

ROTHESAY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021

ROTHESAY

DECEMBER 31, 2021

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INDEPENDENT AUDITORS' REPORT

To Her Worship The Mayor and Members of Council
Rothesay, New Brunswick

Opinion

We have audited the consolidated financial statements of Rothesay, which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, changes in net debt 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2021, 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 Auditors' Responsibilities for the Audit of the 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those 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 these 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

Auditors' 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 auditors' 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.

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Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

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 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 auditors' 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 auditors' 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 consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John, NB
April 11th, 2022

ROTHESAY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2021

	2021 Budget (Note 27)	2021 Actual	2020 Actual
REVENUE			
Property tax warrant	\$ 17,002,299	\$ 17,002,299	\$ 16,492,476
Unconditional grant	131,193	131,193	128,323
Conditional government transfers (Note 28)	1,050,500	2,286,228	2,624,401
Services other governments	60,000	80,180	83,288
Sale of services (Note 28)	465,600	463,732	343,963
Other own source (Note 28)	101,260	108,062	447,775
Water and sewer user fees	3,080,427	3,077,512	2,894,370
Sundry income	<u>231,876</u>	<u>394,176</u>	<u>381,202</u>
	<u>22,123,155</u>	<u>23,543,382</u>	<u>23,395,798</u>
EXPENDITURE (Note 28)			
General government services	2,215,762	2,051,047	1,940,236
Protective services	5,184,048	5,067,807	5,046,052
Transportation services	5,337,526	5,520,009	5,805,606
Environmental health services	842,000	854,521	674,617
Environmental development services	649,200	507,044	503,204
Recreation and cultural services	2,970,845	3,036,557	2,807,327
Water and sewer services	<u>3,509,643</u>	<u>3,522,568</u>	<u>3,533,292</u>
	<u>20,709,024</u>	<u>20,559,553</u>	<u>20,310,334</u>
ANNUAL SURPLUS FOR THE YEAR	<u>\$ 1,414,131</u>	2,983,829	3,085,464
ACCUMULATED SURPLUS - BEGINNING OF YEAR		82,162,618	79,078,043
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES (Note 2)		<u>381</u>	<u>(889)</u>
ACCUMULATED SURPLUS - END OF YEAR		<u>\$ 85,146,828</u>	<u>\$ 82,162,618</u>

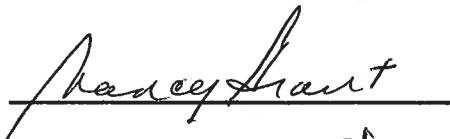
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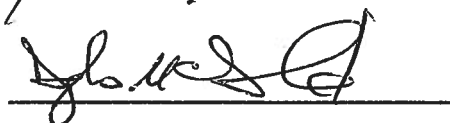
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	\$ 10,449,858	\$ 8,238,448
Accounts receivable (Note 5)	1,357,294	2,213,963
Investments (Note 10)	<u>290,428</u>	<u>376,705</u>
	<u>\$ 12,097,580</u>	<u>\$ 10,829,116</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	\$ 1,869,686	\$ 1,815,177
Deferred revenue (Note 8)	3,982,636	3,332,658
Long term debt (Note 11)	14,435,218	15,814,112
Accrued pension obligation (Note 16)	71,893	179,620
Accrued sick leave (Note 15)	204,289	290,006
Accrued retirement allowance (Note 16)	<u>1,011,803</u>	<u>992,800</u>
	<u>21,575,525</u>	<u>22,424,373</u>
NET DEBT	<u>(9,477,945)</u>	<u>(11,595,257)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 21)	158,983,625	154,359,864
Accumulated amortization (Note 21)	<u>(64,414,227)</u>	<u>(60,642,480)</u>
	94,569,398	93,717,384
Inventory	31,163	16,268
Prepaid expenses	22,507	22,044
Unamortized debenture costs	<u>1,705</u>	<u>2,179</u>
	<u>94,624,773</u>	<u>93,757,875</u>
ACCUMULATED SURPLUS	<u>\$ 85,146,828</u>	<u>\$ 82,162,618</u>
CONTINGENT LIABILITY (Note 17)		
COMMITMENT (Note 18)		

APPROVED BY:

 _____ Mayor

 _____ Town Treasurer

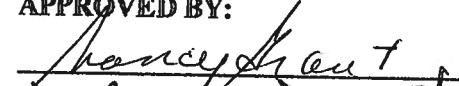
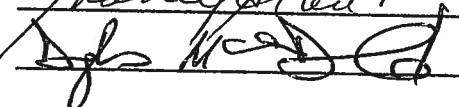
ROTHESAY

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
Annual surplus	\$ 2,983,829	\$ 3,085,464
Acquisition of tangible capital assets	(5,882,178)	(6,618,579)
Proceeds on disposal of tangible capital assets	12,423	77,308
Amortization of tangible capital assets	4,649,782	4,523,157
Change in ownership of tangible capital assets	76	1,699
Loss on disposal of tangible capital assets	<u>367,868</u>	<u>137,828</u>
	2,131,800	1,206,877
Acquisition of inventories	(31,163)	(16,268)
Acquisition of prepaid assets	(22,507)	(22,044)
Acquisition of unamortized debenture costs	(1,705)	(2,179)
Consumption of inventories	16,268	21,683
Use of prepaid assets	22,059	15,693
Consumption of unamortized debenture costs	<u>2,179</u>	<u>2,652</u>
	2,116,931	1,206,414
Change in ownership of controlled entities	<u>381</u>	<u>(889)</u>
Decrease in net debt	2,117,312	1,205,525
Net debt - beginning of year	<u>(11,595,257)</u>	<u>(12,800,782)</u>
Net debt - end of year	<u>\$ (9,477,945)</u>	<u>\$ (11,595,257)</u>

APPROVED BY:


 _____ Mayor

 _____ Town Treasurer

ROTHESAY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>2021</u>	<u>2020</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	\$ 2,983,829	\$ 3,085,464
Loss on disposal of tangible capital assets	367,868	137,828
Amortization of tangible capital assets	4,649,782	4,523,157
Accounts receivable	856,669	(104,637)
Accounts payable and accrued liabilities	54,509	(371,380)
Deferred revenue	649,978	(1,087,813)
Accrued sick leave	(85,717)	(15,262)
Change in accrued pension obligation	(107,727)	(261,110)
Change in accrued retirement allowance	19,003	78,037
Change in inventory/prepaid expenses/unamortized debenture costs	<u>(14,869)</u>	<u>(463)</u>
	<u>9,373,325</u>	<u>5,983,821</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(5,882,178)	(6,618,579)
Change in ownership of capital assets	76	1,699
Proceeds on disposal of tangible capital assets	<u>12,423</u>	<u>77,308</u>
	<u>(5,869,679)</u>	<u>(6,539,572)</u>
FINANCING TRANSACTION		
Long term debt (net)	<u>(1,378,894)</u>	<u>802,950</u>
	<u>(1,378,894)</u>	<u>802,950</u>
INVESTING TRANSACTION		
Increase (decrease) in investments	<u>86,277</u>	<u>(19,898)</u>
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES	<u>381</u>	<u>(889)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,211,410	226,412
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>8,238,448</u>	<u>8,012,036</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 10,449,858</u>	<u>\$ 8,238,448</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. PURPOSE OF THE ORGANIZATION

Rothesay ("the Town") was incorporated as a town by the Province of New Brunswick Municipalities Act on January 1, 1998 and was approved for status as a Municipality effective January 1, 1998 by an amendment of New Brunswick Regulation 85-6 under the Municipalities Act. As a municipality, Rothesay is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The focus of Public Sector Accounting Standards ('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 and its jointly controlled entities.

