

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

INDEX

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	3
Consolidated Statement of Operations and Accumulated Surplus	4
Consolidated Statement of Changes in Net Debt	5
Consolidated Statement of Cash Flows	6
Notes to the Consolidated Financial Statements	7 - 17
Schedule 1 - Schedule of Segment Disclosures	18
Schedule 2 - Consolidated Schedule of Revenues	19
Schedule 3 - Consolidated Schedule of Expenses	20 - 22
Schedules of Regulatory Reporting Requirements	23 - 26



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INDEPENDENT AUDITORS' REPORT

To His Worship the Mayor and Members of Town Council of the The Municipality of the Town of Sackville:

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of the The Municipality of the Town of Sackville, which comprise the consolidated statement of financial position as at December 31, 2020 and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis of 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 Municipality 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 opinion.

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

Members of Council and Management are responsible for the preparation and fair presentation of the financial statements in accordance with Public Sector Accounting Standards, 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' 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 Municipality'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 municipality'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 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 Municipality 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.

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

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

Riverview, NB
April 12, 2021



Chartered Professional Accountants

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash in bank (Note 3)	\$ 2,395,436	\$ 1,586,204
Receivables (Note 4)	<u>1,304,633</u>	<u>1,201,718</u>
	<u>3,700,069</u>	<u>2,787,922</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	\$ 1,714,801	\$ 2,048,950
Long-term debt (Note 6)	<u>11,227,000</u>	<u>12,367,000</u>
	<u>12,941,801</u>	<u>14,415,950</u>
Net debt	<u>(9,241,732)</u>	<u>(11,628,028)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	54,480,380	55,336,671
Inventories of materials and supplies	321,510	296,716
Prepaid expenses and deposits	<u>13,829</u>	<u>21,208</u>
	<u>54,815,719</u>	<u>55,654,595</u>
Accumulated surplus	<u>\$ 45,573,987</u>	<u>\$ 44,026,567</u>

APPROVED BY:



Mayor



Clerk

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020 Budget (Unaudited)	2020 Actual	2019 Actual
Revenue (Schedule 2)			
Property tax warrant	\$ 10,255,924	\$ 10,255,924	\$ 9,900,318
Unconditional transfers from the Provincial Government	67,548	67,548	65,757
Other contributions and government transfers	1,082,002	1,081,925	3,095,059
Sales of services	683,650	585,263	706,799
Other revenue from own sources	167,473	142,370	165,275
Water and sewer revenue	<u>1,589,074</u>	<u>1,569,186</u>	<u>1,525,655</u>
Total revenue	<u>13,845,671</u>	<u>13,702,216</u>	<u>15,458,863</u>
Expenses (Schedule 3)			
General government services	1,598,465	1,438,927	1,635,373
Protective services	2,662,788	2,372,125	2,466,997
Transportation services	1,967,518	2,339,477	2,073,485
Environmental health and development services	1,456,208	1,117,497	1,303,430
Recreation and cultural services	1,045,551	913,216	1,015,074
Water supply	789,327	682,949	647,818
Sewer collection and disposal	480,474	355,961	356,433
Amortization of tangible capital assets (Note 9)	2,632,987	2,632,987	2,553,105
Interest expense and miscellaneous	<u>326,449</u>	<u>301,657</u>	<u>339,937</u>
Total expenses	<u>12,959,767</u>	<u>12,154,796</u>	<u>12,391,652</u>
Annual surplus	\$ <u>885,904</u>	1,547,420	3,067,211
Accumulated surplus at beginning of year		<u>44,026,567</u>	<u>40,959,356</u>
Accumulated surplus at end of year		\$ <u>45,573,987</u>	\$ <u>44,026,567</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020 Budget	2020	2019
Annual surplus	\$ <u>885,904</u>	\$ <u>1,547,420</u>	\$ <u>3,067,211</u>
Acquisition of tangible capital assets	(1,677,000)	(4,879,605)	(4,552,615)
Amortization of tangible capital assets	2,632,987	2,632,987	2,553,105
Loss (gain) on sale of tangible capital assets	-	(23,060)	88
Proceeds on sale of tangible capital assets	-	99,200	14,811
Transfer of assets under construction	<u>-</u>	<u>3,026,769</u>	<u>94,805</u>
	<u>955,987</u>	<u>856,291</u>	<u>(1,889,806)</u>
Change in inventories of materials and supplies	-	(24,794)	(7,763)
Change in prepaid expenses and deposits	<u>-</u>	<u>7,379</u>	<u>57,226</u>
	<u>-</u>	<u>(17,415)</u>	<u>49,463</u>
Change in net debt	1,841,891	2,386,296	1,226,868
Net debt at beginning of year	<u>(11,628,028)</u>	<u>(11,628,028)</u>	<u>(12,854,896)</u>
Net debt at end of year	\$ <u>(9,786,137)</u>	\$ <u>(9,241,732)</u>	\$ <u>(11,628,028)</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	2020	2019
Operating transactions		
Annual surplus	\$ 1,547,420	\$ 3,067,211
Amortization of tangible capital assets	2,632,987	2,553,105
Loss (gain) on sale of tangible capital assets	(23,060)	88
Change in receivables	(102,915)	498,286
Change in accounts payable and accrued liabilities	(334,149)	331,361
Change in inventories of materials and supplies	(24,794)	(7,763)
Change in prepaid expenses and deposits	<u>7,379</u>	<u>57,226</u>
Cash provided by operating transactions	<u>3,702,868</u>	<u>6,499,514</u>
Capital transactions		
Acquisition of tangible capital assets	(4,879,605)	(4,552,615)
Change in assets under construction	3,026,769	94,805
Proceeds on sale of tangible capital assets	<u>99,200</u>	<u>14,811</u>
Cash applied to capital transactions	<u>(1,753,636)</u>	<u>(4,442,999)</u>
Financing transactions		
Proceeds from long-term debt issue	340,000	554,000
Long-term debt repayment	<u>(1,480,000)</u>	<u>(1,382,000)</u>
Cash applied to financing transactions	<u>(1,140,000)</u>	<u>(828,000)</u>
Increase in cash and cash equivalents	809,232	1,228,515
Cash and cash equivalents at beginning of year	<u>1,586,204</u>	<u>357,689</u>
Cash and cash equivalents at end of year	\$ <u>2,395,436</u>	\$ <u>1,586,204</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

