
**TOWN OF WOODSTOCK
WOODSTOCK, NEW BRUNSWICK**

Report And Consolidated Financial Statements

For The Year Ended December 31, 2022

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NICHOLSON & BEAUMONT
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To Her Worship The Mayor and Councillors
Town of Woodstock

Opinion

We have audited the consolidated financial statements of the Town of Woodstock, which comprise the consolidated statement of financial position as at December 31, 2022 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows 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 Town of Woodstock as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town'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 Town or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

continued

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INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Woodstock, NB
November 2, 2023


Chartered Professional Accountants

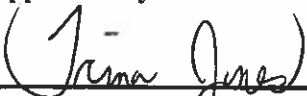
TOWN OF WOODSTOCK
Consolidated Statement of Operations
For The Year Ended December 31, 2022

	Page	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue				
Warrant of assessment - property taxes		8,009,631	8,026,731	7,524,900
Community funding and equalization grant		708,505	708,505	897,119
Sale of services	22	762,557	867,538	823,381
Service to other governments				
Province of New Brunswick	22	723,504	723,895	630,899
Other revenue from own sources	22	146,579	402,368	705,809
Other government transfers				
General fund	22	606,810	690,215	966,637
Water and sewer fund	27	370,749	370,749	1,815,335
Water and sewer	27	1,347,250	1,305,855	1,336,277
		<u>12,675,585</u>	<u>13,095,856</u>	<u>14,700,357</u>
Expenditure				
General government	23	899,383	967,178	1,071,843
Protective	24	3,517,503	3,691,980	3,705,978
Transportation	25	2,228,343	2,449,896	2,242,217
Environmental health	25	400,100	417,181	405,075
Environmental development	25	400,518	412,716	366,267
Recreation and cultural	26	3,314,753	3,468,722	3,341,849
Water and sewer	27	1,306,136	1,344,884	1,221,561
		<u>12,066,736</u>	<u>12,752,557</u>	<u>12,354,790</u>
Annual Surplus		608,849	343,299	2,345,567
Accumulated Surplus, beginning of year		-	39,073,628	36,728,061
Accumulated Surplus, end of year		-	<u>39,416,927</u>	<u>39,073,628</u>

TOWN OF WOODSTOCK
Consolidated Statement of Financial Position
As At December 31, 2022

	2022	2021
	\$	\$
FINANCIAL ASSETS		
Cash (note 3)	1,318,684	1,750,534
Receivables		
General and utility (note 4)	207,995	276,977
Federal government and its agencies (note 5)	181,886	103,078
Province of New Brunswick (note 6)	112,680	523,555
Investments (note 7)	938,771	923,123
	<u>2,760,016</u>	<u>3,577,267</u>
LIABILITIES		
Short term financing (note 14)	1,813,343	2,366,189
Payables and accrued liabilities (note 8)	1,094,892	1,460,526
Deferred revenue - fitness memberships (note 9)	52,239	12,752
Deferred government transfers - Gas Tax (note 10)	1,110,850	1,371,248
Long term debt (note 11)	2,443,000	2,189,000
Accrued net pension fund (asset) liability (note 12)	(1,390,000)	(1,226,300)
Accrued retirement allowance, sick leave and post-retirement benefits liability (note 13)	3,782,247	3,642,523
	<u>8,906,571</u>	<u>9,815,938</u>
NET DEBT	<u>(6,146,555)</u>	<u>(6,238,671)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (note 19)		
Cost	80,258,661	78,360,117
Accumulated amortization	(34,894,161)	(33,064,679)
	45,364,500	45,295,438
Prepaid expenses	107,811	-
Supplies inventory	91,171	16,861
	<u>45,563,482</u>	<u>45,312,299</u>
ACCUMULATED SURPLUS	<u>39,416,927</u>	<u>39,073,628</u>

Approved by:

 Mayor

 Clerk

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Consolidated Statement of Changes in Net Debt
For The Year Ended December 31, 2022

	2022	2021
	\$	\$
Annual Surplus	343,299	2,345,567
Acquisition of tangible capital assets	(1,912,161)	(3,217,238)
Net proceeds on disposal of tangible capital assets	500	49,308
Amortization of tangible capital assets	1,843,099	1,767,928
Net gain on sale of tangible capital assets	(500)	(11,953)
Increase in prepaid expenses	(107,811)	-
Increase in supplies inventory	(74,310)	(1,734)
Decrease In Net Debt	92,116	931,878
Net Debt, beginning of year	(6,238,671)	(7,170,549)
Net Debt, end of year	(6,146,555)	(6,238,671)