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 jointly controlled by the Town.

The entities included in the consolidated financial statements are as follows:

- Rothesay
- Kennebecasis Regional Joint Board of Police Commissioners (KRJBPC)
- Kennebecasis Valley Fire Department Inc. (KVFD)
- Kennebecasis Public Library

Interdepartmental and organizational transactions and balances are eliminated.

The jointly controlled entities have been proportionately consolidated at the following rates:

	<u>2021</u>	<u>2020</u>
Kennebecasis Regional Joint Board of Police Commissioners	40.08%	40.14%
Kennebecasis Valley Fire Department Inc.	40.77%	40.74%
Kennebecasis Public Library	38.99%	38.99%

Changes in ownership percentages have been accounted for as an adjustment to accumulated surplus (deficit).

Ownership percentages on any dissolution of the controlled entity may vary from the above depending upon the terms of the agreements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Budget

The budget figures contained in these consolidated financial statements were approved by Council on November 30, 2020 and the Director of Community Finances on December 8, 2020.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments with actively traded markets are reported at fair value, with any unrealized gains losses reported in annual surplus. All other financial instruments are reported at amortized costs, and tested for impairment at each reporting date. Transactions costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

Cash and Cash Equivalents

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

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.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Measurement Uncertainty

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards 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 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.

Examples of significant estimates include:

- the allowance for doubtful accounts;
- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the recoverability of tangible capital assets; and
- post employment benefits liability.

Inventories

Inventories are valued at the lower of cost and net realizable value with cost being determined on the first in, first out basis.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Capital Reserves

The use of the Capital Reserve Funds is restricted to capital acquisitions. The intention is to use these funds for future capital acquisitions and reduce future borrowing requirements.

Operating Reserves

The use of these funds is restricted to payment of operating expenses.

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, less any residual value when applicable, is amortized on a straight-line basis over the estimated useful lives as follows:

<u>Asset Type</u>	<u>Estimated Useful Life</u>
Land improvements	10-75 years
Buildings and leasehold improvements	20-40 years
Vehicles	3-25 years
Machinery and equipment	3-20 years
Roads and streets	5-75 years
Storm sewer	25-60 years
Water and wastewater networks	30-60 years

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

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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segmented Information (cont'd)

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 arena, parks and playgrounds and other recreational and cultural facilities.

Water and Sewer Services

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.

The Town has documented a schedule of segmented disclosure in Note 23.

Post Employment Benefits

The Town recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Town has a sick leave benefit as documented in Note 15 and a pension plan and retirement allowance as documented in Note 16.

3. FINANCIAL INSTRUMENTS

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of December 31, 2021:

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from its accounts receivable. The Town minimizes credit risk through ongoing credit management.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, accounts payable and accrued liabilities and other obligations.

Currency Risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Town is not exposed to foreign currency risk as it does not hold foreign currencies.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

3. FINANCIAL INSTRUMENTS (cont'd)

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is not exposed to interest rate risk as its long term debt does not have a variable interest rate.

4. CASH

	<u>2021</u>	<u>2020</u>
Unrestricted	\$ 2,687,892	\$ 1,787,299
Restricted - reserve funds (Note 25)	7,452,748	6,245,474
Restricted - controlled entities	<u>309,218</u>	<u>205,675</u>
	<u>\$ 10,449,858</u>	<u>\$ 8,238,448</u>

5. ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Due from the Federal Government and its agencies (Note 6)	\$ 366,741	\$ 432,404
Due from the Province of New Brunswick (Note 7)	69,101	618,250
Water and sewer	860,610	830,576
Arena	41,542	41,239
Due from developer	-	220,000
Other	<u>19,300</u>	<u>71,494</u>
	<u>\$ 1,357,294</u>	<u>\$ 2,213,963</u>

6. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2021</u>	<u>2020</u>
Canada Revenue Agency (HST refund)	\$ 321,432	\$ 409,559
RCMP Secondments	<u>45,309</u>	<u>22,845</u>
	<u>\$ 366,741</u>	<u>\$ 432,404</u>

7. DUE FROM PROVINCE OF NEW BRUNSWICK

	<u>2021</u>	<u>2020</u>
Department of Transportation and Infrastructure	\$ 69,101	\$ 503,250
Regional Development Corporation	<u>-</u>	<u>115,000</u>
	<u>\$ 69,101</u>	<u>\$ 618,250</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

8. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
Government transfers - Gas Tax	\$ 3,890,604	\$ 3,260,246
Deferred revenue - Quispamsis	78,686	57,731
Deferred revenue - K-Park Levy (Note 14)	<u>13,346</u>	<u>14,681</u>
	<u>\$ 3,982,636</u>	<u>\$ 3,332,658</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2021</u>	<u>2020</u>
Accounts payable - trade	\$ 1,303,439	\$ 1,033,095
Bid deposits	161,260	132,210
Accrued interest	18,322	51,344
Accrued liabilities	379,241	178,679
Accounts payable - other	<u>7,424</u>	<u>419,849</u>
	<u>\$ 1,869,686</u>	<u>\$ 1,815,177</u>

10. INVESTMENTS

The investments represent the Town's proportionate share of the investments of the KRJBPC. The investments consist of short term notes, Canadian equities and foreign equities and are recorded at fair market value. The unrealized gain (loss) on the investments at December 31, 2021 was \$26,224 (2020 - \$20,837). The investments are restricted for future payment of retirement benefits.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

11. LONG TERM DEBT

(a) General Capital Fund

	Balance January 1, <u>2021</u>	Issued during year	Redeemed during year	Balance December 31, <u>2021</u>
New Brunswick Municipal Financing Corporation				
Debentures:				
BG18 1.65% - 3.80%, due 2027, OIC # 10-12, 11-71, 99-77	\$ 281,000	\$ -	\$ 132,000	\$ 149,000
BL26 1.2% - 3.7%, due 2034, OIC # 03-88, 11-71, 13-08	2,385,000	-	191,000	2,194,000
BN17 1.05% - 3.15%, due 2025, OIC # 10-12, 13-08	972,000	-	185,000	787,000
B019 1.45% - 3.50%, due 2031, OIC # 13-08	1,534,000	-	227,000	1,307,000
BX18 0.90% - 2.95%, due 2040, OIC # 19-0020	1,000,000	-	35,000	965,000
BY23 0.50% - 1.80%, due 2030, OIC # 19-0020	<u>350,000</u>	<u>-</u>	<u>34,000</u>	<u>316,000</u>
	<u>\$ 6,522,000</u>	<u>\$ -</u>	<u>\$ 804,000</u>	<u>\$ 5,718,000</u>

Principal payments required during the next five years for the General Capital Fund are as follows:

2022 - \$784,000; 2023 - \$667,000; 2024 - \$682,000; 2025 - \$637,000; 2026 - \$440,000

