



Nackawic-Millville
RURAL COMMUNITY

2023 Annual Report



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FOREWARD

Introduction

Section 105 of the Local Governance Act, S.N.B. 2017, c.18 requires that a local government prepares an annual report containing the information prescribed by New Brunswick Regulation 2018-54, under the Local Governance Act. It also requires that a local government posts its annual report on its website and makes the report available for examination by the public in the office of the Clerk during regular business hours.

Section 3 of New Brunswick Regulation 2018-54 states that on or before June 30 in each year, a local government shall prepare an annual report, referred to in section 105(1) of the Local Governance Act, for the preceding fiscal year.

The content required in the annual report is detailed in Section 4 of the New Brunswick Regulation 2018-54 and is also included on the Table of Contents page of this document.

Annual Report

This Report contains general information about Nackawic-Millville Rural Community such as its population, tax base, as well as more detailed information regarding municipal council, the provision of grants, and the types and cost of the services provided.

The 2023 Audited Financial Statements prepared by Shannon & Buffett are included in this report.



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Mayor's Message

Reflecting on 2023, I would say it was a historic year for our community. One of our biggest challenges was local governance reform, which combined three unincorporated Local Service Districts, the former Village of Millville and the former Town of Nackawic to bring our community together in a formal capacity. In my opinion, this challenge was also our biggest success. Your council, composed of councilors from the various wards around the community, hit its stride early in the year and never looked back. I think this is a testament to how closely all our sub-communities worked together before reform.

We had some important accomplishments through our first year, utilizing funding from the Canada Community Building Fund to support community halls in Southampton, Temperance Vale and Queensbury with building upgrades, as well as some paving in and around the Nackawic ward. We also had some upgrades to sewer infrastructure in the Nackawic ward and began construction of a new recreation kiosk and ball field upgrades in the Millville ward. We also began some exploratory work on the replacement of the Dumfries Fire Hall & Community Hall.

Through our Destination Nackawic Economic Development Corporation, we hosted our first annual Destination Nackawic Smallmouth Open fishing tournament. The event was covered by the Fish'n Canada television show which aired in January 2024 and shone a spotlight on our waterfront and the resources we are so fortunate to have in and around our community. The Corporation also continued exploratory work on housing development on municipal owned land in the Nackawic ward, supported in large part by the New Brunswick Regional Development Corporation.

Council committees began work on various initiatives and establishing key relationships with other organizations to navigate the new reality that we faced following municipal reform: responsibility for 3 fire stations, municipal assets and services to be provided to the new 800 km² community - all work that continues to support Council. The Council also began to work on a strategic plan for the new community.

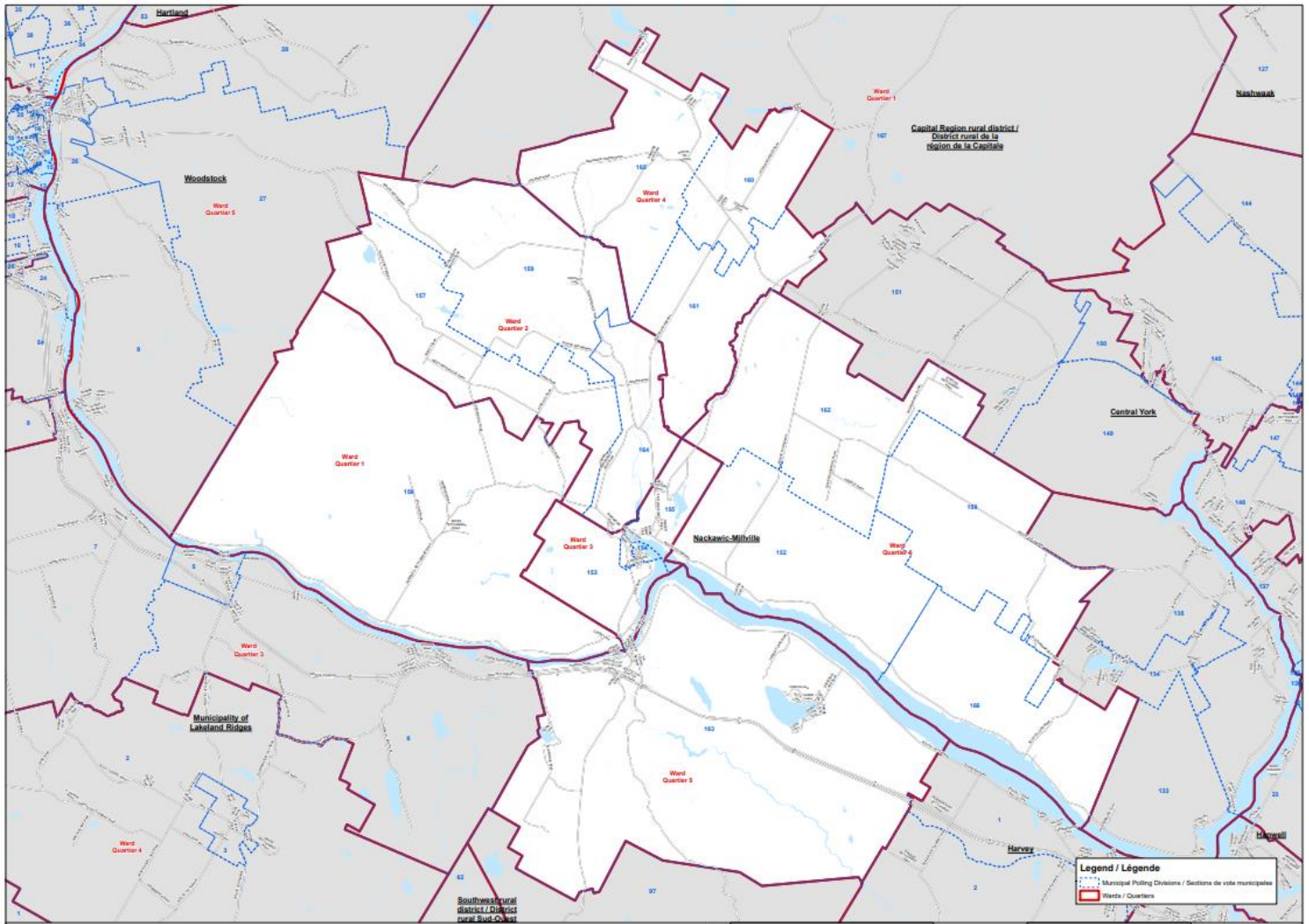
All in all, and despite many challenges, we had a successful first year. This is a reflection not only of the work done by your Council, but also of our municipal employees who work hard to keep everything running smoothly and looking great. Many thanks to them for their efforts and loyalty.

On behalf of Council, I thank our residents for placing your trust in us to work on your behalf for the betterment of our community.

Yours sincerely, Tim Fox, Mayor

Nackawic-Millville Rural Community

On January 1, 2023 a newly formed municipality of Nackawic Millville Rural Community was created due to local governance reform. The former Town of Nackawic, Village of Millville, Local Service Districts of Southamptton, Dumfries and a portion of Queensbury amalgamated to form our new municipality. The community grew in population to an estimated 4400 residents and the boundaries expanded to encompass approximately 800 square kilometers. Below is the municipal boundary map indicating each ward.



