

TOWN OF THREE RIVERS
Consolidated Financial Statements
March 31, 2021

TOWN OF THREE RIVERS
Index to Consolidated Financial Statements
March 31, 2021

	Page
MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 20
Schedules to Consolidated Financial Statements	21 - 32

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Town of Three Rivers are the responsibility of management and have been prepared in accordance with Canadian accounting standards for the public sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town of Three Rivers. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Three Rivers:


Mayor

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Members of Council of the Town of Three Rivers

Opinion

We have audited the consolidated financial statements of the Town of Three Rivers (the Town), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2021, 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 Consolidated 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 consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for the public sector, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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.

(continues)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

MRSB Chartered Professional Accountants Inc.

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.

Charlottetown, PE

August 9, 2021

TOWN OF THREE RIVERS
Consolidated Statement of Financial Position
March 31, 2021

	2021	2020
Financial assets		
Cash		
Unrestricted cash	\$ 793,357	\$ 778,589
Internally restricted cash	309,578	316,461
Restricted cash - gas tax	1,621,684	1,201,108
Temporary investments (Note 3)	1,971,520	1,342,172
Accounts receivable (Note 4)	1,300,336	1,452,520
	<u>5,996,475</u>	<u>5,090,850</u>
Liabilities		
Accounts payable and accrued liabilities	977,938	419,497
Deferred revenue (Note 5)	1,870,805	1,716,818
Long term debt (Note 6)	1,859,632	2,112,979
	<u>4,708,375</u>	<u>4,249,294</u>
Contingent liability (Note 7)		
Commitments (Note 8)		
Net financial assets (Statement 6)	<u>1,288,100</u>	<u>841,556</u>
Non-financial assets		
Inventory	4,502	10,465
Prepaid expense	177,378	153,108
Tangible capital assets (Schedules 1 and 2)	24,571,301	22,816,949
Intangible assets	113,471	-
	<u>24,866,652</u>	<u>22,980,522</u>
Accumulated surplus and municipal position (Statement 5)	<u>\$ 26,154,752</u>	<u>\$ 23,822,078</u>

ON BEHALF OF THE COUNCIL

 Mayor

 Councillor

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Consolidated Statement of Operations
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
General Government (Schedule 5)	\$ 4,976,525	\$ 4,227,111	\$ 4,763,636
Montague Water & Sewer Utility (Schedule 6)	2,642,381	2,139,800	738,668
Georgetown Sewer Utility (Schedule 7)	564,578	460,741	222,345
King's Playhouse (Schedule 8)	241,167	269,584	287,890
Waterfront Development Corporation (Schedule 9)	-	212,531	222,041
Museum (Schedule 10)	-	39,136	33,909
Cardigan Volunteer Fire Department (Schedule 11)	102,000	147,341	111,456
	<u>8,526,651</u>	<u>7,496,244</u>	<u>6,379,945</u>
Expenditures			
General Government (Schedule 5)	4,066,420	3,819,996	3,550,472
Montague Water & Sewer Utility (Schedule 6)	525,540	673,706	698,250
Georgetown Sewer Utility (Schedule 7)	113,600	100,949	100,396
King's Playhouse (Schedule 8)	239,797	260,032	288,808
Waterfront Development Corporation (Schedule 9)	-	192,559	191,401
Museum (Schedule 10)	-	45,870	37,198
Cardigan Volunteer Fire Department (Schedule 11)	56,700	70,458	77,697
	<u>5,002,057</u>	<u>5,163,570</u>	<u>4,944,222</u>
Change in fund balance before adjustments	<u>3,524,594</u>	<u>2,332,674</u>	<u>1,435,723</u>
Reserve surplus adjustment	-	-	47,858
Change in fund balances	<u>3,524,594</u>	<u>2,332,674</u>	<u>1,483,581</u>
Accumulated surplus - beginning of year	<u>-</u>	<u>23,822,078</u>	<u>22,338,497</u>
Accumulated surplus - end of year (Note 9)	<u>\$ 3,524,594</u>	<u>\$ 26,154,752</u>	<u>\$ 23,822,078</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Change in fund balances	\$ 3,524,594	\$ 2,332,674	\$ 1,435,723
Gain on sale of tangible capital assets	-	-	(6,860)
Increase in prepaid expenses	-	(24,266)	(145,156)
Increase (decrease) in inventory	-	5,962	(2,637)
Purchase of tangible capital assets	(5,191,519)	(3,070,393)	(1,970,206)
Amortization of tangible capital assets	753,850	1,316,038	1,156,676
Purchase of intangible assets	-	(113,471)	-
Proceeds on sale of tangible capital assets	-	-	6,860
Adjustment to prior year reserve funds	-	-	47,858
	<u>(4,437,669)</u>	<u>(1,886,130)</u>	<u>(913,465)</u>
Increase (decrease) in net financial assets	(913,075)	446,544	522,258
Net financial assets - beginning of year	841,556	841,556	319,298
Net financial assets (debt) - end of year	\$ (71,519)	\$ 1,288,100	\$ 841,556

