

# **CITY OF CORNER BROOK**

**Consolidated Financial Statements  
For the Year Ended December 31, 2022**

# **CITY OF CORNER BROOK**

## **Consolidated Financial Statements**

### **For the Year Ended December 31, 2022**

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<b>Statement of Responsibility</b>	<b>1</b>
<b>Independent Auditor's Report</b>	<b>2 - 4</b>
<b>Consolidated Statement of Financial Position</b>	<b>5</b>
<b>Consolidated Statement of Operations and Accumulated Surplus</b>	<b>6</b>
<b>Consolidated Statement of Change in Net Financial Assets</b>	<b>7</b>
<b>Consolidated Statement of Cash Flows</b>	<b>8</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>9 - 14</b>
<b>Schedule 1 - Consolidated Schedule of Tangible Capital Assets</b>	<b>15</b>
<b>Schedule 2 - Consolidated Schedule of Revenues</b>	<b>16</b>
<b>Schedule 3 - Consolidated Schedule of Expenses</b>	<b>17 - 18</b>
<b>Schedule 4 - Consolidated Statement of Operations by Program</b>	<b>19 - 22</b>
<b>Schedule 5 - Reconciliation of the Financial Plan to the Consolidated PSAS Budget</b>	<b>23</b>
<b>Schedule 6 - Unaudited Schedule of Change in Reserve Fund Balances</b>	<b>24 - 25</b>

## 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

\_\_\_\_\_  
*Rodney Cumby*  
City Manager

\_\_\_\_\_  
Date



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BDO Canada LLP  
300 Kenmount Road, Suite 100  
St. John's, NL A1B 3R2

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## Independent Auditor's Report

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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, 2022, 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, 2022, 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  
June 28, 2023

**CITY OF CORNER BROOK  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
As at December 31, 2022**

	<u>2022</u>	<u>2021</u>
<b>FINANCIAL ASSETS</b>		
Cash	\$ 11,480,514	\$ 19,418,356
Accounts receivable (Note 3)	<u>10,084,244</u>	<u>4,289,068</u>
	<u>21,564,758</u>	<u>23,707,424</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	6,696,519	3,992,551
Employee benefits liability (Note 6)	1,041,510	1,057,973
Long-term debt (Note 7)	<u>5,071,305</u>	<u>8,028,281</u>
	<u>12,809,334</u>	<u>13,078,805</u>
<b>NET FINANCIAL ASSETS</b>	<u>8,755,424</u>	<u>10,628,619</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	169,756,082	158,987,037
Inventories (Note 8)	1,583,834	1,284,715
Prepaid expenses	<u>257,698</u>	<u>236,171</u>
	<u>171,597,614</u>	<u>160,507,923</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 180,353,038</u>	<u>\$ 171,136,542</u>

Approved on behalf of Council:

*Linda Chausso*  
\_\_\_\_\_  
Deputy Mayor

*Robert Cumby*  
\_\_\_\_\_  
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, 2022**

	2022 Budget (Schedule 5)	<b>2022 Actual</b>	2021 Actual
<b>REVENUE</b>			
Taxation	\$ 29,148,800	\$ <b>31,762,597</b>	\$ 31,695,252
Government transfers	2,098,800	<b>11,438,163</b>	3,406,902
Sales of goods and services	2,711,900	<b>2,698,322</b>	2,267,710
Interest income	410,000	<b>839,244</b>	468,974
Other revenue	1,218,600	<b>69,545</b>	45,888
Total revenue (Schedules 2, 4 and 5)	<u>35,588,100</u>	<u><b>46,807,871</b></u>	<u>37,884,726</u>
<b>EXPENSES</b>			
General government	3,550,400	<b>3,532,773</b>	3,333,059
Community engineering, planning and development	2,355,200	<b>1,917,678</b>	2,057,351
Protective services	5,222,600	<b>5,224,262</b>	5,001,735
Public works	8,985,700	<b>9,780,574</b>	9,366,348
Water and waste water	3,711,200	<b>3,668,493</b>	3,561,361
Parks and recreation	1,216,200	<b>971,207</b>	1,085,516
Corner Brook Transit	431,500	<b>455,374</b>	432,801
Corner Brook Civic Centre	2,414,500	<b>2,313,404</b>	1,964,020
Fiscal services	9,705,079	<b>9,727,610</b>	9,590,748
Total expenses (Schedules 3, 4 and 5)	<u>37,592,379</u>	<u><b>37,591,375</b></u>	<u>36,392,939</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	(2,004,279)	<b>9,216,496</b>	1,491,787
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>171,136,542</u>	<u><b>171,136,542</b></u>	<u>169,644,755</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u>\$ 169,132,263</u>	<u><b>\$ 180,353,038</b></u>	<u>\$ 171,136,542</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, 2022

