

TOWN OF GRAND BAY - WESTFIELD

REPORT AND CONSOLIDATED

FINANCIAL STATEMENTS

DECEMBER 31, 2021

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, 2021 and December 31, 2020 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, 2021 and December 31, 2020, 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.
May 3, 2022



Chartered Professional Accountants

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
Financial assets		
Cash - Note 3	\$ 2,799,127	\$ 1,876,401
Accounts receivable		
General	75,943	45,724
Federal government and its agencies - Note 4	98,026	105,755
Province of New Brunswick - Note 5	-	96,329
Investment - Note 8	14,177	13,764
	2,987,273	2,137,973
Liabilities		
Accounts payable	\$ 663,546	\$ 655,998
Bank loans	-	367,778
Long-term debt - Note 6	3,269,893	3,098,812
Post employment benefits - Note 7	241,800	263,200
Deferred revenue	2,070	13,281
	4,177,309	4,399,069
Net debt	(1,190,036)	(2,261,096)
Non-Financial Assets		
Tangible capital assets - Note 12	52,133,175	51,084,500
Less accumulated amortization - Note 12	23,662,059	21,966,503
	28,471,116	29,117,997
Inventory of supplies	46,617	36,424
Prepaid expenses	36,800	-
	28,554,533	29,154,421
Accumulated surplus	\$ 27,364,497	\$ 26,893,325

APPROVED BY:

Mayor

Town Manager

CAO

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021 Budget</u>		<u>2021</u>		<u>2020</u>
Revenue					
Warrant of assessment	\$ 5,329,243	\$	5,401,687	\$	5,240,616
Sales of services	185,909		185,196		209,994
Other revenue from own sources	64,866		392,939		77,115
Community funding and equalization grant	601,260		615,207		661,712
Sewerage user fees	509,950		508,356		466,396
Other government transfers	408,953		408,953		344,901
Gain on disposal of tangible capital assets	-		-		10,986
	<u>7,100,181</u>		<u>7,512,338</u>		<u>7,011,720</u>
Expenses					
General government services	\$ 1,283,801	\$	1,248,437	\$	1,169,704
Protective services	1,664,046		1,648,462		1,620,995
Transportation services	2,672,153		2,591,541		2,564,388
Environmental health services	1,069		1,048		1,048
Recreation and cultural services	572,125		573,437		490,705
Environmental development services	262,398		259,872		203,585
Sewerage collection and disposal	750,807		718,369		739,966
	<u>7,206,399</u>		<u>7,041,166</u>		<u>6,790,391</u>
Annual surplus (deficit)	\$ <u>(106,218)</u>		471,172		221,329
Prior period adjustment			-		(128,725)
Accumulated surplus - beginning of year			<u>26,893,325</u>		<u>26,800,721</u>
Accumulated surplus - end of year		\$	<u><u>27,364,497</u></u>	\$	<u><u>26,893,325</u></u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
Annual surplus (deficit)	\$ 471,172	\$ 221,329
Acquisition of tangible capital assets	(1,048,675)	(1,627,835)
Proceeds on disposal of tangible capital assets	-	10,986
Prior Period Adjustment - tangible capital asset disposals	-	(128,727)
Amortization of tangible capital assets	1,695,556	1,719,710
Gain on disposal of tangible capital assets	-	(10,986)
	<u>1,118,053</u>	<u>184,477</u>
Aquisition of inventories	(46,617)	(36,424)
Aquisition of prepaid assets	(36,800)	-
Consumption of inventories	36,424	68,664
	<u>(46,993)</u>	<u>32,240</u>
Decrease in net debt	1,071,060	216,717
Net debt, beginning of year	<u>(2,261,096)</u>	<u>(2,477,813)</u>
Net debt, end of year	<u>\$ (1,190,036)</u>	<u>\$ (2,261,096)</u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Operating transactions:	<u>2021</u>	<u>2020</u>
Annual surplus	\$ 471,172	\$ 221,329
Non-cash items included on annual surplus	(345,007)	(48,193)
Amortization of tangible capital assets	1,695,556	1,719,710
Gain on disposal of capital assets	-	(10,986)
Change in accrued pension liability	<u>(21,400)</u>	<u>(21,300)</u>
Cash provided by operations	<u>1,800,321</u>	<u>1,860,560</u>
Capital transactions:		
Acquisition of capital assets	(1,048,675)	(1,627,835)
Prior Period Adjustment - tangible capital asset disposals	-	(128,727)
Proceeds on disposal of capital assets	<u>-</u>	<u>10,986</u>
Cash used in capital transactions	<u>(1,048,675)</u>	<u>(1,745,576)</u>
Financing transactions:		
Long-term debt issues	611,000	483,831
Long-term debt retirement	<u>(439,919)</u>	<u>(325,188)</u>
Cash provided by financing transactions	<u>171,081</u>	<u>158,643</u>
Increase in cash and cash equivalents	922,727	273,627
Cash and cash equivalents, beginning of year	<u>1,876,401</u>	<u>1,602,774</u>
Cash and cash equivalents, end of year	<u>\$ 2,799,127</u>	<u>\$ 1,876,401</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

