

Financial Statements of

TOWN OF HAY RIVER

December 31, 2020

Motion #21-170

Approved on Behalf of the Council:



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Mayor

Senior Administrative Officer

TOWN OF HAY RIVER

Financial Statements

Year Ended December 31, 2020

Management Discussion & Analysis		
Management Responsibility for Financial Statements		1
Auditor's Report		2-3
Financial Statements		
Statement of Financial Position	Statement I	4
Statement of Operations and Surplus	Statement II	5
Statement of Changes in Net Financial Assets (Debt)	Statement III	6
Statement of Cash Flows	Statement IV	7
Notes to the Financial Statements		8-18
General Fund		
Schedule of Operations and Surplus	Schedule 1	19
Utility Fund		
Schedule of Operations and Surplus	Schedule 2	20
Land Development Fund		
Schedule of Operations and Surplus	Schedule 3	21
General Fund - Schedules of Revenue		
Property Taxes	Schedule 4	22
Sales of Services	Schedule 4	22
Other Revenue from Own Sources	Schedule 4	22
Government Transfers	Schedule 5	23
General Fund - Schedules of Expenditures		
General Government	Schedule 6	24
Protective Services	Schedule 7	25
Transportation and Public Works	Schedule 8	26
Environmental and Public Health Services	Schedule 9	27
Planning and Development	Schedule 10	27
Recreational and Cultural	Schedule 11	28
Fiscal and Valuation	Schedule 12	28
Schedule of Expenditures by Object	Schedule 13	29
Schedule of Changes in Accumulated Surplus	Schedule 14	30
Schedule of Tangible Capital Assets	Schedule 15	31
Gas Tax Agreement	Schedule 16	
Statement of Revenue, Expenditure and Deferred Contribution		32
Community Public Infrastructure Agreement	Schedule 17	
Statement of Revenue, Expenditure and Deferred Contribution		33
Investing in Canada Infrastructure Program	Schedule 18	
Statement of Revenue and Expenditure		34
Schedule of Salaries, Honoraria, and Travel	Schedule 19	35



Town of Hay River

Management Discussion & Analysis (MD & A) for the year ended December 31, 2020

Purpose

The purpose of the MD&A is to provide Management's summary of how the municipality has performed over the past year- its financial conditions and its future objectives. This MD&A should be read in conjunction with the Audited Financial Statements as of December 31, 2020.

The Year in Review

2020 was a challenging year for the Town of Hay River. The COVID-19 pandemic resulted in several changes to the Town's operational plan. The Town's administrative office was closed to the public from March until July, and service levels in recreation were modified to ensure the health and safety of residents. To mitigate the financial impact of residents, Council deferred budgeted increases to utility rates and directed administration to levy property taxes two months later than in normal years. The Town's application through the Disaster Financial Assistance program for \$1M in cost relief associated with its 2019 landfill fire was denied by the GNWT. Unprecedented high-water levels presented challenges and risks to public infrastructure and services, including the Water Treatment Plant, which was not able to adequately filter high turbidity waters resulting in boil water advisories for most of the summer. The Public Works department's maintenance program was negatively impacted through difficulties in recruiting a Foreman position for the second half of the year.

Despite the challenges of operating during a pandemic, several successes were achieved that strongly position the Town for short- and long-term improvement. The Town successfully negotiated a five-year collective agreement with its Unionized staff, and was able to hire candidates to fill critical vacant roles such as the Civil Manager and the Protective Service Specialist. Key corporate plans were completed or updated including the Corporate Strategic Plan, a detailed 10 Year Capital Plan, and Tourism Marketing and Development plans. Progress on high priority items within the Corporate Strategic Plan have been the Town's focus throughout 2020. Major contribution funding applications were submitted including over twenty million dollars through the Federal Government's ICIP program.

The Town also continued to make progress on execution of its capital plan, however, some anticipated work was deferred until future years.

Highlights of the 2020 capital program include:

- Upgrades to the Town's water and road infrastructure, specifically Caribou Crescent.
- Completion of Wharf Pavilion project.
- Commencement of work on a new Lift Station.
- Procurement of major mobile equipment – Ambulance, Sewer Flusher
- Purchase of portable stage

Results from Operations

In the 2020 fiscal year, the community recorded an operating surplus of \$193,013 before net government transfers. Including the net government transfers for capital the community recorded a surplus at the end of 2020 of \$4,206,893.

Revenues excluding capital transfers decreased from 2019 by \$576,214 due to lower sale of service (recreation center closure), lower water sales, and lower revenue from own sources.

Expenses decreased significantly from 2019. Areas of significant reduction include Environmental and Public Health (dump fire costs in 2019), recreation (rec center closure), and fiscal and valuation.

Financial Position

Financial assets were \$2.81M higher in 2020 than 2019, due primarily to higher cash level resulting from lower than budgeted spending, and an increase in receivables relating to capital contribution agreements. Liabilities decreased by \$.9M due to a significant reduction in accounts payable, continued reductions in long term debt, offset by an increase in deferred contributions.

Looking Forward

The Town has ambitious capital goals over the next few years relating to the approved ICIP projects, which will require continued growth to reserves to fund the Town's portion. Major capital items included in the 2020 capital budget include Fraser Place development, completion of Lift Station #4, road and water infrastructure upgrades to Beaver Crescent and Riverview Drive.

From an operational perspective, the Town will continue to look at improving processes to increase revenues and minimize expenses. This includes refinements to its asset management procedures and systems. Other significant initiatives include creation of a Fees and Charges bylaw, updates to the Utility bylaw, and renewal of several major contracts including trucked water and garbage disposal. The Town will continue to improve its records management process and move towards being a paperless environment.



MANAGEMENT RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Town Council which is responsible for, among other things, the financial statements of the Town of Hay River, delegates to Administration the responsibility of the financial statements. The Town Council appoints independent auditors to examine and report directly to them on the financial statements. The financial statements were prepared by Administration. Accounting principles have been followed as recommended by the Department of Municipal and Community Affairs, based upon the requirements of the Cities, Towns and Villages Act of the Northwest Territories, and the Public Sector Accounting Board recommendations of the Canadian Institute of Chartered Professional Accountants.

Administration maintains a system of internal controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. There are limits inherent in all systems based on the recognition that the cost of such systems should not exceed the benefits to be derived. Administration believes its system provides the appropriate balance in this respect.

The Town Council carries out its responsibility for review of the financial statements primarily through the Administration. The Administration reports regularly to Council on financial matters, including the results of the audit examination and any other matters necessary for its consideration in approving the financial statement issuance.

