



Consolidated financial statements

Village of New Maryland

December 31, 2020

Contents

	Page
Independent auditors' report	1 - 2
Consolidated statement of operations and accumulated surplus	3
Consolidated statement of financial position	4
Consolidated statement of changes in net assets	5
Consolidated statement of cash flows	6
Notes to the consolidated financial statements	7 - 16
Schedule 1: tangible capital assets	17
Schedule 2: consolidated schedule of revenues	18
Schedule 3: consolidated schedule of expenses	19 - 22
Schedule 4: schedule of segment disclosure	23
Schedule 5: schedule of reserve funds	24 - 27
Schedule 6: schedule of reconciliation of annual surplus	28
Schedule 7: schedule of operating budget to PSAB budget	29

Independent auditor's report

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Her Worship the Mayor, and Members of Council
Village of New Maryland

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Village of New Maryland as at December 31, 2020, and the results of its operations, changes in net assets, and 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 consolidated Financial Statements* section of our report. We are independent of the Village 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.

Other matter

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole. Schedules 5, 6, and 7 on pages 24, 25, and 26 are presented for purposes of additional information and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

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 Village's ability to

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

Those charged with governance are responsible for overseeing the Village'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 these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Village'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 Village'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 auditor's report. However, future events or conditions may cause the Village 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Grant Thornton LLP

Fredericton, Canada
May 12, 2021

Chartered Professional Accountants

Village of New Maryland

Consolidated statement of operations and accumulated surplus

Year Ended December 31

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue (schedule 4)			
Property tax warrant	\$ 4,598,492	\$ 4,598,492	\$ 4,455,352
Services to other governments (schedule 2)	140,302	140,302	150,672
Other revenue from own source (schedule 2)	174,140	149,838	372,093
Unconditional grant	6,235	6,235	6,022
Other contributions and government transfers (schedule 2)	25,000	1,005,739	958,103
Water and sewer user fees (schedule 2)	1,157,347	1,180,726	1,120,746
Interest	22,000	126,553	200,910
Loss on disposal of tangible capital assets	-	-	(474,802)
	<u>6,123,516</u>	<u>7,207,885</u>	<u>6,789,096</u>
Expenses (schedules 3 & 4)			
General government services	1,028,763	991,832	1,122,115
Protective services	1,024,454	1,026,793	985,530
Transportation services	1,399,636	1,399,257	1,355,335
Environmental health services	285,504	276,407	237,365
Environmental development services	204,178	189,290	228,444
Recreation and cultural services	806,077	687,918	756,492
Water and sewer	1,165,339	1,136,670	1,137,450
	<u>5,913,951</u>	<u>5,708,167</u>	<u>5,822,731</u>
Annual surplus (schedule 6)	\$ 209,565	\$ 1,499,718	\$ 966,365
Accumulated surplus, beginning of year		<u>42,103,205</u>	<u>41,136,840</u>
Accumulated surplus, end of year		<u>\$ 43,602,923</u>	<u>\$ 42,103,205</u>

See accompanying notes to the consolidated financial statements.

Village of New Maryland

Consolidated statement of financial position

Year Ended December 31

2020

2019

Financial assets

Cash and cash equivalents	\$ 11,120,171	\$ 11,372,387
Receivables		
General	301,210	346,387
Federal Government and its agencies (note 3)	183,615	30,076
Province of New Brunswick (note 4)	-	262,839
Pension asset (note 8)	133,800	115,700

11,738,796 12,127,389

Liabilities

Bank loans (note 5)	1,103,481	90,000
Payables and accruals (note 6)	240,150	158,039
Long term debt (note 7)	4,794,000	5,403,000
Accrued sick leave obligation (note 9)	221,400	149,200

6,359,031 5,800,239

Net assets

5,379,765 6,327,150

Non-financial assets

Tangible capital assets (schedule 1)	38,127,381	35,675,338
Prepaid expenses	95,777	100,717

38,223,158 35,776,055

Accumulated surplus

\$ 43,602,923 \$ 42,103,205

Commitments and contingency (note 10)

On behalf of the Council

Judy Wilson-Shee

Enthe Geldart



See accompanying notes to the consolidated financial statements.

Village of New Maryland

Consolidated statement of changes in net assets

Year Ended December 31

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 209,565	\$ 1,499,718	\$ 966,365
Acquisition of tangible capital assets	(848,505)	(3,817,755)	(2,073,699)
Amortization of tangible capital assets	1,365,712	1,365,712	1,327,530
Loss on sale of tangible capital assets	-	-	474,802
	<u>726,772</u>	<u>(952,325)</u>	<u>694,998</u>
Acquisition of prepaid assets	-	(95,777)	(100,717)
Use of prepaid assets	-	100,717	78,626
	-	<u>4,940</u>	<u>(22,091)</u>
Increase (decrease) in net assets	726,772	(947,385)	672,907
Net assets, beginning of year	<u>6,327,150</u>	<u>6,327,150</u>	<u>5,654,243</u>
Net assets, end of year	<u>\$ 7,053,922</u>	<u>\$ 5,379,765</u>	<u>\$ 6,327,150</u>

See accompanying notes to the consolidated financial statements.

