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# **GRAND FALLS**

## **CONSOLIDATED FINANCIAL STATEMENTS**

Year ended December 31, 2023

# GRAND FALLS

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Year ended December 31, 2023

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**GRAND FALLS**  
**MANAGEMENT'S REPORT**  
Year ended December 31, 2023

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**MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The consolidated financial statements in this report are prepared in accordance with Canadian public sector accounting standards, as described in Note 2 to the consolidated financial statements.

The consolidated financial statements and all other information in this annual financial report are the responsibility of management. Management has also ensured consistency between the consolidated financial statements and all other information disclosed in the annual financial report.

To assess certain facts and operations, management has made estimates based on its best judgment of the situation and by taking into account materiality.

Management is responsible for maintaining appropriate internal control and accounting systems that provide reasonable assurance that the Municipality's policies are adopted, that its operations are carried out in accordance with the appropriate laws and authorizations, that its assets are adequately safeguarded, and that the consolidated financial statements are based on reliable accounting records.

The Municipality's powers and responsibilities are exercised by the municipal council.

The Municipality council's responsibilities include overseeing financial reporting and presentation procedures, which includes reviewing the consolidated financial statement and other information contained in this annual financial report.

The independent auditors, Nadeau Picard & Associés, CPA, have audited the consolidated financial statements and presented the following reports.



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Éric Gagnon  
Chief Administrative Officer



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Bertrand Beaulieu  
Mayor

Grand Falls, New Brunswick  
May 15, 2024



## INDEPENDANT AUDITORS' REPORT

To His Worship The Mayor  
and Members of Council

### *Opinion*

We have audited the consolidated financial statements of Grand Falls (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operation, changes in net debt and cash flow 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 consolidated financial position of the Municipality as at December 31, 2023, and the results of its consolidated operation, change in net debt and its consolidated 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 Municipality 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Other Matter*

Without modifying our opinion, we draw attention to the fact that the Municipality includes in its financial statements certain financial information not required under Canadian public sector accounting standards. This information is prepared according to the form prescribed by the Department of Environment and Local Government of the Province of New Brunswick.

According to section PS 1201.18, financial statements must provide a comparison of the figures for the financial year with those of the previous financial year. In the case of the consolidated financial statements of the Grand Falls Regional Municipality, the figures for the previous year have not been presented, because the Grand Falls Regional Municipality is a new legal entity resulting from the merger of Grand Falls, Drummond, St-André, the LSD of Grand Falls and the LSD of Drummond. The comparative figures would not have made it possible to detect or quantify the trends in the financial situation of the municipality and its evolution since the comparative figures of the LSD are not available. The data would therefore not have allowed an adequate and complete comparison with the previous year.

## ***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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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 Municipality's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality'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 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 Municipality'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 Municipality'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 Municipality 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Municipality's 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.

*Nadeau Picard & Associés, CPA*  
Nadeau Picard & Associés, CPA  
Chartered Professional Accountants

Grand Falls, New Brunswick  
May 15, 2024

**GRAND FALLS**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
Year ended December 31

	<b>2023</b>	
	<b>(Unaudited)</b>	
	<b>Budget</b>	<b>Actual</b>
	<b>(Note 21)</b>	<b>(Note 17)</b>
<b>REVENUES</b>		
Property tax warrant	\$ 13,591,855	\$ 13,591,855
Services provided to other governments (note 22)	492,024	601,624
Sale of services, fines and other fees	1,228,251	1,517,285
Unconditional grant	889,738	889,738
Other government transfers (note 22)	50,842	949,054
Water and sewer user fees	2,315,060	2,321,006
Interest	11,450	242,169
Donations & others	-	25,880
Gain on disposal of tangible capital assets	<u>90,000</u>	<u>176,294</u>
	<u>18,669,220</u>	<u>20,314,905</u>
<b>EXPENDITURES (note 22)</b>		
General government services	3,106,810	2,954,612
Protective services	5,376,457	5,486,625
Transportation services	3,943,644	4,217,763
Environmental health services	962,394	982,760
Environmental development and tourism services	1,570,220	1,721,055
Recreational and cultural services	3,212,635	3,650,170
Water and sewer	<u>3,231,422</u>	<u>3,404,153</u>
	<u>21,403,582</u>	<u>22,417,138</u>
<b>Annual surplus (deficit)</b>	<b>\$ <u>(2,734,362)</u></b>	<b>(2,102,233)</b>
<b>Accumulated surplus, beginning of year, (note 16)</b>		<u>56,040,741</u>
<b>Accumulated surplus, end of year</b>		<b>\$ <u>53,938,508</u></b>

The accompanying notes are an integral part of these consolidated financial statements.

**GRAND FALLS**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at December 31

	<u>2023</u>
<b>FINANCIAL ASSETS</b>	
Cash - restricted (Note 3)	\$ 5,267,243
Receivables	
General	335,868
Federal government and its agencies (Note 4)	1,070,029
Province of New Brunswick (Note 5)	<u>623,717</u>
	<u>7,296,857</u>
<b>LIABILITIES</b>	
Bank overdraft	\$ 319,788
Bank loans	1,016,005
Payables and accruals	1,495,234
Unearned revenues - Canada Community-Building Fund	1,348,952
Long-term debt (Note 7)	17,101,000
Accrued sick leave (Note 8)	1,273,025
Termination benefits	140,000
Post employment benefits (Note 9)	<u>375,000</u>
	<u>23,069,004</u>
<b>NET DEBT</b>	<u>(15,772,147)</u>
<b>NON-FINANCIAL ASSETS</b>	
Tangible capital assets (Note 6)	137,750,815
Accumulated amortization	<u>(68,491,031)</u>
	69,259,784
Inventory of supplies	430,965
Prepaid expenses	<u>19,906</u>
	<u>69,710,655</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 53,938,508</u>

Approved by,

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Treasurer

The accompanying notes are an integral part of these consolidated financial statements.