The financial statements have been reported on by Ashton Chartered Professional Accountants. The auditor's report outlines the scope of their audit and their opinion on the presentation of the information included in the financial statements.

Senior Administrative Officer
Town of Hay River

Hay River, NT
June 8, 2021

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council

Opinion

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

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

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the 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 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditor's Report to the Members of the Town of Hay River (continued)

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Town 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.

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.



ASHTON
Chartered Professional Accountants
Business Advisors

Hay River, NT
June 8, 2021

TOWN OF HAY RIVER

Statement of Financial Position

Statement I

December 31, 2020

	2020	2019
Financial Assets		
Cash, Note 2	\$ 13,332,885	\$ 10,033,025
Receivables		
Municipal taxes receivable, Note 3	753,875	1,519,642
Accounts receivable, Note 4	3,331,544	2,871,794
Land inventory for resale	218,405	396,812
Total Financial Assets	17,636,709	14,821,273
Liabilities		
Accounts payable and accrued liabilities, Note 6	1,544,157	2,504,283
School taxes payable, Note 7	1,033,968	1,232,402
Deferred contributions, Note 8	3,640,953	2,826,559
Deposits held	144,545	170,239
Landfill closure liability, Note 9	1,599,173	1,519,311
Long-term debt, Note 10	13,609,493	14,312,373
Total Liabilities	21,572,289	22,565,167
Net Financial Assets (Debt)	\$ (3,935,580)	\$ (7,743,894)
Non-Financial Assets		
Prepaid expenses	\$ 63,430	\$ 79,769
Inventory held for use	41,675	89,150
Tangible capital assets, Note 11		
General fund	52,988,838	54,643,987
Utility fund	25,445,743	23,328,201
Total Non-Financial Assets	\$ 78,539,686	\$ 78,141,107
Accumulated Surplus, Note 12	\$ 74,604,106	\$ 70,397,213

Commitments and contingencies, Notes 14 and 15

TOWN OF HAY RIVER
Statement of Operations and Surplus

Statement II

For the year ended December 31, 2020

	Schedule	Budget (unaudited)	2020	2019
Revenue				
Property taxes	4	\$ 6,309,248	\$ 6,465,209	\$ 6,352,668
Sales of services	4	1,296,150	1,273,905	1,043,871
Other revenue from own sources	4	698,250	735,354	1,312,603
Government transfers for operating	5	2,396,400	2,901,281	3,082,388
Government transfers for water and sewer	2	1,045,000	1,045,000	1,045,000
Water and sewer revenues	2	2,015,000	1,753,499	1,914,420
Land sales, lease and development	3	779,400	487,562	487,074
Total Revenue		14,539,448	14,661,810	15,238,024
Expenses				
General government	6	2,558,182	2,138,321	2,603,475
Protective services	7	1,114,660	882,520	1,090,363
Transportation and public works	8	3,595,280	2,750,910	3,137,300
Environmental and public health services	9	519,300	522,987	1,523,888
Planning and development	10	482,700	438,958	556,468
Recreational and cultural	11	4,219,690	3,638,041	4,667,395
Fiscal and valuation	12	832,500	631,191	1,357,398
Water and sewer expenses	2	3,289,914	3,211,506	3,132,749
Land development	3	612,600	254,363	168,050
Total Expenditures		17,224,826	14,468,797	18,237,086
Annual surplus (deficit), before the undernoted		(2,685,378)	193,013	(2,999,062)
Other revenue (expenditure)				
Net government transfers for capital	5	43,000	4,018,880	3,314,728
Gain (loss) on disposal of capital assets		-	(5,000)	(127,043)
		43,000	4,013,880	3,187,685
Annual Surplus (Deficit)		\$ (2,642,378)	\$ 4,206,893	\$ 188,623
Accumulated surplus, beginning of year		70,397,213	70,397,213	70,208,590
Accumulated surplus, end of year		\$ 67,754,835	\$ 74,604,106	\$ 70,397,213

TOWN OF HAY RIVER

Statement of Changes in Net Financial Assets (Debt)

Statement III

For the year ended December 31, 2020

	Budget (unaudited)	2020	2019
Annual Surplus (Deficit)	\$ (2,642,378)	\$ 4,206,893	\$ 188,623
Amortization expense	3,731,000	3,201,969	3,260,485
Acquisition of tangible capital assets	(43,000)	(3,762,892)	(4,539,845)
(Gain) loss on disposal of capital assets	-	98,529	62,331
Change in prepaid expenses	-	16,339	(9,944)
Change in inventory held for use	-	47,476	33,701
Increase (decrease) in net financial assets	1,045,622	3,808,314	(1,004,649)
Net financial assets (debt), beginning of year	(7,743,894)	(7,743,894)	(6,739,245)
Net financial assets (debt), end of year	\$ (6,698,272)	\$ (3,935,580)	\$ (7,743,894)

TOWN OF HAY RIVER

Statement of Cash Flows

Statement IV

For the year ended December 31, 2020

	2020	2019
Operating Activities		
Annual Surplus (Deficit)	\$ 4,206,893	\$ 188,623
Non-cash charges to operations:		
Amortization expense	3,201,969	3,260,485
(Gain) loss on disposal of capital assets	98,529	62,331
Provision for landfill closure	79,862	74,366
	7,587,253	3,585,805
Change in non-cash working capital balances:		
Municipal taxes receivable	765,767	358,467
Accounts receivable	(459,750)	1,546,101
Land inventory for resale	178,407	7,443
Accounts payable and accrued liabilities	(960,126)	(1,836,156)
School taxes payable	(198,434)	314,673
Deferred contributions	814,394	1,775,644
Deposits held	(25,694)	(38,408)
Prepaid expenses	16,339	(9,944)
Inventory held for use	47,475	33,702
Net change in cash from operations	7,765,631	5,737,327
Financing Activities		
Principal repayment of long-term debt	(702,880)	(659,132)
Proceeds of long-term debt	-	-
Net change in cash from financing activities	(702,880)	(659,132)
Capital Activities		
Purchase of tangible capital assets	(3,762,892)	(4,539,845)
Net change in cash from investing activities	(3,762,892)	(4,539,845)
Increase (decrease) in cash during the year	3,299,859	538,350
Bank accounts, opening	10,033,026	9,494,676
Bank accounts, closing	\$ 13,332,885	\$ 10,033,026

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 1. Significant Accounting Policies

The financial statements of the Town of Hay River are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town of Hay River are as follows:

Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenditures, changes in fund balance and change in financial position of the reporting entity.

The Town of Hay River receives significant funding from the Government of the Northwest Territories in the form of operating grants and capital grants. Administration is of the opinion that discontinuance of funding would significantly disrupt operations.

