

TOWN OF GRAND BAY - WESTFIELD

REPORT AND CONSOLIDATED

FINANCIAL STATEMENTS

DECEMBER 31, 2024

INDEPENDENT AUDITOR'S REPORT

To Her Worship The Mayor and Members of the Council,
Town of Grand Bay - Westfield

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of the Town of Grand Bay - Westfield, which comprise the statement of financial position as at December 31, 2024 and December 31, 2023 and the statements of operations and accumulated surplus, change in net financial assets (debt) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Town of Grand Bay - Westfield as at December 31, 2024 and December 31, 2023, the results of its operations, change in net financial assets (debt) 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 entity in accordance with the ethical requirements that are relevant to our audit of these 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 entity'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 entity'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 the auditor's report. However, future events or conditions may cause the entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Saint John, N.B.
March 18, 2025



Chartered Professional Accountants

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and equivalents - Note 3	\$ 4,814,186	\$ 2,940,444
Accounts receivable		
General	215,237	162,007
Federal government and its agencies - Note 4	132,149	135,379
Investment - Note 7	15,580	15,126
	<u>5,177,152</u>	<u>3,252,956</u>
Liabilities		
Accounts payable	\$ 1,027,347	\$ 405,339
Long-term debt - Note 5	3,277,255	3,791,269
Post employment benefits - Note 6	160,600	224,100
Deferred revenue	220,202	7,578
	<u>4,685,404</u>	<u>4,428,286</u>
Net debt	491,748	(1,175,330)
Non-Financial Assets		
Tangible capital assets - Note 11	56,565,461	56,205,050
Less accumulated amortization - Note 11	28,702,442	27,004,509
	<u>27,863,019</u>	<u>29,200,541</u>
Inventory of supplies	23,136	23,771
Prepaid expenses	178,993	81,465
	<u>28,065,148</u>	<u>29,305,777</u>
Accumulated surplus	\$ <u>28,556,896</u>	\$ <u>28,130,447</u>

APPROVED BY:

Mayor

Chief Administrative Officer

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u>	<u>2023</u>
Annual surplus (deficit)	\$ 426,449	\$ 289,339
Acquisition of tangible capital assets	(588,522)	(3,013,985)
Prior Period Adjustment - tangible capital asset additions	-	(123,328)
Amortization of tangible capital assets	<u>1,926,044</u>	<u>1,805,710</u>
	<u>1,763,971</u>	<u>(1,042,264)</u>
Aquisition of inventories	(23,136)	(23,771)
Aquisition of prepaid assets	(178,993)	(81,465)
Consumption of prepaid assets	81,465	87,373
Consumption of inventories	<u>23,771</u>	<u>50,796</u>
	<u>(96,893)</u>	<u>32,933</u>
Decrease in net debt	1,667,078	(1,009,331)
Net debt, beginning of year	<u>(1,175,330)</u>	<u>(165,999)</u>
Net debt, end of year	\$ <u><u>491,748</u></u>	\$ <u><u>(1,175,330)</u></u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024 Budget</u>	<u>2024</u>	<u>2023</u>
Revenue			
Warrant of assessment	\$ 7,546,629	\$ 7,546,629	\$ 6,934,139
Sales of services	102,736	100,857	91,533
Other revenue from own sources	224,162	571,965	261,939
Community funding and equalization grant	233,229	233,229	257,866
Sewerage user fees	683,380	681,931	642,636
Other government transfers	118,686	118,686	574,258
	<u>8,908,822</u>	<u>9,253,297</u>	<u>8,762,371</u>
Expenses			
General government services	\$ 1,773,629	\$ 1,581,220	\$ 1,490,501
Protective services	2,107,903	2,088,868	2,008,421
Transportation services	3,289,568	3,119,561	3,181,348
Environmental health services	92,154	78,081	73,797
Recreation and cultural services	881,376	769,055	612,633
Environmental development services	388,978	554,384	515,979
Sewerage collection and disposal	672,305	635,679	590,353
	<u>9,205,913</u>	<u>8,826,848</u>	<u>8,473,032</u>
Annual surplus (deficit)	\$ <u>(297,091)</u>	426,449	289,339
Prior period adjustment		-	(123,328)
Accumulated surplus - beginning of year		<u>28,130,447</u>	<u>27,964,436</u>
Accumulated surplus - end of year		<u>\$ 28,556,896</u>	<u>\$ 28,130,447</u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

