

**Hamlet of Fort Liard
Financial Statements
March 31, 2020**

**HAMLET OF FORT LIARD
FORT LIARD, NT**

**ANNUAL FINANCIAL REPORT
For the year ended March 31, 2020**

HAMLET OF FORT LIARD

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

**Mayor and Councilors
Hamlet of Fort Liard**

The accompanying financial statements and other information contained in this report are the responsibility of the management of the Hamlet of Fort Liard.

The financial statements are prepared in accordance with Canadian public sector accounting standards and relevant ministerial directives. They necessarily include some amounts that are based on the best estimates and judgments of management. Management is also responsible for accounting decisions that affect the measurement and presentation of financial information. Financial information elsewhere in this report is consistent with that in the financial statements.

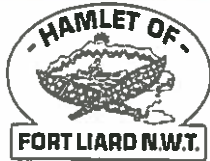
To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for the preparation of financial statements.

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



**John McKee
Senior Administrative Officer
Hamlet of Fort Liard**

November 20, 2020



MANAGEMENT DISCUSSION AND ANALYSIS

MANAGEMENT

Mike Rudkin was dismissed as Senior Administrative Officer [SAO] in August 2020 and John McKee was appointed as SAO in October 2020.

An Assistant Senior Administrative Officer [ASAO] was hired on a contract to assist the SAO to review the system of internal accounting, make corrections, and ensure that accurate financial records could be produced and that the 2019/2020 audit could be completed as legislated. Due to COVID-19 travel restrictions the audit was not completed until August 10, 2019.

The Hamlet has been without a Finance Officer since July 2015. SAO Rudkin assumed the duties of Finance Officer assisted by a Senior Accounting Clerk [Molly Duntra] and Accounts Payable Clerk [Evelyn Wilson]. Casual staff was hired to perform administrative duties.

It is recommended that a Finance Officer be appointed as per section 44(1) of the Hamlet's Act. to meet legislative requirements and support Hamlet operations. This will ensure a greater degree of accountability.

LEGAL RECORDS

Minutes of meetings were recorded, however approved original signed copies were not filed. Bylaws were incomplete, not properly signed and filed and the bylaw register was not up to date. Since October 2020 both issues have been rectified.

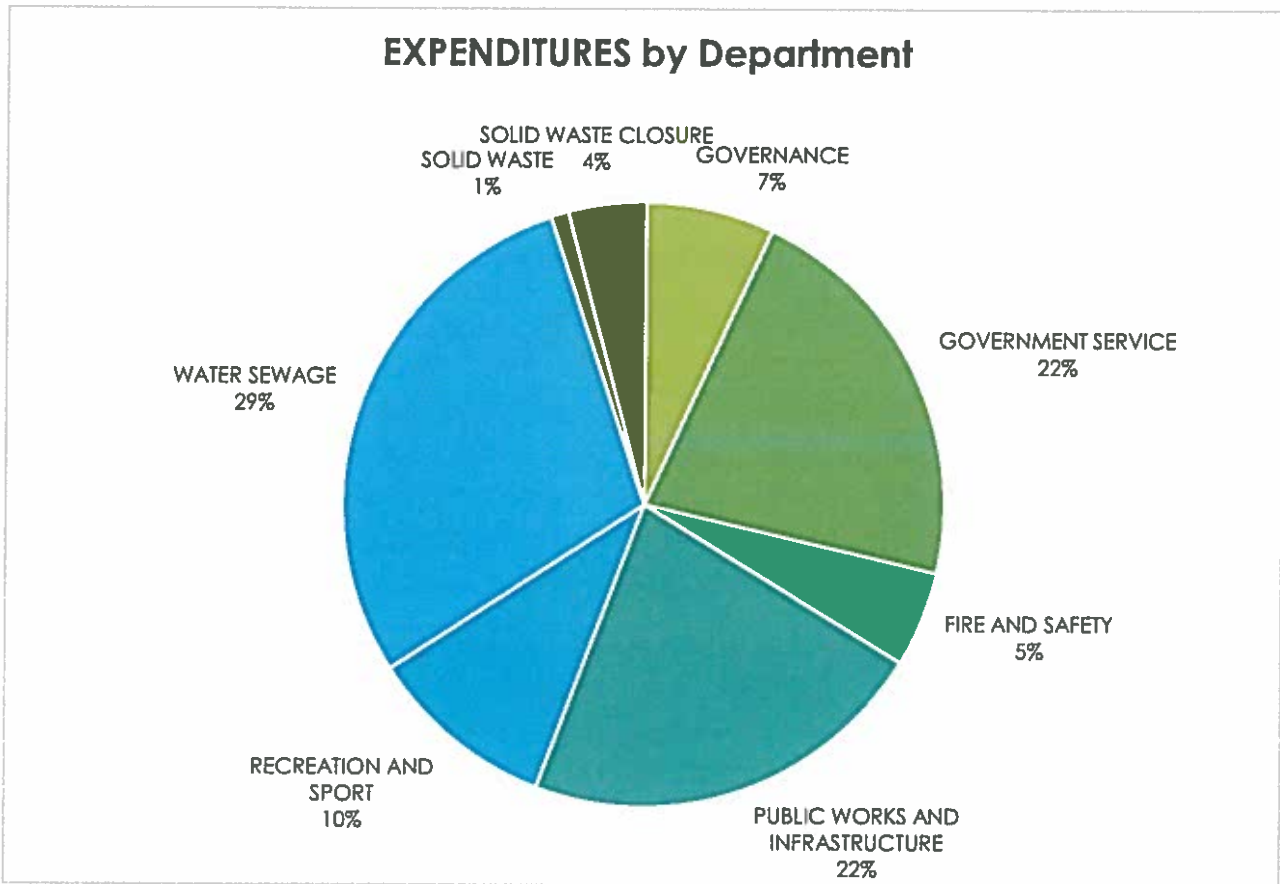
FINANCIAL HIGHLIGHTS

The basic financial statement consists of two components: the financial statements and notes which provide additional information that is essential to a full understanding of the data provided in the financial statements. This report also contains supplementary information in addition to the basic statements themselves. The Net Financial Assets includes all the Hamlet's assets and amount of investments and obligations to the Hamlet's creditors. Accumulated surplus on the same statement is another important tool in assessing the Hamlet's financial position.

FINACIAL POSITION

The Hamlet received Government transfers for operations in the amount of \$2,210k and 549k in conditional funding.

Noted that prior government transfers and surplus have been decreased by \$160,000 to reflect the adjustments of ineligible expenditures on a contribution agreement.



Water Sewage Services

The Government of the NWT provided a subsidy of \$722,000. Charges for service less subsidies to residential users and seniors totaled \$307,026. Interest on the fund amounted to \$11,530. This resulted in an annual surplus of \$244,423. excluding amortization.

Solid Waste Disposal Services

Customer service charges of \$76,820 less subsidies provided to seniors of \$12,240.00 resulted in net revenues of \$64,580. Expenditures were \$13,305. The Solid Waste site closure and post closure liability is recoded at \$113,738.00. This resulted in a fiscal year loss of \$62,463.00. excluding amortization.

Other Programs

The Hamlet entered in various conditional Funding agreements with various GNWT Departments to support recreation and sport programs and operation of the Day Care. Total revenue totalled \$335,724 offset by \$342,630 in expenditures resulting in a deficit of \$6,906.