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Consolidated Statement of Cash Flows
Year Ended March 31, 2021

	Actual 2021	Actual 2020
Cash flows from operating activities		
Change in fund balances	\$ 2,332,674	\$ 1,435,723
Items not affecting cash:		
Amortization of tangible capital assets	1,316,038	1,156,676
Gain on sale of tangible capital assets	-	(6,860)
	<u>3,648,712</u>	<u>2,585,539</u>
Changes in non-cash working capital:		
Accounts receivable	152,184	205,908
Inventory	5,963	(2,637)
Prepaid expense	(24,270)	(145,156)
Accounts payable and accrued liabilities	558,445	(15,032)
Deferred revenue	153,987	983,159
	<u>846,309</u>	<u>1,026,242</u>
	<u>4,495,021</u>	<u>3,611,781</u>
Cash flows from capital activities		
Purchase of tangible capital assets	(3,070,393)	(1,970,206)
Purchase of intangible assets	(113,471)	-
Proceeds on sale of tangible capital assets	-	6,857
	<u>(3,183,864)</u>	<u>(1,963,349)</u>
Cash flows from financing activities		
Repayment of long term debt	(660,033)	(479,827)
Proceeds from long term debt	406,685	316,000
	<u>(253,348)</u>	<u>(163,827)</u>
Other cash flow items		
Adjustment to prior year reserve funds	-	47,858
Increase in cash	<u>1,057,809</u>	<u>1,532,463</u>
Cash - beginning of year	<u>3,638,330</u>	<u>2,105,867</u>
Cash - end of year	<u>\$ 4,696,139</u>	<u>\$ 3,638,330</u>
Cash consists of:		
Unrestricted cash	\$ 793,357	\$ 778,589
Internally restricted cash	309,578	316,461
Restricted cash - gas tax	1,621,684	1,201,108
Temporary investments	1,971,520	1,342,172
	<u>\$ 4,696,139</u>	<u>\$ 3,638,330</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

1. DESCRIPTION OF BUSINESS

Town of Three Rivers ("the Town") was incorporated under the Municipalities Act of Prince Edward Island. Its principal activities include the provision of local government services to residents of the incorporated area. The Town is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements of the Town of Three Rivers are the representations of management prepared in accordance with Canadian accounting standards for the public sector.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures 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, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

The consolidated financial statements for the Town of Three Rivers reflect the assets, liabilities, revenues, expenditures, and changes in fund balances of all funds of the Town. The Town is comprised of all organizations and committees accountable to the Town for the administration of their financial affairs and resources. Included in the Town are the following:

- Town of Three Rivers
- Montague Sewerage and Water Collection and Treatment Corporation
- Montague Waterfront Development Corporation
- Garden of the Gulf Museum
- Georgetown Volunteer Fire Department
- Georgetown Sewer Corporation
- King's Playhouse
- Cardigan Volunteer Fire Department

The financial activities of the Montague Volunteer Fire Department are associated with but not controlled by the Town of Three Rivers. Therefore the operations of the fire department are not included in the consolidated financial statements of the Town. The Town's transactions with this entity are recorded as expenditures in the consolidated statement of operations.

The inter-entity transactions and balances have been eliminated.

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Cash

Cash is comprised of unrestricted, internally restricted and restricted balances on deposits with banks and temporary investments.

Accounts receivable

Accounts receivable arise from trade sales, government grants, insurance proceeds receivable, accrued interest, Harmonized Sales Tax, sewer and water dues and other miscellaneous receivables. An allowance for bad debts has been calculated through assessment of the other circumstances influencing the collectibility of amounts and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for the 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 annual surplus, provides the consolidated change in net financial assets for the year.

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are stated 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 over the estimated useful life on a straight-line basis as follows:

Land improvements	25 years
Municipal buildings	40 years
Small equipment	5 years
Equipment	10 years
Motor vehicles	10 years
Computer	5 years
Streets	50 years
Sidewalks	25 years
Waterfront equipment and structures	15 years
Water and sewer systems	1.2%
Pumping equipment	5%

Amortization rates for the Utilities were established using the estimated useful life of the asset in accordance with the Island Regulatory and Appeals Commission guidelines.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

Intangible assets are stated at cost.

Revenue recognition

Property tax billings are assessed based on the market value of real property in the Municipality and is payable in each calendar year. Tax rates are reviewed, established, and approved annually by the Municipality. These revenues are recognized when payments are received from the Province.

Water and Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed quarterly for Montague Water and Sewer Utility and triennially for Georgetown Sewer Corporation and are recognized when billings come due.

Fire dues are reviewed, established, and approved annually by the Council upon recommendation of Fire Departments. These revenues are recognized when monthly billings come due.