Operating transactions:	<u>2024</u>	<u>2023</u>
Annual surplus	\$ 426,449	\$ 289,339
Non-cash items included on annual surplus	687,287	(259,240)
Amortization of tangible capital assets	1,926,044	1,805,708
Change in accrued pension liability	<u>(63,500)</u>	<u>9,400</u>
Cash provided by operations	<u>2,976,280</u>	<u>1,845,207</u>
Capital transactions:		
Acquisition of capital assets	(588,522)	(3,013,985)
Prior period adjustment to capital assets	<u>-</u>	<u>(123,328)</u>
Cash used in capital transactions	<u>(588,522)</u>	<u>(3,137,313)</u>
Financing transactions:		
Long-term debt issues	-	1,339,000
Long-term debt retirement	<u>(514,014)</u>	<u>(415,827)</u>
Cash provided by financing transactions	<u>(514,014)</u>	<u>923,173</u>
Increase in cash and cash equivalents	1,873,744	(368,933)
Cash and cash equivalents, beginning of year	<u>2,940,442</u>	<u>3,309,375</u>
Cash and cash equivalents, end of year	<u>\$ 4,814,186</u>	<u>\$ 2,940,442</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

1. Purpose of the Organization

The Municipality was incorporated as town by the Province of New Brunswick Municipalities Act on January 1, 1998. As a municipality, the Town of Grand Bay-Westfield is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The municipality has the following vision statement, "To be an efficient, effective and flexible organization responsible for the overall good of the community, enhancing quality of life by being sensitive to community needs in an ever-changing and complex environment."

2. Summary of Significant Accounting Policies

The consolidated financial statements of the Town of Grand Bay-Westfield have been prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

The Town adopted Public Sector Accounting standards as of January 1, 2011.

Significant aspects of the accounting policies adopted by the Town are as follows:

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cashflows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Town and which are owned or controlled by the Town.

Budget

The budget figures contained in these financial statements were approved by Council on November 16, 2021 and the Minister of Local Government on December 2, 2021.

Revenue Recognition

Revenues are recognized on the accrual basis and measurable as they are earned. Revenue received prior to being earned is recorded as deferred revenue until such time as the revenue is earned.

Expenditure Recognition

Expenditures are recorded on an accrual basis as they are incurred and are measurable based on receipt of goods and services and obligation to pay. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2. Summary of Significant Accounting Policies (Cont'd)

Financial Instruments

The Town's financial instruments consist of cash, accounts receivable, bank loans, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from those financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Town is subject to credit risk through its accounts receivable. The Town minimizes credit risk through ongoing credit management.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Inventory of supplies

Inventory of supplies is valued at the lower of cost and net replacement cost with cost being determined on the first-in, first out basis.

Tangible Capital Assets

Effective January 1, 2011, the Town adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight-line basis over the estimated useful life, as follows:

Land improvements	5-25 years
Buildings	25-40 years
Vehicles	3-5 years
Machinery and equipment	5-10 years
Heavy equipment	10-15 years
Computer hardware, software and communication equipment	3-5 years
Furniture and fixtures	3-5 years
Road surface	15-20 years
Road grade	30 years
Sidewalks and curbs	15 years
Water and wastewater networks	40-100 years

Assets under construction are not amortized until the asset is available for use.

Segmented Information

The Town of Grand Bay-Westfield is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with the special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

2. Summary of Significant Accounting Policies (Cont'd)

Segmented Information (Cont'd)

General Government Services

This department is responsible for the overall governance and financial administration of the Town. This includes council functions and general and financial management.

Protective Services

This department is responsible for the provision of policing services, fire protection, emergency measures and animal control.

Transportation Services

This department is responsible for common services, roads and streets maintenance, street lighting, traffic services and other transportation-related functions.

Environmental Development Services

This department is responsible for planning and zoning, community development, tourism, beautification and other municipal development and promotion services.

Recreation and Culture

This department is responsible for the maintenance and operation of recreation and cultural facilities including the arena, parks and playgrounds and other recreational and cultural facilities.

Wastewater Systems

This department is responsible for the provision of wastewater services within the municipality including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

Post-Employment Benefits

The Town recognizes its obligations under post employment benefit plans and the related cost, net of plan assets. The Town has a defined benefit pension plan as documented in Note 7.

