

ROTHESAY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

ROTHESAY

DECEMBER 31, 2020

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To Her Worship The Mayor and Members of Council
Rothesay, New Brunswick

Opinion

We have audited the consolidated financial statements of Rothesay, which comprise the consolidated statement of financial position as at December 31, 2020, 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, 2020, 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 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 those 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.

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 these consolidated financial statements.

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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 ACCOUNTANTS

Saint John, NB
April 12, 2021

ROTHESAY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u> Budget (Note 27)	<u>2020</u> Actual	<u>2019</u> Actual
REVENUE			
Property tax warrant	\$ 16,492,464	\$ 16,492,476	\$ 16,043,022
Unconditional grant	128,335	128,323	122,190
Conditional government transfers (Note 28)	1,936,500	2,624,401	1,940,058
Services other governments	60,000	83,288	83,288
Sale of services (Note 28)	410,300	343,963	451,280
Other own source (Note 28)	91,150	447,775	544,801
Water and sewer user fees	2,896,789	2,894,370	2,954,811
Sundry income	<u>212,272</u>	<u>381,202</u>	<u>495,135</u>
	<u>22,227,810</u>	<u>23,395,798</u>	<u>22,634,585</u>
EXPENDITURE (Note 28)			
General government services	2,077,733	1,940,236	2,061,090
Protective services	5,058,412	5,046,052	5,057,638
Transportation services	5,407,779	5,805,606	5,811,118
Environmental health services	658,000	674,617	633,909
Environmental development services	605,940	503,204	580,575
Recreation and cultural services	2,896,539	2,807,327	3,011,998
Water and sewer services	<u>3,276,864</u>	<u>3,533,292</u>	<u>3,435,557</u>
	<u>19,981,267</u>	<u>20,310,334</u>	<u>20,591,885</u>
ANNUAL SURPLUS FOR THE YEAR	<u>\$ 2,246,543</u>	3,085,464	2,042,700
ACCUMULATED SURPLUS - BEGINNING OF YEAR		79,078,043	77,036,706
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES (Note 2)		<u>(889)</u>	<u>(1,363)</u>
ACCUMULATED SURPLUS - END OF YEAR		<u>\$ 82,162,618</u>	<u>\$ 79,078,043</u>

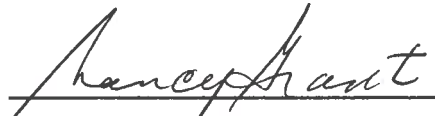
ROTHESAY

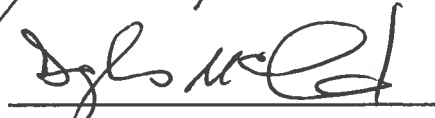
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	\$ 8,238,448	\$ 8,012,036
Accounts receivable (Note 5)	2,213,963	2,109,326
Investments (Note 10)	<u>376,705</u>	<u>356,807</u>
	<u>\$ 10,829,116</u>	<u>\$ 10,478,169</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	1,815,177	2,186,557
Deferred revenue (Note 8)	3,332,658	4,420,471
Long term debt (Note 11)	15,814,112	15,011,162
Accrued pension obligation (Note 16)	179,620	440,730
Accrued sick leave (Note 15)	290,006	305,268
Accrued retirement allowance (Note 16)	<u>992,800</u>	<u>914,763</u>
	<u>22,424,373</u>	<u>23,278,951</u>
NET DEBT	<u>(11,595,257)</u>	<u>(12,800,782)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 21)	154,359,864	149,179,306
Accumulated amortization (Note 21)	<u>(60,642,480)</u>	<u>(57,340,509)</u>
	93,717,384	91,838,797
Inventory	16,268	21,683
Prepaid expenses	22,044	15,693
Unamortized debenture costs	<u>2,179</u>	<u>2,652</u>
	<u>93,757,875</u>	<u>91,878,825</u>
ACCUMULATED SURPLUS	<u>\$ 82,162,618</u>	<u>\$ 79,078,043</u>
CONTINGENT LIABILITY (Note 17)		
COMMITMENT (Note 18)		

APPROVED BY:


 _____ Mayor


 _____ Town Treasurer

ROTHESAY

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
Annual surplus	\$ 3,085,464	\$ 2,042,700
Acquisition of tangible capital assets	(6,618,579)	(6,882,556)
Proceeds on disposal of tangible capital assets	77,308	3,111
Amortization of tangible capital assets	4,523,157	4,379,961
Change in ownership of tangible capital assets	1,699	2,787
Loss on disposal of tangible capital assets	<u>137,828</u>	<u>192,791</u>
	1,206,877	(261,206)
Acquisition of inventories	(16,268)	(21,683)
Acquisition of prepaid assets	(22,044)	(15,693)
Acquisition of unamortized debenture costs	(2,179)	(2,652)
Consumption of inventories	21,683	29,642
Use of prepaid assets	15,693	54,698
Consumption of unamortized debenture costs	<u>2,652</u>	<u>3,125</u>
	1,206,414	(213,769)
Change in ownership of controlled entities	<u>(889)</u>	<u>(1,363)</u>
Increase (decrease) in net debt	1,205,525	(215,132)
Net debt - beginning of year	<u>(12,800,782)</u>	<u>(12,585,650)</u>
Net debt - end of year	<u>\$ (11,595,257)</u>	<u>\$ (12,800,782)</u>

APPROVED BY:

 _____ Mayor

 _____ Town Treasurer

ROTHESAY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	\$ 3,085,464	\$ 2,042,700
Loss on disposal of tangible capital assets	137,828	192,791
Amortization of tangible capital assets	4,523,157	4,379,961
Accounts receivable	(104,637)	(86,444)
Accounts payable and accrued liabilities	(371,380)	332,795
Deferred revenue	(1,087,813)	410,072
Accrued sick leave	(15,262)	(41,420)
Change in accrued pension obligation	(261,110)	(15,204)
Change in accrued retirement allowance	78,037	64,064
Change in inventory/prepaid expenses/unamortized debenture costs	(463)	47,437
	<u>5,983,821</u>	<u>7,326,752</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(6,618,579)	(6,882,556)
Change in ownership of capital assets	1,699	2,787
Proceeds on disposal of tangible capital assets	77,308	3,111
	<u>(6,539,572)</u>	<u>(6,876,658)</u>
FINANCING TRANSACTION		
Long term debt (net)	802,950	(1,554,184)
	<u>802,950</u>	<u>(1,554,184)</u>
INVESTING TRANSACTION		
Increase (decrease) in investments	(19,898)	(32,657)
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES	(889)	(1,363)
NET DECREASE IN CASH AND CASH EQUIVALENTS	226,412	(1,138,110)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>8,012,036</u>	<u>9,150,146</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,238,448</u>	<u>\$ 8,012,036</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. PURPOSE OF THE ORGANIZATION

Rothesay ("the Town") was incorporated as a town by the Province of New Brunswick Municipalities Act on January 1, 1998 and was approved for status as a Municipality effective January 1, 1998 by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, Rothesay is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local government, 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 and its jointly controlled entities.

Significant aspects of the accounting policies adopted by the Town 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 jointly controlled by the Town.

The entities included in the consolidated financial statements are as follows:

- Rothesay
- Kennebecasis Regional Joint Board of Police Commissioners (KRJBPC)
- Kennebecasis Valley Fire Department Inc. (KVFD)
- Kennebecasis Public Library

Interdepartmental and organizational transactions and balances are eliminated.

