

TOWN OF GRAND BAY - WESTFIELD

REPORT AND CONSOLIDATED

FINANCIAL STATEMENTS

DECEMBER 31, 2018

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, 2018 and December 31, 2017 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, 2018 and December 31, 2017, 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.

The engagement partner on the audit resulting in this independent auditor's report is Nikolas Malatestinic, CPA, CA.

Saint John, N.B.
March 29, 2019
revised July 19, 2019

Chartered Professional Accountants

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Financial assets		
Cash - Note 2	\$ 1,446,013	\$ 1,247,335
Accounts receivable		
General	869,869	757,525
Inventory of supplies	64,111	72,294
Loans receivable - Note 6	12,596	12,596
	<u>2,392,589</u>	<u>2,089,750</u>
Liabilities		
Accounts payable	\$ 1,239,801	\$ 1,250,356
Bank loans	233,947	460,947
Long-term debt - Note 4	3,188,598	3,214,740
Other payables - Note 5	263,500	282,800
	<u>4,925,846</u>	<u>5,208,843</u>
Net debt	(2,533,257)	(3,119,093)
Non-Financial Assets		
Tangible capital assets - Schedule 2	48,682,505	47,174,734
Less accumulated amortization - Schedule 2	19,422,565	18,082,131
	<u>29,259,940</u>	<u>29,092,603</u>
Accumulated surplus	\$ <u>26,726,683</u>	\$ <u>25,973,510</u>

APPROVED BY:

Mayor

Town Manager

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018 Budget</u>	<u>2018</u>	<u>2017</u>
Revenue			
Warrant of assessment	\$ 5,109,342	\$ 5,109,343	\$ 5,101,276
Sales of services	181,262	181,655	190,524
Other revenue from own sources	76,075	82,401	144,085
Unconditional grant	533,382	545,911	538,579
Sewerage rates	463,930	469,826	464,474
Government grants - Province of NB	287,887	287,887	445,874
Government grants - Government of Canada	684,436	684,436	606,962
Disposal of capital assets	-	20,451	2,185
	<u>7,336,314</u>	<u>7,381,910</u>	<u>7,493,959</u>
Expenses			
General government services	\$ 842,639	\$ 782,285	\$ 788,964
Protective services	1,391,773	1,401,031	1,373,131
Transportation services	1,554,592	1,561,863	1,490,477
Environmental health services	920	1,041	902
Recreation and cultural services	402,755	396,649	360,641
Economic development services	158,389	149,631	140,544
Fiscal services	144,883	131,927	129,979
Environmental development services	281,956	245,664	214,364
Sewerage collection and disposal	331,324	341,104	339,810
Amortization of capital assets	1,617,541	1,617,542	1,367,553
	<u>6,726,772</u>	<u>6,628,737</u>	<u>6,206,365</u>
Annual surplus	<u>\$ 609,542</u>	753,173	1,287,594
Accumulated surplus - beginning of year		<u>25,973,510</u>	<u>24,685,916</u>
Accumulated surplus - end of year		<u>\$ 26,726,683</u>	<u>\$ 25,973,510</u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 753,173	\$ 1,287,594
Acquisition of tangible capital assets	(2,136,405)	(2,575,672)
Disposals of tangible capital assets	351,526	5,968
Amortization of tangible capital assets	<u>1,617,542</u>	<u>1,367,553</u>
Decrease in net debt	585,836	85,443
Net debt, beginning of year	<u>(3,119,093)</u>	<u>(3,204,536)</u>
Net debt, end of year	<u>\$ (2,533,257)</u>	<u>\$ (3,119,093)</u>

TOWN OF GRAND BAY - WESTFIELD

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

Operating transactions:	<u>2018</u>	<u>2017</u>
Annual surplus	\$ 753,173	\$ 1,287,594
Non-cash items included on annual surplus	(310,041)	475,224
Amortization of tangible capital assets	1,617,542	1,367,553
Gain on disposl of capital assets	(20,451)	(2,185)
Change in accrued pension liability	<u>(19,300)</u>	<u>2,400</u>
Cash provided by operations	<u>2,020,923</u>	<u>3,130,586</u>
Capital transactions:		
Acquisition of capital assets	(2,136,405)	(2,575,672)
Proceeds on disposal of capital assets	<u>340,302</u>	<u>8,153</u>
Cash used in capital transactions	<u>(1,796,103)</u>	<u>(2,567,519)</u>
Financing transactions:		
Long-term debt retirement	<u>(26,142)</u>	<u>(391,817)</u>
Cash provided by financing transactions	<u>(26,142)</u>	<u>(391,817)</u>
Increase in cash and cash equivalents	198,678	171,250
Cash and cash equivalents, beginning of year	<u>1,247,335</u>	<u>1,076,085</u>
Cash and cash equivalents, end of year	<u>\$ 1,446,013</u>	<u>\$ 1,247,335</u>

