

**Consolidated Financial Statements**  
**TOWN OF HARTLAND**  
**December 31, 2020**

# INDEX SCHEDULE

## AUDITORS' REPORT

## FINANCIAL STATEMENTS

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## INDEPENDENT AUDITORS' REPORT

To His Worship the Mayor and Members of Council  
TOWN OF HARTLAND, New Brunswick

### Opinion

We have audited the consolidated financial statements of the Town of Harland (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2020 and the consolidated statements of operations and accumulated surplus, consolidated statement of changes in net debt, and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2020, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

(continues)

**Auditors' 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 auditors' 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 those consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Town to cease to continue as a going concern.

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

We communicated 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.



CHARTERED PROFESSIONAL ACCOUNTANT

HARTLAND, NB

APRIL 6, 2021

**TOWN OF HARTLAND**  
**Consolidated Statement of Operations**  
 Year Ended December 31, 2020

	2020	2019
	(Unaudited) Budget (Note 20) \$	Actual \$
<b>Revenue</b>		
Property tax warrant	1,303,484	1,326,655
Services provided to other governments	212,020	214,270
Sale of services, fines and other fees	82,350	41,677
Other revenue from own sources	35,800	39,967
Unconditional grant	43,372	31,896
Other government transfers	-	2,031
Water and sewer user fees	376,116	381,974
Interest	2,350	4,776
Other	-	2,650
<b>Expenditures</b>		
General government services	308,880	437,133
Protective services	632,139	671,515
Transportation services	472,519	457,516
Environmental health services	75,500	83,475
Environmental development services	68,970	80,811
Recreation and cultural services	384,897	433,435
Water and sewer	387,216	295,683
Asset management & CSO / SSO Plan	-	-
	2,055,492	2,320,901
	2,330,121	2,459,569
Annual surplus (deficit) (Note 18)	(274,629)	(138,668)
Accumulated surplus (deficit), beginning of year	4,568,938	4,909,308
Accumulated surplus (deficit), end of year	4,430,270	4,568,938

**TOWN OF HARTLAND**  
**Consolidated Statement of Financial Position**  
 As At December 31, 2020

	2020	2019
<b>Financial assets</b>		
Cash (Note 4)	689,695	1,130,191
Accounts receivable		
General	20,392	29,861
Federal government and its agencies (Note 5)	25,894	19,969
Province of New Brunswick	-	1,839
Investments (Note 6)	10,823	10,707
	746,804	1,192,567
<b>Liabilities</b>		
Bank loan (Note 12)	360,000	206,364
Accounts payable and accrued liabilities (Note 7)	182,426	328,804
Deferred revenue (Note 8)	40,175	49,432
Long term debt (Note 9)	785,000	924,000
Accrued sick leave and other benefits (Note 10)	62,919	53,481
	1,430,520	1,562,081
<b>NET ASSETS (DEBT)</b>	(683,716)	(369,514)
<b>Non financial assets</b>		
Tangible capital assets (Note 16)	12,774,265	12,225,216
Accumulated amortization	(7,660,279)	(7,286,764)
	5,113,986	4,938,452
<b>ACCUMULATED SURPLUS</b>	4,430,270	4,568,938



Approved by: *James D. Brinkman*  
 Mayor

*[Signature]*  
 Chief Administrative Officer

**TOWN OF HARTLAND**  
**Consolidated Statement of Change in Net Debt**  
**Year Ended December 31, 2020**

	2020	2019
Annual surplus (deficit)	(138,668)	(340,370)
Acquisition of tangible capital assets	(549,049)	-
Amortization of tangible capital assets	373,515	361,195
Use of prepaid assets	-	31,285
(Increase)/decrease in Net Assets (Debt)	(314,202)	52,110
Net Assets (Debt), beginning of the year	(369,514)	(421,624)
Net Assets (Debt), end of the year	(683,716)	(369,514)

**TOWN OF HARTLAND**  
**Consolidated Statement of Cash Flow**  
Year Ended December 31, 2020

	2020	2019
<b>Increase (decrease) in cash and cash equivalents</b>	<b>\$</b>	<b>\$</b>
<b>Operating transactions</b>		
Annual surplus (deficit)	(138,668)	(340,370)
Amortization of tangible capital assets	373,515	361,195
Receivable - General	9,469	4,641
Receivable - Federal Government and its agencies	(5,925)	73,104
Receivable - Province of New Brunswick	1,839	19,912
Prepaid expenses	-	31,285
Payables and accruals	(146,378)	256,658
Deferred revenue	(9,258)	7,603
Accrued sick leave	9,438	4,597
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(549,049)	-
<b>Financing transactions</b>		
Bank loan	153,636	(61,637)
Long term debt	(139,000)	89,000
<b>Investing transactions</b>		
Investments	(116)	(150)
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(440,496)</b>	<b>445,838</b>
Cash and cash equivalents, beginning of the year	1,130,191	684,353
Cash and cash equivalents, end of the year	689,695	1,130,191



