

# **GRAND FALLS**

## **CONSOLIDATED FINANCIAL STATEMENTS**

Year ended December 31, 2024

# GRAND FALLS

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Year ended December 31, 2024

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**GRAND FALLS**  
**MANAGEMENT'S REPORT**  
Year ended December 31, 2024

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

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

  
\_\_\_\_\_  
Éric Gagnon  
Chief Administrative Officer  
\_\_\_\_\_  
Bertrand Beaulieu  
Mayor

Grand Falls, New Brunswick  
May 21, 2025



## **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, 2024, 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, 2024, 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.

### ***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 21, 2025

**GRAND FALLS**  
**CONSOLIDATED STATEMENT OF OPERATION**  
Year ended December 31,

	<u>2024</u>		<u>2023</u>
	(Unaudited) Budget (Note 22)	Actual (Note 18)	Actual (Note 18)
<b>REVENUES</b>			
Property tax warrant	\$ 15,761,907	\$ 15,761,907	\$ 13,591,855
Services provided to other governments (note 23)	545,519	638,795	601,624
Sale of services, fines and other fees	1,408,313	1,795,423	1,517,285
Unconditional grant	787,301	787,301	889,738
Other government transfers (note 23)	48,276	662,121	949,054
Water and sewer user fees	2,554,173	2,523,076	2,321,006
Interest	45,150	228,730	242,169
Donations & others	-	33,214	25,880
Gain (loss) on disposal of tangible capital assets	-	4,123	176,294
	<u>21,150,639</u>	<u>22,434,690</u>	<u>20,314,905</u>
<b>EXPENDITURES (note 23)</b>			
General government services	2,817,579	2,889,826	2,879,327
Protective services	5,695,878	5,119,965	5,491,832
Transportation services	4,424,082	4,263,607	4,223,401
Environmental health services	1,024,326	1,064,386	982,760
Environmental development and tourism services	1,914,703	1,779,057	1,785,075
Recreational and cultural services	3,619,932	3,895,898	3,650,590
Water and sewer	<u>3,383,319</u>	<u>3,356,152</u>	<u>3,404,153</u>
	<u>22,879,819</u>	<u>22,368,891</u>	<u>22,417,138</u>
<b>Annual surplus (deficit)</b>	<u>\$ (1,729,180)</u>	65,799	(2,102,233)
<b>Accumulated surplus, beginning of year,</b>		<u>53,938,508</u>	<u>56,040,741</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 54,004,307</u>	<u>\$ 53,938,508</u>

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

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

	<u>2024</u>	<u>2023</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 2,143,690	\$ -
Cash - restricted (Note 3)	5,219,155	5,267,243
Receivables		
General	338,936	335,868
Federal government and its agencies (Note 4)	786,485	1,070,029
Province of New Brunswick (Note 5)	<u>2,124,180</u>	<u>623,717</u>
	<u>10,612,446</u>	<u>7,296,857</u>
<b>LIABILITIES</b>		
Bank overdraft	-	319,788
Bank loans	2,720,751	1,016,005
Payables and accruals	2,366,612	1,495,234
Unearned revenues - Canada Community-Building Fund	2,070,718	1,348,952
Long-term debt (Note 7)	17,809,000	17,101,000
Accrued sick leave (Note 8)	1,273,025	1,273,025
Termination benefits	50,000	140,000
Post employment benefits (Note 9)	<u>139,600</u>	<u>375,000</u>
	<u>26,429,706</u>	<u>23,069,004</u>
<b>NET DEBT</b>	<u>(15,817,260)</u>	<u>(15,772,147)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 6)	142,198,297	137,750,815
Accumulated amortization	<u>(72,932,829)</u>	<u>(68,491,031)</u>
	69,265,468	69,259,784
Inventory of supplies	464,813	430,965
Prepaid expenses	<u>91,286</u>	<u>19,906</u>
	<u>69,821,567</u>	<u>69,710,655</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 54,004,307</u>	<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

	<u>2024</u>		<u>2023</u>
	<u>(Unaudited) Budget</u>	<u>Actual</u>	<u>Actual</u>
<b>Annual surplus</b>	\$ (1,729,180)	\$ 65,799	\$ (2,102,233)
Acquisition of tangible capital assets	(4,450,000)	(4,451,605)	(2,138,126)
Proceeds on disposal of tangible capital assets	4,000	4,123	403,588
Amortization of tangible capital assets	4,445,921	4,445,921	4,282,860
Gain on disposal of tangible capital assets	<u>(4,000)</u>	<u>(4,123)</u>	<u>(176,294)</u>
	<u>(4,079)</u>	<u>60,115</u>	<u>269,795</u>
Acquisition of inventories	(450,000)	(464,813)	(430,965)
Acquisition of prepaid assets	(90,000)	(91,286)	(19,906)
Consumption of inventories	430,000	430,965	388,041
Use of prepaid assets	<u>20,000</u>	<u>19,906</u>	<u>20,034</u>
	<u>(90,000)</u>	<u>(105,228)</u>	<u>(42,796)</u>
<b>Decrease (increase) in Net Debt</b>	<b>(94,079)</b>	<b>(45,113)</b>	<b>226,999</b>
<b>Net Debt, beginning of the year</b>	<u><b>(15,772,147)</b></u>	<u><b>(15,772,147)</b></u>	<u><b>(15,999,146)</b></u>
<b>Net Debt, end of the year</b>	<u><b>(15,866,226)</b></u>	<u><b>\$ (15,817,260)</b></u>	<u><b>\$ (15,772,147)</b></u>