Purpose of organization

The Municipality of the Town of Sackville, New Brunswick (the "Town") is incorporated and operates under the provisions of the Province of New Brunswick Municipalities Act. As a municipality the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act as a Public Service Body.

The Town provides municipal services such as police, fire, public works, engineering, parks and recreation, community development and other general government operations.

1. Adoption of new and revised standards and interpretations

At the date of authorization of these financial statements, the accounting standards board of Canada has issued the following new and revised standards, amendments and interpretations which are not yet effective during the period covered by these financial statements.

Public Sector (PS) 3400 Revenue is a new section that establishes standards on how to account for and report on revenue. Specifically, it differentiates between revenue arising from transactions that include performance obligations and transactions that do not have performance obligations. PS 3400 is effective for reporting periods beginning on or after April 1, 2023.

PS 3280 Asset Retirement Obligations establishes standards on how to account for and report a liability for asset retirement obligations. This section assists in determine what qualifies as, and how to account for, an Asset Retirement Obligation. PS 3280 is effective for reporting periods beginning on or after April 1, 2022.

PS 3450 Financial Instruments establishes standards on how to account for and report all types of financial instruments including derivatives. Financial instruments include primary instruments (such as receivables, payables and equity instruments) and derivative financial instruments (such as financial options, futures and forwards, interest rate swaps and currency swaps). PS 3450 is effective for reporting periods beginning on or after April 1, 2022.

The municipality is currently assessing the potential impact on its financial statements of the above standards. The municipality expects the adoption of PS 3400 and 3450 may have an impact on its financial statements, but it is not expected to be material. The municipality expects there to be no material impact on the financial statement for the other standards to be adopted.

There are no other Public Sector standards that are not yet effective that would be expected to have a material impact on the municipality's future financial statements.

2. Summary of significant accounting policies

The consolidated financial statements of the Municipality of the Town of Sackville, New Brunswick 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 consolidated 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.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. Summary of significant accounting policies (continued)

The significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

These 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.

(b) Budget

The budget figures contained in these consolidated financial statements were approved by council on December 9, 2019 and the Minister of Local Government approved the Operating budgets on January 6, 2020.

(c) 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 amounts 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 annual surplus in the period in which they become known. Actual results may differ from those estimates. Estimates are used when accounting for certain items such as allowance for doubtful accounts and the useful life of tangible capital assets.

(d) Financial instruments

The Town's financial instruments consist of cash in bank, receivable, accounts payable and accrued liabilities 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 Town is subject to credit risk through accounts receivable. The Town maintains a provision for credit losses, and minimizes credit risk through on-going credit management.

(e) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. Summary of significant accounting policies (continued)

(f) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired. In addition, all funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenues until used for the purpose specified.

(g) Employee future benefits

Employees may carry forward unused sick leave throughout their employment. This sick leave vests to the employees as detailed in Note 7, and as such the Town is required to compensate employees for unused amounts upon leaving employment with the Town.

(h) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net debt for the year.

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:

Land	Not amortized
Land improvements	5 - 25 years
Buildings	20 - 60 years
Vehicles and equipment	5 - 25 years
Roads, streets, sidewalks and culverts	10 - 50 years
Water and sewer pipes	30 - 100 years

Assets under construction

Assets under construction are not amortized until the asset is available for productive use.

Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value and as revenue at the date of receipt. Fair value is determined by the Town's engineering staff using current expected construction costs of similar assets.