## **1. PURPOSE OF THE ORGANIZATION**

The Town of Hartland (the "Town") was incorporated as a Town by the Province of New Brunswick Municipalities Act on October 2, 1918 and was approved for status as a Municipality effective October 2, 1918. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

## **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The focus of Public Sector Accounting Standards ("PSAS") financial statements is on the financial position of the Town and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Town.

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

### **Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting 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.

Members of the Hartland Fire Department participate in various fund raising activities to help purchase equipment. The Town does not have any control of the fundraising activities or the funds raised, and does not have access to the financial information. These figures, therefore, are not included in the consolidated financial statements of the Town.

### **Budget**

The budget figures contained in these financial statements were approved by Council on December 19, 2019 and the Minister of Local Government on January 10, 2020.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balances with banks. Bank borrowings are considered to be financing activities.

### **Revenue recognition**

(a) Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

(b) Other revenue is recorded when it is earned.

### **Expenditure recognition**

Expenditures are recorded on an accrual basis

**TOWN OF HARTLAND**  
Notes to the Consolidated Financial Statement  
December 31, 2020

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of estimates**  
The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

**Financial instruments**  
The Town's financial instruments consist of cash, short-term investments, accounts receivable, due from the Federal Government, bank loan, payables and accruals, deferred revenue and long-term debt. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

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

Asset Type	Years
Buildings	25 years
Vehicles	8 years
Machinery and equipment	10-30 years
Heavy equipment	10-15 years
Computer hardware & software & communication equipment	7-10 years
Furniture & fixtures	15 years
Road surface	15-30 years
Lighting / traffic lights	20-25 years
Water and wastewater networks	40-100 years

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Segmented information**

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

General government services  
This department is responsible for the overall governance and financial administration of the Town. This includes council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

Protective services  
This department is responsible for the provision of policing services, fire protection, emergency measures, animal control and other protective measures.

Transportation services  
This department is responsible for common services, roads and streets maintenance, street lighting, traffic services, parking and other transportation related functions.

Environmental health services  
This department is responsible for the provision of waste collection and disposal.

Environmental development services  
This department is responsible for planning and zoning, community development, tourism and other municipal development and promotion services.

Recreation and cultural services  
This department is responsible for the maintenance and operation of recreational and cultural facilities, including the swimming pool, arena, parks and playgrounds and other recreational and cultural facilities.

Water and Wastewater Systems  
This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

3. FINANCIAL INSTRUMENTS

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of December 31, 2020

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from its accounts receivable. The Town minimizes credit risk through ongoing credit management.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, accounts payable and accrued liabilities and other obligations.

Currency risk

Currency risk is the risk to the Town's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Town is not exposed to foreign currency risk as it does not hold foreign currencies.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is not exposed to interest rate risk on long term debt as these have fixed rates, however the Town is exposed to interest rate risk with its short term financing as interest is at prime.

4. CASH

	2020	2019
Cash – restricted	443,098	447,648
Cash – unrestricted	246,597	682,543
	689,695	1,130,191

5. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	2020	2019
Canada Revenue Agency (HST refund)	25,894	19,969

6. INVESTMENTS

The investments consist of a guaranteed investment certificate with a maturity date of July 15, 2021 and interest rate of 0.8000%.

7. GOVERNMENT REMITTANCES PAYABLE

Government remittances as at year end were \$50,442 (2019 - \$36,179) relating to payroll deductions are included in accounts payable and accrued liabilities.

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2020 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Town maintains insurance coverage in amounts considered appropriate.

**11. CONTINGENCIES**

The unfunded liability was \$62,919 December 31, 2020 and \$53,481 on December 31, 2019. The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The Town provides sick leave that accumulates at 1.5 days per month for each full-time employee. All employees can accumulate up to a maximum of 200 sick leave days. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave for up to a maximum of 90 days.

