

VILLAGE OF SUSSEX CORNER
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

Buckley Professional Corporation

CHARTERED PROFESSIONAL ACCOUNTANT

480 Main Street Unit 2
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INDEPENDENT AUDITOR'S REPORT

To His Worship The Mayor and
Members of the Council of the Village of Sussex Corner

Opinion

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

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020, and its financial performance and its cash flow for the year then ended in accordance with Canadian accounting standards for public sector organizations (PSA).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Village in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSA, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 Amended and Restated Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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INDEPENDENT AUDITOR'S REPORT (Continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

Sussex, New Brunswick
March 30, 2021



CHARTERED PROFESSIONAL ACCOUNTANT

VILLAGE OF SUSSEX CORNER
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>		<u>2019</u>
	(Unaudited) Budget (Note 17)	Actual	Actual
Revenue			
Property tax warrant	\$ 1,252,360	\$ 1,253,012	\$ 1,237,500
Services provided to other governments	11,100	11,053	11,053
Sale of services, fines and other fees	42,475	35,078	46,941
Unconditional grant	38,578	38,578	36,622
Conditional transfers from other governments		122,578	212,058
Water and sewer user fees	421,905	415,545	416,943
Interest	600	2,333	3,783
	<u>1,767,018</u>	<u>1,878,177</u>	<u>1,964,900</u>
Expenditure			
General government services	285,110	266,172	263,373
Protective services	447,942	467,576	433,644
Transportation services	359,276	479,006	549,073
Environmental health services	93,754	92,202	93,384
Environmental development services	50,850	49,251	47,482
Recreational and cultural services	33,579	29,118	40,133
Water and sewer	487,905	521,937	547,684
Loss on disposal of tangible capital assets			783
	<u>1,758,416</u>	<u>1,905,262</u>	<u>1,975,556</u>
Annual surplus (deficit) (note 15)	\$ <u>8,602</u>	(27,085)	(10,656)
Accumulated surplus, beginning of year		<u>6,921,437</u>	<u>6,932,093</u>
Accumulated surplus, end of year		<u>\$6,894,352</u>	<u>\$6,921,437</u>

VILLAGE OF SUSSEX CORNER
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
FINANCIAL ASSETS		
Cash (note 3)	\$ 949,811	\$ 1,103,432
Receivables		
General	24,489	21,135
Federal government and its agencies (note 4)	13,520	52,657
Investments (note 5)	<u>83,734</u>	<u>80,040</u>
	<u>\$ 1,071,554</u>	<u>\$ 1,257,264</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ 2,355	\$ 77,772
Long term debt (note 6)	<u>282,000</u>	<u>437,000</u>
	<u>284,355</u>	<u>514,772</u>
NET ASSETS	<u>787,199</u>	<u>742,492</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 13)	11,807,880	11,597,389
Accumulated amortization	<u>5,734,863</u>	<u>5,452,726</u>
Inventory of supplies	6,073,017	6,144,663
Prepaid expenses	11,145	13,344
	<u>22,991</u>	<u>20,938</u>
	<u>6,107,153</u>	<u>6,178,945</u>
ACCUMULATED SURPLUS	<u>\$ 6,894,352</u>	<u>\$ 6,921,437</u>

Approved by

Mayor

Clerk

VILLAGE OF SUSSEX CORNER

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS

YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
Annual surplus (deficit)	\$ <u>(27,085)</u>	\$ <u>(10,656)</u>
Acquisition of tangible capital assets	(210,492)	(516,713)
Proceeds on disposal of tangible capital assets		2,217
Amortization of tangible capital assets	282,137	271,244
Gain (loss) on sale of tangible capital assets	<u>781</u>	<u>781</u>
	<u>71,645</u>	<u>(242,471)</u>
	<u>44,560</u>	<u>(253,127)</u>
Acquisition of inventories	2,200	690
Acquisition (consumption) of prepaid assets	<u>(2,053)</u>	<u>(1,017)</u>
	<u>147</u>	<u>(327)</u>
Increase (decrease) in net assets	44,707	(253,454)
Net assets, beginning of year	<u>742,492</u>	<u>995,946</u>
Net assets, end of year	\$ <u><u>787,199</u></u>	\$ <u><u>742,492</u></u>

