

Consolidated Financial Statements
TOWN OF HARTLAND
December 31, 2019

INDEX SCHEDULE

AUDITORS' REPORT

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the consolidated financial statements of the Town of Hartland, which comprise the consolidated statement of financial position as at December 31, 2019 and the consolidated statements of operations, changes in net debt, and cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.

Auditor's responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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
MAY 22, 2020**

TOWN OF HARTLAND
Consolidated Statement of Operations
 Year Ended December 31, 2019

	2019	2018
	(Unaudited) Budget (Note 17) \$	Actual \$
Revenue		
Property tax warrant	1,326,655	1,315,961
Services provided to other governments	214,230	214,270
Sale of services, fines and other fees	57,200	41,677
Other revenue from own sources	20,400	39,967
Unconditional grant	31,896	31,896
Other government transfers	19	2,031
Water and sewer user fees	374,066	381,974
Interest	2,250	4,776
Other	-	2,650
Expenditures		
General government services	273,224	325,205
Protective services	598,147	620,922
Transportation services	484,968	487,417
Environmental health services	70,215	66,150
Environmental development services	69,970	82,945
Recreation and cultural services	437,260	417,548
Water and sewer	397,865	326,845
Asset management & CSO / SSO Plan	-	59,234
	2,026,716	2,045,896
	2,716,507	2,716,507
Annual surplus (deficit) (Note 15)	(304,933)	(340,370)
Accumulated surplus (deficit), beginning of year	4,909,308	4,417,029
Accumulated surplus (deficit), end of year	4,568,938	4,909,308

TOWN OF HARTLAND
Consolidated Statement of Financial Position
 As At December 31, 2019

	2019	2018
Financial assets		
Cash (Note 3)	1,130,191	684,353
Receivables		
General	29,861	34,502
Federal government and its agencies (Note 4)	19,969	93,073
Province of New Brunswick	1,839	21,751
Investments (Note 5)	10,707	10,557
	<u>1,192,567</u>	<u>844,236</u>
Liabilities		
Bank loan	206,364	268,001
Payables and accruals	328,804	72,146
Deferred revenue (Note 6)	49,432	41,829
Long term debt (Note 7)	924,000	835,000
Accrued sick leave and other benefits (Note 8)	53,481	48,884
	<u>1,562,081</u>	<u>1,265,860</u>
NET ASSETS (DEBT)	(369,514)	(421,624)
Non financial assets		
Tangible capital assets (Note 13)	12,225,216	12,225,216
Accumulated amortization	(7,286,764)	(6,925,569)
	<u>4,938,452</u>	<u>5,299,647</u>
Prepaid expenses	-	31,285
	<u>4,938,452</u>	<u>5,330,932</u>
ACCUMULATED SURPLUS	4,568,938	4,909,308

Approved by:

 Mayor

 Clerk

TOWN OF HARTLAND
Consolidated Statement of Change in Net Debt
Year Ended December 31, 2019

	2019	2018
Annual surplus (deficit)	(340,370)	492,279
Acquisition of tangible capital assets	-	(1,158,129)
Proceeds on disposal of tangible capital assets	-	4,348
Amortization of tangible capital assets	361,195	387,485
Acquisition of prepaid assets	-	(31,285)
Consumption of inventories	-	3,730
Use of prepaid assets	31,285	3,429
(Increase)/decrease in Net Assets (Debt)	52,110	(298,143)
Net Assets (Debt), beginning of the year	(421,624)	(123,481)
Net Assets (Debt), end of the year	(369,514)	(421,624)

	2019	2018
Increase (decrease) in cash and cash equivalents	\$ 2019	\$ 2018
Operating transactions		
Annual surplus (deficit)	(340,370)	492,279
Amortization of tangible capital assets	361,195	387,485
Receivable - General	4,641	25,949
Receivable - Federal Government and its agencies	73,104	(1,129)
Receivable - Province of New Brunswick	19,912	(21,751)
Inventory	-	3,730
Prepaid expenses	31,285	(27,856)
Payables and accruals	256,658	21,578
Deferred revenue	7,603	(10,673)
Accrued sick leave	4,597	(32,110)
Capital transactions	418,625	837,502
Acquisition of tangible capital assets	-	(1,158,129)
Proceeds on disposal of tangible capital assets	-	4,348
Financing transactions	(61,637)	268,001
Bank loan	89,000	199,000
Long term debt	27,363	467,001
Investing transactions	(150)	(89)
Net (decrease) increase in cash and cash equivalents	445,838	150,633
Cash and cash equivalents, beginning of the year	684,353	533,720
Cash and cash equivalents, end of the year	1,130,191	684,353

TOWN OF HARTLAND
Consolidated Statement of Cash Flow
Year Ended December 31, 2019

1. Purpose Of The Organization

The Municipality 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 Municipality 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 Municipality 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 Canadian Institute of Chartered Accountants.