The jointly controlled entities have been proportionately consolidated at the following rates:

	2020	2019
Kennebecasis Regional Joint Board of Police Commissioners	40.14%	40.19%
Kennebecasis Valley Fire Department Inc.	40.74%	40.76%
Kennebecasis Public Library	38.99%	38.99%

Changes in ownership percentages have been accounted for as an adjustment to accumulated surplus (deficit).

Ownership percentages on any dissolution of the controlled entity may vary from the above depending upon the terms of the agreements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Budget

The budget figures contained in these consolidated financial statements were approved by Council on December 9, 2019 and the Director of Community Finances on December 20, 2019.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments with actively traded markets are reported at fair value, with any unrealized gains losses reported in annual surplus. All other financial instruments are reported at amortized costs, and tested for impairment at each reporting date. Transactions costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Cash and Cash Equivalents

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

Revenue Recognition

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.

Other revenue is recorded when it is earned.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Measurement Uncertainty

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards 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 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.

Examples of significant estimates include:

- the allowance for doubtful accounts;
- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the recoverability of tangible capital assets; and
- post employment benefits liability.

Inventories

Inventories are valued at the lower of cost and net realizable value with cost being determined on the first in, first out basis.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Capital Reserves

The use of the Capital Reserve Funds is restricted to capital acquisitions. The intention is to use these funds for future capital acquisitions and reduce future borrowing requirements.

Operating Reserves

The use of these funds is restricted to payment of operating expenses.

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, less any residual value when applicable, is amortized on a straight-line basis over the estimated useful lives as follows:

<u>Asset Type</u>	<u>Estimated Useful Life</u>
Land improvements	10-75 years
Buildings and leasehold improvements	20-40 years
Vehicles	3-25 years
Machinery and equipment	3-20 years
Roads and streets	5-75 years
Storm sewer	25-60 years
Water and wastewater networks	30-60 years

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

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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segmented Information (cont'd)

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 arena, parks and playgrounds and other recreational and cultural facilities.

Water and Sewer Services

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.

The Town has documented a schedule of segmented disclosure in Note 23.

Post Employment Benefits

The Town recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Town has a sick leave benefit as documented in Note 15 and a pension plan and retirement allowance as documented in Note 16.

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 company'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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

3. FINANCIAL INSTRUMENTS (cont'd)

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 as its long term debt does not have a variable interest rate.

4. CASH

	<u>2020</u>	<u>2019</u>
Unrestricted	\$ 1,787,299	\$ 511,561
Restricted - reserve funds (Note 25)	6,245,474	7,325,779
Restricted - controlled entities	<u>205,675</u>	<u>174,696</u>
	<u>\$ 8,238,448</u>	<u>\$ 8,012,036</u>

5. ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Due from the Federal Government and its agencies (Note 6)	\$ 432,404	\$ 458,006
Due from the Province of New Brunswick (Note 7)	618,250	520,188
Water and sewer	830,576	897,561
Arena	41,239	69,598
Due from developer	220,000	-
Other	<u>71,494</u>	<u>163,973</u>
	<u>\$ 2,213,963</u>	<u>\$ 2,109,326</u>

6. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2020</u>	<u>2019</u>
Canada Revenue Agency (HST refund)	\$ 409,559	\$ 360,860
RCMP Secondments	22,845	22,146
Small Communities Fund	<u>-</u>	<u>75,000</u>
	<u>\$ 432,404</u>	<u>\$ 458,006</u>

7. DUE FROM PROVINCE OF NEW BRUNSWICK

	<u>2020</u>	<u>2019</u>
NB EMO - Disaster Financial Assistance	\$ -	\$ 167,188
Department of Transportation and Infrastructure	503,250	278,000
Regional Development Corporation	115,000	-
Small Communities Fund	<u>-</u>	<u>75,000</u>
	<u>\$ 618,250</u>	<u>\$ 520,188</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

8. DEFERRED REVENUE

	<u>2020</u>	<u>2019</u>
Government transfers - Gas Tax	\$ 3,260,246	\$ 4,366,824
Deferred revenue - Quispamsis	57,731	37,631
Deferred revenue - K-Park Levy (Note 14)	<u>14,681</u>	<u>16,016</u>
	<u>\$ 3,332,658</u>	<u>\$ 4,420,471</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2020</u>	<u>2019</u>
Accounts payable - trade	\$ 1,033,095	\$ 1,695,319
Bid deposits	132,210	160,822
Accrued interest	51,344	45,247
Accrued liabilities	178,679	254,884
Accounts payable - other	<u>419,849</u>	<u>30,285</u>
	<u>\$ 1,815,177</u>	<u>\$ 2,186,557</u>

10. INVESTMENTS

The investments represent the Town's proportionate share of the investments of the KRJBPC. The investments consist of short term notes, Canadian equities and foreign equities and are recorded at fair market value. The unrealized gain (loss) on the investments at December 31, 2020 was \$20,837 (2019 - (\$23,088)). The investments are restricted for future payment of retirement benefits.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

11. LONG TERM DEBT

(a) General Capital Fund

	Balance January 1, <u>2020</u>	Issued during <u>year</u>	Redeemed during <u>year</u>	Balance December 31, <u>2020</u>
New Brunswick Municipal Financing Corporation				
Debentures:				
BG18 1.65% - 3.80%, due 2027, OIC # 10-12, 11-71, 99-77	408,000	-	127,000	281,000
BL26 1.2% - 3.7%, due 2034, OIC # 03-88, 11-71, 13-08	2,571,000	-	186,000	2,385,000
BN17 1.05% - 3.15%, due 2025, OIC # 10-12, 13-08	1,215,000	-	243,000	972,000
B019 1.45% - 3.50%, due 2031, OIC # 13-08	1,756,000	-	222,000	1,534,000
BX18 0.90% - 2.95%, due 2040, OIC # 19-0020	-	1,000,000	-	1,000,000
BY23 0.50% - 1.80%, due 2030, OIC # 19-0020	-	<u>350,000</u>	-	<u>350,000</u>
	<u>\$ 5,950,000</u>	<u>\$ 1,350,000</u>	<u>\$ 778,000</u>	<u>\$ 6,522,000</u>

Principal payments required during the next five years for the General Capital Fund are as follows:

2021 - \$804,000; 2022 - \$784,000; 2023 - \$667,000; 2024 - \$682,000; 2025 - \$637,000

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

11. LONG TERM DEBT (cont'd)

(b) Water and Sewer Capital Fund

	Balance January 1, <u>2020</u>	Issued during <u>year</u>	Redeemed during <u>year</u>	Balance December 31, <u>2020</u>
New Brunswick Municipal Financing Corporation				
Debentures:				
BF23 1.35% - 3.45%, due 2021, OIC # 00-18	\$ 1,125,000	\$ -	\$ 83,000	\$ 1,042,000
BG19 1.65 - 3.80%, due 2027, OIC # 11-0045	419,000	-	13,000	406,000
BH23 1.35 - 3.80%, due 2032, OIC # 00-0018	508,000	-	32,000	476,000
BL27 1.2% - 3.7%, due 2034, OIC # 11-0045	886,000	-	25,000	861,000
BN18 1.05% - 3.15%, due 2025, OIC # 15-38	219,000	-	34,000	185,000
BP21 1.20% - 3.80%, due 2036, OIC # 18-0020	793,000	-	20,000	773,000
BR22 1.65% - 3.30%, due 2037, OIC # 15-0069	1,240,000	-	30,000	1,210,000
BU21 2.55% - 3.7%, due 2038, OIC # 15-0069, 96-006, 96-0072	1,311,000	-	78,000	1,233,000
BY24 0.50% - 2.60% due 2040, OIC # 19-0020	<u>-</u>	<u>750,000</u>	<u>-</u>	<u>750,000</u>
	<u>6,501,000</u>	<u>750,000</u>	<u>315,000</u>	<u>6,936,000</u>
Canada Mortgage and Housing Corporation				
CMHC 3.70%, due 2030 OIC # 09-119, 09-139, 10-012	<u>2,232,589</u>	<u>-</u>	<u>149,041</u>	<u>2,083,548</u>
	<u>\$ 8,733,589</u>	<u>\$ 750,000</u>	<u>\$ 464,041</u>	<u>\$ 9,019,548</u>

Approval of the Municipal Capital Borrowing Board has been obtained for the long term debt.