The Town follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issuance of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

Management estimates

The presentation of the consolidated financial statements in conformity with Canadian accounting standards for the public sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the statement of operations and schedules is subject to management's assessment of the estimated useful life of the Town's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

3. TEMPORARY INVESTMENTS

	<u>2021</u>	<u>2020</u>
SunLife - 0.75%, matures January 2022	\$ 1,249,685	\$ -
BMO - 1%; matures August 2021	600,000	-
Scotiabank - 0.2%, matures March 2022	47,020	46,641
CIBC - 0.65%; matures November 2021	29,205	29,205
CIBC - 0.65%; matures August 2021	22,837	22,837
CIBC - 0.65%; matures November 2021	22,773	22,773
CIBC - due November 2020	-	61,390
BMO - due November 2020	-	650,000
BMO - due November 2020	-	300,000
BMO - due November 2020	-	209,326
	<u>\$ 1,971,520</u>	<u>\$ 1,342,172</u>

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

4. ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Grants	\$ 674,111	\$ 506,976
HST	409,231	220,959
Montague Sewerage and Water Utility	116,644	90,569
Other	82,447	93,658
Georgetown Sewer Utility	17,903	130,087
Insurance proceeds	-	519,492
	<u>1,300,336</u>	<u>1,561,741</u>
Allowance for doubtful accounts	-	(109,221)
	<u>\$ 1,300,336</u>	<u>\$ 1,452,520</u>

5. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
New Deals Gas Tax	\$ 1,119,758	\$ 1,340,957
Provincial transitional funding	653,159	323,248
Other deferred revenue	97,888	52,613
	<u>\$ 1,870,805</u>	<u>\$ 1,716,818</u>

Under the New Deals Gas Tax Funding for Incorporated Communities and the New Deals for Cities & Communities, the Town was allocated \$1,573,185 for fiscal 2020-21. These funds, along with interest earned, must be used for eligible infrastructure and capacity building projects. Any funds received under this program, including interest earned but not yet spent, are recognized as deferred revenue at the end of the year.

During the year, the Town received Gas Tax funding of \$1,573,185, incurred eligible expenditures of \$1,400,256, and earned interest of \$10,012.

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

6. LONG TERM DEBT

	2021	2020
<u>Town of Three Rivers</u>		
Provincial Credit Union Limited - 3.19%; repayable in monthly blended installments of \$4,200. The loan matures on September 30, 2024 and is secured by promissory note and a certified copy of the borrower's resolution.	\$ 254,080	\$ 295,641
Bank of Montreal - 3.07%; repayable in monthly blended installments of \$517. The loan matures on December 31, 2024 and is secured by general security agreement and a resolution authorizing the Town to borrow.	28,778	33,434
Canadian Imperial Bank of Commerce - 2.83%, repayable in monthly blended installments of \$1,857. The loan matures on June 1, 2025 and is secured by resolution authorizing the Town to borrow.	214,517	-
Scotiabank - prime; repayable in monthly principal installments of \$1,106 plus interest. The loan is secured by general security agreement and a resolution authorizing the Town to borrow.	-	197,989
Bank of Montreal - 2.35%; repayable in monthly principal installments of \$390 plus interest. The loan matured on April 30, 2020 and was secured by general security agreement and a resolution authorizing the Town to borrow.	-	28,548
	<u>497,375</u>	<u>555,612</u>
<u>Water and Sewer Utility</u>		
Bank of Montreal - 3.07%; repayable in monthly blended installments of \$12,430. The loan matures on December 31, 2024 and is secured by General security agreement and a resolution authorizing the Town to borrow.	767,294	891,447
Provincial Credit Union Limited - 3.5%; repayable in blended monthly installments of \$1,447. The loan matures on March 15, 2023 and is secured by General Security agreement and a resolution authorizing the Town to borrow.	222,519	231,932
Federation of Canadian Municipalities - 3.41%; repayable in semi-annually principal installments of \$15,363 plus interest. The loan matures on May 16, 2027 and is secured by General security agreement and a resolution authorizing the Town to borrow.	199,726	230,453
Canadian Imperial Bank of Commerce - 2.405%, repayable in monthly blended installments of \$1,171. The loan matures on December 1, 2025 and is secured by resolution authorizing the Town to borrow.	120,911	-

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

6. LONG TERM DEBT (continued)

	2021	2020
Canadian Imperial Bank of Commerce - 2.022%, repayable in monthly blended installments of \$2,640. The loan matures on December 1, 2022 and is secured by resolution authorizing the Town to borrow.	51,807	-
Bank of Montreal - 2.82%; repayable in monthly blended installments of \$1,362. The loan matured on July 31, 2020 and was secured by general security agreement and a resolution authorizing the Town to borrow.	-	129,008
Bank of Montreal - 2.82%; repayable in monthly blended installments of \$2,417. The loan matured on August 31, 2020 and was secured by general security agreement and a resolution authorizing the Town to borrow.	-	67,677
Bank of Montreal - 2.82%; repayable in monthly blended installments of \$245. The loan matured on August 31, 2020 and was secured by general security agreement and a resolution authorizing the Town to borrow.	-	6,850
	<u>1,362,257</u>	<u>1,557,367</u>
	<u>\$ 1,859,632</u>	<u>\$ 2,112,979</u>

Principal repayments of long term debt are expected to be repaid over the next five years as follows:

2022	\$ 275,473
2023	473,369
2024	246,855
2025	567,008
2026	250,837

7. CONTINGENT LIABILITY

The Town has an outstanding legal claim from a resident relating to an IRAC appeal of development permit issuance. The amount of any liability is undeterminable as of auditor report date and no amount has been accrued in the consolidated financial statements.