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, 2021

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>2021</u>	<u>2020</u>
Cash - unrestricted	\$ 737,783	\$ 476,335
Cash - restricted	<u>2,061,344</u>	<u>1,400,066</u>
	<u>\$ 2,799,127</u>	<u>\$ 1,876,401</u>

4. Due from Federal Government and Agencies

	<u>2021</u>	<u>2020</u>
Canada Revenue Agency (HST refund)	<u>\$ 98,026</u>	<u>\$ 105,755</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

5. Due from Province of New Brunswick

	<u>2021</u>	<u>2020</u>
Disaster Funding	\$ <u> -</u>	\$ <u> 96,329</u>

6. Long-Term Debt

New Brunswick Municipal Financing Corporation

	<u>2021</u>	<u>2020</u>
Debentures:		
1.95%-2.80% series, due 2034	\$ 148,000	\$ 166,000
0.855% - 2.762% series, due 2036	397,000	-
1.20%-2.70% series, due 2027	358,000	414,000
0.90%-1.50% series, due 2025	100,000	124,000
1.65%-4.25% series, due 2021	-	93,000
1.65%-3.80% series, due 2027	90,000	104,000
1.35%-3.55% series, due 2027	171,000	196,000
1.35% - 3.70% series, due 2028	312,000	351,000
1.20% - 3.50% series, due 2029	241,000	267,000
2.55% - 3.55% series, due 2033	289,000	309,000
0.50% - 2.33% series, due 2035	394,000	420,000
0.30% -2.700% series, due 2036	214,000	-
<u>CMHC</u>		
3.92%, due 2026	<u>555,893</u>	<u>654,812</u>
	<u>\$ 3,269,893</u>	<u>\$ 3,098,812</u>

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

2021	\$	401,797
2022		415,827
2023		425,014
2024		423,366
2025		410,889
Thereafter		<u>1,193,000</u>
	\$	<u>3,269,893</u>

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

7. Post-Employment Benefits Payable

Defined Benefit Pension Plan

The Town 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, 2019 and resulted in an overall NB MEPP accrued benefit obligation of \$135,126,100 based on the accounting basis.

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, 2020:

- the expected inflation rate is 2.10% per annum
- the discount rate used to determine the accrued benefit obligation is 5.55% per annum
- the expected rate of return on assets is 5.55% per annum
- retirement age varies by age and employment category
- estimated average remaining service life is 13.0 years

The actuarial valuation prepared as at December 31, 2019 indicated that the market value of the of the net assets available for the accumulated pan benefits were less then 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 \$641,800, a change of \$6,896,200 from December 31, 2018 deficit of \$7,538,000. Based on the assumptions as at December 31, 2019, 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, 2019 the NB MEPP provides benefits for 277 retirees. Total benefit payments to retirees and terminating employees during 2021 are estimated to be approximately \$4,621,200 (actual 2020, \$5,662,100) 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 8.00%. 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 2021 are estimated to be approximately \$7,136,800 (2020 actual, \$6,929,400 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 16 active employees covered by the NB MEPP is 52.5 (as at December 31, 2019)
Benefit payments were \$124,600 in 2020 and were estimated to be \$124,600 in 2021
Combined Contributions were \$148.600 in 2020 and were estimated to be \$153,000 in 2021.