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

**GRAND FALLS**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
Year ended December 31

	<u>2024</u>	<u>2023</u>
(Indirect method)		
<b>Operation transactions</b>		
Annual surplus (Note 18)	\$ 65,799	\$ (2,102,233)
Items not affecting cash:		
Gain on disposal of tangible capital assets	(4,123)	(176,294)
Amortization of tangible capital assets	<u>4,445,921</u>	<u>4,282,860</u>
	<u>4,507,597</u>	<u>2,004,333</u>
Net changes in non-cash working capital items:		
Receivable - General	(3,068)	(132,371)
Receivable - Federal Government and its agencies	283,544	(24,545)
Receivable - Province of New Brunswick	(1,500,463)	486,439
Payables and accruals	871,378	(2,404,600)
Unearned revenues - Gas Tax Fund	721,766	593,406
Accrued retirement benefits	(90,000)	(90,000)
Post employment benefits payable	(235,400)	33,200
Change in inventory/prepaid expenses	<u>(105,228)</u>	<u>(42,797)</u>
	<u>(57,471)</u>	<u>(1,581,268)</u>
	<u>4,450,126</u>	<u>423,065</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(4,451,605)	(2,138,126)
Proceeds on disposal of tangible capital assets	<u>4,123</u>	<u>403,588</u>
	<u>(4,447,482)</u>	<u>(1,734,538)</u>
<b>Financing transactions</b>		
Bank loan	1,704,746	(12,337)
Additional financing	2,204,000	1,073,000
Long-term debt	<u>(1,496,000)</u>	<u>(1,443,000)</u>
	<u>2,412,746</u>	<u>(382,337)</u>
<b>Investing transactions</b>		
Variation in restricted cash	<u>48,088</u>	<u>948,583</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>2,463,478</u>	<u>(745,227)</u>
<b>Cash and bank overdraft, beginning of year</b>	<u>(319,788)</u>	<u>425,439</u>
<b>Cash and bank overdraft, end of year</b>	\$ <u>2,143,690</u>	\$ <u>(319,788)</u>

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

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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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 December 13, 2023 and the Minister of Environment and Local Government on December 18, 2023.

**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.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

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**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.

**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.



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

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**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:

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.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

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**Segmented information (continued)**

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, 2024

<b>3. CASH - RESTRICTED</b>	<b>2024</b>	<b>2023</b>
Capital reserves	\$ 2,908,718	\$ 2,916,944
Operating reserves	730,382	519,930
Canada Community Building Fund	769,328	744,272
Sick days fund	777,406	1,064,654
CMHC reserve fund	<u>33,321</u>	<u>21,443</u>
	<b>\$ 5,219,155</b>	<b>\$ 5,267,243</b>
<b>4. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES</b>	<b>2024</b>	<b>2023</b>
Canada Revenue Agency (HST refund)	\$ 412,552	\$ 143,595
Canada Community Building Fund	341,487	893,691
Atlantic Canada Opportunities Agency	32,446	28,593
Infrastructure Canada	<u>-</u>	<u>4,150</u>
	<b>\$ 786,485</b>	<b>\$ 1,070,029</b>
<b>5. DUE FROM PROVINCE OF NEW BRUNSWICK</b>	<b>2024</b>	<b>2023</b>
Environment and Local Government	\$ -	\$ 298,937
Regional Development Corporation	183,880	39,922
Transportation and Infrastructure	<u>1,940,300</u>	<u>284,858</u>
	<b>\$ 2,124,180</b>	<b>\$ 623,717</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