Council Composition

Nackawic-Millville Rural Community was divided into six wards. The composition of Council consisted of the position of Mayor being elected at large and each ward be represented by one Councillor, with the exception of Nackawic having two Councillor representatives. Each Councillor represents approximately 500 residents in population. The following are the elected and acclaimed Councillors representing each ward:



Katie Nozzolillo
Ward 1
Southampton



Jeff Clark
Ward 2
Temperance Vale



Deputy Mayor
Greg MacFarlane
Ward 3
Nackawic



Robert Simpson
Ward 3
Nackawic



Colin Trail
Ward 4
Millville



Late Michael Arbuckle
Ward 5
Dumfries



Errol Graham
Ward 6
Queenbury

2023 Council Remuneration

Postion	Annual Budget Honorarium	Actual Honorarium	Annual Budget Expenses	Actual Expenses
Mayor	\$12,000	\$10,882	\$ 1,947.32	\$1,766
Deputy Mayor	\$ 6,000	\$ 0	\$ 1,550.44	\$ 0
Councillor	\$28,800	\$25,102	\$ 7,804.56	\$5,087
Total	\$46,800	\$35,984	\$11,302.32	\$6,853

Mayor & Council are paid \$22.50 per committee meeting and \$.57/km for travelling outside of the municipality on official business that is in addition to their monthly expenses.

Council Committees

Council members are appointed to various council committees and adhoc committees to serve on. The Committee's provide recommendations to Council throughout the year.

Mayor Fox -	Finance Human Resources Capital Region Service Commission Employee Pensions Communications By-Law Review Destination Nackawic Economic Development Corp.
Deputy Mayor MacFarlane -	Finance Communications By-Law Review Destination Nackawic Economic Development Corp.
Councillor Nozzilillo -	Recreation Protective Services Communications By-Law Review Road & Street Safety Destination Nackawic Economic Development Corp.
Councillor Simpson -	Finance Public Works Human Resources Road & Street Safety Destination Nackawic Economic Development Corp.
Councillor Clark -	Recreation Public Works By-Law Review Mactaquac Country Chamber of Commerce
Councillor Trail -	Protective Services (Fire, EMO, Police) Human Resources Destination Nackawic Economic Development Corp.
Councillor Graham -	Library Recreation
Councillor Arbuckle -	Protective Services (Fire, EMO, Police) Public Works Communications

Regular Council Meetings

Council meets on the first and third Monday of each month in the Council Chambers at the Municipal Office. If the Monday falls on a holiday, the regular meeting will be held on the Tuesday following the holiday. All Council meetings are open to the public. The following table represents the dates of all regular council meetings and Council's attendance record for 2023.

Meeting Date	Mayor Fox	Deputy Mayor MacFarlane	Councillor Arbuckle	Councillor Clark	Councillor Graham	Councillor Nozzolillo	Councillor Simpson	Councillor Trail
January 9	✓	✓	✓	✓	✓	✓	✓	✓
January 23	✓	✓	✓	✓	✗	✓	✓	✓
February 6	✓	✓	✓	✓	✓	✓	✓	✓
February 21	✗	✓	✗	✓	✓	✓	✓	✓
March 6	✓	✓	✗	✓	✓	✓	✓	✓
March 20	✓	✓	✓	✓	✓	✓	✓	✓
April 3		Meeting	Cancelled					
April 17	✓	✓	✓	✓	✓	✓	✓	✓
May 1	✓	✗	✗	✓	✓	✓	✓	✓
May 15	✓	✓	∇	✓	✓	✓	✗	✓
June 5	✓	✓	✓	✓	✓	✓	✓	✓
June 19	✓	✓	∇	✓	✗	✓	✓	✗
July 4	✓	✓	✗	✓	∇	✓	✓	✓
July 17	✓	✗	✓	✓	∇	✓	✗	✓
August 8	✓	✓	∇	✓	✗	✓	✓	✓
August 21	✓	✓	∇	✓	✗	✓	✓	✓
September 5	✓	✗	✗	✓	✗	✓	✓	✓
September 18	✓	✓	✗	✓	∇	✓	✓	✓
October 3	✗	✓	∇	✓	∇	✓	✓	✓
October 16	✓	✗	∇	✓	∇	✓	✓	✓
November 6	✓	✓		✓	∇	✓	✓	✓
November 20	✓	✗		✓	∇	✓	✓	✓
December 4	✓	✓		✓	∇	✓	✓	✓
December 18	✓	✓		✓	✗	✓	✓	✓

✓ = Present

✗ = Absent

∇ = Virtual (electronic)

Special Council Meetings

In 2023 there were four Special Council meetings as outlined in the table below. The dates, Councillors in attendance and agenda items are as follows:

Meeting Date	Agenda Items	Mayor Fox	Deputy Mayor MacFarlane	Councillor Arbuckle	Councillor Clark	Councillor Graham	Councillor Nozzolillo	Councillor Simpson	Councillor Trail
July 24	-Policies & Procedures -Millville Ballfield Rehabilitation	✓	✓	✓	✓	✗	✗	✓	✓
Nov. 28	2024 Proposed Budget	✓	✓		✓	V	✓	✓	✓
Dec. 20	Housing Development Project	✓	✓		✓	✗	✗	✓	✓
Dec. 22	Year End Transfers	✓	✓		✓	✗	✓	✓	✓

✓ = Present

✗ = Absent

V = Virtual (electronic)

Closed Sessions

In 2023 Council went in to Closed Session on the following dates for the following reasons:

January 9	Local Governance Act Section 68(1)(c) provides the authority for a Closed Session of Council to discuss "information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract"
April 17	• Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss "labour and employment matters, including the negotiation of collective agreements".
June 5	Local Governance Act Section 68(1)(c) provides the authority for a Closed Session of Council to discuss "information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract"
June 19	Local Governance Act Section 68(1)(c) provides the authority for a Closed Session of Council to discuss "information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract"

July 4	• Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss “labour and employment matters, including the negotiation of collective agreements”.
July 17	• Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss “labour and employment matters, including the negotiation of collective agreements”.
July 24	• Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss “labour and employment matters, including the negotiation of collective agreements”.
August 21	• Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss “labour and employment matters, including the negotiation of collective agreements”.
September 5	Local Governance Act Section 68(1)(c) provides the authority for a Closed Session of Council to discuss “information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract”
September 18	Local Governance Act Section 68(1)(c) provides the authority for a Closed Session of Council to discuss “information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract”
December 4	Local Governance Act Section 68(1)(j) provides the authority for a Closed Session of Council to discuss “labour and employment matters, including the negotiation of collective agreements”

2023 Budget

Nackawic-Millville Rural Community had a total tax base of \$319,862,540 for 2023. The General Operating budget was \$3,364,372 and Utility Operating budget was \$383,762. General Operating ended the year with a \$24,917 surplus and Utility a \$1,283 surplus. Services provided by the municipality were 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.