The Water and Sewer Capital Fund contains long term debt of \$477,782 (2019 - \$508,555) issued to fund local improvement projects. The debt will be repaid over a period of time through the collection of local improvement levies.

Principal payments required during the next five years for the Water and Sewer Capital Fund are as follows:

2021 - \$1,474,357; 2022 - \$446,808; 2023 - \$458,498; 2024 - \$474,435; 2025 - \$487,629

In 2021, debenture BF23 will mature with a final amount due of \$1,042,000, however it is expected that \$956,000 of this payment will be refinanced during that year for an additional ten years.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

11. LONG TERM DEBT (cont'd)

(c) Jointly Controlled Entity - KRJBPC (proportionate share)

	Balance January 1, 2020	Issued during year	Redeemed during year	Balance December 31, 2020
New Brunswick Municipal Financing Corporation				
Debentures:				
BL45 1.2% - 3.1%, due 2024, OIC # 02-66, 03-53	\$ 106,147	\$ -	\$ 19,643	\$ 86,504
BN35 1.05% - 3.15%, due 2025, OIC# 03-53	<u>221,426</u>	<u>-</u>	<u>35,366</u>	<u>186,060</u>
	<u>\$ 327,573</u>	<u>\$ -</u>	<u>\$ 55,009</u>	<u>\$ 272,564</u>

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

2021 - \$54,662; 2022 - \$56,270; 2023 - \$57,476; 2024 - \$58,682; 2025 - \$60,691

Total Long term debt:

	2020	2019
General Capital Fund	\$ 6,522,000	\$ 5,950,000
Water and Sewer Capital Fund	9,019,548	8,733,589
Jointly Controlled Entity - KRJPC	<u>272,564</u>	<u>327,573</u>
	<u>\$ 15,814,112</u>	<u>\$ 15,011,162</u>

12. LAND FOR PUBLIC PURPOSES

In accordance with the Community Planning Act, the Town has the authority to set aside up to 10% of any land subdivided, or up to 8% of the monetary value of such land, as a reserve. As well, any proceeds on the sale of public lands must be reserved. These funds can only be used for the purchase or development of public lands and are included in the Reserve Funds (Note 25).

13. SEWER OUTFALL RESERVE

In accordance with an agreement with the Municipality of Quispamsis, Rothesay and the Municipality of Quispamsis are required to fund, on an annual basis, an amount to cover the operating and maintenance costs associated with the shared sewer effluent line and outfall pipe. The contributions are made on a per unit basis, with Rothesay contributing \$1 per unit and the Municipality of Quispamsis contributing \$2 per unit. Any accumulated amounts are transferred to the Water and Sewer Capital Reserve Fund for future capital expenditures. At December 31, 2020, the balance in this reserve was \$278,283 (2019 - \$259,062).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

14. DEFERRED REVENUE

In 2002, the Town issued a special warrant of assessment to the residents of Kennebecasis Park for local improvements made to the area. The assessment will be invoiced annually over a period of 30 years. A number of residents paid the entire levy amount in the first year, and as a result, the prepayment has been recorded as deferred revenue to be amortized over 29 years.

15. ACCRUED SICK LEAVE

Rothesay provides sick leave that accumulates at a rate of 18 hours per month. All employees can accumulate to a maximum of 2,400 hours and can take leave with pay for an amount of time equal to the accumulated sick leave.

KVFD provides sick leave that accumulates at a rate of 18 hours per month while the employees sick bank is below 1,000 hours, and at 13.5 hours per month while the sick bank is above 1,000 hours. All employees can accumulate to a maximum of 2,184 sick leave hours and can take leave with pay for an amount of time equal to the accumulated sick leave.

An actuarial valuation in accordance with PSA 3255, was performed for each plan, the 43 employee plan for Rothesay and the 37 employee plan for KVFD. The actuarial method used was the Projected Unit Credit pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Town's and KVFD's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3%;
- the discount rate used to determine the accrued benefit obligations is 3.07% for Rothesay and 3.07% for KVFD;
- retirement age is 60; and
- estimated net excess utilization of rate of sick leave varies with age.

The sick leave is an unfunded benefit and as such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The consolidated unfunded liability consist of:

	Estimated 2020	2019
Rothesay	\$ 6,600	\$ -
KRJBPC	6,141	6,149
KVFD	<u>277,264</u>	<u>299,119</u>
	<u>\$ 290,005</u>	<u>\$ 305,268</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

16. POST EMPLOYMENT BENEFITS PAYABLE

Retirement Allowance Program

Rothesay's retiring employees are entitled to four weeks' regular salary for every five years of employment to a maximum of 26 weeks. The employee must be 55 years of age to receive the benefit.

The accrued liability is based on an actuarial valuation as at December 31, 2019, which used a discount rate of 5.75% and an annual salary increase rate of 3%. The liability was determined using the projected unit credit method pro-rated on service to the date the maximum benefit is earned.

KVFD's retiring employees are entitled to four weeks' regular salary for every five years of employment to a maximum of 24 weeks based on a minimum of ten years service. The employee must be of retirement age of 60.

The accrued liability is based on an actuarial valuation as at December 31, 2016, which used a discount rate of 3.3% and an annual salary increase rate of 3%.

KRJBPC's retiring employees are entitled to accumulate the greater of fifty percent of unused sick leave credits or one month's standard salary for every five years, or any part thereof, of service to a maximum of 6 months.

The accrued liability is based on an actuarial valuation as at July 31, 2019, which used a discount rate of 2.69% and an annual salary increase rate of 3% for four years and 2% thereafter.

The consolidated unfunded liability consist of:

	<u>2020</u>	<u>2019</u>
Rothesay	\$ 448,222	\$ 408,322
KVFD	206,085	178,879
KRJBPC	<u>338,493</u>	<u>327,562</u>
Balance at end of year	<u>\$ 992,800</u>	<u>\$ 914,763</u>

KVFD and KRJBPC have internally restricted funds for their liabilities.

Pension Obligation

Employees of Rothesay, KVFD and KRJBPC participate in the New Brunswick Municipal Employees Pension Plan (NB MEPP). The NB MEPP is a multiple-employer defined benefit pension plan administered by a board elected by the members under the provisions of the Municipalities Act of New Brunswick. The NB MEPP provides pensions based on length of service and best average earnings.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NB MEPP (currently annually). In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at December 31, 2018 and resulted in an overall NB MEPP accrued benefit obligation of \$125,249,500 based on the accounting basis.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

The actuarial valuation for accounting purposes was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2019:

- the expected inflation rate is 2.10% (prior 2.25%);
- the discount rate used to determine the accrued benefit obligation is 5.75% (prior 5.50%);
- the expected rate of return on assets is 5.75% (prior 5.50%);
- retirement age varies by age and employment category; and
- estimated average remaining service life (EARSL) is 14.0 years (prior 13.0 years).