INVESTMENTS

The Hamlet has investments of \$ 2,685k in fixed deposits. The maturity dates and amounts vary and are held at the CIBC bank. Reserves are enough to cover requirements for future operating and capital expenditures. The Hamlet has invested \$ 500k plus interest in a contingency fund to meet and be prepared for any unforeseen circumstances.

PUBLIC INFRASTRUCTURE

The Government of the Northwest Territories provided \$827k for Community Public Infrastructure plus \$596k Gas Tax Funding.

The Hamlet has updated and reviewed their five-year plan and developed a 15-20-year capital forecasting plan.

A new water truck and vacuum (sewage) truck were purchased and are now in service. The 2010 Water truck will be used to replace the 2002 Fire Support Water Truck. The 2002 truck will be advertised for sale.

A new fire pumper to replace the 1995 pumper, which can no longer be certified, was ordered for delivery August 2020.

Laptops have been purchased for council and the communication system was upgraded.

No "Gas Tax Projects" were undertaken in 2019-2020.

The Capital Public Infrastructure Fund and the Gas Tax Fund have been reconciled.

Capital Public Infrastructure Fund Balance	\$2,505k.
Gas Tax Fund Balance	\$1,515k.

OPERATIONS

In 2017 council approved the establishment of a Day Care. The Day Care was to be self sufficient in two years and staffed by qualified personnel. Education Culture and Employment had provided funding for start up costs and training of staff. User fees were to be implemented to cover operational and building rental costs. By January 1, 2020 none of these objectives had been met and the Hamlet ceased operations March 31, 2020. The Hamlet did not recover the cost of building operations.

The Hamlet is required to have water licence regulated by the Mackenzie Valley Land and Water Board. The previous licence expired, and the new licence issued the Mackenzie Land and Water Board became effective February 2000 with a 2035 expiry date.

Maintenance of assets is crucial if the expected life of a facility is to be realized. Loss Control Consultants has inspected all buildings and established the annual contribution the Hamlet must make to the fund so that anticipated periodic repairs can be financed. A contingency amount of 5% of the estimated annual expenditure is included. The annuity calculations consider the present value of future work, the current inflation rate, and the current rate on investments. This fund has not been updated for the past five years.

In 2019 the Hamlet engaged in a pilot project to establish a maintenance system. This system has no connection with the Hamlets Sage Accounting system. The system recommended and implemented by Municipal and Community Affairs is excessive for the needs of the Hamlet. A though revue of asset maintenance management should be completed before March 2021.

Council passed a new Employment Bylaw [276] and approved five policies that establish employee – employer relationships that conform to labour Standards Legislation

MUNICIPAL SERVICES

The Hamlet has established economic rates for the provision of water, sewage, and waste services. This rate is established to cover all costs related to the provision of these services. Revenue collected and subsidies provided for these services is used only for the provision of these services and accounted for in a separate schedule included in the financial statements. Although a rate increase was approved by council it was not implemented.

CONTRACTED SERVICES

During the fiscal year 2019/20 the Hamlet contracted provided Income Support Services. The Department of Education Culture and Employment finance the Hamlet for the provision of office space and certified staff. This contractual agreement ended March 31, 2020 and will now be staffed by the GNWT. The Hamlet will continue to provide rented office space.

Economic Development Services were not provided in 2019/20 as the Hamlet could not come to a satisfactory funding agreement with GNWT ITI.

The GNWT and Service Canada continue to rent office space, but the Hamlet is not responsible for staffing.

MUNICIPAL LAND TENURE

Land for municipal operations is commissioners land reserved for municipal use. The graveyard and municipal works yard are on territorial lands (formally federal lands). The Hamlet has applied to the GNWT for leases and will be required to pay annual rental fees

The waste site is located outside the municipal boundaries on GNWT lands. Bylaw 212 jointly approved by the Minister of Municipal and Community Affairs and Hamlet. The Hamlet also has an agreement with the GNWT to use aerodrome lands for the baseball diamond and certain municipal roads.

SAFETY AND EMERGENCY SERVICES

In 2018 and 2019 Council was unable to provide fire protection services and the 1995 fire pump truck could not be certified. Service was reinstated in mid 2019 and a part time fire chief was appointed by Bylaw 274, Standard Operation Guidelines Implemented, and a new fire pumper ordered.

RECREATION SPORT AND YOUTH PROGRAMMING

A variety of programming is provided by the Hamlet funded by annual contribution agreements with the Government of the North West Territories. A separate financial schedule accounts for each of these programs.

STABILIZATION FUND

The Hamlet had established a stabilization fund of \$500k. Funds are invested and to date have earned \$65,902 in interest. This fund was established to provide for any unexpected, emergency, or large expenditures. The amount of this fund and expenditures from this fund are approved by motion of council.



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INDEPENDENT AUDITOR'S REPORT

**Mayor and Members of Council of the
Hamlet of Fort Liard, NWT**

Qualified Opinion

We have audited the financial statements of the Hamlet of Fort Liard, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, statement of 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, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Hamlet as at March 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Basis for Qualified Opinion

We were unable to satisfy ourselves concerning the inventory quantities and valuation held at March 31, 2020, which is stated in the statement of financial position at \$36,813. As a result of this matter, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded inventories, and the elements making up the statement of operations and accumulated surplus, statement of changes in net financial assets, and the statement of cash flows.

The Hamlet operates a sewage lagoon. As disclosed in Note 11, a liability for closure and post-closure care has not been recorded in the financial statements as at March 31, 2020. We were, therefore, unable to determine the impact of this omission on the statement of financial position, expenses and annual surplus reported in the statements of operations, changes in net financial assets (debt) and accumulated surplus reported in the statement of financial position.

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 Hamlet 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 these 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 Hamlet'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 Hamlet or to cease operations, or has no realistic alternative but to do so.

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

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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.

INDEPENDENT AUDITOR'S REPORT, continued

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 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 Hamlet'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 Hamlet'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 Hamlet 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.

Other matter

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Hamlet of Fort Liard as a whole. The supplementary information included on various schedules is presented for purposes of providing additional information. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion in the audit of financial statements taken as a whole.

Report on Other Legal and Regulatory Requirements

As required by Section 105 of the *Hamlets Act*, we report that, in our opinion, that proper books and records of account have been kept by the Hamlet, that the consolidated financial statements are in agreement therewith, and that the transactions that have come under our notice have been, in all material respects, within the statutory powers of the Hamlet. Further, in accordance with section 105 of the *Hamlets Act* we report that these principles have been applied on a basis consistent with that of the preceding year.

EPR Yellowknife Accounting Prof Corp.