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2022

	2022	2021
	\$	\$
Operating		
Annual surplus	343,299	2,345,567
Amortization expense	1,843,099	1,767,928
Accounts receivable	401,049	(256,930)
Payables and accruals	(365,634)	(30,412)
Deferred revenue	39,487	(1,009)
Deferred government transfers - Gas Tax Fund	(260,398)	502,964
Change in accrued pension, retirement benefits liabilities	(23,976)	17,486
Prepaid expenses	(107,811)	-
Supplies inventory	(74,310)	(1,734)
Gain on sale of tangible capital assets	(500)	(11,953)
	<u>1,794,305</u>	<u>4,331,907</u>
Capital transactions		
Acquisition of tangible capital assets	(1,912,161)	(3,217,238)
Proceeds on sale of tangible capital assets	500	49,308
	<u>(1,911,661)</u>	<u>(3,167,930)</u>
Financing transactions		
Long-term debt - issued	700,000	290,000
Long-term debt retirement	(446,000)	(373,000)
	<u>254,000</u>	<u>(83,000)</u>
Investing transactions		
Investments	(15,648)	(95,534)
Increase in cash	120,996	985,443
Cash, beginning of year	<u>(615,655)</u>	<u>(1,601,098)</u>
Cash (net short term financing), end of year	<u>(494,659)</u>	<u>(615,655)</u>
Comprised of:		
Cash	1,318,684	1,750,534
Short term financing	(1,813,343)	(2,366,189)
	<u>(494,659)</u>	<u>(615,655)</u>

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

1. Purpose of the organization

The Municipality was incorporated as a Town by the Province of New Brunswick Municipalities Act on May 1, 1856. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. Summary of significant accounting policies

The consolidated financial statements of the Town of Woodstock 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 Municipality adopted Public Sector Accounting Standards (PSAS) as of January 1, 2011.

The focus of PSAS financial statements is on the financial position of the Town and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Town.

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

Reporting entity

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

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on November 23, 2021 and the Minister of Local Government on December 22, 2021.

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. Donations are recognized as revenue in the year received. Property tax revenue is recorded in period for which the tax is levied.

Use of estimates

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

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

2. Summary of significant accounting policies (continued)

Financial instruments

The Town's financial instruments consist of cash, short-term investments, accounts receivable, due from the Province of New Brunswick, due from Federal Government, payables and accruals, short term financing and long-term debt. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Town is subject to credit risk through accounts receivable. The Town minimizes credit risk through ongoing credit management.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of twelve months or less.

Tangible capital assets

Effective January 1, 2011, The Town adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts 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:

Asset type	Years
Land improvements	10-25 years
Buildings	40 years
Vehicles	5 years
Machinery and equipment	5-15 years
Heavy equipment	10-15 years
Computer / communication equipment	5-10 years
Furniture / fixtures	5-10 years
Roads surface	15-20 years
Roads base	30 years
Storm sewer	40-60 years
Sidewalks / curbs	15 years
Parking lot surface	20 years
Parking lot base	30 years
Lighting / traffic lights	10-15 years
Water / sanitary sewer networks	40-60 years
Water / wastewater treatment facilities	5-100 years

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

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

2. Summary of significant accounting policies (continued)

Segmented information

The Town is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

General government services

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

Protective services

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

Transportation services

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

Environmental health services

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

Environmental development services

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

Recreation and cultural services

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

Water and Wastewater Systems

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

Inventory of supplies

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

Post retirement benefits

The Town recognizes its obligations under post retirement benefit plans and the related costs, net of plan assets. The Town has a pension plan as documented in Note 12 and sick leave, retirement allowance and other post retirement benefits as documented in Note 13.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

	2022	2021
	\$	\$
3. Cash		
Cash - restricted (Gas Tax Funds)	1,110,850	1,371,248
Cash - unrestricted	207,834	379,286
	<u>1,318,684</u>	<u>1,750,534</u>
4. Receivables - general and utilities		
General operating	98,439	175,932
Water and sewer accounts	109,556	101,045
	<u>207,995</u>	<u>276,977</u>
5. Due from Federal government and its agencies		
Canada Revenue Agency (HST refund)	181,886	103,078
6. Due from Province of New Brunswick		
Department of Environment and Local Government	33,346	-
Integrated Enforcement Unit (police personnel)	67,587	-
Department of Justice and Public Safety	5,178	-
Department of Transportation and Infrastructure	6,569	44,159
Regional Development Corporation	-	479,396
	<u>112,680</u>	<u>523,555</u>
7. Investments		
Reserves (note 22)	935,643	920,045
Florence Bull Trust	1,000	1,000
F.O. Creighton Trust	2,128	2,078
	<u>938,771</u>	<u>923,123</u>

The reserves consists of funds internally restricted by Council for designated projects.

The investments consist of short term deposits with maturity dates of twelve months or less.
Interest rate prime less 1.8% floating (6.45% - 1.8% = 4.65% at December 31, 2022).