Fund Accounting

The accounts of the Town are maintained in accordance with fund accounting procedures. The various operations of the Town are segregated into the following funds:

- General Operating Fund
- Utility Operating Fund
- Land Development Fund

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government Transfers

Government transfers are the transfer of monetary assets or tangible capital assets from a government for which the government making the transfer does not:

- receive any goods or services directly in return;
- expect to be repaid in future; or
- expect a direct financial return

Operating transfers are recognized as revenue in the period in which the events giving rise to the transaction occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 1. Significant Accounting Policies (continued)

Government Transfers (continued)

Capital transfers or transfers of tangible capital assets are initially recognized as deferred capital contributions and subsequently recognized as revenue when the related tangible capital assets are purchased, constructed or the eligible expense is incurred.

Financial Instruments

Cash and receivables, and current liabilities are recorded at approximate fair market value due to their short term maturities.

Inventory for Resale

Land inventory is stated at the lower of cost or net realizable value where cost is determined on an average basis. Cost includes purchase price, survey costs and all development costs but excludes debenture interest. Related development costs incurred to provide infrastructure such as water and waste water services, roads, sidewalks and street lighting are recorded as tangible capital assets under the respective function.

Non-Financial Assets

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

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 1. Significant Accounting Policies (continued)

Tangible Capital Assets

Tangible capital assets are recorded at the net book value (cost less accumulated amortization) on the statement of financial position. Cost includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. The assets are amortized over their estimated useful lives at the following rates:

<u>Asset</u>	<u>Method</u>	<u>Rate</u>
Land held for town use	Not amortized	
Works of Art	Not amortized	
Buildings	Straight line	15-50 years
Linear Infrastructure	Straight line	10-75 years
Computer Equipment	Straight line	3 years
IT Infrastructure	Straight line	5 years
Furniture and Fixtures	Straight line	10 years
Operating Equipment	Straight line	10 years
Mobile Equipment	Declining balance	24%

The full amount of the annual amortization is charged in the year of acquisition and none in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

Donated assets are capitalized and recorded at their estimated fair market value upon acquisition. Certain capital assets for which the historical cost information is not available have been recorded at current fair market value discounted by a relevant inflation factor.

Work-in-Progress

Work-in-progress represents expenditures incurred on projects not complete at the end of the year.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Investment in Tangible Capital Assets

Investment in Tangible Capital Assets represents the Town's net investment in its total capital assets, after deducting the portion financed by third parties through debenture, long-term capital borrowings and other capital liabilities.

School Taxes

School taxes are collected by the Town on behalf of the Government of the Northwest Territories. These taxes are payable to the Government of the Northwest Territories upon collection from taxpayers.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 1. Significant Accounting Policies (continued)

Deferred Revenue

Deferred revenue consists mainly of government transfers for which the events giving rise to the transfer have not yet occurred. The deferred revenue will be recognized in the financial statement as revenue in the period in which the related expenses are incurred.

Liability for Landfill Closure and Post-Closure Costs

The Town is required to fund the closure of its landfill site and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The liability is determined using the estimated total closure costs adjusted for the remaining capacity of the site and the estimated remaining landfill life.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Segmented Information

The Town of Hay River segments its operations for financial reporting purposes based upon areas of managerial responsibility. This information is provided in Schedule 6 through Schedule 12.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 2. Cash

	2020	2019
<i>Unrestricted</i>		
Operating account	\$ 3,474,057	\$ 407,369
<i>Internally restricted</i>		
General fund reserve account	1,840,555	1,825,767
Utility fund reserve account	1,124,072	1,112,002
<i>Externally restricted</i>		
Gas tax account	4,206,160	4,435,773
Community Public Infrastructure account	2,688,041	2,252,114
	\$ 13,332,885	\$ 10,033,025

Note 3. Municipal Taxes Receivable

	2020	2019
Current taxes and grant in lieu receivable	\$ 351,391	\$ 688,290
Arrears taxes	544,605	1,235,213
	895,996	1,923,503
Allowance for doubtful collection	(142,121)	(403,861)
	\$ 753,875	\$ 1,519,642

Note 4. Accounts Receivable

	Balance	Allowance	2020	2019
<i>Accounts receivable</i>				
General accounts receivable	\$ 168,068	\$ 1,458	\$ 166,610	\$ 646,851
Utility system receivable	178,283	6,353	171,930	242,418
Ambulance receivable	159,039	110,510	48,529	78,661
Lease fees receivable	74,832	-	74,832	828,655
Northland Utilities trust account	654,478	-	654,478	487,596
<i>Capital funding</i>				
CPI amendment	323,000	-	323,000	-
Investing in Canada Infra. Pgm.	1,591,953	-	1,591,953	-
Clean Water and Waste Fund	-	-	-	273,008
<i>Goods and service tax</i>				
Goods and services tax refundable	300,212	-	300,212	314,605
	\$ 3,449,865	\$ 118,321	\$ 3,331,544	\$ 2,871,794

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 5. Supplementary Information

Amounts owed to the Town which are considered doubtful of collection have been recorded as bad debts. The provision for (recovery of) bad debts is comprised of:

	2020	2019
General Operating Fund:		
Property taxes	\$ 207,758	\$ 226,347
Ambulance	25,123	36,990
	\$ 232,881	\$ 263,337

Note 6. Accounts Payable and Accrued Liabilities

	2020	2019
Trade accounts payable	\$ 1,294,465	\$ 2,285,974
Government remittances payable	45,112	42,995
Accrued vacation pay and banked time	204,580	175,314
	\$ 1,544,157	\$ 2,504,283

Note 7. School Tax Payable

	2020	2019
Balance consists of:		
Current year levy	\$ 425,125	\$ 719,290
Prior year's levy	608,843	513,112
	\$ 1,033,968	\$ 1,232,402

School tax levies are recorded as payable in the year they are assessed and are to be remitted to the GNWT as they are collected.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 8. Deferred Contributions

	2020	2019
Gas Tax Funding, Schedule 16	\$ 2,121,337	\$ 1,957,422
Community Public Infrastructure Funding, Schedule 17	1,478,691	777,137
Community trail improvements	40,925	-
Portable stage funding	-	92,000
	\$ 3,640,953	\$ 2,826,559

Note 9. Landfill Closure Liability

The Town is required to estimate future closure and post-closure costs for its landfill site. The estimated liability is based on the sum of discounted future cash flows for closure and post-closure activities for 25 years after closure using a discount rate of 5.56% and inflation of 2.06%.

The accrued liability portion is based on the capacity used at year end compared to the estimated total capacity. The remaining estimated life of the landfill is 4 years and of the total capacity approximately 2.00% remains.