Inventories of materials and supplies

Inventories of materials and supplies consist mainly of parts and road maintenance materials and are valued at the lower of cost and net realizable value.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. Summary of significant accounting policies (continued)

(i) Reserve funds

Under the Province of New Brunswick Local Governance Act, Council may establish discretionary reserves for each type of its operating and capital funds. In addition, the Community Planning Act requires that a statutory Land Reserve be established and maintained for the purpose of acquiring and developing land held for public purposes.

Certain amounts, as approved by Town Council, are set aside in reserve funds for future operating and capital purposes. Transfers to and from reserve funds are recorded as an adjustment to accumulated surplus of that fund. Note 2 included in the Schedules of Regulatory Requirements is included to show the reserve fund balances as supplementary information.

(j) Segmented information

The Town of Sackville 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:

Recreation and cultural services

The department is responsible for the maintenance and operation of recreational and cultural facilities, including swimming pools, arena, parks and playgrounds and other recreational and cultural facilities.

General government services

This department is responsible for the overall governance and financial administration of the Municipality. 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 and development services

This department is responsible for the provision of waste collection and disposal, planning and zoning, community development, tourism and other municipal development and promotion services.

The department is responsible for the maintenance and operation of recreational and cultural facilities, including swimming pools, arena, parks and playgrounds and other recreational and cultural facilities.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

2. Summary of significant accounting policies (continued)

(j) Segmented information (continued)

Water and wastewater system

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks.

(k) Revenue recognition

Warrant revenue represents annual property tax levy administered and collected by the Province of New Brunswick on behalf of all New Brunswick Municipalities for municipal services.

Government Transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria have been met by the Town, and a reasonable estimate of the amount to be received can be made.

Sale of services and other charge revenue including sales of services, licences and permits, fines, other, and water and wastewater are recorded on an accrual basis and recognized as earned which is usually when services are provided or facilities are utilized.

Other revenues are recorded when it is earned, and collection is reasonably assured.

(l) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, provided the transfers are authorized, all eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers received for which expenses are not yet incurred are included in deferred government transfers.

(m) Expense recognition

Expenses are recognized in the period that the goods and services were acquired and a liability was incurred. Expenses are recorded on an accrual basis.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

3. Cash in bank

	2020	2019
Cash - restricted	\$ 2,472,841	\$ 1,089,867
Cash (bank indebtedness) - unrestricted	<u>(77,405)</u>	<u>496,337</u>
	<u>\$ 2,395,436</u>	<u>\$ 1,586,204</u>

Restricted cash

Included in cash amounts in the consolidated financial statements are funds restricted by the Town for specific use. Restricted cash and receivables is as follows:

	2020	2019
General Operating Reserve	\$ 201,611	\$ 101,082
General Capital Reserve	1,728,710	608,239
General Parkland Reserve	1,307	1,300
Utility Capital Reserve	<u>541,213</u>	<u>379,246</u>
	<u>\$ 2,472,841</u>	<u>\$ 1,089,867</u>

4. Receivables

	2020	2019
Trade receivables - General operating	\$ 528,333	\$ 461,879
Water and sewer receivables - Utility operating	195,402	136,657
Water and sewer accruals - Utility operating	383,845	380,905
Water and sewer non-connected accounts - Utility operating	161,326	142,820
HST receivable	210,865	211,547
Allowance for doubtful accounts	<u>(175,138)</u>	<u>(132,090)</u>
	<u>\$ 1,304,633</u>	<u>\$ 1,201,718</u>

5. Accounts payable and accrued liabilities

	2020	2019
Accounts payable	\$ 1,462,568	\$ 1,456,722
Contractors' holdbacks	219,023	553,406
Interest on long-term debt	<u>33,210</u>	<u>38,822</u>
	<u>\$ 1,714,801</u>	<u>\$ 2,048,950</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

6. Long-term debt

New Brunswick Municipal Finance Corporation

Interest rate and due dates	Debenture #	2020	2019
1.5% to 4.55% due 2020	BC-12	\$ -	\$ 67,000
1.5% to 4.55% due 2020	BC-13	-	229,000
1.65% to 4.25% due 2021	BE-16	478,000	581,000
1.35% to 3.1% due 2022	BH-25	81,000	119,000
2% due 2032	FCM 10346 1-2012	5,965,000	6,401,000
1.55% to 4.15% due 2034	BK-11	1,732,000	1,852,000
1.15% to 3.45% due 2024	BK-12	158,000	195,000
0.95% to 2.8% due 2025	BM-16	652,000	797,000
0.95% to 2.8% due 2025	BM-17	50,000	76,000
1.45% to 2.9% due 2026	BO-20	153,000	182,000
1.45% to 2.9% due 2026	BO-21	236,000	291,000
1.2% to 2.7% due 2027	BQ-17	259,000	309,000
2.1% to 3.45% due 2028	BT-15	630,000	714,000
2.00% to 2.85% due 2029	BV-14	237,000	260,000
2.00% to 2.85% due 2029	BV-15	256,000	294,000
0.9% to 2.05% due 2030	BX-19	340,000	-
		<u>\$ 11,227,000</u>	<u>\$ 12,367,000</u>