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

11. LONG TERM DEBT (cont'd)

(b) Water and Sewer Capital Fund

	Balance January 1, <u>2021</u>	Issued during year	Redeemed during year	Balance December 31, <u>2021</u>
New Brunswick Municipal Financing Corporation				
Debtures:				
BF23 1.35% - 3.45%, due 2021, OIC # 00-18	\$ 1,042,000	\$ -	\$ 1,042,000	\$ -
CA20 0.855% - 2.378%, due 2031, OIC # 00-0018	-	956,000	-	956,000
BG19 1.65 - 3.80%, due 2027, OIC # 11-0045	406,000	-	13,000	393,000
BH23 1.35 - 3.80%, due 2032, OIC # 00-0018	476,000	-	33,000	443,000
BL27 1.2% - 3.7%, due 2034, OIC # 11-0045	861,000	-	25,000	836,000
BN18 1.05% - 3.15%, due 2025, OIC # 15-38	185,000	-	35,000	150,000
BP21 1.20% - 3.80%, due 2036, OIC # 18-0020	773,000	-	21,000	752,000
BR22 1.65% - 3.30%, due 2037, OIC # 15-0069	1,210,000	-	31,000	1,179,000
BU21 2.55% - 3.7%, due 2038, OIC # 15-0069, 96-006, 96-0072	1,233,000	-	80,000	1,153,000
BY24 0.50% - 2.60% due 2040, OIC # 19-0020	<u>750,000</u>	<u>-</u>	<u>20,000</u>	<u>730,000</u>
	<u>6,936,000</u>	<u>956,000</u>	<u>1,300,000</u>	<u>6,592,000</u>
Canada Mortgage and Housing Corporation				
CMHC 3.70%, due 2030 OIC # 09-119, 09-139, 10-012	<u>2,083,548</u>	<u>-</u>	<u>174,357</u>	<u>1,909,191</u>
	<u>\$ 9,019,548</u>	<u>\$ 956,000</u>	<u>\$ 1,474,357</u>	<u>\$ 8,501,191</u>

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

The Water and Sewer Capital Fund contains long term debt of \$445,272 (2020 - \$477,782) issued to fund local improvement projects. The debt will be repaid over a period of time through the collection of local improvement levies.

Principal payments required during the next five years for the Water and Sewer Capital Fund are as follows:

2022 - \$535,808; 2023 - \$548,498; 2024 - \$565,435; 2025 - \$579,629; 2026 - \$560,090

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

11. LONG TERM DEBT (cont'd)

(c) Jointly Controlled Entity - KRJBPC (proportionate share)

	Balance January 1, 2021	Issued during year	Redeemed during year	Balance December 31, 2021
New Brunswick Municipal Financing Corporation				
Debentures:				
BL45 1.2% - 3.1%, due 2024, OIC # 02-66, 03-53	\$ 86,504	\$ -	\$ 22,381	\$ 64,123
BN35 1.05% - 3.15%, due 2025, OIC# 03-53	<u>186,060</u>	<u>-</u>	<u>34,156</u>	<u>151,904</u>
	<u>\$ 272,564</u>	<u>\$ -</u>	<u>\$ 56,537</u>	<u>\$ 216,027</u>

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

2022 - \$57,310; 2023 - \$58,512; 2024 - \$60,516; 2025 - \$39,676

Total Long term debt:

	2021	2020
General Capital Fund	\$ 5,718,000	\$ 6,522,000
Water and Sewer Capital Fund	8,501,191	9,019,548
Jointly Controlled Entity - KRJPC	<u>216,027</u>	<u>272,564</u>
	<u>\$ 14,435,218</u>	<u>\$ 15,814,112</u>

12. LAND FOR PUBLIC PURPOSES

In accordance with the Community Planning Act, the Town has the authority to set aside up to 10% of any land subdivided, or up to 8% of the monetary value of such land, as a reserve. As well, any proceeds on the sale of public lands must be reserved. These funds can only be used for the purchase or development of public lands and are included in the Reserve Funds (Note 25).

13. SEWER OUTFALL RESERVE

In accordance with an agreement with the Municipality of Quispamsis, Rothesay and the Municipality of Quispamsis are required to fund, on an annual basis, an amount to cover the operating and maintenance costs associated with the shared sewer effluent line and outfall pipe. The contributions are made on a per unit basis, with Rothesay contributing \$1 per unit and the Municipality of Quispamsis contributing \$2 per unit. Any accumulated amounts are transferred to the Water and Sewer Capital Reserve Fund for future capital expenditures. At December 31, 2021, the balance in this reserve was \$296,690 (2020 - \$278,283).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

14. DEFERRED REVENUE

In 2002, the Town issued a special warrant of assessment to the residents of Kennebecasis Park for local improvements made to the area. The assessment will be invoiced annually over a period of 30 years. A number of residents paid the entire levy amount in the first year, and as a result, the prepayment has been recorded as deferred revenue to be amortized over 29 years.

15. ACCRUED SICK LEAVE

Rothesay provides sick leave that accumulates at a rate of 18 hours per month. All employees can accumulate to a maximum of 2,400 hours and can take leave with pay for an amount of time equal to the accumulated sick leave.

KVFD provides sick leave that accumulates at a rate of 18 hours per month while the employees sick bank is below 1,000 hours, and at 13.5 hours per month while the sick bank is above 1,000 hours. All employees can accumulate to a maximum of 2,184 sick leave hours and can take leave with pay for an amount of time equal to the accumulated sick leave.

An actuarial valuation in accordance with PSA 3255, was performed for each plan, the 43 employee plan for Rothesay and the 37 employee plan for KVFD. The actuarial method used was the Projected Unit Credit pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Town's and KVFD's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3% for Rothesay and 2.25% for KVFD;
- the discount rate used to determine the accrued benefit obligations is 3.07% for Rothesay and 3.07% for KVFD;
- retirement age is 60; and
- estimated net excess utilization of rate of sick leave varies with age.

The sick leave is an unfunded benefit and as such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The consolidated unfunded liability consist of:

	Estimated 2021	2020
Rothesay	\$ -	\$ 6,600
KRJBPC	6,131	6,141
KVFD	<u>198,158</u>	<u>277,264</u>
	<u>\$ 204,289</u>	<u>\$ 290,005</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

16. POST EMPLOYMENT BENEFITS PAYABLE

Retirement Allowance Program

Rothestay's retiring employees are entitled to four weeks' regular salary for every five years of employment to a maximum of 26 weeks. The employee must be 55 years of age to receive the benefit.

The accrued liability is based on an actuarial valuation as at December 31, 2019, which used a discount rate of 5.75% and an annual salary increase rate of 3%. The liability was determined using the projected unit credit method pro-rated on service to the date the maximum benefit is earned.

KVFD's retiring employees are entitled to four weeks' regular salary for every five years of employment to a maximum of 24 weeks based on a minimum of ten years service. The employee must be of retirement age of 55.

The accrued liability is based on an actuarial valuation as at December 31, 2019, which used a discount rate of 2.69% and an annual salary increase rate of 2.5%.

KRJBPC's retiring employees are entitled to accumulate the greater of fifty percent of unused sick leave credits or one month's standard salary for every five years, or any part thereof, of service to a maximum of 6 months.

The accrued liability is based on an actuarial valuation as at July 31, 2019, which used a discount rate of 2.69% and an annual salary increase rate of 3% for four years and 2% thereafter.

The consolidated unfunded liability consist of:

	<u>2021</u>	<u>2020</u>
Rothestay	\$ 446,306	\$ 448,222
KVFD	233,552	206,085
KRJBPC	<u>331,945</u>	<u>338,493</u>
Balance at end of year	<u>\$ 1,011,803</u>	<u>\$ 992,800</u>

KVFD and KRJBPC have internally restricted funds for their liabilities.