Total Budget - \$533,105
 Total Expenditures - \$512,800



Protective Services

Policing services, fire protection services, emergency measures, and animal control. There are three volunteer fire departments in our municipality – Dumfries, Nackawic, North York.

Total Budget - \$850,055
Total Expenditures - \$698,969



Transportation Services

This department is responsible for roads and streets summer/winter maintenance, street lighting, traffic services, sidewalks, crosswalks, storm drains, flushing, culverts and other transportation related functions. DTI continues to provide service to roads and streets as they previously did prior to reform.

Total Budget - \$586,610
Total Expenditures - \$581,075



Recreation & Cultural Services

This department is responsible for the maintenance and operation of recreational facilities including the marina facilities, arena, parks and playgrounds, sports fields, waterfront, nature trail and other recreational assets. The Department also organizes seasonal recreation programming, annual special events and supports annual festivals.

Municipal contributions to the Nackawic Public School Library are included under cultural services. A portion of salaries are subsidized by the municipality and a grant is provided annually for the operations.

Total Budget - \$654,728
Total Expenditures - \$682,692



Environmental Health Services

Provides solid waste collection and disposal services, along with recycling collection.

Total Budget - \$352,168
Total Expenditures - \$349,599



Environmental Development

These services are provided by the Capital Region Service Commission and include issuance of all building permits, variances, inspections, planning, zoning and subdivision processes.

Tourism services are provided by Fredericton Tourism mandated through the Capital Region Service Commission and smaller tourism items by the municipality.

Total Budget - \$165,030
Total Expenditures - \$154,262



Public Health

The municipality committed to assisting with the cost of the Nackawic Health Centre expansion/renovations to accommodate physician and patient's needs.

Total Budget - \$10,000
Total Expenditures - \$30,000



Economic Development

Services are provided by Ignite mandated through the Capital Region Service Commission and includes an annual transfer to the Destination Nackawic Economic Development Corporation for operations.

Total Budget - \$78,621
Total Expenditures - \$63,620

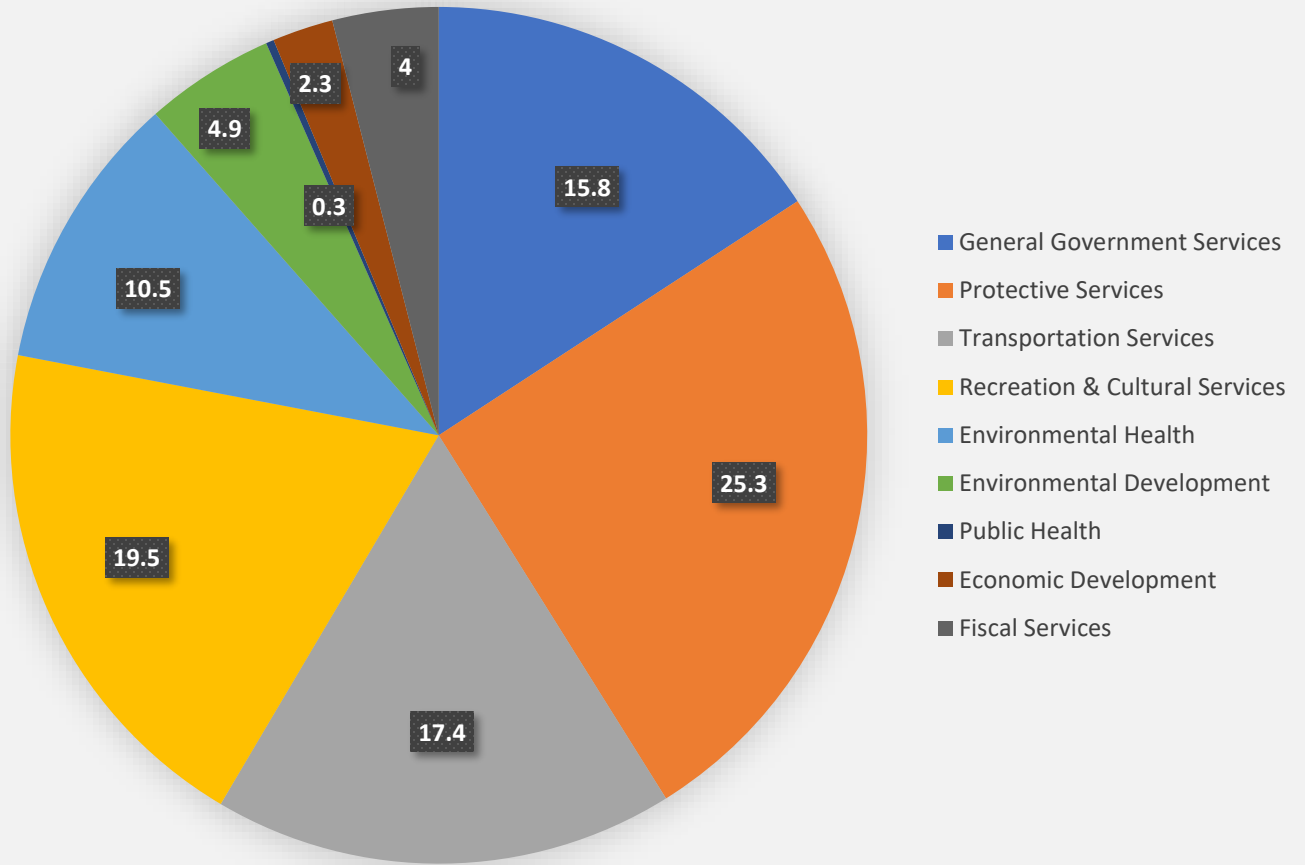


Fiscal Services

Capital purchases, projects, and debenture repayments to the Municipal Capital Borrowing Board are included under fiscal services. Financial contributions by the Federal and Provincial governments to capital projects are recorded in revenue while total project expenses are recorded under fiscal services.

Total Budget - \$134,054
Total Expenditures - \$1,321,305

2023 General Operating Budget



Financial Contributions and Donations

During 2023 the following financial contributions and donations of \$500 or more were made:

\$500	Millville Cemetery Association –donation to assist with maintenance costs.
\$10,875	Nackawic Public School Library -annual donation for operations.
\$30,000	Nackawic Health Centre -municipal financial commitment to renovations and upgrades.
\$45,000	Destination Nackawic Economic Development Corporation – municipal transfer for operations to promote economic development and growth in our municipality.

UTILITY

Utility Operating

Utility provides water and sewer services to the majority of the residents of Nackawic, maintains two wells, a reservoir, a wastewater treatment plant and trickle filter plant along with many kilometers of water and sewer piping. 69 fire hydrants are maintained throughout Nackawic.

Total Budget - \$312,672
Total Expenditures - \$310,907



Fiscal Services

Utility fiscal services include capital utility projects, debenture repayments to the Municipal Capital Borrowing Board.