The actuarial valuation prepared as at December 31, 2018 indicated that the present value of the accumulated plan benefits exceeded the market value of the net assets available for these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan deficit of \$7,538,000, a change of \$7,581,100 from the December 31, 2017 surplus of \$43,100. Based on the assumptions as at December 31, 2018, the actuary expected the level of employer and employee contributions to be sufficient to fund the deficit in less than fifteen years, as allowed by the Pensions Benefits Act.

As at December 31, 2018, the NB MEPP provides benefits for 258 retirees. Total benefits payments to retirees and terminating employees during 2020 are estimated to be approximately \$4,313,800 (actual 2019, \$5,759,400) in totality for the NB MEPP.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 8.00%. Each municipality contributes an amount that equals their employees contributions amounts. Pension fund assets are invested in short term securities, bonds, Canadian equities and foreign equities. Combined employees and municipalities contributions for 2020 are estimated to be approximately \$6,940,000 (actual 2019, \$6,775,300) in totality for the NB MEPP.

The following summarizes the NB MEPP data as it relates to Rothesay:

- The average age of the 44 active employees covered by the NB MEPP is 47.5 (as at Dec 31, 2018);
- benefit payments were \$95,200 in 2018 and were estimated to be \$90,300 in 2019; and
- combined contributions were \$442,800 in 2019 and were estimated to be \$456,000 in 2020.

The following summarizes the NB MEPP data as it relates to KVFD:

- The average age of the 43 active employees covered by the NB MEPP is 42.9 (2019 - 42.1);
- benefit payments were \$531,700 in 2019 and were estimated to be \$529,600 in 2020; and
- combined contributions were \$690,800 in 2019 and were estimated to be \$711,000 in 2020.

The following summarizes the NB MEPP data as it relates to KRJBPC:

- The average age of the 42 active employees covered by the NB MEPP is 43.1 (2019 - 42.6);
- benefit payments were \$440,500 in 2019 and were estimated to be \$432,700 in 2020; and
- combined contributions were \$721,100 in 2019 and were estimated to be \$705,000 in 2020.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

In addition to determining the position of the NB MEPP as it relates to Rothesay and the other controlled entities as at December 31, 2018 and December 31, 2019, NB MEPP's actuary performed an extrapolation of the December 31, 2019 accounting valuation to determine the estimated position as at December 31, 2020. The extrapolation assumes assumptions used as at December 31, 2020 remain unchanged from December 31, 2019. The extrapolation also assumes assets return 5.75%, net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

	Estimated	
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Accrued Benefit Liability		
Accrued benefit liability at beginning of period	\$ 440,730	\$ 455,934
Change in ownership percentage	(321)	(531)
Adjustment to actual	(14,436)	(33,729)
Pension expense for the year	267,978	511,651
Employer contributions	<u>(514,331)</u>	<u>(492,595)</u>
Accrued benefit liability at end of period	<u>\$ 179,620</u>	<u>\$ 440,730</u>

In summary, the consolidated accrued benefit liability is estimated to be \$179,620 as at December 31, 2020. The December 31, 2019 liability was estimated in the prior year. The actual liability was calculated to be \$426,294. The difference of \$14,436 has been recorded in the current year. This amount is included in the post employment benefits payable on the consolidated statement of financial position.

	Estimated	
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Rothesay	\$ (4,900)	\$ 78,100
KVFD	59,317	193,980
KRJBPC	<u>125,203</u>	<u>168,650</u>
	<u>\$ 179,620</u>	<u>\$ 440,730</u>

The financial position as it relates to the accrued benefit liability is shown as follows and illustrates the unamortized amounts being recognized in pension expense over time:

	Estimated	
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	\$ 19,483,276	\$ 18,161,671
Plan assets	<u>(19,300,912)</u>	<u>(17,732,492)</u>
Plan deficit	182,364	429,179
Unamortized experience losses	<u>(2,744)</u>	<u>(2,885)</u>
Accrued benefit liability at end of period	<u>\$ 179,620</u>	<u>\$ 426,294</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

The following illustrates the reconciliation of accrued benefit obligation from the beginning of period to the end of period:

	Estimated	
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation at beginning of period	\$ 18,161,671	\$ 17,270,912
Change in ownership	(10,472)	(13,571)
Current service cost	764,944	797,427
Benefits payments	(484,653)	(488,974)
Interest for period	1,051,787	957,660
Experience loss during period	<u> -</u>	<u>(361,783)</u>
Accrued benefit obligation at end of period	<u>\$ 19,483,277</u>	<u>\$ 18,161,671</u>

The following illustrates the reconciliation of plan assets from the beginning of period to the end of period:

	Estimated	
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Reconciliation of Plan Assets		
Plan assets at beginning of period	\$ 17,732,492	\$ 15,300,307
Change in ownership	(10,213)	(12,126)
Employer contributions	514,331	499,605
Employee contributions	514,331	514,601
Benefit payments	(484,653)	(488,974)
Return on plan assets during period	<u>1,034,624</u>	<u>1,919,079</u>
Plan assets at end of period	<u>\$ 19,300,912</u>	<u>\$ 17,732,492</u>

Total expense related to pensions include the following components:

	Estimated	Actual
	Jan 1, 2020 to	Jan 1, 2019 to
	<u>Dec 31, 2020</u>	<u>Dec 31, 2019</u>
Pension Expense		
Employer current service cost	\$ 250,613	\$ 282,826
Interest on accrued benefit obligation	1,051,787	957,660
Expected return on assets	(1,034,624)	(855,389)
Amortization of unrecognized balances		
Experience loss	<u>202</u>	<u>119,029</u>
Pension expense	<u>\$ 267,978</u>	<u>\$ 504,126</u>

The pension expense is included in the statement of operations.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

17. CONTINGENT LIABILITY

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.

18. COMMITMENT

Solid Waste Collection, Transportation and Recycling Services

The Town has a three year contract for solid waste services. The contract expires on December 31, 2023. The minimum annual commitment for the next three years are as follows:

2021	568,399
2022	568,399
2023	568,399

Snow Clearing Contract

In 2017, the Town entered into a contract for snow clearing services from November 2017 to April, 2021. The minimum annual commitment for the next two years are as follows:

2020	\$410,000
2021	\$285,000

19. SHORT TERM BORROWING

Operating Borrowing

As prescribed in the Local Governance Act, borrowing to finance General Operating Fund operations is limited to 4% of the Municipality's budget. Borrowing to finance Water and Sewer Fund operations is limited to 50% of the operating budget for the year. In 2020, the Town has complied with these restrictions.

Capital Funds

At December 31, 2020, there were short-term funds totaling \$510,000 (2019 - \$210,000) borrowed from other funds and no short-term funds (2019 - nil) borrowed from a financial institution to provide interim funding for capital projects in the General Capital Fund.

At December 31, 2020, there were short-term funds totaling \$850,000 (2019 - \$400,000) borrowed from other funds and no short-term funds (2019 - nil) borrowed from a financial institution to provide interim funding for capital projects in the Water and Sewer Capital Fund.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

19. SHORT TERM BORROWING (cont'd)

Inter-fund Borrowing

The Local Governance Act 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.

Amounts outstanding at year end are inter fund regular payables or in some cases, a short term loan may exist from the reserve account. Where a loan is in place, interest is paid to the reserve account at a rate that equates what the account would have earned had it been in the bank. These loan amounts are paid off within the following year and council is given a summary at year end to be fully informed of these transactions.