Village of New Maryland

Consolidated statement of cash flows

Year Ended December 31

2020

2019

Increase (decrease) in cash and cash equivalents

Operating activities

Annual surplus	\$ 1,499,718	\$ 966,365
Amortization of tangible capital assets	1,365,712	1,327,530
Loss on disposal of tangible capital assets	-	474,802
Change in receivables:		
General	45,177	18,409
Federal government and its agencies	(153,539)	21,321
Province of New Brunswick	262,839	(43,645)
Change in payables and accruals	82,111	(103,246)
Change in accrued sick leave	72,200	20,200
Change in pension obligation	(18,100)	1,400

Net cash provided by operating activities	<u>3,156,118</u>	<u>2,683,136</u>
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Capital activities

Acquisition of tangible capital assets	(3,146,755)	(2,073,699)
Donated assets	(671,000)	-
Change in prepaid expenses	<u>4,940</u>	<u>(22,091)</u>

Net cash used for capital activities	<u>(3,812,815)</u>	<u>(2,095,790)</u>
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Financing activities

Bank loan proceeds (repayment)	1,013,481	30,000
Long -term debt repayment	<u>(609,000)</u>	<u>(680,000)</u>

Net cash provided (used) for financing activities	<u>404,481</u>	<u>(650,000)</u>
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Decrease in cash and cash equivalents	(252,216)	(62,654)
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Cash and cash equivalents at beginning of year	<u>11,372,387</u>	<u>11,435,041</u>
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Cash and cash equivalents at end of year	<u>\$ 11,120,171</u>	<u>\$ 11,372,387</u>
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See accompanying notes to the consolidated financial statements.

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

1. Purpose of the organization

The municipality was incorporated as a Village by the Province of New Brunswick Municipalities Act on June 1, 1991. As a municipality, the Village of New Maryland 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 Village of New Maryland 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 CPA Canada.

Management maintains a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirement, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements.

The focus of Public Sector Accounting (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:

a) **Reporting entity**

These consolidated financial statements reflect the assets, liabilities, revenues, expenses, changes in net debt and cash flows of the reporting entity. The Village of New Maryland is comprised of all organizations accountable for the administration of their financial affairs and resources to the Village of New Maryland, and which are controlled by the Village of New Maryland.

Interdepartmental and organizational transactions and balances are eliminated.

b) **Budget**

The budget figures contained in these financial statements were approved by Council on December 18, 2019, and the Minister of Local Government on January 6, 2020.

c) **Revenue recognition**

Taxation Revenue represents the annual levy administered and collected by the Province of New Brunswick on behalf of all New Brunswick Municipalities for municipal services. They are recorded as warrant of assessment as the funds are received by the Village.

Fee and charge revenue for building permits, water and wastewater, and transportation are recorded on the accrual basis and recognized as earned, which is usually when services are provided or facilities are utilized.

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

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

2. Summary of significant accounting policies (continued)

d) Government transfers

Government transfers are transfers of monetary assets or tangible capital assets from a government to an individual, an organization or another government that are not the result of an exchange transaction, expected to be repaid in the future or expected to produce a direct financial return. Government transfers received are recognized in the financial statements as revenue when the transfers are authorized and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

e) Expense recognition

Expenses are recognized in the period that the goods and services were acquired and a liability was incurred. Expenses are recorded on an accrual basis. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

f) Non-financial assets

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

i) Tangible capital assets

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

Asset type	<u>Years</u>
Buildings and structures	10-50 years
Vehicles and equipment	5-25 years
Roads, streets, sidewalks and culverts	15-80 years
Parks and playgrounds	10-20 years
Water and wastewater networks	40-80 years

Amortization is not recognized in the year assets are acquired.

ii) Assets under construction

Assets under construction are not amortized until the asset is available for productive use, at which time they are transferred to their respective tangible capital asset categories.

iii) Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are also recorded as revenue.

f) Cash and cash equivalents

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

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

2. Summary of significant accounting policies (continued)

g) Post-employment benefits

The Village and its employees 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 Plan provides for service pensions based on length of service and best average earnings.

In addition to the Municipal Pension Plan, the Village allows a portion of unused sick benefits which have vested to be paid to employees upon retirement or resignation. The costs of these benefits are actuarially determined based on service and best estimate of retirement ages and expected salary increases.

h) Reserve funds

Certain amounts, as approved by Village Council, are set aside in reserve funds for future operating and capital purposes. Transfers to and from reserve funds are recorded as an adjustment within accumulated surplus. Schedule 5 to the consolidated financial statements is included to show the reserve fund balances as supplementary information.

i) Segmented information

The Village of New Maryland is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Village'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 and development services

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

Recreation and cultural services

This department is responsible for the maintenance and operation of recreational and cultural facilities, including arenas, parks and playgrounds, and other recreational and cultural facilities.

Water and sewer

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.

Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis. Taxation, unconditional grant, fees and user charges are allocated to those segments that are funded by these amounts based on percent of budgeted expense.

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

2. Summary of significant accounting policies (continued)

j) Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue 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. Significant estimates reported in these financial statements include amortization of tangible capital assets, the pension asset/obligation, and the accrued sick leave obligation. Actual results may differ from those estimates.

k) Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Village is directly responsible, or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

3. Due from federal government and its agencies	<u>2020</u>	<u>2019</u>
Canada Revenue Agency (HST rebate)	\$ <u>183,613</u>	\$ <u>30,076</u>

4. Due from Province of New Brunswick	<u>2020</u>	<u>2019</u>
New Brunswick Department of Transportation	\$ <u>-</u>	\$ <u>262,839</u>

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

5. Bank loans

Bank loans for operating purposes are within the limit prescribed by the Municipalities Act. The credit facility with the Municipality's bank has a combined borrowing limit of \$300,000 for the Municipality's operations and bears interest at prime rate. Bank loans for operations as at December 31, 2020 were \$240,000.