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	2022 Budget	2022 Actual	2021 Actual
<b>ANNUAL SURPLUS</b>	<u>\$ (2,004,279)</u>	<u>\$ 9,216,496</u>	<u>\$ 1,491,787</u>
Acquisition of tangible capital assets	(4,194,200)	(19,812,320)	(3,517,616)
Amortization of tangible capital assets	-	9,043,275	9,019,525
Use (additions) of inventories	-	(299,119)	128,970
Acquisition of prepaid expenses	-	(21,527)	98,393
	<u>(4,194,200)</u>	<u>(11,089,691)</u>	<u>5,729,272</u>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(6,198,479)	(1,873,195)	7,221,059
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>10,628,619</u>	<u>10,628,619</u>	<u>3,407,560</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u>\$ 4,430,140</u>	<u>\$ 8,755,424</u>	<u>\$ 10,628,619</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, 2022**

	<u>2022</u>	<u>2021</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 9,216,496	\$ 1,491,787
Items not affecting cash:		
Amortization of tangible capital assets	9,043,275	9,019,525
Changes in non-cash items:		
Accounts receivable	(5,795,176)	433,803
Inventories held for use	(299,119)	128,970
Prepaid expenses	(21,527)	98,393
Accounts payable and accrued liabilities	2,703,968	(868,964)
Employee benefits liability	(16,463)	(121,555)
<b>Cash provided by operating transactions</b>	<u>14,831,454</u>	<u>10,181,959</u>
<b>CAPITAL TRANSACTIONS</b>		
Purchase of tangible capital assets	<u>(19,812,320)</u>	<u>(3,517,616)</u>
<b>Cash applied to capital transactions</b>	<u>(19,812,320)</u>	<u>(3,517,616)</u>
<b>FINANCING TRANSACTIONS</b>		
Debt repayment	<u>(2,956,976)</u>	<u>(3,162,026)</u>
<b>Cash applied to financing transactions</b>	<u>(2,956,976)</u>	<u>(3,162,026)</u>
<b>Increase in cash</b>	<b>(7,937,842)</b>	<b>3,502,317</b>
<b>Cash, beginning of the year</b>	<u>19,418,356</u>	<u>15,916,039</u>
<b>Cash, end of the year</b>	<u>\$ 11,480,514</u>	<u>\$ 19,418,356</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, 2022**

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**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, 2022**

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**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, 2022**

**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>2022</u>	<u>2021</u>
Taxes		
Municipal	\$ 2,897,800	\$ 2,686,815
Utility taxes	1,009,820	966,481
HST rebate	2,304,614	353,484
Province of Newfoundland and Labrador	3,960,569	194,502
Other	470,197	587,061
	<u>10,643,000</u>	<u>4,788,343</u>
Less: Allowances for doubtful amounts	<u>(558,756)</u>	<u>(499,275)</u>
	<u>\$ 10,084,244</u>	<u>\$ 4,289,068</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, 2022, the City is in a positive net cash position (2021 - 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, 2022, the lease line was unused (2021 - nil).

