Vietnam (ACVN). Juanita Spencer was able to share her experiences as CEO of an organization that represents municipalities, providing guidance on advocacy and governance structures.

## ***Women in Local Government***

With funding secured from the Federation of Canadian Municipalities, NSFM created a video featuring 6 female municipal politicians from across Nova Scotia. They were asked about leadership, mentorship, and building inclusive municipal government. [The Women in Municipal Politics video](#) is available on NSFM's YouTube channel.

# MEMBER SERVICES REPORT

NSFM offers value-added benefits for its members through several programs and services. We are always looking to enhance our offerings and encourage members to contact us with ideas for improving or expanding our current offerings.

## **Member Programs**

### **Group Purchasing Program**



Through a partnership with Canoe Procurement, NSFM members have access to the following benefits when purchasing office supplies, equipment, and more:

- Additional procurement tools – non-binding and no obligation to purchase.
- Procurement compliance to trade agreement legislation.

- Access to premium brands through Sourcewell partnership.
- Members select which vendor they want to buy from. The member will purchase/place any orders through the vendor and pay the vendor directly. The vendor delivers the product and is responsible for applicable warranties.

Read the [Member Procurement Guide](#) on our website.

For more information, contact Manager of Business Development, Jesse Patenaude: [jesse@canoeprocurement.ca](mailto:jesse@canoeprocurement.ca)

## Group Health & Benefits Program



NSFM has a group benefits plan with approximately 2000 members. Members can take advantage of plan options tailored to the needs and preferences of their workplaces. The Health & Benefits Committee, with staff representatives from NSFM and the Association of Municipal Administrators, Nova Scotia (AMANS), regularly meets with Hub for benefit, premium, and carrier comparisons to ensure high value for our members.

## Wellness Program



The Building a Healthy You Wellness Program, established through an NSFM/AMANS partnership, helps define effective ways to create healthy municipalities in Nova Scotia. The Wellness Program <https://nsmunicipalwellness.ca/> motivates change and transforms Municipal environments for improved health and wellness. There are five priority areas including: Physical Health, Mental Health, Workplace Health, Financial Health, and Social Connections. For resources, projects, and events, visit the Municipal Wellness Program’s website or contact Rebecca Kolstee at [rkolstee@amans.ca](mailto:rkolstee@amans.ca)

# Awards and Fund Recipients

We're always looking for ways to celebrate our members! Every year NSFM acknowledges those elected officials with 10 years of service or more. We also highlight municipalities who are creating positive change for the environment through our Climate Change Leaders Award. Finally, we aim to give a little back by offsetting our carbon footprint with dollars toward environmentally friendly community projects.

## Recipients of the 2021 NSFM Long Service Awards

NSFM congratulates you on your years of dedicated service!

Councillor Dick Killam, Municipality of Kings County	10 Years of Service
Councillor George El-Jakl, Municipality of Barrington	15 Years of Service
Mayor Christine Blair, Municipality of Colchester	16 Years of Service
Mayor Donald Husher, Town of Trenton	16 Years of Service
Warden Eddie Nickerson, Municipality of Barrington	20 Years of Service
Deputy Mayor Martin E. Bell, Municipality of the District of Lunenburg	21 Years of Service
Councillor David Hendsbee, HRM	25 Years of Service
Councillor Daniel Currie, Town of Pictou	26 Years of Service
Mayor Bill Mills, Town of Truro	35 Years of Service

## 2021 Climate Change Leaders Award

NSFM's Climate Change Leaders Award was developed in 2013 to honour municipalities that demonstrate leadership in climate change innovation through local adaptation and mitigation initiatives.

At the opening ceremony of the 2021 fall conference, NSFM presented its 8th Annual Climate Change Leaders Award to the following municipalities for their very ambitious projects that definitely raise the bar for climate initiatives in our province:

### The District of Argyle's Net Zero Administration Building

The first of its kind in Canada to 'sell' solar power back to the grid to offset the energy needed to operate the building. The highly efficient building design, use of durable and repurposed materials and the installation of photovoltaic panels eliminates greenhouse gas emissions and fossil fuel consumption making its energy use net zero.

## **HRM's climate action plan HalifACT**

HalifACT aims to reduce emissions and enhance climate resiliency, while promoting social equity and economic development. The plan was unanimously approved by Regional Council in June of 2020 and is in the early stages of implementation. HalifACT's emission reduction actions will result in a net benefit of \$21.9 billion in avoided energy, operations and maintenance costs, and increased revenues from energy generation.