The above debentures outstanding by fund are as follows:

Utility Capital Fund	\$ 2,488,000	\$ 2,808,000
General Capital Fund	<u>8,739,000</u>	<u>9,559,000</u>
	<u>\$ 11,227,000</u>	<u>\$ 12,367,000</u>

Principal repayments required during the next five years are as follows:

2021	1,603,000
2022	1,119,000
2023	1,079,000
2024	1,077,000
2025	998,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debenture debt reported and all the long-term debt has been approved by Order-in-Council of the Provincial Legislature. The repayment shown above for 2021 includes an amount of \$374,000 to be refinanced on May 27, 2021 for a period not to exceed 10 years.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

7. Accrued sick leave obligation

The town and its employees operate under a collective bargaining agreement with CUPE Local 1188 effective January 1, 2016 to December 31, 2021.

Under the terms of the contract with the employees, the Town is required to pay each employee a percentage of their accumulated sick leave up to a maximum of 120 days, on termination of employment. The amount of this sick leave, which has vested to the employees is as follows:

	2020	2019
General Operating Fund	\$ 461,240	\$ 427,197
Utility Operating Fund	<u>98,204</u>	<u>98,313</u>
	<u>\$ 559,444</u>	<u>\$ 525,510</u>

The amounts above have been included in accounts payable and accrued liabilities in Note 5.

8. Employee Pension Plan:

Under the the terms of the contract with the employees, the Town is part of a defined contribution pension plan. Employees contributions are matched by the Town and fully funded in the year the obligations are incurred. The pension plan is administered and maintained by Great-West Life. The Town has no other obligations in the future under this plan.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
DECEMBER 31, 2020

9. Schedule of Tangible Capital Assets

	Land	Land Improvements	Buildings	Assets Under Construction	Vehicles and Equipment	Roads Streets Sidewalks Culverts	Water and Sewer Buildings	Water and Sewer Pipes	Total
Cost									
Balance, beginning of year	\$ 1,372,878	\$ 3,896,653	\$ 22,232,821	2,784,198	\$ 7,009,721	\$ 24,413,288	\$ 9,066,608	\$ 23,123,700	\$ 93,899,867
Add:									
Additions during the year	-	186,854	46,297	275,062	653,787	3,515,701	35,765	166,139	4,879,605
Less:									
Disposals during the year	-	-	-	(3,026,769)	(219,168)	(92,889)	-	(11,058)	(3,349,884)
Balance, end of year	<u>1,372,878</u>	<u>4,083,507</u>	<u>22,279,118</u>	<u>32,491</u>	<u>7,444,340</u>	<u>27,836,100</u>	<u>9,102,373</u>	<u>23,278,781</u>	<u>95,429,588</u>
Accumulated amortization									
Balance, beginning of year	-	1,876,380	7,903,198	-	3,650,622	10,290,835	4,269,592	10,572,569	38,563,196
Add:									
Amortization during the year	-	177,326	784,203	-	369,651	732,493	224,465	344,849	2,632,987
Less:									
Accumulated amortization on disposals	-	-	-	-	(143,778)	(92,889)	-	(10,308)	(246,975)
Balance, end of year	<u>-</u>	<u>2,053,706</u>	<u>8,687,401</u>	<u>-</u>	<u>3,876,495</u>	<u>10,930,439</u>	<u>4,494,057</u>	<u>10,907,110</u>	<u>40,949,208</u>
Net Book Value of Tangible Capital Assets December 31, 2020	<u>\$ 1,372,878</u>	<u>\$ 2,029,801</u>	<u>\$ 13,591,717</u>	<u>\$ 32,491</u>	<u>\$ 3,567,845</u>	<u>\$ 16,905,661</u>	<u>\$ 4,608,316</u>	<u>\$ 12,371,671</u>	<u>\$ 54,480,380</u>
Net Book Value of Tangible Capital Assets December 31, 2019	<u>\$ 1,372,878</u>	<u>\$ 2,020,273</u>	<u>\$ 14,329,623</u>	<u>\$ 2,784,198</u>	<u>\$ 3,359,099</u>	<u>\$ 14,122,453</u>	<u>\$ 4,797,016</u>	<u>\$ 12,551,131</u>	<u>\$ 55,336,671</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

10. Short-term borrowings compliance

Interim borrowing for capital

Bank overdrafts are amounts due to the bank with interest payable on a monthly basis at prime (at December 31, 2020 - 2.45%) These amounts are secured by resolutions signed by the Municipal Capital Borrowing Board, Province of New Brunswick. Under the resolutions, the Town has orders in council (OIC) amounts available of \$676,000 and \$909,000 for the General Capital and Utility Capital Funds respectively.