	2020	2019
Estimated closure costs	\$ 637,686	\$ 637,686
Estimated post-closure costs	993,319	927,274
Estimated total liability	1,631,005	1,564,960
Estimated capacity used	98.0%	97.1%
Accrued liability	\$ 1,599,173	\$ 1,519,311

Note 10. Long-Term Debt

Description	Principal Balance 2020	Principal Balance 2019
Loan agreement facility for the Hay River Recreation Centre	13,609,493	14,312,373
	\$ 13,609,493	\$ 14,312,373

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 10. Long-Term Debt (continued)

As at December 31, 2020, the Town has a bankers' acceptance ["BA"] facility of \$13,609,493 for the Hay River Recreation Centre bearing interest at the treasury rate plus a BA fee of 1.34% per annum. To reduce the interest rate risk on the facility, the Town entered into an interest rate swap contract that entitled the Town to receive interest at floating rates on the principal amount and obliged it to pay interest at a fixed rate of 2.60% per annum plus the BA fee of 0.40%.

The total estimated principal repayments of long-term debt due are as follows:

	Principal
2021	\$ 734,566
2022	753,894
2023	773,730
2024	794,088
2025	814,983
Subsequent	9,738,232
	\$ 13,609,493

Note 11. Tangible Capital Assets

	Cost	Accumulated Amortization	Net Book Value	
			2020	2019
General Fund:				
Linear Structures	\$ 22,541,152	\$ 10,304,722	\$ 12,236,430	\$ 12,896,428
Buildings	45,585,213	9,521,606	36,063,607	36,542,954
Machinery and Equipment	8,339,888	6,592,719	1,747,169	1,694,421
Work in progress	282,302	-	282,302	819,276
Land held for town use	2,588,133	-	2,588,133	2,619,709
Works of Art	71,199	-	71,199	71,199
	\$ 79,407,887	\$ 26,419,047	\$ 52,988,840	\$ 54,643,987
Utility Fund:				
Water and Sewer System	\$ 23,846,796	\$ 5,714,264	\$ 18,132,532	\$ 17,801,642
Buildings	7,854,547	2,773,480	5,081,067	5,081,067
Land	1,000	-	1,000	1,000
Vehicles	324,337	278,753	45,584	10,209
Heavy Equipment	11,241	11,241	-	-
Furniture & Equipment	1,962,046	1,599,083	362,963	352,833
Work in progress	1,822,598	-	1,822,598	81,450
	\$ 35,822,565	\$ 10,376,821	\$ 25,445,744	\$ 23,328,201
Total	\$ 115,230,452	\$ 36,795,868	\$ 78,434,584	\$ 77,972,188

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 12. Accumulated Surplus

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2020	2019
Accumulated Surplus per Statement of Financial Position	\$ 74,604,106	\$ 70,397,213
Invested in Tangible Capital Assets		
General Fund	39,379,347	40,331,615
Utility Fund	25,445,744	23,328,202
	64,825,091	63,659,817
Internally restricted reserves		
Reserve for Management Training	-	2,492
Reserve for Mobile Equipment Replacement	-	566,078
Reserve for Recreation Infrastructure	425,638	41,330
Reserve for Municipal Infrastructure	2,848,385	165,897
Reserve for Computer Systems	-	13,662
Reserve for Landfill	947,793	842,102
Reserve for Recreation Center Replacement	-	248,136
Reserve for Utility Infrastructure	1,310,705	308,619
	5,532,521	2,188,316
Unappropriated surplus (deficit)		
General Fund	(4,262,347)	(3,621,398)
Utility Fund	2,680,066	2,574,902
Land Development Fund	5,828,775	5,595,576
	4,246,494	4,549,080
	\$ 74,604,106	\$ 70,397,213

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 13. Reserves and Deferred Contributions

The Financial Administration By-law requires that funds accumulated in reserves are deposited into the General reserve bank account. Interest earned on the account is credited to the appropriate reserve.

	Account Balance	Cash Balance	Receivable	Excess (Shortfall)
Reserves				
Recreation Infrastructure	\$ 425,638	\$		
Municipal Infrastructure	2,848,385			
Landfill	947,793			
	4,221,816	1,840,555	-	(2,381,261)
Utility Infrastructure	1,310,705	1,124,072	-	(186,633)
	\$ 5,532,521	\$ 2,964,627	\$ -	\$ (2,567,894)
Deferred Contributions, Note 8				
Gas Tax Funding	2,121,337	4,206,160	-	2,084,823
Community Public Infrastructure	1,478,691	2,688,041	323,000	1,532,350
	3,600,028	6,894,201	323,000	3,617,173
	\$ 9,132,549	\$ 9,858,828	\$ 323,000	\$ 1,049,279

Note 14. Commitments

The Town has entered into agreements extending beyond one year for the use of equipment and various service contracts which require periodic payments. The minimum payments under existing agreements are as follows:

For the year ending December 31:	
2021	\$ 3,650

Note 15. Contingent Liabilities

Insurance

The Town participates in the Northern Communities Insurance Program. Under this program the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

TOWN OF HAY RIVER

Notes to the Financial Statements

December 31, 2020

Note 15. **Contingent Liabilities (continued)**

Legal claims

In the normal course of operations, the Town is subject to various legal claims. At the date of the audit report, it is not possible to determine the outcomes of the claims and the amount of the potential liability cannot be reasonably determined. Management has indicated that it is unlikely there will be a material adverse effect on the financial position of the Town.

Note 16. **Retirement Benefits**

Employees of the Town can participate in the RBC Group Advantage retirement savings plan. Union employees make contributions at 5% and management makes contributions at 6.6%. The Town of Hay River makes matching contributions to these amounts. Total contributions by the Town to the program in 2020 were \$115,198 (2019 - \$102,706), which were expensed as incurred.

Note 17. **Financial Instruments**

The Town's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the Town is not exposed to significant interest or currency risks arising from these financial instruments.

The Town is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the town provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying value of the financial instrument approximates fair value.

Note 18. **Budget**

The budgeted figures are those approved by Council on December 11, 2019 and are unaudited.

Note 19. **Reclassification**

Certain prior year figures have been reclassified to agree with current year presentation.