Total Budget - \$71,090
Expenditures - \$534,940



2023 Capital Projects

Nackawic-Millville Rural Community had a very productive year with various capital projects in conjunction with funding from both Provincial and Federal governments. Some projects will be continuing into 2024 before completion. The following is a summary of each project, and the financial assistance received:

1) Trickle Filter Rehabilitation Project (Utility) - \$783,360

Canada – New Brunswick Integrated Bilateral Agreement for Investing in Canada Infrastructure Program

Federal	\$313,344
Provincial	\$261,094
Municipal	\$208,922

This project involves the renewal and enhancements to the existing trickle filter system of the wastewater treatment facility that services the north side of the municipality to extend its useful life. The engineering began in June 2022 and upgrades consisted of the replacement of the settling and humus tanks, replacement of the aluminum dome structure that collapsed a couple of years ago with a building structure, repairs to the filtration system and installation of a flow meter. Most of the work is completed with a few minor items remaining to be completed in the spring of 2024.

2) Ballfield Upgrade & Outdoor Kitchen Project (Millville) - \$416,273

Canada Community Building Fund – Unincorporated Areas

Federal	\$230,999
Provincial	\$175,274
Municipal	\$ 10,000

This project includes the rehabilitation of the ballfield and fencing, along with the construction of a building to house public washrooms and an outdoor kitchen allowing residents and visitors a place to hold events and socialize. The work began in 2023 and will be completed by end of summer 2024. Playground equipment will be re-located to the same property and the park will be named H.C. Greenlaw Memorial Park, complete with a new sign depicting the name.

3) Route 105 Paving & Culvert Replacement Project - \$364,010

Road Ahead Plan

Provincial	\$364,010
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This project included the milling and paving of a section of Route 105 beginning at the corner of Route 605 for approximately 1 km and the replacement of a deteriorating culvert.

4) Campbell Settlement Road & McLaren Lane Paving Project - \$205,442

Canada Community Building Fund (former Gas Tax Fund - Nackawic)

CCBF	\$174,234
Municipal	\$ 31,208

Campbell Settlement Road was levelled and paved from the intersection of Route 105 to the former town limits and McLaren Lane in Nackawic was milled and paved.

5) Residential Development Study – Nackawic - \$66,300

Rural Economy Fund

Provincial	\$26,405
Municipal	\$39,895

The municipality owns a 47 acre parcel of land behind the Nackawic Middle School. An engineering firm, Gemtec was engaged to develop a proposed subdivision plan for housing development in the future.

Residential Development Plan Phase I & II – Nackawic - \$390,500

Housing – Preconstruction

Provincial	\$351,450
Municipal	\$ 39,050

To continue to further develop subdivision plans and present an overall development project of single family residential lots, multi-family residential lots, multi-unit lots, triplex and rowhouse lots.

6) Community Halls – Renovations & Upgrades - \$91,939

Canada Community Building Fund – Unincorporated Areas

Provincial \$91,939 dispersed as follows:

Temperance Vale Community Hall - \$18,025
Bear Island Community Hall - \$37,975
Middle Southampton Community Hall - \$35,939

Two community halls in the former LSD areas of Queensbury and Southampton had energy audits completed on their facilities identifying areas requiring upgrades and renovations to reduce energy consumption. Both community halls received funding to complete many renovations and upgrades to enhance the facilities to increase residential/community usage of the halls.

Temperance Vale Community Hall also received funding to carry out significant upgrades to their hall to enhance the overall facility.

7) Dumfries Fire Hall/Community Hall - \$177,450

Local Government Reform – Implementation Fund

Provincial \$177,450

Throughout 2023 studies were completed on the Dumfries Fire Hall/Community Hall with many serious issues being identified. The municipality has committed to the replacement of the fire hall/community hall in 2024-2025. Hatchard Engineering has

been engaged to develop plans for the new building, all aspects of engineering and drafting the tender for construction.

8) Strategic Planning

Local Governance Reform – Implementation Fund

Provincial	\$23,604
Municipal	\$ 3,627

To conduct a strategic planning session with Council and administration to outline the goals and priorities of the municipality for the next 5 years. Process will begin in 2024.

NACKAWIC MILLVILLE RURAL COMMUNITY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

Shannon & Buffett, LLP
Chartered Professional Accountants

NACKAWIC MILLVILLE RURAL COMMUNITY

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Shannon & Buffett, LLP

Chartered Professional Accountants

Garry L. Armstrong, CPA, CA Claude C. Leger, CPA, CA
Ron W. Sauntry, CPA, CA

April 2, 2024

Independent Auditors' Report

To the Mayor and the Members of the Council:

Opinion

We have audited the accompanying consolidated financial statements of the Nackawic Millville Rural Community (the Community) which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Nackawic Millville Rural Community as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for the Public Sector.

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 Financial Statements* section of our report. We are independent of the Community 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 information

Our audit was conducted for the purposes of forming an opinion on the consolidated financial statements taken as a whole. The schedules contained in notes 17, 18 and 19 respectively are presented for purposes of additional information and are not a required part of the consolidated financial statements. Such information, except for the portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures only to the extent necessary to form an opinion on the consolidated financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for the Public Sector, and for such internal control as management determines is necessary to enable the preparation of 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 Community'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 Community or to cease operations, or has no realistic alternative but to do so.

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

Continued...

Auditor's Responsibilities for the Audit of the 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 Community'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 Community'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 Community 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.

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.


Chartered Professional Accountants

NACKAWIC MILLVILLE RURAL COMMUNITY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023

Financial assets:

Accounts receivable:	
Other	\$ 58,583
Federal Government and its agencies	198,890
Provincial Government	<u>1,134,768</u>
	<u>1,392,241</u>

Liabilities:

Cash (bank indebtedness) (note 3)	41,762
Accounts payable and accrued liabilities	481,886
Deferred revenue (note 4)	20,368
Long-term debt (note 5)	815,000
Accrued retirement allowance (note 7)	62,388
Accrued pension benefit liability (asset) (note 8)	<u>14,400</u>
	<u>1,435,804</u>

Net assets (debt) (43,563)

Non-financial assets:

Tangible capital assets (note 6)	22,234,474
Accumulated amortization (note 6)	<u>(11,523,772)</u>
	10,710,702
Inventory of supplies	<u>46,960</u>
	<u>10,757,662</u>
Accumulated surplus	<u>\$ 10,714,099</u>

APPROVED BY:

 Mayor

 Clerk or Treasurer



Shannon & Buffett, LLP
Chartered Professional Accountants

NACKAWIC MILLVILLE RURAL COMMUNITY

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 2023

		(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>
Revenue:			
Property tax warrant		\$ 2,563,861	\$ 2,563,861
Services provided to other governments	(page 22)	153,724	152,948
Sale of services, fines and other fees	(page 22)	207,355	182,757
Community funding and equalization grant		121,726	121,726
Other government transfers	(page 22)	-	1,304,062
Water and sewer user fees		336,888	323,785
Other		1,000	14,340
Interest		<u>1,920</u>	<u>42,052</u>
		<u>3,386,474</u>	<u>4,705,531</u>
Expenditures:			
General government services	(page 23)	654,862	598,743
Protective services	(page 24)	1,084,307	931,871
Transportation services	(page 25)	769,518	695,271
Environmental health	(page 26)	352,168	349,599
Environmental development	(page 26)	187,923	192,164
Recreation and cultural services	(page 26)	397,791	500,424
Water and sewerage services	(page 27)	<u>397,614</u>	<u>389,475</u>
		<u>3,844,183</u>	<u>3,657,547</u>
Annual surplus (note 17)		\$ <u>(457,709)</u>	1,047,984
Accumulated surplus, beginning of year - Nackawic			8,322,378
Accumulated surplus, beginning of year - Millville			1,134,618
Accumulated surplus, beginning of year - LSDs			<u>209,119</u>
Accumulated surplus, end of year			<u>\$ 10,714,099</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT
FOR THE YEAR ENDED DECEMBER 31, 2023

Annual surplus	\$ <u>1,047,984</u>
Acquisition of tangible capital assets	(1,286,190)
Amortization of tangible capital assets	433,163
Decrease (increase) in supplies inventory	13,607
Decrease (increase) in prepaid expenses	<u>5,533</u>
	<u>(833,887)</u>
Change in net debt	214,097
Net assets (debt), beginning of year - Nackawic	(221,784)
Net assets (debt), beginning of year - Millville	(244,995)
Net assets (debt), beginning of year - Former LSDs	<u>209,119</u>
Net debt, end of year	\$ <u>(43,563)</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Operating transactions:	
Annual surplus	\$ 1,047,984
Non-cash items:	
Amortization	433,163
Change in deferred revenue	(82,934)
Change in prepaid expenses	5,533
Change in inventory of supplies	13,607
Change in accounts receivable	(1,101,574)
Change in accounts payable	282,548
Change in accrued retirement allowance	(3,846)
Change in accrued pension benefit liability	<u>17,800</u>
	<u>612,281</u>
Capital transactions:	
Acquisition of tangible capital assets	<u>(1,286,190)</u>
Financing transactions:	
Long-term debt repayment	<u>(206,000)</u>
Net increase (decrease) in cash	(879,909)
Cash, beginning of year - Nackawic	672,414
Cash, beginning of year - Millville	8,743
Cash, beginning of year - Former LSDs	<u>156,990</u>
Cash, end of year	<u>\$ (41,762)</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Reporting entity:

The Community was created as part of New Brunswick Municipal restructuring that took effect on January 1, 2023 and was created through the amalgamation of the Town of Nackawic, the Village of Millville and portions of the Local Service Districts of Southampton, Queensbury, Dumfries and Bright. As a municipality, the Community is exempt from income tax under the Canadian Income Tax Act.

2. Significant accounting policies:

(a) Basis of accounting -

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

The Community has adopted Public Sector Accounting (PSA).

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

Interdepartmental and organizational transactions and balances have been eliminated.

(b) Budget -

The budget figures contained in these consolidated financial statements were approved by Council on January 6, 2023 and the Minister of Local Government on January 9, 2023.

(c) Revenue recognition -

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.

Other revenue is recorded when it is earned.

(d) Use of estimates -

The preparation of the consolidated financial statements in conformity with Canadian accounting standards for Public Sectors 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.

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. Significant accounting policies (continued):

(e) 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.

(f) Investments -

Guaranteed investment certificates are recorded at cost plus accrued interest.

(g) 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:

<u>Asset type</u>	<u>Years</u>
Land improvements	15-30 years
Buildings	25-40 years
Roads, streets, sidewalks and storm-sewers	15-40 years
Vehicles	5-15 years
Machinery and equipment	5-40 years
Utility infrastructure	25-75 years

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

Amortization commences with the year after acquisition.

There is no amortization in the year of disposal.

(h) Segmented information -

The Community is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Community'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 Community. 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.

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

2. **Significant accounting policies (continued):**

(h) **Segmented information (continued) -**

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 maintenance and operation of recreational and cultural facilities, including the arena, parks and playgrounds and other recreational and cultural facilities.

Utility operations

This department is responsible for the maintenance and operation of the water supply and delivery systems as well as the sewerage services which includes the maintenance and operation of collection, treatment plants, reservoirs, lagoons and related systems.

3. **Cash (bank indebtedness):**

Internally restricted cash - Reserves and Gas Tax funds	\$ 700,963
Unrestricted cash (outstanding cheques in excess of bank balances)	<u>(742,725)</u>
	<u>\$ (41,762)</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

4. **Deferred revenue:**

Gas Tax Funds	\$ <u>20,368</u>
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5. **Long-term debt:**

NB Municipal Finance Corp.

- 1.25% to 4.15% due 2028 OIC#13-0014 (Well development)	\$ 77,000
- 1.20% to 2.70% due 2027 OIC#16-0055 (Protective services)	127,000
- 0,90% to 2.05% due 2030 OIC#19-0063 (Transportation services)	375,000
- 1.65% to 3.20% due 2032 OIC#16-0035 (Millville General Government)	<u>236,000</u>
	\$ <u>815,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for all debenture debt reported on the consolidated statement of financial position.

NACKAWIC MILLVILLE RURAL COMMUNITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

6. Tangible capital assets:

Cost:	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Infrastructure			2023 Total
						Roads and Streets	Treatment facilities	Water and Sewer	
Balance, beginning of the year	\$ 1,153,449	\$ 1,736,259	\$ 3,833,740	\$ 2,114,867	\$ 997,622	\$ 5,042,486	\$ 2,061,165	\$ 1,850,153	\$ 18,789,741
- Nackawic	37,950	-	936,723	-	268,901	914,969	-	-	2,158,543
- Millville	-	-	-	-	38,848	569,455	401,225	-	1,286,190
Additions	-	276,662	-	-	-	-	-	-	-
Balance, end of year	<u>1,191,399</u>	<u>2,012,921</u>	<u>4,770,463</u>	<u>2,114,867</u>	<u>1,305,371</u>	<u>6,526,910</u>	<u>2,462,390</u>	<u>1,850,153</u>	<u>22,234,474</u>
Accumulated amortization:									
Balance, beginning of year	-	553,431	2,800,029	759,727	704,283	3,378,256	769,851	1,340,568	10,306,146
- Nackawic	-	-	183,306	-	76,452	524,705	-	-	784,463
- Millville	-	-	(177,126)	170,904	224,170	92,182	24,437	41,415	433,163
Amortization	-	57,181	-	-	-	-	-	-	-
Balance, end of year	<u>-</u>	<u>610,612</u>	<u>2,806,209</u>	<u>930,631</u>	<u>1,004,905</u>	<u>3,995,143</u>	<u>794,288</u>	<u>1,381,983</u>	<u>11,523,772</u>
Net Book Value of Tangible Capital Assets	<u>\$ 1,191,399</u>	<u>\$ 1,402,309</u>	<u>\$ 1,964,254</u>	<u>\$ 1,184,236</u>	<u>\$ 300,466</u>	<u>\$ 2,531,767</u>	<u>\$ 1,668,102</u>	<u>\$ 468,170</u>	<u>\$ 10,710,702</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

7. Accrued retirement allowance:

Employees of the Community are eligible to receive a retiring allowance based on the number of years of service. The benefit is paid out to employees who discontinue employment for reasons other than termination. The minimum severance pay is equivalent to two weeks pay and the maximum amount is 14 weeks pay.