		General Capital	Utility Capital	Total
OIC# 18-0002	January 8, 2018	\$ 538,000	\$ -	\$ 538,000
OIC# 19-0008	February 11, 2019	138,000	447,000	585,000
OIC# 20-0002	February 10, 2020	<u>-</u>	<u>462,000</u>	<u>462,000</u>
		<u>\$ 676,000</u>	<u>\$ 909,000</u>	<u>\$ 1,585,000</u>

As of December 31, 2020 the Town's temporary advances net of amounts receivable in the general and utility capital funds were within its limits in accordance with the Province of New Brunswick Local Governance Act.

Operating borrowing

As prescribed in the Province of New Brunswick Local Governance Act, the borrowing to finance its 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 Town's operating budget.

The outstanding amounts of overdrafts in operating funds were as follows:

General Operating	Utility Operating
<u>\$ -</u>	<u>\$ 27,080</u>

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 the next year unless the borrowing is for a capital project. The amounts payable between funds are in compliance with the requirements.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

11. Subsequent event

In the 2020 year, the Federal Government implemented the Safe Restart Agreement which is a federal investment of more than \$19 billion to help provinces and territories safely restart their economies affected by the COVID-19 global pandemic. The Province received \$41 million under the municipal stream agreement. In the 2020 year, the province approved funding of \$1,930,000 in Phase 1 for municipalities with public transit and \$11,162,849 in Phase 2 for municipalities that had incurred qualifying expenses as per provincial guidelines. On February 8, 2021, the Province announced Phase 3 of this funding, in the amount of \$28,038,150, which will be paid out to all municipalities on a per capita basis in the 2021 year. The Town received \$21,739 of Phase 2 funding in the 2020 fiscal year and will receive \$289,398 under Phase 3. As the Phase 3 funding was not authorized until the 2021 fiscal year, it was not recognized as revenue in these statements.

12. COVID-19 Impact

On March 11, 2020 the World Health Organization categorized COVID-19 as a pandemic. The potential economic impact within the Town's environment and in the global markets due the effects of the pandemic were unknown at that time. Since that date, the Town still faces uncertainty relating to the eventual effect on the Town's operations as a result of COVID-19. To date the Town has put in place all measures they believe are necessary to mitigate the risks associated with the pandemic. The Town has reviewed the possible financial impacts of COVID-19, and have found there is currently no effect to credit risk, or impaired assets.

As the pandemic is ongoing, it is currently uncertain as to what the future impact will be on the Town's financial results.

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SCHEDULE OF SEGMENT DISCLOSURES
DECEMBER 31, 2020

Schedule 1

Revenue	General Government	Protective	Transportation	Environmental Health & Development	Recreational and Cultural	Water & Sewer	Total 2020	Total 2019
Property tax warrant	\$ 3,484,320	\$ 2,730,449	\$ 1,871,472	\$ 1,461,896	\$ 707,787	\$ -	\$ 10,255,924	\$ 9,900,318
Unconditional transfers from the Provincial Government	22,949	17,983	12,326	9,628	4,662	-	67,548	65,757
Other contributions and government transfers	-	111,683	970,242	-	-	-	1,081,925	3,095,059
Sales of services	-	340,499	18,340	-	226,424	-	585,263	706,799
Other revenue from own sources	18,989	5,425	-	-	-	117,956	142,370	165,275
Water and sewer revenue	-	-	-	-	-	1,569,186	1,569,186	1,525,655
Total revenue	<u>3,526,258</u>	<u>3,206,039</u>	<u>2,872,380</u>	<u>1,471,524</u>	<u>938,873</u>	<u>1,687,142</u>	<u>13,702,216</u>	<u>15,458,863</u>
Expenses								
Salaries and benefits	724,278	293,703	1,057,191	457,688	452,874	560,061	3,545,795	3,628,028
Goods and services	714,650	2,078,421	1,282,286	659,809	460,342	478,850	5,674,358	5,868,646
Amortization, disposals and transfers	550,608	126,078	922,027	-	421,278	612,995	2,632,986	2,553,105
Interest	22	202,994	6,246	14,339	45	78,011	301,657	341,873
	<u>1,989,558</u>	<u>2,701,196</u>	<u>3,267,750</u>	<u>1,131,836</u>	<u>1,334,539</u>	<u>1,729,917</u>	<u>12,154,796</u>	<u>12,391,652</u>
Surplus (deficit)	\$ <u>1,536,700</u>	\$ <u>504,843</u>	\$ <u>(395,370)</u>	\$ <u>339,688</u>	\$ <u>(395,666)</u>	\$ <u>(42,775)</u>	\$ <u>1,547,420</u>	\$ <u>3,067,211</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED SCHEDULE OF REVENUES
DECEMBER 31, 2020