VILLAGE OF SUSSEX CORNER

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>
Operating transactions		
Annual surplus (deficit)	\$ (27,085)	\$ (10,656)
Loss on disposal of tangible capital assets		781
Amortization of tangible capital assets	282,137	271,244
Receivable - General	(3,354)	14,911
Receivable - Federal government and its agencies	39,138	14,880
Payables and accruals	(75,418)	43,873
Change in inventory/prepaid expenses	<u>147</u>	<u>(327)</u>
	<u>215,565</u>	<u>334,706</u>
Capital transactions		
Acquisition of tangible capital assets	(210,492)	(516,713)
Proceeds on sale of tangible capital assets	<u></u>	<u>2,217</u>
	<u>(210,492)</u>	<u>(514,496)</u>
Financing transactions		
Long-term debt	<u>(155,000)</u>	<u>(50,000)</u>
Investing transactions		
Investments	<u>(3,694)</u>	<u>(4,603)</u>
Decrease in cash and cash equivalents	(153,621)	(234,393)
Cash and cash equivalents		
Beginning of year	<u>1,103,432</u>	<u>1,337,825</u>
End of year	<u>\$ 949,811</u>	<u>\$ 1,103,432</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

1. PURPOSE OF THE ORGANIZATION

The Village of Sussex Corner was incorporated as a village by the Province of New Brunswick Municipalities Act on November 9, 1966 and was approved for status as a Municipality effective November 9, 1991 by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, the Village of Sussex Corner is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES

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

The Village of Sussex Corner has adopted PSA as of January 1, 2011.

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

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

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Village of Sussex Corner and which are owned or controlled by the Village of Sussex Corner.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on December 11, 2019 and the Minister of Environment and Local Government on December 16, 2019.

Revenue recognition

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

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

Use of estimates

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

Financial instruments

The Village of Sussex Corner's financial instruments consist of cash, short-term investments, accounts receivable, due from the Federal and Provincial Governments, payables and accruals, funds held in trust and long-term debt. Unless otherwise noted, it is management's opinion that the Village of Sussex Corner is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The village is subject to credit risk through accounts receivable. The Village of Sussex Corner minimizes credit risk through ongoing credit management.

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VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

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

Tangible capital assets

Effective January 1, 2011, the Village of Sussex Corner adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Asset type	Useful Years
Land improvements	5 - 25 years
Buildings	25 - 40 years
Vehicles	5 - 10 years
Machinery and equipment	15 - 20 years
Heavy equipment	10 - 15 years
Computer hardware and software and communication equipment	3 - 5 years
Furniture and fixtures	3 - 5 years
Road surface	15 - 20 years
Road grade	15 - 50 years
Water and wastewater networks	15 - 75 years
Water structures	25 - 75 years

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

Segmented information

The Village of Sussex Corner is a diversified municipal unit that provides a range of services to its residents. For management reporting purposes, the Village of Sussex Corner'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 Village of Sussex Corner. 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 provision of waste collection and disposal.

Environmental development services

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

Recreation and cultural services

This department is responsible for the maintenance and operation of recreational and cultural facilities.

Water and wastewater systems

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

Inventory of supplies

Inventory is valued at the lower of cost and net replacement cost with cost being determined on the first-in, first-out basis.

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

3. CASH

	<u>2020</u>	<u>2019</u>
Cash - restricted	\$ 80,362	\$ 175,097
Cash - unrestricted	<u>869,449</u>	<u>928,335</u>
	<u>\$ 949,811</u>	<u>\$ 1,103,432</u>

4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2020</u>	<u>2019</u>
Canada Revenue Agency (HST refund)	<u>\$ 13,520</u>	<u>\$ 52,657</u>

5. INVESTMENTS

The investments consist of guaranteed investment certificates with maturity dates ranging from May 2021 to December 2021 and interest rates ranging from 0.55% to 1.25%