Pension Obligation

Employees of Rothestay, KVFD and KRJBPC participate in the New Brunswick Municipal Employees Pension Plan (NB MEPP). The NB MEPP is a multiple-employer defined benefit pension plan administered by a board elected by the members under the provisions of the Municipalities Act of New Brunswick. The NB MEPP provides pensions based on length of service and best average earnings.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NB MEPP (currently annually). In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at December 31, 2019 and resulted in an overall NB MEPP accrued benefit obligation of \$135,126,100 based on the accounting basis.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

The actuarial valuation for accounting purposes was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2020:

- the expected inflation rate is 2.10% (prior 2.10%);
- the discount rate used to determine the accrued benefit obligation is 5.55% (prior 5.75%);
- the expected rate of return on assets is 5.55% (prior 5.75%);
- retirement age varies by age and employment category; and
- estimated average remaining service life (EARSL) is 13.0 years (prior 14.0 years).

The actuarial valuation prepared as at December 31, 2019 indicated that the present value of the accumulated plan benefits exceeded the market value of the net assets available for these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan deficit of \$641,800, a change of \$6,896,200 from the December 31, 2018 deficit of \$7,538,000. Based on the assumptions as at December 31, 2019, the actuary expected the level of employer and employee contributions to be sufficient to fund the deficit in less than fifteen years, as allowed by the Pensions Benefits Act.

As at December 31, 2019, the NB MEPP provides benefits for 277 retirees. Total benefits payments to retirees and terminating employees during 2021 are estimated to be approximately \$4,641,200 (actual 2020, \$5,662,100) in totality for the NB MEPP.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 8.00%. Each municipality contributes an amount that equals their employees contributions amounts. Pension fund assets are invested in short term securities, bonds, Canadian equities and foreign equities. Combined employees and municipalities contributions for 2021 are estimated to be approximately \$7,136,800 (actual 2020, \$6,929,400) in totality for the NB MEPP.

The following summarizes the NB MEPP data as it relates to Rothesay:

- The average age of the 43 active employees covered by the NB MEPP is 47.4 (as at Dec 31, 2019);
- benefit payments were \$188,800 in 2020 and were estimated to be \$188,800 in 2021; and
- combined contributions were \$423,200 in 2020 and were estimated to be \$435,800 in 2021.

The following summarizes the NB MEPP data as it relates to KVFD:

- The average age of the 42 active employees covered by the NB MEPP is 42.7 (2020- 42.9);
- benefit payments were \$531,900 in 2020 and were estimated to be \$531,900 in 2021; and
- combined contributions were \$587,600 in 2020 and were estimated to be \$605,200 in 2021.

The following summarizes the NB MEPP data as it relates to KRJBPC:

- The average age of the 44 active employees covered by the NB MEPP is 44 (2020 - 43.1);
- benefit payments were \$449,900 in 2020 and were estimated to be \$432,700 in 2021; and
- combined contributions were \$796,600 in 2020 and were estimated to be \$820,400 in 2021.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

In addition to determining the position of the NB MEPP as it relates to Rothesay and the other controlled entities as at December 31, 2019 and December 31, 2020, NB MEPP's actuary performed an extrapolation of the December 31, 2020 accounting valuation to determine the estimated position as at December 31, 2021. The extrapolation assumes assumptions used as at December 31, 2021 remain unchanged from December 31, 2020. The extrapolation also assumes assets return 5.55%, net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

	Estimated	
	Jan 1, 2021 to	Jan 1, 2020 to
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Accrued Benefit Liability		
Accrued benefit liability at beginning of period	\$ 179,620	\$ 439,530
Change in ownership percentage	(60)	(321)
Adjustment to actual	47,586	(46,936)
Pension expense for the year	350,413	285,278
Employer contributions	<u>(505,666)</u>	<u>(497,931)</u>
Accrued benefit liability at end of period	<u>\$ 71,893</u>	<u>\$ 179,620</u>

In summary, the consolidated accrued benefit liability is estimated to be \$71,893 as at December 31, 2021. The December 31, 2020 liability was estimated in the prior year. The actual liability was calculated to be \$227,206. The difference of \$47,586 has been recorded in the current year. This amount is included in the post employment benefits payable on the consolidated statement of financial position.

	Estimated	
	Jan 1, 2021 to	Jan 1, 2020 to
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Rothesay	\$ (15,700)	\$ (4,900)
KVFD	65,150	59,317
KRJBPC	<u>22,443</u>	<u>125,203</u>
	<u>\$ 71,893</u>	<u>\$ 179,620</u>

The financial position as it relates to the accrued benefit liability is shown as follows and illustrates the unamortized amounts being recognized in pension expense over time:

	Estimated	
	Jan 1, 2021 to	Jan 1, 2020 to
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	\$ 21,325,414	\$ 19,995,520
Plan assets	<u>(20,912,645)</u>	<u>(19,398,804)</u>
Plan deficit	412,769	596,716
Unamortized experience losses	<u>(340,876)</u>	<u>(369,510)</u>
Accrued benefit liability at end of period	<u>\$ 71,893</u>	<u>\$ 227,206</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

The following illustrates the reconciliation of accrued benefit obligation from the beginning of period to the end of period:

	Estimated	Jan 1, 2020 to
	Jan 1, 2021 to	Dec 31, 2020
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation at beginning of period	\$ 19,995,520	\$ 18,161,671
Change in ownership	(6,954)	(10,473)
Current service cost	800,374	764,944
Benefits payments	(579,069)	(586,095)
Interest for period	1,115,543	1,048,887
Experience loss during period	<u>-</u>	<u>616,586</u>
Accrued benefit obligation at end of period	<u>\$ 21,325,414</u>	<u>\$ 19,995,520</u>

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

	Estimated	Jan 1, 2020 to
	Jan 1, 2021 to	Dec 31, 2020
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Reconciliation of Plan Assets		
Plan assets at beginning of period	\$ 19,398,804	\$ 17,732,492
Change in ownership	(6,701)	(10,213)
Employer contributions	505,666	491,180
Employee contributions	505,666	491,180
Benefit payments	(579,069)	(586,095)
Return on plan assets during period	<u>1,088,279</u>	<u>1,280,260</u>
Plan assets at end of period	<u>\$ 20,912,645</u>	<u>\$ 19,398,804</u>

Total expense related to pensions include the following components:

	Estimated	Actual
	Jan 1, 2021 to	Jan 1, 2020 to
	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
Pension Expense		
Employer current service cost	\$ 294,708	\$ 273,764
Interest on accrued benefit obligation	1,115,543	1,048,887
Expected return on assets	(1,088,280)	(1,030,440)
Amortization of unrecognized balances		
Experience loss	<u>28,442</u>	<u>202</u>
Pension expense	<u>\$ 350,413</u>	<u>\$ 292,413</u>

The pension expense is included in the statement of operations.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

17. CONTINGENT LIABILITY

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2021 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect.

18. COMMITMENT

Solid Waste Collection, Transportation and Recycling Services

The Town has a three year contract for solid waste services. The contract expires on December 31, 2023. The minimum annual commitment for the next two years are as follows:

2022	\$545,039
2023	\$545,039

Snow Clearing Contract

In 2021, the Town entered into a contract for snow clearing services from November 2021 to April, 2023. The minimum annual commitment for the next two years are as follows:

2022	\$437,120
2023	\$305,984

19. SHORT TERM BORROWING

Operating Borrowing

As prescribed in the Local Governance Act, borrowing to finance General Operating Fund operations is limited to 4% of the Municipality's budget. Borrowing to finance Water and Sewer Fund operations is limited to 50% of the operating budget for the year. In 2021, the Town has complied with these restrictions.

Capital Funds

At December 31, 2021, there were short-term funds totaling \$500,000 (2020 - \$510,000) borrowed from other funds and no short-term funds (2020 - nil) borrowed from a financial institution to provide interim funding for capital projects in the General Capital Fund.

