

CITY OF CORNER BROOK

**Consolidated Financial Statements
For the Year Ended December 31, 2021**

CITY OF CORNER BROOK

Consolidated Financial Statements

For the Year Ended December 31, 2021

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STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the City of Corner Brook and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Council of the City met with management to review a draft of the consolidated financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized consolidated financial statements.

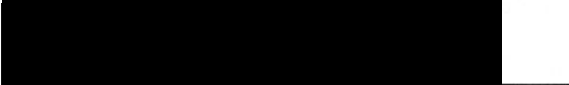
BDO Canada LLP as the City's appointed external auditors, have audited the consolidated financial statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the City in accordance with Canadian Public Sector Accounting Standards.



Jim Parsons
Mayor

Date

August 17, 2022



Rodney Cumber
City Manager

Date

August 16 2022



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Independent Auditor's Report

To the Mayor and Council of City of Corner Brook

Opinion

We have audited the consolidated financial statements of City of Corner Brook (the "City"), which comprise the consolidated statement of financial position as at December 31, 2021, the consolidated statements of operations and accumulated surplus, changes in net 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 City as at December 31, 2021, and the results of its consolidated operations, change in net assets 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 City 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.

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

St. John's, Newfoundland and Labrador
July 27, 2022

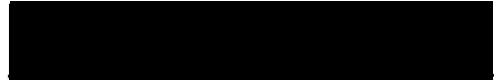
**CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021**

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash	\$ 19,418,356	\$ 15,916,039
Accounts receivable (Note 3)	<u>4,289,068</u>	<u>4,722,871</u>
	<u>23,707,424</u>	<u>20,638,910</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	3,992,551	4,861,515
Employee benefits liability (Note 6)	1,057,973	1,179,528
Long-term debt (Note 7)	<u>8,028,281</u>	<u>11,190,307</u>
	<u>13,078,805</u>	<u>17,231,350</u>
NET FINANCIAL ASSETS	<u>10,628,619</u>	<u>3,407,560</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	158,987,037	164,488,946
Inventories (Note 8)	1,284,715	1,413,685
Prepaid expenses	<u>236,171</u>	<u>334,564</u>
	<u>160,507,923</u>	<u>166,237,195</u>
ACCUMULATED SURPLUS	<u>\$ 171,136,542</u>	<u>\$ 169,644,755</u>

Approved on behalf of Council:



Mayor



City Manager

The accompanying notes are an integral part of this financial statement

CITY OF CORNER BROOK

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year Ended December 31, 2021

	2021 Budget (Schedule 5)	2021 Actual	2020 Actual
REVENUE			
Taxation	\$ 28,818,700	\$ 31,695,252	\$ 31,583,506
Government transfers	2,507,000	3,406,902	6,030,807
Sales of goods and services	2,440,400	2,267,710	2,053,834
Interest income	450,000	468,974	492,927
Other revenue	1,219,200	45,888	90,087
Total revenue (Schedules 2, 4 and 5)	<u>35,435,300</u>	<u>37,884,726</u>	<u>40,251,161</u>
EXPENSES			
General government	3,539,700	3,333,059	3,483,407
Community engineering, planning and development	2,276,600	2,057,351	1,976,052
Protective services	5,064,700	5,001,735	5,116,690
Public works	8,736,800	9,366,348	8,942,723
Water and waste water	3,582,000	3,561,361	3,259,046
Parks and recreation	934,900	1,085,516	769,706
Corner Brook Transit	426,600	432,801	347,269
Corner Brook Civic Centre	2,192,400	1,964,020	1,736,076
Fiscal services	9,617,248	9,590,748	9,854,496
Total expenses (Schedules 3, 4 and 5)	<u>36,370,948</u>	<u>36,392,939</u>	<u>35,485,465</u>
ANNUAL SURPLUS (DEFICIT)	(935,648)	1,491,787	4,765,696
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>169,644,755</u>	<u>169,644,755</u>	<u>164,879,059</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 168,709,107</u>	<u>\$ 171,136,542</u>	<u>\$ 169,644,755</u>