**10. ACCRUED SICK LEAVE**

2021	142,000
2022	144,000
2023	114,000
2024	88,000
2025	90,000
	\$

Principal repayment for the next five years is as follows:

		2020	2019
New Brunswick Municipal Financing Corporation			
Debentures			
BP16 1.200% - 2.950%, due 2026, OIC #06-0018		121,000	140,000
BW24 1.95% - 2.45%, due 2029, OIC #17-0011		120,000	132,000
BG16 1.650% - 3.400%, due 2022, OIC #11-0077		18,000	26,000
BR16 1.65% - 2.35%, due 2022, OIC #06-0030		49,000	73,000
BW25 1.95% - 2.45%, due 2029, OIC #17-0011		67,000	74,000
BT14 2.100% - 3.450%, due 2028, OIC #17-0095		237,000	263,000
BJ17 1.250% - 3.700%, due 2023, OIC #12-0064		81,000	107,000
BN15 1.05% - 3.15%, due 2025, OIC #13-0038		92,000	109,000
		785,000	924,000

**9. LONG TERM DEBT**

The deferred revenue consists of funds raised or donated for a proposed new arena complex in the Town (\$18,389), festivals and events organized by the Bridge Committee (\$21,721) and renovations to the Dr. Walter Chestnut Library (\$65).

**8. DEFERRED REVENUE**

TOWN OF HARTLAND  
Notes to the Consolidated Financial Statements  
December 31, 2020

**12. SHORT TERM BORROWINGS COMPLIANCE**

**Interim borrowing for capital**  
The Town has arranged a revolving operating facility bearing interest at prime for the General Fund. The facility is used to provide interim financing for capital expenditures.  
The Town has ministerial authority for short-term borrowings as follows:  
General Capital Fund, # 20-0028 \$ 360,000

**Operating borrowing**  
As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Town's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2020, the Town has complied with these restrictions.

**Inter-fund borrowing**  
The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in next the year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

**13. WATER AND SEWER FUND SURPLUS/DEFICIT**

The Municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year; the balance of the surplus/deficit at the end of the year consists of:

	2020	2019
2020 Surplus	140,857	-
2019 Surplus	92,356	40,164
2018 Surplus	-	40,164
	233,213	132,520
	\$	\$
	2020	2019

**14. WATER COST TRANSFER**

The Town's water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Municipalities Act based upon the applicable percentage of water system expenditures for the population.

**15. SUBSEQUENT EVENT**

During the year, the World Health Organization characterized the outbreak of a strain of the Novel Coronavirus ("COVID-19") as a pandemic which has resulted in a series of public health and emergency measures that have been put into place to combat the spread of the virus. These measures have had a significant financial, market and social dislocating impact.

Given that COVID-19 is evolving, with the duration and full impact not known at this time, it is not practical to assess, or determine, the future financial impact on the Town at this time.

16. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Buildings and Infrastructure						2020 Total	2019 Total		
	Land	leasehold improvements	Vehicles	Machinery and equipment	Roads and street	Treatment facilities			Water and Sewer	Small equipment
	\$	\$	\$	\$	\$	\$	\$	\$		
<b>COST</b>										
Balance, beginning of year	362,200	1,171,400	50,394	2,617,150	3,093,710	1,571,486	3,280,006	78,870	12,225,216	12,225,216
Add:										
Net additions during the year	90,000	66,905	-	375,430	16,714	-	-	-	549,049	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance, end of year	452,200	1,238,305	50,394	2,992,580	3,110,424	1,571,486	3,280,006	78,870	12,774,265	12,225,216
<b>ACCUMULATED AMORTIZATION</b>										
Balance, beginning of year	-	519,714	25,200	1,437,261	2,566,157	912,244	1,754,497	69,091	7,286,764	6,925,569
Amortization during the year	-	46,700	6,300	151,670	67,845	39,280	59,520	2,200	373,515	361,195
Less:										
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	566,414	31,500	1,588,931	2,636,602	951,524	1,814,017	71,291	7,660,279	7,286,764
<b>NET BOOK VALUE OF TANGIBLE CAPITAL</b>										
452,200	671,891	18,894	1,403,649	473,822	619,962	1,465,989	7,579	5,113,986	4,938,452	
Consists of:										
General Fund Assets	408,500	671,891	9,447	1,386,812	473,822	-	-	7,579	2,958,051	2,680,567
Water & Sewer Fund Assets	43,700	-	9,447	16,837	-	619,962	1,465,989	-	2,155,935	2,257,885
	452,200	671,891	18,894	1,403,649	473,822	619,962	1,465,989	7,579	5,113,986	4,938,452