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

1. Summary of Significant Accounting Policies

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

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

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

Reporting Entity

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

Revenue Recognition

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

Expenditure Recognition

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

Use of Estimates

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

Financial Instruments

The Town's financial instruments consist of cash, accounts receivable, loans 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.

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

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

Tangible Capital Assets

Effective January 1, 2011, the Town has adopted the provisions of PSA section 3150 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:

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:

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.

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

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

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 5.

2. Cash

	<u>2018</u>	<u>2017</u>
Cash - unrestricted	\$ <u>1,446,013</u>	\$ <u>1,247,335</u>

3. Due from Federal Government and Agencies

	<u>2018</u>	<u>2017</u>
Canada Revenue Agency (HST refund)	\$ <u>143,775</u>	\$ <u>218,685</u>

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

4. Long-Term Debt

New Brunswick Municipal Financing Corporation

	<u>2018</u>	<u>2017</u>
Debentures:		
3.30%-4.85% series, due 2018	\$ -	\$ 36,000
1.50%-4.55% series, due 2020	168,000	189,000
1.20%-2.70% series, due 2027	523,000	576,000
1.00%-4.50% series, due 2019	69,000	79,000
1.65%-4.25% series, due 2021	121,000	134,000
1.65%-3.780% series, due 2027	130,000	142,000
1.35%-3.55% series, due 2027	245,000	268,000
1.25% - 2.50% series, due 2018	-	56,000
1.35% - 3.70% series, due 2028	426,000	462,000
1.20% - 3.50% series, due 2029	318,000	343,000
2.55% - 3.55 series, due 2033	347,000	-

CMHC

3.92%, due 2026	<u>841,598</u>	<u>929,740</u>
	<u>\$ 3,188,598</u>	<u>\$ 3,214,740</u>

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

2019	\$ 368,597
2020	431,188
2021	371,919
2022	285,797
2023	296,827
Thereafter	<u>1,434,270</u>
	<u>\$ 3,188,598</u>

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

5. 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, 2016 and resulted in an overall NB MEPP accrued benefit obligation of \$115,347,700 based in 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, 2017:

- the expected inflation rate is 2.25%
- the discount rate used to determine the accrued benefit obligation is 5.50%
- the expected rate of return on assets is 5.50%
- retirement age varies by age and employment category
- estimated average remaining service life is 14.0 years

The actuarial valuation prepared as at December 31, 2016 indicated that the present value of the accumulated plan benefits exceeded the market value of the net assets available for 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 \$254,800 a change of \$1,005,400 from December 31, 2015 deficit of \$1,260,200. Based on the assumptions as at December 31, 2016, the actuary expected the level of employer and employee contributions to be sufficient to fund the deficit in less than fifteen years, as allowed by the Pensions Benefit Act.

As at December 31, 2016 the NB MEPP provides benefits for 233 retirees. Total benefit payments to retirees and terminating employees during 2018 are estimated to be approximately \$3,508,400 in totality for NB MEPP (actual 2017 \$4,638,400) in totality for the NB MEPP.

Employees making contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 7.99%. Each municipality 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 municipalities contributions for 2017 are estimated to be approximately \$6,377,00 (2017 actual, \$6,196,600) in totality for the NB MEPP.

TOWN OF GRAND BAY-WESTFIELD

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

5. Post Employment Benefits Payable (cont'd)

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

The average age of the 17 active employees covered by the NB MEPP is 53.1 (as at December 31, 2016)

Benefit payments were \$125,500 in 2017 and were estimated to be \$63,200 in 2018

Combined Contributions were \$139,200 in 2017 and were estimated to be \$143,400 in 2018.