The Municipality has adopted PSA as of January 1, 2011.

The focus of PSA financial statements is on the financial position of the Municipality and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Municipality.

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 Municipality and which are owned or controlled by the Municipality.

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 Municipality 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 Municipality.

Budget

The budget figures contained in these financial statements were approved by Council on December 19, 2018 and the Minister of Local Government on January 3, 2019.

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.

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 Municipality'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 Municipality 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.

The Municipality is subject to credit risk through accounts receivable. The Municipality minimizes credit risk through ongoing credit management.

Cash and cash equivalents
 Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Tangible capital assets
 Effective January 1, 2011, The Municipality adopted the provisions of PSA section 3150 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 Municipality is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality'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 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
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.

Inventory of supplies
Inventory is valued at the lower of cost and net replacement cost.

3. Cash	2019	2018
Cash – restricted	447,648	529,164
Cash – unrestricted	682,543	155,189
	1,130,191	684,353

TOWN OF HARTLAND

Notes to the Consolidated Financial Statements
December 31, 2019

4. Due From Federal Government And Its Agencies

	2019	2018
Canada Revenue Agency (HST refund)	19,969	31,434
Clean Water and Wastewater Fund	-	61,639
	<u>19,969</u>	<u>93,073</u>
	\$	\$

5. Investments

The investments consist of a guaranteed investment certificate with a maturity date of July 15, 2020 and interest rate of 1.200%.

6. Deferred Revenue

The deferred revenue consists of funds raised or donated for a proposed new arena complex in the Town (\$24,367), construction of a public washroom along the waterfront (\$25,000), and renovations to the Dr. Walter Chestnut Library (\$65).

7. Long Term Debt

	2019	2018
New Brunswick Municipal Financing Corporation Debentures	140,000	158,000
BP16 1.200% - 2.950%, due 2026, OIC #06-0018	132,000	-
BW24 1.95% - 2.45%, due 2029, OIC #17-0011	26,000	34,000
BG16 1.650% - 3.400%, due 2022, OIC #11-0077	73,000	96,000
BR16 1.65% - 2.35%, due 2022, OIC #06-0030	74,000	-
BW25 1.95% - 2.45%, due 2029, OIC #17-0011	263,000	289,000
BT14 2.100% - 3.450%, due 2028, OIC #17-0095	107,000	132,000
BT17 1.250% - 3.700%, due 2023, OIC #12-0064	109,000	126,000
BN15 1.05% - 3.15%, due 2025, OIC #13-0038	142,000	142,000
	<u>139,000</u>	<u>139,000</u>
	\$	\$
	924,000	835,000

Principal repayment for the next five years is as follows:

2020	139,000
2021	142,000
2022	144,000
2023	114,000
2024	88,000
	\$

8. Accrued Sick Leave

The Municipality provides sick leave that accumulates at 1.5 days per month for each full-time employee. All employees can accumulate 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.

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 unfunded liability was \$53,481 December 31, 2019 and \$48,884 on December 31, 2018.

9. Contingencies

In the normal course of operations, the Municipality becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2019 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 Municipality maintains insurance coverage in amounts considered appropriate.

10. Short Term Borrowings Compliance

Operating borrowing

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2019, the Municipality 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.

11. Water Cost Transfer

The Municipality'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.

12. Subsequent Event

On March 11, 2020 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. The duration and impact of COVID-19 is unknown at this time and it is not possible to reliably estimate the impact that the length and severity of these developments will have on the financial assets and conditions of the Town in future periods.