	2022	2021
	\$	\$
8. Payables		
General operating	841,222	473,232
Capital projects	109,034	812,063
Accrued liabilities		
Payroll	144,636	175,231
	<u>1,094,892</u>	<u>1,460,526</u>

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

9. Deferred Revenue

Monies received for fitness centre memberships are recorded as revenue in the year for which the membership periods are applicable. Amounts for membership periods that have not expired are recorded as deferred revenue on the statement of financial position.

10. Deferred Government Transfers

Funding received as part of the Gas Tax Funding program is recorded as revenue in the year during which related expenditures are incurred. Funds that have not been spent are recorded as deferred government transfers on the consolidated statement of financial position. These amounts are restricted to fund pre-approved projects that relate to the program objectives and cannot be used for other projects.

11. Long Term Debt

NB Municipal Finance Corporation					2022	2021
Debenture #	O.I.C. #	Issued	Interest Rate	Due Date	\$	\$
AYR Motor Centre, Library and Theatre						
BJ31	13-0053	2013	1.25-4.15%	Nov 20, 2028	913,000	1,047,000
AYR Motor Centre, Library and Theatre						
BU26	13-0053	2018	2.55-3.4%	Dec 21, 2028	302,000	347,000
Town Hall						
AZ34	07-0072	2008	2.10-5.55%	Dec 22, 2023	181,000	353,000
Protective/Transportation						
BY28	20-0031	2020	0.5-1.1%	Nov 26, 2025	114,000	152,000
BZ23	20-0044	2021	0.3-1.35%	June 17, 2026	233,000	290,000
Total general capital fund					1,743,000	2,189,000
New Well House						
CC 16	18-0040	2022	3.953-4.709%	Dec 5, 2037	700,000	-
					<u>2,443,000</u>	<u>2,189,000</u>

Approximate principal payments required during the next five years:

	General \$	Water/Sewer \$
2023	462,000	34,000
2024	287,000	36,000
2025	294,000	37,000
2026	265,000	39,000
2027	214,000	41,000

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

12. Pension Plan Asset/Liability

The Town of Woodstock provides pension benefits to employees of the Town in accordance with the New Brunswick Pension Benefits Act and Town By-Law A-7. The Plan is administered by a Pension Committee representing Town Council, management and unionized employees. It is a contributory defined benefit pension plan covering all eligible employees whereby contributions are made by the employees and the Town. A separate pension fund is maintained and fund assets are held by Canadian Western Trust (effective March 1, 2016) as custodian with investment management of the fund provided by LifeWorks (Canada) Ltd. (effective March 1, 2016).

Actuarial valuations for funding purposes are performed annually (triennially to December 31, 2007) by LifeWorks in accordance with the standards prescribed under the New Brunswick Pension Benefits Act. The Superintendent of Pensions granted an exemption from funding on a solvency basis in 2009, effective December 31, 2007. The most recent actuarial valuation was prepared by the Town's actuary, LifeWorks, as of December 31, 2022 (prepared March, 2023).

Actuarial valuations for accounting purposes are required triennially in accordance with Public Sector Accounting Standards. The Town's actuary performed an actuarial valuation to determine the position of the plan for accounting purposes as at December 31, 2022. Pension fund assets are valued at market values.

Results of the actuary's valuation are as follows: (page 13)

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

12. Pension Plan Asset/Liability (continued)

	2022 \$	2021 \$
Plan Assets, January 1	18,865,800	17,966,300
Contributions - Town	440,300	663,800
Contributions - employees	378,400	362,100
Benefit payments	(838,200)	(1,089,600)
Expected earnings on market-related value	942,800	842,900
Actuarial experience gain/(loss) during period	(3,132,500)	120,300
Plan Assets, December 31	<u>16,656,600</u>	<u>18,865,800</u>
Accrued benefit obligation, January 1	17,884,800	18,223,300
Current service cost	688,700	705,700
Benefit payments	(838,200)	(1,089,600)
Interest on accrued benefit obligation	890,500	847,500
Net actuarial experience loss	(998,600)	(802,100)
Accrued benefit obligation, December 31	<u>17,627,200</u>	<u>17,884,800</u>
Unamortized actuarial (gains) losses, January 1	245,300	1,263,400
Amortization of actuarial gains/(losses)	(18,600)	(95,700)
Actuarial (gain) loss at end of period	2,133,900	(922,400)
Unamortized actuarial loss (gain), December 31	<u>2,360,600</u>	<u>245,300</u>
Net pension fund liability comprised of:		
Accrued benefit obligation	17,627,200	17,884,800
Less plan assets	(16,656,600)	(18,865,800)
Actuarial deficit	970,600	(981,000)
Unamortized experience gain (losses)	(2,360,600)	(245,300)
Net pension fund (asset) liability	<u>(1,390,000)</u>	<u>(1,226,300)</u>
Town portion of Plan expenses		
Current-period benefit cost	310,300	343,600
Amortization of actuarial losses	18,600	95,700
Interest on accrued benefit obligation	890,500	847,500
Expected return on assets	(942,800)	(842,900)
Pension benefit expense (per actuarial calculations)	<u>276,600</u>	<u>443,900</u>
Pension benefit expense (per statement of operations)		
Town's contributions during year	439,158	574,624
Pension liability adjustment	(163,700)	(219,900)
	<u>275,458</u>	<u>354,724</u>