In addition to determining the position of the NB MEPP as it relates to the Town of Grand Bay-Westfield as at December 31, 2019 and December 31, 2020, NB MEPP's actuary performed an extrapolation of the December 31, 2020 accounting valuation to determine the estimated position as at December 31, 2021. The extrapolation assumptions used as at December 31, 2021 remain unchanged from December 31, 2020. The extrapolation also assumes assets return 5.55% 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:

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

7. Post Employment Benefits Payable (cont'd)

Accrued Benefit Liability	Estimated Jan 1- Dec 31, 2021	Actual Jan 1- Dec 31, 2020
Accrued benefit liability, beginning	\$ 271,000	\$ 296,500
Pension expense for the year	47,300	48,800
Less employer contributions	<u>(76,500)</u>	<u>(74,300)</u>
Accrued benefit liability, ending	<u>\$ 241,800</u>	<u>\$ 271,000</u>

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

8. Investment

	<u>2021</u>	<u>2020</u>
Saint John Community Fund interest at 3%, due March 2022.	<u>\$ 14,177</u>	<u>\$ 13,764</u>

9. 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, 2021 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.

10. Water and Sewer Fund Surplus

	<u>2021</u>	<u>2020</u>
2021 Surplus	\$ 33,603	\$ -
2020 Surplus	21,420	21,420
2019 Surplus	<u>-</u>	<u>10,480</u>
	<u>\$ 55,023</u>	<u>\$ 31,900</u>

11. 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 Sewerage Operating Fund. The facility is intended for interim financing for capital expenditures. As at December 31, 2021 this facility not been used.

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

Sewerage Capital Fund, M.O. # 15-0082	<u>\$ 425,000</u>
Sewerage Capital Fund, M.O. # 19-0009	<u>\$ 135,000</u>

11. Short-term borrowings compliance (Cont'd)

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 or \$15,000 - whichever is greater. Borrowing to finance Sewerage Fund operations is limited to 50% of the operating budget.