At December 31, 2021, there were no short-term funds (2020 - \$850,000) borrowed from other funds and no short-term funds (2020 - nil) borrowed from a financial institution to provide interim funding for capital projects in the Water and Sewer Capital Fund.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

19. SHORT TERM BORROWING (cont'd)

Inter-fund Borrowing

The Local Governance Act 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.

Amounts outstanding at year end are inter fund regular payables or in some cases, a short term loan may exist from the reserve account. Where a loan is in place, interest is paid to the reserve account at a rate that equates what the account would have earned had it been in the bank. These loan amounts are paid off within the following year and council is given a summary at year end to be fully informed of these transactions.

20. UTILITY FUND SURPLUS

The Local Governance Act requires Utility Fund surplus amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year; the balance of the surplus at the end of the year consists of:

	2021	2020
2021 Surplus	\$ 41,757	\$ -
2020 Surplus	48,220	48,220
2019 Surplus	<u>-</u>	<u>34,573</u>
	<u>\$ 89,977</u>	<u>\$ 82,793</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

21. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment	Infrastructure				Subtotal	Assets Under Construction	2021 Total	2020 Total
						Roads and Streets	Storm Sewer	Water	Sewer				
COST													
Balance - beginning of year	\$ 4,885,935	\$ 8,712,115	\$ 11,528,811	\$ 5,693,181	\$ 5,057,064	\$ 43,213,442	\$ 20,857,919	\$ 27,756,294	\$ 24,095,854	\$ 151,800,615	\$ 2,559,337	\$ 154,359,952	\$ 149,179,306
Change in ownership	(96)	(36)	(587)	553	(289)	-	-	-	-	(455)	-	(455)	(3,403)
Add: Net additions during the year	-	-	1,263,064	388,422	341,317	1,956,881	164,350	1,564,020	1,883,591	7,561,645	(1,679,467)	5,882,178	6,618,579
Less: Disposals during the year	-	-	-	(64,627)	(5,351)	(1,001,225)	-	(149,601)	(37,246)	(1,258,050)	-	(1,258,050)	(1,434,618)
Balance - end of year	<u>4,885,839</u>	<u>8,712,079</u>	<u>12,791,288</u>	<u>6,017,529</u>	<u>5,392,741</u>	<u>44,169,098</u>	<u>21,022,269</u>	<u>29,170,713</u>	<u>25,942,199</u>	<u>158,103,755</u>	<u>879,870</u>	<u>158,983,625</u>	<u>154,359,864</u>
ACCUMULATED AMORTIZATION													
Balance - beginning of year	-	4,288,825	4,811,979	2,996,574	2,396,059	21,496,918	7,473,121	8,223,909	8,955,198	60,642,583	-	60,642,583	57,340,509
Change in ownership	-	(29)	(222)	152	(280)	-	-	-	-	(379)	-	(379)	(1,704)
Add: Amortization during the year	-	443,319	417,145	515,708	444,402	1,417,292	357,733	613,222	440,961	4,649,782	-	4,649,782	4,523,157
Less: Accumulated amortization on disposals	-	-	-	(55,235)	(5,351)	(718,017)	-	(69,673)	(29,483)	(877,759)	-	(877,759)	(1,219,482)
Balance - end of year	<u>-</u>	<u>4,732,115</u>	<u>5,228,902</u>	<u>3,457,199</u>	<u>2,834,830</u>	<u>22,196,193</u>	<u>7,830,854</u>	<u>8,767,458</u>	<u>9,366,676</u>	<u>64,414,227</u>	<u>-</u>	<u>64,414,227</u>	<u>60,642,480</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS													
	<u>\$ 4,885,839</u>	<u>\$ 3,979,964</u>	<u>\$ 7,562,386</u>	<u>\$ 2,560,330</u>	<u>\$ 2,557,911</u>	<u>\$ 21,972,905</u>	<u>\$ 13,191,415</u>	<u>\$ 20,403,255</u>	<u>\$ 16,575,523</u>	<u>\$ 93,689,528</u>	<u>\$ 879,870</u>	<u>\$ 94,569,398</u>	<u>\$ 93,717,384</u>
Consists of:													
General Fund Assets	\$ 4,515,621	\$ 3,933,939	\$ 3,810,172	\$ 1,602,704	\$ 1,743,693	\$ 21,771,961	\$ 13,191,415	\$ -	\$ -	\$ 50,569,496	\$ (643,965)	\$ 49,925,531	\$ 51,326,367
Utility Fund Assets	119,971	-	1,277,944	82,661	590,873	200,944	-	20,403,255	16,575,523	39,251,171	1,523,835	40,775,006	38,409,697
Controlled Entities	<u>250,247</u>	<u>46,025</u>	<u>2,474,270</u>	<u>874,965</u>	<u>223,345</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,868,852</u>	<u>-</u>	<u>3,868,861</u>	<u>3,981,320</u>
	<u>\$ 4,885,839</u>	<u>\$ 3,979,964</u>	<u>\$ 7,562,386</u>	<u>\$ 2,560,330</u>	<u>\$ 2,557,911</u>	<u>\$ 21,972,905</u>	<u>\$ 13,191,415</u>	<u>\$ 20,403,255</u>	<u>\$ 16,575,523</u>	<u>\$ 93,689,519</u>	<u>\$ 879,870</u>	<u>\$ 94,569,398</u>	<u>\$ 93,717,384</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

22. SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR JOINTLY CONTROLLED ENTITIES

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Vehicles</u>	<u>Machinery and Equipment</u>	<u>Assets Under Construction</u>	<u>2021 Total</u>	<u>2020 Total</u>
COST								
Balance - beginning of year	\$ 250,343	\$ 120,125	\$ 4,082,545	\$ 1,717,591	\$ 789,638	\$ -	\$ 6,960,149	\$ 6,657,924
Change in ownership	(96)	(36)	(587)	553	(289)	-	(455)	(3,403)
Add: Net additions during the year	-	-	94,238	92,941	27,544	-	214,723	506,260
Less: Disposals during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,627)</u>	<u>(5,351)</u>	<u>-</u>	<u>(69,978)</u>	<u>(200,632)</u>
Balance - end of year	<u>250,247</u>	<u>120,089</u>	<u>4,176,196</u>	<u>1,746,458</u>	<u>811,542</u>	<u>-</u>	<u>7,104,439</u>	<u>6,960,149</u>
ACCUMULATED AMORTIZATION								
Balance - beginning of year	-	66,526	1,556,269	815,791	540,345	-	2,978,829	2,861,726
Change in ownership	-	(29)	(222)	152	(280)	-	(379)	(1,704)
Add: Amortization during the year	-	7,567	145,879	110,785	53,483	-	317,714	319,920
Less: Accumulated amortization on disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(55,235)</u>	<u>(5,351)</u>	<u>-</u>	<u>(60,586)</u>	<u>(201,113)</u>
Balance - end of year	<u>-</u>	<u>74,064</u>	<u>1,701,926</u>	<u>871,493</u>	<u>588,197</u>	<u>-</u>	<u>3,235,578</u>	<u>2,978,829</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 250,247</u>	<u>\$ 46,025</u>	<u>\$ 2,474,270</u>	<u>\$ 874,965</u>	<u>\$ 223,345</u>	<u>\$ -</u>	<u>\$ 3,868,861</u>	<u>\$ 3,981,320</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