Significant management assumptions used in the actuarial valuation for the Pension Plan are:

Discount rate	5.40% per year
Inflation rate	2.00% per year
Expected rate of return on assets	5.30% per year
Salary scale	3.00% per year
Average retirement age	Varies by age/employment category
Estimated average remaining service life (EARSL)	13.2 years

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

13. Retirement allowance, sick leave and post-retirement benefits liability

The Town provides a retirement allowance/sick leave retirement benefit for the Police and Non-bargaining groups employees having continuous service of five years or more who retire due to disability, death, age or being laid off, a benefit of two days' pay for each full year of service (up to a maximum of 50 days) or the remainder of the employee's accrued sick leave, whichever is greater. After 20 years of service, the employee will be paid the retirement allowance after terminating employment for any reason. Sick leave accrues at a rate of 1.5 days per month up to a maximum of 200 days.

A retirement allowance/sick leave retirement benefit is provided for the CUPE group employees having continuous service of five years or more who retire due to disability, death or age, a benefit of two days' pay for each full year service (up to a maximum of 50 days) and one quarter of the employee's accumulated sick leave. A CUPE employee accrues sick leave at a rate of 1.25 days per month up to a maximum of 200 days. After 20 years of service, the employee will be paid the retirement allowance after terminating employment for any reason. For all employees, the retirement allowance/sick leave retirement benefit is paid at the employee's regular rate of pay at retirement.

Post retirement life insurance benefits provide life insurance for an amount equal to twice the salary at retirement until age 65, and coverage of \$5,000 thereafter.

Post retirement health care benefit provides continued health care coverage to retired employees who participated in the Health Care Plan for at least 15 years prior to retirement. Coverage is provided until the earliest of age 65 or death for retired CUPE and Police employees, and until death for retired members of the Non-bargaining group. Employees who participated for fewer than 5 years at retirement do not receive any health care coverage. Employees who participated in the Health Care Plan for a period of 5 to 15 years prior to retirement receive pro-rated coverage.

Actuarial valuations of the benefits were performed by LifeWorks in accordance with Public Sector 3250 Accounting Standards (triennially) as at the measurement date of December 31, 2022.

	2022	2021
	\$	\$
Accrued benefit liability January 1	4,151,100	3,874,600
Current service cost	268,600	276,900
Interest on obligation	97,800	74,800
Benefit payments	(156,000)	(43,200)
Amortization of (gains)/ losses	(45,400)	(32,000)
Accrued benefit liability December 31	<u>4,316,100</u>	<u>4,151,100</u>
Restricted cash for retirement benefits	<u>533,853</u>	<u>508,577</u>
Net accrued benefit liability	<u>3,782,247</u>	<u>3,642,523</u>
Allocation of accrued benefits		
Retirement allowance/sick leave	1,407,700	1,393,200
Post retirement life insurance	200,800	193,600
Post retirement health insurance	2,707,600	2,564,300
	<u>4,316,100</u>	<u>4,151,100</u>

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

13. Retirement allowance, sick leave and post-retirement benefits liability (continued)

	2022	2021
	\$	\$
Town portion of benefit expenses		
Current-period benefit cost	268,600	276,900
Interest cost	97,800	74,800
Amortization of losses	(45,400)	(32,000)
Retirement benefits expense	<u>321,000</u>	<u>319,700</u>

Significant assumptions used in the actuarial valuation for the Post-employment Benefits are:

Discount rate	4.52% per year
Salary scale/Medical inflation	3%/5% per year
Average retirement age	Varies by age/employment category
Demographic	Same as for pension plan actuarial valuations at December 31, 2022
Actuarial cost method	Projected unit credit prorated on service
Estimated average remaining service life (EARSL)	
Retirement allowance/sick leave	9.6 years
Post-retirement health care/life insurance	8.0 years

14. Short-term borrowings compliance

Interim borrowing for capital

The Municipality currently has revolving operating facilities that can be used to provide interim financing for capital expenditures as follows:

- Bank of Montreal bearing interest at prime with an authorized limit of \$3,900,000
- Canadian Imperial Bank of Commerce bearing interest at prime less 0.75% with an authorized limit of \$1,000,000

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

- General Capital Fund, M.O. # 19-0028 \$2,100,000 Recreation and Cultural Services
- General Capital Fund, M.O. # 21-0040 \$550,000 Recreation and Cultural Services
- Utility Capital Fund, M.O. # 19-0071 \$200,000 Environmental Health Services
- Utility Capital Fund, M.O. # 18-0039 \$600,000 Environmental Health Services
- Utility Capital Fund, M.O. # 18-0040 \$700,000 Environmental Health Services

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. 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 the next year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

15. 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:

	2022	2021
	\$	\$
2022 Surplus (Deficit) (note 22)	33,143	-
2021 Surplus (Deficit)	311,713	311,713
2020 Surplus (Deficit)	-	933
	<u>344,856</u>	<u>312,646</u>

16. Water cost transfer

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.