**GRAND FALLS**  
**CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT**  
Year ended December 31

	2023	
	(Unaudited) Budget	Actual
<b>Annual surplus</b>	\$ (2,734,362)	\$ (2,102,233)
Acquisition of tangible capital assets	(2,100,000)	(2,138,126)
Proceeds on disposal of tangible capital assets	90,000	403,588
Amortization of tangible capital assets	4,282,860	4,282,860
Gain on sale of tangible capital assets	-	(176,294)
	<u>(461,502)</u>	<u>269,795</u>
Acquisition of inventories	(400,000)	(430,965)
Acquisition of prepaid assets	(20,000)	(19,906)
Consumption of inventories	388,041	388,041
Use of prepaid assets	20,034	20,034
	<u>(11,925)</u>	<u>(42,796)</u>
<b>Decrease (increase) in Net Debt</b>	(473,427)	226,999
<b>Net Debt, beginning of the year</b>	<u>(15,999,146)</u>	<u>(15,999,146)</u>
<b>Net Debt, end of the year</b>	<u>\$ (16,472,573)</u>	<u>\$ (15,772,147)</u>

The accompanying notes are an integral part of these consolidated financial statements.

**GRAND FALLS  
CONSOLIDATED STATEMENT OF CASH FLOW**

Year ended December 31

2023

(Indirect method)

**Operation transactions**

Annual surplus (Note 17) \$ (2,102,233)

Items not affecting cash:

Gain on disposal of tangible capital assets (176,294)

Amortization of tangible capital assets 4,282,860

2,004,333

Net changes in non-cash working capital items:

Receivable - General (132,371)

Receivable - Federal Government and its agencies (24,545)

Receivable - Province of New Brunswick 486,439

Payables and accruals (2,404,600)

Unearned revenues - Gas Tax Fund 593,406

Accrued retirement benefits (90,000)

Post employment benefits payable 33,200

Change in inventory/prepaid expenses (42,797)

(1,581,268)

423,065

**Capital transactions**

Acquisition of tangible capital assets (2,138,126)

Proceeds on sale of tangible capital assets 403,588

(1,734,538)

**Financing transactions**

Bank loan (12,337)

Additional financing 1,073,000

Long-term debt repayment (1,443,000)

(382,337)

**Investing transactions**

Note receivable -

Variation in restricted cash 948,583

948,583

**Net decrease in cash and cash equivalents**

(745,227)

**Cash, beginning of year**

425,439

**Bank overdraft, end of year**

\$ (319,788)

The accompanying notes are an integral part of these consolidated financial statements.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**1. STATUS AND PURPOSE OF THE ORGANIZATION**

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The Grand Falls Regional Municipality has been created following an amalgamation of Grand Falls, Drummond, St-André, the LSD of Grand Falls and the LSD of Drummond as a municipality under the *Local Governance Act* on January 1st, 2023. As a municipality, Grand Falls is exempt from income tax under section 149(1)(c) of the *Canadian Income Tax Act*. The Municipality has the following vision statement, "A bilingual town that has built on its rich history, natural beauty and community spirit to become a full-service and accessible town with an innovative economy and excellent quality of life".

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The consolidated financial statements of the Municipality are the representations of management prepared in accordance with the Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

The focus of Public Sector Accounting Standards' financial statements is on the financial position of the Municipality and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Municipality.

The entities included in the financial statements are as follows:

- Grand Falls Golf Club Inc.
- Société de développement du centre des affaires
- Falls & Gorge Commission
- Les Habitations Sociales de St-André de Madawaska Inc.

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

**Reporting entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and cash flows 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 Municipality which are owned or controlled by the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

**Budget**

The budgets figures contained in these financial statements were approved by Council on October 26, 2022 and the Minister of Environment and Local Government on December 9, 2022.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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**Government transfers**

Government transfers are accounted for in the financial statements as revenues during the period the activities giving rise to the transfer occurred provided that transfers are authorized, that the eligibility criterias are met and reasonable estimates of the amounts can be made. Transfers received for which expenses have not yet occurred are included in deferred income.

**Revenue recognition**

- a) Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.
- b) Other revenue is recorded when it is earned.
- c) Grants and donations received from a third party to assist with the construction or purchase of a capital asset owned by the Municipality are recognized as revenue at the fair market value.

**Deferred revenues**

Deferred revenues consist of grants, contributions and other amounts received from a third party under legislature, regulations and agreements that can only be used for certain programs, for the completion of particular projects or for the purchase of capital assets. Revenues are recognized in the period in which the related expenses are incurred. Furthermore, all funds from external sources and revenues limited by agreement or legislation are accounted for as deferred revenues until they are utilized for the specified purposes.

**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 periods in which they become known. Actual results may differ from those estimates.

The main estimates relate to the useful life of tangible capital assets and employee future benefits.

**Financial instruments**

The Municipality's financial instruments consist of cash, investments, receivables, bank loan, payables and accruals, post employment benefits and long-term debt. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Municipality is exposed to credit risk through accounts receivable. The Municipality minimizes credit risk through ongoing credit management.

The Municipality is also exposed to interest rate risk on its fixed-rate and variable rate financial instruments.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
 December 31, 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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**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.