**5. Accounts Payable and Accrued Liabilities**

	<u>2022</u>	<u>2021</u>
Trade payables and accruals	\$ 2,693,477	\$ 2,386,401
Contract deposits	1,210,771	1,001,512
Capital payables	892,353	203,614
Contract holdbacks	1,844,133	318,979
Accrued interest	55,785	82,045
	<u>\$ 6,696,519</u>	<u>\$ 3,992,551</u>

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

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**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.

	<b>2022</b>	2021
Severance benefits	<b>\$ 823,066</b>	\$ 822,331
Compensated absences	<b>97,201</b>	97,201
Retirement benefits	<b>121,243</b>	138,441
	<b>\$ 1,041,510</b>	\$ 1,057,973

Included in Personnel services expense in the Consolidated Statement of Operations by Program (Schedule 4) is an expense of \$28,734 (2021 - recovery of \$182,524) of employee benefits.

The City has a defined contribution retirement plan for participating employees. During the year, employees contributed \$691,143 (2021 - \$708,133) to the plan. The City contributed \$691,143 (2021 - \$708,133) and this expense has been included in Personnel services expense in the Consolidated Statement of Operations by Program (Schedule 4).

**7. Long-Term Debt**

	<b>2022</b>	2021
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.	<b>\$ 3,308,398</b>	\$ 4,868,239
TD Bank fixed rate term loan with interest at 2.44%, repayable in blended monthly installments of \$70,886, maturing in 2024.	<b>1,312,879</b>	2,120,601
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.	<b>180,028</b>	324,441
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.	<b>270,000</b>	300,000

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

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**7. Long-Term Debt (continued)**

RBC loan, repaid during the year.

-	415,000
<u><b>\$ 5,071,305</b></u>	<u><b>\$ 8,028,281</b></u>

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

2023	\$ 2,479,575
2024	\$ 2,202,002
2025	\$ 30,000
2026	\$ 30,000
2027	\$ 30,000

**8. Inventories**

	<u>2022</u>	<u>2021</u>
Land held for sale	\$ 234,113	\$ 297,883
Public works	359,201	352,723
Salt	847,537	519,803
Sand	115,124	94,700
Fuel	27,859	19,606
	<u><b>\$ 1,583,834</b></u>	<u><b>\$ 1,284,715</b></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:

2023	\$ 558,383
2024	\$ 558,383
2025	\$ 428,194
2026	\$ 247,767

**10. Contingencies**

In the normal course of operations, the City is subject to several legal claims in which it intends to defend and negotiate. As of December 31, 2022, there is a potential liability of \$585,000 for such claims that will follow the normal legal process. This liability only includes those claims in which there is an expectation of loss, and the settlement amount can be reasonably estimated, however the exact amount of the claim will not be known until it is settled.



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

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**10. Contingencies (continued)**

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.

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.



CITY OF CORNER BROOK

SCHEDULE 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
Year Ended December 31, 2022

	General Capital Assets					Infrastructure			Totals
	Land and Land Improvements	Buildings	Machinery and Equipment	Recreation Infrastructure	Transportation Infrastructure	Water and Waste Water	Assets Under Construction	2022	2021
<b>Cost</b>									
Opening costs	\$ 2,041,462	\$ 103,062,927	\$ 14,345,523	\$ 12,746,519	\$ 94,757,929	\$ 66,231,945	\$ 1,943,508	\$ 295,129,813	\$ 293,128,746
Additions during the year	-	458,987	62,860	19,747	4,193,985	1,789,161	13,287,579	19,812,320	3,517,616
Disposals and write downs	-	-	(394,466)	-	(259,849)	-	-	(654,315)	(1,516,549)
Transfers	-	-	-	-	195,141	-	(195,141)	-	-
Closing costs	2,041,462	103,521,914	14,013,917	12,766,266	98,887,206	68,021,106	15,035,947	314,287,818	295,129,813
<b>Accumulated Amortization</b>									
Opening accum'd amortization	-	31,395,601	11,488,154	9,101,089	60,495,999	23,661,933	-	136,142,776	128,639,800
Amortization	-	2,553,419	838,445	313,197	3,446,746	1,891,468	-	9,043,275	9,019,525
Disposals and write downs	-	-	(394,466)	-	(259,849)	-	-	(654,315)	(1,516,549)
Closing accum'd amortization	-	33,949,020	11,932,133	9,414,286	63,682,896	25,553,401	-	144,531,736	136,142,776
<b>Net Book Value of Tangible Capital Assets</b>	<b>\$ 2,041,462</b>	<b>\$ 69,572,894</b>	<b>\$ 2,081,784</b>	<b>\$ 3,351,980</b>	<b>\$ 35,204,310</b>	<b>\$ 42,467,705</b>	<b>\$ 15,035,947</b>	<b>\$ 169,756,082</b>	<b>\$ 158,987,037</b>