3. Cash and cash equivalents

	<u>2024</u>	<u>2023</u>
Cash - unrestricted	\$ 1,323,322	\$ 709,778
Cash - restricted	<u>3,490,865</u>	<u>2,230,666</u>
	<u>\$ 4,814,187</u>	<u>\$ 2,940,444</u>

4. Due from Federal Government and Agencies

	<u>2024</u>	<u>2023</u>
Canada Revenue Agency (HST refund)	<u>\$ 132,149</u>	<u>\$ 135,379</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

5. Long-Term Debt

New Brunswick Municipal Financing Corporation

	<u>2024</u>	<u>2023</u>
Debentures:		
4.512%-5.245% series, due 2038	\$ 1,250,000	\$ 1,339,000
1.95%-2.80% series, due 2034	89,000	109,000
0.855% - 2.762% series, due 2036	326,000	350,000
1.20%-2.70% series, due 2027	185,000	244,000
0.90%-1.50% series, due 2025	25,000	50,000
1.65%-3./80% series, due 2027	47,000	62,000
1.35%-3.55% series, due 2027	90,000	118,000
1.35% - 3.70% series, due 2028	187,000	230,000
1.20% - 3.50% series, due 2029	157,000	186,000
2.55% - 3.55% series, due 2033	227,000	248,000
0.50% - 2.33% series, due 2035	316,000	342,000
0.30% -2.700% series, due 2036	143,000	167,000
<u>CMHC</u>		
3.92%, due 2026	<u>235,255</u>	<u>346,269</u>
	<u>\$ 3,277,255</u>	<u>\$ 3,791,269</u>

Principal payments required during the next five years are as follows:

2025	\$ 515,366
2026	507,889
2027	382,000
2028	282,000
2029	242,000
Thereafter	<u>1,348,000</u>
	<u>\$ 3,277,255</u>

6. Post-Employment Benefits Payable

Defined Benefit Pension Plan

The Municipality and its' employees participate in the New Brunswick Municipal Employees Pension Plan (NB MEPP). The NB MEPP is a multiple-employer defined benefit pension plan administered by a board elected by the members under the provisions of the Municipalities Act of New Brunswick. The NB MEPP provides pensions based on length of service and best average earnings.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NB MEPP. In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at December 31, 2022 and resulted in an overall NB MEPP accrued benefit obligation of \$148,620,600 based on the accounting basis.

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

6. Post-Employment Benefits Payable (Cont'd)

The actuarial valuation for accounting purposes was based on a number of assumptions about future events such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2023:

- the expected inflation rate is 2.10% per annum
- the discount rate used to determine the accrued benefit obligation is 6.05% per annum
- the expected rate of return on assets is 6.05% per annum
- retirement age varies by age and employment category
- estimated average remaining service life is 14.0 years

The actuarial valuation prepared as at December 31, 2022 indicated that the market value of the of the net assets available for the accumulated pan benefits were less than the present value of these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan deficit of \$12,228,600, a change of \$13,522,700 from December 31, 2021 surplus of \$1,294,100. Based on the assumptions as at December 31, 2022, the actuary expected the level of employer and employee contributions to be sufficient to fund the current service cost and going concern special payments, as allowed by the Pensions Benefit Act.

As at December 31, 2022 the NB MEPP provides benefits for 315 retirees. Total benefit payments to retirees and terminating employees during 2024 are estimated to be approximately \$5,440,900 (actual 2023, \$7,516,800) in totality for the NB MEPP.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 7.95%. Each participating body contributes an amount that equals their employees' contribution amounts. Pension Fund Assets are invested in Short-Term Securities, Bonds, Canadian Equities and Foreign Equities. Combined employees' and participating bodies' contributions for 2024 are estimated to be approximately \$9,335,000 (2023 actual, \$9,159,600 in totality for the NB MEPP).

The following summarizes the data as it relates to the Town of Grand Bay Westfield:

The average age of the 20 active employees covered by the NB MEPP is 48.5 (as at December 31, 2022)
Benefit payments were \$169,700 in 2023 and were estimated to be \$169,700 in 2024
Combined Contributions were \$233,400 in 2023 and were estimated to be \$240,400 in 2024.

In addition to determining the position of the NB MEPP as it relates to the Town of Grand Bay-Westfield as at December 31, 2022 and December 31, 2023, NB MEPP's actuary performed an extrapolation of the December 31, 2023 accounting valuation to determine the estimated position as at December 31, 2024. The extrapolation assumptions used as at December 31, 2024 remain unchanged from December 31, 2023. The extrapolation also assumes assets return 6.05% net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

	Estimated <u>Jan 1- Dec 31, 2024</u>	Actual <u>Jan 1- Dec 31, 2023</u>
Accrued Benefit Liability (asset)		
Accrued benefit liability, beginning	\$ 176,100	\$ 201,700
Pension expense for the year	104,700	91,100
Less employer contributions	(120,200)	(116,700)
Accrued benefit liability, ending	<u>\$ 160,600</u>	<u>\$ 176,100</u>

These amounts are included in the Post-Employment Benefits Payable on the Consolidated Statement of Financial Position.

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

7. Investment

	<u>2024</u>	<u>2023</u>
Saint John Community Fund interest at 3%, due March 2025.	\$ <u>15,580</u>	\$ <u>15,126</u>

8. Contingencies

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2024 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Town maintains insurance coverage in amounts considered appropriate.