Bank loans for capital represent temporary financing of capital expenditures for the General Capital Fund and for the Water and Sewerage Capital Fund and will be replaced by debenture issues as well as a working capital component. The total amount for Capital Funds are within the budget limit of 50% of operating fund expenditures as required by the Municipalities Act. The interest rates on these loans are at prime rate. Bank loans for capital as at December 31, 2020 were \$863,481.

6. Payables and accruals

	<u>2020</u>	<u>2019</u>
Trade payables and accruals	\$ 96,904	\$ 85,360
Interest on long-term debt	28,499	30,132
Local improvement deposits	<u>114,747</u>	<u>42,547</u>
	<u>\$ 240,150</u>	<u>\$ 158,039</u>

7. Long-term debt

	<u>2020</u>	<u>2019</u>
<u>New Brunswick Municipal Financing Corporation Debentures</u>		
BP33 1.20% - 3.80%, due 2031, OIC #15-0032	\$ 365,000	\$ 431,000
BM38 0.95% - 3.50%, due 2025, OIC #04-0005	951,000	1,129,000
BN30 1.05% - 3.90%, due 2030, OIC #14-0032	309,000	336,000
BE25 1.65% - 4.25%, due 2021, OIC #09-0024	914,000	1,052,000
BE26 1.65% - 4.25%, due 2021, OIC #09-0048	625,000	673,000
BH38 1.35% - 3.80%, due 2027, OIC #09-0024	510,000	575,000
BI42 1.35% - 4.00%, due 2033, OIC #09-0048	380,000	403,000
BR32 1.65% - 3.30%, due 2027, OIC #17-0014, 17-0062	272,000	307,000
BU32 2.55% - 3.70%, due 2033, OIC #17-0014	<u>468,000</u>	<u>497,000</u>
	<u>\$ 4,794,000</u>	<u>\$ 5,403,000</u>

In 2021, debentures BE25 and BE26 will mature with final amounts due of \$914,000 and \$625,000 respectively. These debentures are expected to be refinanced for \$773,000 and \$577,000 respectively during that year.

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

7. Long-term debt (continued)

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

2021	1,971,000
2022	399,000
2023	410,000
2024	420,000
2025	433,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debenture debt reported and all the long-term debt has been approved by an Order-in-Council of the Provincial Legislature.

8. Pension asset

The Village and its employees 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. 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.

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%
- The discount rate used to determine the accrued benefit obligation is 5.75% per annum
- The expected rate of return on assets is 5.75% per annum
- Retirement age varies by age and employment category
- Estimated average remaining service life (EARSLS) is 14.0 years

The actuarial valuation prepared as at December 31, 2018 indicated that the market value of the net assets available for the accumulated plan benefits were less than the present value of 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, 2017, the actuary expected the level of employer and employee contributions to be sufficient to fund the current service cost and going concern special payments, as required by the Pension Benefits Act.

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

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

8. Pension asset (continued)

Employees make contributions using rates that may vary by earnings level and employment category, with an overall average contribution rate of approximately 8%. Each municipality contributes an amount that equals their employee's contribution amounts. Pension Fund Assets are invested in Short Term Securities, Bonds, Canadian Equities and Foreign Equities. Combined employees and municipalities contributions for 2020 were estimated to be approximately \$6,940,000 (actual 2019 was \$6,775,300) in totality for the NB MEPP.

The following summarizes the NB MEPP data as it relates to the Village of New Maryland:

- The average age of the 18 active employees covered by the NB MEPP is 47.8 (as at December 31, 2018)
- Benefit payments were \$11,800 in 2019 and were estimated to be \$11,800 in 2020
- Combined contributions were \$170,800 in 2019 and were estimated to be \$176,000 in 2020

In addition to determining the position of the NB MEPP as it relates to the Village of New Maryland 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:

Accrued benefit liability / (asset)	<u>2020</u>	<u>2019</u>
Accrued benefit asset at beginning of period	\$ (115,700)	\$ (117,100)
Pension expense for the year	69,900	87,300
Less: Employer contributions	(88,000)	(85,900)
Accrued benefit asset at end of period	<u>\$ (133,800)</u>	<u>\$ (115,700)</u>

In summary, the accrued benefit asset as it relates to the Village of New Maryland is estimated to be \$133,800 as at December 31, 2020. This compares to an asset of \$115,700 as at December 31, 2019. This amount is reported as a financial asset on the consolidated statement of financial position.

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

Reconciliation of funded status at end of period	<u>2020</u>	<u>2019</u>
Accrued benefit obligation	\$ 2,165,000	\$ 1,871,900
Plan assets	<u>2,158,000</u>	<u>1,646,200</u>
Plan deficit	7,000	225,700
Unamortized experience losses	<u>140,800</u>	<u>341,400</u>
Accrued benefit asset at end of period	<u>\$ (133,800)</u>	<u>\$ (115,700)</u>

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

8. Pension asset (continued)

Total expenses related to pensions include the following components:

Pension expense	2020	2019
Employer current service cost	\$ 56,800	\$ 52,100
Interest on accrued benefit obligation	114,100	94,300
Expected return on assets	(112,900)	(81,700)
Experience loss	11,900	22,600
Pension expense	<u>\$ 69,900</u>	<u>\$ 87,300</u>

The pension expense is included in the consolidated statement of operations.

9. Accrued sick leave obligation

The Village of New Maryland provides employees the ability to accumulate sick leave benefits payable either upon retirement or resignation.