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

8. COMMITMENTS

Both councils of the Town of Montague and the Town of Three Rivers approved a motion to transfer ownership of all streets within the Town to the Province of Prince Edward Island for \$1. When this is finalized it will result in the reduction of the tangible capital assets and accumulated surplus by approximately \$5,400,000. At the current time, it is uncertain when the transfer will actually occur.

The Town has entered into lease agreements for rent for office space, lease of electrical message board and lease of a photocopier. The minimum lease payments due over the next four years are as follows:

2022	\$ 31,235
2023	2,112
2024	2,112
2025	1,584

9. ACCUMULATED SURPLUS

	2021	2020
Unrestricted surplus	\$ 1,582,396	\$ 963,320
Reserve funds (Note 10)	1,860,685	2,154,788
Investment in tangible capital assets (Note 11)	22,711,671	20,703,970
	<u>\$ 26,154,752</u>	<u>\$ 23,822,078</u>

10. RESERVE FUNDS

The net financial assets or debt excluding long term debt from each former Municipality has been transferred in to Three Rivers as reserve funds on September 28, 2018. All long term debt was assumed by the Town of Three Rivers.

	2021	2020
Balance - beginning of year	\$ 2,154,788	\$ 2,201,429
Adjustment to prior year reserve funds	-	47,858
Expenditures from reserves	(294,103)	(94,499)
Balance - end of year	<u>\$ 1,860,685</u>	<u>\$ 2,154,788</u>

Reserved funds are comprised of:

Town of Montague	\$ 1,571,543	\$ 1,719,725
Town of Georgetown	113,371	166,713
Rural Municipality of Brudenell	60,539	63,180
Georgetown Fire Truck Reserve	53,950	22,974
Rural Municipality of Cardigan	33,559	138,455
Rural Municipality of Lorne Valley	13,303	13,302
Rural Municipality of Valleyfield	11,594	19,550
Rural Municipality of Lower Montague	2,826	10,889
	<u>\$ 1,860,685</u>	<u>\$ 2,154,788</u>

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

11. INVESTMENT IN TANGIBLE CAPITAL ASSETS

	2021	2020
Tangible capital assets (Schedules 1 and 2)	\$ 41,960,115	\$ 38,889,722
Accumulated amortization (Schedules 1 and 2)	(17,388,812)	(16,072,773)
Long term debt (Note 6)	(1,859,632)	(2,112,979)
	<u>\$ 22,711,671</u>	<u>\$ 20,703,970</u>

12. GOVERNMENT TRANSFERS

	2021	2020
<u>Government transfers for capital</u>		
<u>General Government</u>		
Municipal Capital Expenditure Grant	\$ 168,710	\$ 197,480
Province of PEI - Strategic infrastructure	163,424	-
Province of PEI - Transitional funding	158,604	-
ICIP Cardigan Ballfield Lights	135,975	192,554
New Deals Gas tax	91,147	609,230
Province of PEI - Great trails	66,132	-
Province of PEI - other projects	44,326	29,241
ACOA - Waterfront Development	37,126	-
Government of Canada - Great trails	35,000	-
Province of PEI - Waterfront Development	19,357	214,903
Province of PEI - Cardigan Ballfield lights	10,000	90,000
Province of PEI - Zamboni	5,986	77,263
Province of PEI - signs	5,000	-
	<u>940,787</u>	<u>1,410,671</u>
 <u>Georgetown Sewer Utility</u>		
New Deals Gas tax	318,317	97,047
Municipal Capital Expenditure Grant	29,381	17,810
	<u>347,698</u>	<u>114,857</u>
 <u>Montague Water & Sewer Utility</u>		
New Deals Gas tax	990,793	-
Province of PEI - Gas tax top up	264,450	-
Municipal Capital Expenditure Grant	116,347	30,156
	<u>1,371,589</u>	<u>30,156</u>

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

12. GOVERNMENT TRANSFERS *(continued)*

	2021	2020
<u>King's Playhouse</u>		
Government of Canada	16,250	-
Province of PEI	12,461	-
	<u>28,711</u>	<u>-</u>
 <u>Museum</u>		
Municipal Capital Expenditure Grant	-	187
 <u>Cardigan Volunteer Fire Department</u>		
Province of PEI	25,000	-
Municipal Capital Expenditure Grant	6,597	209
	<u>31,597</u>	<u>209</u>
 <u>Government transfers for operations</u>		
<u>General Government</u>		
Equalization	704,622	704,622
Property tax credit	330,378	344,287
Property tax offset	216,096	270,126
COVID 19 funding	172,393	-
Wage subsidies	99,796	114,170
Transitional funding	98,030	138,317
Strategic infrastructure	32,665	-
Grant in lieu hospital	20,000	20,000
Other	21,889	31,585
Retroactive property tax credit	-	86,071
	<u>1,695,869</u>	<u>1,709,178</u>
 <u>Kings Playhouse</u>		
Wage subsidies	96,642	65,768
Other	80,020	35,236
	<u>176,662</u>	<u>101,004</u>
 <u>Museum</u>		
Other	12,150	3,000
Wage subsidies	11,710	12,081
	<u>23,860</u>	<u>15,081</u>