Yellowknife, NWT
November 20, 2020

EPR Yellowknife Accounting Professional Corporation
Chartered Professional Accountants

**Hamlet of Fort Liard
Statement of Financial Position
As at March 31, 2020**

Statement I

	2020	2019
Financial Assets		
Cash (Note 2)	\$ 4,127,676	\$ 1,114,343
Restricted temporary investments (Note 2)	2,684,966	2,596,640
Restricted deposits (Note 2)	1,951,068	2,746,344
Accounts receivables (Note 4)	376,059	1,221,842
	9,139,769	7,679,169
Liabilities		
Accounts payable and accrued liabilities (Note 5)	1,929,770	344,713
Employee benefit liabilities (Note 1s)	94,762	134,886
Deferred revenue (Note 6)	4,510,417	4,771,640
	6,534,949	5,251,239
Net Financial Assets	2,604,820	2,427,930
Non-Financial Assets		
Tangible capital assets (Schedule 10)	12,214,502	11,026,003
Inventory	36,813	64,851
Prepaid expenses and deposits	5,553	26,591
	12,256,868	11,117,445
Accumulated Surplus (Schedule 1)	\$ 14,861,688	\$ 13,545,375
Commitments and contingencies (Notes 11 and 12)		

Approved on behalf of the Hamlet



**Cathy Kotchea – Deputy Mayor
Approved Council Motion 2020- 59**



Senior Administrative Officer

See accompanying notes and schedules to the financial statements.

Hamlet of Fort Liard
Statement of Operations and Accumulated Surplus
As at March 31, 2020

Statement II

	2020 Budget (Note 1c)	2020 Actual	2019 Actual (Restated Note 13)
Revenue			
Government transfers for operations (Note 8)	\$ 2,085,000	\$ 2,562,727	\$ 2,531,006
Government transfers for capital (Note 8)	-	1,963,234	838,980
Water and sewage revenues (Schedule 3)	309,720	307,026	289,875
User fees and sales of goods	35,100	133,560	184,194
Contract revenue	-	14,851	23,779
Other revenue	287,233	209,750	319,847
Total Revenue	2,717,053	5,191,148	4,187,681
Expenses			
General government services (Schedule 2)	660,240	860,530	719,039
Water and sewage expenditure (Schedule 3)	954,564	1,042,577	853,869
Protective services (Schedule 4)	112,200	191,022	134,791
Transportation and Public Works (Schedule 5)	532,260	757,770	752,417
Recreation services (Schedule 6)	294,900	412,691	374,028
Environmental health services (Schedule 7)	-	205,514	358,163
Contract services and contribution agreements (Schedule 8)	-	404,731	688,826
Total Expenses	2,554,164	3,874,835	3,881,133
Annual Surplus	162,889	1,316,313	306,548
Accumulated Surplus, beginning of year	13,705,375	13,705,375	13,238,827
Restatement (note 13)	(160,000)	(160,000)	-
Accumulated Surplus, beginning of year as restated	13,545,375	13,545,375	13,238,827
Accumulated Surplus, end of year (Schedule 1)	\$ 13,708,264	\$ 14,861,688	\$ 13,545,375

See accompanying note and schedules to the financial statements.

Hamlet of Fort Liard
Statement of Changes in Net Financial Assets
for the year ended March 31, 2020

Statement III

	2020 Budget	2020 Actual	2019 Actual (Restated Note 13)
	(Note 1c)		
Excess of revenues over expenditures	\$ 162,889	\$ 1,316,313	\$ 306,548
Loss on disposal of tangible capital assets	-	-	-
Amortization of tangible capital assets	-	774,731	711,814
Acquisition of tangible capital assets	-	(1,963,230)	(703,797)
Change in inventories and prepaid expenses	-	49,076	(73,435)
Increase in net financial assets	162,889	176,890	241,130
Net financial assets at beginning of year	2,427,930	2,427,930	2,186,800
Net financial assets at end of year	\$ 2,590,819	\$ 2,604,820	\$ 2,427,930

See accompanying notes and schedules to the financial statements.

Hamlet of Fort Liard
Statement of Changes in Cash Flows
As at March 31, 2020

Statement IV

	2020	2019 (Restated Note 13)
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
Operating Transactions		
Excess of revenues	\$ 1,316,313	\$ 306,548
Non-cash charges to operations:		
Amortization of capital assets	774,731	711,814
Cash provided by operating transactions	2,091,044	1,018,362
Decrease (increase) in accounts receivable	845,780	(765,115)
Decrease (increase) in prepaid expenses	21,038	(8,586)
Increase (decrease) in accounts payable and other liabilities	1,544,940	217,457
Increase (decrease) in deferred revenue	(261,222)	602,194
Decrease (increase) in inventory	28,033	(64,854)
Net cash from (used for) operations	4,269,613	999,458
Capital transactions		
Acquisition of Tangible Capital Assets	(1,963,230)	(703,797)
Net cash (used for) from capital transactions	(1,963,230)	(703,797)
Increase (decrease) in net cash and temporary investments	2,306,383	295,661
Net cash and temporary investments, at beginning of year	6,457,327	6,161,666
Net cash and temporary investments, at end of year (Note 2)	\$ 8,763,710	\$ 6,457,327
Comprised of:		
Cash in bank	\$ 6,078,744	\$ 3,860,687
Restricted Temporary Investments (Note 2)	2,684,966	2,596,640
	\$ 8,763,710	\$ 6,457,327

See accompanying notes and schedules to the financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Hamlet of Fort Liard are the representations of management prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. They are also prepared in accordance with policies prescribed for Municipalities by the Hamlets Act of the Northwest Territories and by the Department of Municipal and Community Affairs, Government of Northwest Territories. Significant aspects of the accounting policies adopted by the Hamlet of Fort Liard are as follows:

a) Reporting Entity

The financial statements reflect the assets, liabilities, revenues and expenses, changes in net financial assets (debt) and change in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the community government and are, therefore, accountable to the Council for the administration of their financial affairs and resources. At present, there are no organizations that are owned and controlled by the Municipality, other than its own management funds.

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

b) 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.

c) Fund Accounting

Management funds consist of the operating fund, water and Sewer (utilities) fund and the reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. The purpose of the funds are:

Operating fund – to account for general revenues, general expenditures and other transactions not accounted for in other funds.

Water and sewer (utilities) fund – to account for water and sewer charges and expenditures.

Reserve fund – to record reserves established at the discretion of Council to set aside funds for future operating and capital expenditures. Transfer to and or from reserves are reflected as an adjustment to the respective fund.

d) 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.

Capital transfers are initially recognized as deferred revenue and subsequently recognized as revenue when the related tangible capital assets are acquired or constructed.

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

e) 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, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>YEARS</u>
Land improvements	15-20
Buildings	25-50
Engineered structures	
Water System	35-65
Wastewater System	35-65
Other Engineered structures	15-40
Machinery and equipment	5-20
Furniture and equipment	5-20
Vehicles	3-20

100% of the annual amortization is charged in the year of acquisition and 0% in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

f) Contributions of Tangible Capital Assets

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

g) Equity in Tangible Capital Assets

Equity in Tangible capital assets represents the Hamlet of Fort Liard's net investment in its total Tangible capital assets, after deducting work in progress, the portion financed by third parties through debenture, mortgage debts, capital contributions, long term capital borrowings, capitalized leases and other capital liabilities.

h) Cultural and Historical Tangible Capital Assets

Works of art for display are not recorded as tangible capital assets but are disclosed and insured.

i) Reserves for Future Expenditures

Reserves are established at the discretion of Council to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund and not as revenue or expenditures in the statement of operations.

The Hamlet maintains the following reserves:

- i) Stabilization reserve is for major unplanned events.
- ii) Capital reserve is for capital betterment and equipment replacement.
- iii) Water sewage equipment reserve is to cover deficiencies in the water and sewer services fund.