	2020	2019
Accrued employee benefit obligation:		
Opening balance	\$ 149,200	\$ 129,000
Current period service cost	71,200	20,200
Accrued interest	4,200	-
Experience loss (gain)	3,000	-
Benefit payments	(6,200)	-
Accrued employee benefit obligation	<u>\$ 221,400</u>	<u>\$ 149,200</u>
Unfunded obligation:		
Accrued employee benefit obligation	\$ 221,400	\$ 149,200
Less: funded amount	(184,100)	(149,200)
Unfunded accrued employee benefit obligation	<u>\$ 37,300</u>	<u>\$ -</u>

The accrued sick leave liabilities were valued based on an actuarial calculation as of December 31, 2020. The actuarial method used was the projected benefit method prorated on service to calculate the accrued benefit obligation. 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 Village's best estimates.

The following summarizes the major assumptions in the valuation:

- Annual salary increase is 1.5%;
- The discount rate used to determine the accrued benefit obligation is 1.99%;
- Retirement age is 60; and,
- Estimated average remaining service life (EARSLS) is 12.40 years.

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

10. Commitments and contingency

- a) The Village has entered into an agreement for solid waste collection at an annual cost of \$280,226 (including HST). The agreement expires December 31, 2027.
- b) The Village has entered into an agreement for animal control services at an annual cost of \$6,000 (including HST). The agreement expires November 30, 2022.
- c) The Village has entered into two agreements for snow and ice control at an annual cost for 2021 of \$163,562 (including HST). These agreements expire October 2023.
- d) The Village has entered into an agreement for recreational services at a variable annual cost based on a percentage of the municipal tax base. The estimated annual cost for 2021 is \$141,206 (including HST). The agreement expires December 31, 2027, but either Party may terminate the agreement, at the end of the calendar year following the year in which the written notice is given.
- e) In the normal course of the Village's activities, the Village is from time to time named as a defendant in actions for damages and costs allegedly sustained by plaintiffs. The Village intends to defend and negotiate such claims and litigation. The eventual outcome of these claims and litigation is not determinable at year end. At the end of the year the Village is aware of one claim, however the amount and outcome of the claim are not determinable at year-end. No provision has been made to the financial statements for this claim.

11. Short-term borrowing compliance

Capital Funds

The Village has outstanding authority for short term borrowing as follows:

General Capital Fund		
Ministerial Approval	20-0004	\$ 2,000,000
Water and Sewer Capital Fund		
Ministerial Approval	20-0050	\$ 9,300,000

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 2020, 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 the next year unless the borrowing is for a capital project. The amounts payable between funds are in compliance with the requirements.

12. Capital funds

Current assets exceed current liabilities at December 31, 2020 in the Water and Sewer Capital Fund. This excess amount represents funds for future capital projects. Current assets do not exceed current liabilities at December 31, 2020 in the General Capital Fund.

Village of New Maryland

Notes to the consolidated financial statements

December 31, 2020

13. 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 expenses for the population.

14. Water and sewer fund surplus / deficit

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

	<u>2020</u>	<u>2019</u>
2020 Surplus	\$ 23,496	\$ -
2019 Surplus	23,429	23,429
2018 Deficit	<u>-</u>	<u>(33,991)</u>
	<u>\$ 46,925</u>	<u>\$ (10,562)</u>

15. Impacts of COVID-19

Since December 31, 2020, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. The majority of the Village's revenue is property tax which is not expected to be affected at this time. The financial impact to date has been minimal.

The Village has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Village for future periods.

Village of New Maryland
Schedule 1: tangible capital assets
December 31, 2020

	General capital assets						Water and sewer assets				2020	2019
	Land	Buildings and structures	Parks and playgrounds	Assets under construction	Vehicles and equipment	Road, streets, sidewalks, culverts	Land	W&S buildings	Water and sewer mains	Assets under construction		
Cost												
Opening cost	\$ 1,930,692	\$ 3,090,875	\$ 1,947,883	\$ 90,345	\$ 1,999,564	\$ 20,512,577	\$ 726,019	\$ 8,952,742	\$ 15,601,963	\$ -	\$ 54,852,660	\$ 53,429,913
Additions and transfers	61,254	24,640	-	1,189,300	528,557	956,422	-	383,683	673,899	-	3,817,755	2,117,870
Disposals and transfers	-	-	-	-	-	(77,987)	-	-	(10,056)	-	(88,043)	(695,123)
Closing cost	<u>1,991,946</u>	<u>3,115,515</u>	<u>1,947,883</u>	<u>1,279,645</u>	<u>2,528,121</u>	<u>21,391,012</u>	<u>726,019</u>	<u>9,336,425</u>	<u>16,265,806</u>	<u>-</u>	<u>58,582,372</u>	<u>54,852,660</u>
Accumulated amortization												
Opening accumulated amortization	-	1,693,144	1,168,794	-	1,457,909	7,312,812	-	3,279,047	4,265,616	-	19,177,322	18,025,942
Amortization	-	114,550	71,725	-	101,784	524,701	-	268,135	241,433	-	1,322,328	1,327,530
Disposals	-	-	-	-	-	(35,023)	-	-	(9,636)	-	(44,659)	(176,150)
Closing accum'd amortization	<u>-</u>	<u>1,807,694</u>	<u>1,240,519</u>	<u>-</u>	<u>1,559,693</u>	<u>7,802,490</u>	<u>-</u>	<u>3,547,182</u>	<u>4,497,413</u>	<u>-</u>	<u>20,454,991</u>	<u>19,177,322</u>
Asset net book value	<u>\$ 1,991,946</u>	<u>\$ 1,307,821</u>	<u>\$ 707,364</u>	<u>\$ 1,279,645</u>	<u>\$ 968,428</u>	<u>\$ 13,588,522</u>	<u>\$ 726,019</u>	<u>\$ 5,789,243</u>	<u>\$ 11,768,393</u>	<u>\$ -</u>	<u>\$ 38,127,381</u>	<u>\$ 35,675,338</u>