CITY OF CORNER BROOK  
CONSOLIDATED SCHEDULE OF REVENUES  
Year Ended December 31, 2022

SCHEDULE 2

	2022 Actual	2021 Actual
<b>Taxation</b>		
Municipal tax	\$ 23,153,406	\$ 22,899,149
Business tax	5,291,509	5,546,418
Grants in lieu of taxes	1,407,609	1,384,179
Utility tax	1,222,895	1,189,231
Water supply agreements	687,178	676,275
	<u>31,762,597</u>	<u>31,695,252</u>
<b>Government Transfers</b>		
Government of Newfoundland and Labrador		
Capital work grants	10,636,050	1,358,746
Provincial Gas Tax	249,079	83,026
Debt retirement grant	-	-
Government of Canada		
Federal Gas Tax	438,746	1,716,832
Safe Restart Program	-	135,000
Grants in lieu of taxes	114,288	113,298
	<u>11,438,163</u>	<u>3,406,902</u>
<b>Sales of Goods and Services</b>		
Licences and permits	250,480	224,314
Recreation and community services	59,238	48,821
Facility rentals	1,104,307	1,005,736
Corner Brook Civic Centre revenue	1,110,966	887,250
Land Transactions	146,996	70,207
Fines	26,335	31,382
	<u>2,698,322</u>	<u>2,267,710</u>
<b>Interest Income</b>		
Interest	839,244	468,974
<b>Other Revenue</b>		
Miscellaneous	69,545	45,888
<b>Total Revenue</b>	<u>\$ 46,807,871</u>	<u>\$ 37,884,726</u>

**CITY OF CORNER BROOK  
CONSOLIDATED SCHEDULE OF EXPENSES  
Year Ended December 31, 2022**

**SCHEDULE 3**

	<u>2022</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
<b>General Government</b>		
Executive and legislative	\$ 324,779	\$ 472,530
City Manager's office	766,962	586,350
Finance and Administration	2,441,032	2,274,179
	<u>3,532,773</u>	<u>3,333,059</u>
<b>Community Engineering, Planning and Development</b>		
Administration	349,780	347,477
Business Resource Centre	126,655	252,854
Development and planning	197,398	184,231
Building inspection	367,578	390,744
Engineering	659,989	685,995
Geographical information systems	108,007	100,377
Sustainable development	108,271	95,673
	<u>1,917,678</u>	<u>2,057,351</u>
<b>Protective Services</b>		
Fire Protection	4,008,083	3,861,113
911 Centre	884,331	799,779
Municipal enforcement	331,848	340,843
	<u>5,224,262</u>	<u>5,001,735</u>
<b>Public Works</b>		
Supervision and administration	1,645,224	1,680,885
Other operations payroll	724,920	693,725
Building maintenance	718,143	1,043,095
Street lighting	622,738	621,961
Snow clearing	2,404,582	1,980,284
Traffic control	379,122	343,061
Drainage	163,803	72,876
Street and storm sewer cleaning	370,703	261,734
Street maintenance	1,352,378	1,296,399
Sanitation and waste removal	1,398,961	1,372,328
	<u>9,780,574</u>	<u>9,366,348</u>
<b>Water and Waste Water</b>		
Water treatment plant	1,615,880	1,415,623
Purification and treatment	124,695	116,486
Water mains and hydrants	1,116,389	1,218,793
Sanitary systems	531,546	478,843
Regulators and meters	108,665	173,212
Reservoirs and intakes	90,808	86,625
Pump house	80,510	71,779
	<u>3,668,493</u>	<u>3,561,361</u>