In 2020, 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, 2021

12. Schedule of Tangible Capital Assets

COST	Land	Land improvements	Building and leasehold improvements	Vehicles	Machinery and Equipment	Assets Under Construction	Infrastructure		2021 Total	2020 Total	
							Roads and streets	Treatment facilities			Water and sewer
Balance, beginning of year	\$ 2,253,304	\$ 3,648,200	\$ 3,418,641	\$ 366,269	\$ 3,482,298	\$ 242,866	\$ 19,877,113	\$ 2,970,371	\$ 14,825,438	\$ 51,084,500	\$ 49,879,280
Add:	-	-	224,485	-	220,528	28,733	490,435	36,793	122,294	1,123,268	1,627,835
Less:	-	-	-	-	-	(74,593)	-	-	-	(74,593)	(422,615)
Balance, end of year	<u>2,253,304</u>	<u>3,648,200</u>	<u>3,643,126</u>	<u>366,269</u>	<u>3,702,826</u>	<u>197,006</u>	<u>20,367,548</u>	<u>3,007,164</u>	<u>14,947,732</u>	<u>52,133,175</u>	<u>51,084,500</u>
ACCUMULATED AMORTIZATION											
Balance, beginning of year	-	1,714,153	1,765,303	155,224	1,942,259	-	10,814,801	943,392	4,631,371	21,966,503	20,669,408
Add:	-	151,636	74,061	56,803	237,043	-	851,097	60,990	263,927	1,695,557	1,719,710
Less:	-	-	-	-	-	-	-	-	-	-	(422,615)
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	<u>-</u>	<u>1,865,789</u>	<u>1,839,364</u>	<u>212,027</u>	<u>2,179,302</u>	<u>-</u>	<u>11,665,898</u>	<u>1,004,382</u>	<u>4,895,298</u>	<u>23,662,060</u>	<u>21,966,503</u>
NET BOOK VALUE											
	\$ 2,253,304	\$ 1,782,411	\$ 1,803,762	\$ 154,242	\$ 1,523,524	\$ 197,006	\$ 8,701,650	\$ 2,002,782	\$ 10,052,434	\$ 28,471,115	\$ 29,117,997
Consists of:											
General Fund Assets	\$ 2,171,487	\$ 1,766,887	\$ 1,799,047	\$ 154,242	\$ 1,377,854	\$ 197,006	\$ 8,701,650	\$ -	\$ -	\$ 16,168,173	\$ 16,649,225
Water & Sewerage Fund Assets	81,817	15,524	4,715	-	145,670	-	-	2,002,782	10,052,434	12,302,942	12,468,772
	<u>2,253,304</u>	<u>1,782,411</u>	<u>1,803,762</u>	<u>154,242</u>	<u>1,523,524</u>	<u>197,006</u>	<u>8,701,650</u>	<u>2,002,782</u>	<u>10,052,434</u>	<u>28,471,115</u>	<u>29,117,997</u>

TOWN OF GRAND BAY - WESTFIELD
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2021

13. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental Health	Environmental development	Recreation and culture	Water and sewer	2021 Consolidated	2020 Consolidated
Revenues									
Warrant of assessment	\$ 1,212,734	\$ 1,586,579	\$ 1,806,365	\$ 1,173	\$ 274,332	\$ 520,503	\$ -	\$ 5,401,687	\$ 5,240,616
Sales of services	-	174,408	-	-	-	10,788	-	185,196	209,994
Other revenue from own sources	378,502	-	-	-	-	-	-	378,502	74,504
Community Funding and Equalization Grant	138,120	180,698	205,730	134	31,244	59,281	-	615,207	661,712
Sewerage user fees	-	-	-	-	-	-	508,356	508,356	466,396
Interest	13,557	-	-	-	-	-	880	14,437	13,597
Other government transfers	-	-	372,160	-	-	-	36,793	408,953	344,901
	<u>1,742,913</u>	<u>1,941,685</u>	<u>2,384,255</u>	<u>1,306</u>	<u>305,577</u>	<u>590,572</u>	<u>546,029</u>	<u>7,512,338</u>	<u>7,011,720</u>
Expenses									
Salaries and benefits	443,127	449,142	448,698	-	99,322	102,886	137,512	1,680,687	1,608,373
Goods and services	530,777	960,434	1,121,574	1,048	160,550	306,768	189,779	3,270,930	3,143,696
Amortization	76,416	172,678	981,006	-	-	105,599	359,857	1,695,556	1,719,711
Interest	73,750	-	-	-	-	-	31,221	104,971	111,515
Other	124,367	66,208	40,263	-	-	58,184	-	289,022	207,096
	<u>1,248,437</u>	<u>1,648,462</u>	<u>2,591,541</u>	<u>1,048</u>	<u>259,872</u>	<u>573,437</u>	<u>718,369</u>	<u>7,041,166</u>	<u>6,790,391</u>
Surplus (deficit) for the year	\$ 494,476	\$ 293,223	\$ (207,286)	\$ 258	\$ 45,705	\$ 17,135	\$ (172,340)	\$ 471,172	\$ 221,329