9. Water and Sewer Fund Surplus

	<u>2024</u>	<u>2023</u>
2024 Surplus	\$ 33,379	\$ -
2023 Surplus	34,958	34,958
2022 Surplus	31,036	31,036
2021 Surplus	16,164	25,203
2020 Surplus	<u>-</u>	<u>14,240</u>
	\$ <u>115,537</u>	\$ <u>105,437</u>

10. Short-term borrowings compliance

Interim borrowing for capital

The Municipality has arranged a revolving operating facility bearing interest at prime less 0.25% for the General Operating Fund and the Sewerage Operating Fund. The facility is intended for interim financing for capital expenditures. As at December 31, 2023 this facility has not been used.

The Municipality has ministerial authority for short-term borrowings as follows:

General Capital Fund, M.O. # 24-0074	\$ <u>610,000</u>
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Operating borrowing

As prescribed in the Local Governance Act, borrowing to finance General Fund operations is limited to 4% of the Municipality's operating budget. Borrowing to finance Sewerage Fund operations is limited to 50% of the operating budget for the year.

In 2024, the Municipality has complied with these restrictions for all borrowing.

Inter-fund borrowing

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in the next year unless the borrowing is for a capital project.

The amounts payable between Funds are in compliance with the requirements.

TOWN OF GRAND BAY - WESTFIELD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

11. Schedule of Tangible Capital Assets

	Land	Land improvements	Building and leasehold improvements	Vehicles	Machinery and Equipment	Assets Under Construction	Infrastructure			2024 Total	2023 Total
							Roads and streets	Treatment facilities	Water and sewer		
COST											
Balance, beginning of year	\$ 2,253,304	\$ 3,659,232	\$ 3,887,260	\$ 434,051	\$ 6,039,135	\$ 143,566	\$ 21,284,650	\$ 3,389,325	\$ 15,114,527	\$ 56,205,050	\$ 53,224,554
Add:											
Net additions during the year	-	8,392	38,446	81,242	128,576	121,495	111,068	-	99,513	588,732	3,106,261
Less:											
Disposals during the year	-	(3,500)	-	-	(224,821)	-	-	-	-	(228,321)	(125,765)
Balance, end of year	<u>2,253,304</u>	<u>3,664,124</u>	<u>3,925,706</u>	<u>515,293</u>	<u>5,942,890</u>	<u>265,061</u>	<u>21,395,718</u>	<u>3,389,325</u>	<u>15,214,040</u>	<u>56,565,461</u>	<u>56,205,050</u>
ACCUMULATED AMORTIZATION											
Balance, beginning of year	-	2,156,448	2,004,097	318,436	2,681,052	-	13,271,597	1,148,161	5,424,718	27,004,509	25,232,288
Add:											
Amortization during the year	-	143,626	92,359	79,114	389,284	-	882,404	75,074	264,183	1,926,044	1,805,710
Less:											
Accumulated amortization on disposals	-	(3,290)	-	-	(224,821)	-	-	-	-	(228,111)	(33,489)
Balance, end of year	<u>-</u>	<u>2,296,784</u>	<u>2,096,456</u>	<u>397,550</u>	<u>2,845,515</u>	<u>-</u>	<u>14,154,001</u>	<u>1,223,235</u>	<u>5,688,901</u>	<u>28,702,442</u>	<u>27,004,509</u>
NET BOOK VALUE	<u>\$ 2,253,304</u>	<u>\$ 1,367,340</u>	<u>\$ 1,829,250</u>	<u>\$ 117,743</u>	<u>\$ 3,097,375</u>	<u>\$ 265,061</u>	<u>\$ 7,241,717</u>	<u>\$ 2,166,090</u>	<u>\$ 9,525,139</u>	<u>\$ 27,863,019</u>	<u>\$ 29,200,541</u>
Consists of:											
General Fund Assets	\$ 2,171,487	\$ 1,359,267	\$ 1,810,252	\$ 117,743	\$ 3,030,944	\$ 250,668	\$ 7,241,717	\$ -	\$ 5,921,192	\$ 21,903,270	\$ 22,911,971
Water & Sewerage Fund Assets	81,817	8,073	18,998	-	66,431	14,393	-	2,166,090	3,603,947	5,959,749	6,288,570
	<u>\$ 2,253,304</u>	<u>\$ 1,367,340</u>	<u>\$ 1,829,250</u>	<u>\$ 117,743</u>	<u>\$ 3,097,375</u>	<u>\$ 265,061</u>	<u>\$ 7,241,717</u>	<u>\$ 2,166,090</u>	<u>\$ 9,525,139</u>	<u>\$ 27,863,019</u>	<u>\$ 29,200,541</u>