To determine the position of the NB MEPP as it relates to the Town of Grand Bay Westfield as at December 31, 2016 and December 31, 2017, NB MEPP's actuary performed an extrapolation of the December 31, 2017 accounting valuation to determine the estimated position as at December 31, 2018. The extrapolation assumptions used as at December 31, 2018 remain unchanged from December 31, 2016. The extrapolation also assumes assets return 5.50% 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:

	Actual Jan 1- Dec 31, 2017	Estimated Jan 1- Dec 31, 2018
Accrued Benefit Liability		
Accrued benefit liability, beginning	\$ 286,000	\$ 278,500
Pension expense for the year	62,100	56,700
Less employer contributions	<u>(69,600)</u>	<u>(71,700)</u>
Accrued benefit liability, ending	<u>\$ 278,500</u>	<u>\$ 263,500</u>

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

6. Loans Receivable

	<u>2018</u>	<u>2017</u>
Saint John Community Fund interest at 3%, due March 2016, secured by a promissory note.	<u>\$ 12,596</u>	<u>\$ 12,596</u>

Town of Grand Bay-Westfield

Schedule 1 - Consolidated Schedule of Segment Disclosures

Year Ended December 31, 2018

	General	Protective	Transportation	Environmental Health	Environmental development	Recreation and culture	Economic development	Water and sewer	2018 Consolidated	2017 Consolidated
Revenues										
Property tax warrant	\$ 1,049,300	\$ 1,515,803	\$ 1,678,326	\$ 1,101	\$ 275,956	\$ 423,264	\$ 165,593	\$ -	\$ 5,109,343	\$ 5,101,276
Sales of services	-	165,162	-	-	-	16,493	-	-	181,655	190,324
Other revenue from own sources	61,806	-	-	-	-	-	-	-	61,806	132,112
Unconditional grant	107,838	160,854	179,672	106	32,587	46,548	18,306	-	545,911	538,579
Water and sewerage user fees	-	-	-	-	-	-	-	469,826	469,826	464,474
Interest	17,611	-	-	-	-	-	-	2,984	20,595	11,973
Other	38,400	-	569,468	-	-	221,586	-	163,320	992,774	1,055,021
	<u>1,274,955</u>	<u>1,841,819</u>	<u>2,427,466</u>	<u>1,207</u>	<u>308,543</u>	<u>707,891</u>	<u>183,899</u>	<u>636,130</u>	<u>7,381,910</u>	<u>7,493,959</u>
Expenses										
Salaries and benefits	291,469	421,170	422,474	-	92,884	96,281	54,157	132,146	1,510,581	1,477,464
Goods and services	439,992	920,898	1,083,291	1,041	1,521,779	241,034	11,721	208,957	3,059,713	2,958,590
Amortization	40,903	149,688	946,752	-	-	76,600	36,030	367,569	1,617,542	1,367,553
Interest	94,060	-	-	-	-	-	-	37,867	131,927	129,979
Other	50,824	58,963	56,098	-	-	59,335	83,754	-	308,974	272,779
	<u>917,248</u>	<u>1,550,719</u>	<u>2,508,615</u>	<u>1,041</u>	<u>245,663</u>	<u>473,250</u>	<u>185,662</u>	<u>746,539</u>	<u>6,628,737</u>	<u>6,206,365</u>
Surplus (deficit) for the year	\$ <u>357,707</u>	\$ <u>291,100</u>	\$ <u>(81,149)</u>	\$ <u>166</u>	\$ <u>62,880</u>	\$ <u>234,641</u>	\$ <u>(1,763)</u>	\$ <u>(110,409)</u>	\$ <u>753,173</u>	\$ <u>1,287,594</u>