## **The County of Kings' Green Municipal Campus**

The campus includes a new Engineering and Public Works Operations Centre, a net-zero energy facility, and its new administration building, which includes a high efficiency building envelope, a passive solar design and a geothermal-based heating and cooling system. The Green Municipal Campus also has a recharging stormwater system, spaces to promote active living through an internal trail network, and demonstration gardens that promote species diversity.

## **2021 Carbon Surcharge Fund Recipients**

In 2012, NSFM's Board of Directors passed a motion to add a \$5 carbon surcharge fee to conference registrations to mitigate the greenhouse gas emissions generated from hosting these events. NSFM holds all carbon surcharge money in a special account and disburses it annually to support local, small-scale initiatives that help our municipalities reduce their energy consumption and greenhouse gas emissions.

At the opening ceremony of the 2021 fall conference, NSFM presented Carbon Surcharge Fund cheques to:

### **District of St. Mary's Bike-Friendly Business Program**

The Bike-Friendly Business Program is part of the Active Sherbrooke Plan to encourage active modes of transportation in the municipality.

### **Town of New Glasgow's Electrical Vehicle Project**

The funds will support the installation of a public charging station in the downtown core and increase awareness of the benefits of electrical vehicles.

# NOVA SCOTIA FEDERATION OF MUNICIPALITIES

Halifax, Nova Scotia

Financial Statements  
*December 31, 2021*

Morse Brewster Lake  
Chartered Professional Accountants

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Morse Brewster Lake  
Chartered Professional Accountants

## **Independent Auditor's Report**

To the **President and Members** of

**Nova Scotia Federation of Municipalities**

### **Our Opinion**

We have audited the financial statements of **Nova Scotia Federation of Municipalities**, which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the **Nova Scotia Federation of Municipalities** as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the 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 qualified audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society'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 Society or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Society's financial reporting process.

## Independent Auditor's Report (continued)

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

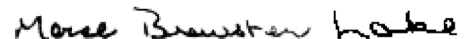
Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

### Other Matters

The financial statements for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on September 24, 2021.

Berwick, Nova Scotia  
June 22, 2022



Chartered Professional Accountants

# Nova Scotia Federation of Municipalities

## Statement of Financial Position

December 31, 2021

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 166,139	\$ 295,413
Short-term deposits (GIC 0.35%)	575,000	374,627
Accounts receivable	77,849	45,381
Roberts' Memorial Fund (note 4)	16,520	16,433
Prepaid expenses	<u>5,750</u>	<u>5,828</u>
	841,258	737,682
<b>Property and Equipment</b> (note 3)	<u>13,587</u>	<u>12,442</u>
	<u>\$ 854,845</u>	<u>\$ 750,124</u>
<b>Liabilities</b>		
<b>Current</b>		
Payables and accruals	\$ 26,780	\$ 74,711
Payroll deductions payable	26,282	19,405
Deferred revenue (note 7)	<u>77,820</u>	<u>97,567</u>
	130,882	191,683
<b>Long Term Debt</b> (note 8)	<u>40,000</u>	<u>-</u>
	<u>170,882</u>	<u>191,683</u>
<b>Net Assets</b>		
<b>Roberts' Memorial Fund</b> (note 4)	16,520	16,433
<b>Unrestricted</b> (page 6)	253,556	429,566
<b>Restricted - General reserve</b> (page 6)	400,300	100,000
<b>Investment in property, plant and equip.</b> (page 6)	<u>13,587</u>	<u>12,442</u>
	<u>683,963</u>	<u>558,441</u>
	<u>\$ 854,845</u>	<u>\$ 750,124</u>
<b>Commitments</b> (note 9)		