TOWN OF GRAND BAY - WESTFIELD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

12. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Environmental development	Recreation and culture	Water and sewer	2024 Consolidated	2023 Consolidated
Revenues									
Warrant of assessment	\$ 1,791,251	\$ 2,143,969	\$ 2,226,686	\$ 104,163	\$ 403,324	\$ 877,236	\$ -	\$ 7,546,629	\$ 6,934,139
Sales of services	-	90,732	-	-	-	10,125	-	100,857	91,533
Other revenue from own sources	340,309	-	24,170	-	-	-	-	364,479	121,325
Community Funding and Equalization Grant	55,359	66,259	68,816	3,219	12,465	27,111	-	233,229	257,866
Sewerage user fees	-	-	-	-	-	-	681,931	681,931	642,636
Interest	187,200	-	-	-	-	-	20,286	207,486	140,614
Other government transfers	118,686	-	-	-	-	-	-	118,686	574,258
	<u>2,492,805</u>	<u>2,300,960</u>	<u>2,319,672</u>	<u>107,382</u>	<u>415,789</u>	<u>914,472</u>	<u>702,217</u>	<u>9,253,297</u>	<u>8,762,371</u>
Expenses									
Salaries and benefits	706,013	525,876	750,192	-	113,388	232,388	165,211	2,493,068	2,286,002
Goods and services	576,595	1,289,683	986,253	78,081	408,844	387,728	246,220	3,973,404	3,964,495
Amortization	55,777	211,106	1,319,590	-	32,152	105,274	202,145	1,926,044	1,805,710
Interest	110,224	-	-	-	-	-	22,103	132,327	110,650
Other	132,611	62,203	63,526	-	-	43,665	-	302,005	305,875
	<u>1,581,220</u>	<u>2,088,868</u>	<u>3,119,561</u>	<u>78,081</u>	<u>554,384</u>	<u>769,055</u>	<u>635,679</u>	<u>8,826,848</u>	<u>8,472,732</u>
Surplus (deficit) for the year	<u>\$ 911,585</u>	<u>\$ 212,092</u>	<u>\$ (799,889)</u>	<u>\$ 29,301</u>	<u>\$ (138,595)</u>	<u>\$ 145,417</u>	<u>\$ 66,538</u>	<u>\$ 426,449</u>	<u>\$ 289,639</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

13. Reconciliation of Annual Surplus

	General Operating Fund	General Capital Fund	Sewerage Operating Fund	Sewerage Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Sewerage Operating Reserve Fund	Sewerage Capital Reserve Fund	Land for Public Purpose Reserve Fund	Total
2024 annual surplus (deficit)	1,966,058	(1,691,265)	259,600	(202,145)	22,295	62,539	1,267	7,816	284	426,449
Adjustment to annual surplus (deficit) for funding requirements										
Second previous year's surplus	359,207	-	23,279	-	-	-	-	-	-	382,486
Transfers between funds										
Transfer from General Operating Fund to General Capital Fund	(564,353)	564,353	-	-	-	-	-	-	-	-
Transfer from General Operating Fund to Land for Public Purposes Reserve Fund	(374)	-	-	-	-	-	-	-	374	-
Transfer from Sewerage Utility Fund to Sewerage Capital Reserve Fund	-	-	(85,000)	-	-	-	-	85,000	-	-
Transfer from Sewerage Utility Fund to Sewerage Operating Reserve Fund	-	-	(22,500)	-	-	-	22,500	-	-	-
Transfer from Sewerage Capital Reserve Fund to General Operating Fund	-	-	-	-	-	-	-	-	-	-
Transfer to General Operating Fund from General Capital Reserve Fund	65,783	-	-	-	-	(65,783)	-	-	-	-
Transfer to General Operating Fund from General Operating Reserve Fund	-	-	-	-	-	-	-	-	-	-
Transfer from General Operating Fund to General Operating Reserve Fund	(197,293)	-	-	-	197,293	-	-	-	-	-
Transfer from General Operating Fund to General Capital Reserve Fund	(730,000)	-	-	-	-	730,000	-	-	-	-
Long-term debt principal repayment	-	-	(142,000)	142,000	-	-	-	-	-	-
Long-term debt principal repayment	(372,014)	372,014	-	-	-	-	-	-	-	-
Decrease in pension plan expenses	(63,500)	-	-	-	-	-	-	-	-	(63,500)
Amortization expense	-	1,723,899	-	202,145	-	-	-	-	-	1,926,044
Total adjustments to 2024 annual surplus (deficit)	(1,502,544)	2,660,266	(226,221)	344,145	197,293	664,217	22,500	85,000	374	2,245,030
2024 annual surplus (deficit)	463,514	969,001	33,379	142,000	219,588	726,756	23,767	92,816	658	2,671,479