6. LONG TERM DEBT

	<u>2020</u>	<u>2019</u>
Debentures		
(a) AZ-60 2.10% - 5.55% due 2023, OIC 07-0040	\$ 12,000	\$ 16,000
(b) BD-48 1.50% - 3.85% due 2020, OIC 10-0037		215,000
(c) BY-45 .50% - 1.80% due 2030, OIC 10-0037	198,000	
(d) BI-48 1.35% - 3.25% due 2023, OIC 03-0029	31,000	41,000
(e) BD-49 1.50% - 3.85% due 2020, OIC 09-0128		111,000
(f) BI-49 1.35% - 3.25% due 2023, OIC 13-0004	<u>41,000</u>	<u>54,000</u>
	<u>\$ 282,000</u>	<u>\$ 437,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for the long term debt. Principal payments required during the next five years are as follows:

2021	\$ 46,000
2022	47,000
2023	48,000
2024	19,000
2025	20,000

7. ACCRUED SICK LEAVE

The Village of Sussex Corner provides sick leave that accumulates at twelve (12) hours per month for full-time employees to a maximum of one hundred and sixty (160) days or one thousand, three hundred and sixty (1360) hours per employee. At December 31, 2020 there is no recorded liability for accumulated sick time as employees are not entitled to any cash payment related to them. The Village of Sussex Corner's practice has been, and continues to be, that replacement staff is not employed to replace those employees away from the workplace due to sickness.

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

8. CONTINGENCIES

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

During the year, a world-wide pandemic was announced and both the federal and provincial governments have implemented emergency measures that will negatively impact the national and global economy for an undetermined period. The effect of the pandemic and emergency measures cannot be quantified and no allowance or accruals have been recognized in these financial statements.

9. COMMITMENT

In 2017 the village committed to pay \$100,000 over 5 years to Premier Holdings Ltd. toward the infrastructure costs on Pugsley Street. During the year a payment of \$20,000 was made. The remaining \$40,000 is payable over the next 2 years.

10. SHORT-TERM BORROWINGS COMPLIANCE

Operating borrowing

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Village of Sussex Corner's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2020, the Village of Sussex Corner 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 is in compliance with the requirements.

11. WATER AND SEWERAGE OPERATING FUND SURPLUS

The Municipalities Act requires Water and Sewerage Fund surplus or deficit amounts to be absorbed into one or more of four operating budgets, commencing with the second following year. The balance of the surplus at the end of the year consists of:

	<u>2020</u>	<u>2019</u>
2020 surplus	\$ 157,360	
2019 surplus	6,546	\$ 6,546
2018 surplus	<u> </u>	<u>167,021</u>
	<u>\$ 163,906</u>	<u>\$ 173,567</u>

12. WATER COST TRANSFER

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

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

13. Schedule of Tangible Capital Assets

	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Infrastructure Roads and Streets	Water and Sewer	2020 Total	2019 Total
Cost									
Balance, beginning of year	\$ 173,017	\$ 123,715	\$ 887,869	\$ 83,464	\$ 300,785	\$ 3,824,371	\$ 6,204,167	\$ 11,597,388	\$ 11,095,675
Add:									
Net additions during the year					30,464	180,028		210,492	516,713
Less:									
Disposals during the year									14,999
BALANCE, END OF YEAR	<u>173,017</u>	<u>123,715</u>	<u>887,869</u>	<u>83,464</u>	<u>331,249</u>	<u>4,004,399</u>	<u>6,204,167</u>	<u>11,807,880</u>	<u>11,597,389</u>
Accumulated Amortization									
Balance, beginning of year		71,033	328,810	50,598	153,302	2,215,236	2,633,747	5,452,726	5,193,483
Add:									
Amortization during the year		10,881	29,529	2,070	15,172	127,091	97,394	282,137	271,244
Less:									
Accumulated amortization on disposals									12,001
BALANCE, END OF YEAR		<u>81,914</u>	<u>358,339</u>	<u>52,668</u>	<u>168,474</u>	<u>2,342,327</u>	<u>2,731,141</u>	<u>5,734,863</u>	<u>5,452,726</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 173,017</u>	<u>\$ 41,801</u>	<u>\$ 529,530</u>	<u>\$ 30,796</u>	<u>\$ 162,775</u>	<u>\$ 1,662,072</u>	<u>\$ 3,473,026</u>	<u>\$ 6,073,017</u>	<u>\$ 6,144,663</u>
Consists of:									
General Capital Assets	\$ 126,940	\$ 41,801	\$ 370,705	\$ 15,398	\$ 67,090	\$ 1,662,072		\$ 2,284,006	\$ 2,235,282
Water & Sewer Capital Fund Assets	<u>46,077</u>		<u>158,825</u>	<u>15,398</u>	<u>95,685</u>		<u>\$ 3,473,026</u>	<u>3,789,011</u>	<u>3,909,381</u>
	<u>\$ 173,017</u>	<u>\$ 41,801</u>	<u>\$ 529,530</u>	<u>\$ 30,796</u>	<u>\$ 162,775</u>	<u>\$ 1,662,072</u>	<u>\$ 3,473,026</u>	<u>\$ 6,073,017</u>	<u>\$ 6,144,663</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

14. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	<u>2020</u> Consolidated	<u>2019</u> Consolidated
Revenues									
Property tax warrant	\$ 1,195,012		\$ 18,000				\$ 40,000	\$ 1,253,012	\$ 1,237,500
Services provided to other governments			11,053					11,053	11,053
Sale of service, fines and other fees	28,130					\$ 6,014	934	35,078	46,941
Unconditional grant	38,578							38,578	36,622
Other government transfers	122,578							122,578	212,058
Water and sewer user fees							415,545	415,545	416,943
Interest	2,405						(72)	2,333	3,783
Other									
	<u>1,386,703</u>		<u>29,053</u>			<u>6,014</u>	<u>456,407</u>	<u>1,878,177</u>	<u>1,964,900</u>
Expenses									
Salaries and benefits	119,194		147,481			11,543	91,406	369,624	393,477
Goods and services	100,248	\$ 467,576	170,774	\$ 92,202	\$ 49,251	13,430	304,968	1,198,449	1,253,564
Amortization	5,252		152,370			4,145	120,370	282,137	271,244
Interest	1,329		8,381				5,194	14,904	17,467
Other	40,148							40,148	39,804
	<u>266,171</u>	<u>467,576</u>	<u>479,006</u>	<u>92,202</u>	<u>49,251</u>	<u>29,118</u>	<u>521,938</u>	<u>1,905,262</u>	<u>1,975,556</u>
Surplus (deficit) for the year	<u>\$ 1,120,532</u>	<u>\$ (467,576)</u>	<u>\$ (449,953)</u>	<u>\$ (92,202)</u>	<u>\$ (49,251)</u>	<u>\$ (23,104)</u>	<u>\$ (65,531)</u>	<u>\$ (27,085)</u>	<u>\$ (10,656)</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

15. Reconciliation of Annual Surplus

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Land for Public Purposes Reserve Fund	Total
2019 annual surplus (deficit)	\$ 137,162	\$ (60,935)	\$ 14,839	\$ (120,370)	\$ 9	\$ 558	\$ 36	\$ 1,615	1	\$ (27,085)
Adjustments to annual surplus (deficit) for funding requirements										
Second previous year's surplus (deficit)	(60,502)		167,021							
Transfer between funds										106,519
Transfer from the general capital reserve fund to the general capital fund		13,334				(13,334)				
Transfer from the general operating reserve fund to the general operating fund	5,242				(5,242)					
Transfer from the general capital reserve fund to the general capital fund		8,239				(8,239)				
Transfer to the water and sewer operating fund from the general operating fund	(40,000)		40,000							
Transfer from the general capital reserve fund to the general capital fund		25,402				(25,402)				
Transfer from the general capital reserve fund to the general capital fund		8,891				(8,891)				
Transfer from the water & sewer capital reserve fund to the water & sewer capital fund				102,000				(102,000)		
Transfer from the general operating reserve fund to the general operating fund	60,000				(60,000)					
Transfer from the general capital reserve fund to the general capital fund		20,000				(20,000)				
Transfer from the general operating fund to the general capital reserve fund	(10,000)					10,000				
Transfer from the general operating fund to the general operating reserve fund	(49,000)				49,000					
Transfer from the water & sewer operating fund to the water & sewer capital reserve fund			(2,500)					2,500		
Transfer from the water & sewer operating fund to the water & sewer operating reserve fund			(48,000)					48,000		
Transfer from the water & sewer operating reserve fund to the water & sewer operating fund			20,000				(20,000)			