17. SCHEDULE OF SEGMENT DISCLOSURE

	General \$	Protective \$	Transportation \$	Environmental health \$	Environmental development \$	Recreation and culture \$	Water and sewer \$	2020 Consolidated \$	2019 Consolidated \$
<b>Revenues</b>									
Property tax warrant	207,226	424,098	317,011	50,653	46,272	258,225	-	1,303,484	1,326,655
Services provided to other governments	-	221,670	24,323	-	-	-	-	245,993	214,270
Sale of service, fines and other fees	-	-	-	-	-	67,910	-	67,910	41,677
Other revenue from own sources	135,131	-	-	-	6,542	-	-	141,673	39,967
Unconditional grant	6,895	14,111	10,548	1,685	1,340	8,592	-	43,372	31,896
Other government transfers	109,426	-	-	-	-	-	-	109,426	2,031
Water and sewer user fees	-	-	-	-	-	-	404,689	404,689	381,974
Interest	1,605	-	-	-	-	-	301	1,906	4,776
Other	-	-	-	-	-	-	2,447	2,447	2,650
	460,283	659,880	351,882	52,338	54,353	334,728	407,437	2,320,901	2,045,896
<b>Expenses</b>									
Salaries and benefits	221,059	289,080	134,781	-	7,804	221,189	46,398	920,311	789,517
Goods and services	111,744	218,613	131,201	83,475	60,705	182,049	129,927	917,714	1,037,708
Amortization	11,630	110,750	107,285	-	12,000	21,600	110,250	373,515	361,195
Interest	16,953	17,555	15,814	-	303	8,596	9,108	68,328	39,692
Other	75,748	35,517	68,436	-	-	-	-	179,701	158,153
	437,133	671,515	457,516	83,475	80,811	433,435	295,683	2,459,569	2,386,266
<b>Surplus (Deficit) For The Year</b>	23,150	(11,636)	(105,634)	(31,137)	(26,458)	(98,708)	111,754	(138,668)	(340,370)



18. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Total
2020 Annual Surplus (Deficit)	12,042	(263,265)	221,706	(110,250)	-	800	-	298	(138,668)
Adjustments To Annual Surplus (Deficit) For Funding Requirements									
Second previous year's surplus (deficit)	41,850	-	40,164	-	-	-	-	-	82,014
Transfers between funds									
Transfer from water & sewer operating fund to the general operating reserve fund	60,500	-	(60,500)	-	-	-	-	-	-
Transfer from general operating fund to the general operating reserve fund	(189,049)	189,049	-	-	-	202,447	-	-	-
Transfer from general operating fund to the general capital reserve fund	(202,447)	-	-	-	-	-	-	-	-
Transfer from general operating fund to the water & sewer capital fund	-	-	-	-	-	-	-	-	-
Transfer from general reserve fund to the general operating fund	223,721	-	-	-	-	(223,721)	-	-	-
Transfer from general reserve fund to the general capital fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer operating fund to the water & sewer capital fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer operating fund to the water & sewer capital reserve fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer capital fund to the water & sewer operating fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer capital fund to the general capital fund	-	-	-	-	-	-	-	-	-
Transfer from water & sewer reserve fund to the water & sewer operating fund	-	-	-	-	-	-	-	-	-
Long-term debt principal repayment	(81,000)	81,000	(58,000)	58,000	-	-	-	-	-
Proceeds from disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Provision for sick leave accrual	11,952	-	(2,513)	-	-	-	-	-	9,439
Amortization expense	-	263,265	-	110,250	-	-	-	-	373,515
Total adjustments to 2020 annual surplus (deficit)	(134,473)	533,314	(80,849)	168,250	-	(21,274)	-	-	464,967
2020 Annual Fund Surplus (Deficit)	(122,431)	270,049	140,857	58,000	-	(20,474)	-	298	326,299