The accompanying notes are an integral part of this financial statement

CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
Year Ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ (935,648)	\$ 1,491,787	\$ 4,765,696
Acquisition of tangible capital assets	(4,276,400)	(3,517,616)	(6,786,678)
Amortization of tangible capital assets	-	9,019,525	9,072,281
Use (additions) of inventories	-	128,970	(235,852)
Acquisition of prepaid expenses	-	98,393	243,840
	<u>(4,276,400)</u>	<u>5,729,272</u>	<u>2,293,591</u>
CHANGE IN NET FINANCIAL ASSETS	(5,212,048)	7,221,059	7,059,287
NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR	<u>3,407,560</u>	<u>3,407,560</u>	<u>(3,651,727)</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ (1,804,488)</u>	<u>\$ 10,628,619</u>	<u>\$ 3,407,560</u>

The accompanying notes are an integral part of this financial statement

CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2021

	<u>2021</u>	<u>2020</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,491,787	\$ 4,765,696
Items not affecting cash:		
Amortization of tangible capital assets	9,019,525	9,072,281
Changes in non-cash items:		
Accounts receivable	433,803	185,981
Inventories held for use	128,970	(235,852)
Prepaid expenses	98,393	243,840
Accounts payable and accrued liabilities	(868,964)	(1,079,969)
Employee benefits liability	(121,555)	50,838
Cash provided by operating transactions	<u>10,181,959</u>	<u>13,002,815</u>
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	<u>(3,517,616)</u>	<u>(6,786,678)</u>
Cash applied to capital transactions	<u>(3,517,616)</u>	<u>(6,786,678)</u>
FINANCING TRANSACTIONS		
Debt repayment	<u>(3,162,026)</u>	<u>(4,084,354)</u>
Cash applied to financing transactions	<u>(3,162,026)</u>	<u>(4,084,354)</u>
Increase in cash	3,502,317	2,131,783
Cash, beginning of the year	<u>15,916,039</u>	<u>13,784,256</u>
Cash, end of the year	<u><u>\$ 19,418,356</u></u>	<u><u>\$ 15,916,039</u></u>

The accompanying notes are an integral part of this financial statement

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

1. Status of the City of Corner Brook

The incorporated City of Corner Brook (the "City") is a municipal government that was incorporated in 1956 pursuant to the City of Corner Brook Act, 1990. The Municipality provides or funds municipal services such as fire, public works, parks and recreation, water and waste water, transit and other general government operations.

2. Significant Accounting Policies

a) Basis of Consolidation

The consolidated financial statements include the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of the City of Corner Brook and the Corner Brook Civic Centre.

b) Basis of Accounting

These consolidated financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

c) Severance Benefits, Compensated Absences, and Retirement Benefits

The City provides defined severance benefits, compensated absences, and retirement benefits to certain employee groups. These benefits include pension, health and dental, and non-vesting sick leave. The City has adopted the following policies with respect to accounting for these employee benefits:

i) The cost of severance and other termination benefits are determined using employees' current salaries and total years of service. Severance and other termination benefits are accrued in full when owed.

ii) The cost of non-vesting sick leave benefits are determined using employees' current salaries and days of accumulated sick leave. Non-vesting sick leave benefits are accrued in full when owed.

iii) The costs of a defined contribution pension plan consisting of Registered Pension Plan (RPP) matching program available for all full-time employees are charged to operations as contributions are due. Contributions are a defined amount based upon a set percentage of salary.

d) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

e) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. Assets under construction are not amortized until the asset is put into use. One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

2. Significant Accounting Policies (continued)

e) Tangible Capital Assets (continued)

The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Land Improvements	10 - 50 years
Buildings	25 - 40 years
Machinery and Equipment	
Equipment	5 - 10 years
Computer Hardware	4 years
Vehicles	5 years
Recreation Infrastructure	10 - 20 years
Transportation Infrastructure	5 - 50 years
Water and Waste Water Infrastructure	10 - 60 years

f) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement value. Cost is determined using the first-in, first-out method. Land inventory held for sale is recorded at lower of cost and net realizable value.

g) Government Transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

When the municipality is the transferor, the government transfers are recognized as an expense in the statement of operations when they are authorized and all eligibility criteria have been met by the recipient.

h) Revenue Recognition

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals, and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.

Sales of goods and services consists mostly of Civic Centre and facility rental and own source revenues which are recognized when significant risks and rewards of ownership have been transferred and there are no significant obligations remaining, sales price is fixed and determinable, persuasive evidence of an arrangement exists, and collection is reasonably assured. This usually coincides with the provision of the goods and services.

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

2. Significant Accounting Policies (continued)

i) Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and are reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates. Estimates include the allowance for doubtful accounts relating to the collection of tax revenues, the useful lives of tangible capital assets, and the assumptions used in determining the obligation for retirement benefits and employee benefits.