On Behalf of the Board


 \_\_\_\_\_, President
 
 \_\_\_\_\_, Chief Executive Officer

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

## Nova Scotia Federation of Municipalities

### Statement of Operations

Year Ended December 31, 2021

	2021 <u>Budget</u>	2021 <u>Actual</u>	2020 <u>Actual</u>
<b>Revenue</b>			
<b>Membership Fees</b>	\$ 435,210	\$ 435,210	\$ 414,485
<b>Events</b>			
Fall Conference			
Registration	125,575	37,300	-
Sponsorships	40,000	27,500	-
Exhibits	24,000	4,100	-
Spring Conference	21,500	26,275	-
Seminars & Projects	<u>6,000</u>	<u>66,584</u>	<u>107,595</u>
	<u>217,075</u>	<u>161,759</u>	<u>107,595</u>
<b>Programs</b>			
Insurance Program	82,000	120,873	95,594
Group Benefits & TD Insurance	<u>35,000</u>	<u>41,051</u>	<u>41,623</u>
	<u>117,000</u>	<u>161,924</u>	<u>137,217</u>
<b>Grants and Government Programs</b>			
Canada Community Building Fund			
Administration	125,000	125,000	125,000
Investment Income	4,500	3,412	4,717
Other Income	1,500	1,500	8,409
Government of Canada	<u>-</u>	<u>20,000</u>	<u>34,429</u>
	<u>131,000</u>	<u>149,912</u>	<u>172,555</u>
	<u>900,285</u>	<u>908,805</u>	<u>831,852</u>
<b>Expenditures</b>			
<b>Administrative</b>			
Salaries, fees and benefits	561,200	565,145	531,014
Staff travel	<u>18,000</u>	<u>4,644</u>	<u>2,714</u>
	<u>579,200</u>	<u>569,789</u>	<u>533,728</u>
<b>Operational</b>			
Audit	10,200	6,000	11,529
Bank charges	1,800	2,358	1,752
Rent and occupancy	60,000	56,973	56,958
Organizational dues and meetings	18,000	6,090	6,738
Professional fees	18,760	8,864	6,154
Sundry	2,500	639	1,910
Supplies and printing	20,000	16,454	13,044
Communications	10,000	2,438	984
Telephone	9,000	8,279	7,830
Liability and general insurance	<u>5,050</u>	<u>8,299</u>	<u>4,250</u>
	<u>155,310</u>	<u>116,394</u>	<u>111,149</u>

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

## Nova Scotia Federation of Municipalities

### Statement of Operations Continued

Year Ended December 31, 2021

	<u>2021</u> <u>Budget</u>	<u>2021</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
<b>Events</b>			
Fall Conference	88,790	11,461	-
Spring Conference	8,000	3,000	-
Seminars	<u>2,000</u>	<u>875</u>	<u>-</u>
	<u>98,790</u>	<u>15,336</u>	<u>-</u>
<b>Governance</b>			
Board of Directors	50,000	32,173	24,575
Committees	<u>-</u>	<u>-</u>	<u>726</u>
	<u>50,000</u>	<u>32,173</u>	<u>25,301</u>
<b>Special Projects</b>			
Mainstreeting project	-	22,550	45,999
Asset Management	7,485	10,605	4,975
FOCUS Sessions	-	-	4,000
CAP	-	-	8,085
Parity Project	-	-	4,769
Other	<u>1,500</u>	<u>3,408</u>	<u>1,500</u>
	<u>8,985</u>	<u>36,563</u>	<u>69,328</u>
Amortization	4,000	5,527	3,156
Grant to AMANS	2,500	2,501	2,499
Ken Simpson Memorial	<u>1,500</u>	<u>5,000</u>	<u>-</u>
	<u>8,000</u>	<u>13,028</u>	<u>5,655</u>
	<u>900,285</u>	<u>783,283</u>	<u>745,161</u>
<b>Excess of Revenue over Expenditures</b>	<b>\$ <u>-</u></b>	<b>\$ <u>125,522</u></b>	<b>\$ <u>86,691</u></b>

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

## Nova Scotia Federation of Municipalities

### Statement of Changes in Net Assets

For the Year Ending December 31, 2021

	Restricted Reserve	Investment in Capital Assets	Unrestricted Net Assets	Roberts' Memorial Fund	2021 Net Assets	2020 Net Assets
<b>Balance, begin. of year</b>	100,000	\$ 12,442	\$ 429,566	16,433	\$ 558,441	\$ 471,750
Transfer to restricted reserve	300,300	-	(300,300)	-		-
Purchase of equipment	-	6,672	(6,672)	-		-
<b>Excess (deficiency) of Revenue over Expenditures</b>	<u>-</u>	<u>(5,527)</u>	<u>130,962</u>	<u>87</u>	<u>125,522</u>	<u>86,691</u>
<b>Balance, end of year</b>	<u>\$ 400,300</u>	<u>\$ 13,587</u>	<u>\$ 253,556</u>	<u>\$ 16,520</u>	<u>\$ 683,963</u>	<u>\$ 558,441</u>