13. Schedule of Tangible Capital Assets

COST	Buildings and Infrastructure						2019 Total	2018 Total		
	Land	Buildings and leasehold improvements	Vehicles	Machinery and equipment	Roads and street	Treatment facilities			Water and Sewer	Small equipment
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	\$ 11,071,435
Add:										
Net additions during the year	-	-	-	-	-	-	-	-	-	1,158,129
Disposals during the year	-	-	-	-	-	-	-	-	-	(4,348)
Balance, end 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

ACCUMULATED AMORTIZATION

Balance, beginning of year	-	473,014	18,900	1,300,591	2,498,232	872,964	1,694,977	66,891	6,925,569	6,538,084
Amortization during the year	-	46,700	6,300	136,670	70,525	39,280	59,520	2,200	361,195	387,485
Less:										
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	519,714	25,200	1,437,261	2,568,757	912,244	1,754,497	69,091	7,286,764	6,925,569

NET BOOK VALUE OF TANGIBLE CAPITAL

Balance, end of year	\$ 362,200	\$ 651,686	\$ 25,194	\$ 1,179,889	\$ 524,953	\$ 659,242	\$ 1,525,509	\$ 9,779	\$ 4,938,452	\$ 5,299,647
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Consists of:

General Fund Assets	318,500	651,686	12,597	1,163,052	524,953	-	-	9,779	2,680,567	2,939,812
Water & Sewer Fund Assets	43,700	-	12,597	16,837	-	659,242	1,525,509	-	2,257,885	2,359,835
	362,200	651,686	25,194	1,179,889	524,953	659,242	1,525,509	9,779	4,938,452	5,299,647

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
December 31, 2019

14. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental health	Environmental development	Recreation and culture	Water and sewer	2019 Consolidated	2018 Consolidated
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Property tax warrant	187,443	410,353	332,708	48,170	48,002	299,978	-	1,326,655	1,315,961
Services provided to other governments	-	190,680	23,590	-	-	-	-	214,270	168,006
Sale of service, fines and other fees	-	-	-	-	-	41,677	-	41,677	67,757
Other revenue from own sources	39,967	-	-	-	-	-	-	39,967	40,286
Unconditional grant	4,507	9,866	7,999	1,158	1,154	7,212	-	31,896	31,980
Other government transfers	2,031	-	-	-	-	-	-	2,031	694,173
Water and sewer user fees	-	-	-	-	-	-	381,974	381,974	365,090
Interest	4,680	-	-	-	-	-	96	4,776	3,285
Other	1,150	-	-	-	-	-	1,500	2,650	29,969
	239,777	610,899	364,297	49,328	49,156	348,868	383,570	2,045,896	2,716,507
Expenses									
Salaries and benefits	162,352	273,601	106,887	-	-	183,458	63,218	789,517	723,840
Goods and services	143,440	220,002	178,740	66,150	70,945	212,490	145,941	1,037,708	921,363
Amortization	11,630	95,750	109,965	-	12,000	21,600	110,250	361,195	387,485
Interest	5,176	7,575	19,505	-	-	-	7,436	39,692	43,402
Other	61,841	23,994	72,319	-	-	-	-	158,153	148,137
	384,439	620,922	487,417	66,150	82,945	417,548	326,845	2,386,266	2,224,228
Surplus (Deficit) For The Year	(144,662)	(10,022)	(123,120)	(16,822)	(33,789)	(68,680)	56,725	(340,370)	492,279

15. Reconciliation of Annual Surplus

	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)	2019 Annual Surplus (Deficit)
Adjustments To Annual Surplus (Deficit) For Funding Requirements	(146,334)	(250,945)	166,928	(110,250)	-	182	-	47	(340,370)	
Second previous year's surplus (deficit)	60,639	-	29,099	-	-	-	-	-	89,738	
Transfers between funds										
Transfer from water & sewer operating fund to the general operating reserve fund	56,000	-	(56,000)	-	-	-	-	-	-	
Transfer from general operating fund to the general operating reserve fund	-	-	-	-	-	-	-	-	-	
Transfer from general operating fund to the general capital fund	-	-	-	-	-	-	-	-	-	
Transfer from general operating fund to the general capital reserve fund	-	-	-	-	-	-	-	-	-	
Transfer from general operating fund to the water & sewer capital fund	-	-	-	-	-	-	-	-	-	
Transfer from general reserve fund to the general operating fund	64,199	-	-	-	-	(64,199)	-	-	-	
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	(68,000)	68,000	-	-	-	-	-	-	-	
Long-term debt principal repayment	-	-	(49,000)	49,000	-	-	-	-	-	
Proceeds from disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	
Provision for sick leave accrual	3,268	-	1,329	-	-	-	-	-	4,597	
Amortization expense	-	250,945	-	110,250	-	-	-	-	361,195	
Total adjustments to 2019 annual surplus (deficit)	116,107	318,945	(74,572)	159,250	-	(64,199)	-	-	455,529	
2019 Annual Fund Surplus (Deficit)	(30,227)	68,000	92,356	49,000	-	(64,017)	-	47	115,159	