(continues)

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

12. GOVERNMENT TRANSFERS (continued)

	2021	2020
Waterfront development		
Wage subsidies	73,900	75,381
Other	1,794	-
	<u>75,694</u>	<u>75,381</u>
Grand total	<u>\$ 4,692,468</u>	<u>\$ 3,456,724</u>

13. LINE OF CREDIT AVAILABILITY

The Town of Three Rivers has combined operating lines of credit of \$500,000 of which \$Nil (2020 - \$Nil) was utilized at March 31, 2021. Interest is charged at prime less 0.25%. Prime rate at March 31, 2021 was 2.45%.

14. RATE REGULATION

Water and Sewer Utility

The Town is subject to rate regulation on wastewater utility rates in Prince Edward Island in accordance with the Water and Sewerage Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the utility rates within the Province of Prince Edward Island.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

15. BUDGET FIGURES

A reconciliation of the 2021 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

Town of Three Rivers budget surplus	\$ 910,105
Montague Sewer and Water Corporation budget surplus	2,116,841
Georgetown Sewer Utility budget surplus	450,978
King's Playhouse budget surplus	1,370
Waterfront Development Corporation budget surplus	-
Garden of the Gulf Museum budget surplus	-
Cardigan Volunteer Fire Department budget surplus	45,300
Principal debt payments	-
Capital expenditures	-
	<u>\$ 3,524,594</u>

The budget figures provided on Statements 5 and 6 and Schedule 3 to 8 have not been audited or reviewed by the external auditor and are presented for information purposes only.

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

16. FINANCIAL INSTRUMENTS

The Town's financial instruments consist of cash, temporary investments, restricted cash, accounts receivable, accounts payable and accrued liabilities, and long term debt.

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of March 31, 2021.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of government funding, long term debt and accounts payable and accrued liabilities.

17. SEGMENT DISCLOSURE

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Municipality's operations and activities are organized and reported by segment. The major segments are as follows:

General government services

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual audited consolidated financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works, maintenance of municipal facilities, and administration of municipal services.

Museum

This segment is responsible for presentation and appreciation of culture and history of Three Rivers.

Water and Sewer Utility

This segment is responsible for the maintenance and operations of water and sewer services provided to residents and other customers.

Waterfront Development

This segment is responsible for the maintenance and operations of the Montague Waterfront.

King's Playhouse

This segment is responsible for promoting and offering live productions and creative performances to the Town's residents.

TOWN OF THREE RIVERS
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

18. SUBSEQUENT EVENT

The recent outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Town or its residents, employees, contractors, suppliers and other partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the Town's business, the continued spread of COVID-19 and the measures taken by the federal and provincial governments to contain its impact could adversely impact the Town's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the Town's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

TOWN OF THREE RIVERS

Schedules to Consolidated Financial Statements

Tangible Capital Assets

Year Ended March 31, 2021

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Land and improvements	\$ 1,333,550	\$ 222,001	\$ -	\$ 1,555,551	\$ 410,530	\$ 48,389	\$ -	\$ 458,919	\$ 1,096,632
Buildings and leasehold improvements	12,099,240	529,596	-	12,628,836	4,840,749	326,525	-	5,167,274	7,461,562
Streets and sidewalks	9,257,059	11,818	-	9,268,877	4,623,678	215,441	-	4,839,119	4,429,758
Machinery and equipment	5,371,134	707,847	-	6,078,981	2,978,589	521,897	-	3,500,486	2,578,495
Water system	5,132,610	15,142	-	5,147,752	1,535,595	65,381	-	1,600,976	3,546,776
Sewer system	5,696,129	1,583,989	-	7,280,118	1,683,633	138,405	-	1,822,038	5,458,080
Total tangible capital assets	\$ 38,889,722	\$ 3,070,393	\$ -	\$ 41,960,115	\$ 16,072,774	\$ 1,316,038	\$ -	\$ 17,388,812	\$ 24,571,301