The retirement allowance has been recorded based on the current employees who qualify for the allowance based on current salary rates. No provision has been made for actuarial adjustments for future events since the difference in the liability and related expenses would be immaterial.

8. Accrued pension benefit liability:

The Community 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, 2021 and resulted in an overall NB MEPP accrued benefit obligation of \$140,299,800 on the accounting basis.

The actuarial valuation for accounting purposes was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2022:

- 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 on assets is 6.15% per annum
- retirement age varies by age and employment category
- estimated average remaining service life (EARS�) is 14.0 years

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. Accrued pension benefit liability (continued):

The actuarial valuation prepared as at December 31, 2021 indicated that the market value of the net assets available for the accumulated plan benefits were greater than the present value of these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan surplus of \$1,294,100, a change of \$2,127,600 from the December 31, 2020 deficit of \$833,500. Based on the assumptions as at December 31, 2021, the actuary expects the level of employer and employee contributions to be sufficient to fund the current service cost and going concern special payments, as required by the Pension Benefits Act.

In addition to determining the position of the NB MEPP as it relates to the Community of Nackawic as at December 31, 2021 and 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 adjust to reflect actual experience. Results of the extrapolation are as follows:

	(Estimated)	
	January 1, 2023	January 1, 2022
	to	to
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Accrued benefit liability:		
Accrued benefit liability, beginning of year	\$ 6,800	\$ 2,700
Pension expense for the year	35,900	26,300
Employer contributions	(28,300)	(32,400)
Adjustment of prior year estimated amounts	<u>-</u>	<u>10,200</u>
Accrued benefit liability (asset), end of year	<u>\$ 14,400</u>	<u>\$ 6,800</u>

To summarize, the accrued benefit liability (asset) as it relates to the Community of Nackawic is estimated to be \$14,400 as at December 31, 2023. This compares to \$2,700 as at January 1, 2022 and \$6,800 as at December 31, 2022. This amount is included in the accrued pension liability on the Consolidated Statement of Financial Position. Please note that the accrued pension liability for the prior year was estimated and the actual amounts provided this year differ slightly, this difference has been adjusted in the current year.

NACKAWIC MILLVILLE RURAL COMMUNITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. **Accrued pension benefit liability (continued):**

	(Estimated)	
	December 31, 2023	December 31, 2022
Reconciliation of funded status:		
Accrued benefit obligation	\$ 1,464,900	\$ 1,378,300
Plan assets	<u>1,314,700</u>	<u>1,225,200</u>
Plan deficit	150,200	153,100
Unamortized experience losses (gains)	<u>135,800</u>	<u>146,300</u>
Accrued benefit liability, end of year	\$ <u>14,400</u>	\$ <u>6,800</u>

	(Estimated)	
	December 31, 2023	December 31, 2022
Reconciliation of accrued benefit obligation:		
Accrued benefit obligation, beginning of year	\$ 1,378,300	\$ 1,404,200
Current service cost	44,700	53,000
Benefit payments	(42,900)	(58,300)
Interest for the year	84,800	79,900
Experience loss (gain) during the year	<u>-</u>	<u>(100,500)</u>
Accrued benefit obligation, end of year	\$ <u>1,464,900</u>	\$ <u>1,378,300</u>

	(Estimated)	
	December 31, 2023	December 31, 2022
Reconciliation of plan assets:		
Plan assets, beginning of year	\$ 1,225,200	\$ 1,354,800
Employer contributions	28,300	27,500
Employee contributions	28,300	27,500
Benefit payments	(42,900)	(58,300)
Return on plan assets during year	<u>75,800</u>	<u>(126,300)</u>
Plan assets, end of year	\$ <u>1,314,700</u>	\$ <u>1,225,200</u>

	(Estimated)	
	December 31, 2023	December 31, 2022
Pension expense:		
Employer current service cost	\$ 16,400	\$ 25,500
Interest on accrued benefit obligation	84,800	79,900
Expected return on assets	(75,800)	(77,100)
Amortization of unrecognized balances:		
Experience loss (gain)	<u>10,500</u>	<u>3,300</u>
Pension expense	\$ <u>35,900</u>	\$ <u>31,600</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

9. Forestry Scholarship Trust Fund:

In 1993, the Forestry Capital of Canada Committee founded the Forestry Scholarship Trust Fund. The administration of the Fund is the responsibility of the Community.

Eligible recipients of the scholarship from the Fund are Nackawic High School seniors enrolled and accepted in a forestry related post-secondary program. No scholarship was awarded during the year (\$250 - 2022).

Financial assets:

Cash	\$ <u>5,100</u>
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10. Financial instruments:

The Community's financial instruments consist of cash, receivables, investments, payables and accruals. Unless otherwise noted, it is management's opinion that the Community is not exposed to significant interest, currency or any other risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Community is subject to credit risk through its accounts receivable. The Community manages credit risk through on-going credit management.

11. Employee sick leave benefits:

Employees are not entitled to a cash payment for unused sick leave benefits upon leaving employment. Therefore, there is no unrecorded liability in respect of vested benefits as at December 31, 2023.

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

12. Water and Sewer Fund surplus/deficit:

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/deficit at the end of the year consists of the following:

2023	Surplus	\$	1,283
2022	Surplus		<u>854</u>
		\$	<u>2,137</u>

13. Water cost transfer:

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

14. Interfund balances:

The Department of Local Government requires that short-term inter-fund borrowings be repaid by end of the next year unless the borrowing is for a capital project. The interfund balances as at December 31, 2023 are in compliance with this policy.

15. Amalgamation:

Effective January 1, 2023 the Town of Nackawic amalgamated with the Village of Millville and portions of the LSDs of Southampton, Queensbury and Dumfries as part of the provincially mandated municipal restructuring. The amalgamated municipal entity is known as the Nackawic Millville Rural Community.