**CITY OF CORNER BROOK  
CONSOLIDATED SCHEDULE OF EXPENSES  
Year Ended December 31, 2022**

**SCHEDULE 3 Cont...**

<b>Parks and Recreation</b>		
Parks	<b>561,495</b>	615,523
Recreation and leisure	<b>409,712</b>	469,993
	<u><b>971,207</b></u>	<u>1,085,516</u>
<b>Corner Brook Transit</b>		
Transit contract subsidy	<b>455,374</b>	432,801
	<u><b>455,374</b></u>	<u>432,801</u>
<b>Corner Brook Civic Centre</b>		
Administrative expenses	<b>536,639</b>	397,372
Operating expenses	<b>1,776,765</b>	1,566,648
	<u><b>2,313,404</b></u>	<u>1,964,020</u>
<b>Fiscal Services</b>		
Grants	<b>247,531</b>	203,000
Long-term debt interest	<b>316,804</b>	188,223
Provision for uncollectible taxes, fees and charges	<b>120,000</b>	180,000
Amortization of tangible capital assets	<b>9,043,275</b>	9,019,525
	<u><b>9,727,610</b></u>	<u>9,590,748</u>
<b>Total Expenses</b>	<u><b>\$ 37,591,375</b></u>	<u>\$ 36,392,939</u>



CITY OF CORNER BROOK

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM

Year Ended December 31, 2022

SCHEDULE 4

	General Government*		Community Engineering, Planning and Development		Protective Services	
	2022	2021	2022	2021	2022	2021
<b>REVENUE</b>						
Taxation	\$ 31,762,597	\$ 31,695,252	\$ -	\$ -	\$ -	\$ -
Government transfers	802,113	2,048,156	-	-	-	-
Sales of goods and services	1,528,118	1,331,639	-	-	-	-
Investment income	-	-	-	-	-	-
Other revenue	69,545	45,888	-	-	-	-
Total revenue	<u>34,162,373</u>	<u>35,120,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENSES</b>						
Personnel services	2,477,136	2,393,826	1,676,101	1,782,522	4,561,787	4,514,626
Amortization	-	-	-	-	-	-
Maintenance materials and supplies	82,573	72,704	66,896	76,954	290,474	202,901
Contract services	665,477	603,493	52,243	52,824	66,893	45,086
Utilities	59,856	66,665	6,523	6,201	74,276	70,340
Other	243,581	194,767	115,915	138,850	192,665	130,615
Interest on long-term debt	-	-	-	-	38,167	38,167
Grants and contributions	4,150	1,604	-	-	-	-
Total expenses	<u>3,532,773</u>	<u>3,333,059</u>	<u>1,917,678</u>	<u>2,057,351</u>	<u>5,224,262</u>	<u>5,001,735</u>
<b>Annual Surplus (Deficit)</b>	<u>\$ 30,629,600</u>	<u>\$ 31,787,876</u>	<u>\$ (1,917,678)</u>	<u>\$ (2,057,351)</u>	<u>\$ (5,224,262)</u>	<u>\$ (5,001,735)</u>

\* The general government category includes revenues and expenses that cannot be attributed to a particular sector.

CITY OF CORNER BROOK

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM  
Year Ended December 31, 2022

SCHEDULE 4 Cont...