Notes 1 to 18 are an integral part of these consolidated financial statements

M R S B

TOWN OF THREE RIVERS

Schedules to Consolidated Financial Statements

Tangible Capital Assets

Year Ended March 31, 2020

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Land and improvements	\$ 1,326,507	\$ 7,043	\$ -	\$ 1,333,550	\$ 332,193	\$ 78,337	\$ -	\$ 410,530	\$ 923,020
Buildings and leasehold improvements	11,903,555	195,685	-	12,099,240	4,557,809	282,939	-	4,840,748	7,258,492
Streets and sidewalks	9,152,108	104,951	-	9,257,059	4,409,593	214,085	-	4,623,678	4,633,381
Machinery and equipment	3,956,508	1,414,626	-	5,371,134	2,566,764	411,825	-	2,978,589	2,392,545
Water system	5,129,222	3,388	-	5,132,610	1,470,300	65,295	-	1,535,595	3,597,015
Sewer system	5,451,616	244,513	-	5,696,129	1,579,438	104,195	-	1,683,633	4,012,496
Total tangible capital assets	\$ 36,919,516	\$ 1,970,206	\$ -	\$ 38,889,722	\$ 14,916,097	\$ 1,156,676	\$ -	\$ 16,072,773	\$ 22,816,949

Notes 1 to 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS

Schedules to Consolidated Financial Statements

Segment Disclosures

Year Ended March 31, 2021

(Schedule 3)

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	Playhouse	King's Development Corporation	Waterfront Corporation	Museum	Volunteer Fire Department	Cardigan Fire Department	Elimination	Consolidated 2021
Revenues											
Government transfers											
Operations	\$ 1,695,869	\$ -	\$ -	\$ 188,662	\$ 75,694	\$ 37,854	\$ -	\$ -	\$ (22,000)	\$ 1,976,079	
Capital	940,787	1,371,589	347,698	28,711	-	-	-	31,597	-	2,720,382	
Property taxes	904,714	-	-	-	-	-	-	-	-	904,714	
Fire dues	470,061	-	-	-	-	-	-	115,744	(115,744)	470,061	
Third party revenue	126,592	-	-	-	-	-	-	-	-	126,592	
Other	64,904	14,607	11,763	52,211	136,837	1,282	-	-	(41,100)	240,504	
Interest	24,184	11,063	3,546	-	-	-	-	-	-	38,793	
Water and sewer	-	742,541	97,734	-	-	-	-	-	(71,682)	768,593	
	4,227,111	2,139,800	460,741	269,584	212,531	39,136	147,341	(250,526)	7,245,718		
Expenditures											
Salaries and benefits	966,043	221,149	-	171,425	109,966	30,167	10,233	-	1,508,983		
Goods and services	1,765,654	229,400	72,760	64,817	79,680	14,987	37,274	(250,526)	2,014,046		
Amortization	1,077,207	175,755	28,032	20,965	-	205	13,875	-	1,316,039		
Interest	11,092	47,402	157	2,825	2,913	511	9,076	-	73,976		
	3,819,996	673,706	100,949	260,032	192,559	45,870	70,458	(250,526)	4,913,044		
Annual surplus (deficit)	\$ 407,115	\$ 1,466,094	\$ 359,792	\$ 9,552	\$ 19,972	\$ (6,734)	\$ 76,883	\$ -	\$ 2,332,674		

Notes 1 to 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS

**Schedules to Consolidated Financial Statements
Segment Disclosures**

(Schedule 4)

Year Ended March 31, 2020

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	Playhouse	King's Development Corporation	Waterfront	Museum	Cardigan Volunteer Fire Department	Elimination	Consolidated 2020
Revenue										
Government transfers										
Operations	\$ 1,709,178	\$ -	\$ -	\$ 118,874	\$ 75,381	\$ 28,927	\$ -	\$ -	(27,870)	\$ 1,904,490
Capital	1,410,671	30,156	114,857	-	-	187	209	-	-	1,556,080
Property taxes	786,508	-	-	-	-	-	-	-	-	786,508
Fire dues	476,739	-	-	-	-	-	107,347	-	(582,172)	1,914
Third party revenue	284,374	-	-	-	-	-	-	-	-	284,374
Other	81,427	4,135	5,531	169,016	146,660	4,795	3,900	-	(41,880)	373,584
Interest	14,739	6,446	2,484	-	-	-	-	-	-	23,669
Water and sewer	-	697,931	99,473	-	-	-	-	-	(58,176)	739,228
	4,763,636	738,668	222,345	287,890	222,041	33,909	111,456	(710,098)	(710,098)	5,669,847
Expenditures										
Salaries and benefits	862,463	199,081	-	120,903	86,226	26,540	6,710	-	-	1,301,923
Goods and services	1,714,193	300,342	75,535	144,531	102,473	10,517	44,115	(710,098)	-	1,681,608
Amortization	956,085	144,690	24,799	17,489	-	103	15,405	-	-	1,158,571
Interest	17,731	54,137	62	5,885	2,702	38	11,467	-	-	92,022
	3,550,472	698,250	100,396	288,808	191,401	37,198	77,697	(710,098)	(710,098)	4,234,124
Annual surplus (deficit)	\$ 1,213,164	\$ 40,418	\$ 121,949	\$ (918)	\$ 30,640	\$ (3,289)	\$ 33,759	\$ -	\$ -	\$ 1,435,723