3. Accounts Receivable

	<u>2021</u>	<u>2020</u>
Taxes		
Municipal	\$ 2,686,815	\$ 2,807,370
Poll tax	-	31,690
Utility taxes	966,481	994,269
Grants in Lieu of Taxes	-	210,509
HST rebate	353,484	369,064
Province of Newfoundland and Labrador	194,502	153,691
Other	<u>587,061</u>	<u>642,163</u>
	4,788,343	5,208,756
Less: Allowances for doubtful amounts	<u>(499,275)</u>	<u>(485,885)</u>
	<u>\$ 4,289,068</u>	<u>\$ 4,722,871</u>

4. Bank Indebtedness

The City has borrowing facilities with two financial institutions:

i) CIBC – demand operating credit not exceeding \$4,000,000 at any time, bearing interest at prime minus 0.27% per annum on the net cash position held with the bank at any point in time. At December 31, 2021, the City is in a positive net cash position (2020 - positive) and, consequently, the credit facility is unused.

ii) RBC – revolving lease line with an authorized limit of \$1,000,000, bearing interest at rates determinable upon the inception of an approved loan or lease. Disbursed leases are presented within capital lease liabilities accordingly. At December 31, 2021, the lease line was unused (2020 - nil).

5. Accounts Payable and Accrued Liabilities

	<u>2021</u>	<u>2020</u>
Trade payables and accruals	\$ 2,386,401	\$ 3,268,581
Contract deposits	1,001,512	1,044,845
Capital payables	203,614	89,591
Contract holdbacks	318,979	352,889
Accrued interest	<u>82,045</u>	<u>105,609</u>
	<u>\$ 3,992,551</u>	<u>\$ 4,861,515</u>

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2022

6. Employee Benefits Liability

Severance benefits: The City allocates to certain employee groups a specific amount of severance pay at the termination of employment, provided the employee meets the specific provisions of the plan.

Compensated absences: The City allocates to certain employee groups a specific number of days each year for use as paid absences. These days do not vest and are available immediately. Employees are permitted to accumulate their unused allocation each year, up to the allowable maximum provided in their collective agreements.

Retirement benefits: The City extends post-employment life insurance, health and dental benefits to certain employee groups after retirement until the members reach 65 years of age.

These benefit liabilities have not been actuarially calculated.

	<u>2021</u>	<u>2020</u>
Severance benefits	\$ 822,331	\$ 1,004,855
Compensated absences	97,201	119,231
Retirement benefits	<u>138,441</u>	<u>55,442</u>
	<u>\$ 1,057,973</u>	<u>\$ 1,179,528</u>

Included in Personnel services expense in the Consolidated Statement of Operations by Program (Schedule 4) is a recovery of \$182,524 (2020 expense of \$40,331) of employee benefits.

The City has a defined contribution retirement plan for participating employees. During the year, employees contributed \$708,133 (2020 - \$705,047) to the plan. The City contributed \$708,133 (2020 - \$705,047) and this expense has been included in Personnel services expense in the Consolidated Statement of Operations by Program (Schedule 4).

7. Long-Term Debt

	<u>2021</u>	<u>2020</u>
CMHC loan with interest of 3.98% under the Municipal Infrastructure Lending Program, repayable in blended annual installments of \$1,753,597, maturing in 2024.	\$ 4,868,239	\$ 6,368,375
TD Bank fixed rate term loan with interest at 2.44%, repayable in blended monthly installments of \$70,886, maturing in 2024	2,120,601	2,909,173
RBC swap transaction loan with interest at a floating rate recalculated monthly at the swap rate, ranging from 1.85% to prime rate, repayable in blended monthly installments of \$69,849 plus any unfavorable floating rate adjustments, maturing in 2022.	415,000	1,238,000
Newfoundland and Labrador Housing Corporation ("NLHC") mortgage, interest free, with payments due on disposition of specified land held for sale. Repayment terms are subject to periodic review by NLHC.	324,441	344,759

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

7. Long-Term Debt (continued)

Federation of Canadian Municipalities loan with interest of 1.47% under the Green Municipal Fund, repayable in semi-annual installments of \$15,000 plus interest, maturing in 2031.