Schedule 2

	2020 Budget (Unaudited)	2020 Actual	2019 Actual
Other contributions and government transfers			
Department of transportation and infrastructure	\$ 264,699	\$ 264,699	\$ 80,609
Gas tax program	367,683	367,683	781,441
Grants from outside sources	235,806	235,806	2,045,270
Safe restart funding	21,739	21,739	-
Fire-local service district	111,684	111,684	98,228
Roads and streets	75,391	75,381	85,150
Lane marking	5,000	4,933	4,361
	<u>\$ 1,082,002</u>	<u>\$ 1,081,925</u>	<u>\$ 3,095,059</u>
Sales of services			
Swimming pools	\$ 4,700	\$ 604	\$ 1,313
Skating rinks and arenas	284,700	190,868	284,112
Other recreational programs	43,750	34,951	68,519
RCMP building lease	340,500	340,500	340,500
Other - culverts, curb cutting	10,000	18,340	12,355
	<u>\$ 683,650</u>	<u>\$ 585,263</u>	<u>\$ 706,799</u>
Other revenue from own sources			
Licences and permits			
Building	\$ 75,000	\$ 18,887	\$ 47,653
Animal	7,500	7,850	7,695
Fines			
Municipal By-Law	15,000	5,425	16,986
Other			
Miscellaneous	21,000	42,404	27,505
Gain (loss) on disposal of assets	-	23,060	(88)
Return on investments			
Interest on cash in bank	1,000	-	2,450
Interest on past due accounts	42,000	38,771	41,072
Interest on reserve funds	5,973	5,973	22,002
	<u>\$ 167,473</u>	<u>\$ 142,370</u>	<u>\$ 165,275</u>
Water and sewer revenue			
Water user charges - residential	\$ 496,408	\$ 615,850	\$ 558,652
- other	342,272	231,726	266,656
Sewer user charges - residential	416,336	452,306	444,932
- other	277,558	172,295	190,831
Sprinkler and hydrants	31,000	31,834	30,672
Water and sewer other revenue	25,500	65,175	33,912
	<u>\$ 1,589,074</u>	<u>\$ 1,569,186</u>	<u>\$ 1,525,655</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED SCHEDULE OF EXPENSES
DECEMBER 31, 2020

Schedule 3

	2020 Budget (Unaudited)	2020 Actual	2019 Actual
General government services			
Legislative			
Mayor	\$ 40,324	\$ 19,379	\$ 30,502
Councilors	<u>140,635</u>	<u>107,996</u>	<u>123,343</u>
	<u>180,959</u>	<u>127,375</u>	<u>153,845</u>
Administrative			
Manager	330,804	320,577	308,033
Office building	153,706	156,072	151,725
Solicitor	60,000	23,525	31,730
Other	<u>235,858</u>	<u>188,549</u>	<u>229,833</u>
	<u>780,368</u>	<u>688,723</u>	<u>721,321</u>
Financial and Human Resources			
Administrative	213,094	179,622	219,386
Accounting and human resources	<u>50,090</u>	<u>96,941</u>	<u>110,753</u>
	<u>263,184</u>	<u>276,563</u>	<u>330,139</u>
Other General Government Services			
Other general government services	171,954	146,264	224,904
Public liability insurance premiums	<u>202,000</u>	<u>200,002</u>	<u>205,164</u>
	<u>373,954</u>	<u>346,266</u>	<u>430,068</u>
	<u>\$ 1,598,465</u>	<u>\$ 1,438,927</u>	<u>\$ 1,635,373</u>
Protective services			
Police			
Station and building	\$ 151,272	\$ 147,687	\$ 145,906
RCMP	1,572,705	1,350,450	1,437,208
Other	<u>137,866</u>	<u>109,263</u>	<u>118,773</u>
	<u>1,861,843</u>	<u>1,607,400</u>	<u>1,701,887</u>
Fire			
Administration and volunteers	198,901	191,168	188,308
Training and development	22,000	12,411	18,952
Station and building	183,347	172,100	178,262
Firefighting equipment	79,000	95,887	80,275
Other	<u>54,790</u>	<u>36,646</u>	<u>29,165</u>
	<u>538,038</u>	<u>508,212</u>	<u>494,962</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2020