20. UTILITY FUND SURPLUS

The Local Governance Act requires Utility Fund surplus amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year; the balance of the surplus at the end of the year consists of:

	<u>2020</u>	<u>2019</u>
2020 Surplus	\$ 48,220	\$ -
2019 Surplus	34,573	34,573
2018 Surplus	<u>-</u>	<u>80,211</u>
	<u>\$ 82,793</u>	<u>\$ 114,784</u>

ROTHERSAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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21. SCHEDULE OF TANGIBLE CAPITAL ASSETS

COST	Land	Land Improvements	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment	Infrastructure			Subtotal	Assets Under Construction	2020 Total	2019 Total
						Roads and Streets	Storm Sewer	Water Sewer				
Balance - beginning of year	\$ 4,869,751	\$ 8,536,649	\$ 11,307,912	\$ 5,662,553	\$ 4,551,459	\$ 42,238,179	\$ 20,247,321	\$ 27,712,961	\$ 24,052,521	\$ 149,179,306	\$ 149,179,306	\$ 143,577,772
Change in ownership	(111)	(28)	(1,665)	(1,069)	(530)	-	-	-	-	(3,403)	(3,403)	(5,907)
Add: Net additions during the year	-	225,000	238,846	456,120	528,720	1,902,184	621,708	43,332	43,332	4,059,242	2,559,337	6,882,556
Less: Disposals during the year	-	(49,506)	-	(424,490)	(22,598)	(926,915)	(11,109)	-	-	(1,434,618)	-	(1,275,115)
Balance - end of year	4,869,640	8,712,115	11,545,093	5,693,114	5,057,051	43,213,448	20,857,920	27,756,293	24,095,853	151,800,527	154,359,864	149,179,306
ACCUMULATED AMORTIZATION												
Balance - beginning of year	-	3,875,308	4,468,757	2,916,782	2,013,148	20,722,219	7,115,515	7,671,922	8,556,858	57,340,509	57,340,509	54,042,881
Change in ownership	-	(21)	(772)	(575)	(336)	-	-	-	-	(1,704)	(1,704)	(3,120)
Add: Amortization during the year	-	449,970	343,995	505,271	405,810	1,502,680	365,104	551,987	398,340	4,523,157	4,523,157	4,379,961
Less: Accumulated amortization on disposals	-	(36,434)	-	(424,988)	(22,581)	(727,981)	(7,498)	-	-	(1,219,482)	-	(1,079,213)
Balance - end of year	-	4,288,823	4,811,980	2,996,490	2,396,041	21,496,918	7,473,121	8,223,909	8,955,198	60,642,480	60,642,480	57,340,509
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS												
	\$ 4,869,640	\$ 4,423,292	\$ 6,733,113	\$ 2,696,624	\$ 2,661,010	\$ 21,716,530	\$ 13,384,799	\$ 19,532,384	\$ 15,140,655	\$ 91,158,047	\$ 93,717,384	\$ 91,838,797
Consists of:												
General Fund Assets	\$ 4,515,621	\$ 4,369,691	\$ 2,962,484	\$ 1,712,146	\$ 1,830,538	\$ 21,515,586	\$ 13,384,799	\$ -	\$ -	\$ 50,290,865	\$ 51,326,367	\$ 50,351,739
Utility Fund Assets	119,971	-	1,228,072	82,661	581,175	200,944	-	19,532,384	15,140,655	36,885,862	1,523,835	37,690,860
Controlled Entities	234,048	53,601	2,542,557	901,817	249,297	-	-	-	-	3,981,320	3,981,320	3,796,198
	\$ 4,869,640	\$ 4,423,292	\$ 6,733,113	\$ 2,696,624	\$ 2,661,010	\$ 21,716,530	\$ 13,384,799	\$ 19,532,384	\$ 15,140,655	\$ 91,158,047	\$ 93,717,384	\$ 91,838,797

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

22. SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR JOINTLY CONTROLLED ENTITIES

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Machinery and Equipment</u>	<u>Assets Under Construction</u>	<u>2020 Total</u>	<u>2019 Total</u>
COST								
Balance - beginning of year	\$ 234,159	\$ 120,153	\$ 3,861,646	\$ 1,675,979	\$ 765,987	\$ -	\$ 6,657,924	\$ 6,351,646
Change in ownership	(111)	(28)	(1,665)	(1,069)	(530)	-	(3,403)	(5,907)
Add: Net additions during the year	-	-	238,846	220,648	46,766	-	506,260	369,057
Less: Disposals during the year	-	-	-	(178,034)	(22,598)	-	(200,632)	(56,872)
Balance - end of year	<u>234,048</u>	<u>120,125</u>	<u>4,098,827</u>	<u>1,717,524</u>	<u>789,625</u>	<u>-</u>	<u>6,960,149</u>	<u>6,657,924</u>
ACCUMULATED AMORTIZATION								
Balance - beginning of year	-	58,976	1,414,297	882,318	506,135	-	2,861,726	2,613,893
Change in ownership	-	(21)	(772)	(575)	(336)	-	(1,704)	(3,120)
Add: Amortization during the year	-	7,569	142,745	112,496	57,110	-	319,920	305,414
Less: Accumulated amortization on disposals	-	-	-	(178,532)	(22,581)	-	(201,113)	(54,461)
Balance - end of year	<u>-</u>	<u>66,524</u>	<u>1,556,270</u>	<u>815,707</u>	<u>540,328</u>	<u>-</u>	<u>2,978,829</u>	<u>2,861,726</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 234,048</u>	<u>\$ 53,601</u>	<u>\$ 2,542,557</u>	<u>\$ 901,817</u>	<u>\$ 249,297</u>	<u>\$ -</u>	<u>\$ 3,981,320</u>	<u>\$ 3,796,198</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

23. SCHEDULE OF SEGMENT DISCLOSURE

	<u>General</u>	<u>Protective</u>	<u>Transportation</u>	<u>Environmental Health</u>	<u>Environmental Development</u>	<u>Recreation and Culture</u>	<u>Water and Sewer</u>	<u>2020 Consolidated</u>	<u>2019 Consolidated</u>
REVENUE									
Property tax warrant	\$ 1,907,326	\$ 4,960,463	\$ 5,707,134	\$ 663,174	\$ 494,669	\$ 2,759,710	\$ -	\$ 16,492,476	\$ 16,043,022
Sale of service	89,118	-	5,333	-	-	249,512	-	343,963	451,280
Services provided to other governments	-	-	83,288	-	-	-	-	83,288	83,288
Other own source	71,137	-	-	-	156,638	-	220,000	447,775	544,801
Unconditional grant	14,840	38,597	44,405	5,160	3,849	21,472	-	128,323	122,190
Conditional government transfers	68,072	-	1,333,250	-	-	500,000	723,079	2,624,401	1,940,058
Water and sewer user fees	-	-	-	-	-	-	2,894,370	2,894,370	2,954,811
Sundry and interest	<u>115,957</u>	<u>148,316</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,782</u>	<u>111,147</u>	<u>381,202</u>	<u>495,135</u>
	<u>2,266,450</u>	<u>5,147,376</u>	<u>7,173,410</u>	<u>668,334</u>	<u>655,156</u>	<u>3,536,476</u>	<u>3,948,596</u>	<u>23,395,798</u>	<u>22,634,585</u>
EXPENDITURE									
Salaries and benefits	996,968	4,243,169	956,539	-	276,489	320,674	513,658	7,307,497	7,419,630
Goods and services	836,536	565,523	2,213,956	674,618	226,715	1,689,127	1,564,966	7,771,441	8,039,639
Interest	3,164	8,555	75,635	-	-	109,379	324,836	521,569	514,309
Other	33,797	(768)	153,640	-	-	-	-	186,669	238,346
Amortization	<u>69,771</u>	<u>229,573</u>	<u>2,405,836</u>	<u>-</u>	<u>-</u>	<u>688,147</u>	<u>1,129,831</u>	<u>4,523,158</u>	<u>4,379,961</u>
	<u>1,940,236</u>	<u>5,046,052</u>	<u>5,805,606</u>	<u>674,618</u>	<u>503,204</u>	<u>2,807,327</u>	<u>3,533,291</u>	<u>20,310,334</u>	<u>20,591,885</u>
Surplus for the year	<u>\$ 326,214</u>	<u>\$ 101,324</u>	<u>\$ 1,367,804</u>	<u>\$ (6,284)</u>	<u>\$ 151,952</u>	<u>\$ 729,149</u>	<u>\$ 415,305</u>	<u>\$ 3,085,464</u>	<u>\$ 2,042,700</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

24. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Utility Operating Fund	Utility Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Utility Operating Reserve Fund	Utility Capital Reserve Fund	Jointly Controlled Entities	Total
2020 annual surplus (deficit)	\$ 5,946,880	\$ (3,027,855)	\$ 1,025,817	\$ (1,540,645)	\$ (712)	\$ 82,102	\$ 1,055	\$ 12,296	\$ 586,526	\$ 3,085,464
Adjustments to annual surplus (deficit) for funding requirements										
Second previous year's surplus	99,250		80,211						(27,290)	152,171
Transfers between funds										
Transfer elimination	(803,422)					803,422				
Transfer elimination	-	1,350,000		560,000		(1,910,000)				
Transfer elimination	117,000				(117,000)					
Transfer elimination	-	189,708				(189,708)				
Transfer elimination	(6,218)				6,218					
Transfer elimination	-		(97,725)					97,725		
Transfer elimination	-		(5,686)					5,686		
Transfer elimination	-		(10,918)					10,918		
Transfer elimination	-		189,571					(189,571)		
Transfer elimination	(225,000)					225,000				
Transfer elimination	35,000					(35,000)				
Transfer elimination	(3,161,980)	3,161,980	(649,914)	649,914						
Long term debt principal repayment	(778,000)	778,000	(483,136)	483,136						
Provision for retirement allowance	-								(2,788)	(2,788)
Provision for pension liability	(83,000)								(177,675)	(260,675)
Provision for sick leave accrual	-								(21,704)	(21,704)
Accumulated amortization on disposal of capital assets	-	(1,018,369)							(201,022)	(1,219,391)
Deferred Gas tax revenue	(1,087,836)								-	(1,087,836)
Unrealized gain on investments	-								(20,837)	(20,837)
Amortization expense	-	3,073,406		1,129,831					319,920	4,523,157
Total adjustments to 2020 annual surplus (deficit)	(5,894,206)	7,534,725	(977,597)	2,822,881	(110,782)	(1,106,286)		(75,242)	(131,396)	2,062,097
2020 annual surplus (deficit) for funding requirements	\$ 52,674	\$ 4,506,870	\$ 48,220	\$ 1,282,236	\$ (111,494)	\$ (1,024,184)	\$ 1,055	\$ (62,946)	\$ 455,130	\$ 5,147,561

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

25. STATEMENT OF RESERVES

	<u>General Operating Reserve</u>	<u>General Capital Reserve</u>	<u>Utility Operating Reserve</u>	<u>Utility Capital Reserve</u>	<u>Land for Public Purpose</u>	<u>2020 Total</u>	<u>2019 Total</u>
ASSETS							
Cash and short term investments	\$ 450,833	\$ 4,534,475	\$ -	\$ 1,260,166	\$ -	\$ 6,245,474	\$ 7,325,779
Accounts receivable from other funds	-	-	-	-	-	-	93
Due from (to) other funds	-	(144,839)	105,730	(105,730)	144,839	-	117,172
	<u>\$ 450,833</u>	<u>\$ 4,389,636</u>	<u>\$ 105,730</u>	<u>\$ 1,154,436</u>	<u>\$ 144,839</u>	<u>\$ 6,245,474</u>	<u>\$ 7,443,044</u>
ACCUMULATED SURPLUS	<u>\$ 450,833</u>	<u>\$ 4,389,637</u>	<u>\$ 105,730</u>	<u>\$ 1,154,434</u>	<u>\$ 144,840</u>	<u>\$ 6,245,474</u>	<u>\$ 7,443,044</u>
REVENUE							
Other government transfers	\$ -	\$ 803,422	\$ -	\$ -	\$ -	\$ 803,422	\$ 1,693,497
Transfers from Operating Funds	-	225,000	-	114,329	6,218	345,547	210,433
Interest	5,506	74,859	1,055	12,294	1,026	94,740	169,489
	<u>5,506</u>	<u>1,103,281</u>	<u>1,055</u>	<u>126,623</u>	<u>7,244</u>	<u>1,243,709</u>	<u>2,073,419</u>
EXPENDITURES							
Transfers to General Operating Fund	117,000	224,708	-	-	-	341,708	488,000
Transfer to General Capital Fund	-	1,350,000	-	-	-	1,350,000	1,300,000
Transfers to Water and Sewer Operating Fund	-	560,000	-	189,571	-	749,571	-
	<u>117,000</u>	<u>2,134,708</u>	<u>-</u>	<u>189,571</u>	<u>-</u>	<u>2,441,279</u>	<u>1,788,000</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (111,494)</u>	<u>\$ (1,031,427)</u>	<u>\$ 1,055</u>	<u>\$ (62,948)</u>	<u>\$ 7,244</u>	<u>\$ (1,197,570)</u>	<u>\$ 285,419</u>

Included in the General Capital Reserve Fund is \$3,260,246 of gas tax funds to be used for capital projects that meet the criteria of the Agreement on the Gas Tax Fund with Local Governments.

<u>Name of Investment</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>
Cashable GIC	3,660,000	0.65%	June 18, 2021
Cashable GIC	1,250,000	0.65%	June 18, 2021
Cashable GIC	860,000	0.65%	June 18, 2021
Cashable GIC	450,000	0.65%	June 18, 2021

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

25. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

MOVED by Council. Brenan and seconded by Council. Shea the sum of \$117,000.00 be transferred from the General Operating Reserve Fund to the General Operating Fund to cover operating costs.

CARRIED.

MOVED by Council. Brenan and seconded by Council. Shea the sum of \$35,000.00 be transferred from the General Capital Reserve Fund (Town Hall) to the General Operating Fund to cover the costs of Capital projects.

CARRIED

MOVED by Council. Brenan and seconded by Council. Shea the sum of \$189,708.18 be transferred from the General Capital Reserve Fund to the General Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Council. Brenan and seconded by Council. Shea Gas Tax Funding in the amount of \$803,422.00 for the year 2020, be transferred to the General Capital Reserve Fund (Gas Tax).

CARRIED.

MOVED by Council. Brenan and seconded by Council. Shea the sum of \$1,350,000.00 be transferred from the General Capital Reserve (Gas Tax) to the General Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Council. Brenan and seconded by Deputy Mayor Alexander the sum of \$6,217.56 be transferred from the General Operating Fund to the Land for Public Purposes Reserve Fund for external contributions.

CARRIED.