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

j) Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards 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 expense during the reporting period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates. Significant estimates are used in determining the useful life of the depreciable assets, allowance for doubtful accounts and allocation of common administrative expenses between funds/programs.

k) Investments

Investments are only made in Guaranteed Investment Certificates (GICs) and are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investments.

l) Inventories for Resale

The Hamlet does not own any land. There is commissioners land reserved for community use, which is leased from the GNWT. The Hamlet does not have a Land Administration By-Law.

m) Landfill Closure and Post-Closure Liability

The Community Government is required to fund the closure of its landfill sites 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 requirement will be provided for over the estimated remaining life of the landfill site based on usage. The accrued liability for closure and post-closure care of the Hamlet's landfill is disclosed in Note 11a.

n) 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.

o) 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.

p) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

q) Budget

Budget figures are unaudited and were approved by council.

r) Financial instruments

All significant financial assets, financial liabilities of the Hamlet are either recognized or disclosed in the financial statements together with available information for a reasonable assessment of future cash flows, interest rate risk and credit risk.

Financial assets are reviewed at the end of each accounting period to determine whether any impairment has occurred. Any associated impairment losses are reported on the statement of operations.

1. SIGNIFICANT ACCOUNTING POLICIES (cont.)

s) Employee Benefit Liabilities

Employee benefit liabilities are future obligations of the Hamlet to its employees for benefits earned but not taken as at the end of the fiscal year. The Hamlet and its employees make contributions to a defined contribution pension plan. These contributions represent the total liability of the Hamlet and are recognized in the accounts on a current basis. Employees are insured through the Northern Employee Benefits Services. The Hamlet is not liable for any future liabilities of this plan.

u) Segmented Information

Hamlet services are provided by departments and segmented financial information on their activities is reported in the schedules. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1. Revenues not directly attributable to a specific segment are indicated as unallocated items in Note 10. The segments include:

i) General Government Services, which provides internal support to council and other departments who provide services to its citizens. These internal departments include the Senior Administrative Officer, Financial services, Information Technology Support, and Human Resources.

ii) Protective Services, which provides services to maintain public order and uphold municipal bylaws and prevention services related to firefighting services.

iii) Transportation and Public Works Services, which provides construction and maintenance of community assets and transportation planning.

iv) Recreation Services, which provides services through a recreation and cultural program.
Land development.

v) Environmental and Public Health Services, which provides refuse removal services and landfill maintenance and provides emergency and prevention related to medical services.

vi) Water and Sewage Services, which provides for operations and maintenance related to water distribution and sewage collection.

**Hamlet of Fort Liard
Notes to Financial Statements
For the Year ended March 31, 2020**

2. CASH AND TEMPORARY INVESTMENTS

	2020	2019
Cash	\$ 4,127,676	\$ 1,114,343
Restricted Deposits:		
Gas Tax Funding	1,169,960	1,361,301
Community Public Infrastructure Funding	781,108	1,385,043
Restricted Temporary Investments	2,684,966	2,596,640
	\$ 8,763,710	\$ 6,457,327

Temporary investments are short-term GIC investments with maturity dates from March 19, 2021 to November 3, 2023 and effective interest rates of 0.65% to 1.95%. The balance of total cash and temporary investments includes restricted cash and temporary investments of \$4,636,034 (2019 - \$5,342,984).

3. DEPOSITS AND INVESTMENTS

	Deferred revenue	Reserves	Less: amount receivable	Total required deposit	Actual bank deposit/investment	Short/over
Gas Tax	\$ 1,515,621	\$ -	\$ -	\$ 1,515,621	\$ 1,515,621	\$ -
CPI	2,504,196	-	-	2,504,196	2,133,595	(370,601)
Stabilization	-	565,902	-	565,902	565,902	-
Fund Reserve						
Capitalisation	-	420,916	-	420,916	420,916	-
Reserve						
	\$ 4,019,817	\$ 986,818	\$ -	\$ 5,006,635	\$ 4,636,034	\$ -

When the Department of Municipal and Community Affairs ("MACA") introduced block funding of Community Public Infrastructure, the Hamlet invested these funds along with Gas Tax Funds and Stabilization Funds in GICs on terms according to cash flow needs. Longer term investments generated higher rates of interest at escalating rates up to five years. In 2011, MACA required that funding be deposited in separate bank accounts. The Hamlet established separate accounts and funding is being deposited in the appropriate accounts. Some surplus funds from prior years were not deposited in these separate accounts as the Hamlet stood to forfeit interest revenue by cashing in investments before maturity. It is the intention that, as the GICs mature, the Hamlet will not reinvest funds in GICs but deposit them in separate bank accounts as required. Separate bank accounts have been established for Gas Tax and CPI funds; but are not fully funded. Total restricted funds do not cover the amount of funds required. There is a shortfall of \$370,601 and, therefore, the Hamlet is not in compliance with the requirement that restricted funds be fully funded.

**Hamlet of Fort Liard
Notes to Financial Statements
For the Year ended March 31, 2020**

4. ACCOUNTS RECEIVABLE

	2020	2019
Contributions Receivable	\$ 51,889	\$ 65,061
Water and Sewage Customer Receivable	6,267	45,287
Community Public Infrastructure	-	815,000
Gas tax funding	149,000	-
Goods & Service Tax Rebate	73,904	261,021
Trade and Other	144,972	35,473
	426,032	1,221,842
Less: Allowance for Doubtful Accounts	(49,973)	-
	\$ 376,059	\$ 1,221,842

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Accounts payable and accrued liabilities	\$ 1,544,464	\$ 92,314
GNWT - contributions repayable	58,068	-
Dump site cleanup liability - Note 11a	327,238	252,399
	\$ 1,929,770	\$ 344,713

6. DEFERRED REVENUE

Deferred revenue is comprised of amounts received but not yet earned or disbursed as a result of project initiation dates extending beyond the fiscal year end, or conditions attached to the use of the funds as follows:

	2020	2019
Community Public Infrastructure (Schedule 12)	\$ 2,504,196	\$ 3,574,675
Gas Tax Funding (Schedule 11)	1,515,621	901,616
Small Communities Fund (Schedule 13)	-	-
	4,019,817	4,476,291
Contract Services	-	-
HSS Community Wellness	-	-
ITI Community Garden	2,681	2,681
ECE Other	487,919	292,668
	\$ 4,510,417	\$ 4,771,640

Hamlet of Fort Liard
Notes to Financial Statements
For the Year ended March 31, 2020

7. EQUITY IN TANGIBLE CAPITAL ASSETS

	2020 Net Book Value	2019 Net Book Value
Tangible Capital Assets (Schedule 10)	\$ 23,326,174	\$ 21,362,944
Accumulated Depreciation (Schedule 10)	(11,111,672)	(10,336,941)
	\$ 12,214,502	\$ 11,026,003

8. GOVERNMENT TRANSFERS

Operational funding

MACA O&M	\$ 1,460,000
MACA W&S	722,000
MACA Solid Waste	-
Property Tax Grant	27,452
Youth Contribution	4,000
Community Wellness	190,400
Sports and Recreation	10,676
Youth Corp.	28,611
Youth Centre	13,976
Regional Youth Sports Events	5,374
After School	15,833
Youth Resiliency	13,636
Childhood Inclusion	19,237
Library Initiative	35,000
Income Support	62,400
Early Childhood Attendance	71,783
ITI - Community Garden	10,000
Childhood Community	13,600
DFN - CFR Childcare	54,000
From (to) deferred revenue	(195,251)

2,562,727

Capital Funding

Gas Tax Funding	596,000
Community Public Infrastructure	827,000

Interest earned	1,423,000
Proceeds from asset sale	83,760
From (to) deferred revenue	-
	456,474

\$ 1,963,234

9. COMPARATIVE FIGURES

The comparative figures for 2019 have been reclassified to be consistent with current year presentation.