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VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

15. Reconciliation of Annual Surplus (continued)

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Land for Public Purposes Reserve Fund	Total
Transfer from the water & sewer operating fund to the water & sewer operating reserve fund			(12,000)				12,000			
Long term debt principal repayment	(31,000)	31,000								
Long term debt principal repayment			(22,000)	22,000						
Amortization expense		161,767		120,370						
Total adjustments to 2020 annual surplus (deficit)	<u>(125,260)</u>	<u>268,633</u>	<u>142,521</u>	<u>244,370</u>	<u>(16,242)</u>	<u>(65,866)</u>	<u>(8,000)</u>	<u>(51,500)</u>		<u>282,137</u>
2020 annual fund surplus (deficit)	<u>\$ 11,902</u>	<u>\$ 207,698</u>	<u>\$ 157,360</u>	<u>\$ 124,000</u>	<u>\$ (16,233)</u>	<u>\$ (65,308)</u>	<u>\$ (7,964)</u>	<u>\$ (49,885)</u>	<u>\$ 1</u>	<u>\$ 361,571</u>

VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

16. Statement of Reserves

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	Land for Public Purposes Reserve	<u>2020</u> Total	<u>2019</u> Total
Assets							
Cash	\$ 50,224	\$ 358,677	\$ 18,545	\$ 274,756	\$ 1,030	\$ 703,232	\$ 846,313
Investments				83,734		83,734	80,040
Accumulated Surplus	<u>\$ 50,224</u>	<u>\$ 358,677</u>	<u>\$ 18,545</u>	<u>\$ 358,490</u>	<u>\$ 1,030</u>	<u>\$ 786,966</u>	<u>\$ 926,353</u>
Revenue							
Transfer from general operating fund	49,000	\$ 10,000					
Transfers from water & sewer operating fund			12,000	\$ 50,500		\$ 59,000	\$ 110,750
Interest	\$ 9	558	\$ 36	1,615	\$ 1	62,500	23,660
	<u>49,009</u>	<u>10,558</u>	<u>12,036</u>	<u>52,115</u>	<u>1</u>	<u>123,719</u>	<u>137,607</u>
Expenditures							
Transfers to general capital and operating funds	<u>65,242</u>	<u>75,866</u>	<u>20,000</u>	<u>102,000</u>		<u>263,108</u>	<u>22,282</u>
Annual Surplus (deficit)	<u>\$ (16,233)</u>	<u>\$ (65,308)</u>	<u>\$ (7,964)</u>	<u>\$ (49,885)</u>	<u>\$ 1</u>	<u>\$ (139,389)</u>	<u>\$ 115,325</u>

Name of Investment	Principal Amount	Interest Rate	Date of Maturity	Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Bond beater	\$ 6,524	0.75 %	October 2021	GIC	\$ 3,345	1.25 %	June 2021
Bond beater	\$ 2,692	0.75 %	November 2021	GIC	\$ 3,500	1.25 %	May 2021
GIC	\$ 2,358	1.25 %	June 2021	GIC	\$ 2,917	1.25 %	May 2021
GIC	\$ 3,537	1.25 %	June 2021	GIC	\$ 1,167	1.25 %	May 2021
GIC	\$ 1,179	1.25 %	June 2021	GIC	\$ 2,500	0.55 %	December 2021
GIC	\$ 2,961	1.25 %	June 2021	GIC 5 year step	\$ 27,321	1.25 %	June 2021
GIC	\$ 3,553	1.25 %	June 2021	GIC 5 year step	\$ 2,604	1.25 %	June 2021
GIC	\$ 2,369	1.25 %	June 2021	GIC 5 year step	\$ 2,554	0.90 %	October 2021
GIC	\$ 1,184	1.25 %	June 2021	GIC	\$ 1,120	0.55 %	December 2021
GIC	\$ 2,787	1.25 %	June 2021	GIC	\$ 3,359	0.55 %	December 2021
GIC	\$ 2,230	1.25 %	June 2021	GIC	\$ 2,800	0.55 %	December 2021
GIC	\$ 1,115	1.25 %	June 2021				