**Tangible capital assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

<b>Asset type</b>	<b><u>Years</u></b>
Land improvements	20-25 years
Buildings	15-40 years
Vehicles	3-5 years
Machinery and equipment	5-40 years
Heavy equipment	12-15 years
Computer hardware & software & communication equipment	3-5 years
Furniture & fixtures	5 years
Road surface	10 years
Lighting / traffic lights	15 years
Water and wastewater networks	15-60 years
Dams and water structures	10-15 years
Leasehold improvements	Over the term of the lease

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

**Impairment**

Capital assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to be held and used with the total of the undiscounted cash flows expected from its use and disposition. If the asset is impaired, the impairment loss to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair value, generally determined on a discounted cash flow basis. Any impairment results in a write-down of the asset and a charge to operations during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

**Segmented information**

The Municipality is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality'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 special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

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**Segmented information (continued)**

General government services

This department is responsible for the overall governance and financial administration of the Municipality. This includes council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

Protective services

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

Transportation services

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

Environmental health services

This department is responsible for the provision of waste collection and disposal.

Environmental development services

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

Recreation and cultural services

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

Water and Wastewater Systems

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

**Inventory of supplies**

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

**Post Employment Benefits**

The Municipality recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Municipality has a sick leave benefit as documented in Note 8 and a long-term service award and pension plan as documented in Note 9.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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<b>3. CASH - RESTRICTED</b>	<b>2023</b>
<hr/>	
Capital reserves	\$ 2,938,387
Operating reserves	519,930
Canada Community Building Fund	744,272
Sick days fund	<u>1,064,654</u>
	<b>\$ 5,267,243</b>
<hr/>	

<b>4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES</b>	<b>2023</b>
<hr/>	
Canada Revenue Agency (HST refund)	\$ 143,595
Canada Community Building Fund	893,691
Atlantic Canada Opportunities Agency	28,593
Infrastructure Canada	<u>4,150</u>
	<b>\$ 1,070,029</b>
<hr/>	

<b>5. DUE FROM PROVINCE OF NEW BRUNSWICK</b>	<b>2023</b>
<hr/>	
Environment and Local Government	\$ 298,937
Regional Development Corporation	39,922
Transportation and Infrastructure	<u>284,858</u>
	<b>\$ 623,717</b>
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**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**6. SCHEDULE OF TANGIBLE CAPITAL ASSETS**

	Land	Land improvements	Buildings	Vehicles	Machinery and equipment	Infrastructure			Assets under construction	2023 Total
						Roads and streets	Treatment facilities	Water and sewer		
<b>Cost</b>										
Balance, beginning of year	\$ 6,359,695	\$ 5,831,229	\$ 37,725,350	\$ 7,180,132	\$ 11,898,260	\$ 18,466,971	\$ 12,959,344	\$ 36,146,246	\$ -	\$ 136,567,227
Add:										
Net additions during the year	-	128,118	589,252	879,385	252,796	160,993	-	127,582	-	2,138,126
Less:										
Disposals during the year	(12,706)	(2,800)	(122,995)	(816,037)	-	-	-	-	-	(954,538)
<b>Balance, end of year</b>	<b>6,346,989</b>	<b>5,956,547</b>	<b>38,191,607</b>	<b>7,243,480</b>	<b>12,151,056</b>	<b>18,627,964</b>	<b>12,959,344</b>	<b>36,273,828</b>	<b>-</b>	<b>137,750,815</b>
<b>Accumulated Amortization</b>										
Balance, beginning of year	-	2,278,691	15,527,269	5,078,507	7,180,291	9,744,909	5,175,307	19,950,441	-	64,935,415
Add:										
Amortization during the year	-	357,738	976,147	305,981	574,173	963,597	207,031	898,193	-	4,282,860
Less:										
Accumulated amortization on disposition	-	(2,800)	(122,995)	(601,449)	-	-	-	-	-	(727,244)
<b>Balance, end of year</b>	<b>-</b>	<b>2,633,629</b>	<b>16,380,421</b>	<b>4,783,039</b>	<b>7,754,464</b>	<b>10,708,506</b>	<b>5,382,338</b>	<b>20,848,634</b>	<b>-</b>	<b>68,491,031</b>
<b>Net book value</b>	<b>\$ 6,346,989</b>	<b>\$ 3,322,918</b>	<b>\$ 21,811,186</b>	<b>\$ 2,460,441</b>	<b>\$ 4,396,592</b>	<b>\$ 7,919,458</b>	<b>\$ 7,577,006</b>	<b>\$ 15,425,194</b>	<b>\$ -</b>	<b>\$ 69,259,784</b>
<b>Consist of:</b>										
General Fund Assets	\$ 5,517,311	\$ 3,182,688	\$ 20,597,475	\$ 2,433,585	\$ 3,179,266	\$ 7,919,458	\$ 7,577,006	\$ -	\$ -	\$ 50,406,789
Water & Sewer Fund Assets	829,678	140,230	1,213,711	26,856	1,217,326	-	-	15,425,194	-	18,852,995
	<b>\$ 6,346,989</b>	<b>\$ 3,322,918</b>	<b>\$ 21,811,186</b>	<b>\$ 2,460,441</b>	<b>\$ 4,396,592</b>	<b>\$ 7,919,458</b>	<b>\$ 7,577,006</b>	<b>\$ 15,425,194</b>	<b>\$ -</b>	<b>\$ 69,259,784</b>



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**7. LONG-TERM DEBT**

**2023**

New Brunswick Municipal Financing Corporation (Debentures) :