10. UNALLOCATED AMOUNTS

The following revenues were not allocated to the individual segments report in the schedules:
- MACA Operations and Maintenance Funding

11. CONTINGENCIES AND SUBSEQUENT EVENTS

a) Solid Waste Landfill Closure and Post-Closure Liabilities and Sewage Lagoon Expansion

The Hamlet operates a solid waste landfill sites, and a sewage lagoon. Site restoration costs are recognized in full when information is available to estimate the liability. The original, old solid waste site is no longer used and work on its closure has concluded.

For the solid waste site, management contracted an engineering firm to provide an estimate of the total closure and post-closure liabilities of the Hamlet's land fill site. Based on the assessment, the land is slated for closure in year 2033 yielding an estimated 15 years of life remaining. The term of the post-closure work is expected to last 25 years beginning in 2033. The net present value of the estimated closure and post-closure costs is \$4,663,022 using a 3% discount rate. The annual change in the closure and post closure liability is measured by the volume of landfill space used in the period less any costs incurred in the period. The change in the closure and post-closure liability is recognized as an expense in the statement of operations. The liability at the end of the period is \$327,238 and the corresponding expense is \$113,738.

For the sewage lagoon, site closure and post-closure costs are recognized in full when information is available to estimate the liabilities for the facility. To date, the Hamlet does not have complete information required to estimate the existing closure and post-closure costs. As a result, the assets, and related and related post-closure liabilities for these facilities are no recorded in the financial statements.

b) Insurance

The Hamlet participates in the Northwest Territories Association of Communities insurance programs. Under the terms of membership, the Hamlet 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. The Hamlet receives a rebate for good experience rating two years after the fact. Historically, any rebates have been netted with the cost of insurance.

c) Water Licence Conditions

A water licence is granted by the Mackenzie Valley Land and Water Board with monitoring and operating conditions. The last inspection was completed in August 2011 with minor deficiencies rectified. The existing water license expired February 29, 2020. The Hamlet renewed the water license subsequent to the year end and is valid for 15 years..

d) Pension Plan

The Hamlet participates in the NWT Northern Employee Benefits Program pension plan. Under the terms of membership, the Hamlet could become liable for its proportionate share of any unfunded pension liability should the program terminate or the Hamlet withdraw. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

e) Actions for Loss or Damage

A person who brings an action for loss or damage against the Hamlet must notify the Hamlet of the event that gives rise to the action within 30 days after the occurrence of the event or within such longer period of time as may be allowed by bylaw. As at the financial reporting date, the Hamlet had not received any notification of such claims.

12. COMMITMENTS

The Hamlet has entered into a contract to restore the water treatment plant cells. The contract is valued at approximately \$1,000,000. Originally scheduled to be completed by June 30, 2020, as a result of travel restrictions imposed by the Covid-19 virus, the project has been put on hold with no revised completion schedule.

13. RESTATEMENT

The prior year figures have been restated to reflect the adjustment of ineligible expenditures attributed to a contribution agreement for which restrictions were placed on spending. The funding receipt for the contribution was eligible for deferral should there have been unexpended funds at the year end. As a result restatement, the following changes were made to the figures for the year ended March 31, 2019:

Revenue (government transfers for operations) and surplus decreased by \$160,000
Deferred revenue increased by \$160,000.

**Hamlet of Fort Luard
Schedule of Changes in Fund Balances & Accumulated Surplus
for the Year ended March 31, 2020
(Schedule 1)**

	Operating fund	Water and Sewer fund	Stabilization reserve fund	Capital reserve fund	Equity in tangible capital assets	2020 Total	2019 Total Restated Note 13)
Excess revenues (expenditures) for the year	\$ 1,318,334	\$ (2,021)	\$ -	\$ -	\$ -	\$ 1,316,313	\$ 306,548
Net interfund transfers:							
(To) from Water and sewer services fund	95,750	(95,750)	-	-	-	-	-
(To) from Solid waste fund	-	-	-	-	-	-	-
Amortization	528,287	246,444	-	-	(774,731)	-	-
Additional capital expenditures	(1,963,230)	-	-	-	1,963,230	-	-
	(20,859)	148,673	-	-	1,188,499	1,316,313	306,548
Accumulated Surplus (Deficit) Balance, beginning of the year							
As previously stated,	805,468	887,080	565,902	420,916	11,026,008	13,705,375	13,238,827
Restatement (note 13)	(160,000)	-	-	-	-	(160,000)	-
Accumulated Surplus (Deficit) Balance, beginning of the year							
As restated,	645,468	887,080	565,902	420,916	11,026,008	13,545,375	13,238,827
Accumulated Surplus (Deficit) Balance, end of the year	\$ 624,609	\$ 1,035,753	\$ 565,902	\$ 420,916	\$12,214,507	\$14,861,688	\$13,545,375

Hamlet of Fort Liard
Schedule of Revenue and Expenses, General Government Services
For the Year ended March 31, 2020
(Schedule 2)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfers	\$ 1,390,000	\$ 1,487,452	\$ 1,445,982
User fees and sales of goods	35,100	38,741	95,088
Contract revenues	-	-	-
Other revenue	-	-	-
Transfer from (to) deferred revenue	-	-	-
	1,425,100	1,526,193	1,541,070
Expenses			
Wages and benefits	352,240	323,002	319,044
Management fees	-	-	-
Mayor and council	43,500	47,902	30,941
Materials & supplies	-	57,456	33,944
Repairs and maintenance	33,000	33,940	31,549
Contracted services	49,000	101,286	40,226
Grants	-	-	-
Other	-	(534)	(53)
Provision for allowances	-	-	-
Utilities - electricity	115,000	46,751	47,352
Utilities - fuel	-	18,256	20,215
Utilities - water and sewer	-	8,452	8,870
Insurance	45,000	25,831	42,384
Office	22,500	76,930	29,680
Vehicle O&M	-	-	-
Other Capital expenditures	-	-	-
	660,240	739,272	604,152
Amortization	-	121,258	114,887
	660,240	860,530	719,039
Excess of revenue over expenditures	\$ 764,860	\$ 665,663	\$ 822,031