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
December 31, 2019

16. Statement of Reserves

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	2019 Total	2018 Total
	\$	\$	\$	\$	\$	\$
Assets						
Cash	28,721	297,905	-	96,590	423,216	487,335
Investments	-	10,707	-	-	10,707	10,557
	<u>28,721</u>	<u>308,612</u>	<u>-</u>	<u>96,590</u>	<u>433,922</u>	<u>477,063</u>
Accumulated Surplus (Deficit)	<u>28,721</u>	<u>308,612</u>	<u>-</u>	<u>96,590</u>	<u>433,922</u>	<u>497,892</u>
Revenue						
Transfers from Water and General Operating Funds	-	-	-	-	-	93,465
Other	-	-	-	-	-	-
Interest	-	182	-	47	230	191
	<u>-</u>	<u>182</u>	<u>-</u>	<u>47</u>	<u>230</u>	<u>93,656</u>
Expenditures	<u>(4,965)</u>	<u>(59,234)</u>	<u>-</u>	<u>-</u>	<u>(64,199)</u>	<u>(72,827)</u>
Annual Surplus (Deficit)	<u>(4,965)</u>	<u>(59,052)</u>	<u>-</u>	<u>47</u>	<u>(63,970)</u>	<u>20,829</u>
Name of Investment						
Non - Redeemable GIC	10,707	1.2000	July 15, 2020			

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
December 31, 2019

17. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Controlled Entities	Other	Transfers	Total
	\$	\$	\$	\$	\$	\$	\$
Revenues							
Property tax warrant	1,326,655	-	-	-	-	-	1,326,655
Services provided to other governments	214,230	-	-	-	-	-	214,230
Sale of service, fines and other fees	57,200	-	-	-	-	-	57,200
Other revenue from own sources	20,400	-	-	-	-	-	20,400
Unconditional grant	31,896	-	-	-	-	-	31,896
Other transfers	54,819	-	-	-	-	(54,800)	19
Water and sewer user fees	-	374,066	-	-	-	-	374,066
Interest	1,500	750	-	-	-	-	2,250
Surplus/(deficit) of second previous year	60,639	29,099	-	-	-	(89,738)	-
	1,767,339	403,915	-	-	-	(144,538)	2,026,716
Expenditures							
General government services	254,594	-	11,630	-	-	7,000	273,224
Protective services	494,950	-	95,750	-	-	7,447	598,147
Transportation services	366,500	-	109,965	-	-	8,503	484,968
Environmental health services	70,215	-	-	-	-	-	70,215
Environmental development services	57,970	-	12,000	-	-	-	69,970
Recreational and cultural services	415,660	-	21,600	-	-	-	437,260
Fiscal services							
- Long-term debt repayments	68,000	49,000	-	-	-	(117,000)	-
- Interest	32,950	11,370	-	-	-	(44,320)	-
- Unaccrued sick time	-	-	-	-	-	-	-
- Transfer from the General Operating Fund to the General Capital Reserve Fund	6,500	-	-	-	-	(6,500)	-
- Transfer from the Water and Sewer Operating Fund to the Water and Sewer Reserve Fund	-	12,500	-	-	-	(12,500)	-
Water and sewer	-	331,045	110,250	-	-	(43,430)	397,865
	1,767,339	403,915	361,195	-	-	(200,800)	2,331,649
Surplus (Deficit)	-	-	(361,195)	-	-	56,262	(304,933)

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
 December 31, 2019

18. Revenue and Expense Support

	2019	2018
	(Unaudited) Budget	Actual
	\$	\$
Revenue		
Services other governments	190,680	144,416
Fire	21,750	21,751
Transportation	1,800	1,839
Lane marking	214,230	214,270
Other own source		
Rentals	10,800	10,245
Licenses, permits and fines	1,100	5,285
Gifts & Miscellaneous	8,500	24,437
Expenditures		
General government services		
Legislative	5,200	5,200
Mayor	51,450	48,872
Councillors	56,650	54,072
Administrative		
Clerk	98,500	137,333
Office building	28,000	38,347
Solicitor	4,000	10,817
Other	21,510	31,768
Financial management		
External audit	15,600	11,909
	152,010	218,265
	146,384	146,384