BL-19 1.2% - 3.1%, due 2024, OIC #03-28 and #04-26	34,000
BK-32 1.15% - 3.45%, due 2024, OIC #13-57	4,000
BO-15 1.45% - 2.9%, due 2026, OIC #06-21	44,000
BO-14 1.45% - 2.9%, due 2026, OIC #05-61 and #05-89	44,000
BP-14 1.2% - 2.95%, due 2026, OIC #15-21	37,000
CA-37 0.855% - 1.786%, due 2026, OIC #01-25	45,000
BP-28 1.2% - 2.95%, due 2026, OIC #15-4	61,000
BT-13 2.10% - 3.45%, due 2028, OIC #15-56, #17-18 and #17-25	225,000
BU-14 2.55% - 3.4%, due 2028, OIC #15-56 and #18-20	150,000
BW-21 1.95% - 2.45%, due 2029, OIC #09-47, #09-81, #18-20, #18-68 and #19-43	688,000
BW-22 1.95% - 2.45%, due 2029, OIC #09-19 and #09-41	302,000
BV-13 2% - 2.85%, due 2029, OIC #08-76, #08-77 and #15-56	584,000
BW-55 1.95% - 2.45%, due 2029, OIC #19-19	78,000
BY-19 0.5% - 1.8%, due 2030, OIC #19-43	210,000
CA-17 0.855% - 2.378%, due 2031, OIC #09-41	143,000
BO-38 1.45% - 3.5%, due 2031, OIC #15-55	84,000
BZ-30 0.3% - 2.3%, due 2031, OIC #09-134	149,000
BH-20 1.35% - 3.8%, due 2032, OIC #09-47, #10-17, #11-15 and #12-12	84,000
BR-14 1.65% - 3.2%, due 2032, OIC #15-56 and #17-18	970,000
BQ-13 1.2% - 3.3%, due 2032, OIC #15-56	62,000
BI-18 1.35% - 4%, due 2033, OIC #01-79 and #09-41	151,000
BJ-15 1.25% - 4.4%, due 2033, OIC #11-115	492,000
BL-20 1.2% - 3.7%, due 2034, OIC #01-79, #03-64, #03-83 and #04-26	463,000
BM-12 0.95% - 3.5%, due 2035, OIC #01-79 and #04-26	637,000
BN-13 1.05% - 3.9%, due 2035, OIC #04-26, #05-25, #05-61, #14-34, #14-40, #14-41 and #15-21	212,000
BN-14 1.05% - 3.9%, due 2035, OIC #04-26 and #05-25	288,000
BM-47 0.95% - 3.5%, due 2035, OIC #04-24 and #12-35	800,000
BN-34 1.05% - 3.9%, due 2035, OIC #12-35 and #12-70	878,000
BP-15 1.2% - 3.8%, due 2036, OIC #06-25	76,000
BZ-15 0.3% - 2.7%, due 2036, OIC #18-68	140,000
BZ-42 0.3% - 2.7%, due 2036, OIC #21-06	189,000
CC-19 3.953% - 4.709%, due 2037, OIC #22-43	380,000
BY-20 0.5% - 2.6%, due 2040, OIC #09-41	280,000
CA-16 0.855% - 2.961% due 2041, OIC #19-69 and 21-23	1,167,000
BZ-29 0.3% - 2.95% due 2041, OIC #20-24	183,000
CB-9 3.005% - 4.462%, due 2042, OIC #18-68, #19-69 and #21-23	2,308,000
CC-12 3.953% - 4.848%, due 2042, OIC #19-69 and #21-39	3,386,000
CD-9 4.048% - 5.115%, due 2043, OIC #21-39	1,073,000
	<u>\$ 17,101,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for the long-term debt.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**7. LONG-TERM DEBT (continued)**

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

	<u>Repayments</u>
2024	\$1,496,000
2025	\$1,462,000
2026	\$1,388,000
2027	\$1,347,000
2028	\$1,318,000

**8. ACCRUED SICK LEAVE**

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The Municipality provides sick leave that accumulates at a rate of 1.25 days per month. All employees can accumulate a maximum of 250 days. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave. Upon termination or retirement, employees hired since the signing of the most recent employment contract receive an amount equal to 50% of the number of unused sick days accumulated at the then current rate of pay. Employees hired before the signing of the contract receive an amount equal to 100% of the number of unused sick days accumulated at the then current rate of pay. We have assumed the 50% benefit multiple is effective for hires after May 12, 2017 for police officers and December 19, 2017 for all other employees.

An actuarial valuation was performed in 2019 on the 57 employee plan in accordance with Public Sector Accounting Standards 3255. The actuarial method used was the Projected Unit Credit pro-rated on service to the date of retirement. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions use reflect the Municipality's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increases range for 2% to 3.25% for employees;
- the discount rate used to determine the accrued benefit obligation is 2.69%;
- Net proportion of sick leave utilized is 50% per employee per year;
- retirement age range from 60 to 65; and
- estimated net excess utilization of rate of sick leave varies with age.

The sick leave is an unfunded benefit. The municipality has restricted fund of \$814,585 on December 31, 2023 for the accrued sick leave.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**9. POST EMPLOYMENT BENEFITS PAYABLE**

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**Pension Obligation**

**Defined benefit pension plan**

The Municipality sponsors a contributory defined pension plan for substantially all of its employees. The New Brunswick Municipal Employees Pension Plan (NBMEPP) provides employees of participating municipalities with a defined benefit pension arrangement. These defined pension benefit arrangements are governed by the New Brunswick Pension Benefits Act and the Income Tax Act. The average age of the 61 active employees covered by the plan is 46.7.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 8.00%. The Municipality matches the amounts contributed by its employees. Total benefit payments to retirees during the year was approximately \$387,300.

Pensions fund assets are invested in Short Term Securities, Bonds Canadian Equities and Foreign Equities.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NBMEPP (currently annually). 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, 2020.

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 the Municipality's best estimates.

The following summarizes the major assumptions in the valuation:

- the expected inflation rate is 2.10% per annum;
- the discount rate used to determine the accrued benefit obligation is 6.15% per annum;
- the expected rate of return is 6.15% per annum;
- retirement age varies by age and employment category;
- estimated average remaining service life is 14.0 years.