TOWN OF HAY RIVER

Schedule 1

General Fund
Schedule of Operations and Surplus

For the year ended December 31, 2020

	Schedule	2020 Budget	2020 Actual	2019 Actual
Revenue				
Property taxes	4	\$ 6,309,248	\$ 6,465,209	\$ 6,352,668
Sales of services	4	1,296,150	1,273,905	1,043,871
Other revenue from own sources	4	698,250	735,354	1,312,603
Government transfers for operating	5	2,396,400	2,901,281	3,082,388
Total Revenue		10,700,048	11,375,749	11,791,530
Expenditure				
General government	6	2,558,182	2,138,321	2,603,475
Protective services	7	1,114,660	882,520	1,090,363
Transportation and public works	8	3,595,280	2,750,910	3,137,300
Environmental and public health services	9	519,300	522,987	1,523,888
Planning and development	10	482,700	438,958	556,468
Recreational and cultural	11	4,219,690	3,638,041	4,667,395
Fiscal and valuation	12	832,500	631,191	1,357,398
Total Expenditure		13,322,312	11,002,928	14,936,287
Excess revenues over expenditures before the undernoted		(2,622,264)	372,821	(3,144,757)
Other revenue (expenditure)				
Government transfers for capital	5	43,000	4,018,880	3,314,728
Gain (loss) on disposal of capital assets		-	(5,000)	(127,043)
		43,000	4,013,880	3,187,685
Excess (Deficiency) of revenues over expenditures		\$ (2,579,264)	\$ 4,386,701	\$ 42,928

TOWN OF HAY RIVER

Schedule 2

Utility Fund
Schedule of Operations and Surplus

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Water and sewer billings	\$ 1,980,000	\$ 1,737,507	\$ 1,871,753
Government transfers for water and sewer operations	1,045,000	1,045,000	1,045,000
Interest on reserves	10,000	12,071	23,088
Utilities receivable penalties	20,000	658	16,950
Maintenance service	5,000	3,263	2,629
Other	-	-	-
	3,060,000	2,798,499	2,959,420
Expenditure			
Administration	185,531	180,350	205,786
Vehicle maintenance	-	-	373
Purification & treatment	60,000	77,213	52,543
Transmission and distribution	1,556,500	1,524,882	1,452,573
Building maintenance	-	7,191	15,291
Mechanical maintenance	-	6,095	43,921
Distribution maintenance	366,883	340,429	258,372
Hydrant maintenance	-	-	-
Sewage system maintenance	70,000	147,091	64,350
Overhead charges (to) from General Fund	150,000	150,000	284,000
	2,388,914	2,433,251	2,377,209
Surplus (deficit), before the undernoted	671,086	365,248	582,211
Other items:			
Amortization of tangible capital assets	901,000	778,255	755,540
Excess (Deficiency) of revenues over expenditures	\$ (229,914)	\$ (413,007)	\$ (173,329)

TOWN OF HAY RIVERLand Development Fund
Schedule of Operations and Surplus

Schedule 3

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Revenue			
Land sales	\$ 400,000	\$ 178,406	\$ 123,601
Land leases	375,000	290,508	341,256
Legal and transfer fees recovered	4,600	6,270	7,573
Interest and penalties	(200)	12,378	14,644
	779,400	487,562	487,074
Expenditures			
Administration	78,000	3,161	19,340
Overhead charge (to) from General Fund	40,000	40,000	110,000
Land leases	65,000	1,220	38,710
Cost of land sold	429,600	209,982	-
	612,600	254,363	168,050
Excess (Deficiency) of revenues over expenditures	\$ 166,800	\$ 233,199	\$ 319,024

TOWN OF HAY RIVER

General Fund
Schedule of Revenue

Schedule 4

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Property taxes	\$ 5,283,918	\$ 4,817,977	\$ 4,857,422
Grants in lieu of taxes			
Federal	138,720	159,665	157,900
Territorial	1,548,360	2,142,380	2,025,375
NWT Power Corporation	38,250	43,183	43,013
Less school taxes	(700,000)	(697,996)	(731,042)
Discounts allowed on school tax	-	-	-
	\$ 6,309,248	\$ 6,465,209	\$ 6,352,668
Sales of Services			
Recreation			
- Pool	\$ 190,500	\$ 68,864	\$ 190,545
- Community center	332,800	203,311	243,577
- Curling club rental	30,000	27,000	27,000
- Ballpark rental	15,000	2,649	7,905
- Other	50,000	86,448	43,972
Collection fee school taxes	5,000	5,000	5,000
Dump tipping fees	15,000	17,375	15,450
Ambulance	468,350	462,844	387,649
Fire calls, inspections, and training	6,000	-	476
Fire hall rental	6,000	-	11,058
Tourism revenue	65,000	94,352	57,445
Other	112,500	306,062	53,794
	\$ 1,296,150	\$ 1,273,905	\$ 1,043,871
Other Revenue from Own Sources			
Franchise fee	\$ 333,000	\$ 319,307	\$ 338,386
Licenses and permits	122,250	97,287	149,672
Fire training revenues	-	-	278,383
Donations to recreation complex	-	-	50,000
Aurora Ford - recreation centre donation	-	100,000	100,000
Fines and dog pound fees	-	5,100	1,215
Interest and penalties	213,000	176,946	266,456
Landfill fire insurance	-	-	100,000
Loss prevention	30,000	36,714	28,491
	\$ 698,250	\$ 735,354	\$ 1,312,603

TOWN OF HAY RIVER

Schedule 5

General Fund
Schedule of Revenue

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Government Transfers			
General - GNWT			
Operating and Maintenance Block Funding	\$ 2,215,000	\$ 2,215,000	\$ 2,215,000
Sport and Recreation	45,000	50,857	29,000
Children Youth Resiliency	-	18,636	13,636
Ground Ambulance	-	37,000	31,000
SAO Development	-	55,765	55,785
Advancing Local Gov't Administrators Program	-	-	86,098
Hay River Beach Road	-	-	100,000
Community Wildfire Protection	-	-	25,000
Porrit Landing Dredging Project	-	-	9,100
Community Tourism Coordinator	-	50,000	50,000
Comm Ec Dev - Marketing	-	-	4,725
Wildfire Initiative	-	-	50,000
NWT Workers Training Program	-	48,456	40,000
Summer Employment	26,400	16,001	40,000
Beach Upgrade	-	-	15,950
Conferencing Equipment	-	-	8,600
Summer Students	-	-	63,050
COVID Funding	-	315,108	-
Other Grants	85,000	80,000	191,825
General			
Other Non-GNWT Grants	25,000	14,458	6,509
	2,396,400	2,901,281	3,035,278
Transfers (to) from deferred revenues	-	-	47,110
	\$ 2,396,400	\$ 2,901,281	\$ 3,082,388
Utility - GNWT			
Water and Sewer Block Funding	\$ 1,045,000	\$ 1,045,000	\$ 1,045,000
Capital funding			
Community Public Infrastructure Funding	\$ 1,510,000	\$ 1,833,000	\$ 1,510,000
Gas Tax	1,397,000	1,397,000	2,794,000
Investing in Canada Infrastructure Program	-	1,503,441	-
Clean Water and Waste Fund	-	-	273,007
Wharf Pavilion Funding	-	-	95,000
Portable Stage	-	-	115,000
CanNor - Wharf Pavilion	-	-	189,000
	2,907,000	4,733,441	4,976,007
Interest earned on deferred contributions			
Community Public Infrastructure Funding	-	22,529	32,078
Gas Tax	-	39,867	37,397
	-	62,396	69,475
Transfers (to) from deferred contributions			
Community Public Infrastructure Funding	(2,864,000)	(731,579)	(291,236)
Gas Tax	-	(45,378)	(1,439,518)
	(2,864,000)	(776,957)	(1,730,754)
	\$ 43,000	\$ 4,018,880	\$ 3,314,728