Village of New Maryland

Schedule 2: consolidated schedule of revenues

Year ended December 31, 2020

	2020	2020	2019
	(schedule 7)		
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Services to other governments			
Fire protection	\$ 140,302	\$ 140,302	\$ 150,672
Other revenue from own sources			
Building rentals	\$ 8,300	\$ 14,999	\$ 14,178
Permits and fines	28,300	50,752	38,876
Recreation	112,500	47,201	123,281
Hookup and surcharges	16,200	15,519	18,027
Water meter fee	5,840	13,997	13,816
Other	3,000	7,370	163,915
	<u>\$ 174,140</u>	<u>\$ 149,838</u>	<u>\$ 372,093</u>
Other contributions and government transfers			
Gas tax funding	\$ -	\$ 311,636	\$ 644,522
Contributed assets	-	674,000	279,000
Other	25,000	20,103	40,666
	<u>\$ 25,000</u>	<u>\$ 1,005,739</u>	<u>\$ 958,103</u>
Water and sewer user fees			
Water user charges	\$ 306,567	\$ 325,682	\$ 296,446
Sewer user charges	850,780	855,044	824,300
	<u>\$ 1,157,347</u>	<u>\$ 1,180,726</u>	<u>\$ 1,120,746</u>

Village of New Maryland

Schedule 3: consolidated schedule of expenses

Year Ended December 31

2020

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
General government services			
Legislative			
Mayor's remuneration and expenses	\$ 21,699	\$ 21,673	\$ 21,418
Councillors' remuneration and expenses	57,622	56,314	55,593
Development seminars	17,300	3,297	17,474
	<u>96,621</u>	<u>81,284</u>	<u>94,485</u>
Administrative			
Manager and clerks	232,625	201,107	199,785
Office building	54,950	49,392	54,227
Solicitor	5,000	2,344	2,400
Other	152,471	82,806	111,630
	<u>445,046</u>	<u>335,649</u>	<u>368,042</u>
Financial management			
Administration personnel	304,677	292,970	286,977
External audit	36,500	43,255	46,643
Accounting and consulting	3,800	11,832	3,574
Donations and grants	4,200	2,300	143,290
Cost of assessment	68,485	68,485	67,296
	<u>417,662</u>	<u>418,842</u>	<u>547,780</u>
Other general government services			
Public liability insurance	28,650	42,601	35,481
Asset management plan	-	2,086	-
Other	-	8,431	6,990
Pension and sick accrual adjustment	-	60,202	21,600
Interest	1,500	3,453	1,084
Amortization	39,284	39,284	46,653
	<u>69,434</u>	<u>156,057</u>	<u>111,808</u>
	<u>\$ 1,028,763</u>	<u>\$ 991,832</u>	<u>\$ 1,122,115</u>

Village of New Maryland

Schedule 3: consolidated schedule of expenses

Year Ended December 31

2020

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Protective services			
RCMP	\$ 589,123	\$ 589,123	\$ 575,614
Fire			
Administration	43,626	44,932	42,633
Fire department – personnel	157,000	153,375	154,520
Training	10,900	4,074	8,129
Building maintenance	33,606	34,303	33,738
Equipment	19,300	21,878	18,791
Vehicle maintenance	16,900	21,335	16,598
	<u>281,332</u>	<u>279,897</u>	<u>274,409</u>
Other			
Animal and pest control	11,200	8,731	6,901
Building inspections	81,614	79,676	70,741
Emergency measures	10,065	18,246	6,744
Amortization	51,120	51,120	51,121
	<u>153,999</u>	<u>157,773</u>	<u>135,507</u>
	<u>\$ 1,024,454</u>	<u>\$ 1,026,793</u>	<u>\$ 985,530</u>

Village of New Maryland

Schedule 3: consolidated schedule of expenses

Year Ended December 31,

2020

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Transportation services			
Common services			
Administration	\$ 171,397	\$ 166,565	\$ 163,052
Engineering services personnel fees	30,000	7,761	14,146
Vehicle expense	37,650	32,956	39,096
Other	6,772	5,701	9,051
	<u>245,819</u>	<u>212,983</u>	<u>225,345</u>
Road transport			
Culverts and drainage ditches	\$ 31,000	\$ 67,531	38,089
Sidewalks	1,000	2,107	930
Storm sewers	3,100	24,474	6,394
Street cleaning	26,000	20,336	25,876
Snow and ice removal	212,443	216,902	236,399
Summer maintenance	49,342	45,409	41,564
	<u>322,885</u>	<u>376,759</u>	<u>349,252</u>
Street lighting	<u>65,800</u>	<u>66,855</u>	<u>65,462</u>
Traffic services			
Street signs	3,400	2,921	4,011
Crosswalks	5,296	4,543	4,863
Other	22,000	7,717	5,840
	<u>30,696</u>	<u>15,181</u>	<u>14,714</u>
Other			
Interest	120,951	113,994	117,984
Amortization	613,485	613,485	582,578
	<u>734,436</u>	<u>727,479</u>	<u>700,562</u>
	<u>\$ 1,399,636</u>	<u>\$ 1,399,257</u>	<u>\$ 1,355,335</u>
Environmental health services			
Garbage and waste collection	\$ 285,504	\$ 276,407	\$ 237,365
Environmental development services			
Research and planning	\$ 164,178	\$ 155,010	\$ 190,219
Beautification and land rehabilitation	40,000	34,280	38,225
	<u>\$ 204,178</u>	<u>\$ 189,290</u>	<u>\$ 228,444</u>