23. SCHEDULE OF SEGMENT DISCLOSURE

	<u>General</u>	<u>Protective</u>	<u>Transportation</u>	<u>Environmental Health</u>	<u>Environmental Development</u>	<u>Recreation and Culture</u>	<u>Water and Sewer</u>	<u>2021 Consolidated</u>	<u>2020 Consolidated</u>
REVENUE									
Property tax warrant	\$ 2,046,871	\$ 5,057,489	\$ 5,508,771	\$ 852,781	\$ 506,012	\$ 3,030,375	\$ -	\$ 17,002,299	\$ 16,492,476
Sale of service	121,311	-	4,708	-	-	337,713	-	463,732	343,963
Services provided to other governments	-	-	80,180	-	-	-	-	80,180	83,288
Other own source	18,637	3,150	-	-	86,275	-	-	108,062	447,775
Unconditional grant	15,794	39,025	42,507	6,580	3,904	23,383	-	131,193	128,323
Conditional government transfers	1,912,228	-	-	-	-	-	374,000	2,286,228	2,624,401
Water and sewer user fees	-	-	-	-	-	-	3,077,512	3,077,512	2,894,370
Sundry and interest	<u>62,779</u>	<u>206,334</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,814</u>	<u>117,249</u>	<u>394,176</u>	<u>381,202</u>
	<u>4,177,620</u>	<u>5,305,998</u>	<u>5,636,166</u>	<u>859,361</u>	<u>596,191</u>	<u>3,399,285</u>	<u>3,568,761</u>	<u>23,543,382</u>	<u>23,395,798</u>
EXPENDITURE									
Salaries and benefits	919,444	4,245,940	976,786	-	288,376	388,263	512,984	7,331,793	7,307,497
Goods and services	961,666	588,231	1,867,094	854,522	218,668	1,806,914	1,400,570	7,697,665	7,771,441
Interest	2,682	3,995	73,172	-	-	100,968	284,448	465,265	521,569
Other	40,190	3,959	283,208	-	-	-	87,691	415,048	186,669
Amortization	<u>127,065</u>	<u>225,682</u>	<u>2,319,749</u>	<u>-</u>	<u>-</u>	<u>740,412</u>	<u>1,236,874</u>	<u>4,649,782</u>	<u>4,523,158</u>
	<u>2,051,047</u>	<u>5,067,807</u>	<u>5,520,009</u>	<u>854,522</u>	<u>507,044</u>	<u>3,036,557</u>	<u>3,522,567</u>	<u>20,559,553</u>	<u>20,310,334</u>
Surplus for the year	<u>\$ 2,126,573</u>	<u>\$ 238,191</u>	<u>\$ 116,157</u>	<u>\$ 4,839</u>	<u>\$ 89,147</u>	<u>\$ 362,728</u>	<u>\$ 46,194</u>	<u>\$ 2,983,829</u>	<u>\$ 3,085,464</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

24. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Utility Operating Fund	Utility Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Utility Operating Reserve Fund	Utility Capital Reserve Fund	Jointly Controlled Entities	Total
2021 annual surplus (deficit)	\$ 6,113,690	\$ (3,360,800)	\$ 1,367,864	\$ (1,386,477)	\$ 4,216	\$ 27,975	\$ 575	\$ 6,612	\$ 210,174	\$ 2,983,829
Adjustments to annual surplus										
(deficit) for funding requirements										
Second previous year's surplus	32,147	-	34,573	-	-	-	-	-	59,417	126,137
Transfers between funds										
Transfer elimination	(450,000)	-	-	-	450,000	-	-	-	-	-
Transfer elimination	(500,000)	-	-	-	-	500,000	-	-	-	-
Transfer elimination	(4,560)	-	-	-	-	4,560	-	-	-	-
Transfer elimination	-	-	(66,150)	-	-	-	-	66,150	-	-
Transfer elimination	-	650,000	-	374,000	-	(1,024,000)	-	-	-	-
Transfer elimination	(1,654,360)	-	-	-	-	1,654,360	-	-	-	-
Transfer elimination	-	-	(5,686)	-	-	-	-	5,686	-	-
Transfer elimination	-	-	(11,140)	-	-	-	-	11,140	-	-
Transfer elimination	(3,078,407)	3,078,407	(759,347)	759,347	-	-	-	-	-	-
Long term debt principal repayment	(804,000)	804,000	(518,357)	518,357	-	-	-	-	-	-
Provision for retirement allowance	-	-	-	-	-	-	-	-	(1,544)	(1,544)
Provision for pension liability	(10,800)	-	-	-	-	-	-	-	(96,768)	(107,568)
Provision for sick leave accrual	-	-	-	-	-	-	-	-	(79,311)	(79,311)
Accumulated amortization on disposal of capital assets	-	(817,173)	-	-	-	-	-	-	(60,586)	(877,759)
Deferred Gas tax revenue	630,360	-	-	-	-	-	-	-	-	630,360
Unrealized gain on investments	-	-	-	-	-	-	-	-	(26,224)	(26,224)
Amortization expense	-	3,095,194	-	1,236,874	-	-	-	-	317,714	4,649,782
Total adjustments to 2021 annual surplus (deficit)	(5,839,620)	6,810,428	(1,326,107)	2,888,578	450,000	1,134,920	-	82,976	112,698	4,313,873
2021 annual surplus (deficit) for funding requirements	\$ 274,070	\$ 3,449,628	\$ 41,757	\$ 1,502,101	\$ 454,216	\$ 1,162,895	\$ 575	\$ 89,588	\$ 322,872	\$ 7,297,702

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

25. STATEMENT OF RESERVES

	<u>General Operating Reserve</u>	<u>General Capital Reserve</u>	<u>Utility Operating Reserve</u>	<u>Utility Capital Reserve</u>	<u>Land for Public Purpose</u>	<u>2021 Total</u>	<u>2020 Total</u>
ASSETS							
Cash and short term investments	\$ 905,049	\$ 5,197,371	\$ -	\$ 1,350,328	\$ -	\$ 7,452,748	\$ 6,245,474
Accounts receivable from other funds	-	(150,251)	106,305	(106,305)	150,251	-	-
Due from (to) other funds	-	500,000	-	-	-	500,000	-
	<u>\$ 905,049</u>	<u>\$ 5,547,120</u>	<u>\$ 106,305</u>	<u>\$ 1,244,023</u>	<u>\$ 150,251</u>	<u>\$ 7,952,748</u>	<u>\$ 6,245,474</u>
ACCUMULATED SURPLUS	<u>\$ 905,049</u>	<u>\$ 5,547,120</u>	<u>\$ 106,305</u>	<u>\$ 1,244,023</u>	<u>\$ 150,251</u>	<u>\$ 7,952,748</u>	<u>\$ 6,245,474</u>
REVENUE							
Other government transfers	\$ -	\$ 1,654,360	\$ -	\$ -	\$ -	\$ 1,654,360	\$ 803,422
Transfers from Operating Funds	450,000	500,000	-	82,976	4,560	1,037,536	345,547
Interest	4,216	27,123	575	6,612	852	39,378	94,740
	<u>454,216</u>	<u>2,181,483</u>	<u>575</u>	<u>89,588</u>	<u>5,412</u>	<u>2,731,274</u>	<u>1,243,709</u>
EXPENDITURES							
Transfers to General Operating Fund	-	-	-	-	-	-	341,708
Transfer to General Capital Fund	-	650,000	-	-	-	650,000	1,350,000
Transfers to Water and Sewer Capital Fund	-	374,000	-	-	-	374,000	749,571
	<u>-</u>	<u>1,024,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,024,000</u>	<u>2,441,279</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 454,216</u>	<u>\$ 1,157,483</u>	<u>\$ 575</u>	<u>\$ 89,588</u>	<u>\$ 5,412</u>	<u>\$ 1,707,274</u>	<u>\$ (1,197,570)</u>

Included in the General Capital Reserve Fund is \$4,318,104 of gas tax funds to be used for capital projects that meet the criteria of the Agreement on the Gas Tax Fund with Local Governments.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

25. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

Date Enacted March 8, 2021

MOVED by Counc. Brenan and seconded by Counc. Mackay French the sum of \$450,000.00 be transferred to the General Operating Reserve Fund from the General Operating Fund to cover future operating costs.