Town of Grand Bay--Westfield

Schedule 2 - Tangible Capital Assets

Year Ended December 31, 2018

	Land	Land improvements	Building and leasehold improvements	Vehicles	Machinery and Equipment	Assets Under Construction	Infrastructure			2018 Total	2017 Total	
							Roads and streets	Treatment facilities	Water and sewer			
COST												
Balance, beginning of year	\$ 2,231,162	\$ 2,889,402	\$ 3,203,207	\$ 222,756	\$ 3,130,819	\$ 395,304	\$ 18,754,313	\$ 2,566,052	\$ 13,781,716	\$ 47,174,731	\$ 44,851,793	
Add:	12,196	215,282	24,351	69,307	253,512	203,617	560,524	419,007	378,609	2,136,405	2,575,672	
Less:	-	-	-	(32,548)	(95,540)	(349,457)	(75,467)	(75,621)	-	(628,633)	(252,731)	
Balance, end of year	<u>2,243,358</u>	<u>3,104,684</u>	<u>3,227,558</u>	<u>259,515</u>	<u>3,288,791</u>	<u>249,464</u>	<u>19,239,370</u>	<u>2,909,438</u>	<u>14,160,325</u>	<u>48,682,503</u>	<u>47,174,734</u>	
ACCUMULATED AMORTIZATION												
Balance, beginning of year	-	1,318,971	1,542,516	158,284	1,660,156	-	8,692,333	828,628	3,881,242	18,082,130	16,961,341	
Add:	-	137,622	79,839	32,032	215,464	-	838,517	70,485	243,583	1,617,542	1,367,553	
Less:	-	-	-	(30,479)	(95,540)	-	(75,467)	(75,621)	-	(277,107)	(246,763)	
Accumulated amortization on disposals	-	1,456,593	1,622,355	159,837	1,780,080	-	9,455,383	823,492	4,124,825	19,422,565	18,082,131	
Balance, end of year	<u>2,243,358</u>	<u>1,648,091</u>	<u>1,605,203</u>	<u>99,678</u>	<u>1,508,711</u>	<u>249,464</u>	<u>9,783,987</u>	<u>2,085,946</u>	<u>10,035,500</u>	<u>29,259,938</u>	<u>29,092,603</u>	
NET BOOK VALUE												
Consists of:	\$ 2,161,541	\$ 1,632,567	\$ 1,600,488	\$ 99,678	\$ 1,363,041	\$ 249,464	\$ 9,783,987	\$ -	\$ -	\$ 16,890,766	\$ 17,164,778	
General Fund Assets	81,817	15,524	4,715	-	145,670	-	-	2,085,946	10,035,500	12,369,172	11,927,825	
Water & Sewerage Fund Assets	<u>2,243,358</u>	<u>1,648,091</u>	<u>1,605,203</u>	<u>99,678</u>	<u>1,508,711</u>	<u>249,464</u>	<u>9,783,987</u>	<u>2,085,946</u>	<u>10,035,500</u>	<u>29,259,938</u>	<u>29,092,603</u>	

Town of Grand Bay-Westfield

Schedule 3 - Reconciliation of Annual Surplus

Year Ended December 31, 2018

	General Revenue Fund	General Capital Fund	Sewerage Revenue Fund	Sewerage Capital Fund	General Capital Reserve Fund	Utility Capital Reserve Fund	Land for Public Purpose Reserve Fund	Total
2018 annual surplus (deficit)	1,296,271	(474,020)	92,196	(171,149)	18,725	(8,915)	65	753,173
Adjustment to annual surplus (deficit) for funding requirements								
Second previous year's surplus	(82,102)	-	(40,620)	-	-	-	-	(122,722)
Transfers between funds								
Transfer elimination	867,944	(867,944)	-	-	-	-	-	-
Transfer elimination	-	-	-	(10,558)	10,558	-	-	-
Transfer elimination	150,000	-	-	-	(150,000)	-	-	-
Cost of assets disposed of	-	203,555	-	75,622	-	-	-	279,177
Long-term debt principal repayment	-	-	88,000	(88,000)	-	-	-	-
Long-term debt principal repayment	285,142	(285,142)	-	-	-	-	-	-
Decrease in pension plan Liability	19,300	-	-	-	-	-	-	19,300
Amortization expense	-	(1,303,474)	-	(314,068)	-	-	-	(1,617,542)
Total adjustments to 2018 annual surplus (deficit)	1,240,284	(2,253,005)	47,380	(337,004)	(139,442)	-	-	(1,441,787)
2018 annual surplus	55,987	1,778,985	44,816	165,855	158,167	(8,915)	65	2,194,960

Town of Grand Bay-Westfield

Schedule 4 - Statement of Reserves

Year Ended December 31, 2018

	General Capital Reserve Fund	Utility Capital Reserve Fund	Land for Public Purpose Reserve Fund	2018 Total	2017 Total
Assets					
Cash	955,228	153,845	100	1,109,173	959,856
Accumulated Surplus	955,228	153,845	100	1,109,173	959,856
Revenue					
Interest	8,167	1,643	-	9,810	6,575
Transfers from General and Sewerage Operating Funds	150,000	-	-	150,000	234,004
Other funds received	-	-	114	114	5,819
	158,167	1,643	114	159,924	246,398
Expenditures					
Interest and bank charges	-	-	49	49	73
Transfers to General and Sewerage Capital Funds	-	10,558	-	10,558	151,761
	-	10,558	49	10,607	151,834
Annual Surplus	158,167	(8,915)	65	149,317	94,564