Village of New Maryland

Schedule 3: consolidated schedule of expenses

Year Ended December 31,

2020

2020

2019

	(schedule 7) <u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Recreation and cultural services			
Administration	\$ 99,765	\$ 69,078	\$ 71,501
Gym, Day Camp & Vehicles	54,297	50,842	74,162
New Maryland Centre	166,424	98,184	108,593
Rinks and arenas	1,559	237	550
Parks and playgrounds	126,766	118,335	127,903
Special events	53,500	25,780	53,091
Other recreation facilities	151,931	173,627	168,786
Amortization	151,835	151,835	151,906
	<u>\$ 806,077</u>	<u>\$ 687,918</u>	<u>\$ 756,492</u>
Water and sewer			
Water supply			
Administration	\$ 166,536	\$ 145,335	\$ 148,072
Transmission and distribution	18,250	7,068	7,898
Purification	26,000	18,207	24,799
Power and pumping	42,570	26,941	26,807
Repairs and maintenance	1,450	21,860	14,010
Well exploration	-	41,931	-
Interest	56,565	42,657	45,855
Bad debt	-	-	14,242
Amortization	192,429	192,429	186,495
	<u>503,800</u>	<u>496,428</u>	<u>468,178</u>
Sewer collection and disposal			
Administration	180,902	166,200	192,037
Sewer collection system	11,950	2,926	5,454
Sewer lift stations	57,550	52,033	54,377
Sewer treatment and disposal	79,300	74,746	79,121
Interest	14,278	26,778	29,506
Amortization	317,559	317,559	308,777
	<u>661,539</u>	<u>640,242</u>	<u>669,272</u>
	<u>\$ 1,165,339</u>	<u>\$ 1,136,670</u>	<u>\$ 1,137,450</u>

Village of New Maryland
Schedule 4: schedule of segment disclosure
December 31, 2020

	General government	Protection	Transportation	Environmental health & development	Recreation and cultural	Water & sewer	2020 Consolidated	2019 Consolidated
Revenues								
Property tax warrant	\$ 993,824	\$ 1,208,618	\$ 1,215,967	\$ 491,832	\$ 688,251	\$ -	\$ 4,598,492	\$ 4,455,352
Services provided to other governments	-	140,302	-	-	-	-	140,302	150,672
Other revenue from own sources	15,819	2,890	47,862	-	47,201	36,066	149,838	372,093
Unconditional grant	1,348	1,639	1,649	667	932	-	6,235	6,022
Other government grants	20,103	-	-	-	-	985,636	1,005,739	985,103
Water and sewer user fees	-	-	-	-	-	1,180,726	1,180,726	1,120,746
Loss on disposal	-	-	-	-	-	-	-	(474,802)
Interest	60,374	-	-	-	-	66,179	126,553	200,910
	<u>1,091,468</u>	<u>1,353,449</u>	<u>1,265,478</u>	<u>492,499</u>	<u>736,384</u>	<u>2,268,607</u>	<u>7,207,885</u>	<u>6,789,096</u>
Expenses								
Salaries and benefits	575,157	235,561	192,325	108,321	256,189	218,264	1,585,817	1,590,813
Goods and services	313,737	740,112	479,453	357,376	279,894	366,487	2,537,059	2,763,720
Amortization	39,284	51,120	613,485	-	151,835	509,988	1,365,712	1,327,530
Interest	3,453	-	113,994	-	-	-	117,447	119,068
Pension obligation*	(18,100)	-	-	-	-	-	(18,100)	1,400
Accrued sick leave*	78,301	-	-	-	-	-	78,301	20,200
Well exploration and testing	-	-	-	-	-	41,931	41,931	-
	<u>991,832</u>	<u>1,026,793</u>	<u>1,399,257</u>	<u>465,697</u>	<u>687,918</u>	<u>1,136,670</u>	<u>5,708,167</u>	<u>5,822,731</u>
Surplus (deficit) for the year	\$ <u>99,636</u>	\$ <u>326,656</u>	\$ <u>(133,779)</u>	\$ <u>26,802</u>	\$ <u>48,466</u>	\$ <u>1,131,937</u>	\$ <u>1,499,718</u>	\$ <u>966,365</u>

Village of New Maryland
Schedule 5: schedule of reserve funds
December 31, 2020

	General Operating Reserve	General Capital Reserve	W&S Operating Reserve	W&S Capital Reserve	2020 Total	2019 Total
Accumulated surplus, beginning of year	\$ 167,771	\$ 2,864,273	\$ 49,687	\$ 4,372,562	\$ 7,454,293	\$ 7,688,475
Transfers from General Operating Fund	47,353	490,490	-	-	537,843	353,607
Transfers to General Capital Fund	-	(81,240)	-	-	(81,240)	(573,483)
Transfers from Water and Sewer Operating Fund	-	-	5,000	158,840	163,840	83,660
Transfers to Water and Sewer Capital Fund	-	-	-	(300,000)	(300,000)	(253,500)
Interest	2,260	36,426	639	54,221	93,546	155,534
Annual surplus	49,613	445,676	5,639	(86,939)	413,989	(234,182)
Accumulated surplus, end of year	\$ 217,384	\$ 3,309,949	\$ 55,326	\$ 4,285,623	\$ 7,868,282	\$ 7,454,293