Combined employer and employee contributions during the year were \$680,600.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**9. POST EMPLOYMENT BENEFITS PAYABLE (continued)**

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In addition to determining the position of the NB MEPP as it relates to Grand Falls as at December 31, 2022, NB MEPP's actuary performed an extrapolation of the December 31, 2022 accounting valuation to determine the estimated position as at December 31, 2023. The extrapolation assumes assumptions used as at December 31, 2023 remain unchanged from December 31, 2022. The extrapolation also assumes assets return 6.15% 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:

	<b>As at</b>
	<b>December 31, 2023</b>
<b>Accrued Benefit Liability/(Asset)</b>	
Accrued benefit liability/(asset) at beginning of period	\$ 341,800
Pension expense for the year	405,600
Less employer contributions	(340,300)
Adjustment to prior year liability	(32,100)
Accrued benefit liability/(asset) at end of period	<u>\$ 375,000</u>

In summary, the Accrued Benefit Liability as it relates to Grand Falls is estimated to be \$375,000 as at December 31, 2023. This compares to \$341,800 as at December 31, 2022. This amounts is included in the Post Employment Benefits Payable on the Consolidated Statement of Financial Position.

The financial position as it relates to the estimated Accrued Benefit Liability is shown as follows and illustrates the unamortized amounts being recognized in Pension Expense over time:

	<b>As at</b>
	<b>December 31, 2023</b>
<b>Reconciliation of Funded Status at End of Period</b>	
Accrued benefit obligation	\$ 14,001,800
Plan assets	<u>12,195,300</u>
Plan deficit/(surplus)	1,806,500
Unamortized experience gains/(losses)	<u>1,431,500</u>
Accrued benefit liability/(asset) at end of period	<u>\$ 375,000</u>

The following illustrates the reconciliation of the estimated Accrued Benefit Obligation from the beginning of period to the end of period:

	<b>As at</b>
	<b>December 31, 2023</b>
<b>Reconciliation of Accrued Benefit Obligation</b>	
Accrued benefit obligation at beginning of period	\$ 14,133,700
Adjustment to prior year estimate	(1,078,400)
Current service cost	526,600
Benefit payments	(387,300)
Interest for period	<u>807,200</u>
Accrued benefit obligation at end of period	<u>\$ 14,001,800</u>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**9. POST EMPLOYMENT BENEFITS PAYABLE (continued)**

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The following illustrates the reconciliation of the estimated Plan assets from the beginning of the period to the end of the period:

	<b>As at</b>
	<b><u>December 31, 2023</u></b>
<b>Reconciliation of Plan Assets</b>	
Plan assets at beginning of period	\$ 13,475,400
Adjustment to prior year estimate	(2,271,500)
Employer contributions	340,300
Employee contributions	340,300
Benefit payments	(387,300)
Return on plan assets during period	<u>698,100</u>
Plan assets at end of period	<u>\$ 12,195,300</u>

Total estimated expenses related to pensions include the following components:

	<b>As at</b>
	<b><u>December 31, 2023</u></b>
<b>Pension Expense</b>	
Employer current service cost	\$ 186,300
Interest on accrued benefit obligation	807,200
Expected return on assets	(698,100)
Experience loss/(gain)	<u>110,200</u>
Pension expense	<u>\$ 405,600</u>

The pension expense is included in the statements of operations.

**10. CONTINGENCIES**

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In the normal course of operations, the Municipality becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2023 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 Municipality maintains insurance coverage in amounts considered appropriate.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**11. COMMITMENTS**

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The Municipality has equipment lease commitments. The balance of the commitments including taxes is payable over the next 5 years as follows:

2024 - \$243,584  
2025 - \$241,163  
2026 - \$235,426  
2027 - \$121,378  
2028 - \$ 68,465

**12. SHORT-TERM BORROWINGS COMPLIANCE**

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**Interim borrowing for capital**

The Municipality has arranged a revolving operating facility bearing interest at prime rate for the Water and Sewer capital fund and the General capital fund. The facility is used to provide interim financing for capital expenditures.

The Municipality has ministerial authority for borrowing as follows:

	Interim financing	Long-term financing
Water and Sewer Capital Fund, M.O.# 19-0075	\$ -	\$ 427,000
Water and Sewer Capital Fund, M.O. #20-0035	\$ -	\$ 100,000
Water and Sewer Capital Fund, M.O, #23-0071	\$ -	\$ 700,000
General Capital Fund, M.O. #18-0068	\$ -	\$ 450,000
General Capital Fund, M.O. #20-0024	\$ -	\$ 100,000
General Capital Fund, M.O. #21-0023	\$ 4,788,000	\$ 2,000
General Capital Fund, M.O. #21-0039	\$ -	\$ 300,000
General Capital Fund, M.O. #23-0048	\$ -	\$ 1,175,000

**Operating borrowing**

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2023, the Municipality has complied with these restrictions.

**Inter-fund borrowing**

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

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**13. WATER AND SEWER FUND SURPLUS/DEFICIT**

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The Municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year; the balance of the surplus at the end of the year consists of:

	<b>2023</b>
2023 surplus	\$ 11,799
2022 surplus	14,683
	<b>\$ 26,482</b>

**14. WATER COST TRANSFER**

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The Municipality's water cost transfer for fire protection is within the maximum allowable by Regulation 81-195 under the Municipalities Act based upon the applicable percentage of water system expenditures for the population.

**15. REGULATORY REPORTING**

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The Department of Local Government of New Brunswick has requested some disclosures in addition to Canadian Public Sector Accounting Standards for monitoring purposes. The Town has provided these disclosure requirements in the consolidated financial statements provided to the Department of Local Government of New Brunswick.

According to the Local Governance Act section 84(1), municipalities need to provide, by by-law, for the annual bonding of its officers and employees. The Town is in compliance with this regulation.