MOVED by Council. Brenan and seconded by Deputy Mayor Alexander the sum of \$225,000.00 be transferred from the General Operating Fund to the General Capital Reserve Fund to cover the costs of future Capital projects

CARRIED.

MOVED by Council. Brenan and seconded by Council. Shea \$97,725.00 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund for water and sewer connection fees.

CARRIED.

MOVED by Council. Brenan and seconded by Council. Shea the sum of \$560,000.00 be transferred from the General Capital Reserve (Gas Tax) to the Utility Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Council. Brenan and seconded by Deputy Mayor Alexander \$5,686.00 be transferred from the Utility Operating Fund to the Utility Sewage Outfall Reserve Fund for Rothesay's contribution to the Sewage Outfall Reserve.

CARRIED.

MOVED by Council. Brenan and seconded by Deputy Mayor Alexander \$10,918.00 received from Quispamsis for Sewage Outfall be transferred from the Utility Operating Fund to the Utility Sewage Outfall Reserve Fund.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

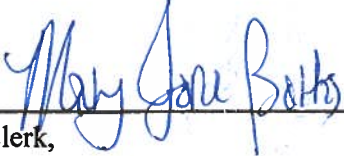
CARRIED.

25. STATEMENT OF RESERVES (cont'd)


MOVED by Counc. Brenan and seconded by Counc. Shea \$189,570.78 be transferred from the Utility Capital Reserve Fund to the Utility Operating Fund to cover the cost of Capital projects.

CARRIED.

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



Clerk,
Rothesay



Date

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

26. STATEMENT OF JOINTLY CONTROLLED ENTITIES OPERATIONS

	<u>KV Fire</u>	<u>Police</u>	<u>Library</u>	<u>2020 Total</u>	<u>2019 Total</u>
ASSETS	\$ <u>2,022,330</u>	\$ <u>1,353,880</u>	\$ <u>1,628,844</u>	\$ <u>5,005,054</u>	\$ <u>4,576,970</u>
LIABILITIES	\$ <u>616,071</u>	\$ <u>909,073</u>	\$ <u>15,687</u>	\$ <u>1,540,831</u>	\$ <u>1,736,023</u>
ACCUMULATED SURPLUS	\$ <u>1,764,324</u>	\$ <u>663,278</u>	\$ <u>1,703,817</u>	\$ <u>4,131,419</u>	\$ <u>2,852,948</u>
REVENUE	\$ 2,662,565	\$ 3,019,124	\$ 91,930	\$ 5,773,619	\$ 5,196,057
EXPENDITURES	<u>2,049,026</u>	<u>2,953,733</u>	<u>172,337</u>	<u>5,175,096</u>	<u>5,049,277</u>
	613,539	65,391	(80,407)	598,523	146,780
CHANGE IN OWNERSHIP	_____ (407)	_____ (482)	_____ -	_____ (889)	_____ (1,363)
ANNUAL SURPLUS (DEFICIT)	\$ <u>613,132</u>	\$ <u>64,909</u>	\$ <u>(80,407)</u>	\$ <u>597,634</u>	\$ <u>145,417</u>

The above noted entities are included in the consolidated financial statements. The above figures do not include the eliminating adjustments and represent Rothesay's proportionate share.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

27. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Transfers	Total
REVENUE						
Property tax warrant	\$ 16,492,464	\$ -	\$ -	\$ -	\$ -	\$ 16,492,464
Unconditional transfers from other governments	128,335	-	-	-	-	128,335
Conditional transfers from Federal or Provincial governments	26,500	-	-	-	1,910,000	1,936,500
Services other governments	60,000	-	-	-	-	60,000
Other own source	103,150	-	-	-	(12,000)	91,150
Sale of services	410,300	-	-	-	-	410,300
Other transfers	1,000,000	-	-	-	(1,000,000)	-
Water and sewer user fees	-	3,254,789	-	-	(358,000)	2,896,789
Sundry income	5,000	65,000	-	142,272	-	212,272
Surplus (deficit) of second previous year	99,251	80,211	-	-	(179,462)	-
	<u>18,325,000</u>	<u>3,400,000</u>	<u>-</u>	<u>142,272</u>	<u>360,538</u>	<u>22,227,810</u>
EXPENDITURES						
General government services	2,308,843	-	70,000	-	(301,110)	2,077,733
Protective services	5,331,346	-	229,574	(186,008)	(316,500)	5,058,412
Transportation services	3,606,766	-	2,450,000	-	(648,987)	5,407,779
Environmental health services	658,000	-	-	-	-	658,000
Environmental development services	605,940	-	-	-	-	605,940
Recreation and cultural services	2,112,991	-	690,346	11,602	81,600	2,896,539
Fiscal services						
Long term debt repayments	778,000	483,135	-	-	(1,261,135)	-
Interest	173,114	323,614	-	-	(496,728)	-
Transfer from General Operating Fund to Transfer from General Operating Fund to General Capital Fund	2,750,000	-	-	-	(2,750,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Reserve Fund	-	70,000	-	-	(70,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Operating Capital Fund	-	700,000	-	-	(700,000)	-
Water and Sewer	-	1,823,251	1,130,000	-	323,613	3,276,864
	<u>18,325,000</u>	<u>3,400,000</u>	<u>4,569,920</u>	<u>(174,406)</u>	<u>(6,139,247)</u>	<u>19,981,267</u>
Surplus (deficit)	\$ -	\$ -	\$ (4,569,920)	\$ 316,678	\$ 6,499,785	\$ 2,246,543