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
 December 31, 2019

18. Revenue and Expense Support (continued)

	2019	2018
	(Unaudited) Budget	Actual
	Actual	Actual
Other	7,000	4,071
Training and development	6,300	6,220
Public liability	11,630	11,630
Amortization	7,000	6,223
Interest	16,644	16,510
Cost of assessment	390	-
Other expenditures	48,964	44,654
	<u>273,224</u>	<u>325,205</u>
Protective services	3,000	3,000
Fire	43,000	50,314
Administration	32,262	23,594
Firefighting force	45,600	124,546
Equipment and supplies	58,450	58,450
Water purchased	40,000	6,742
Training and development	38,350	22,548
Station and building	95,750	95,750
Amortization	356,412	384,944
Police	223,288	223,288
R.C.M.P.	-	109
Station and building	223,288	222,015
	<u>223,288</u>	<u>223,397</u>
Emergency measures	5,000	-
Other	6,000	5,006
Animal control	7,447	7,575
Interest	13,447	12,581
	<u>598,147</u>	<u>620,922</u>
	562,961	14,331

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
December 31, 2019

18. Revenue and Expense Support (continued)

	2019	2018
	(Unaudited) \$ Budget	\$ Actual
	\$ Actual	\$ Actual
Transportation services	106,000	83,401
Common services	46,600	49,471
Administration	31,700	26,687
General equipment	184,300	159,559
Workshop and building	63,000	56,462
Roads and streets	-	143
Summer maintenance	78,000	84,653
Culverts	35,000	31,999
Snow removal	1,200	284
Street lighting	5,000	-
Street signs	109,965	109,965
Traffic lane marking	8,503	19,505
Amortization	300,668	303,011
Interest	484,968	487,417
Environmental health services	70,215	66,150
Collection	-	3,709
Environmental development services	7,470	7,073
Industrial parks and commissions	5,500	1,767
Tourism	7,000	9,072
Tourism promotion	38,000	49,324
Beautification and land rehabilitation	12,000	12,000
Community planning and development	69,970	82,945
Amortization	116,170	12,000

TOWN OF HARTLAND
Notes to the Consolidated Financial Statements
 December 31, 2019

18. Revenue and Expense Support (continued)

	2019	2018
	(Unaudited) Budget	Actual
	\$	\$
Recreation and cultural services	87,130	97,511
Administration	50,070	45,365
Swimming pool	223,800	205,932
Arena	3,800	5,256
Parks and playgrounds	39,460	41,884
Library	11,400	-
Other	21,600	21,600
Amortization	437,260	417,548
Water and sewer		
Water Supply	-	5,402
Purification and treatment	94,860	56,672
Source of supply	70,167	70,206
Transmission and distribution	66,150	66,150
Amortization	6,822	4,462
Interest	237,999	202,892
Sewer collection and disposal		
Collection system	55,609	38,439
Treatment and disposal	44,100	44,100
Amortization	4,548	2,975
Interest	159,866	123,953
Total	397,865	326,845
	350,016	132,099

19. Financial Statement Reconciliation to PSAB Reporting

	Net financial assets (liabilities)
	Adjustments:
	Long-term debt
	Interim borrowing (for capital)
	Accrued sick leave: non-vesting/unfunded portion
	Other unfunded liability
	Inventory
	Prepaid expenses
	Current net assets
	Composition of current net Assets
	Prior year surplus (deficit) as of Dec. 31, 2018 - General Fund
	Prior year surplus (deficit) as of Dec. 31, 2018 - Utility Fund
	2019 Reserve Funds
	2019 Controlled Entities Equity
	Current assets in Capital Funds
	Current liabilities in Capital Funds
	Due to/from in Capital Funds
	2019 Operating Funds Surplus (Deficit)
	Current year surplus (deficit)
	2019 General Fund Operating surplus (deficit)
	2019 Utility Fund Operating surplus (deficit)
	Surplus (Deficit) Reported in Reconciling Schedule
	Variance
41,850 Fund	228
40,164 Fund	
433,922 PSAB	
- PSAB	
24,432 Fund	
(24,432) Fund	
236,035 Fund	
62,357	62,129
	(30,227) Fund
	92,356 Fund