**6. SCHEDULE OF TANGIBLE CAPITAL ASSETS**

	Land	Land improvements	Buildings	Vehicles	Machinery and equipment	Roads and streets	Infrastructure Treatment facilities	Water and sewer	Assets under construction	2024 Total	2023 Total
<b>Cost</b>											
Balance, beginning of year	\$ 6,346,989	\$ 5,956,547	\$ 38,191,607	\$ 7,243,480	\$ 12,151,056	\$ 18,627,964	\$ 12,959,344	\$ 36,273,828	\$ -	\$ 137,750,815	\$ 136,567,227
Add:											
Net additions during the year	32,243	75,039	1,182,940	516,806	475,005	1,263,848	-	905,724	-	4,451,605	2,138,126
Less:											
Disposals during the year	-	-	-	-	(4,123)	-	-	-	-	(4,123)	(954,538)
<b>Balance, end of year</b>	<b>6,379,232</b>	<b>6,031,586</b>	<b>39,374,547</b>	<b>7,760,286</b>	<b>12,621,938</b>	<b>19,891,812</b>	<b>12,959,344</b>	<b>37,179,552</b>	<b>-</b>	<b>142,198,297</b>	<b>137,750,815</b>
<b>Accumulated Amortization</b>											
Balance, beginning of year	-	2,633,629	16,380,421	4,783,039	7,754,464	10,708,506	5,382,338	20,848,634	-	68,491,031	64,935,415
Add:											
Amortization during the year	-	315,808	1,006,408	429,550	634,511	983,483	205,838	870,323	-	4,445,921	4,282,860
Less:											
Accumulated amortization on disposition	-	-	-	-	(4,123)	-	-	-	-	(4,123)	(727,244)
<b>Balance, end of year</b>	<b>-</b>	<b>2,949,437</b>	<b>17,386,829</b>	<b>5,212,589</b>	<b>8,384,852</b>	<b>11,691,989</b>	<b>5,588,176</b>	<b>21,718,957</b>	<b>-</b>	<b>72,932,829</b>	<b>68,491,031</b>
<b>Net book value</b>	<b>\$ 6,379,232</b>	<b>\$ 3,082,149</b>	<b>\$ 21,987,718</b>	<b>\$ 2,547,697</b>	<b>\$ 4,237,086</b>	<b>\$ 8,199,823</b>	<b>\$ 7,371,168</b>	<b>\$ 15,460,595</b>	<b>\$ -</b>	<b>\$ 69,265,468</b>	<b>\$ 69,259,784</b>
<b>Consist of:</b>											
General Fund Assets	\$ 5,540,660	\$ 2,957,999	\$ 20,829,559	\$ 2,534,000	\$ 3,194,220	\$ 8,199,823	\$ 7,371,168	\$ -	\$ -	\$ 50,627,429	\$ 50,406,789
Water & Sewer Fund Assets	838,572	124,150	1,158,159	13,697	1,042,866	-	-	15,460,595	-	18,638,039	18,852,995
	<b>\$ 6,379,232</b>	<b>\$ 3,082,149</b>	<b>\$ 21,987,718</b>	<b>\$ 2,547,697</b>	<b>\$ 4,237,086</b>	<b>\$ 8,199,823</b>	<b>\$ 7,371,168</b>	<b>\$ 15,460,595</b>	<b>\$ -</b>	<b>\$ 69,265,468</b>	<b>\$ 69,259,784</b>



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**7. LONG-TERM DEBT**

**2024**

**2023**

New Brunswick Municipal Financing Corporation

Debentures:

Repaid during the year	\$ -	\$ 38,000
BO-15 1.45% - 2.9%, due 2026, OIC #06-21	30,000	44,000
BO-14 1.45% - 2.9%, due 2026, OIC #05-61 and 05-89	30,000	44,000
BP-14 1.2% - 2.95%, due 2026, OIC #15-21	25,000	37,000
CA-37 0.855% - 1.786%, due 2026, OIC #01-25	30,000	45,000
BP-28 1.2% - 2.95%, due 2026, OIC #15-4	41,000	61,000
BT-13 2.1% - 3.45%, due 2028, OIC #15-56, #17-18 and #17-25	183,000	225,000
BU-14 2.55% - 3.4%, due 2028, OIC #15-56 and # 18-20	122,000	150,000
BW-21 1.95% - 2.45%, due 2029, OIC #09-47, #09-81, #18-20, #18-68 and #19-43	558,000	688,000
BW-22 1.95% - 2.45%, due 2029, OIC #09-19 and #09-41	254,000	302,000
BV-13 2% - 2.85%, due 2029, OIC #08-76, #08-77 and #15-56	493,000	584,000
BW-55 1.95% - 2.45%, due 2029, OIC #19-19	66,000	78,000
BY-19 0.5% - 1.8%, due 2030, OIC #19-43	181,000	210,000
CA-17 0.855% - 2.378%, due 2031, OIC #09-41	126,000	143,000
BO-38 1.45% - 3.5%, due 2031, OIC #15-55	75,000	84,000
BZ-30 0.3% - 2.3%, due 2031, OIC #09-134	131,000	149,000
BH-20 1.35% - 3.8%, due 2032, OIC #09-47, #10-17, #11-15 and #12-12	76,000	84,000
BR-14 1.65% - 3.2%, due 2032, OIC #15-56 and #17-18	839,000	970,000
BQ-13 1.2% - 3.3%, due 2032, OIC #15-56	56,000	62,000
BI-18 1.35% - 4%, due 2033, OIC #01-79 and #09-41	138,000	151,000
BJ-15 1.25% - 4.4%, due 2033, OIC #11-115	451,000	492,000
BL-20 1.2% - 3.7%, due 2034, OIC #01-79, #03-64, #03-83 and #04-26	405,000	463,000
CF-4 4.835% - 4.506%, due 2034, OIC #23-48	379,000	-
CG-13 3.360% - 3.962%, due 2034, OIC #23-48, #24-20 and #24-31	775,000	-
BM-12 0.95% - 3.5%, due 2035, OIC #01-79 and #04-26	566,000	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	147,000	212,000
BN-14 1.05% - 3.9%, due 2035, OIC #04-26 and #05-25	268,000	288,000
BM-47 0.95% - 3.5%, due 2035, OIC #04-24 and #12-35	754,000	800,000
BN-34 1.05% - 3.9%, due 2035, OIC #12-35 and #12-70	838,000	878,000
BP-15 1.2% - 3.8%, due 2036, OIC #06-25	71,000	76,000
BZ-15 0.3% - 2.7%, due 2036, OIC #18-68	130,000	140,000
BZ-42 0.3% - 2.7%, due 2036, OIC #21-06	176,000	189,000
CC-19 3.953% - 4.709%, due 2037, OIC #22-43	359,000	380,000
BY-20 0.5% - 2.6%, due 2040, OIC #09-41	266,000	280,000
CA-16 0.855% - 2.961%, due 2041, OIC #19-69 and 21-23	1,044,000	1,167,000
BZ-29 0.3% - 2.95%, due 2041, OIC #20-24	174,000	183,000
Balance to carry forward	10,257,000	10,334,000