* Reserve funds are held in savings accounts bearing interest at BMO prime rate minus 1.5%

Council resolutions regarding transfers to and from reserves:

February 19, 2020

Be It Resolved That the Council for the Village of New Maryland transfer from the General Capital Reserve Fund (Acct# 0626 1015-021) to the General Capital Fund (Acct# 0626 1020-875) \$22,077 (*Twenty-Two Thousand, and Seventy-Seven Dollars*) being the amount in reserve set aside for the purpose of constructing a Public Works/Recreation Garage. Moved by Councillor Mike Pope, seconded by Councillor Tim Scammell. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland, as per the recommendation of the Public Works Supervisor, transfer \$300,000 (*three hundred thousand dollars*) from the Utility Capital Reserve Fund (Account #0626 1018- 839) to the Utility Capital Fund (Account# 0626 1020-867) to cover expenses for the maintenance of the wastewater sand filter systems at the wastewater treatment plant. Moved by Councillor Gisele McCaie-Burke, seconded by Deputy Mayor Alex Scholten. Motion Carried.

Village of New Maryland

Schedule 5: schedule of reserve funds

December 31, 2020

Council resolutions regarding transfers to and from reserves (continued):

March 18, 2020

Be It Resolved That the Council for the Village of New Maryland transfer from the General Capital Fund (Acct# 0626 1020- 875) to the General Capital Reserve Fund (Acct# 0626 1015-021) the amount of \$37,493.82 (*thirty-seven thousand, four hundred and ninety-three dollars and eighty-two cents*) being the residual amount from the funds transferred in November 2019 compared to the actual invoice net of HST in December 2019 paid to Maxi Metals Inc. for the heavy rescue unit. Moved by Councillor Gisele McCaie-Burke, seconded by Councillor Mike Pope. Motion Carried.

Be It Resolved That the Village of New Maryland transfer from the General Operating Reserve Fund (Acct # 0626 1015-013) to the General Operating Fund (Acct# 0626 1013-181) the amount of \$6,447 (*six thousand, four hundred and forty-seven dollars*) being the amount set aside for the purpose of purchasing fire equipment and dress uniforms. Moved by Councillor Gisele McCaie-Burke, seconded by Deputy Mayor Alex Scholten. Motion Carried.

May 20, 2020

Be It Resolved That the Council for the Village of New Maryland transfer from the General Capital Reserve Fund (Acct #0626 1015-021) to the General Capital Fund (Acct #0626 1020-875) \$19,413 (*Nineteen Thousand, Four Hundred & Thirteen Dollars*) being the amount allocated in reserve for the purpose of replacing the server. Moved by Councillor Paul LeBlanc, seconded by Councillor Mike Pope. Motion Carried.

June 17, 2020

Be It Resolved That the Council for the Village of New Maryland, as per the recommendation of the Public Works Supervisor, transfer funds from the General Capital Reserve Fund (Account# 0626 1015-021) to the General Operating Fund (Account# 0626 1013-181) in the amount of \$35,510 (*thirty-five thousand, five hundred and ten dollars*) to help finance costs for the repair and maintenance of culverts identified by staff for 2020. Moved by Councillor Mike Pope, seconded by Deputy Mayor Alex Scholten. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland, as per the recommendation of the Fire Chief, transfer from the General Capital Reserve Fund (Acct# 0626 1015-021) to the General Capital Fund (Acct# 0626 1020-875) the amount of \$59,153.67 (*Fifty-Nine Thousand, One Hundred and Fifty-Three Dollars and Sixty-Seven Cents*) for the purpose of purchasing the Fire Chief's replacement vehicle. Moved by Councillor Tim Scammell, seconded by Councillor Mike Pope. Motion Carried.

Village of New Maryland

Schedule 5: schedule of reserve funds

December 31, 2020

Council resolutions regarding transfers to and from reserves (continued):

October 21, 2020

Be It Resolved That the Council for the Village of New Maryland transfer from the Utility Operating Fund (Acct #0626 1014- 176) to the Utility Capital Reserve Fund (Acct# 0626 1018-839) \$83,840 (*Eighty-Three Thousand, Eight Hundred and Forty Dollars*). Moved by Deputy Mayor Alex Scholten, seconded by Councillor Mike Pope. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland transfer from the General Operating Fund (Acct #0626 1013-181) to the General Operating Reserve Fund (Acct# 0626 1015-013) \$53,800 (*Fifty-Three Thousand, Eight Hundred Dollars*). Moved by Deputy Mayor Alex Scholten, seconded by Councillor Mike Pope. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland transfer from the Utility Operating Fund (Acct #0626 1014-176) to the Utility Operating Reserve Fund (Acct# 0626 1016-956) \$5,000 (*Five Thousand Dollars*). Moved by Deputy Mayor Alex Scholten, seconded by Councillor Gisele McCaie-Burke. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland transfer from the General Operating Fund (Acct #0626 1013-181) to the General Capital Reserve Fund (Acct# 0626 1015-021) \$366,000 (*Three Hundred and Sixty-Six ThousandDollars*). Moved by Deputy Mayor Alex Scholten, seconded by Councillor Paul LeBlanc. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland, as per the recommendation of the Fire Chief, transfer from the General Capital Reserve Fund (Account# 0626 1015-021) to the General Capital Fund (Account# 0626 1020-875) the amount of \$18,090 (*Eighteen Thousand and Ninety Dollars*). Moved by Councillor Tim Scammell, seconded by Deputy Mayor Alex Scholten. Motion Carried