	Public Works		Water and Waste Water		Parks and Recreation	
	2022	2021	2022	2021	2022	2021
<b>REVENUE</b>						
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government transfers	-	-	-	-	-	-
Sales of goods and services	-	-	-	-	59,238	48,821
Investment income	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	-	-	-	-	59,238	48,821
<b>EXPENSES</b>						
Personnel services	3,845,348	3,630,218	1,339,316	1,328,546	544,140	553,919
Amortization	-	-	-	-	-	-
Maintenance materials and supplies	2,160,791	2,166,211	1,809,140	1,674,284	102,809	164,720
Contract services	2,291,895	2,074,296	213,177	228,151	147,530	165,545
Utilities	960,699	972,247	304,910	297,228	22,988	21,913
Other	43,341	34,746	1,950	33,152	153,740	179,419
Interest on long-term debt	477,220	477,220	-	-	-	-
Grants and contributions	1,280	11,410	-	-	-	-
Total expenses	9,780,574	9,366,348	3,668,493	3,561,361	971,207	1,085,516
<b>Annual Surplus (Deficit)</b>	<b>\$ (9,780,574)</b>	<b>\$ (9,366,348)</b>	<b>\$ (3,668,493)</b>	<b>\$ (3,561,361)</b>	<b>\$ (911,969)</b>	<b>\$ (1,036,695)</b>

CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM  
Year Ended December 31, 2022

	Corner Brook Transit		Corner Brook Civic Centre		Fiscal Services	
	2022	2021	2022	2021	2022	2021
<b>REVENUE</b>						
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government transfers	-	-	-	-	10,636,050	1,358,746
Sales of goods and services	-	-	1,110,966	887,250	-	-
Investment income	-	-	-	-	839,244	468,974
Other revenue	-	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>1,110,966</b>	<b>887,250</b>	<b>11,475,294</b>	<b>1,827,720</b>
<b>EXPENSES</b>						
Personnel services	-	-	1,218,027	1,133,557	-	-
Amortization	-	-	-	-	9,043,275	9,019,525
Maintenance materials and supplies	58	-	229,495	123,809	-	-
Contract services	454,350	431,777	306,665	288,924	-	-
Utilities	966	1,024	514,558	388,086	-	-
Other	-	-	22,538	18,134	120,000	180,000
Interest on long-term debt	-	-	22,121	11,510	316,804	188,223
Grants and contributions	-	-	-	-	247,531	203,000
<b>Total expenses</b>	<b>455,374</b>	<b>432,801</b>	<b>2,313,404</b>	<b>1,964,020</b>	<b>9,727,610</b>	<b>9,590,748</b>
<b>Annual Surplus (Deficit)</b>	<b>\$ (455,374)</b>	<b>\$ (432,801)</b>	<b>\$ (1,202,438)</b>	<b>\$ (1,076,770)</b>	<b>\$ 1,747,684</b>	<b>\$ (7,763,028)</b>

CITY OF CORNER BROOK  
 CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM  
 Year Ended December 31, 2022

	Total	
	2022	2021
<b>REVENUE</b>		
Taxation	\$ 31,762,597	\$ 31,695,252
Government transfers	11,438,163	3,406,902
Sales of goods and services	2,698,322	2,267,710
Investment income	839,244	468,974
Other revenue	69,545	45,888
Total revenue	<u>46,807,871</u>	<u>37,884,726</u>
<b>EXPENSES</b>		
Personnel services	15,661,855	15,337,214
Amortization	9,043,275	9,019,525
Maintenance materials and supplies	4,742,236	4,481,583
Contract services	4,198,230	3,890,096
Utilities	1,944,776	1,823,704
Other	893,730	909,683
Interest on long-term debt	854,312	715,120
Grants and contributions	252,961	216,014
Total expenses	<u>37,591,375</u>	<u>36,392,939</u>
<b>Annual Surplus</b>	<u>\$ 9,216,496</u>	<u>\$ 1,491,787</u>