NACKAWIC MILLVILLE RURAL COMMUNITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

16. Schedule of segment disclosure:

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Utility	2023 Total
Revenue:								
Property tax warrant	\$ 440,859	\$ 764,859	\$ 440,012	\$ 297,263	\$ 146,037	\$ 474,831	\$ -	\$ 2,563,861
Services provided to other governments	-	145,312	7,636	-	-	-	-	152,948
Sale of services, fines and other fees	35,065	-	-	-	-	147,692	-	182,757
Community funding and equalization	20,931	36,314	20,891	14,113	6,933	22,544	-	121,726
Transfers from other governments	14,837	-	542,084	-	36,247	416,674	294,220	1,304,062
Water and sewer user fees	-	-	-	-	-	-	323,785	323,785
Other	14,340	-	-	-	-	-	-	14,340
Interest	28,084	-	-	-	-	-	13,968	42,052
	<u>554,116</u>	<u>946,485</u>	<u>1,010,623</u>	<u>311,376</u>	<u>189,217</u>	<u>1,061,741</u>	<u>631,973</u>	<u>4,705,531</u>
Expenses:								
Wages and benefits	257,928	79,881	252,486	-	-	176,999	125,779	893,073
Goods and services	223,070	636,921	209,415	349,599	192,164	504,140	189,316	2,304,625
Amortization	117,745	203,712	226,569	-	-	(180,715)	65,852	433,163
Interest	-	11,357	6,801	-	-	-	8,528	26,686
	<u>598,743</u>	<u>931,871</u>	<u>695,271</u>	<u>349,599</u>	<u>192,164</u>	<u>500,424</u>	<u>389,475</u>	<u>3,657,547</u>
Surplus (deficit)	<u>\$ (44,627)</u>	<u>\$ 14,614</u>	<u>\$ 315,352</u>	<u>\$ (38,223)</u>	<u>\$ (2,947)</u>	<u>\$ 561,317</u>	<u>\$ 242,498</u>	<u>\$ 1,047,984</u>

NACKAWIC MILLVILLE RURAL COMMUNITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

17. Reconciliation of annual surplus:

	General Operating Fund	General Capital Fund	General Operating Reserve	Utility Operating Fund	Utility Capital Fund	Utility Capital Reserve	Forestry Scholarship Trust Fund	Total
2023 Annual surplus (deficit)	\$ 1,160,788	\$ (367,311)	\$ 11,310	\$ 296,247	\$ (65,852)	\$ 12,103	\$ -	\$ 1,047,984
Adjustments to 2023 annual surplus (deficit) for funding requirements:								
Second previous year's surplus (deficit)	178,694	-	-	854	-	-	-	179,548
Transfers between Funds:								
General Operating to General Capital Reserve	(250,000)	-	250,000	-	-	-	-	-
General Operating to General Operating Reserve	(50,000)	-	50,000	-	-	-	-	-
Utility Operating to Utility Capital Reserve	-	-	-	(18,000)	-	18,000	-	-
General Operating to General Capital	(884,965)	884,965	-	-	-	-	-	-
Utility Operating to Utility Capital	-	-	-	(401,225)	401,225	-	-	-
Utility Capital Reserve to Utility Operating	-	-	-	75,000	-	(75,000)	-	-
General Operating to Utility Operating	(44,400)	-	-	44,400	-	-	-	-
Change in accrued pension liability	17,800	-	-	-	-	-	-	17,800
Amortization	-	367,311	-	-	65,852	-	-	433,163
Long-term debt principal repayment	(103,000)	103,000	-	(103,000)	103,000	-	-	-
Short-term debt proceeds	-	-	-	107,007	(107,007)	-	-	-
Total adjustments	(1,135,871)	1,355,276	250,000	(294,964)	463,070	(57,000)	-	630,511
2023 Annual fund surplus (deficit)	\$ 24,917	\$ 987,965	\$ 261,310	\$ 1,283	\$ 397,218	\$ (44,897)	\$ -	\$ 1,678,495

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

18. Statement of reserves:

	<u>General Capital Reserve</u>	<u>General Operating Reserve</u>	<u>Utility Capital Reserve</u>	<u>Total 2023</u>
Assets:				
Cash	\$ 287,114	\$ 25,112	\$ 235,745	\$ 547,971
Due from (to) Operating Funds	<u>249,000</u>	<u>50,000</u>	<u>18,000</u>	<u>317,000</u>
Accumulated surplus	<u>\$ 536,114</u>	<u>\$ 75,112</u>	<u>\$ 253,745</u>	<u>\$ 864,971</u>
Revenue:				
Transfer from (to) Operating Funds	\$ 250,000	\$ 50,000	\$ 18,000	\$ 318,000
Interest	<u>11,310</u>	<u>699</u>	<u>12,103</u>	<u>24,112</u>
	<u>261,310</u>	<u>50,699</u>	<u>30,103</u>	<u>342,112</u>
Expenditures	<u>-</u>	<u>-</u>	<u>(75,000)</u>	<u>(75,000)</u>
Annual surplus (deficit)	<u>\$ 261,310</u>	<u>\$ 50,699</u>	<u>\$ (44,897)</u>	<u>\$ 267,112</u>

Reserve Fund cash amounts are held in savings accounts earning interest at floating rates as set by the financial institution.

NACKAWIC MILLVILLE RURAL COMMUNITY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

18. Statement of reserves (continued):

Council resolutions regarding transfers to and from reserves:

At the regular meeting of council September 18, 2023:

Resolution 23-166

Motion: Councillor Simpson

Seconded: Councillor Nozzolillo

"That \$75,000 be transferred from the Utility Capital Reserve Fund to the Utility Operating Fund"

Motion carried

At the special meeting of council December 22, 2023:

Resolution 23-233

Motion: Councillor Trail

Seconded: Councillor Simpson

"That \$250,000 be transferred from the General Operating Fund to the General Capital Reserve Fund"

Motion carried

At the special meeting of council December 22, 2023

Resolution 23-234

Motion: Councillor Nozzolillo

Seconded: Deputy Mayor MacFarlane

"That \$50,000 be transferred from the General Operating Fund to the General Operating Reserve Fund"

Motion carried

At the special meeting of council December 22, 2023

Resolution 23-235

Motion: Councillor Clark

Seconded: Councillor Nozzolillo

"That \$18,000 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund"

Motion carried

I certify that above are true and exact copies of resolutions adopted at the meetings indicated.


Kathryn Clark
CAO, Nackawic Millville Rural Community


Date

NACKAWIC MILLVILLE RURAL COMMUNITY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