	<u>300,000</u>	330,000
	<u>\$ 8,028,281</u>	<u>\$ 11,190,307</u>

Principal payments required in each of the next five years are as follows:

2022	\$ 2,812,563
2023	\$ 2,479,575
2024	\$ 2,202,002
2025	\$ 30,000
2026	\$ 30,000

8. Inventories

	<u>2021</u>	<u>2020</u>
Land held for sale	\$ 297,883	\$ 331,572
Public works	352,723	361,954
Salt	519,803	627,188
Sand	94,700	85,372
Fuel	19,606	7,599
	<u>\$ 1,284,715</u>	<u>\$ 1,413,685</u>

9. Commitments

The City has entered into multiple-year contracts for several operating leases on equipment. The required annual lease payments for the next four years are as follows:

2022	\$ 187,375
2023	\$ 187,375
2024	\$ 146,559
2025	\$ 42,779

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

10. Contingencies

A statement of claim has been filed against the City for failure to pay and breach of contract. The claim relates to a construction project for which the City is withholding payment on the basis of unsatisfactory work performed. The City has maintained an accrual of \$151,117 in accounts payable and accrued liabilities for the expected liability to the contractor. Discoveries related to the claim remain on going. Consequently, as of the report date, the outcome of the claim is not determinable.

The City has received notices of multiple other claims. The nature of the additional claims are related to property entitlement, property damage, and withheld payments, arising in the ordinary course of operations. No provision has been made for these claims either because the City is not expected to incur any significant liability, or because an estimate of loss, if any, is not determinable at this time.

11. Budget

In accordance with the *City of Corner Brook Act, 1990* every council must adopt a financial plan for each fiscal period in a form approved of by the minister. The financial plan is prepared on a revenue and expenditure basis that does not meet the recommendations of PSAS. For comparative purposes, the City has modified its financial plan to present a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by Council.

The reconciliation between the City's cash-based financial plan and the PSAS accrual-based budget figures used in these statements is disclosed in Schedule 5.

13. Segmented Information

General Government

This segment includes all revenues and expenses related to administrative departments and activities as well as the general operations of the City itself.

Community Engineering Planning and Development

This segment includes all expenses relating to planning, engineering, community development and business development.

Protective Services

This segment includes all revenues and expenses related to the municipal enforcement, fire and emergency services provided by the City.

Public Works

This segment includes all revenues and expenses for road maintenance and administration which includes sidewalks, traffic signals and systems, building maintenance, snow clearing, drainage, waste management and street lighting.

Water and Waste Water

This segment includes all revenues and expenses relating to the maintenance and operation of the water and sewer facilities, while ensuring that these systems meet all provincial standards.

Parks and Recreation

This segment includes all revenues and expenses relating to recreational facilities, parks and maintenance and related administration revenues and expenses.

Corner Brook Transit

This segment includes all revenues and expenses related to the City's transit system.

CITY OF CORNER BROOK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

13. Segmented Information (continued)

Corner Brook Civic Centre

This segment includes all revenues and expenses related to the operations of the Corner Brook Civic Centre.

Fiscal Services

This segment includes all revenues and expenses relating to municipal capital grants, municipal grants and contributions, uncollectible amounts, long-term debt interest, and amortization of tangible capital assets.

14. Comparative Information

Certain comparative figures have been restated where necessary to conform with the current period financial statement presentation.

CITY OF CORNER BROOK
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2021

	General Capital Assets			Infrastructure			
	Land and Land Improvements	Buildings	Machinery and Equipment	Recreation Infrastructure	Transportation Infrastructure	Water and Waste Water	Asset Under Construction
Cost							
Opening costs	\$ 2,041,462	\$ 101,384,177	\$ 14,374,491	\$ 12,746,519	\$ 92,811,750	\$ 66,177,428	\$ 3,592
Additions during the year	-	31,412	107,090	-	2,383,427	54,517	941
Disposals and write downs	-	(7,800)	(136,058)	-	(1,372,691)	-	
Transfers	-	1,655,138	-	-	935,443	-	(2,590)
Closing costs	<u>2,041,462</u>	<u>103,062,927</u>	<u>14,345,523</u>	<u>12,746,519</u>	<u>94,757,929</u>	<u>66,231,945</u>	<u>1,943</u>
Accumulated Amortization							
Opening accum'd amortization	-	28,861,456	10,621,028	8,790,374	58,577,553	21,789,389	
Amortization	-	2,541,945	1,003,184	310,715	3,291,137	1,872,544	
Disposals and write downs	-	(7,800)	(136,058)	-	(1,372,691)	-	
Closing accum'd amortization	<u>-</u>	<u>31,395,601</u>	<u>11,488,154</u>	<u>9,101,089</u>	<u>60,495,999</u>	<u>23,661,933</u>	
Net Book Value of Tangible Capital Assets	<u>\$ 2,041,462</u>	<u>\$ 71,667,326</u>	<u>\$ 2,857,369</u>	<u>\$ 3,645,430</u>	<u>\$ 34,261,930</u>	<u>\$ 42,570,012</u>	<u>\$ 1,943</u>