Schedule 3

	2020 Budget (Unaudited)	2020 Actual	2019 Actual
Protective services (continued)			
Other			
Bylaw enforcement	232,507	230,547	245,229
Animal and pest control	<u>30,400</u>	<u>25,966</u>	<u>24,919</u>
	<u>262,907</u>	<u>256,513</u>	<u>270,148</u>
	<u>\$ 2,662,788</u>	<u>\$ 2,372,125</u>	<u>\$ 2,466,997</u>
Transportation services			
Common Services			
Administration	\$ 1,035,980	\$ 1,101,228	\$ 1,013,516
General equipment	<u>85,000</u>	<u>85,177</u>	<u>102,824</u>
Workshops, yard and other buildings	<u>132,538</u>	<u>155,152</u>	<u>161,690</u>
	<u>1,253,518</u>	<u>1,341,557</u>	<u>1,278,030</u>
Road transport			
Roads and streets			
Summer maintenance	278,500	295,597	269,047
Department of transportation and infrastructure streets	-	311,376	94,834
Snow and ice removal	<u>239,000</u>	<u>190,584</u>	<u>241,426</u>
	<u>517,500</u>	<u>797,557</u>	<u>605,307</u>
Street lighting	<u>163,500</u>	<u>162,675</u>	<u>160,606</u>
Traffic services			
Street signs	7,500	8,715	1,886
Traffic lane marking	15,000	17,418	17,256
Traffic signals	<u>10,500</u>	<u>11,555</u>	<u>10,400</u>
	<u>33,000</u>	<u>37,688</u>	<u>29,542</u>
	<u>\$ 1,967,518</u>	<u>\$ 2,339,477</u>	<u>\$ 2,073,485</u>
Environmental health and development services			
Environmental health services			
Garbage and waste collection	\$ 227,465	\$ 229,014	\$ 214,053
Landfill costs	<u>123,439</u>	<u>122,787</u>	<u>107,954</u>
	<u>350,904</u>	<u>351,801</u>	<u>322,007</u>
Environmental development services			
Wages and benefits	541,612	449,861	517,452
Community development agency	441,515	231,583	367,535
Economic development and tourism	<u>122,177</u>	<u>84,252</u>	<u>96,436</u>
	<u>1,105,304</u>	<u>765,696</u>	<u>981,423</u>
	<u>\$ 1,456,208</u>	<u>\$ 1,117,497</u>	<u>\$ 1,303,430</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
CONSOLIDATED SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2020

Schedule 3

	2020 Budget (Unaudited)	2020 Actual	2019 Actual
Recreation and cultural services			
Wages and benefits	\$ 525,088	\$ 452,874	\$ 483,136
Community centres and halls	6,000	-	6,000
Swimming pools	30,700	18,415	29,055
Rinks and arenas	282,400	245,249	314,590
Parks and playgrounds	158,880	157,489	143,117
Library	<u>42,483</u>	<u>39,189</u>	<u>39,176</u>
	<u>\$ 1,045,551</u>	<u>\$ 913,216</u>	<u>\$ 1,015,074</u>
Water supply			
Administration	\$ 133,733	\$ 101,863	\$ 83,884
Power and pumping	600,190	536,061	535,715
Other	<u>55,404</u>	<u>45,025</u>	<u>28,219</u>
	<u>\$ 789,327</u>	<u>\$ 682,949</u>	<u>\$ 647,818</u>
Sewer collection and disposal			
Administration	\$ 133,733	\$ 99,952	\$ 84,272
Sewer lift stations	284,393	196,393	231,089
Other	<u>62,348</u>	<u>59,616</u>	<u>41,072</u>
	<u>\$ 480,474</u>	<u>\$ 355,961</u>	<u>\$ 356,433</u>
Interest and miscellaneous			
Interest on bank overdraft	\$ 25,000	\$ 2,321	\$ 12,210
Interest on long-term debt	<u>301,449</u>	<u>299,336</u>	<u>327,727</u>
	<u>\$ 326,449</u>	<u>\$ 301,657</u>	<u>\$ 339,937</u>

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2020

The Department of Local Government of New Brunswick has requested some disclosures in addition to Canadian Public Sector Accounting Standards for monitoring purposes. The Town has provided these disclosure requirements in the following pages

1. Reconciliation of Annual Surplus in Consolidated Financial Statements to Provincial Municipal Reporting Standards

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Reserve Fund	Water & Sewer Reserve Fund	Total
2020 annual fund surplus (deficit) per consolidated financial statements	\$ 3,682,368	\$ (1,936,119)	\$ 408,254	\$ (612,995)	\$ 3,945	\$ 1,967	\$ 1,547,420
<i>Adjustments to annual surplus (deficit) for funding requirements</i>							
Second previous year surplus	62,888	-	9,290	-	-	-	72,178
Transfer from operating to capital	(2,122,016)	2,122,016	(743,821)	743,821	-	-	-
Transfer from operating to reserve	(1,217,000)	(160,000)	-	-	1,217,000	160,000	-
Amortization expense	-	2,019,991	-	612,995	-	-	2,632,986
Disposal of tangible capital assets	-	64,390	-	-	-	-	64,390
Water cost transfer	(336,000)	-	336,000	-	-	-	-
Total adjustments to 2020 annual surplus (deficit)	(3,612,128)	4,046,397	(398,531)	1,356,816	1,217,000	160,000	2,769,554
2020 annual surplus (deficit)	\$ 70,240	\$ 2,110,278	\$ 9,723	\$ 743,821	\$ 1,220,945	\$ 161,967	\$ 4,316,974