19. STATEMENT OF RESERVES

	General Operating Reserve \$	General Capital Reserve \$	Water & Sewer Operating Reserve \$	Water & Sewer Capital Reserve \$	2020 Total \$	2019 Total \$
Assets						
Cash	-	306,036	-	96,887	402,923	423,216
Investments	-	10,823	-	-	10,823	10,707
Accumulated Surplus (Deficit)	-	316,859	-	96,887	413,746	433,922
Revenue	-	316,859	-	96,887	413,746	433,922
Transfers from Water and General Operating Funds	-	202,447	-	-	202,447	-
Other	-	-	-	-	-	-
Interest	-	800	-	298	1,098	230
Expenditures	(28,721)	(195,000)	-	-	(223,721)	(64,199)
Annual Surplus (Deficit)	(28,721)	8,247	-	298	(20,176)	(63,970)
<u>Name of Investment</u>						
Principal Amount \$	10,823	Interest Rate %	0.8000	Date of Maturity	July 15, 2021	
Non - Redeemable GIC						



Date  
June 11, 2021

Chief Administrative Officer  
[Signature]  
Town of Hartland

I hereby certify that the above are true and exact copies of resolutions adopted at meetings of Council on January 6, 2020 and June 15, 2020

\$202,447 was transferred from the General Operating Fund to the General Capital Reserve Fund to fund approved expenditures in the future

\$15,000 was transferred from the General Capital Reserve Fund to the General Operating Fund to fund approved expenditures

With this resolution, all projects outlined within this plan were approved, and individual resolutions for transfers relating to Gas Tax Fund receipts or expenditures are not required. During 2020, the following transactions occurred:

Motion Carried

BE IT RESOLVED that the document entitled *Town of Hartland Five - Year Capital Investment Plan for the GTF Administrative Agreement 2019 - 2023* be adopted.

Moved By: Councillor Tompkins  
Seconded By: Councillor Crouse

Motion Carried

BE IT RESOLVED that \$80,000 be transferred from the General Capital Reserve Fund to purchase land in 2020

Moved By: Councillor Murphy  
Seconded By: Councillor Crouse

Motion Carried

BE IT RESOLVED that \$28,720.69 be transferred from the General Operating Reserve Fund to the General Capital Fund to be reported as Deferred Revenue and used for future expenditures.

Moved By: Councillor Stokoe  
Seconded By: Councillor Crouse

19. STATEMENT OF RESERVES (continued)

**TOWN OF HARTLAND**

Notes to the Consolidated Financial Statements  
December 31, 2020

**20. OPERATING BUDGET TO PSA BUDGET**

	Operating Budget General \$	Operating Budget Water & Sewer \$	Amortization TCA \$	Controlled Entities \$	Other \$	Transfers \$	Total \$
<b>Revenues</b>							
Property tax warrant	1,303,484	-	-	-	-	-	1,303,484
Services provided to other governments	212,020	-	-	-	-	-	212,020
Sale of service, fines and other fees	82,350	-	-	-	-	-	82,350
Other revenue from own sources	35,800	-	-	-	-	-	35,800
Unconditional grant	43,372	-	-	-	-	-	43,372
Other transfers	40,164	-	-	-	-	(40,164)	-
Water and sewer user fees	-	376,116	-	-	-	-	376,116
Interest	1,600	750	-	-	-	-	2,350
Surplus/(deficit) of second previous year	41,850	40,164	-	-	-	(82,014)	-
	<u>1,760,640</u>	<u>417,030</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(122,178)</u>	<u>2,055,492</u>
<b>Expenditures</b>							
General government services	297,250	-	11,630	-	-	-	308,880
Protective services	514,923	-	110,750	-	-	6,466	632,139
Transportation services	344,500	-	107,285	-	-	20,734	472,519
Environmental health services	75,500	-	-	-	-	-	75,500
Environmental development services	56,970	-	12,000	-	-	-	68,970
Recreational and cultural services	363,297	-	21,600	-	-	-	384,897
<b>Fiscal services</b>							
- Long-term debt repayments	81,000	58,000	-	-	-	(139,000)	-
- Interest	27,200	15,445	-	-	-	(42,645)	-
- Unaccrued sick time	-	-	-	-	-	-	-
- Transfer from the General Operating Fund to the General Capital Reserve Fund	-	-	-	-	-	-	-
- Transfer from the Water and Sewer Operating Fund to the Water and Sewer Reserve Fund	-	41,900	-	-	-	(41,900)	-
Water and sewer	-	301,685	110,250	-	-	(24,719)	387,216
	<u>1,760,640</u>	<u>417,030</u>	<u>373,515</u>	<u>-</u>	<u>-</u>	<u>(221,064)</u>	<u>2,330,121</u>
<b>Surplus (Deficit)</b>	<u>-</u>	<u>-</u>	<u>(373,515)</u>	<u>-</u>	<u>-</u>	<u>98,886</u>	<u>(274,629)</u>