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

14. 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 Capital Reserve Fund	Land for Public Purpose Reserve Fund	Total
2021 annual surplus (deficit)	1,653,559	(1,020,723)	125,123	(323,064)	-	10,676	25,601	-	471,172
Adjustment to annual surplus (deficit) for funding requirements									
Second previous year's surplus	136,534	-	10,480	-	-	-	-	-	147,014
Transfers between funds									
Transfer from General Operating Fund to General Capital Fund	(655,690)	655,690	-	-	-	-	-	-	-
Transfer from General Operating Fund to General Capital Reserve Fund	-	-	-	-	-	-	-	-	-
Transfer from General Operating Fund to General Operating Reserve Fund	(375,000)	-	-	-	375,000	-	-	-	-
Transfer from General Operating Fund to General Operating Reserve Fund	(250,000)	-	-	-	-	250,000	-	-	-
Long-term debt principal repayment	-	-	(102,000)	-	-	-	-	-	-
Long-term debt principal repayment	(258,919)	258,919	-	-	-	-	-	-	-
Decrease in pension plan liability	(21,400)	-	-	-	-	-	-	-	(21,400)
Proceeds from disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-
Disposal of tangible assets	-	-	-	-	-	-	-	-	-
Amortization expense	-	1,335,699	-	359,857	-	-	-	-	1,695,556
Total adjustments to 2021 annual surplus (deficit)	(1,424,475)	2,250,308	(91,520)	461,857	375,000	250,000	-	-	1,821,170
2021 annual surplus	229,084	1,229,585	33,603	138,793	375,000	260,676	25,601	-	2,292,342

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

15. Statement of Reserves

	General Capital Reserve Fund	General Operating Reserve Fund	Utility Capital Reserve Fund	Land for Public Purpose Reserve Fund	2021	2020
Assets						
Cash	1,228,530	645,000	182,432	5,382	2,061,344	1,400,066
Accumulated Surplus	1,228,530	645,000	182,432	5,382	2,061,344	1,400,066
Revenue						
Interest	10,676	-	601	-	11,277	6,996
Transfers from General and Sewerage Operating Funds	250,000	375,000	25,000	-	650,000	420,000
Other funds received	-	-	-	-	-	5,382
	260,676	375,000	25,601	-	661,277	432,378
Expenditures						
Interest and bank charges	-	-	-	-	-	25
Transfers to General and Sewerage Capital Funds	-	-	-	-	-	100,130
	-	-	-	-	-	100,155
Annual Surplus	260,676	375,000	25,601	-	661,277	332,223

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

15. Statement of Reserves (Cont'd)

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Lawrence, seconded by Councillor Toole that \$250,000 be transferred from the General Revenue Operating Fund to the General Capital Reserve Fund.

Moved by Councillor Lawrence, seconded by Councillor Toole that \$375,000 be transferred from the General Revenue Operating Fund to the General Operating Reserve Fund.

Moved by Councillor Lawrence, seconded by Councillor Toole that \$25,000 be transferred from the Sewer Revenue Operating Fund to the Sewer Capital Reserve Fund.

I hereby certify the above are true and exact copies of resolutions adopted at a meeting of Council on December 13, 2021.

Date

Marcia Mason
Assistant Clerk/Treasurer
Town of Grand Bay-Westfield

Marcia Mason

10. Bylaws

a) Memo to Council re Subdivision By-law 123

That the Council of the Town of Grand Bay-Westfield receive and file the Planning Advisory Memo re Subdivision By-law #123.

Motioned by: Councillor McIntosh Lawrence

Seconded by: Deputy Mayor Toole

Carried


b) Administrative Report Subdivision By-Law #123

That the Council of Grand Bay-Westfield defer final readings of By-law #123 for consolidation of changes required in the Municipal Plan By-law and Zoning By-law for removal of Infrastructure Charges on Col. Nase Blvd.

Motioned by: Deputy Mayor Toole

Seconded by: Councillor Balcomb

Carried

 **New Business/Recommendations**

a) Transfer to Reserves

Resolved that the amount of \$250,000 be transferred to the General Operating Capital Reserve Fund from the General Operating Fund and the sum of \$375,000 be transferred to the General Operating Reserve Fund from the General Operating Fund and that the amount of \$25,000.00 be transferred to Sewerage Capital Reserve Fund from the Sewerage Operating Fund.