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

# Nova Scotia Federation of Municipalities

## Statement of Cash Flow

Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
<b>Cash flow from operating activities:</b>		
Operating surplus for the year	\$ 125,522	\$ 86,691
Amortization	<u>5,527</u>	<u>3,156</u>
	131,049	89,847
 Changes in		
Accounts receivable	(32,468)	46,629
Inventory	-	-
Prepaid expense	78	10,790
Payables and accruals	(41,054)	22,861
Deferred revenue	<u>(19,747)</u>	<u>26,811</u>
	<u>(93,191)</u>	<u>107,091</u>
 <b>Cash flow from investing activities:</b>		
Purchase of investments	(300,460)	(274,950)
Sale of investments	100,000	-
Investment in property, plant and equip.	<u>(6,672)</u>	<u>(6,050)</u>
	<u>(207,132)</u>	<u>(281,000)</u>
 <b>Cash flow from financing activities:</b>		
Long term debt acquired	<u>40,000</u>	<u>-</u>
 <b>Cash Decrease</b>	(129,274)	(84,062)
 <b>Cash and Equivalencies, beginning of year</b>	<u>295,413</u>	<u>379,475</u>
 <b>Cash and Equivalencies, end of year</b>	<u>\$ 166,139</u>	<u>\$ 295,413</u>

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

# Nova Scotia Federation of Municipalities

## Notes to Financial Statements

December 31, 2021

### 1. Status and nature of activities

Nova Scotia Federation of Municipalities (formerly The Union of Nova Scotia Municipalities) (the Federation), incorporated under the laws of Nova Scotia, is a not-for-profit organization formed to represent the interest of local governments in Nova Scotia .

### 2. Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (Part III of the CPA Handbook) (ASNPO) and reflect the following significant accounting policies:.

#### Cash and cash equivalents

Cash and cash equivalents represent cash and cash equivalents that mature with three months and those that can be readily converted to cash as well as cash in banks.

#### Internally restricted cash

The Federation has internally restricted funds of \$400,300 (2020 - \$100,000) for event cancellation and future operations, which is invested in a short-term deposit as of December 31, 2021 and 2020.

#### Property and Equipment

In accordance with ASNPO, the Federation continues capitalizing its property, plant and equipment additions. Amortization of property, plant and equipment is provided on a declining balance method at rate specified in note 3.

#### Fund Accounting

The accounts are maintained in accordance with principles of fund accounting. This method ensures observance of restrictions, if any, on the use of resources by maintaining separate accounts for each fund. Funds that have limitations placed on their use by internal or external parties are classified as restricted.

The following provide a brief description of each fund group:

- The unrestricted fund is for general operating funds
- The internally restricted fund holds those funds that have been internally restricted by the Federation for a Operation Stabilization reserve (six months of operating costs) and to have an Event Cancellation reserve.
- The investment in capital assets is the balance in capital assets less associated amortization
- The Robert's Memorial Fund (the Fund) is internally restricted for projects of the Federation (note 4)

# Nova Scotia Federation of Municipalities

## Notes to Financial Statements

December 31, 2021

### 2. Significant Accounting Policies (continued)

#### Revenue Recognition

Recognition of revenue related to services provided occurs when the amount can be reliably measured, ultimate collection is reasonably assured and performance is complete.

The Federation follows the deferral method of accounting for contributions. Restricted contributions recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

#### Management estimates

The preparation of the financial statements in conformity with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

#### Government Grants

The Federation recognizes government grants when there is reasonable assurance that the grant will be received and that the conditions of the grant will be met. Government grants are recorded within accounts receivable when the grant becomes receivable. The Federation has elected to record the grants, where appropriate, as other revenue. Any grants that become receivable in a period that succeeds when the expenses are incurred are accrued in the period in which they become receivable.

#### Income taxes

The Federation is a not-for-profit organization under paragraph 149(1)(l) of the Income Tax Act and, accordingly, is not required to pay income taxes.

# Nova Scotia Federation of Municipalities

## Notes to Financial Statements

**December 31, 2021**

### 2. Significant Accounting Policies (continued)

#### Financial Instruments and risk management

##### Fair Market Value

Fair values estimates of financial instruments are made at a specific point in time based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matter of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

The carrying value of cash, short-term deposits, amounts receivable and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of those instruments.

##### Concentration of credit risk

Management believes the Federation has no significant credit concentration.

##### Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Federation is not exposed to significant interest rate risk

##### Liquidity risk

Liquidity risk is the risk that the Federation will encounter problems in raising funds to meet its commitments at maturity. The Federation is exposed to liquidity risk through its accounts payable and accrued liabilities. Management believes it has ample working capital to meet those obligation as they arise.

### 3. Property and Equipment

		2021			2020	
	Rates	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Computer Equip.	30%	\$ 40,226	\$ 34,881	\$ 5,345	\$ 4,019	
Office Equipment	20%	24,547	19,667	4,880	3,045	
Leasehold Improv.	4 Yr	<u>6,050</u>	<u>2,688</u>	<u>3,362</u>	<u>5,378</u>	
		<u>\$ 70,823</u>	<u>\$ 57,236</u>	<u>\$ 13,587</u>	<u>\$ 12,442</u>	

# Nova Scotia Federation of Municipalities

## Notes to Financial Statements

December 31, 2021

### 4. Roberts' Memorial Fund

The Fund was established in memory of the late Judge Arthur Roberts, Catherine Rogers and other deceased municipal leaders. It is not registered as a charitable organization for income tax purposes.

The trustees of the Fund are the president, the legal advisor and the financial advisor of the Federation. The decision as to the projects to be underwritten by the Fund is made by the Executive of the Federation. The Fund is intended to assist in furthering the objectives of the Federation. Projects may include municipal research, education, speakers for the conference, etc. Only the income earned by the Fund is available to fund projects. The income available for projects is comprised of the income earned by the Fund since inception, less expenditures made by the Fund on projects.

	<u>2021</u>	<u>2020</u>
<b>Revenue</b>		
Interest	\$ <u>87</u>	\$ <u>323</u>
Fund balance- Beginning of year	<u>16,433</u>	<u>16,110</u>
Fund balance- End of year	\$ <u><u>16,520</u></u>	\$ <u><u>16,433</u></u>
<b>Income available for projects</b>		
Income available for projects - Beginning of the year	\$ 3,808	\$ 3,485
Net increase of fund balance in year	<u>87</u>	<u>323</u>
Income available for projects - End of Year	3,895	3,808
Funds not available for projects	<u>12,625</u>	<u>12,625</u>
<b>Total fund balance</b>	\$ <u><u>16,520</u></u>	\$ <u><u>16,433</u></u>

### 5. Government Assistance

During the prior year, the Federation was eligible for Canada Emergency Wages Subsidy (CEWS). The program was implemented during the prior year by the Government of Canada to support businesses and employees through the COVID-19 pandemic by minimizing job losses. The Federation recorded \$34,429 related to the CEWS as other revenue in the prior year.

During the current year, the Federation received a Canada Emergency Business Account (CEBA) loan. The CEBA loan is for \$60,000 and if repaid by December 31, 2023, \$20,000 of the loan is forgiven by the Government of Canada. \$20,000 of loan forgiveness is included in the current year other income.

# Nova Scotia Federation of Municipalities

## Notes to Financial Statements

December 31, 2021

### 7. Deferred Revenue

	<u>2021</u>	<u>2020</u>
Deferred revenue, opening balance	\$ 97,567	\$ 70,755
Funds received in the year	24,259	77,027
Funds earned in the year	<u>(44,006)</u>	<u>(50,215)</u>
Deferred revenue, ending balance	<u>\$ 77,820</u>	<u>\$ 97,567</u>

Deferred revenue consists of revenue received for the WILG Bursary, Ken Simpson Memorial, Towns Task Force, Carbon Offset, Fire Services, AT Summit and FCM RFP projects that will be used in future years.

### 8. Long Term Debt

	<u>2021</u>	<u>2020</u>
Royal Bank unsecured Covid loan, 0% interest, repayable by December 31 ,2023	<u>\$ 40,000</u>	<u>\$ -</u>

### 9. Commitments

The minimum annual lease payments under long-term agreement for premises, including common area costs and equipment are as follows:

Year ending	Premises	Equipment	Total
2022	\$24,500	\$3,840	\$29,240
2023	16,933	3,840	20,773
2024	-	3,840	3,840
2025		2,560	2,560

The term of the premises lease is from October 3, 2016 to August 31, 2023  
 The term of the equipment lease is from September 23, 2019 to August 23, 2025.

### 10. Capital Management

The Federation defines capital as net assets. Currently, the Federation has no defined target for net assets and operates under the culture of a balanced budget. There are currently no external restrictions on capital for the Federation.

### 11. Comparative Figures

Certain of the comparative figures have been restated to conform to the current year financial statement presentation.