

Excerpt from Treasurer Michael Beal's report to Town Council for May 14/19

Year End has been progressing well with the Auditors having completed their 2018 work through August. Draft Financial Statements were presented to Council for the Special Council Meeting Discussion Group held on May 6<sup>th</sup>, 2019 and will receive final approval at the May 14<sup>th</sup> Council meeting. For the year 2018 the General Fund finished the year with a \$62,888 Surplus (\$51,291 in 2017) while the Water and Sewer Fund finished the year with a 9,290 Surplus (\$9,330 in 2017). These amounts will form part of our 2020 Budget process and be recorded as Revenue for that year.

- In General, we received \$300,000 more in Revenue than projected, some of these items being Building Permits, Sale of Assets (old fire truck and other items), Reimbursements from the Province for Prior year floods and the Asset Management Plan Grant from FCM.
  - As well all Departments except Public Works (due to snow clearing and street patching) came in under budget projections. A detailed breakdown of this is included in the Audit report.
  - It was estimated we would be Borrowing \$591,000 which was for Fire Department Items and included the cost of the New Fire Truck. With the excess Revenue in 2018 and most Departments coming in under budget we were only required to borrow \$260,000 in General.
  - In Utility we were able to charge back the cost of the Excavator Repair as well as the Lift Station Upgrade and Bridge Street Work to Capital out of Revenue thereby needing to borrow only \$294,000 of the authorized \$499,000 for Utility.
  - Overall new debt will be lower than projected which will improve our prior Debt Payment projection in 2020 Budgets and beyond.
- Borrowing for 2018 Projects was submitted and we have been advised that debentures will be issued for the \$260,000 in General Capital and \$294,000 in Utility Capital on May 14<sup>th</sup>. The interest rates for these debentures range from 2.05% to 2.85% over the 10- year term of the issues.