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2020

2. Statement of reserves

	General Operating	General Capital	General Parkland	Gas Tax Funds	Water & Sewer Capital	Total 2020	Total 2019
<i>Assets</i>							
Cash	\$ 201,611	\$ 1,728,710	\$ 1,307	\$ -	\$ 541,213	\$ 2,472,841	\$ 1,089,867
<i>Surplus</i>							
Accumulated Surplus, beginning of year	101,082	608,240	1,300	-	379,246	1,089,868	1,171,665
Annual surplus	100,529	1,120,470	7	-	161,967	1,382,973	(81,798)
Accumulated Surplus, end of year	\$ 201,611	\$ 1,728,710	\$ 1,307	\$ -	\$ 541,213	\$ 2,472,841	\$ 1,089,867
<i>Revenue</i>							
Interest	529	3,470	7	-	1,967	5,973	22,002
Transfers from operating funds	100,000	1,117,000	-	-	160,000	1,377,000	121,200
	100,529	1,120,470	7	-	161,967	1,382,973	143,202
<i>Expenses</i>							
Transfer to operating funds	-	-	-	-	-	-	225,000
Annual surplus	\$ 100,529	\$ 1,120,470	\$ 7	\$ -	\$ 161,967	\$ 1,382,973	\$ (81,798)
<u>Name of Investment</u>	<u>Principal Amount</u>	<u>Interest Rate</u>		<u>Date of Maturity</u>			
Savings account (General Operating)	\$ 201,611	0.20% to \$749,999, 0.45% \$750,000 to \$1,499,999 and 0.60% over \$1,500,000		No maturity			
Savings account (General Capital)	\$ 1,728,710	0.20% to \$749,999, 0.45% \$750,000 to \$1,499,999 and 0.60% over \$1,500,000		No maturity			
Savings account (General Parkland)	\$ 1,307	0.20% to \$749,999, 0.45% \$750,000 to \$1,499,999 and 0.60% over \$1,500,000		No maturity			
Savings account (Water & Sewer Capital)	\$ 541,213	0.20% to \$749,999, 0.45% \$750,000 to \$1,499,999 and 0.60% over \$1,500,000		No maturity			

**THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2020**

2. Statement of reserves (continued)

Council Resolutions regarding transfers to and from reserves:

Resolution #20-212

Moved by: Councillor Michael Tower
Seconded by: Councillor Bruce Phinney

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2020, of \$100,000 from the General Operating Budget to the General Operating Reserve Fund.

Resolution #20-213

Moved by: Councillor Michael Tower
Seconded by: Councillor Bruce Phinney

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2020, of \$1,117,000 from the General Operating Budget to the General Capital Reserve Fund.

Resolution #20-214

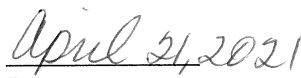
Moved by: Councillor Michael Tower
Seconded by: Councillor Bruce Phinney

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2020, of \$160,000 from the Utility Operating Budget to the Utility Capital Reserve Fund.

I hereby certify that the above are true and exact copies of resolutions adopted at a meeting of Council on December 14, 2020.



Donna Beal
Clerk
Town of Sackville


Date

THE MUNICIPALITY OF THE TOWN OF SACKVILLE
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2020

3. Reconciliation of Operating Budget to Public Sector Accounting for year ended December 31, 2020

	Operating	Amortization	Other	Transfers	Total
Revenue					
Warrant of assessment	\$ 10,255,924	\$ -	\$ -	\$ -	\$ 10,255,924
Unconditional transfers from Provincial Government	67,548	-	-	-	67,548
Other contributions and government transfers	192,075	-	889,927	-	1,082,002
Sales of services	683,650	-	-	-	683,650
Other revenue from own sources	161,500	-	5,973	-	167,473
Water and sewer revenue	1,925,074	-	-	(336,000)	1,589,074
	<u>13,285,771</u>	<u>-</u>	<u>895,900</u>	<u>(336,000)</u>	<u>13,845,671</u>
Expenses					
General government services	1,598,465	-	-	-	1,598,465
Protective services	2,998,788	-	-	(336,000)	2,662,788
Transportation services	1,967,518	-	-	-	1,967,518
Environment health and development	1,456,208	-	-	-	1,456,208
Recreation and cultural services	1,045,551	-	-	-	1,045,551
Water supply	789,327	-	-	-	789,327
Sewer collection and disposal	480,474	-	-	-	480,474
Amortization of tangible capital assets	-	2,632,987	-	-	2,632,987
Interest expense and miscellaneous	326,449	-	-	-	326,449
	<u>10,662,780</u>	<u>2,632,987</u>	<u>-</u>	<u>(336,000)</u>	<u>12,959,767</u>
Fiscal services					
Transfer from operating fund to capital fund	2,490,000	-	-	(2,490,000)	-
Transfer from operating fund to reserve fund	205,169	-	-	(205,169)	-
Second previous years' surplus	(72,178)	-	-	72,178	-
	<u>2,622,991</u>	<u>-</u>	<u>-</u>	<u>(2,622,991)</u>	<u>-</u>
	<u>13,285,771</u>	<u>2,632,987</u>	<u>-</u>	<u>(2,958,991)</u>	<u>12,959,767</u>
Annual surplus	<u>\$ -</u>	<u>\$ (2,632,987)</u>	<u>\$ 895,900</u>	<u>\$ 2,622,991</u>	<u>\$ 885,904</u>