Hamlet of Fort Liard
Schedule of Revenue and Expenses, Water & Sewer Services
for the Year ended March 31, 2020
(Schedule 3)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfer	\$ 695,000	\$ 722,000	\$ 707,000
User fees and sales of goods	309,720	307,026	289,875
Contract revenues	-	-	-
Interest revenue	-	11,530	-
	1,004,720	1,040,556	996,875
Expenses			
Wages and benefits	509,569	436,340	394,937
Management fees	64,900	34,321	80,000
Mayor and council	-	-	-
Materials & supplies	80,500	94,203	26,948
Repairs and maintenance	15,100	3,943	1,935
Contracted services	31,000	18,020	21,709
Grants	-	-	-
Other	32,250	21,556	17,430
Provision for allowances	-	-	-
Utilities - electricity	46,000	43,191	42,850
Utilities - fuel	11,000	12,109	7,629
Utilities - water and sewer	1,500	(24,312)	(21,269)
Insurance	24,000	25,480	1,087
Office	2,045	-	-
Vehicle O&M	136,700	131,282	141,550
Other Capital expenditures	-	-	-
	954,564	796,133	714,806
Amortization	-	246,444	139,063
	954,564	1,042,577	853,869
Excess (deficiency) of revenue over expenses	\$ 50,156	\$ (2,021)	\$ 143,006

Hamlet of Fort Liard
Schedule of Revenue and Expenses, Protective Services
For the Year ended March 31, 2020
(Schedule 4)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfers	\$ -	\$ -	\$ -
User fees and sales of goods	-	-	-
Contract revenues	-	-	-
Other revenue	-	-	-
	-	-	-
Expenses			
Wages and benefits	82,600	47,880	15,696
Management fees	-	-	-
Mayor and council	-	-	-
Materials & supplies	2,000	11,235	-
Repairs and maintenance	5,300	11,440	24,444
Contracted services	-	-	-
Grants	-	-	-
Other	3,000	27,575	37,573
Provision for allowances	-	-	-
Utilities - electricity	8,300	13,763	12,002
Utilities - fuel	-	548	464
Utilities - water and sewer	-	-	-
Insurance	11,000	26,734	11,711
Office	-	-	-
Vehicle O&M	-	-	-
Other Capital expenditures	-	-	-
	112,200	139,175	101,890
Amortization	-	51,847	32,901
	112,200	191,022	134,791
Deficiency of revenue over expenses	\$ (112,200)	\$ (191,022)	\$ (134,791)

Hamlet of Fort Liard
Schedule of Revenue and Expenses. Public works & Transportation
for the Year ended March 31, 2020
(Schedule 5)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfers	\$ -	\$ -	\$ -
User fees and sales of goods	-	-	-
Contract revenues	-	-	-
Other revenue	-	-	-
	-	-	-
Expenses			
Wages and benefits	382,676	423,984	366,372
Management fees	-	-	-
Mayor and council	-	-	-
Materials & supplies	76,500	23,492	7,212
Repairs and maintenance	-	19,744	23,492
Contracted services	-	-	-
Grants	-	-	-
Other	-	12,656	3,494
Provision for allowances	-	-	-
Utilities - electricity	26,000	29,092	28,882
Utilities - fuel	-	-	-
Utilities - water and sewer	-	1,891	1,858
Insurance	18,000	13,942	17,978
Office	-	-	-
Vehicle O&M	29,084	80,276	73,939
Other Capital expenditures	-	-	-
	532,260	605,077	523,227
Amortization	-	152,693	229,190
	532,260	757,770	752,417
Deficiency of revenue over expenses	\$ (532,260)	\$ (757,770)	\$ (752,417)

Hamlet of Fort Liard
Schedule of Revenue and Expenses, Recreation Services
for the Year ended March 31, 2020
(Schedule 6)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfers	\$ -	\$ -	\$ -
User fees and sales of goods	-	17,999	12,446
Contract revenues	-	-	-
Other revenue	-	-	-
	-	17,999	12,446
Expenses			
Wages and benefits	97,400	86,259	65,203
Management fees	-	-	-
Mayor and council	-	-	-
Materials & supplies	8,100	5,207	1,156
Repairs and maintenance	1,500	25,721	18,911
Contracted services	-	-	-
Grants	-	-	-
Program	30,000	2,767	6,748
Provision for allowances	-	-	-
Utilities - electricity	107,300	59,058	55,288
Utilities - fuel	-	40,576	32,487
Utilities - water and sewer	-	17,313	13,675
Insurance	50,000	39,197	47,345
Office	-	-	-
Vehicle O&M	600	335	45
Other Capital expenditures	-	-	-
	294,900	276,433	240,858
Amortization	-	136,258	133,170
	294,900	412,691	374,028
Deficiency of revenue over expenses	\$ (294,900)	\$ (394,692)	\$ (361,582)

Hamlet of Fort Liard
Schedule of Revenue and Expenses, Environmental Services
For the Year ended March 31, 2020
(Schedule 7)

	Budget 2020	Actual 2020	Actual 2019
Revenues			
Government transfer	-	\$ -	-
User fees and sales of goods	-	76,820	76,660
Contract revenues	-	-	-
Other revenue	-	-	-
	-	76,820	76,660
Expenses			
Wages and benefits	-	-	-
Management fees	-	-	3,000
Mayor and council	-	-	-
Materials & supplies	-	-	-
Repairs and maintenance	-	-	-
Contracted services	-	-	-
Grants	-	12,240	11,640
Other	-	5,000	21,808
Provision for allowances	-	-	-
Utilities - electricity	-	-	-
Utilities - fuel	-	1,588	-
Utilities - water and sewer	-	-	-
Insurance	-	6,717	26,354
Office	-	-	-
Vehicle O&M	-	-	5,360
Solid waste site closure and post-closure liability	-	113,738	227,399
	-	139,283	295,561
Amortization	-	66,231	62,602
	-	205,514	358,163
Excess (deficiency) of revenue over expenses	\$ -	\$ (128,694)	\$ (281,503)

**Hamlet of Fort Liard
Schedule of Contract Services and Contribution Agreements
For the Year ended March 31, 2020
(Schedule 8)**

Revenue	MACA Recreation & Sports	MACA Youth Corp	MACA Youth Centre	MACA Regional Youth Sports Events	MACA After School	MACA Youth Resiliency	MACA Youth Contribution	Contribution agreements				ECE Early Childhood Community	ECE Library Initiative	ECE Childhood Inclusion	ECE Early Childhood Attendance	DFN CFR Childcare	NWT Literacy Council	Contract Income Support	Total Operating
								ITI Community Garden	MACA Youth Contribution	MACA Youth Resiliency	MACA Youth Contribution								
Government Transfer	\$ 10,676	\$ 28,611	\$ 13,976	\$ 5,374	\$ 15,833	\$ 13,636	\$ 4,000	\$ 10,000	\$ 13,600	\$ 35,000	\$ 19,237	\$ 71,783	\$ 54,000	\$ -	\$ 62,400	\$ 358,126			
Contract Revenue	13,851	1,000	-	-	13,331	-	-	-	-	13,600	29,813	19,670	42,855	-	46,412	276,936			
Other Revenue	-	-	-	-	-	13,636	-	-	-	-	400	-	-	-	3,000	3,000			
Transfer to deferred	-	-	-	-	-	-	(4,000)	-	-	-	480	-	4,315	11,439	-	59,909			
Revenue	24,527	29,611	13,976	5,374	15,833	13,636	-	10,000	13,600	35,000	19,237	85,044	55,126	14,760	62,400	398,124			
Expense																			
Wages & benefits	5,597	12,123	14,985	144	13,331	-	-	-	-	13,600	29,813	19,670	78,406	42,855	-	46,412	276,936		
Administration fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000		
Material & Supplies	4,401	13,135	(921)	3,650	2,502	13,636	-	4,778	-	-	400	-	2,574	4,315	11,439	-	59,909		
Contracted Services	-	-	-	1,510	-	-	-	-	-	-	5,000	-	14,000	-	3,089	23,599			
Professional Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Communication	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Contract expenditure	14,529	4,502	-	70	-	-	-	5,222	-	-	-	-	6,624	740	9,600	41,287			
Excess Revenue (Exp)	\$ -	\$ (149)	\$ (88)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (213)	\$ (433)	\$ (2,560)	\$ (6,784)	\$ 3,321	\$ 299	\$ (6,607)			