**16. ACCUMULATED SURPLUS BEGINNING OF YEAR**

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The accumulated surplus at the beginning of year represents the surplus of Grand Falls, Drummond, St-André, the LSD of Grand Falls and the LSD of Drummond. The accumulated surplus at the beginning of year for each of the former entities is represented as follows:

Grand Falls	\$ 44,673,470
Drummond	4,817,160
St-André	6,440,889
LSD	109,222
	<b>\$ 56,040,741</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**17. SCHEDULE OF SEGMENT DISCLOSURE**

	General	Protective	Transportation	Environmental health	Environmental development and tourism	Recreation and culture	Water and sewer	2023 Consolidated
<b>Revenues</b>								
Property tax warrant *	\$ 2,122,119	\$ 5,120,097	\$ 2,712,752	\$ 869,283	\$ 1,150,314	\$ 1,617,290	-	\$ 13,591,855
Services provided to other governments	396,893	84,157	120,574	-	-	-	-	601,624
Sale of service, fines and other fees	139,961	7,685	-	-	459,656	909,983	-	1,517,285
Unconditional grant *	138,916	335,167	177,580	56,904	75,301	105,870	-	889,738
Other government transfers	483,477	295,000	66,606	-	34,981	64,386	4,604	949,054
Water and sewer user fees	-	-	-	-	-	-	2,321,006	2,321,006
Interest	173,903	-	-	-	551	-	67,715	242,169
Donations and others	5,751	19,604	-	-	-	525	-	25,880
Gain on disposal of capital assets	-	-	176,294	-	-	-	-	176,294
	<u>3,461,020</u>	<u>5,861,710</u>	<u>3,077,512</u>	<u>926,187</u>	<u>1,720,803</u>	<u>2,698,054</u>	<u>2,393,325</u>	<u>20,314,905</u>
<b>Expenditures</b>								
Salaries and benefits	1,423,457	2,619,139	1,019,864	-	750,850	1,311,840	768,016	7,893,166
Goods and services	1,303,965	2,150,432	1,747,223	946,605	775,847	1,314,534	1,269,904	9,508,510
Amortization	219,152	404,492	1,343,348	31,521	142,933	945,436	1,195,978	4,282,860
Interest	8,038	312,562	107,328	4,634	51,425	78,360	170,255	732,602
	<u>2,954,612</u>	<u>5,486,625</u>	<u>4,217,763</u>	<u>982,760</u>	<u>1,721,055</u>	<u>3,650,170</u>	<u>3,404,153</u>	<u>22,417,138</u>
<b>Surplus (deficit) for the year</b>	<b>\$ 506,408</b>	<b>\$ 375,085</b>	<b>\$ (1,140,251)</b>	<b>\$ (56,573)</b>	<b>\$ (252)</b>	<b>\$ (952,116)</b>	<b>\$ (1,010,828)</b>	<b>\$ (2,102,233)</b>

\* The property tax warrant and the unconditional grant have been reported on the basis of the budgeted expenses for segment disclosure.



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**18. RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)**

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Reserve Fund	Water & Sewer Capital Reserve Fund	Total
<b>2023 annual surplus</b>	\$ 1,334,777	\$ (2,527,958)	\$ 142,881	\$ (1,191,373)	\$ 15,197	\$ 51,896	\$ 3,145	\$ 69,202	\$ (2,102,233)
<b>Adjustments to annual surplus for funding requirements</b>									
Second previous year's surplus	113,198	-	22,286	-	-	-	-	-	135,484
Transfers between funds									
Transfer to (from) water & sewer operating fund to the water capital fund	-	-	(67,423)	67,423	-	-	-	-	-
water & sewer capital reserve fund	-	-	26,348	-	-	-	-	(26,348)	-
water & sewer operating reserve fund	-	-	15,000	-	-	-	(15,000)	-	-
Transfer to (from) general operating fund to the general operating reserve fund	775,117	-	-	-	-	(775,117)	-	-	-
general capital fund	(1,100,708)	1,100,708	-	-	-	-	-	-	-
water & sewer operating fund	(229,980)	-	229,980	-	-	-	-	-	-
Long-term debt principal repayment	(1,088,000)	1,088,000	(355,000)	355,000	-	-	-	-	-
Proceeds from disposal of tangible capital assets	403,588	(403,588)	-	-	-	-	-	-	-
Loss (gain) on disposal of tangible capital assets	(176,294)	176,294	-	-	-	-	-	-	-
Amortization expense	-	3,086,882	-	1,195,978	-	-	-	-	4,282,860
Reduction in amount recorded under PSA for defined benefit liability	(60,017)	-	3,217	-	-	-	-	-	(56,800)
Amount of funding for vested employee benefit liability	107,587	-	(5,490)	-	-	-	-	-	102,097
Adjustment to the surplus for control entities	(3,326)	-	-	-	-	-	-	-	(3,326)
<b>Total adjustments to 2023 annual surplus (deficit)</b>	<b>(1,258,835)</b>	<b>5,048,296</b>	<b>(131,082)</b>	<b>1,618,401</b>	<b>-</b>	<b>(775,117)</b>	<b>(15,000)</b>	<b>(26,348)</b>	<b>4,460,315</b>
<b>2023 annual funds surplus (deficit)</b>	<b>\$ 75,942</b>	<b>\$ 2,520,338</b>	<b>\$ 11,799</b>	<b>\$ 427,028</b>	<b>\$ 15,197</b>	<b>(723,221)</b>	<b>(11,855)</b>	<b>\$ 42,854</b>	<b>\$ 2,358,082</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

19. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	2023 Total
<b><u>Assets</u></b>					
Cash	\$ 433,959	\$ 847,408	\$ 85,971	\$ 2,069,536	\$ 3,436,874
	433,959	847,408	85,971	2,069,536	3,436,874
<b><u>Liabilities</u></b>					
Payable to General Operating Fund	-	690,024	15,000	26,348	731,372
	-	690,024	15,000	26,348	731,372
<b><u>Accumulated Surplus</u></b>					
	<b>\$ 433,959</b>	<b>\$ 157,384</b>	<b>\$ 70,971</b>	<b>\$ 2,043,188</b>	<b>\$ 2,705,502</b>
<b><u>Revenues</u></b>					
Transfers from Water & Sewer Operating Fund	-	-	-	39,652	39,652
Interest	15,197	51,896	3,145	69,202	139,440
	15,197	51,896	3,145	108,854	179,092
<b><u>Expenditures</u></b>					
Transfers to Water Operating Fund	-	-	15,000	66,000	81,000
Transfers to General Operating Fund	-	775,117	-	-	775,117
	-	775,117	15,000	66,000	856,117
<b><u>Annual surplus (deficit)</u></b>					
	<b>\$ 15,197</b>	<b>\$ (723,221)</b>	<b>\$ (11,855)</b>	<b>\$ 42,854</b>	<b>\$ (677,025)</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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19. STATEMENT OF RESERVES (Continued)

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**Council Resolutions regarding transfers to and from reserves;**

Moved by Claudette Goguen Kavanaugh, seconded by David Raines, that the amount of \$75,116.88 be transferred from the general capital reserve fund to the general operating fund.

Moved by France Roussel, seconded by Danny Soucy, that an amount of \$700,000 be transferred from the general capital reserve fund to the general operating fund.

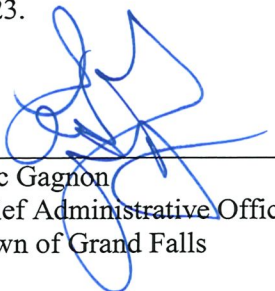
Moved by Danny Soucy, seconded by Annie Deschênes, that an amount of \$66,000 be transferred from the water and sewer capital reserve fund to the water and sewer operating fund.

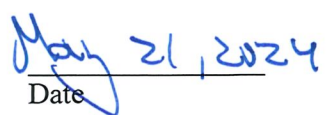
Moved by Danny Soucy, seconded by Annie Deschênes, that an amount of \$15,000 be transferred from the water and sewer operating reserve fund to the water and sewer operating fund.

Moved by Danny Soucy, seconded by Annie Deschênes, that an amount of \$27,652 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund for the reservoir.

Moved by Danny Soucy, seconded by Annie Deschênes, that an amount of \$12,000 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund for the wastewater treatment plant.

I hereby certify that the above are true and exact copies of resolutions adopted at a special meeting of Council on September 28, 2023 and December 13, 2023.

  
\_\_\_\_\_  
Eric Gagnon  
Chief Administrative Officer  
Town of Grand Falls

  
\_\_\_\_\_  
Date

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

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**20. STATEMENT OF CONTROLLED ENTITIES OPERATIONS**

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	<b>Grand Falls Golf Club Inc</b>	<b>Central Business Development Corp. Inc.</b>	<b>Falls &amp; Gorge Commission</b>	<b>Les Habitations Sociales de St-André Inc</b>	<b>2023 Total</b>
Assets	\$ 683,772	\$ 188,626	\$ 42,294	\$ 231,931	\$ 1,146,623
Liabilities	1,613,549	-	2,751,968	20,683	4,386,200
<b>Accumulated Surplus (Deficit)</b>	<b>\$ (929,777)</b>	<b>\$ 188,626</b>	<b>\$ (2,709,674)</b>	211,248	<b>\$ (3,239,577)</b>
Revenues	\$ 518,116	\$ 66,383	\$ 395,990	\$ 22,671	\$ 1,003,160
Expenditures	528,799	72,834	610,181	32,556	1,244,370
<b>Surplus (Deficit)</b>	<b>\$ (10,683)</b>	<b>\$ (6,451)</b>	<b>\$ (214,191)</b>	<b>\$ (9,885)</b>	<b>\$ (241,210)</b>

The above noted entities are included in the consolidated financial statements.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**21. OPERATING BUDGET TO PSA BUDGET**

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Transfers	Total
<b>Revenues</b>					
Property tax warrant	\$ 13,591,855	\$ -	\$ -	\$ -	\$ 13,591,855
Services provided to other governments	492,024	-	-	-	492,024
Sales of services, fines and other fees	1,228,251	-	-	-	1,228,251
Unconditional grant	889,738	-	-	-	889,738
Other government transfers	50,842	-	-	-	50,842
Water and sewer user fees	-	2,485,040	-	(169,980)	2,315,060
Interest	1,950	9,500	-	-	11,450
Gain on disposal of capital assets	90,000	-	-	-	90,000
Surplus/deficit of second previous year	113,198	22,286	-	(135,484)	-
	<b>16,457,858</b>	<b>2,516,826</b>	<b>-</b>	<b>(305,464)</b>	<b>18,669,220</b>
<b>Expenditures</b>					
General government services	2,880,816	-	219,152	6,842	3,106,810
Protective services	4,851,798	-	404,492	120,167	5,376,457
Transportation services	2,512,526	-	1,343,348	87,770	3,943,644
Environmental health services	927,407	-	31,521	3,466	962,394
Environmental development and tourism services	1,393,633	-	142,933	33,654	1,570,220
Recreational cultural services	2,215,355	-	945,436	51,844	3,212,635
Fiscal services					
Long-term debt repayments	1,118,134	355,000	-	(1,473,134)	-
Interest	473,724	171,901	-	(645,625)	-
Transfer from the General Operating Fund to the General Capital Reserve Fund	44,465	102,882	-	(147,347)	-
General Operating Reserve Fund	40,000	23,500	-	(63,500)	-
Transfer from the Water and Sewer Operating Fund	-	-	-	-	-
Water and Sewer services	-	1,863,543	1,195,978	171,901	3,231,422
	<b>16,457,858</b>	<b>2,516,826</b>	<b>4,282,860</b>	<b>(1,853,962)</b>	<b>21,403,582</b>
<b>Deficit</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,282,860)</b>	<b>\$ 1,548,498</b>	<b>\$ (2,734,362)</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**22. REVENUES AND EXPENDITURES SUPPORT**