Motioned by: Councillor McIntosh Lawrence

Seconded by: Deputy Mayor Toole

Carried

b) Second Council Meeting for December 2021

That the Council of the Town of Grand Bay-Westfield cancel the second Regular Council Meeting of Monday December 27, 2021 with a Special Council Meeting(s) to be called as required.

Motioned by: Councillor Balcomb

Seconded by: Councillor Balemans

Carried

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

16. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Sewerage	Amortization TCA	Transfers	Other	Total
Revenue						
Warrant of assessment	\$ 5,329,243	-	-	-	-	\$ 5,329,243
Sales of services	185,909	-	-	-	-	185,909
Other revenue from own sources	63,866	1,000	-	-	-	64,866
Community Funding and Equalization Grant	601,260	-	-	-	-	601,260
Sewerage user fees	-	509,950	-	-	-	509,950
Government transfer for special projects	-	-	-	-	408,953	408,953
Surplus (deficit) of second previous year	136,534	-	-	(136,534)	-	-
	<u>6,316,812</u>	<u>510,950</u>	<u>-</u>	<u>(136,534)</u>	<u>408,953</u>	<u>7,100,181</u>
Expenditures						
General government services	1,130,921	-	76,416	76,464	-	1,283,801
Protective services	1,491,368	-	172,678	-	-	1,664,046
Transportation services	1,691,147	-	981,006	-	-	2,672,153
Environmental health services	1,069	-	-	-	-	1,069
Recreation and cultural services	466,526	-	105,599	-	-	572,125
Environmental development services	262,398	-	-	-	-	262,398
Fiscal services						
- Long-term debt repayment	256,919	102,000	-	(358,919)	-	-
- Interest	76,464	27,682	-	(104,146)	-	-
- Transfer to General Capital Fund	850,000	-	-	(850,000)	-	-
- Transfer to General Capital Reserve Fund	90,000	-	-	(90,000)	-	-
- Transfer to General Operating Reserve Fund	-	-	-	-	-	-
- Transfer to Sewerage Capital Reserve Fund	-	18,000	-	(18,000)	-	-
Sewerage collection and disposal	-	363,268	359,857	27,682	-	750,807
	<u>6,316,812</u>	<u>510,950</u>	<u>1,695,556</u>	<u>(1,316,919)</u>	<u>-</u>	<u>7,206,399</u>
Surplus (Deficit)	-	-	(1,695,556)	1,180,385	408,953	(106,218)

TOWN OF GRAND BAY - WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

17. Revenue and Expense Support

Revenue	2021 <u>Budget</u>	2021 <u>Actual</u>	2020 <u>Actual</u>
<i>Services other governments</i>			
Recreation	\$ 11,500	\$ 10,788	\$ 10,631
Fire	174,409	174,408	199,363
	<u>\$ 185,909</u>	<u>\$ 185,196</u>	<u>\$ 209,994</u>
<i>Other own source</i>			
Licenses, permits and fines	\$ 18,586	\$ 44,507	\$ 22,627
Interest	5,000	14,437	13,597
Miscellaneous	41,280	333,995	51,903
	<u>\$ 64,866</u>	<u>\$ 392,939</u>	<u>\$ 88,127</u>
 Expenditures			
<i>General Government Services</i>			
Legislative			
Mayor	\$ 36,941	\$ 34,026	\$ 32,488
Council	106,820	101,696	82,584
Other	11,689	10,285	5,927
	<u>\$ 155,450</u>	<u>\$ 146,007</u>	<u>\$ 120,999</u>
Administrative			
Personnel and office	\$ 388,452	\$ 450,698	\$ 339,478
Buildings	57,022	59,493	53,892
Solicitor	20,000	26,950	8,309
Other	200,265	188,659	200,079
	<u>\$ 665,739</u>	<u>\$ 725,800</u>	<u>\$ 601,758</u>
Financial management			
External audit	\$ 14,400	\$ 13,500	\$ 13,233
 Other			
Public liability insurance	\$ 17,322	\$ 18,614	\$ 15,063
Grants to organizations	113,058	117,941	131,190
Economic development	164,952	133,595	140,048
Interest	76,464	73,750	80,434
Amortization	76,416	76,416	76,416
	<u>\$ 448,212</u>	<u>\$ 420,316</u>	<u>\$ 443,151</u>
	<u>\$ 1,283,801</u>	<u>\$ 1,305,623</u>	<u>\$ 1,179,141</u>