**TOWN OF HARTLAND**  
**Notes to the Consolidated Financial Statements**  
 December 31, 2020

**21. REVENUE AND EXPENDITURE SUPPORT**

	2020	2019
	(Unaudited) \$ Budget	\$ Actual
	2020	2019
<b>Revenue</b>		
Services other governments	188,170	221,670
Fire	22,000	21,751
Transportation	1,850	2,572
Lane marking	-	1,839
<b>Other own source</b>	212,020	245,993
Rentals	13,300	42,853
Licenses, permits and fines	4,000	3,970
Tourism	-	6,542
Gifts & miscellaneous	18,500	88,308
<b>Expenditures</b>	35,800	141,673
General government services	5,200	5,200
Legislative	44,950	45,171
Mayor	50,150	50,371
Councillors	110,000	196,570
Administrative	32,000	53,852
Clerk	10,000	6,000
Office building	54,190	63,006
Solicitor	206,190	319,428
Other	12,000	15,121
Financial management	218,265	218,265
External audit	11,909	11,909

**TOWN OF HARTLAND**  
**Notes to the Consolidated Financial Statements**  
 December 31, 2020

**21. REVENUE AND EXPENDITURE SUPPORT** (continued)

	2020	2019
	(Unaudited) Budget	Actual
	\$	\$
Other	5,333	774
Training and development	7,000	6,279
Public liability	11,630	11,630
Amortization	-	16,953
Interest	16,577	16,577
Cost of assessment	40,540	52,213
	308,880	437,133
Protective services		
Fire	3,200	3,200
Administration	49,500	61,362
Firefighting force	34,000	24,645
Alarm system	52,745	127,618
Equipment and supplies	60,000	60,500
Water purchased	40,000	250
Training and development	40,000	35,517
Station and building	110,750	110,750
Amortization	390,195	423,842
Police		
R.C.M.P.	227,718	227,718
Station and building	-	-
	227,718	227,718
Emergency measures	5,000	-
Other		
Animal control	2,760	2,400
Interest	6,466	17,555
	9,226	19,955
	632,139	671,515
	12,581	12,581
	5,006	7,575
	223,397	223,397
	109	109
	223,288	223,288
	384,944	384,944
	3,000	50,314
	23,594	124,546
	58,450	6,742
	22,548	95,750
	325,205	325,205

**TOWN OF HARTLAND**  
**Notes to the Consolidated Financial Statements**  
 December 31, 2020

**21. REVENUE AND EXPENDITURE SUPPORT** (continued)

	2020	2019
	(Unaudited) Budget	Actual
	\$	\$
Transportation services	102,500	109,376
Common services	45,000	55,881
Administration	35,000	19,149
General equipment	182,500	225,933
Workshop and building	45,000	184,406
Roads and streets	45,000	36,927
Summer maintenance	-	8,076
Culverts	75,500	24,025
Snow removal	35,000	38,195
Street lighting	1,500	1,261
Street signs	5,000	-
Traffic lane marking	107,285	107,285
Amortization	20,734	15,814
Interest	290,019	231,583
Environmental health services	472,519	457,516
Collection	75,500	83,475
Environmental development services	-	2,954
Industrial parks and commissions	7,470	33,142
Tourism	-	892
Tourism promotion	7,000	4,079
Beautification and land rehabilitation	42,500	27,441
Community planning and development	12,000	12,000
Amortization	-	303
Interest	68,970	80,811
	82,945	66,150

21. REVENUE AND EXPENDITURE SUPPORT (continued)

	2020	2019
	(Unaudited) Budget	Actual
	\$	\$
Recreation and cultural services	57,656	97,511
Administration	50,070	45,365
Swimming pool	42,948	45,365
Arena	215,000	205,932
Parks and playgrounds	574	5,256
Library	36,997	41,884
Other	3,000	-
Amortization	21,600	21,600
Interest	-	-
384,897	433,435	417,548
Water and sewer	-	4,891
Purification and treatment	-	5,402
Water Supply	-	5,402
Source of supply	69,200	56,672
Transmission and distribution	74,000	70,206
Amortization	66,150	66,150
Interest	9,267	4,462
218,617	182,326	202,892
Sewer collection and disposal	59,161	38,439
Collection system	59,160	38,439
Treatment and disposal	44,100	44,100
Amortization	44,100	44,100
Interest	6,178	2,975
168,599	113,357	123,953
387,216	295,683	326,845