17. Funds held in trust

Funds administered by the Town for the benefit of external parties are not included in the consolidated financial statements. The amount administered in 2022 was \$nil (2021 \$nil).

18. Fire department fundraising

The members of Hose Company # 1 Inc. operate a lottery fund account to raise funds for the acquisition of equipment and accessories to assist in the of work the Woodstock Volunteer Fire Department. These financial statements do not include the Lottery Fund account as it is not controlled or administered by the Town. The amounts recorded as fire department fundraising revenue includes only the amounts received by the Town from Hose Company # 1 Inc. for fire equipment purchases.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

	19. Schedule of Tangible Capital Assets											
	Land	Land improve-ments	Buildings	Vehicles	Machinery and equipment	Roads and streets	Infrastructure Treatment facilities	Water & sewer	Small equipment	Assets under Construction	2022 Total	2021 Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
COST												
Balance, beginning of year	3,644,094	1,309,041	24,885,565	1,074,551	2,908,882	20,021,952	5,627,415	10,229,459	2,043,824	6,615,334	78,360,117	75,237,393
Add:												
Additions during the year	2,765	-	214,152	270,357	159,680	238,611	-	-	93,027	933,569	1,912,161	3,217,238
Transfer completed construction	-	-	2,554,602	-	-	-	-	-	-	(2,554,602)	-	-
Less:												
Disposals during year	-	-	-	(13,617)	-	-	-	-	-	-	(13,617)	(94,514)
BALANCE, END OF YEAR	3,646,859	1,309,041	27,654,319	1,331,291	3,068,562	20,260,563	5,627,415	10,229,459	2,136,851	4,994,301	80,258,661	78,360,117
ACCUMULATED AMORTIZATION												
Balance, beginning of year	-	967,125	8,978,745	603,854	1,916,865	12,474,455	1,740,243	4,949,845	1,433,547	-	33,064,679	31,353,910
Add:												
Amortization during year	-	50,629	651,987	116,640	132,885	553,122	97,163	142,544	98,129	-	1,843,099	1,767,928
Less:												
Accumulated amortization on disposals	-	-	-	(13,617)	-	-	-	-	-	-	(13,617)	(57,159)
BALANCE, END OF YEAR	-	1,017,754	9,630,732	706,877	2,049,750	13,027,577	1,837,406	5,092,389	1,531,676	-	34,894,161	33,064,679
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	3,646,859	291,287	18,023,587	624,414	1,018,812	7,232,986	3,790,009	5,137,070	605,175	4,994,301	45,364,500	45,295,438
Consists of:												
General Fund Assets	3,584,283	291,287	18,023,587	576,887	1,007,751	7,232,986	-	-	605,175	362,559	31,684,515	31,968,122
Water & Sewer Fund Assets	62,576	-	-	47,527	11,061	-	3,790,009	5,137,070	-	4,631,742	13,679,985	13,327,316
BALANCE, END OF YEAR	3,646,859	291,287	18,023,587	624,414	1,018,812	7,232,986	3,790,009	5,137,070	605,175	4,994,301	45,364,500	45,295,438

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

20. Schedule of Segment Disclosure

	General	Protective	Transportation	Environmental	Recreation	Water and	2021
	\$	\$	\$	Health	and Culture	Sewer	Consolidated
				\$	\$	\$	Consolidated
							\$
							\$
Revenue							
Property tax warrant	528,047	3,022,139	1,815,157	366,297	1,950,834	-	7,524,900
Equalization grant	46,609	266,759	160,221	32,332	172,197	-	897,119
Sale of services	-	-	-	-	867,538	-	823,381
Services to other							
Governments	-	351,476	65,391	-	307,028	-	630,899
Water and sewer fees	-	-	-	-	-	1,285,323	1,317,192
Government transfers	-	64,095	470,715	-	123,555	370,749	2,781,972
Other	164,752	218,887	500	-	18,229	20,532	724,894
	739,408	3,923,356	2,511,984	398,629	3,439,381	1,676,604	14,700,357
Expenses							
Salaries and benefits	474,592	2,891,953	931,915	-	1,632,903	363,811	6,315,611
Pension/benefits							
liability adjustment	(1,932)	(11,069)	(3,590)	(793)	(4,968)	(1,625)	17,486
Goods and services	355,516	651,693	800,996	417,181	1,076,428	728,302	4,035,315
Amortization	60,852	132,972	675,498	-	712,748	254,396	1,767,928
Interest	48,751	1,027	2,510	-	51,611	-	123,556
Other	29,399	25,404	42,567	-	-	-	94,894
	967,178	3,691,980	2,449,896	417,181	3,468,722	1,344,884	12,354,790
	(227,770)	231,376	62,088	(6,222)	(29,341)	331,720	2,345,567