**Hamlet of Fort Liard
Schedule of Expenses by Object
for the Year ended March 31, 2020
(Schedule 9)**

	Budget 2020	Actual 2020	Actual 2019
Expenses			
Wages and benefits	1,424,485	1,594,401	1,436,866
Administration fees	64,900	37,321	121,738
Mayor and council	43,500	47,902	30,941
Material & supplies	167,100	251,502	160,663
Repair and maintenance	54,900	94,788	100,331
Contracted services/Professional fees	80,000	142,905	263,235
Grants	-	12,240	11,640
Other	56,806	69,020	87,850
Program	30,000	41,287	74,598
Utilities-electricity	307,385	191,855	186,374
Utilities - fuel	11,000	73,077	60,795
Utilities- water and sewer	1,500	3,344	3,134
Insurance	148,000	137,901	146,859
Office	22,500	76,930	36,003
Vehicle O&M	166,384	211,893	220,894
Other Capital Expenditures	-	113,738	227,399
Amortization	-	774,731	711,813
Total Expenses	\$ 2,578,460	\$ 3,874,835	\$ 3,881,133

**Hamlet of Fort Liard
Schedule of Tangible Capital Assets
For the Year ended March 31, 2020
(Schedule 10)**

Cost	Land and Improvements	Building and Building Improvement	Machinery and Equipment	Automotive Equipment	Furniture and Equipment	Office Equipment	Infrastructure	Equipment	Assets under Construction	2020		2019	
										Total	Total	Total	Total
Balance, beginning of the year	\$ 310,104	\$ 14,213,383	\$ 3,052,787	\$ 87,431	\$ 444,262	\$ 1,786,645	\$ 566,501	\$ 901,831	\$ 21,362,944	\$ 20,659,147			
Add - Additions during the year	-	70,877	914,315	-	32,640	847,829	-	97,569	1,963,230	703,797			
Less- Disposals during the year	-	-	-	-	-	-	-	-	-	-			
Adjustments	-	-	-	-	-	-	-	-	-	-			
Balance, end of year	310,104	14,284,260	3,967,102	87,431	476,902	2,634,474	566,501	999,400	23,326,174	21,362,944			
Accumulated Amortization													
Balance, Beginning of year	132,903	6,053,144	2,537,100	60,350	351,839	638,961	562,644	-	10,336,941	9,625,127			
Add- Additions during the year	44,301	357,478	236,431	5,417	25,980	104,481	643	-	774,731	711,814			
Less- Disposals during the year	-	-	-	-	-	-	-	-	-	-			
Balance, end of year	177,204	6,410,622	2,773,531	65,767	377,819	743,442	563,287	-	11,111,672	10,336,941			
Net Book Value	\$ 132,900	\$ 7,873,638	\$ 1,193,571	\$ 21,664	\$ 99,083	\$ 1,891,032	\$ 3,214	\$ 999,400	\$ 12,214,502	\$ 11,026,003			

Hamlet of Fort Liard
Schedule of Gas Tax Program
For the Year ended March 31, 2020
(Schedule 11)

	2006 to 2012	2013	2014	2015	2016	2017	2018	2019	2020	Cumulative
Funding										
Opening balance	\$ -	\$ 555,376	\$ 754,229	\$ 473,526	\$ 758,738	\$ 952,424	\$ 885,947	\$ 609,196	\$ 901,616	\$ -
Annual allocation	1,259,640	277,688	277,688	277,688	277,688	293,000	293,000	298,000	596,000	3,850,3
Next year's allocation rec'd	-	-	-	-	-	-	-	-	-	-
Interest earned	-	1,955	1,366	7,524	728	751	695	817	18,005	31,8
Arctic Energy Alliance rebate	-	-	-	-	-	-	25,000	-	-	25,0
	1,259,640	835,019	1,033,283	758,738	1,037,154	1,246,175	1,204,642	908,013	1,515,621	3,907,2
Eligible Project Expenses										
Administrative expenses	41	-	-	-	-	-	-	-	-	-
Road Base & drainage works	-	80,790	32,574	-	2,623	1,580	-	-	-	117,5
Road Resurfacing	-	-	527,183	-	60,805	308,524	-	-	-	896,5
Fire emergency equipment	-	-	-	-	21,302	-	-	-	-	21,3
Sewage lagoon construction	704,223	-	-	-	-	4,519	-	-	-	708,7
Old Solid waste landfill closure	-	-	-	-	-	-	508,794	-	-	508,7
Repairs to PLC controller	-	-	-	-	-	40,994	-	-	-	40,9
Solid waste site	-	-	-	-	-	4,611	-	-	-	4,6
Lighting retro-fit	-	-	-	-	-	-	85,733	6,397	-	92,1
Parks and playgrounds	-	-	-	-	-	-	919	-	-	9
	704,264	80,790	559,757	-	84,730	360,228	595,446	6,397	-	2,391,6
Deferred revenue	\$ 555,376	\$ 754,229	\$ 473,526	\$ 758,738	\$ 952,424	\$ 885,947	\$ 609,196	\$ 901,616	\$ 1,515,621	\$ 1,515,6

Hamlet of Fort Llard
Schedule of Community Public Infrastructure Program
For the Year ended March 31, 2020
(Schedule 12)
For the year ended March 31

	2009 to 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Cumulative Total
Funding											
Opening Balance	\$ -	\$ 1,000,054	\$ 1,411,254	\$ 1,329,812	\$ 1,327,201	\$ 2,163,514	\$ 2,861,690	\$ 3,251,123	\$ 3,507,031	\$ 3,574,672	\$ -
Prior period adjustment	102,117	-	-	-	-	-	-	-	-	-	102,117
Annual Allocation	2,445,390	815,130	815,000	815,000	815,000	815,000	815,000	815,000	815,000	827,000	9,792,520
Transfer From operations	299,924	-	-	-	-	-	-	-	-	-	299,924
Transfer from solid waste fund	-	-	15,000	-	-	-	-	-	-	-	15,000
Proceeds from asset sale	16,000	-	-	18,125	-	-	-	43,575	-	-	77,700
Interest earned	107,908	8,909	10,733	86,408	26,313	9,297	1,372	1,084	25,385	65,755	343,164
	2,971,339	1,824,093	2,251,987	2,249,345	2,168,514	2,987,811	3,678,062	4,110,782	4,347,416	4,467,427	10,630,425

Expenses next page

**Hamlet of Fort Liard
Schedule of Community Public Infrastructure Program
For the Year ended March 31, 2020
(Schedule 12)
For the year ended March 31**