Village of New Maryland Schedule 5: schedule of reserve funds

December 31, 2020

Council resolutions regarding transfers to and from reserves (continued):

December 16, 2020

Be It Resolved That the Council for the Village of New Maryland transfer from the General Operating Fund (Account # 06261013-181) to the General Capital Reserve Fund (Account# 0626 1015-021) the amount of \$160,000 (*One Hundred, Sixty Thousand Dollars*). Moved by Councillor Tim Scammell, seconded by Councillor Gisele McCaie-Burke. Motion Carried.

Be It Resolved That the Council for the Village of New Maryland transfer from the Utility Operating Fund (Account# 0626-1014-176) to the Utility Capital Reserve Fund (Account# 06261018-839) the amount of \$75,000 (*Seventy-Five Thousand Dollars*). Moved by Councillor Tim Scammell, seconded by Councillor Mike Pope. Motion Carried.

I hereby certify that the above are true and exact copies of resolutions that were adopted by Council on the dates indicated beside each resolution.


Cynthia Geldart

CAO/Clerk

Village of New Maryland

19 May 2021
Date



Village of New Maryland
Schedule 6: schedule of reconciliation of annual surplus
December 31, 2020

	General Operating Fund	General Capital Fund	W&S Operating Fund	W&S Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	W&S Operating Reserve Fund	W&S Capital Reserve Fund	Total All Funds
2020 annual surplus (deficit) per PSAB for the year	\$ 1,175,258	\$ (398,661)	\$ 591,401	\$ 38,174	\$ 2,260	\$ 36,426	\$ 639	\$ 54,221	\$ 1,499,718
Adjustment to annual surplus for funding requirements									
Second previous year's surplus	59	-	(33,991)	-	-	-	-	-	(33,932)
Long-term debt principal repayment	(360,000)	360,000	(249,000)	249,000	-	-	-	-	-
Water cost transfer	(100,000)	-	100,000	-	-	-	-	-	-
Interfund transfers	(731,170)	274,567	(384,914)	521,074	47,353	409,250	5,000	(141,160)	-
Accrued sick leave	37,302	-	-	-	-	-	-	-	37,302
Pension expense	(18,100)	-	-	-	-	-	-	-	(18,100)
Loss on disposal of tangible assets	-	-	-	-	-	-	-	-	-
Amortization of tangible assets	-	855,724	-	509,988	-	-	-	-	1,365,712
Total adjustments	(1,171,909)	1,490,291	(567,905)	1,280,062	47,353	409,250	5,000	(141,160)	1,350,982
2020 annual fund surplus (deficit)	\$ 3,349	\$ 1,091,630	\$ 23,496	\$ 1,318,236	\$ 49,613	\$ 445,676	\$ 5,639	\$ (86,939)	\$ 2,850,700

Village of New Maryland

Schedule 7: schedule of operating and capital budgets to PSAB budget

December 31, 2020

	General operating budget	Water & sewer operating budget	Capital budget	Allocate fiscal services	Amortization of TCA	Elimination of 2 nd previous years' surplus	Elimination of interfund transfers	Total
Revenue								
Property tax warrant	\$ 4,598,492	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,598,492
Services to other governments	140,302	-	-	-	-	-	-	140,302
Other revenue from own source	158,300	115,840	-	-	-	-	(100,000)	174,140
Unconditional grant	6,235	-	-	-	-	-	-	6,235
Other government transfers	25,000	-	-	-	-	-	-	25,000
Water and sewer user fees	-	1,157,347	-	-	-	-	-	1,157,347
Interest	10,000	12,000	-	-	-	-	-	22,000
Second previous years' surplus	59	-	-	-	-	(59)	-	-
	<u>4,938,388</u>	<u>1,285,187</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59)</u>	<u>(100,000)</u>	<u>6,123,516</u>
Expenditure								
General government services	987,979	-	-	1,500	39,284	-	-	1,028,763
Protective services	1,073,334	-	-	-	51,120	-	(100,000)	1,024,454
Transportation services	665,200	-	-	120,951	613,485	-	-	1,399,636
Environmental health services	285,504	-	-	-	-	-	-	285,504
Environmental and cultural services	204,178	-	-	-	-	-	-	204,178
Recreation and cultural services	654,242	-	-	-	151,835	-	-	806,077
Water and sewer	-	584,508	-	70,843	509,988	-	-	1,165,339
Fiscal services	482,451	319,843	-	(193,294)	-	-	(609,000)	-
Second previous years' deficit	-	33,991	-	-	-	(33,991)	-	-
Transfer to general capital fund	585,500	-	(585,500)	-	-	-	-	-
Transfer to water and sewer capital reserve fund	-	83,840	-	-	-	-	(83,840)	-
Transfer to water and sewer capital fund	-	263,005	(263,005)	-	-	-	-	-
	<u>4,938,388</u>	<u>1,285,187</u>	<u>(848,505)</u>	<u>-</u>	<u>1,365,712</u>	<u>(33,991)</u>	<u>(792,840)</u>	<u>5,913,951</u>
Surplus (deficit) for the year	\$ -	\$ -	\$ 848,505	\$ -	\$ (1,365,712)	\$ 33,932	\$ 692,840	\$ 209,565