19. Operating budget to public sector accounting budget:

	<u>General Operating Budget</u>	<u>Utility Operating Budget</u>	<u>Amortization Tangible Capital Assets</u>	<u>Transfers</u>	<u>Other</u>	<u>Total</u>
Revenue:						
Property tax warrant	\$ 2,563,861	\$ -	\$ -	\$ -	\$ -	\$ 2,563,861
Unconditional grant	121,726	-	-	-	-	121,726
Other	1,000	-	-	-	-	1,000
Services to other governments	153,724	-	-	-	-	153,724
Sales of services, fines and other	207,355	-	-	-	-	207,355
Water cost transfer from protective services	-	44,400	-	(44,400)	-	-
Water and sewer service fees	-	336,888	-	-	-	336,888
Interest	300	1,620	-	-	-	1,920
Second prior year surplus	178,692	854	-	(179,546)	-	-
	<u>3,226,658</u>	<u>383,762</u>	<u>-</u>	<u>(223,946)</u>	<u>-</u>	<u>3,386,474</u>
Expenditures:						
General government services	533,106	-	117,745	4,011	-	654,862
Protective services	913,948	-	203,712	(33,353)	-	1,084,307
Transportation services	536,085	-	226,569	6,864	-	769,518
Environmental health	352,168	-	-	-	-	352,168
Environmental development	187,923	-	-	-	-	187,923
Recreation and cultural services	578,506	-	(180,715)	-	-	397,791
Water and sewerage	-	323,233	65,852	8,529	-	397,614
Fiscal services:						
Long-term debt repayments	103,000	28,000	-	(131,000)	-	-
Interest	17,911	8,529	-	(26,440)	-	-
Bank charges	3,880	-	-	(3,880)	-	-
Other transfers	-	24,000	-	(24,000)	-	-
Payment in lieu of taxes - PILT	131	-	-	(131)	-	-
	<u>3,226,658</u>	<u>383,762</u>	<u>433,163</u>	<u>(199,400)</u>	<u>-</u>	<u>3,844,183</u>
Surplus (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (433,163)</u>	<u>\$ (24,546)</u>	<u>\$ -</u>	<u>\$ (457,709)</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF REVENUE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>
Sale of services, fines and other fees:		
Arena	\$ 70,000	\$ 74,153
Parks and playgrounds	1,600	2,038
Marina	105,235	71,501
Animal licences and book sales	720	716
Building permits	<u>29,800</u>	<u>34,349</u>
	<u>\$ 207,355</u>	<u>\$ 182,757</u>
Services provided to other governments:		
Province of New Brunswick:		
Fire protection	\$ 145,312	\$ 145,312
Roads and streets	<u>8,412</u>	<u>7,636</u>
	<u>\$ 153,724</u>	<u>\$ 152,948</u>
Other government transfers:		
Province of New Brunswick/Government of Canada:		
Regional Development Corporation - Utility	\$ -	\$ 294,220
Grants - Wage subsidies	-	14,837
Other grants	-	403,407
Regional Development Corporation - General	-	413,523
Gas Tax Funding - General	<u>-</u>	<u>178,075</u>
	<u>\$ -</u>	<u>\$ 1,304,062</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited)	
	2023	2023
	<u>Budget</u>	<u>Actual</u>
General government services:		
Legislative:		
Mayor	\$ 17,000	\$ 13,697
Councillors	46,800	36,253
Other legislative costs	<u>-</u>	<u>4,194</u>
	<u>63,800</u>	<u>54,144</u>
Administrative:		
Personnel	254,625	200,175
Office	88,566	83,730
Solicitor	10,000	10,856
Public liability insurance	8,800	3,992
Cost of assessment	61,565	61,565
Wages - Summer students	<u>10,000</u>	<u>21,769</u>
	<u>433,556</u>	<u>382,087</u>
Financial management:		
External audit	17,500	16,607
Consulting	<u>-</u>	<u>1,552</u>
	<u>17,500</u>	<u>18,159</u>
Other:		
Training and civic relations	12,500	450
Bank charges	3,880	5,922
Other fees and taxes	5,750	20,105
Payment in lieu of taxes	<u>131</u>	<u>131</u>
	<u>22,261</u>	<u>26,608</u>
Amortization	<u>117,745</u>	<u>117,745</u>
	<u>\$ 654,862</u>	<u>\$ 598,743</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>
Protective services:		
Police - RCMP	\$ 196,394	\$ 196,394
Fire:		
Administration	23,925	5,502
Firefighting force	63,752	77,887
Fire alarm system	42,182	48,709
Station and building	216,150	65,892
Firefighting	188,216	193,484
Training	61,950	63,464
Other	2,449	2,449
Interest	<u>11,047</u>	<u>11,357</u>
	<u>609,671</u>	<u>468,744</u>
Emergency measures	<u>13,900</u>	<u>4,048</u>
Other:		
Animal and pest control	10,548	8,891
Building inspection	<u>50,082</u>	<u>50,082</u>
	<u>60,630</u>	<u>58,973</u>
Amortization	<u>203,712</u>	<u>203,712</u>
	<u>\$ 1,084,307</u>	<u>\$ 931,871</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>
Transportation services:		
Common services:		
Administration	\$ 169,642	\$ 100,937
General equipment	8,000	7,132
Workshops and other buildings	<u>33,240</u>	<u>19,858</u>
	<u>210,882</u>	<u>127,927</u>
Roads and streets:		
Summer maintenance	20,806	98,178
Snow and ice removal	218,297	161,486
Sidewalks	8,000	2,746
Culverts and drainage ditches	-	-
Storm sewers	<u>7,400</u>	<u>6,245</u>
	<u>254,503</u>	<u>268,655</u>
Street lighting	<u>57,500</u>	<u>56,715</u>
Traffic:		
Street signs	3,200	-
Traffic lane markings	<u>10,000</u>	<u>8,604</u>
	<u>13,200</u>	<u>8,604</u>
Interest	<u>6,864</u>	<u>6,801</u>
Amortization	<u>226,569</u>	<u>226,569</u>
	<u>\$ 769,518</u>	<u>\$ 695,271</u>

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>	
Environmental health:			
Administration	\$ 125	\$ 198	
Garbage collection	206,575	186,089	
Other garbage disposal and recycling	<u>145,468</u>	<u>163,312</u>	
	<u>\$ 352,168</u>	<u>\$ 349,599</u>	
Environmental development:			
Community planning	\$ 62,499	\$ 64,040	
Community development	1,000	9,508	
Tourism promotion	-	417	
Administration and other	6,008	4,816	
Public Health initiatives	10,000	30,000	
Economic and Tourism Development			
- Capital Region Service Commission	37,916	37,916	-
Destination Nackawic Economic Development:			
Economic Development officer	60,000	45,000	
Website development	<u>10,500</u>	<u>467</u>	
	<u>\$ 187,923</u>	<u>\$ 192,164</u>	
Recreation and culture services:			
Administration	\$ 86,811	\$ 94,630	
Rinks and arenas	206,668	237,262	
Marina	117,000	112,264	
Training and development	-	1,233	
Parks and playgrounds	53,700	88,600	
Other recreation facilities	76,422	112,388	
Library	37,905	34,762	
Amortization (adjustment)	<u>(180,715)</u>	<u>(180,715)</u>	
	<u>\$ 397,791</u>	<u>\$ 500,424</u>	

NACKAWIC MILLVILLE RURAL COMMUNITY
SUPPLEMENTARY SCHEDULE OF EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

	(Unaudited) 2023 <u>Budget</u>	2023 <u>Actual</u>
Water and sewerage services:		
Water supply:		
Administration	\$ 45,572	\$ 39,929
Purification and treatment	23,060	19,754
Source of supply	40,360	37,418
Transmission and distribution	44,810	32,420
Power and pumping	31,660	32,558
Billing and collection	15,174	15,242
Billing discounts	4,800	2,065
Interest on long-term debt	3,589	3,588
Amortization	<u>33,611</u>	<u>33,611</u>
	<u>242,636</u>	<u>216,585</u>
Sewer collection and disposal:		
Administration	7,243	10,372
Sewer collection system	34,243	29,143
Sewer treatment and disposal	74,311	94,190
Storm sewers	2,000	-
Billing discounts	-	2,004
Interest on long-term debt	4,940	4,940
Amortization	<u>32,241</u>	<u>32,241</u>
	<u>154,978</u>	<u>172,890</u>
	<u>\$ 397,614</u>	<u>\$ 389,475</u>