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

21. Reconciliation of Annual Surplus

	General Operating Fund \$	Water & Sewer Operating Fund \$	General Capital Fund \$	Water & Sewer Capital Fund \$	General Reserve Funds \$	Water & Sewer Reserve Funds \$	Total \$
2022 annual surplus (deficit)	1,054,674	210,067	(1,053,394)	116,353	10,299	5,300	343,299
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus (deficit)	49,333	933	-	-	-	-	50,266
Transfers between funds							
General to water & sewer	125,000	(125,000)	-	-	-	-	-
Water & sewer to general	(188,004)	188,004	-	-	-	-	-
General to capital fund	(620,997)	-	620,997	-	-	-	-
Water & sewer to capital fund	-	(239,236)	-	239,236	-	-	-
Long-term debt principal repayment	(446,000)	-	446,000	-	-	-	-
Amortization expense	-	-	1,588,703	254,396	-	-	1,843,099
Provision for post-retirement benefits and sick leave	(22,352)	(1,625)	-	-	-	-	(23,977)
Total adjustments to 2022 surplus (deficit)	(1,103,020)	(176,924)	2,655,700	493,632	-	-	1,869,388
2022 annual surplus (deficit) per PNB requirements	(48,346)	33,143	1,602,306	609,985	10,299	5,300	2,212,687

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

22. Statement of Reserves

	General Operating Reserve \$	General Capital Reserve \$	Water and Sewer Operating Reserve \$	Water and Sewer Capital Reserve \$	2022 Total \$	2021 Total \$
Assets						
Investments	1,212	519,563	51,006	363,862	935,643	920,045
Accumulated Surplus	1,212	519,563	51,006	363,862	935,643	920,045
Revenue						
Transfers	-	-	-	-	-	425,000
Interest	24	10,275	66	5,234	15,599	4,488
	24	10,275	66	5,234	15,599	429,488
Expenditures						
	-	-	-	-	-	334,000
Annual Surplus (Deficit)	24	10,275	66	5,234	15,599	95,488

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2022

23. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water & Sewer	Capital revenue/ Amortization TCA	Pension/ Retirement Benefits	Transfers	Total
	\$	\$	\$	\$	\$	\$
Revenue						
Property tax warrant and federal grant	8,009,631	-	-	-	-	8,009,631
Services provided to other government	723,504	-	-	-	-	723,504
Sales of services and other fees	762,557	-	-	-	-	762,557
Equalization grant	708,505	-	-	-	-	708,505
Other revenue from own sources	146,579	-	-	-	-	146,579
Other transfers	197,000	188,000	905,559	-	(313,000)	977,559
Water and sewer user fees	-	1,347,250	-	-	-	1,347,250
Surplus/deficit of second previous year	49,333	933	-	-	(50,266)	-
	10,597,109	1,536,183	905,559	-	(363,266)	12,675,585
Expenditures						
General government services	820,288	-	60,852	(1,931)	20,174	899,383
Protective services	3,583,622	-	132,972	(11,068)	(188,023)	3,517,503
Transportation services	1,553,925	-	675,498	(3,590)	2,510	2,228,343
Environmental health services	400,100	-	-	-	-	400,100
Environmental development services	371,178	-	6,633	(793)	23,500	400,518
Recreational and cultural services	2,624,312	-	712,748	(4,968)	(17,339)	3,314,753
Transfer of tangible capital asset to Fiscal services						
Long-term debt repayments	607,200	-	-	-	(607,200)	-
Interest - General Fund	75,322	-	-	-	(75,322)	-
Interest - Water and Sewer Fund	-	13,915	-	-	(13,915)	-
Transfer from General Operating Fund to General Capital Fund	561,162	-	-	-	(561,162)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Fund	-	357,818	-	-	(357,818)	-
Transfer from Water and Sewer Operating Water and Sewer	-	1,164,450	254,396	(1,625)	(111,085)	1,306,136
	10,597,109	1,536,183	1,843,099	(23,975)	(1,885,680)	12,066,736
Surplus (Deficit)	-	-	(937,540)	23,975	1,522,414	608,849