TOWN OF HAY RIVER

Schedule 6

General Fund
Schedule of Expenditure

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
General Government			
Mayor's indemnity	\$ 63,507	\$ 54,083	\$ 52,107
Councillors' indemnity	93,545	92,089	89,461
Administration - salaries and benefits	1,392,200	1,140,662	1,312,660
Administration - other	462,830	346,167	431,228
Materials and supplies	13,100	23,652	22,037
Professional services	212,000	197,170	332,527
Insurance	225,000	230,593	219,481
Town hall lease	150,000	155,776	149,330
Town hall operations and maintenance	15,000	6,413	17,146
Conventions, delegations and public relations	5,000	-	4,372
Overhead charge to Utility Fund	(150,000)	(150,000)	(101,000)
Overhead charge to Land Fund	(40,000)	(40,000)	(23,000)
	2,442,182	2,056,605	2,506,349
Other items:			
Amortization of tangible capital assets	116,000	81,716	97,126
	\$ 2,558,182	\$ 2,138,321	\$ 2,603,475

TOWN OF HAY RIVERGeneral Fund
Schedule of Expenditure

Schedule 7

For the year ended December 31, 2020

	2020	2020	2019
	Budget	Actual	Actual
Protective Services			
Bylaw enforcement	\$ 101,255	\$ 6,034	\$ 4,283
Bylaw vehicle maintenance	-	-	100
Fire protection	451,940	487,256	647,039
Fire department vehicle maintenance	34,550	1,944	17,860
Fire department building maintenance	12,400	1,291	7,490
Emergency response training center	-	-	1,203
Civil emergency	35,180	15,124	14,414
Ambulance	57,050	46,399	42,090
Hay River Animal Shelter contribution	49,100	49,009	49,009
Animal and pest control	19,185	10,430	11,403
	760,660	617,487	794,891
Other items:			
Amortization of tangible capital assets	354,000	265,033	295,472
	\$ 1,114,660	\$ 882,520	\$ 1,090,363

TOWN OF HAY RIVER

Schedule 8

General Fund
Schedule of Expenditure

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Transportation and Public Works			
Public works			
Administration	\$ 598,880	\$ 299,407	\$ 501,035
Vehicle operations & maintenance	50,000	201,705	184,997
Town garage			
Yards	233,400	86,970	110,059
Building maintenance	-	-	6,034
Carpenter shop			
Operating costs	107,900	73,168	117,587
Roads			
Roads and sidewalks	-	-	12,418
Summer roads	815,300	692,030	854,317
Roads brushing	-	-	11,246
Drainage	10,000	-	42,738
Winter roads	377,800	115,219	235,760
Street lighting	260,000	254,239	271,181
Road safety	21,000	951	24,007
	2,474,280	1,723,689	2,371,379
Other items:			
Amortization of tangible capital assets	1,121,000	1,027,221	1,035,921
Utility Fund	-	-	(135,000)
Land Development Fund	-	-	(135,000)
	\$ 3,595,280	\$ 2,750,910	\$ 3,137,300

TOWN OF HAY RIVER

Schedule 9

General Fund
Schedule of Expenditure

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Environmental and Public Health Services			
Sanitation operations	\$ 385,000	\$ 352,038	\$ 370,880
Landfill			
Maintenance	89,300	77,595	115,112
Landfill fire	-	-	941,688
Landfill accretion expense	-	79,862	74,363
Cemetery maintenance	29,000	5,930	20,659
	503,300	515,425	1,522,702
Other items:			
Amortization of tangible capital assets	16,000	7,562	1,186
	\$ 519,300	\$ 522,987	\$ 1,523,888

TOWN OF HAY RIVER

Schedule 10

General Fund
Schedule of Expenditure

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Planning and Development			
Planning and zoning	\$ 241,500	\$ 202,632	\$ 309,723
Tourism			
Building and yard maintenance	-	-	3,994
Programs	230,200	225,628	228,584
Amortization of tangible capital assets	11,000	10,698	10,698
Economic development	-	-	3,469
	\$ 482,700	\$ 438,958	\$ 556,468

TOWN OF HAY RIVERGeneral Fund
Schedule of Expenditure

Schedule 11

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Recreational and Cultural			
Recreation administration	\$ 186,900	\$ 193,724	\$ 282,990
Insurance	-	-	41
Vehicle maintenance	-	1,250	17,180
Recreation center operations	901,300	855,810	922,482
Building maintenance	120,000	211,376	199,713
Mechanical maintenance	40,000	-	9,259
Swimming pool operations	904,810	513,240	875,823
Building maintenance	51,900	-	41,763
Mechanical maintenance	-	-	1,109
Curling club operations	57,000	44,745	84,784
Sports fields	41,300	136,150	174,138
Annual town clean-up	22,000	351	34,805
Parkland	6,700	88,728	168,224
Library	179,150	165,000	179,150
Community television and other services	59,200	27,034	59,200
Northern Arts and Culture Centre	5,000	5,000	5,000
Beautification committee	6,000	5,000	7,000
Other economic community development initiatives	10,000	5,000	72,879
Recreation programs	416,430	340,359	467,315
	\$ 3,007,690	\$ 2,592,767	\$ 3,602,855
Other items:			
Amortization of tangible capital assets	1,212,000	1,045,274	1,064,540
	\$ 4,219,690	\$ 3,638,041	\$ 4,667,395

TOWN OF HAY RIVERGeneral Fund
Schedule of Expenditure

Schedule 12

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Fiscal and Valuation			
Discount on taxes	\$ 135,000	\$ 52,270	\$ 120,233
Debenture interest	400,000	358,704	406,189
Debenture principal	-	-	-
Bank charges	60,000	77,359	78,134
Interest charges (recovery)	500	(172,974)	216,000
Senior/disabled tax exemptions	187,000	244,009	273,505
Provision for (recovery of) bad debts, Note 5	50,000	71,823	263,337
	\$ 832,500	\$ 631,191	\$ 1,357,398