	2023	
	(Unaudited) Budget	Actual
<b>Revenues</b>		
<b>Services to other Governments</b>		
Fire	\$ 12,627	\$ 84,157
Transportation	106,197	120,574
Environment Health	9,584	-
Rentals	363,616	396,893
<b>Total - Services to other Governments</b>	<b>\$ 492,024</b>	<b>\$ 601,624</b>
<b>Other government transfers</b>		
Atlantic Canada Opportunities Agency	\$ -	\$ 12,745
Environment and Local Government	-	476,551
Regional Development Corporation	-	39,922
Canada Community-Building Fund	-	299,604
Transportation and Infrastructure	-	66,606
Other project	-	5,601
Employment projects	50,842	48,025
<b>Total - Other government transfers</b>	<b>\$ 50,842</b>	<b>\$ 949,054</b>
<b>Expenditures</b>		
<b>General government services</b>		
<b>Legislative</b>		
Mayor	\$ 63,700	\$ 56,375
Councilors	233,600	209,140
Other	35,000	60,817
	<b>332,300</b>	<b>326,332</b>
<b>Administrative</b>		
Manager	248,757	165,301
Clerk	570,584	449,157
Accounting	395,761	439,679
Office building	578,085	492,769
Professional fees	116,477	129,371
Grants	109,000	64,999
Other	73,558	70,406
	<b>2,092,222</b>	<b>1,811,682</b>
<b>Other</b>		
Office expense	111,585	151,066
Delegations and training	118,355	101,184
Amortization	219,152	219,152
Interest	6,842	8,038
Cost of assessment	224,354	224,357
Other	2,000	112,801
	<b>682,288</b>	<b>816,598</b>
<b>Total - General government services</b>	<b>\$ 3,106,810</b>	<b>\$ 2,954,612</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2023

**22. REVENUES AND EXPENDITURES SUPPORT (continued)**

	2023	
	(Unaudited) Budget	Actual
<b>Protective services</b>		
Fire		
Administration	\$ 52,150	\$ 109,475
Forces	113,185	122,584
Training	43,000	55,486
Station	167,117	117,183
Amortization	404,492	404,492
Interest	290,147	312,562
Supplies	143,700	156,847
Other	157,100	188,586
	<u>1,370,891</u>	<u>1,467,215</u>
Police		
Administration	329,828	330,192
Forces	2,209,401	2,188,589
Training	20,000	16,317
Station	123,000	168,119
Vehicles	83,656	79,536
Jail	17,000	22,880
R.C.M.P.	1,183,800	1,174,800
Other	19,000	20,530
	<u>3,985,685</u>	<u>4,000,963</u>
Other		
Animal control	19,881	18,447
<b>Total - Protective services</b>	<u>\$ 5,376,457</u>	<u>\$ 5,486,625</u>
<b>Transportation services</b>		
Common		
Administration	\$ 989,285	\$ 1,062,768
General equipment	274,200	428,166
Workshop and sundry	183,921	205,774
	<u>1,447,406</u>	<u>1,696,708</u>
Street maintenance	502,875	474,507
Snow removal	216,615	228,171
Street lighting	308,630	316,985
Traffic signals	6,000	1,885
Traffic lane marking	31,000	48,831
Amortization	1,343,348	1,343,348
Interest	87,770	107,328
<b>Total - Transportation services</b>	<u>\$ 3,943,644</u>	<u>\$ 4,217,763</u>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**22. REVENUES AND EXPENDITURES SUPPORT (continued)**

	2023	
	(Unaudited) Budget	Actual
<b>Environmental health services</b>		
Collection	\$ 927,107	\$ 946,335
Amortization	31,521	31,521
Interest	3,466	4,634
Other	300	270
<b>Total - Environmental health services</b>	<b>\$ 962,394</b>	<b>\$ 982,760</b>
<b>Environmental development and tourism services</b>		
Community planning	\$ 783,185	\$ 729,907
Tourism promotion	511,452	658,570
Amortization	142,933	142,933
Interest	33,654	34,598
Community development	98,996	155,047
<b>Total - Environmental development services</b>	<b>\$ 1,570,220</b>	<b>\$ 1,721,055</b>
<b>Recreation and cultural services</b>		
Administration	\$ 701,018	\$ 930,185
Swimming pool	80,500	97,203
Arena	653,350	745,089
Golf	453,450	523,809
Parks and playgrounds	137,300	132,360
Day camps	40,000	53,818
Curling Club	12,500	22,411
Library	37,350	41,138
Museum	5,750	3,529
Amortization	945,436	945,436
Interest	51,844	52,448
Other	94,137	102,744
<b>Total - Recreation and cultural services</b>	<b>\$ 3,212,635</b>	<b>\$ 3,650,170</b>
<b>Water and Sewer</b>		
<b>Water supply</b>		
Administration	\$ 521,387	\$ 539,128
Transmission and distribution	602,441	674,023
Amortization	794,635	794,635
Interest	95,513	93,031
Other	130,014	148,742
<b>Total - Water supply</b>	<b>2,143,990</b>	<b>2,249,559</b>
<b>Sewer collection and disposal</b>		
Administration	260,851	345,912
Collection system	380,350	361,261
Amortization	401,343	401,343
Interest	44,888	46,078
<b>Total - Sewer collection and disposal</b>	<b>1,087,432</b>	<b>1,154,594</b>
<b>Total - Water and Sewer</b>	<b>\$ 3,231,422</b>	<b>\$ 3,404,153</b>