TOWN OF WOODSTOCK
Supplementary Schedule Of Revenue Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Sale of Services			
AYR Motor Centre			
Swimming pool	95,000	130,035	104,226
Arena	176,000	146,026	148,702
Fitness centre	60,000	65,544	65,462
Field house	78,000	95,455	83,118
Concessions, events and other	52,500	91,255	72,618
	<u>461,500</u>	<u>528,315</u>	<u>474,126</u>
Other recreation programs and activities			
Summer and youth programs	39,000	25,773	39,984
Daycare and after school	227,000	286,489	279,595
Adult programs and other grants	35,057	26,961	29,676
	<u>301,057</u>	<u>339,223</u>	<u>349,255</u>
	<u>762,557</u>	<u>867,538</u>	<u>823,381</u>
Province of New Brunswick			
Fire	351,476	351,476	276,370
Roads and streets	65,000	65,391	65,589
Ayr Motor Centre - LSD levy	307,028	307,028	288,940
	<u>723,504</u>	<u>723,895</u>	<u>630,899</u>
Other Revenue From Own Sources			
Licenses and permits	67,500	47,516	74,537
Police programs and other services	9,000	161,949	127,113
Recreation fundraising and donations	-	18,229	31,253
Interest	12,300	16,208	7,632
Fire department fundraising (note 18)	-	30,475	316,431
Fire and other services	19,306	26,463	23,798
Miscellaneous	5,600	12,231	9,963
Donations - parks and fields	-	-	25,000
Rebates	24,600	76,998	31,519
Donations - community projects	-	3,080	38,415
Gain on disposal of tangible capital assets	-	500	11,953
Transfers from other agencies - property tax	8,273	8,719	8,195
	<u>146,579</u>	<u>402,368</u>	<u>705,809</u>
Other Government Transfers			
Employment programs	72,000	123,555	114,316
Covid-19	-	-	604,667
DTI - Designated Highways	163,937	163,937	44,158
PNB - Police	64,095	64,095	-
Gas Tax Revenue	306,778	306,778	159,919
NB Power rebate	-	-	39,077
PNB - Demolition	-	31,850	-
Regional Development Corporation	-	-	4,500
	<u>606,810</u>	<u>690,215</u>	<u>966,637</u>

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
General Government			
Legislative			
Mayor	16,000	16,304	15,829
Councillors	50,000	50,740	46,095
	<u>66,000</u>	<u>67,044</u>	<u>61,924</u>
Administrative and other			
Office salaries and benefits	387,685	407,547	518,016
Pension/benefits liability adjustment	(1,931)	(1,931)	1,429
Office expense and other	76,475	90,402	89,776
Office building	37,600	33,482	29,195
Professional fees	91,000	74,854	77,640
Training and development	4,000	8,233	4,967
	<u>594,829</u>	<u>612,587</u>	<u>721,023</u>
Other general government services			
Conventions and delegations	2,000	3,127	5,606
Research and information	23,700	41,823	14,195
Regional Service District	4,546	4,546	3,857
Grants to organizations	20,000	21,166	37,891
	<u>50,246</u>	<u>70,662</u>	<u>61,549</u>
Other charges			
Assessment charge	107,282	107,282	100,366
Interest on long term debt	19,334	19,334	27,973
Bank charges and short term interest	840	29,417	35,863
Debenture issue expense	-	-	2,293
Amortization	60,852	60,852	60,852
	<u>188,308</u>	<u>216,885</u>	<u>227,347</u>
	<u>899,383</u>	<u>967,178</u>	<u>1,071,843</u>

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Protective			
Police			
Administration personnel	291,120	307,930	289,620
Crime control personnel	1,505,027	1,610,897	1,567,997
Employee benefits	386,200	385,595	436,509
Pension/benefits liability adjustment	(8,815)	(8,815)	6,551
Office, insurance and other	122,300	137,622	191,344
Training	15,800	22,941	9,100
Station and building	71,800	86,214	78,873
Automotive equipment	60,000	83,167	76,539
Prisoners	25,000	29,791	20,889
Dispatch and service agreements	129,000	124,781	118,161
Interest on long term debt	1,027	1,027	614
Amortization	49,695	49,695	35,722
	2,648,154	2,830,845	2,831,919
Fire			
Fire fighting force			
Drivers	426,825	439,592	426,622
Volunteers	90,000	80,840	87,184
Pension/benefits liability adjustment	(2,253)	(2,253)	1,598
Fire alarm systems	66,000	67,717	59,250
Training and development	4,500	2,463	1,770
Station, building and insurance	45,000	47,820	47,229
Fighting equipment-trucks and uniforms	45,500	58,634	47,282
New equipment	41,000	10,942	120,346
Amortization	83,277	83,277	72,165
	799,849	789,032	863,446
Other protection			
By-law enforcement	55,000	61,103	-
Animal control	14,500	11,000	10,613
	69,500	72,103	10,613
	3,517,503	3,691,980	3,705,978