TOWN OF HAY RIVER
 Schedule of Expenditures by Object

Schedule 13

For the year ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
Amortization of tangible capital assets	\$ 3,731,000	\$ 3,216,384	\$ 3,260,486
Interest on long-term debt	400,000	358,704	406,188
Bank charges and interest	60,500	(95,618)	294,177
Contracted and general services	2,076,410	2,122,062	1,953,952
Insurance	261,500	261,686	253,497
Materials and supplies	3,911,335	3,673,772	5,055,350
Mayor and council expenses	156,052	146,022	140,871
Provision for bad debts	50,000	232,882	263,338
Salaries, wages and benefits	4,691,300	3,382,843	4,846,310
Utilities - electricity	1,080,120	773,165	1,159,959
Utilities - fuel	608,095	551,371	602,957
	\$ 17,026,312	\$ 14,623,273	\$ 18,237,085

TOWN OF HAY RIVER
Schedule of Changes in Accumulated Surplus

Schedule 14

December 31, 2020

	General Operating	Utility	Land Development	Reserves	Investment in Tangible Capital Assets	2020	2019
Excess (Deficiency of) revenue over expenditures	\$ 4,386,701	\$ (413,007)	\$ 233,199	\$ -	\$ -	\$ 4,206,893	\$ 188,623
Net interfund transfers							
Amortization	2,438,129	778,255	-	-	(3,216,384)	-	-
Disposals of tangible capital assets	84,114	-	-	-	(84,114)	-	-
Additions to tangible capital assets	(867,094)	(2,895,798)	-	-	3,762,892	-	-
Capital funding used for utility infrastructure	(2,623,643)	2,623,643	-	-	-	-	-
Long-term debt (repayment)	(702,880)	-	-	-	702,880	-	-
Allocations to Reserves	(3,356,276)	12,071	-	3,344,205	-	-	-
Changes in fund balances	(640,949)	105,164	233,199	3,344,205	1,165,274	4,206,893	188,623
Accumulated Surplus (Deficit), beginning of year	\$ (3,621,398)	\$ 2,574,902	\$ 5,595,576	\$ 2,188,316	\$ 63,659,817	\$ 70,397,213	\$ 70,208,590
Accumulated Surplus (Deficit), end of year	\$ (4,262,347)	\$ 2,680,066	\$ 5,828,775	\$ 5,532,521	\$ 64,825,091	\$ 74,604,106	\$ 70,397,213

Reserves	2019	Increase	Decrease	2020
General operating fund	\$ 1,879,697	\$ 2,342,119	\$ -	\$ 4,221,816
Utility infrastructure reserve	\$ 308,619	\$ 1,002,086	\$ -	\$ 1,310,705
	\$ 2,188,316	\$ 3,344,205	\$ -	\$ 5,532,521

TOWN OF HAY RIVER
 Schedule of Tangible Capital Assets
 December 31, 2020

Schedule 15

	Opening Balance	Additions	Disposals	Closing Balance	Accumulated Amortization Beginning of Year	Net Carrying Amount Beginning of year	Deletions	Amortization	Accumulated Amortization End of Year	Net Carrying Amount
General Fund										
Land	422,625	-	-	422,625	-	422,625	-	-	-	422,625
Land in development	2,197,084	-	31,576	2,165,508	-	2,197,084	-	-	-	2,165,508
Linear Structures	22,175,016	1,354,141	-	23,529,157	9,278,588	12,896,428	-	908,003	10,186,591	13,342,566
Buildings	44,658,379	-	66,953	44,591,426	8,115,425	36,542,954	-	1,214,527	9,329,952	35,261,474
Machinery and Equipment	7,806,101	49,927	-	7,856,028	6,111,680	1,694,421	-	301,184	6,412,864	1,443,164
Work in progress	819,276	-	536,974	282,302	-	819,276	-	-	-	282,302
Art Work	71,199	-	-	71,199	-	71,199	-	-	-	71,199
Tangible Capital Assets - General Fund	\$ 78,149,680	\$ 1,404,068	\$ 635,503	\$ 78,918,245	\$ 23,505,693	\$ 54,643,987	\$ -	\$ 2,423,714	\$ 25,929,407	\$ 52,988,838
Utility Fund										
Water and Sewer System	\$ 22,702,276	\$ 1,144,520	\$ -	\$ 23,846,796	\$ 4,900,635	\$ 17,801,641	\$ -	\$ 517,821	\$ 5,418,456	\$ 18,428,340
Land	1,000	-	-	1,000	-	1,000	-	-	-	1,000
Buildings	7,854,547	-	-	7,854,547	2,773,480	5,081,067	-	197,076	2,970,556	4,883,991
Vehicles	288,962	-	-	288,962	278,753	10,209	-	4,066	282,819	6,143
Heavy Equipment	11,241	-	-	11,241	11,241	-	-	-	11,241	-
Furniture & Equipment	1,951,916	10,130	-	1,962,046	1,599,083	352,833	-	59,292	1,658,375	303,671
Work in progress	81,450	1,741,148	-	1,822,598	-	81,450	-	-	-	1,822,598
Tangible Capital Assets - Utility Fund	\$ 32,891,392	\$ 2,895,798	\$ -	\$ 35,787,190	\$ 9,563,192	\$ 23,328,200	\$ -	\$ 778,255	\$ 10,341,447	\$ 25,445,743
Total Tangible Capital Assets	\$ 111,041,072	\$ 4,299,866	\$ 635,503	\$ 114,705,435	\$ 33,068,885	\$ 77,972,187	\$ -	\$ 3,201,969	\$ 36,270,854	\$ 78,434,581