CITY OF CORNER BROOK
CONSOLIDATED SCHEDULE OF REVENUES
Year Ended December 31, 2021

SCHEDULE 2

	2021 Actual	2020 Actual
Taxation		
Municipal tax	\$ 22,899,149	\$ 22,950,827
Business tax	5,546,418	5,362,628
Grants in lieu of taxes	1,384,179	1,369,533
Utility tax	1,189,231	1,213,814
Water supply agreements	676,275	686,704
	<u>31,695,252</u>	<u>31,583,506</u>
Government Transfers		
Government of Newfoundland and Labrador		
Capital work grants	1,358,746	3,295,761
Provincial Gas Tax	83,026	166,053
Debt retirement grant	-	24,178
Government of Canada		
Federal Gas Tax	1,716,832	1,267,687
Safe Restart Program	135,000	1,163,884
Grants in lieu of taxes	113,298	113,244
	<u>3,406,902</u>	<u>6,030,807</u>
Sales of Goods and Services		
Licences and permits	224,314	202,113
Recreation and community services	48,821	35,443
Facility rentals	1,005,736	970,146
Corner Brook Civic Centre revenue	887,250	697,284
Land Transactions	70,207	107,358
Fines	31,382	41,490
	<u>2,267,710</u>	<u>2,053,834</u>
Interest Income		
Interest	468,974	492,927
Other Revenue		
Miscellaneous	45,888	90,087
Total Revenue	<u>\$ 37,884,726</u>	<u>\$ 40,251,161</u>

**CITY OF CORNER BROOK
CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2021**

SCHEDULE 3

	2021 Actual	2020 Actual
General Government		
Executive and legislative	\$ 472,530	\$ 304,428
City Manager's office	586,350	596,813
Finance and Administration	2,274,179	2,582,166
	<u>3,333,059</u>	<u>3,483,407</u>
Community Engineering, Planning and Development		
Administration	347,477	370,109
Business Resource Centre	252,854	183,023
Development and planning	184,231	140,423
Building inspection	390,744	387,486
Engineering	685,995	742,920
Geographical information systems	100,377	55,326
Sustainable development	95,673	96,765
	<u>2,057,351</u>	<u>1,976,052</u>
Protective Services		
Fire Protection	3,861,113	4,004,939
911 Centre	799,779	780,994
Municipal enforcement	340,843	330,757
	<u>5,001,735</u>	<u>5,116,690</u>
Public Works		
Supervision and administration	1,680,885	1,857,452
Other operations payroll	693,725	725,062
Building maintenance	1,043,095	790,556
Street lighting	621,961	694,730
Snow clearing	1,980,284	1,895,669
Traffic control	343,061	196,961
Drainage	72,876	70,355
Street and storm sewer cleaning	261,734	295,648
Street maintenance	1,296,399	1,034,534
Sanitation and waste removal	1,372,328	1,381,756
	<u>9,366,348</u>	<u>8,942,723</u>
Water and Waste Water		
Water treatment plant	1,415,623	1,291,253
Purification and treatment	116,486	102,229
Water mains and hydrants	1,218,793	1,078,696
Sanitary systems	478,843	490,890
Regulators and meters	173,212	140,621
Reservoirs and intakes	86,625	80,893
Pump house	71,779	74,464
	<u>3,561,361</u>	<u>3,259,046</u>

**CITY OF CORNER BROOK
CONSOLIDATED SCHEDULE OF EXPENSES
Year Ended December 31, 2021**

SCHEDULE 3 Cont...