	2009 to 2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Cumulative Total
Eligible project expenses											
Administration & Engineering exp.	32,509	6,805	24,175	22,379	5,000	8,592	-	-	-	-	99,460
Work Vehicle purchase	75,140	-	59,218	-	-	-	-	-	-	-	134,358
Motor Grader purchase	-	-	462,225	2,925	-	-	-	-	-	-	465,150
Other Purchases	28,660	-	13,694	13,629	-	-	-	-	-	-	55,983
Fire emergency building	-	-	213,427	12,259	-	-	-	-	-	-	225,686
Building Retrofits	-	-	93,068	135,283	-	-	-	-	-	-	228,351
Staff housing building	137,326	-	-	-	-	-	231,650	-	-	-	137,326
Water truck purchase	306,877	-	-	-	-	-	-	-	-	244,200	782,727
Transfer to water & sewer program (50,000)	156,212	157,817	-	-	-	-	-	-	-	-	(50,000)
Vacuum truck purchase	103,387	54,378	20,773	67,210	-	-	185,750	-	-	251,250	751,029
Furniture, equipment, other	78,044	156,207	-	-	-	-	9,539	-	-	32,640	287,927
Solid waste disposal construction	768,983	37,632	35,595	-	-	69,983	-	-	69,864	-	374,098
Water Plant construction	334,147	-	-	-	-	-	-	-	4,500	1,007,838	1,854,548
Recreation facilities construction	-	-	-	295,295	-	-	-	-	-	-	334,147
Warehouse building	-	-	-	67,814	-	-	-	-	-	-	295,295
Tool carrier purchase	-	-	-	122,800	-	-	-	-	-	-	67,814
Tandem dump truck purchase	-	-	-	32,750	-	-	-	-	-	-	122,800
Road sander purchase	-	-	-	-	-	35,155	-	-	-	-	32,750
Road sweeper purchase	-	-	-	149,800	-	-	-	-	-	-	35,155
Back Hoe/Loader Purchase	-	-	-	-	-	-	-	-	-	-	149,800
Capital Expenditure & Other	-	-	-	-	-	-	-	-	-	-	12,391
Refuse compactor	-	-	-	-	-	-	-	209,350	-	-	209,350
Transit cargo van	-	-	-	-	-	-	-	37,915	-	-	37,915
Recreation complex building	-	-	-	-	-	-	-	16,061	7,744	-	23,805
Staff housing duplex	-	-	-	-	-	-	-	39,913	4,699	-	44,612
Office building	-	-	-	-	-	-	-	13,610	-	8,438	22,048
Office furniture and equipment	-	-	-	-	-	-	-	22,676	-	-	22,676
Security camera	-	-	-	-	-	-	-	19,194	-	-	19,194
Sewage lagoon upgrade	-	-	-	-	-	-	-	188,966	486,768	-	675,734
Solid waste site upgrade	-	-	-	-	-	-	-	-	45,053	-	45,053
Cemetery	-	-	-	-	-	-	-	7,684	-	-	7,684
Communication equipment	-	-	-	-	-	-	-	29,143	-	-	29,143
Solid waste site closure	-	-	-	-	-	-	-	-	57,178	-	57,178
Emergency generator	-	-	-	-	-	-	-	14,362	-	-	14,362
IT infrastructure enhancement	-	-	-	-	-	-	-	4,877	-	-	4,877
Community Planning and Zoning	-	-	-	-	-	-	-	-	75,344	-	75,344
Fitness Centre	-	-	-	-	-	-	-	-	21,594	-	21,594
Pumper Truck	-	-	-	-	-	-	-	-	-	418,865	418,865
	1,971,285	412,839	922,175	922,144	5,000	126,121	426,939	603,751	772,744	1,963,231	8,126,229
Deferred revenue	\$ 1,000,054	\$ 1,411,254	\$ 1,329,812	\$ 1,327,201	\$ 2,163,514	\$ 2,861,690	\$ 3,251,123	\$ 3,507,031	\$ 3,574,672	\$ 2,504,196	\$ 2,504,196

**Hamlet of Fort Liard
Schedule of Small Communities Fund
For the Year ended March 31, 2020
Schedule 13**

	2019	2020	Total
Funding			
Opening balance	\$ -	\$ -	\$ -
Annual allocation	135,160	-	135,160
	135,160	-	135,160
Eligible project expenses			
Sewage lagoon upgrade	135,160	-	135,160
	135,160	-	135,160
Deferred revenue	\$ -	\$ -	\$ -

Hamlet of Fort Liard
Schedule of Salaries, Honoraria and Travel
For the year ended March 31, 2020
(Schedule 14)

Position	Honoraria	Travel Expenses	Council Operations	Total
Mayor				
Hillary Deneron Jan. 2020 to date	\$ 1,038	\$ 1,512	\$ 3,489	\$ 6,039
Genevieve McLeod - Apr. to Dec. 2019	1,247	-	1,125	2,372
Councilors				
April 2019 to March 2020				
Cathy Kotchea - Deputy Mayor	2,075	2,751	3,021	7,847
Julia Capot Blanc	1,544	-	650	2,194
Herbert Berreault	1,537	-	650	2,187
January 2020 to March 2020				
Eva Hope	625	-	163	788
Kathie Hardisty	644	-	163	807
Colin Woehl	625	-	163	788
April 2019 to December 2019				
Morris McLeod	762	-	488	1,250
Irene McLeod	250	-	488	738
Mike Gonet	762	1,782	488	3,032
	\$ 11,109	\$ 6,045	\$ 10,888	\$ 28,042
Other				
Luncheon			144	144
Jackets			16,170	16,170
NWTAC expenses			5,385	5,385
			21,699	21,699
Total	\$ 11,109	\$ 6,045	\$ 54,286	\$ 71,440

**Hamlet of Fort Liard
Schedule of Water and Sewage Data
For the year ended March 31, 2020
(Schedule 15)**

Water and Sewage Rates:

Economic Rate	\$0.0382/L
Residential Rate	\$0.0075/L to 14,999 litres \$0.015 to \$16,999 litres \$0.0375 over 16,999 litres
Commercial Rate	\$0.0375/L
Public Sector (including local government) Rate	\$0.0375/L

Current by-law

By-Law number	229/272
Date of by-law	December 1, 2012

Water and Sewage Costs (dollars)

Total Water & Sewage Costs
for 2020 per Financial statements
\$ 796,133

Total Budgeted Costs Used
For Calculating Economic Rate (Note 1)
\$ 954,564

Water and Sewage Revenue:

Total Water & Sewage Revenue
\$ 1,040,556

Revenue - Residential
\$ 71,956

Revenue - Public Sector
\$ 171,898

Revenue - Commercial
\$ 42,389

Water and Sewage Consumption (in litres)

Actual Volume of Water Consumed
in 2019 (billed in litres)
17,545,537

Actual Consumption - Residential
(in litres)
10,891,402

Total Budgeted Consumption
for Calculating Economic Rate (in litres)
24,000,000

Actual Consumption - Commercial
(in litres)
1,281,474

Actual Consumption - Public Sector
(in litres)
5,372,661

Notes:

1. Budgets are the projections used for calculating Economic Rate and are unaudited. Consumption amounts are unaudited.
2. Hamlet internal water and sewer charges (revenue) have been eliminated for consolidation purposes.