



2020

# ANNUAL REPORT



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## FINANCIAL STATEMENTS

The consolidated financial statements present fairly, in all material respects, the financial position of the Village of Hussar as at December 31, 2020, the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards. The following is a summary of the consolidated financial statements. For a complete copy please visit [www.villageofhussar.ca](http://www.villageofhussar.ca).

### Management Report

Management of the Village of Hussar is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Village's financial position as at December 31, 2020 and the results of its operations for the year then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgements. Such amounts have been determined on a reasonable basis in order to ensure that the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized, and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the non-consolidated financial statements.

The Village Council carries out its responsibilities for review of the consolidated financial statements principally through its Audit Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Village Council with and without the presence of management. The Village Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Yates Whiteaker LLP, Chartered Professional Accountants, independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's consolidated financial statements

Kate Brandt  
Chief Administrative Officer

## Consolidated Statement of Financial Position

As at December 31, 2020

<b>Financial Assets</b>			
Cash and temporary investments			
	Cash	\$	556,075
	Temporary investments		<u>90,119</u>
			646,194
Taxes and grants in place of taxes receivable			
	Taxes and grants in place of taxes receivable		34,292
	Arrears		<u>21,476</u>
			55,768
Trade and other receivables			
			<u>140,056</u>
			842,018
<b>Liabilities</b>			
Accounts payable and accrued liabilities			
			25,427
Deferred revenue			
	Wheatland County Regional Infrastructure Services		-
	Miscellaneous		11,001
	Cemetery Trust		10,424
	Alberta Community Partnership		20,081
	Municipal Sustainability Initiative Grant-Capital		-
	Municipal Sustainability Initiative Grant-Operating		-
	FGTF Capital Grant		<u>50,000</u>
	Other Liabilities		182,591
Long-term debt			
			<u>25,034</u>
			324,558
<b>Net financial assets</b>			
			517,460
<b>Non-financial assets</b>			
Tangible capital assets			
			4,549,183
<b>Accumulated surplus*</b>			
			\$ 5,066,643
*Accumulated surplus consists of internally restricted and unrestricted amounts and equity in tangible capital assets as follows:			
Unrestricted surplus			
		\$	328,662
Internally restricted surplus (reserves)			
	Operating Reserve	\$	10,000
	Capital Reserve		<u>203,832</u>
			213,832
Equity in tangible capital assets			
	Tangible capital assets		7,723,395
	Accumulated amortization		(3,174,212)
	Long-term debt		<u>(25,034)</u>
			4,524,149
		\$	<u>5,066,643</u>

## Consolidated Statement of Operations

For the year ended December 31, 2020

	Budget	Actual
<b>Revenue</b>		
Net municipal property taxes	\$ 195,177	\$ 194,137
User fees and sale of goods	423,881	430,881
Government transfers for operating	24,312	49,270
Investment income	1,405	9,769
Penalties and costs of taxes	10,000	9,161
Licenses and permits	500	695
Franchise and concession contracts	39,360	42,512
Other	1,000	3,010
	695,635	739,435
<b>Expenses</b>		
Legislative	20,300	15,807
Administrative	124,100	132,047
Protective Services and emergency management	12,451	11,639
Common and equipment	19,901	21,533
Roads, streets, walks and lighting	141,198	490,919
Water supply and distribution	336,083	482,872
Wastewater treatment	37,243	,186,134
Waste management	29,548	28,647
Public health and welfare services	24,311	3,805
Land use planning, zoning & development	2,130	2,518
Culture – libraries, museums, hall	3,166	3,166
Other recreation and culture	57,839	54,288
	807,270	1,433,375
<b>Excess (deficiency) of revenue over expense before other</b>	(111,635)	(693,940)
<b>Other</b>		
Government transfers for capital	-	677,835
<b>Excess of revenue over expenses</b>	(111,635)	(16,105)
<b>Accumulated surplus, beginning of year</b>	-	5,082,748
<b>Accumulated surplus, end of year</b>	\$ (111,635)	\$ 5,066,643

## Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2020

	Budget	Actual
<b>Excess of revenue over expenses</b>	\$ (111,635)	\$ (16,105)
Purchase of tangible capital assets	-	(13,442)
Amortization of tangible capital assets	187,339	186,737
Decrease in prepaid expenses	-	-
	187,339	173,295
Net change in prepaid expense	-	-
<b>Increase in net financial assets</b>	75,704	157,190
<b>Net financial assets, beginning of year</b>	360,270	306,270
<b>Net financial assets, end of year</b>	\$ 435,974	\$ 517,460

## Consolidated Statement of Cash Flow

For the year ended December 31, 2020

<b>Operating transactions</b>	
Excess of revenue over expenses	\$ (16,105)
Item not affecting cash:	
Loss on disposal of tangible capital assets	-
Amortization of property, plant and equipment	186,737
	<hr/>
	170,632
Change in non-cash working capital:	
Taxes and grants in place of taxes receivable	(829)
Trade and other receivables	(23,670)
Other liabilities	-
Prepaid expenses	-
Accounts payable and accrued liabilities	2,079
Deferred revenue	(266,597)
	<hr/>
Cash flow from operating activities	(118,385)
<b>Capital Activities</b>	
Acquisition of tangible capital assets	(13,442)
<b>Financing Activities</b>	
Advances from members	(38,066)
Repayment of long-term debt	(7,472)
Cash flow from (used by) financing activities	(45,538)
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<b>(Decrease) increase in cash and temporary investments</b>	(177,365)
<b>Cash and temporary investments, beginning of year</b>	823,559
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<b>Cash and temporary investments, end of year</b>	\$ 646,194

### Debt Limits

Section 276(2) of the Municipal Government Act requires that debt limits as defined by Alberta Regulation 255/00 for the Village be disclosed as follows:

Total debt limit	\$ 1,109,153
Total debt	(25,034)
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	\$ 1,084,119
Debt servicing limit	\$ 184,859
Debt servicing	(9,300)
	<hr/>
	\$ 175,559

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is

acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

### Salary and Benefits Disclosure

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salary	Benefits	Total
<b>Council</b>			
Tim Frank	\$ 4,525	-	\$ 4,525
Corey Fisher	4,200	-	4,200
Les Schultz	4,075		4,075
<b>Chief Administrative Officer</b>			
	\$ 45,000	11,397	\$ 56,397
<b>Designated Assessor</b>			
	5,475		5,475

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Employer’s share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long- and short-term disability plans, professional memberships, and tuition.

Benefits and allowances figure also include the employer’s share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, and club memberships.

## Infrastructure Projects

### 2021 Planned Projects

#### 2<sup>nd</sup> Avenue East and Centre Street (MSP Grant Funded)

- Pave intersection to prevent further washout
- Total Costs: \$44,366.31; No current property tax revenue utilized for the project

#### 3<sup>rd</sup> Avenue West and 1<sup>st</sup> Street West

- Pave intersection to help with the drainage issues
- Total Costs: \$11,691.00