Parks and Recreation		
Parks	615,523	422,803
Recreation and leisure	469,993	346,903
	<u>1,085,516</u>	<u>769,706</u>
Corner Brook Transit		
Transit contract subsidy	<u>432,801</u>	<u>347,269</u>
Corner Brook Civic Centre		
Administrative expenses	397,372	331,201
Operating expenses	1,566,648	1,404,875
	<u>1,964,020</u>	<u>1,736,076</u>
Fiscal Services		
Grants	203,000	208,000
Long-term debt interest	188,223	407,756
Provision for uncollectible taxes, fees and charges	180,000	166,459
Amortization of tangible capital assets	9,019,525	9,072,281
	<u>9,590,748</u>	<u>9,854,496</u>
Total Expenses	<u><u>\$ 36,392,939</u></u>	<u><u>\$ 35,485,465</u></u>

CITY OF CORNER BROOK

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

Year Ended December 31, 2021

	General Government*		Community Engineering, Planning and Development		
	2021	2020	2021	2020	
REVENUE					
Taxation	\$ 31,695,252	\$ 31,583,506	\$ -	\$ -	\$
Government transfers	2,048,156	2,735,046	-	-	
Sales of goods and services	1,331,639	1,321,107	-	-	
Investment income	-	-	-	-	
Other revenue	45,888	90,087	-	-	
Total revenue	<u>35,120,935</u>	<u>35,729,746</u>	<u>-</u>	<u>-</u>	
EXPENSES					
Personnel services	2,393,826	2,528,420	1,782,522	1,802,205	
Amortization	-	-	-	-	
Maintenance materials and supplies	72,704	59,063	76,954	66,467	
Contract services	603,493	705,193	52,824	47,401	
Utilities	66,665	61,393	6,201	8,973	
Other	194,767	128,788	138,850	51,006	
Interest on long-term debt	-	-	-	-	
Grants and contributions	1,604	550	-	-	
Total expenses	<u>3,333,059</u>	<u>3,483,407</u>	<u>2,057,351</u>	<u>1,976,052</u>	
Annual Surplus (Deficit)	<u>\$ 31,787,876</u>	<u>\$ 32,246,339</u>	<u>\$ (2,057,351)</u>	<u>\$ (1,976,052)</u>	<u>\$</u>

* The general government category includes revenues and expenses that cannot be

CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

	Public Works		Water and Waste Water		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
REVENUE					
Taxation	\$ -	\$ -	\$ -	\$ -	\$
Government transfers	-	-	-	-	
Sales of goods and services	-	-	-	-	
Investment income	-	-	-	-	
Other revenue	-	-	-	-	
Total revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
EXPENSES					
Personnel services	3,630,218	3,592,148	1,328,546	1,284,293	
Amortization	-	-	-	-	
Maintenance materials and supplies	2,166,211	1,791,673	1,674,284	1,436,969	
Contract services	2,074,296	2,070,061	228,151	215,008	
Utilities	972,247	987,683	297,228	282,871	
Other	34,746	22,103	33,152	39,905	
Interest on long-term debt	477,220	471,453	-	-	
Grants and contributions	11,410	7,602	-	-	
Total expenses	<u>9,366,348</u>	<u>8,942,723</u>	<u>3,561,361</u>	<u>3,259,046</u>	
Annual Surplus (Deficit)	<u><u>\$ (9,366,348)</u></u>	<u><u>\$ (8,942,723)</u></u>	<u><u>\$ (3,561,361)</u></u>	<u><u>\$ (3,259,046)</u></u>	<u><u>\$</u></u>

CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

	Corner Brook Transit		Corner Brook Civic Centre		
	2021	2020	2021	2020	
REVENUE					
Taxation	\$ -	\$ -	\$ -	\$ -	\$
Government transfers	-	-	-	-	
Sales of goods and services	-	-	887,250	697,284	
Investment income	-	-	-	-	
Other revenue	-	-	-	-	
Total revenue	-	-	887,250	697,284	
EXPENSES					
Personnel services	-	-	1,133,557	995,302	
Amortization	-	-	-	-	
Maintenance materials and supplies	-	-	123,809	144,515	
Contract services	431,777	346,230	288,924	214,998	
Utilities	1,024	1,039	388,086	319,568	
Other	-	-	18,134	52,353	
Interest on long-term debt	-	-	11,510	9,340	
Grants and contributions	-	-	-	-	
Total expenses	432,801	347,269	1,964,020	1,736,076	
Annual Surplus (Deficit)	\$ (432,801)	\$ (347,269)	\$ (1,076,770)	\$ (1,038,792)	\$