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

14. Statement of Reserves

	General Capital Reserve Fund	General Operating Reserve Fund	Utility Capital Reserve Fund	Utility Operating Reserve Fund	Land for Public Purpose Reserve Fund	2024	2023
Assets							
Cash	2,199,076	744,471	277,926	53,767	7,354	3,282,594	2,219,009
Accumulated Surplus	2,199,076	744,471	277,926	53,767	7,354	3,282,594	2,219,009
Revenue							
Interest	62,539	22,295	7,816	1,267	284	94,201	77,777
Transfers from General and Sewerage Operating Funds	730,000	197,293	85,000	22,500	374	1,035,167	758,500
Other funds received	-	-	-	-	-	-	-
	792,539	219,588	92,816	23,767	658	1,129,368	836,277
Expenditures							
Interest and bank charges	-	-	-	-	-	-	-
Transfers to General and Sewerage Capital Funds	65,783	-	-	-	-	65,783	1,202,776
	65,783	-	-	-	-	65,783	1,202,776
Annual Surplus (Deficit)	726,756	219,588	92,816	23,767	658	1,063,585	(366,499)

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

14. Statement of Reserves (Cont'd)

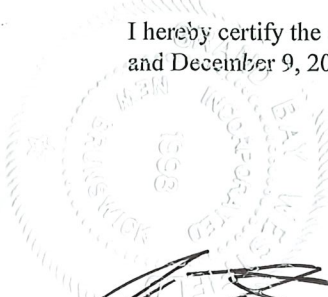

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Balcomb, seconded by Councillor Burpee that \$65,783 be transferred from the General Revenue Capital Reserve Fund to the General Revenue Fund.

Moved by Councillor Burpee, seconded by Councillor Balcomb that \$730,000 be transferred from the General Revenue Fund to the General Capital Reserve Fund; \$197,293 be transferred from the General Revenue Fund to the General Revenue Operating Reserve Fund.

Moved by Councillor Balemans, seconded by Councillor Balemans that \$22,500 be transferred from the Sewerage Utility Fund to the Sewerage Utility Operating Reserve Fund; \$85,000 be transferred from the Sewerage Utility Fund to the Sewerage Utility Capital Reserve Fund

I hereby certify the above are true and exact copies of resolutions adopted at meetings of Council on May 27, and December 9, 2024.



James Barrington, CPA, CMA
Chief Financial Officer
Town of Grand Bay-Westfield

March 25, 2025
Date

b) GNB Proposed Regulations for Council Code of Conduct

1. That the Council of the Town of Grand Bay-Westfield approve the GNB's proposed changes to the Local Governance Act.

Motioned by: Councillor McIntosh Lawrence

Seconded by: Deputy Mayor Toole

Defeated

And,

2. That the Council of the Town of Grand Bay-Westfield work with the Union of Municipalities of New Brunswick to signify its concern to the Minister of Local Government with the proposed changes to *the Regional Service Delivery Act* that removes the Municipal Designated Director on the Regional Service Commission Board from acting at the direction of Council and fulfilling the Director's corresponding fiduciary responsibilities to the community.

Motioned by: Deputy Mayor Toole

Seconded by: Councillor McIntosh Lawrence

Carried

c) Reserve Transfer: F150 Lightning

That the Council of the Town of Grand Bay-Westfield approve the transfer of \$65,783.03 from the General Capital Reserve fund to the General Operating Fund.

Motioned by: Councillor Balcomb

Seconded by: Councillor Burpee

Carried

d) FCM Resolutions

That the Council of the Town of Grand Bay-Westfield approve the FCM resolutions as presented.

Motioned by: Councillor Burpee

Seconded by: Deputy Mayor Toole

Carried

9. Unfinished Business

a) Community Funding – CMEI

That the Council of the Town of Grand Bay-Westfield approves contributing \$2,000 from Council discretionary funds to Crane Mountain Enhancement Inc. for the purposes of public education.

Motioned by: Councillor McIntosh Lawrence

Seconded by: Councillor Balemans

Deafeated

10. By-Laws

11. New Business/Recommendations

a) 2025 Town Fees

That the Council of the Town of Grand Bay-Westfield adopt the Various 2025 Town Fees effective January 1, 2025 as attached to this report.