ON THE QUESTION:

Treasurer MacDonald advised the purpose of the transfer is to set aside funds received from the provincial Safe Restart Program for future COVID-19 expenses. Counc. Brenan added the funding was received following approval of the Town's 2021 budget.

CARRIED.

MOVED by Counc. Brenan and seconded by Counc. McGuire the sum of \$250,000.00 be transferred from the General Operating Fund to the General Capital Reserve Fund to cover the costs of future Capital projects.

CARRIED.

Date Enacted December 13, 2021

MOVED by Deputy Mayor Alexander and seconded by Counc. Shea Gas Tax Funding in the amount of \$1,654,358.00 for the year 2021, be transferred to the General Capital Reserve Fund (Gas Tax).

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Shea the sum of \$1,150,000.00 be transferred from the General Capital Reserve Fund (Gas Tax) to the General Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Shea the sum of \$4,560.00 be transferred from the General Operating Fund to the Land for Public Purposes Reserve Fund for external contributions.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Boyle the sum of \$250,000.00 be transferred from the General Operating Fund to the General Capital Reserve Fund to cover the costs of future Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Shea \$66,150.00 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund for water and sewer connection fees.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Shea the sum of \$374,000.00 be transferred from the General Capital Reserve Fund (Gas Tax) to the Utility Operating Fund to cover the costs of Capital projects.

CARRIED.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

25. STATEMENT OF RESERVES (cont'd)

MOVED by Deputy Mayor Alexander and seconded by Council. Shee \$5,686.00 be transferred from the Utility Operating Fund to the Utility Sewage Outfall Reserve Fund for Rothesay's contribution to the Sewage Outfall Reserve.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Council. Shee \$11,140.00 received from Quispamsis for Sewage Outfall be transferred from the Utility Operating Fund to the Utility Sewage Outfall Reserve Fund.

CARRIED.

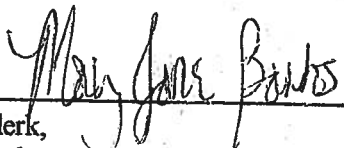
Date Enacted February 14, 2022

MOVED by Council. McGuire and seconded by Council. Shee the Gas Tax Funding in the amount of \$500,000.00 for the year 2021, be transferred to the General Capital Reserve Fund (Gas Tax).

ON THE QUESTION: Treasurer MacDonald advised annual transfers from reserves are used to finance capital expenditures. Upon review, the amount of funds transferred from the Gas Tax Reserve is more than required, therefore staff are recommending an amount be transferred back to the Gas Tax Reserve.

CARRIED.

I hereby certify that the above are true and exact copies of resolutions adopted at the regular meeting of Council on March 8, 2021, December 13, 2021 and February 14, 2022.



Clerk,
Rothesay



Date

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

26. STATEMENT OF JOINTLY CONTROLLED ENTITIES OPERATIONS

	<u>KV Fire</u>	<u>Police</u>	<u>Library</u>	<u>2021 Total</u>	<u>2020 Total</u>
ASSETS	\$ <u>2,042,913</u>	\$ <u>1,350,793</u>	\$ <u>1,566,941</u>	\$ <u>4,960,647</u>	\$ <u>5,005,054</u>
LIABILITIES	\$ <u>554,771</u>	\$ <u>737,277</u>	\$ <u>26,565</u>	\$ <u>1,318,613</u>	\$ <u>1,540,831</u>
ACCUMULATED SURPLUS	\$ <u>1,488,142</u>	\$ <u>613,516</u>	\$ <u>1,540,376</u>	\$ <u>3,642,034</u>	\$ <u>4,131,419</u>
REVENUE	\$ 2,330,713	\$ 3,005,960	\$ 96,662	\$ 5,433,335	\$ 5,773,619
EXPENDITURES	<u>2,249,867</u>	<u>2,795,884</u>	<u>172,570</u>	<u>5,218,321</u>	<u>5,175,096</u>
	80,846	210,076	(75,908)	215,014	598,523
CHANGE IN OWNERSHIP	<u>1,036</u>	<u>(655)</u>	<u>-</u>	<u>381</u>	<u>(889)</u>
ANNUAL SURPLUS (DEFICIT)	\$ <u>81,882</u>	\$ <u>209,421</u>	\$ <u>(75,908)</u>	\$ <u>215,395</u>	\$ <u>597,634</u>

The above noted entities are included in the consolidated financial statements. The above figures do not include the eliminating adjustments and represent Rothesay's proportionate share.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

27. OPERATING BUDGET TO PSA BUDGET

	<u>Operating Budget General</u>	<u>Operating Budget Water and Sewer</u>	<u>Amortization TCA</u>	<u>Controlled Entities</u>	<u>Transfers</u>	<u>Total</u>
REVENUE						
Property tax warrant	\$ 17,002,299	\$ -	\$ -	\$ -	\$ -	\$ 17,002,299
Unconditional transfers from other governments	131,193	-	-	-	-	131,193
Conditional transfers from Federal or Provincial governments	26,500	-	-	-	1,024,000	1,050,500
Services other governments	60,000	-	-	-	-	60,000
Other own source	103,260	-	-	-	(2,000)	101,260
Sale of services	463,600	-	-	-	2,000	465,600
Other transfers	1,050,000	-	-	-	(1,050,000)	-
Water and sewer user fees	-	3,443,427	-	-	(363,000)	3,080,427
Sundry income	14,000	80,000	-	137,876	-	231,876
Surplus (deficit) of second previous year	<u>32,148</u>	<u>34,573</u>	<u>-</u>	<u>-</u>	<u>(66,721)</u>	<u>-</u>
	<u>18,883,000</u>	<u>3,558,000</u>	<u>-</u>	<u>137,876</u>	<u>(455,721)</u>	<u>22,123,155</u>
EXPENDITURES						
General government services	2,416,762	-	120,000	-	(321,000)	2,215,762
Protective services	5,479,207	-	225,682	(147,341)	(373,500)	5,184,048
Transportation services	3,647,492	-	2,320,000	-	(629,966)	5,337,526
Environmental health services	842,000	-	-	-	-	842,000
Environmental development services	649,200	-	-	-	-	649,200
Recreation and cultural services	2,147,205	-	742,033	7	81,600	2,970,845
Fiscal services						
Long term debt repayments	804,000	518,357	-	-	(1,322,357)	-
Interest	182,134	305,893	-	-	(488,027)	-
Transfer from General Operating Fund to Transfer from General Operating Fund to General Capital Fund	2,715,000	-	-	-	(2,715,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Reserve Fund	-	70,000	-	-	(70,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Operating Capital Fund	-	700,000	-	-	(700,000)	-
Water and Sewer	<u>-</u>	<u>1,963,750</u>	<u>1,240,000</u>	<u>-</u>	<u>305,893</u>	<u>3,509,643</u>
	<u>18,883,000</u>	<u>3,558,000</u>	<u>4,647,715</u>	<u>(147,334)</u>	<u>(6,232,357)</u>	<u>20,709,024</u>
Surplus (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,647,715)</u>	<u>\$ 285,210</u>	<u>\$ 5,776,636</u>	<u>\$ 1,414,131</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