CITY OF CORNER BROOK
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

	<u>Total</u>	
	2021	2020
REVENUE		
Taxation	\$ 31,695,252	\$ 31,583,506
Government transfers	3,406,902	6,030,807
Sales of goods and services	2,267,710	2,053,834
Investment income	468,974	492,927
Other revenue	45,888	90,087
Total revenue	<u>37,884,726</u>	<u>40,251,161</u>
EXPENSES		
Personnel services	15,337,214	15,255,868
Amortization	9,019,525	9,072,281
Maintenance materials and supplies	4,481,583	3,796,586
Contract services	3,890,096	3,754,835
Utilities	1,823,704	1,730,857
Other	909,684	732,170
Interest on long-term debt	715,120	926,716
Grants and contributions	216,014	216,152
Total expenses	<u>36,392,939</u>	<u>35,485,465</u>
Annual Surplus	<u>\$ 1,491,787</u>	<u>\$ 4,765,696</u>

CITY OF CORNER BROOK

RECONCILIATION OF THE FINANCIAL PLAN TO THE CONSOLIDATED PSAS BUDGET

Year Ended December 31, 2021

	Financial Plan	Tangible Capital Assets	Interest Expense	Debt Repaym
REVENUE				
Taxation	\$ 28,818,700	\$ -	\$ -	\$ -
Government transfers	2,507,000	-	-	
Sales of goods and services	2,440,400	-	-	
Interest income	450,000	-	-	
Other revenue	1,219,200	-	-	
Total revenue	<u>35,435,300</u>	<u>-</u>	<u>-</u>	
EXPENSES				
General government	3,539,700	-	-	
Community engineering, planning and development	2,276,600	-	-	
Protective services	5,064,700	-	-	
Public works	8,736,800	-	-	
Water and waste water	3,582,000	-	-	
Parks and recreation	934,900	-	-	
Corner Brook Transit	426,600	-	-	
Corner Brook Civic Centre	2,192,400	-	-	
Fiscal services				
Provision for uncollectible amounts	180,000	-	-	
Grants and sponsorship	229,500	-	-	
Capital expenditures	4,276,400	(4,276,400)	-	
Debt charges	3,995,700	-	188,223	(3,995)
Amortization	-	9,019,525	-	
Total expenses	<u>35,435,300</u>	<u>4,743,125</u>	<u>188,223</u>	<u>(3,995)</u>
Annual Surplus (Deficit)	<u>\$ -</u>	<u>\$ (4,743,125)</u>	<u>\$ (188,223)</u>	<u>\$ 3,995</u>

CITY OF CORNER BROOK
SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
Year Ended December 31, 2021

	<u>Waste Water Reserve</u>	<u>Land Acquisitions</u>	<u>Equipment Replacement</u>	<u>Gas Tax</u>	
REVENUE					
Other income	\$ -	\$ 827	\$ 660,000	\$ 1,720,946	\$
EXPENSES					
Other expenses	-	11,492	-	1,485,260	
NET REVENUES	-	(10,665)	660,000	235,686	
TRANSFERS					
Transfers from operating fund	1,027,800	-	-	-	
Acquisition of tangible capital assets	-	-	-	-	
CHANGE IN RESERVE FUND BALANCES	1,027,800	(10,665)	660,000	235,686	
FUND SURPLUS, BEGINNING OF YEAR	11,139,588	574,059	215,725	1,315,413	
FUND SURPLUS (DEFICIT), END OF YEAR	<u>\$ 12,167,388</u>	<u>\$ 563,394</u>	<u>\$ 875,725</u>	<u>\$ 1,551,099</u>	<u>\$</u>

CITY OF CORNER BROOK
 SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
 Year Ended December 31, 2021

	NLHC Paving	Fire Department Hazard	Summer Fesitival	Safe Restart	
REVENUE					
Other income	\$ -	\$ 27,257	\$ -	\$ 135,000	\$
EXPENSES					
Other expenses	-	29,017	-	-	
NET REVENUES	-	(1,760)	-	135,000	
TRANSFERS					
Transfers from operating fund	187,878	-	-	-	
Acquisition of tangible capital assets	(20,318)	-	-	-	
CHANGE IN RESERVE FUND BALANCES	167,560	(1,760)	-	135,000	
FUND SURPLUS, BEGINNING OF YEAR	127,426	-	5,000	1,163,884	
FUND SURPLUS (DEFICIT), END OF YEAR	<u>\$ 294,986</u>	<u>\$ (1,760)</u>	<u>\$ 5,000</u>	<u>\$ 1,298,884</u>	