Motioned by: Deputy Mayor Toole

Seconded by: Councillor Burpee

Carried

b) General Fund Reserve Transfers

That the Council of Grand Bay-Westfield Council authorize the following transfers:

1. \$197,293 Transfer from the General Revenue Fund to the General Revenue Operating Reserve Fund
2. \$730,000 Transfer from the General Revenue Fund to the General Revenue Capital Reserve Fund

Motioned by: Councillor Burpee

Seconded by: Councillor Balcomb

Carried

c) Utility Reserve Transfers

That the Council of Grand Bay-Westfield Council authorize the following transfers:

1. Transfer \$22,500 from the Sewerage Utility Fund to the Sewerage Utility Operating Reserve
2. Transfer \$85,000 from the Sewerage Utility Fund to the Sewerage Utility Capital Reserve

Motioned by: Deputy Mayor Toole

Seconded by: Councillor Burpee

Carried

d) Appointments to PAC

That the Council of the Town of Grand Bay-Westfield reappoint Kelly Thompson and appoint Laura Weil, under section 5(2) of the Community Planning Act 2017 c.19, as Members on the Planning Advisory Committee, for a 3-year term, effective January 2, 2025 – January 1, 2028.

Motioned by: Councillor Balcomb

Seconded by: Councillor Balemans

Carried

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

15. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Sewerage	Amortization TCA	Transfers	Other	Total
Revenue						
Warrant of assessment	\$ 7,546,629	-	-	-	-	\$ 7,546,629
Sales of services	102,736	-	-	-	-	102,736
Other revenue from own sources	221,162	3,000	-	-	-	224,162
Community Funding and Equalization Grant	233,229	-	-	-	-	233,229
Sewerage user fees	-	683,380	-	-	-	683,380
Government transfer for special projects	-	-	-	-	118,686	118,686
Surplus (deficit) of second previous year	359,207	23,279	-	(382,486)	-	-
	<u>8,462,963</u>	<u>709,659</u>	<u>-</u>	<u>(382,486)</u>	<u>118,686</u>	<u>8,908,822</u>
Expenditures						
General government services	1,584,743	-	55,777	-	133,109	1,773,629
Protective services	1,896,797	-	211,106	-	-	2,107,903
Transportation services	1,969,978	-	1,319,590	-	-	3,289,568
Environmental health services	92,154	-	-	-	-	92,154
Recreation and cultural services	776,102	-	105,274	-	-	881,376
Environmental development services	356,826	-	32,152	-	-	388,978
Fiscal services	-	-	-	-	-	-
- Long-term debt repayment	368,254	142,000	-	(510,254)	-	-
- Interest	133,109	20,795	-	(153,904)	-	-
- Transfer to General Capital Fund	785,000	-	-	(785,000)	-	-
- Transfer to General Capital Reserve Fund	500,000	-	-	-	(500,000)	-
- Transfer to General Operating Reserve Fund	-	-	-	-	-	-
- Transfer to Sewerage Capital Reserve Fund	-	97,500	-	(97,500)	-	-
Sewerage collection and disposal	-	449,364	202,145	-	20,796	672,305
	<u>8,462,963</u>	<u>709,659</u>	<u>1,926,044</u>	<u>(1,546,658)</u>	<u>(346,095)</u>	<u>9,205,913</u>
Surplus (Deficit)	-	-	(1,926,044)	1,164,172	464,781	(297,091)

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

16. Revenue and Expense Support

Revenue	2024 <u>Budget</u>	2024 <u>Actual</u>	2023 <u>Actual</u>
<i>Services other governments</i>			
Recreation	\$ 12,001	\$ 10,125	\$ 11,557
Fire	90,735	90,732	79,976
	<u>\$ 102,736</u>	<u>\$ 100,857</u>	<u>\$ 91,533</u>
<i>Other own source</i>			
Licenses, permits and fines	\$ 26,000	\$ 59,630	\$ 30,254
Interest	23,000	207,486	53,693
Miscellaneous	175,162	304,849	177,992
	<u>\$ 224,162</u>	<u>\$ 571,965</u>	<u>\$ 261,939</u>
 Expenditures			
<i>General Government Services</i>			
Legislative			
Mayor	\$ 60,486	\$ 53,929	\$ 56,379
Council	134,815	123,340	116,196
Other	37,737	33,117	17,437
	<u>\$ 233,038</u>	<u>\$ 210,386</u>	<u>\$ 190,012</u>
Administrative			
Personnel and office	\$ 770,552	\$ 787,863	\$ 680,713
Buildings	78,309	71,192	64,277
Solicitor	36,505	58,069	80,395
Other	274,267	132,522	194,179
	<u>\$ 1,159,633</u>	<u>\$ 1,049,646</u>	<u>\$ 1,019,564</u>
Financial management			
External audit	\$ 13,559	\$ 10,950	\$ 13,000
Other			
Public liability insurance	\$ 30,314	\$ 21,773	\$ 21,104
Grants to organizations	-	-	-
Economic development	148,199	122,464	101,215
Interest	133,109	110,224	86,902
Amortization	55,777	55,777	55,777
	<u>\$ 367,399</u>	<u>\$ 310,238</u>	<u>\$ 264,998</u>
	<u>\$ 1,773,629</u>	<u>\$ 1,581,220</u>	<u>\$ 1,487,574</u>