Schedule 16

TOWN OF HAY RIVER

Gas Tax Agreement
Statement of Revenue, Expenditure and Deferred Contribution

For the year ended December 31, 2020

	2016	2017	2018	2019	2020	
	Actual	Actual	Actual	Actual	Actual	Cumulative
Funding						
Deferred contribution balance, opening	\$ 1,180,972	\$ 367,680	\$ 556,372	\$ 517,905	\$ 1,957,422	\$ 1,180,972
Annual Gas Tax allocation	1,305,000	1,305,000	1,397,000	2,794,000	1,397,000	8,198,000
Interest earned	16,186	8,957	24,533	37,397	39,867	126,940
	2,502,158	1,681,637	1,977,905	3,349,302	3,394,289	9,505,912
Funds Spent						
Pool Pump Upgrades	-	-	-	-	12,137	12,137
Realignment	-	-	-	-	128	128
Water Treatment Plant	121,440	-	-	86,820	16,827	225,087
Reservoir Electrical/Mechanical/Roof Upgrades	-	-	-	87,109	-	87,109
Paradise Road Realignment	-	-	-	680	-	680
Grader Replacement	-	-	-	314,464	-	314,464
Aquatic Facility Boilers	-	-	-	49,769	-	49,769
Fisherman's Wharf Pavillion	-	-	-	50,000	297,041	347,041
Public Beach Upgrades	-	-	-	30,000	-	30,000
Arena front lot paving	-	-	60,000	-	-	60,000
Mansel, Dessy, Morin W&S upgrade	-	-	100,000	773,038	105,912	978,950
Courtoreille St. water/sewer/streets/sidewalks	-	-	1,300,000	-	-	1,300,000
McRorie Rd Water/Sewer Replacement	280,000	581,083	-	-	-	861,083
Caribou Cres. Water, Sewer and Drainage	-	-	-	-	790,984	790,984
Beaver Cres. Water, Sewer and Drainage	-	-	-	-	17,500	17,500
Riverview Road Upgrades	-	-	-	-	32,423	32,423
Ravine brushing	-	16,748	-	-	-	16,748
Industrial area drainage improvements	-	5,066	-	-	-	5,066
Waterline 553 to Service Road	-	138,547	-	-	-	138,547
2017 Asphalt Patching Program	-	340,628	-	-	-	340,628
Vale Island Drainage works	-	43,193	-	-	-	43,193
Vale Drive Waterline	1,200,000	-	-	-	-	1,200,000
McBryan Drive Waterline	483,734	-	-	-	-	483,734
McRorie N.Store water main upgrade	49,304	-	-	-	-	49,304
Vale Island Drainage	-	-	-	-	-	-
	2,134,478	1,125,265	1,460,000	1,391,880	1,272,952	7,384,575
Deferred contribution balance, closing	\$ 367,680	\$ 556,372	\$ 517,905	\$ 1,957,422	\$ 2,121,337	\$ 2,121,337

TOWN OF HAY RIVER

Community Public Infrastructure Agreement
Statement of Revenue, Expenditure and Deferred Contribution

Schedule 17

For the year ended December 31, 2020

	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	Cumulative
Funding						
Deferred contribution balance, opening	\$ 5,227,167	\$ 3,949,756	\$ 519,199	\$ 485,900	\$ 777,137	\$ 5,227,167
Annual CPI allocation	1,260,000	1,260,000	1,260,000	1,510,000	1,833,000	7,123,000
Interest earned	39,405	33,174	23,912	32,078	22,529	151,098
	6,526,572	5,242,930	1,803,111	2,027,978	2,632,666	12,501,265
Funds Spent						
Trenchless Sewer Line Relining	-	-	-	478,655	-	478,655
Water Treatment Plant Roof Replacement	-	-	-	7,427	-	7,427
Sewage Lagoon Upgrade	-	-	-	72,000	-	72,000
Lift Station System Upgrade	-	-	-	29,950	470,950	500,900
Caribou Cres. Water and Sewer and Drainage	-	-	-	7,875	207,760	215,635
Small Capital Recreation Programming	-	-	-	14,294	-	14,294
Day Shelter and Playground Equipment	-	-	-	23,668	-	23,668
Snow Blower - Heavy Duty	-	-	-	118,419	-	118,419
Wright Crescent water & sewer upgrades	-	-	107,393	-	-	107,393
New arena facility concession	-	-	30,714	-	-	30,714
Mansel, Dessy, Morin water and sewer upgrade	-	-	600,000	-	-	600,000
Recreation Centre	-	3,410,946	-	-	-	3,410,946
SCBA Upgrades	-	164,301	-	-	-	164,301
Downtown Sewer Relining	-	317,000	-	-	-	317,000
Downtown Beautification	-	120,000	64,804	-	-	184,804
Generator Replacement - WT Plant	-	105,274	121	-	-	105,395
Waterline 553 to Service Road	-	100,000	-	-	-	100,000
Sidewalk Rehabilitation	-	86,463	-	-	-	86,463
Emergency Main Repairs	-	44,709	-	-	-	44,709
Wildfire Protection Plan	-	25,183	-	-	-	25,183
Town House Renovations	-	7,721	-	-	-	7,721
Water Treatment Plant Upgrades	-	1,020	-	12,997	-	14,017
Debt servicing	207,186	-	452,143	452,143	450,000	1,561,472
Pine Point Ball Park	40,336	-	-	-	-	40,336
Renovations to town hall	23,000	-	-	-	-	23,000
Road/Sidewalk Rehab Program	5,500	-	-	-	-	5,500
Fire hall / Town Hall Demolition	1,570	4,844	-	-	-	6,414
IT annual evergreening	6,898	76,591	-	-	-	83,489
Fire hall AC	27,914	-	-	-	-	27,914
McBryan Waterline Phase II	1,629,218	-	-	-	-	1,629,218
McRorie Rd Water/Sewer Replacement	635,194	203,691	-	-	-	838,885
Porratt Landing Boat Launch	-	55,988	-	-	-	55,988
Computer Replacement Program	-	-	62,036	33,413	25,265	120,714
	2,576,816	4,723,731	1,317,211	1,250,841	1,153,975	11,022,574
Deferred contribution balance, closing	\$ 3,949,756	\$ 519,199	\$ 485,900	\$ 777,137	\$ 1,478,691	\$ 1,478,691

TOWN OF HAY RIVERInvesting in Canada Infrastructure Program
Statement of Revenue and Expenditure

Schedule 18

For the year ended December 31, 2020

	2020	Cumulative
Revenue		
Investing in Canada Infrastructure Program	\$ 1,503,441	\$ 1,503,441
Eligible expenditures		
Wastewater Lift Station Project	1,309,091	1,309,091
Community Roads Upgrades Improvement Project	292,382	292,382
	1,601,473	1,601,473
Surplus / deficit	\$ (98,032)	\$ (98,032)

TOWN OF HAY RIVER

Schedule of Salaries, Honoraria, and Travel

Schedule 19

For the year ended December 31, 2020

	Salaries	Honoraria	Travel
Mayor			
Kandis Jameson	\$ 52,549	\$ -	\$ 1,534
Deputy Mayor			
Robert Bouchard	14,871	-	-
Councillors			
Linda Duford	11,892	-	-
Jeff Groenewegen	11,892	-	-
Steven Anderson	11,892	-	-
Keith Dohey	11,892	-	-
Brian Willows	11,892	-	-
Emily Chambers	11,892	-	-
	\$ 138,772	\$ -	\$ 1,534