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Transportation			
Common services			
Administration	37,500	39,081	47,870
General equipment	178,000	279,599	205,175
Workshop, yards and buildings	30,000	31,542	23,863
	<u>245,500</u>	<u>350,222</u>	<u>276,908</u>
Road transport			
Roads and streets			
Summer maintenance	466,000	518,137	447,617
Payroll benefits	164,350	180,455	196,882
Pension/benefits liability adjustment	(3,590)	(3,590)	2,608
Storm sewers and culverts	7,500	-	2,186
Snow and ice removal	420,000	486,229	397,982
Insurance	17,500	10,096	14,178
	<u>1,071,760</u>	<u>1,191,327</u>	<u>1,061,453</u>
Street lighting - electricity and repairs	169,000	178,954	174,958
Traffic services - street signs	10,000	1,679	6,352
Airport	8,000	7,139	8,897
Taxes and sundry	46,075	42,567	41,166
Interest on long term debt	2,510	2,510	2,028
Amortization	675,498	675,498	670,455
	<u>2,228,343</u>	<u>2,449,896</u>	<u>2,242,217</u>
Environmental Health			
Waste collection and disposal	400,100	417,181	405,075
Environmental Development			
Community planning	151,978	202,826	177,681
Legal/land development	-	7,395	21,488
Pension/benefits liability adjustment	(525)	(525)	331
Industrial park	3,500	14,695	3,464
Industrial commission	-	525	-
Tourism			
Tourism committee	96,275	83,965	81,995
Pension/benefits liability adjustment	(268)	(268)	187
Promotion, events and other	132,925	89,006	65,965
Decorative lighting	10,000	8,464	8,524
Amortization	6,633	6,633	6,632
	<u>400,518</u>	<u>412,716</u>	<u>366,267</u>

TOWN OF WOODSTOCK
General Fund
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Recreation And Cultural			
Recreation			
Administration	298,265	295,673	278,079
Pension/benefits liability adjustment	(781)	(781)	1,290
Parks and playgrounds	333,370	276,688	264,345
Programs and other	42,500	54,240	62,223
Employment programs	-	123,555	114,316
	<u>673,354</u>	<u>749,375</u>	<u>720,253</u>
AYR Motor Centre			
Administration	669,005	630,986	676,920
Pension/benefits liability adjustment	(4,187)	(4,187)	2,247
Electricity	290,000	334,324	358,382
Swimming pool	244,518	260,900	225,912
Arena	264,780	276,959	237,111
Fitness centre	86,548	68,442	74,831
Field house	184,876	224,712	204,239
Concessions and events	10,500	41,363	12,535
	<u>1,746,040</u>	<u>1,833,499</u>	<u>1,792,177</u>
Cultural buildings and facilities			
Community theatre and other	10,000	6,589	-
Library	121,000	114,900	102,147
	<u>131,000</u>	<u>121,489</u>	<u>102,147</u>
Other charges			
Interest on long term debt	51,611	51,611	57,078
Amortization	712,748	712,748	670,194
	<u>764,359</u>	<u>764,359</u>	<u>727,272</u>
	<u>3,314,753</u>	<u>3,468,722</u>	<u>3,341,849</u>

TOWN OF WOODSTOCK
Water And Sewer Funds
Supplementary Schedule Of Revenue And Expenditure Accounts
For The Year Ended December 31, 2022

	2022 Budget \$	2022 Actual \$	2021 Actual \$
Revenue			
Sale of water	610,000	569,451	589,468
Sewer rates	732,000	690,169	720,030
Connection and services	5,250	12,461	7,694
Insurance proceeds	-	13,242	-
Interest	-	20,532	19,085
	<u>1,347,250</u>	<u>1,305,855</u>	<u>1,336,277</u>
Other government transfers			
Gas Tax Fund	345,299	345,299	80,865
Regional Development Corporation	25,450	25,450	1,734,470
	<u>370,749</u>	<u>370,749</u>	<u>1,815,335</u>
Expenditure			
Water supply			
Administration	85,850	85,853	108,856
Transmission and distribution	309,150	347,276	283,168
Pension/benefits liability adjustment	(810)	(810)	603
Power and pumping	187,250	166,222	138,060
Billing, collection and other	6,600	4,275	2,833
	<u>588,040</u>	<u>602,816</u>	<u>533,520</u>
Sewer collection and disposal			
Administration	85,850	85,915	108,871
Sewer collection system	251,670	257,893	247,495
Pension/benefits liability adjustment	(815)	(815)	642
Sewer treatment and disposal	231,480	231,435	187,982
Billing, collection and other	6,600	3,188	12,580
	<u>574,785</u>	<u>577,616</u>	<u>557,570</u>
Administration transfers	<u>(125,000)</u>	<u>(125,000)</u>	<u>(125,000)</u>
Other charges			
Interest on long term debt	3,415	-	-
Amortization	254,396	254,396	251,908
Debenture issue expense	-	5,639	-
Interest on short term financing	10,500	29,417	3,563
	<u>268,311</u>	<u>289,452</u>	<u>255,471</u>
	<u>1,306,136</u>	<u>1,344,884</u>	<u>1,221,561</u>