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

28. REVENUE AND EXPENDITURES SUPPORT

	<u>2020</u> Budget	<u>2020</u> Actual	<u>2019</u> Actual
REVENUE			
Sale of services			
Community Centre	\$ 20,000	\$ 3,919	\$ 27,990
Rental revenue	95,200	86,019	67,851
Recreational programs	295,100	248,692	355,439
Transportation	<u>-</u>	<u>5,333</u>	<u>-</u>
	<u>\$ 410,300</u>	<u>\$ 343,963</u>	<u>\$ 451,280</u>
Other own source			
Permits and fines	\$ 75,000	\$ 156,638	\$ 107,215
Developers contributions	-	226,218	8,345
Miscellaneous	<u>16,150</u>	<u>64,919</u>	<u>429,241</u>
	<u>\$ 91,150</u>	<u>\$ 447,775</u>	<u>\$ 544,801</u>
Conditional government transfers			
Government of Canada	\$ 25,000	\$ 48,812	\$ 191,542
Province of New Brunswick	-	663,589	446,516
Gas Tax revenue	1,910,000	1,910,000	1,300,000
Canada Day grants	<u>1,500</u>	<u>2,000</u>	<u>2,000</u>
	<u>\$ 1,936,500</u>	<u>\$ 2,624,401</u>	<u>\$ 1,940,058</u>
EXPENDITURE			
General government services			
Legislative			
Mayor	\$ 47,000	\$ 36,468	\$ 41,959
Councilors	136,100	118,592	120,749
Fundy Regional Service Commission	7,000	3,597	6,683
Other	<u>13,500</u>	<u>1,825</u>	<u>4,473</u>
	<u>203,600</u>	<u>160,482</u>	<u>173,864</u>
Administrative			
Administration	778,156	735,722	718,394
Office building	155,000	182,982	242,800
Solicitor	50,000	4,213	16,005
Supplies	36,000	37,241	43,400
Other	<u>233,319</u>	<u>208,084</u>	<u>259,679</u>
	<u>1,252,475</u>	<u>1,168,242</u>	<u>1,280,278</u>
Financial management			
Professional fees	<u>30,000</u>	<u>28,814</u>	<u>11,698</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2020	2020	2019
	Budget	Actual	Actual
General government services (cont'd)			
Other			
Civic relations	2,000	326	226
Community communications	10,000	835	8,817
Insurance	195,131	194,165	185,839
Property tax - land for public purposes	15,000	16,469	11,791
Grants to organizations	35,000	20,448	39,486
Fox Farm Road rental expenses	4,000	19,493	27,070
Cost of assessment	258,027	258,027	250,996
Interest	2,500	3,164	6,632
Amortization	<u>70,000</u>	<u>69,771</u>	<u>64,393</u>
	<u>591,658</u>	<u>582,698</u>	<u>595,250</u>
	<u>\$ 2,077,733</u>	<u>\$ 1,940,236</u>	<u>\$ 2,061,090</u>
Protective services			
Fire			
Administration	\$ 291,822	\$ 317,866	\$ 317,196
Firefighting force	1,467,770	1,420,659	1,491,881
Telecommunications	3,137	1,857	1,612
Insurance	13,852	15,062	13,498
Prevention and training	20,574	12,397	15,101
Facilities	90,272	91,458	90,545
Fleet	43,815	30,627	43,655
Operations	23,629	26,856	20,071
Water costs	12,846	12,847	12,478
Retirement allowance	22,457	25,390	20,978
Other	1,222	1,044	727
Gain on disposal of tangible capital assets	-	(15,044)	(958)
Amortization	<u>140,307</u>	<u>140,306</u>	<u>116,607</u>
	<u>2,131,703</u>	<u>2,081,325</u>	<u>2,143,391</u>
Crimestoppers	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>
Police			
Crime Control	1,970,403	1,945,639	1,958,396
Vehicle Fleet	80,559	67,934	72,311
Property	86,015	88,475	85,010
Administration	491,977	559,005	503,302
Retirement allowance	34,829	34,534	30,246
Communications	(2,291)	15,600	5,833
Unrealized gain on investments	(20,837)	(20,837)	(23,088)
Loss (gain) on disposal of tangible capital assets	(768)	(768)	259
Amortization	<u>89,267</u>	<u>89,267</u>	<u>98,090</u>
	<u>2,729,154</u>	<u>2,778,849</u>	<u>2,730,359</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2020	2020	2019
	Budget	Actual	Actual
Protective services (cont'd)			
Other			
Emergency measures	156,755	157,634	149,486
Animal control	9,500	6,264	7,074
Interest	8,500	8,555	11,119
Other	<u>20,000</u>	<u>10,625</u>	<u>13,409</u>
	<u>194,755</u>	<u>183,078</u>	<u>181,088</u>
	<u>\$ 5,058,412</u>	<u>\$ 5,046,052</u>	<u>\$ 5,057,638</u>
Transportation services			
Common			
Wages and benefits	\$ 1,099,179	\$ 956,539	\$ 984,529
Workshop, yard and equipment maintenance	693,723	704,374	750,554
Engineering	<u>7,500</u>	<u>10,675</u>	<u>29,675</u>
	<u>1,800,402</u>	<u>1,671,588</u>	<u>1,764,758</u>
Roads and Streets			
Roadway surfaces	55,000	425,627	139,694
Storm water and traffic studies	-	105,448	-
Crosswalks and sidewalks	21,063	14,018	18,706
Culverts and drainage ditches	27,500	37,543	25,530
Storm sewers	40,000	42,624	35,080
Street cleaning	40,000	16,687	33,577
Snow and ice removal	602,000	507,392	642,843
Street lighting	130,000	152,537	146,895
Street signs	8,000	17,028	7,464
Traffic lane marking	30,000	27,513	25,654
Traffic signals and signs	40,000	23,952	38,340
Railway crossing signals	24,000	19,368	19,451
Public transit - Comex Service	73,701	72,953	71,901
KV committee for the disabled	4,000	4,000	5,500
Flood costs	-	32,217	214,714
Interest	62,113	75,635	59,880
Loss on disposal of tangible capital assets	-	153,640	186,995
Amortization	<u>2,450,000</u>	<u>2,405,836</u>	<u>2,374,136</u>
	<u>3,607,377</u>	<u>4,134,018</u>	<u>4,046,360</u>
	<u>\$ 5,407,779</u>	<u>\$ 5,805,606</u>	<u>\$ 5,811,118</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	<u>2020</u> Budget	<u>2020</u> Actual	<u>2019</u> Actual
Environmental health services			
Solid waste disposal	\$ 195,000	\$ 212,853	\$ 196,445
Solid waste compost	36,000	76,611	26,612
Solid waste collection	290,000	278,656	278,233
Curbside recycling	97,000	59,028	96,328
Clean up campaign	<u>40,000</u>	<u>47,469</u>	<u>36,291</u>
	<u>\$ 658,000</u>	<u>\$ 674,617</u>	<u>\$ 633,909</u>
Environmental development services			
Environmental planning and zoning	\$ 503,960	\$ 401,087	\$ 478,666
Greater Saint John Economic Development Agency, Inc.	98,780	98,988	98,780
Tourism	<u>3,200</u>	<u>3,129</u>	<u>3,129</u>
	<u>\$ 605,940</u>	<u>\$ 503,204</u>	<u>\$ 580,575</u>
Recreation and cultural services			
Administration	\$ 245,560	\$ 288,585	\$ 292,962
Beaches	45,500	36,384	47,678
Rothesay Arena	335,434	244,979	302,302
Memorial Centre	61,000	56,225	218,570
Summer programs	62,000	63,086	63,947
Rothesay Common	57,672	49,957	50,618
Parks and gardens	586,554	618,654	605,930
Regional Facilities Commission	451,692	451,692	427,095
Kennebecasis Public Library Inc	97,746	80,589	92,019
Special events	39,500	7,432	30,730
Playgrounds and fields	115,000	112,218	104,613
Living museum	1,035	-	357
PRO Kids	7,500	-	7,500
Interest	100,000	109,379	123,858
Amortization	<u>690,346</u>	<u>688,147</u>	<u>643,819</u>
	<u>\$ 2,896,539</u>	<u>\$ 2,807,327</u>	<u>\$ 3,011,998</u>
Water and sewer services			
Water System			
Administration	\$ 429,500	\$ 413,425	\$ 418,376
Purification maintenance and treatment	360,000	550,846	512,156
Source of supply - purchase of water	750	1,176	780
Transmission and distribution	112,000	141,160	100,151
Power and pumping	50,000	48,567	47,798
Billing and collecting	<u>3,000</u>	<u>2,941</u>	<u>2,914</u>
	<u>955,250</u>	<u>1,158,115</u>	<u>1,082,175</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2020

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2020 Budget	2020 Actual	2019 Actual
Sewer System			
Administration	679,000	616,744	624,504
Sewer collection system	84,000	165,948	186,007
Sewer lift stations	13,000	38,783	60,566
Treatment and disposal	92,000	93,163	76,574
Infiltration study	-	5,872	3,501
Loss on disposal of tangible capital asset	<u>-</u>	<u>-</u>	<u>6,495</u>
	<u>868,000</u>	<u>920,510</u>	<u>957,647</u>
Interest	323,614	324,836	312,820
Amortization	<u>1,130,000</u>	<u>1,129,831</u>	<u>1,082,915</u>
	<u>1,453,614</u>	<u>1,454,667</u>	<u>1,395,735</u>
	<u>\$ 3,276,864</u>	<u>\$ 3,533,292</u>	<u>\$ 3,435,557</u>