**GRAND FALLS**  
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<b>7. LONG-TERM DEBT (continued)</b>	<b>2024</b>	<b>2023</b>
Balance carried forward	<b>10,257,000</b>	10,334,000
CB-9 3.005% - 4.462%, due 2042, OIC #18-68, #19-69 and #21-23	<b>2,197,000</b>	2,308,000
CC-12 3.953% - 4.848%, due 2042, OIC #19-69 and #21-39	<b>3,267,000</b>	3,386,000
CD-9 4.048% - 5.115%, due 2043, OIC #21-39	<b>1,038,000</b>	1,073,000
CG-14 3.360% - 4.463%, due 2044, OIC #23-71 and #24-20	<b>1,050,000</b>	-
	<b>\$ 17,809,000</b>	<b>\$ 17,101,000</b>

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

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

	<u>Repayments</u>
2025	\$1,629,000
2026	\$1,561,000
2027	\$1,524,000
2028	\$1,470,000
2029	\$1,434,000

**8. ACCRUED SICK LEAVE**

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.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. ACCRUED SICK LEAVE (continued)**

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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 a unfunded benefit. The municipality has restricted fund of \$711,888 on December 31, 2024 and \$857,473 on December 31, 2023 for the accrued sick leave.

**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 57 active employees covered by the plan is 45.8.

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 \$400,900 (2023 - \$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, 2022.

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.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

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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 5.7% per annum;
- the expected rate of return is 5.7% 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 \$824,000 (2023 - \$680,600).

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

	As at <u>December 31, 2024</u>	As at <u>December 31, 2023</u>
<b>Accrued Benefit Liability/(Asset)</b>		
Accrued benefit liability/(asset) at beginning of period	\$ 375,000	\$ 341,800
Pension expense for the year	299,700	405,600
Less employer contributions	(412,000)	(340,300)
Adjustment to prior year liability	(123,100)	(32,100)
Accrued benefit liability/(asset) at end of period	<u>\$ 139,600</u>	<u>\$ 375,000</u>

In summary, the Accrued Benefit Liability as it relates to Grand Falls is estimated to be \$139,600 as at December 31, 2024. This compares to \$375,000 as at December 31, 2023. 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:

	As at <u>December 31, 2024</u>	As at <u>December 31, 2023</u>
<b>Reconciliation of Funded Status at End of Period</b>		
Accrued benefit obligation	\$ 14,687,500	\$ 14,001,800
Plan assets	<u>13,595,700</u>	<u>12,195,300</u>
Plan deficit/(surplus)	1,091,800	1,806,500
Unamortized experience gains/(losses)	<u>952,200</u>	<u>1,431,500</u>
Accrued benefit liability/(asset) at end of period	<u>\$ 139,600</u>	<u>\$ 375,000</u>



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**9. POST EMPLOYMENT BENEFITS PAYABLE (continued)**

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

	As at <u>December 31, 2024</u>	As at <u>December 31, 2023</u>
<b>Reconciliation of Accrued Benefit Obligation</b>		
Accrued benefit obligation at beginning of period	\$ 14,001,800	\$ 14,133,700
Adjustment to prior year estimate	(315,400)	(1,078,400)
Current service cost	568,900	526,600
Benefit payments	(400,900)	(387,300)
Interest for period	833,100	807,200
Accrued benefit obligation at end of period	<u>\$ 14,687,500</u>	<u>\$ 14,001,800</u>

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

	As at <u>December 31, 2024</u>	As at <u>December 31, 2023</u>
<b>Reconciliation of Plan Assets</b>		
Plan assets at beginning of period	\$ 12,195,300	\$ 13,475,400
Adjustment to prior year estimate	213,800	(2,271,500)
Employer contributions	412,000	340,300
Employee contributions	412,000	340,300
Benefit payments	(400,900)	(387,300)
Return on plan assets during period	763,500	698,100
Plan assets at end of period	<u>\$ 13,595,700</u>	<u>\$ 12,195,300</u>

Total estimated expenses related to pensions include the following components:

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
<b>Pension Expense</b>		
Employer current service cost	\$ 156,900	\$ 186,300
Interest on accrued benefit obligation	833,100	807,200
Expected return on assets	(763,500)	(698,100)
Experience loss/(gain)	73,200	110,200
Pension expense	<u>\$ 299,700</u>	<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, 2024 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Municipality maintains insurance coverage in amounts considered appropriate.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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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:

2025 - \$262,978  
2026 - \$252,987  
2027 - \$138,939  
2028 - \$ 86,026  
2029 - \$ 17,561

**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. #24-0020	\$ -	\$ 630,000
Water and Sewer Capital Fund, M.O. #24-0031	\$ -	\$ 200,000
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	\$ -	\$ 548,000
General Capital Fund, M.O. #24-0020	\$ -	\$ 2,526,000
General Capital Fund, M.O. #24-0031	\$ -	\$ 100,000

**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 2024, 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**  
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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:

	2024	2023
2024 surplus	\$ 29,353	\$ -
2023 surplus	11,799	11,799
2022 surplus	-	14,683
	<u>\$ 41,152</u>	<u>\$ 26,482</u>

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**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. GENERAL CAPITAL FUND**

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In 2024, the municipality received a debenture CG13-2024 of the amount of \$775,000. However, an amount of \$190,000 for the recreation and cultural services was not used. The municipality will use these funds in 2025.

In 2024, the municipality received a debenture CG14-2024 of the amount of \$1,050,000. However, an amount of \$150,000 for the environmental health services (Utility) was not used. The municipality will use these funds in 2025.

**17. COMPARATIVE FIGURES**

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Certain figures for 2023 have been reclassified to conform to the presentation adopted in 2024.

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**18. SCHEDULE OF SEGMENT DISCLOSURE**

	General	Protective	Transportation	Environmental health	Environmental development and tourism	Recreation and culture	Water and sewer	2024 Consolidated	2023 Consolidated
<b>Revenues</b>									
Property tax warrant *	\$ 2,174,760	\$ 5,776,991	\$ 3,192,953	\$ 962,995	\$ 1,454,349	\$ 2,199,859	\$ -	\$ 15,761,907	\$ 13,591,855
Services provided to other governments	396,376	114,995	127,424	-	-	-	-	638,795	601,624
Sale of service, fines and other fees	113,704	14,702	-	-	620,020	1,046,997	-	1,795,423	1,517,285
Unconditional grant *	108,629	288,558	159,487	48,101	72,644	109,882	-	787,301	889,738
Other government transfers	109,633	26,604	125,796	-	8,310	369,568	22,210	662,121	949,054
Water and sewer user fees	-	-	-	-	-	-	2,523,076	2,523,076	2,321,006
Interest	110,922	-	-	-	(577)	-	118,385	228,730	242,169
Donations and others	7,380	20,105	-	-	-	5,729	-	33,214	25,880
Gain on disposal of capital assets	-	-	-	-	-	4,123	-	4,123	176,294
	3,021,404	6,241,955	3,605,660	1,011,096	2,154,746	3,732,035	2,663,671	22,434,690	20,314,905
<b>Expenditures</b>									
Salaries and benefits	1,349,752	2,687,801	1,046,879	-	888,282	1,373,169	723,459	8,069,342	7,869,301
Goods and services	1,310,147	1,691,823	1,626,930	1,027,208	709,222	1,471,579	1,285,199	9,122,108	9,532,375
Amortization	223,184	455,732	1,468,715	33,651	136,297	962,928	1,165,414	4,445,921	4,282,860
Interest	6,743	284,609	121,083	3,527	45,256	88,222	182,080	731,520	732,602
	2,889,826	5,119,965	4,263,607	1,064,386	1,779,057	3,895,898	3,356,152	22,368,891	22,417,138
<b>Surplus (deficit) for the year</b>	<b>\$ 131,578</b>	<b>\$ 1,121,990</b>	<b>\$ (657,947)</b>	<b>\$ (53,290)</b>	<b>\$ 375,689</b>	<b>\$ (163,863)</b>	<b>\$ (692,481)</b>	<b>\$ 65,799</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**  
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**19. 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>2024 annual surplus</b>	<b>\$ 3,475,032</b>	<b>\$ (2,875,640)</b>	<b>\$ 384,711</b>	<b>\$ (1,028,494)</b>	<b>\$ 13,302</b>	<b>\$ 19,791</b>	<b>\$ 2,150</b>	<b>\$ 74,947</b>	<b>\$ 65,799</b>
<b>Adjustments to annual surplus for funding requirements</b>									
Second previous year's surplus	198,165	-	14,683	-	-	-	-	-	212,848
Transfers between funds									
Transfer to (from) water & sewer operating fund to the water capital fund	-	-	(39,336)	39,336	-	-	-	-	-
water & sewer capital reserve fund	-	-	(118,500)	-	-	-	-	118,500	-
water & sewer operating reserve fund	-	-	(10,000)	-	-	-	10,000	-	-
Transfer to (from) general operating fund to the general operating reserve fund	(200,000)	-	-	-	200,000	-	-	-	-
general capital fund	(1,317,238)	1,317,238	-	-	-	-	-	-	-
general capital reserve fund	(580,000)	-	-	-	-	580,000	-	-	-
water & sewer operating fund	(190,000)	-	190,000	-	-	-	-	-	-
Long-term debt principal repayment	(1,132,000)	1,132,000	(364,000)	364,000	-	-	-	-	-
Proceeds from disposal of tangible capital assets	4,123	(4,123)	-	-	-	-	-	-	-
Loss (gain) on disposal of tangible capital assets	(4,123)	4,123	-	-	-	-	-	-	-
Amortization expense	-	3,280,507	-	1,165,414	-	-	-	-	4,445,921
Reduction in amount recorded under PSA for defined benefit liability	(303,757)	-	(21,643)	-	-	-	-	-	(325,400)
Amount of funding for vested employee benefit liability	152,145	-	(6,562)	-	-	-	-	-	145,583
Adjustment to the surplus for control entities	(11,878)	-	-	-	-	-	-	-	(11,878)
<b>Total adjustments to 2024 annual surplus (deficit)</b>	<b>(3,384,563)</b>	<b>5,729,745</b>	<b>(355,358)</b>	<b>1,568,750</b>	<b>200,000</b>	<b>580,000</b>	<b>10,000</b>	<b>118,500</b>	<b>4,467,074</b>
<b>2024 annual funds surplus</b>	<b>\$ 90,469</b>	<b>\$ 2,854,105</b>	<b>\$ 29,353</b>	<b>\$ 540,256</b>	<b>\$ 213,302</b>	<b>\$ 599,791</b>	<b>\$ 12,150</b>	<b>\$ 193,447</b>	<b>\$ 4,532,873</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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**20. STATEMENT OF RESERVES**