Notes 1 to 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - General Government (Schedule 5)
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for operations (Note 12)	\$ 1,879,213	\$ 1,695,869	\$ 1,709,178
Government transfers for capital (Note 12)	1,602,269	940,787	1,410,671
Property taxes	828,998	904,714	786,508
Fire dues	447,772	470,061	476,739
Other third party revenue	218,273	126,592	284,374
Office services	-	44,335	41,880
Interest	-	24,184	14,739
Development permits	-	20,569	36,587
Gain on sale of tangible capital assets	-	-	2,960
	4,976,525	4,227,111	4,763,636
Expenditures			
Protective Services			
Bylaw enforcement	15,000	12,580	11,789
Fire protection services	442,870	467,713	413,135
Policing services	147,000	141,508	121,726
Water supply and hydrants	58,000	58,221	55,177
	662,870	680,022	601,827
Maintenance and Infrastructure Services			
Beautification	35,000	33,552	19,499
Garbage removal	15,000	3,754	7,130
Maintenance buildings	31,360	71,079	32,937
Maintenance wages	351,918	284,205	349,732
Sidewalks	20,000	10,289	19,690
Street lights	90,000	84,049	84,276
Vehicles, equipment and tools	67,000	69,526	55,332
	610,278	556,454	568,596
Community Services			
A.A. MacDonald Memorial Gardens	25,000	18,850	25,637
Black Fly program	28,944	30,260	29,285
Cavendish Farms Wellness Centre	57,000	28,706	60,316
Community Parks	43,000	13,087	15,682
Economic development	50,176	6,040	4,664
Garden of the Gulf Museum	43,000	20,515	18,346
Grants and sponsorships	33,475	32,858	35,316
King's Playhouse	55,800	49,730	62,708
Libraries	20,000	7,700	10,796
Public receptions and festivals	45,850	7,127	27,458
Recreational programming	30,000	26,578	15,918
Small Halls	80,000	36,799	14,020
Splashpad	10,000	4,885	-
Three Rivers Sportsplex	58,000	48,341	40,003
	580,245	331,476	360,149

(continues)

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - General Government *(continued)* **(Schedule 5)**
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Financial and Corporate Services			
Amortization of tangible capital assets	750,000	1,077,207	954,134
Interest and bank charges	3,500	2,315	5,100
Interest on long term debt	10,000	8,777	12,631
Transitional costs	370,000	97,481	132,864
	<u>1,133,500</u>	<u>1,185,780</u>	<u>1,104,729</u>
Administrative Services			
Elections	6,000	14,198	-
Employee travel	15,000	10,476	13,366
Insurance	20,000	13,546	21,586
Mayor and council	11,750	20,805	9,138
Mayor and council honorarium	84,300	82,139	60,076
Memberships and other professional services	54,700	18,633	13,285
Municipal offices	142,254	134,463	176,956
Office	47,000	48,316	54,483
Planning	6,500	13,204	16,200
Professional fees	65,000	88,990	76,224
Public relations	30,000	21,795	21,193
Staff training and development	30,000	9,477	6,282
Wages and wage levies	567,023	590,222	446,382
	<u>1,079,527</u>	<u>1,066,264</u>	<u>915,171</u>
	<u>4,066,420</u>	<u>3,819,996</u>	<u>3,550,472</u>
Change in fund balance	<u>\$ 910,105</u>	<u>\$ 407,115</u>	<u>\$ 1,213,164</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - Montague Water & Sewer Utility (Schedule 6)
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for capital (Note 12)	\$ 1,885,539	\$ 1,371,589	\$ 30,156
Sewer charges	396,861	414,882	380,770
Water charges	275,981	270,538	261,984
Fire protection	58,000	57,121	55,177
Interest	7,000	11,063	6,446
Other	19,000	14,607	4,135
	<u>2,642,381</u>	<u>2,139,800</u>	<u>738,668</u>
Expenditures			
Administration	5,000	5,000	5,000
Amortization of tangible capital assets	-	175,755	144,690
Dues and fees	11,780	8,878	10,715
Insurance	17,900	8,532	13,706
Interest and bank charges	1,600	420	56
Interest on long term debt	46,000	46,982	54,081
Miscellaneous	4,500	5,234	5,576
Office	8,500	5,374	8,410
Professional fees	9,900	5,000	6,000
Rental	12,000	12,024	12,952
Repairs and maintenance	101,500	62,075	135,343
Supplies	16,900	17,796	13,985
Training and development	4,000	1,245	350
Travel	1,000	263	224
Utilities	90,050	93,505	83,080
Vehicle	6,400	4,474	5,001
Wages and wage levies	188,510	221,149	199,081
	<u>525,540</u>	<u>673,706</u>	<u>698,250</u>
Change in fund balance	<u>\$ 2,116,841</u>	<u>\$ 1,466,094</u>	<u>\$ 40,418</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - Georgetown Sewer Utility (Schedule 7)
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for capital (Note 12)	\$ 450,087	\$ 347,698	\$ 114,857
Sewer charges	114,491	97,734	99,473
Other	-	11,763	5,531
Interest	-	3,546	2,484
	<u>564,578</u>	<u>460,741</u>	<u>222,345</u>
Expenditures			
Amortization of tangible capital assets	-	28,032	24,799
Bad debts	-	1,123	-
Dues and fees	1,700	1,607	1,587
Insurance	2,800	1,580	2,199
Interest and bank charges	-	157	62
Miscellaneous	-	-	781
Office	21,000	23,140	21,947
Professional fees	4,500	7,558	2,500
Repairs and maintenance	68,000	26,813	32,532
Utilities	15,600	10,939	13,989
	<u>113,600</u>	<u>100,949</u>	<u>100,396</u>
Change in fund balance	<u>\$ 450,978</u>	<u>\$ 359,792</u>	<u>\$ 121,949</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - King's Playhouse
Year Ended March 31, 2021