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VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

16. Statement of Reserves (continued)

Council Resolutions regarding transfers to and from reserves:

- Moved by Councilor Bobbitt, seconded by Councilor Hunt that \$13,334 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Bobbitt, seconded by Councilor Shay that \$5,242 be transferred from the general operating reserve fund to the general operating fund.
- Moved by Councilor Bobbitt, seconded by Councilor Hunt that \$8,239 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Hunt, seconded by Councilor Shay that \$25,402 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Hunt, seconded by Councilor Bobbitt that \$8,891 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Taylor, seconded by Councilor Hunt that \$102,000 be transferred from the water and sewer capital reserve fund to the water and sewer capital fund.
- Moved by Councilor Shay, seconded by Councilor Bobbitt that \$60,000 be transferred from the general operating reserve fund to the general operating fund.
- Moved by Councilor Bobbitt, seconded by Councilor Taylor that \$20,000 be transferred from the general capital reserve fund to the general capital fund.
- Moved by Councilor Shay, seconded by Councilor Bobbitt that \$10,000 be transferred from the general operating fund to the general capital reserve fund.
- Moved by Councilor Taylor, seconded by Councilor Bobbitt that \$49,000 be transferred from the general operating fund to the general operating reserve fund.
- Moved by Councilor Shay, seconded by Councilor Bobbitt that \$2,500 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Bobbitt, seconded by Councilor Taylor that \$12,000 be transferred from the water and sewer operating fund to the water and sewer operating reserve fund.
- Moved by Councilor Shay, seconded by Councilor Bobbitt that \$48,000 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.
- Moved by Councilor Taylor, seconded by Councilor Bobbitt that \$20,000 be transferred from the water and sewer operating reserve fund to the water and sewer operating fund.

I hereby certify that the above are true and exact copies of resolutions adopted at meetings of Council on April 21, 2020, June 16, 2020, July 21, 2020, August 18, 2020, and December 15, 2020.

Robby Obermeier
Clerk,
Village of Sussex Corner

Date

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VILLAGE OF SUSSEX CORNER
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2020

17. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Other	Transfers	Total
Revenues						
Property tax warrant	\$ 1,252,360					\$ 1,252,360
Services provided to other governments	11,100					11,100
Sale of service, fines and other fees	40,975	\$ 1,500				42,475
Unconditional grant	38,578					38,578
Other transfers	60,000	40,000				
Water and sewer user fees		421,905			\$ (100,000)	
Interest		600				421,905
Surplus of second previous year		167,021				600
	<u>1,403,013</u>	<u>631,026</u>			<u>(167,021)</u>	<u>1,767,018</u>
Expenditures						
General government services	282,734					282,734
Protective services	447,942					447,942
Transportation services	350,926					350,926
Environment health services	93,754					93,754
Environmental development services	50,850					50,850
Recreational and cultural services	33,579					33,579
Fiscal services						
- Long term debt repayments	32,000	24,500				
- Interest	10,726	12,450			(56,500)	
- Transfer from the general operating fund to the water & sewer operating fund	40,000					23,176
- Transfer from the water and sewer operating fund to the water and sewer capital reserve fund		76,121			(40,000)	
- Transfer from the water and sewer operating fund to the water and sewer capital fund		2,500			(76,121)	
- Transfer from the water & sewer operating fund to the water & sewer capital reserve funds		20,000			(2,500)	
- Transfer from the water & sewer operating fund to the water & sewer capital funds		20,000			(20,000)	
- Deficit of second previous year	60,502				(20,000)	
					(60,502)	
Water and sewer	<u>475,455</u>	<u>631,026</u>			<u>(275,623)</u>	<u>475,455</u>
	<u>1,403,013</u>	<u>631,026</u>			<u>(275,623)</u>	<u>1,758,416</u>
Surplus for the year	<u>NIL</u>	<u>NIL</u>			<u>\$ 8,602</u>	<u>\$ 8,602</u>

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