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	2024 Total	2023 Total
<b><u>Assets</u></b>						
Cash	\$ 647,261	\$ 672,082	\$ 83,121	\$ 2,236,635	\$ 3,639,099	\$ 3,436,874
Receivable from Sick Reserve Fund	-	85,093	-	-	85,093	-
	647,261	757,175	83,121	2,236,635	3,724,192	3,436,874
<b><u>Liabilities</u></b>						
Payable to Operating Fund	-	-	-	-	-	731,372
<b><u>Accumulated Surplus</u></b>	<b>\$ 647,261</b>	<b>\$ 757,175</b>	<b>\$ 83,121</b>	<b>\$ 2,236,635</b>	<b>\$ 3,724,192</b>	<b>\$ 2,705,502</b>
<b><u>Revenues</u></b>						
Other revenues	\$ 350	\$ -	\$ -	\$ -	\$ 350	\$ -
Transfers from Water & Sewer Operating Fund	-	-	10,000	118,500	128,500	39,652
Transfers from General Operating Fund	200,000	580,000	-	-	780,000	-
Interest	12,952	19,791	2,150	74,947	109,840	139,440
	213,302	599,791	12,150	193,447	1,018,690	179,092
<b><u>Expenditures</u></b>						
Transfers to Water Operating Fund	-	-	-	-	-	81,000
Transfers to General Operating Fund	-	-	-	-	-	775,117
	-	-	-	-	-	856,117
<b><u>Annual surplus (deficit)</u></b>	<b>\$ 213,302</b>	<b>\$ 599,791</b>	<b>\$ 12,150</b>	<b>\$ 193,447</b>	<b>\$ 1,018,690</b>	<b>\$ (677,025)</b>



**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
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20. STATEMENT OF RESERVES (Continued)

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

Moved by Claudette Goguen Kavanaugh, seconded by Danny Soucy, that the amount of \$580,000 be transferred from the general operating fund to the general capital reserve fund.

Moved by Claudette Goguen Kavanaugh, seconded by Danny Soucy, that the amount of \$200,000 be transferred from the general operating fund to the general operating reserve fund.

Moved by France Roussel, seconded by Sébastien Michaud, that an amount of \$115,000 be transferred from the water and sewer operating fund to the water and sewer capital reserve fund.

Moved by France Roussel, seconded by Sébastien Michaud, that an amount of \$10,000 be transferred from the water and sewer operating fund to the water and sewer operating reserve fund.

Moved by France Roussel, seconded by Sébastien Michaud, that an amount of \$3,500 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 public meeting of Council on December 18, 2024.