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

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

Protective Services

Fire

Forces	\$ 380,468	\$ 384,833	\$ 373,705
Fire alarm system	51,210	41,862	43,487
Training	17,700	15,088	11,644
Station and building	68,667	70,770	64,032
Fighting and equipment	98,208	101,407	97,042
Other	101,775	95,068	97,294
Amortization	172,678	172,678	172,678
	<u>\$ 890,706</u>	<u>\$ 881,706</u>	<u>\$ 859,882</u>

Police

Administration - RCMP	\$ 722,520	\$ 722,520	\$ 703,803
Traffic activities	13,239	12,321	8,448
	<u>\$ 735,759</u>	<u>\$ 734,841</u>	<u>\$ 712,251</u>

Emergency Measures

Disaster control	\$ 16,139	\$ 10,227	\$ 17,996
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Other

Animal control	\$ 21,442	\$ 21,688	\$ 21,100
	<u>\$ 1,664,046</u>	<u>\$ 1,648,462</u>	<u>\$ 1,611,229</u>

Transportation Services

Common services

Administration	\$ 564,962	\$ 533,453	\$ 540,302
General equipment	79,241	85,833	74,326
Workshops and other buildings	40,342	40,263	31,649
	<u>\$ 684,545</u>	<u>\$ 659,549</u>	<u>\$ 646,277</u>

Roadway surfaces	\$ 286,353	\$ 251,141	\$ 245,759
Storm sewers	14,500	10,615	17,553
Snow and ice removal	552,554	529,904	515,351
Street lighting	110,403	109,712	110,149
Street signs	7,900	12,007	4,072
Transit service	33,142	35,607	30,477
Traffic signals	1,750	2,000	1,500
Amortizations	981,006	981,006	981,006
	<u>\$ 1,987,608</u>	<u>\$ 1,931,992</u>	<u>\$ 1,905,867</u>
	<u>\$ 2,672,153</u>	<u>\$ 2,591,541</u>	<u>\$ 2,552,144</u>

Environmental Health Services

Collection	\$ 1,069	\$ 1,048	\$ 1,048
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TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

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

Recreation and Cultural Services

Administration	\$ 119,976	\$ 117,591	\$ 110,887
Parks and playgrounds	262,628	280,152	202,798
Buildings	82,772	69,220	69,238
Training and development	1,150	875	429
Amortization	105,599	105,599	105,599
	<u>\$ 572,125</u>	<u>\$ 573,437</u>	<u>\$ 488,951</u>

Environmental Development Services

Community planning	\$ 10,847	\$ 17,704	\$ 3,925
Community development	177,389	185,395	163,023
Tourism promotion	38,722	30,794	20,698
Beautification	11,890	14,014	12,552
Other	23,550	11,964	3,387
	<u>\$ 262,398</u>	<u>\$ 259,871</u>	<u>\$ 203,585</u>

Sewerage

Collection and disposal			
Administration	\$ 190,013	\$ 184,983	\$ 103,219
Collection systems	50,123	25,510	75,379
Lift stations	65,108	58,430	111,634
Treatment and disposal	58,024	58,368	50,419
Interest	27,682	31,221	31,082
Amortization	359,857	359,857	359,857
	<u>\$ 750,807</u>	<u>\$ 718,369</u>	<u>\$ 731,590</u>