CITY OF CORNER BROOK

SCHEDULE 5

RECONCILIATION OF THE FINANCIAL PLAN TO THE CONSOLIDATED PSAS BUDGET  
Year Ended December 31, 2022

	Financial Plan	Tangible Capital Assets	Interest Expense	Debt Repayments	PSAS Budget
<b>REVENUE</b>					
Taxation	\$ 29,148,800	\$ -	\$ -	\$ -	\$ 29,148,800
Government transfers	2,098,800	-	-	-	2,098,800
Sales of goods and services	2,711,900	-	-	-	2,711,900
Interest income	410,000	-	-	-	410,000
Other revenue	1,218,600	-	-	-	1,218,600
Total revenue	35,588,100	-	-	-	35,588,100
<b>EXPENSES</b>					
General government	3,550,400	-	-	-	3,550,400
Community engineering, planning and development	2,355,200	-	-	-	2,355,200
Protective services	5,222,600	-	-	-	5,222,600
Public works	8,985,700	-	-	-	8,985,700
Water and waste water	3,711,200	-	-	-	3,711,200
Parks and recreation	1,216,200	-	-	-	1,216,200
Corner Brook Transit	431,500	-	-	-	431,500
Corner Brook Civic Centre	2,414,500	-	-	-	2,414,500
Fiscal services					
Provision for uncollectible amounts	120,000	-	-	-	120,000
Grants and sponsorship	225,000	-	-	-	225,000
Capital expenditures	4,194,200	(4,194,200)	-	-	-
Debt charges	3,161,600	-	316,804	(3,161,600)	316,804
Amortization	-	9,043,275	-	-	9,043,275
Total expenses	35,588,100	4,849,075	316,804	(3,161,600)	37,592,379
<b>Annual Surplus (Deficit)</b>	\$ -	\$ (4,849,075)	\$ (316,804)	\$ 3,161,600	\$ (2,004,279)

**CITY OF CORNER BROOK**  
**SCHEDULE OF CHANGE IN RESERVE FUND BALANCES**  
**Year Ended December 31, 2022**

**SCHEDULE 6**  
**(Unaudited)**

	Waste Water Reserve	Land Acquisitions	Equipment Replacement	Gas Tax	Public Trust	Operating and Environment
<b>REVENUE</b>						
Other income	\$ -	\$ -	\$ 810,000	\$ 478,415	\$ -	\$ -
<b>EXPENSES</b>						
Other expenses	-	125,867	560,000	1,212,220	-	-
<b>NET REVENUES</b>	-	(125,867)	250,000	(733,805)	-	-
<b>TRANSFERS</b>						
Transfers from operating fund	1,030,100	-	-	-	-	-
Acquisition of tangible capital assets	-	-	-	-	-	-
<b>CHANGE IN RESERVE FUND BALANCES</b>	1,030,100	(125,867)	250,000	(733,805)	-	-
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	12,167,388	563,394	875,725	1,551,099	3	241,502
<b>FUND SURPLUS (DEFICIT), END OF YEAR</b>	<u>\$ 13,197,488</u>	<u>\$ 437,527</u>	<u>\$ 1,125,725</u>	<u>\$ 817,294</u>	<u>\$ 3</u>	<u>\$ 241,502</u>

CITY OF CORNER BROOK

SCHEDULE OF CHANGE IN RESERVE FUND BALANCES

Year Ended December 31, 2022

SCHEDULE 6 cont...  
(Unaudited)

	NLHC Paving	Fire Department Hazard	Summer Festival	Safe Restart	2022 Total	2021 Total
<b>REVENUE</b>						
Other income	\$ -	\$ -	\$ -	\$ -	\$ 1,288,415	\$ 2,544,030
<b>EXPENSES</b>						
Other expenses	-	18	-	57,500	1,955,605	1,529,561
<b>NET REVENUES</b>	-	(18)	-	(57,500)	(667,190)	1,014,469
<b>TRANSFERS</b>						
Transfers from operating fund	141,585	-	-	-	1,171,685	1,215,678
Acquisition of tangible capital assets	(144,413)	-	-	-	(144,413)	(20,318)
<b>CHANGE IN RESERVE FUND BALANCES</b>	(2,828)	(18)	-	(57,500)	360,082	2,209,829
<b>FUND SURPLUS, BEGINNING OF YEAR</b>	294,986	(1,760)	5,000	1,298,884	16,996,221	14,786,392
<b>FUND SURPLUS (DEFICIT), END OF YEAR</b>	\$ 292,158	\$ (1,778)	\$ 5,000	\$ 1,241,384	\$ 17,356,303	\$ 16,996,221