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

16. Revenue and Expense Support - (Cont'd)

Protective Services

Fire

Forces	\$ 447,643	\$ 447,457	\$ 434,353
Fire alarm system	52,665	51,994	48,693
Training	28,083	16,898	19,134
Station and building	74,598	68,577	69,476
Fighting and equipment	176,434	194,350	166,718
Other	119,738	108,860	156,007
Amortization	211,106	211,106	211,106
	<u>\$ 1,110,267</u>	<u>\$ 1,099,242</u>	<u>\$ 1,105,487</u>

Police

Administration - RCMP	\$ 913,555	\$ 913,554	\$ 886,946
Traffic activities	16,188	16,072	14,422
	<u>\$ 929,743</u>	<u>\$ 929,626</u>	<u>\$ 901,368</u>

Emergency Measures

Disaster control	\$ 24,105	\$ 21,773	\$ 19,935
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Other

Animal control	\$ 43,788	\$ 38,227	\$ 29,633
	<u>\$ 2,107,903</u>	<u>\$ 2,088,868</u>	<u>\$ 2,056,423</u>

Transportation Services

Common services

Administration	\$ 856,162	\$ 807,668	\$ 735,227
General equipment	392,788	393,518	279,128
Workshops and other buildings	59,906	63,526	61,715
	<u>\$ 1,308,856</u>	<u>\$ 1,264,712</u>	<u>\$ 1,076,070</u>

Roadway surfaces	\$ 307,111	\$ 190,920	\$ 259,757
Storm sewers	15,124	15,551	6,666
Snow and ice removal	161,394	145,816	429,673
Street lighting	132,781	137,821	122,012
Street signs	3,025	9,653	11,916
Transit service	39,862	33,673	31,072
Traffic signals	1,825	1,825	1,554
Amortizations	1,319,590	1,319,590	1,319,590
	<u>\$ 1,980,712</u>	<u>\$ 1,854,849</u>	<u>\$ 2,182,240</u>
	<u>\$ 3,289,568</u>	<u>\$ 3,119,561</u>	<u>\$ 3,258,310</u>

Environmental Health Services

Collection and disposal	\$ 92,154	\$ 78,081	\$ 73,797
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TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

16. Revenue and Expense Support - (Cont'd)

Recreation and Cultural Services

Administration	\$	253,912	\$	247,185	\$	208,031
Parks and playgrounds		277,335		211,007		226,170
Buildings		241,778		203,836		71,308
Training and development		3,077		1,753		1,589
Amortization		105,274		105,274		105,274
	\$	<u>881,376</u>	\$	<u>769,055</u>	\$	<u>612,372</u>

Environmental Development Services

Community planning	\$	58,165	\$	146,079	\$	165,475
Community development		241,639		328,794		288,138
Tourism promotion		4,433		156		2,792
Beautification		28,084		19,747		6,204
Other		24,505		27,456		20,642
Amortization		32,152		32,152		32,152
	\$	<u>388,978</u>	\$	<u>554,384</u>	\$	<u>515,403</u>

Sewerage

Collection and disposal						
Administration	\$	136,545	\$	135,001	\$	111,408
Collection systems		117,582		107,068		87,498
Lift stations		129,431		107,000		114,461
Treatment and disposal		65,807		62,362		49,927
Interest		20,795		22,103		24,048
Amortization		202,145		202,145		202,145
	\$	<u>672,305</u>	\$	<u>635,679</u>	\$	<u>589,487</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2024

17. Transfers to Reserves

Under New Brunswick regulation 97-145 for municipal reserve funds, municipalities are permitted to have a maximum accumulation in operating reserve funds of 5% of previous year's budgeted expenditures. For the previous year 2023, the Town had budgeted \$7,542,072 for its General Operating Fund. At the end of 2024, the Town had accumulated in its General Operating Reserve Fund \$744,471 thereby exceeding the limit of \$330,338 by \$367,367. Management's intention is to remedy the overcontribution by transferring the excess funds out of the General Operating Reserve prior to December 31, 2025. The maximum accumulated amount in the General Operating Reserve Fund for 2024 will be \$423,148 based on the 2024 budgeted General Revenue Fund expenditures.