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

May 26, 2025  
Date

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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**21. STATEMENT OF CONTROLLED ENTITIES OPERATIONS**

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	Grand Falls Golf Club Inc	Central Business Development Corp. Inc.	Falls & Gorge Commission	Les Habitations Sociales de St-André Inc	2024 Total	2023 Total
Assets	\$ 688,326	\$ 208,362	\$ 68,923	\$ 228,009	\$ 1,193,620	\$ 1,146,623
Liabilities	1,648,048	-	2,850,047	14,205	4,512,300	4,443,776
<b>Accumulated Surplus (Deficit)</b>	<b>(959,722)</b>	<b>\$ 208,362</b>	<b>\$ (2,781,124)</b>	<b>\$ 213,804</b>	<b>\$ (3,318,680)</b>	<b>\$ (3,297,153)</b>
Revenues	623,923	\$ 60,042	\$ 560,382	\$ 31,473	\$ 1,275,820	\$ 1,003,160
Expenditures	596,292	40,306	631,832	28,917	1,297,347	1,301,946
<b>Surplus (Deficit)</b>	<b>\$ 27,631</b>	<b>\$ 19,736</b>	<b>\$ (71,450)</b>	<b>\$ 2,556</b>	<b>\$ (21,527)</b>	<b>\$ (298,786)</b>

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

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

**22. OPERATING BUDGET TO PSA BUDGET**

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Transfers	Total
<b>Revenues</b>					
Property tax warrant	\$ 15,761,907	\$ -	\$ -	\$ -	\$ 15,761,907
Services provided to other governments	545,519	-	-	-	545,519
Sales of services, fines and other fees	1,408,313	-	-	-	1,408,313
Unconditional grant	787,301	-	-	-	787,301
Other government transfers	48,276	-	-	-	48,276
Other transfers	-	-	-	-	-
Water and sewer user fees	-	2,724,153	-	(169,980)	2,554,173
Interest	35,650	9,500	-	-	45,150
Gain on disposal of capital assets	-	-	-	-	-
Surplus of second previous year	198,159	14,683	-	(212,842)	-
	18,785,125	2,748,336	-	(382,822)	21,150,639
<b>Expenditures</b>					
General government services	2,587,953	-	223,184	6,442	2,817,579
Protective services	5,114,363	-	455,732	125,783	5,695,878
Transportation services	2,746,767	-	1,468,715	208,600	4,424,082
Environmental health services	987,455	-	33,651	3,220	1,024,326
Environmental development and tourism services	1,747,528	-	136,297	30,878	1,914,703
Recreational cultural services	2,561,682	-	962,928	95,322	3,619,932
Fiscal services					
Long-term debt repayments	1,161,400	364,000	-	(1,525,400)	-
Interest	640,225	248,821	-	(889,046)	-
Transfer from the General Operating Fund to the					
General Capital Fund	897,664	-	-	(897,664)	-
General Capital Reserve Fund	175,000	-	-	(175,000)	-
General Operating Reserve Fund	165,088	-	-	(165,088)	-
Transfer from the Water and Sewer Operating Fund					
to the Water and Sewer Capital Fund	-	56,000	-	(56,000)	-
to the Water and Sewer Operating Reserve Fund	-	20,000	-	(20,000)	-
to the Water and Sewer Capital Reserve Fund	-	90,431	-	(90,431)	-
Water and Sewer services	-	1,969,084	1,165,414	248,821	3,383,319
	18,785,125	2,748,336	4,445,921	(3,099,563)	22,879,819
<b>Deficit</b>	\$ -	\$ -	\$ (4,445,921)	\$ 2,716,741	\$ (1,729,180)

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

**23. REVENUES AND EXPENDITURES SUPPORT**

	<b>2024</b>		<b>2023</b>
	<b>(Unaudited) Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Revenues</b>			
<b>Services to other Governments</b>			
Fire	\$ 61,486	\$ 63,408	\$ 84,157
Transportation	120,417	127,424	120,574
Police	-	51,587	-
Rentals	363,616	396,376	396,893
<b>Total - Services to other Governments</b>	<b>\$ 545,519</b>	<b>\$ 638,795</b>	<b>\$ 601,624</b>
<b>Other government transfers</b>			
Atlantic Canada Opportunities Agency	\$ -	\$ 153,974	\$ 12,745
Environment and Local Government	-	79,512	476,551
Regional Development Corporation	-	209,756	39,922
Canada Community Building Fund	-	-	299,604
Transportation and Infrastructure	-	125,796	66,606
Association Francophone des Municipalités du Nouveau-Brunswick	-	33,991	-
Justice and Public Safety	-	26,604	-
Other project	-	1,305	5,601
Employment projects	48,276	31,183	48,025
<b>Total - Other government transfers</b>	<b>\$ 48,276</b>	<b>\$ 662,121</b>	<b>\$ 949,054</b>
<b>Expenditures</b>			
<b>General government services</b>			
Legislative			
Mayor	\$ 59,010	\$ 59,061	\$ 56,375
Councilors	217,487	218,456	209,140
Other	80,000	50,583	50,399
	<b>356,497</b>	<b>328,100</b>	<b>315,914</b>
Administrative			
Manager	234,295	173,844	165,301
Clerk	382,605	361,081	449,157
Accounting	372,195	512,939	439,679
Office building	460,415	450,263	492,769
Professional fees	110,750	257,652	129,371
Grants	104,314	74,397	64,999
Other	63,500	28,976	80,824
	<b>1,728,074</b>	<b>1,859,152</b>	<b>1,822,100</b>
Other			
Office expense	189,875	155,191	151,066
Delegations and training	34,041	41,248	25,899
Amortization	223,184	223,184	219,152
Interest	6,442	6,743	8,038
Cost of assessment	249,466	241,385	224,357
Other	30,000	34,823	112,801
	<b>733,008</b>	<b>702,574</b>	<b>741,313</b>
<b>Total - General government services</b>	<b>\$ 2,817,579</b>	<b>\$ 2,889,826</b>	<b>\$ 2,879,327</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