(Schedule 8)

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for operations (Note 12)	\$ 91,617	\$ 176,662	\$ 101,004
Government transfers for capital (Note 12)	-	28,711	-
Other	34,450	21,529	41,813
Fundraising, donations and sponsorships	12,500	14,453	21,616
Admissions	58,000	13,094	87,673
Town of Three Rivers grant	25,000	12,000	17,870
Canteen and catering	19,600	3,135	17,914
	<u>241,167</u>	<u>269,584</u>	<u>287,890</u>
Expenditures			
Advertising and promotions	15,290	6,482	15,288
Amortization of tangible capital assets	-	20,965	17,489
Canteen and catering purchases	13,900	8,721	14,290
Dues and fees	2,000	3,245	250
Equipment	1,400	1,014	985
Interest and bank charges	5,370	2,825	5,885
Office	12,248	5,776	10,616
Program	51,650	20,038	77,875
Repairs and maintenance	17,950	4,712	4,584
Utilities	20,806	14,829	20,643
Wages and wage levies	99,183	171,425	120,903
	<u>239,797</u>	<u>260,032</u>	<u>288,808</u>
Change in fund balance	<u>\$ 1,370</u>	<u>\$ 9,552</u>	<u>\$ (918)</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - Waterfront Development Corporation (Schedule 9)
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for operations (Note 12)	\$ -	\$ 75,694	\$ 75,381
Fees	-	79,201	78,621
Product sales	-	43,520	53,149
Rental	-	13,663	14,890
Miscellaneous	-	453	-
	-	212,531	222,041
Expenditures			
Advertising and promotions	-	607	1,927
Bad debt	-	-	1,617
Dues and fees	-	532	1,189
Interest and bank charges	-	2,913	2,702
Miscellaneous	-	-	1,222
Office	-	5,990	2,375
Property taxes	-	4,031	3,586
Purchases	-	32,558	51,186
Repairs and maintenance	-	20,643	21,283
Tools and equipment	-	4,278	3,715
Travel and entertainment	-	-	2,752
Utilities	-	11,041	11,621
Wages and wage levies	-	109,966	86,226
	-	192,559	191,401
Change in fund balance	\$ -	\$ 19,972	\$ 30,640

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - Museum
Year Ended March 31, 2021

(Schedule 10)

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Government transfers for operations (Note 12)	\$ -	\$ 23,860	\$ 15,081
Grants and subsidies	-	13,994	13,846
Museum	-	1,282	4,795
Government transfers for capital (Note 12)	-	-	187
	-	39,136	33,909
Expenditures			
Advertising and promotions	-	2,981	264
Amortization of tangible capital assets	-	205	103
Dues and fees	-	155	60
Interest and bank charges	-	511	38
Miscellaneous	-	-	83
Office	-	904	585
Repairs and maintenance	-	481	33
Training	-	-	42
Utilities	-	10,466	9,450
Wages and wage levies	-	30,167	26,540
	-	45,870	37,198
Change in fund balance	\$ -	\$ (6,734)	\$ (3,289)

Notes 1 - 18 are an integral part of these consolidated financial statements

TOWN OF THREE RIVERS
Statement of Operations - Cardigan Volunteer Fire Department (Schedule 11)
Year Ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
Revenues			
Fire dues	\$ 102,000	\$ 115,744	\$ 107,347
Government transfers for capital (Note 12)	-	31,597	209
Gain on sale of tangible capital assets	-	-	3,900
	<u>102,000</u>	<u>147,341</u>	<u>111,456</u>
Expenses			
Advertising and promotions	8,500	1,314	4,133
Amortization of tangible capital assets	3,500	13,875	15,405
Dues and fees	1,200	366	1,940
Fireman's training	500	-	-
Gas and oil	2,000	992	1,408
Honorariums	5,000	10,233	6,710
Insurance	7,000	2,908	2,908
Interest and bank charges	300	243	275
Interest on long term debt	9,600	8,833	11,192
Office	3,400	4,086	2,767
Professional fees	2,000	-	-
Repairs and maintenance	6,500	20,810	23,364
Telephone	7,200	6,798	7,595
	<u>56,700</u>	<u>70,458</u>	<u>77,697</u>
Change in fund balance	<u>\$ 45,300</u>	<u>\$ 76,883</u>	<u>\$ 33,759</u>

Notes 1 - 18 are an integral part of these consolidated financial statements