	<b>2024</b>		<b>2023</b>
	<b>(Unaudited) Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Protective services</b>			
Fire			
Administration	\$ 118,600	\$ 119,680	\$ 109,475
Forces	137,165	103,856	122,584
Training	56,000	56,137	55,486
Station	136,900	120,201	117,183
Amortization	455,732	455,732	404,492
Interest	295,763	284,609	312,562
Supplies	142,050	124,765	156,847
Other	195,214	170,662	188,586
	<b>1,537,424</b>	<b>1,435,642</b>	<b>1,467,215</b>
Police			
Administration	343,000	429,253	330,192
Forces	2,276,015	2,190,803	2,188,589
Training	20,000	42,481	16,317
Station	165,800	190,611	168,119
Vehicles	82,750	81,803	79,536
Jail	17,000	12,820	22,880
R.C.M.P.	1,210,043	699,940	1,174,800
Other	23,890	18,568	25,737
	<b>4,138,498</b>	<b>3,666,279</b>	<b>4,006,170</b>
Other			
Animal control	19,956	18,044	18,447
<b>Total - Protective services</b>	<b>\$ 5,695,878</b>	<b>\$ 5,119,965</b>	<b>\$ 5,491,832</b>
<b>Transportation services</b>			
Common			
Administration	\$ 1,153,867	\$ 1,080,928	\$ 1,062,768
General equipment	334,850	398,764	428,166
Workshop and sundry	182,500	214,687	211,412
	<b>1,671,217</b>	<b>1,694,379</b>	<b>1,702,346</b>
Street maintenance	493,900	393,417	474,507
Culverts	3,500	837	-
Snow removal	207,400	175,910	228,171
Street lighting	317,250	343,109	316,985
Traffic signals	4,500	9,289	1,885
Traffic lane marking	49,000	56,868	48,831
Amortization	1,468,715	1,468,715	1,343,348
Interest	208,600	121,083	107,328
<b>Total - Transportation services</b>	<b>\$ 4,424,082</b>	<b>\$ 4,263,607</b>	<b>\$ 4,223,401</b>

**GRAND FALLS**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2024

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

	<b>2024</b>		<b>2023</b>
	<b>(Unaudited) Budget</b>	<b>Actual</b>	<b>Actual</b>
<b>Environmental health services</b>			
Collection	\$ 987,155	\$ 1,026,925	\$ 946,335
Amortization	33,651	33,651	31,521
Interest	3,220	3,527	4,634
Other	300	283	270
<b>Total - Environmental health services</b>	<b>\$ 1,024,326</b>	<b>\$ 1,064,386</b>	<b>\$ 982,760</b>
<b>Environmental development and tourism services</b>			
Community planning	\$ 981,750	\$ 774,805	\$ 729,907
Tourism promotion	586,345	638,208	658,570
Amortization	136,297	136,297	142,933
Interest	30,878	45,256	34,598
Community development	179,433	184,491	219,067
<b>Total - Environmental development services</b>	<b>\$ 1,914,703</b>	<b>\$ 1,779,057</b>	<b>\$ 1,785,075</b>
<b>Recreation and cultural services</b>			
Administration	\$ 970,232	\$ 1,010,689	\$ 930,605
Swimming pool	84,200	83,803	97,203
Arena	676,050	847,945	745,089
Golf	513,775	509,607	523,809
Parks and playgrounds	123,450	140,040	132,360
Day camps	47,000	53,553	53,818
Curling Club	12,000	10,314	22,411
Library	40,550	40,150	41,138
Museum	4,925	3,649	3,529
Amortization	962,928	962,928	945,436
Interest	95,322	88,222	52,448
Other	89,500	144,998	102,744
<b>Total - Recreation and cultural services</b>	<b>\$ 3,619,932</b>	<b>\$ 3,895,898</b>	<b>\$ 3,650,590</b>
<b>Water and Sewer</b>			
<b>Water supply</b>			
Administration	\$ 556,664	\$ 489,796	\$ 539,128
Transmission and distribution	626,730	644,480	650,735
Amortization	750,050	750,050	794,635
Interest	126,345	79,537	93,031
Other	183,633	188,340	148,742
<b>Total - Water supply</b>	<b>2,243,422</b>	<b>2,152,203</b>	<b>2,226,271</b>
<b>Sewer collection and disposal</b>			
Administration	312,850	329,844	345,912
Collection system	368,840	403,535	384,549
Amortization	415,364	415,364	401,343
Interest	42,843	55,206	46,078
<b>Total - Sewer collection and disposal</b>	<b>1,139,897</b>	<b>1,203,949</b>	<b>1,177,882</b>
<b>Total - Water and Sewer</b>	<b>\$ 3,383,319</b>	<b>\$ 3,356,152</b>	<b>\$ 3,404,153</b>