28. REVENUE AND EXPENDITURES SUPPORT

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Sale of services			
Community Centre	\$ 20,000	\$ 26,615	\$ 3,919
Rental revenue	106,400	94,696	86,019
Recreational programs	339,200	337,713	248,692
Transportation	<u> -</u>	<u> 4,708</u>	<u> 5,333</u>
	<u>\$ 465,600</u>	<u>\$ 463,732</u>	<u>\$ 343,963</u>
Other own source			
Permits and fines	\$ 75,000	\$ 94,132	\$ 156,638
Fire Department administration	12,000	-	-
Developers contributions	-	4,560	226,218
Miscellaneous	<u> 14,260</u>	<u> 9,370</u>	<u> 64,919</u>
	<u>\$ 101,260</u>	<u>\$ 108,062</u>	<u>\$ 447,775</u>
Conditional government transfers			
Government of Canada	\$ 25,000	\$ 63,774	\$ 48,812
Province of New Brunswick	-	1,193,354	663,589
Gas Tax revenue	1,024,000	1,024,000	1,910,000
Canada Day grants	1,500	1,600	2,000
Other government grants	<u> -</u>	<u> 3,500</u>	<u> -</u>
	<u>\$ 1,050,500</u>	<u>\$ 2,286,228</u>	<u>\$ 2,624,401</u>
EXPENDITURE			
General government services			
Legislative			
Mayor	\$ 47,000	\$ 36,986	\$ 36,468
Councilors	136,100	126,140	118,592
Fundy Regional Service Commission	5,226	5,226	3,597
Other	<u> 13,500</u>	<u> 3,397</u>	<u> 1,825</u>
	<u> 201,826</u>	<u> 171,749</u>	<u> 160,482</u>
Administrative			
Administration	766,747	698,436	735,722
Office building	177,500	176,730	182,982
Solicitor	50,000	20,564	4,213
Supplies	25,000	30,977	37,241
Other	<u> 262,395</u>	<u> 208,518</u>	<u> 208,084</u>
	<u> 1,281,642</u>	<u> 1,135,225</u>	<u> 1,168,242</u>
Financial management			
Professional fees	<u> 30,000</u>	<u> 26,510</u>	<u> 28,814</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2021 Budget	2021 Actual	2020 Actual
General government services (cont'd)			
Other			
Civic relations	1,000	341	326
Covid-19	25,000	27,033	-
Community communications	10,000	2,738	835
Insurance	223,290	247,058	194,165
Property tax - land for public purposes	18,000	16,782	16,469
Grants to organizations	34,000	22,147	20,448
Fox Farm Road rental expenses	2,500	5,713	19,493
Cost of assessment	266,004	266,004	258,027
Interest	2,500	2,682	3,164
Amortization	<u>120,000</u>	<u>127,065</u>	<u>69,771</u>
	<u>702,294</u>	<u>717,563</u>	<u>582,698</u>
	<u>\$ 2,215,762</u>	<u>\$ 2,051,047</u>	<u>\$ 1,940,236</u>
Protective services			
Fire			
Administration	\$ 323,379	\$ 266,992	\$ 317,866
Firefighting force	1,569,786	1,519,478	1,420,659
Telecommunications	84,423	1,600	1,857
Insurance	20,385	21,348	15,062
Prevention and training	23,850	13,372	12,397
Facilities	74,224	71,623	91,458
Fleet	43,033	33,090	30,627
Operations	25,889	105,682	26,856
Water costs	13,241	13,243	12,847
Retirement allowance	16,721	25,772	25,390
Other	1,223	7,396	1,044
(Gain) on disposal of tangible capital assets	-	(6,990)	(15,044)
Amortization	<u>141,023</u>	<u>141,023</u>	<u>140,306</u>
	<u>2,337,177</u>	<u>2,213,629</u>	<u>2,081,325</u>
Crimestoppers	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>
Police			
Crime Control	1,971,059	2,030,630	1,945,639
Vehicle Fleet	78,316	72,059	67,934
Property	108,688	88,232	88,475
Administration	422,069	428,840	559,005
Retirement allowance	31,845	34,803	34,534
Communications	131,700	113,254	15,600
Unrealized gain on investments	(26,224)	(26,224)	(20,837)
Loss (gain) on disposal of tangible capital assets	3,959	3,959	(768)
Amortization	<u>84,659</u>	<u>84,659</u>	<u>89,267</u>
	<u>2,806,071</u>	<u>2,830,212</u>	<u>2,778,849</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	<u>2021</u> Budget	<u>2021</u> Actual	<u>2020</u> Actual
Protective services (cont'd)			
Other			
Emergency measures	-	975	157,634
Animal control	9,500	5,418	6,264
Interest	8,500	3,995	8,555
Other	<u>20,000</u>	<u>10,778</u>	<u>10,625</u>
	<u>38,000</u>	<u>21,166</u>	<u>183,078</u>
	<u>\$ 5,184,048</u>	<u>\$ 5,067,807</u>	<u>\$ 5,046,052</u>
Transportation services			
Common			
Wages and benefits	\$ 1,094,400	\$ 976,786	\$ 956,539
Workshop, yard and equipment maintenance	654,000	599,233	704,374
Engineering	<u>7,500</u>	<u>10,260</u>	<u>10,675</u>
	<u>1,755,900</u>	<u>1,586,279</u>	<u>1,671,588</u>
Roads and Streets			
Roadway surfaces	48,815	99,160	425,627
Storm water and traffic studies	-	157,260	105,448
Crosswalks and sidewalks	19,992	16,534	14,018
Culverts and drainage ditches	25,000	36,477	37,543
Storm sewers	40,000	34,249	42,624
Street cleaning	44,000	40,506	16,687
Snow and ice removal	652,685	520,677	507,392
Street lighting	130,000	161,646	152,537
Street signs	12,000	9,886	17,028
Traffic lane marking	30,000	25,677	27,513
Traffic signals and signs	40,000	52,191	23,952
Railway crossing signals	22,000	22,228	19,368
Public transit - Comex Service	86,000	81,110	72,953
KV committee for the disabled	-	-	4,000
Flood costs	40,000	-	32,217
Interest	71,134	73,172	75,635
Loss on disposal of tangible capital assets	-	283,208	153,640
Amortization	<u>2,320,000</u>	<u>2,319,749</u>	<u>2,405,836</u>
	<u>3,581,626</u>	<u>3,933,730</u>	<u>4,134,018</u>
	<u>\$ 5,337,526</u>	<u>\$ 5,520,009</u>	<u>\$ 5,805,606</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2021 Budget	2021 Actual	2020 Actual
Environmental health services			
Solid waste disposal	\$ 234,000	\$ 202,547	\$ 212,853
Solid waste compost	-	48,741	76,611
Solid waste collection	608,000	570,984	278,656
Curbside recycling	-	-	59,028
Clean up campaign	<u>-</u>	<u>32,249</u>	<u>47,469</u>
	<u>\$ 842,000</u>	<u>\$ 854,521</u>	<u>\$ 674,617</u>
Environmental development services			
Environmental planning and zoning	\$ 494,000	\$ 359,044	\$ 401,087
Greater Saint John Economic Development Agency, Inc.	152,000	148,000	98,988
Tourism	<u>3,200</u>	<u>-</u>	<u>3,129</u>
	<u>\$ 649,200</u>	<u>\$ 507,044</u>	<u>\$ 503,204</u>
Recreation and cultural services			
Administration	\$ 313,876	\$ 326,956	\$ 288,585
Beaches	50,636	45,695	36,384
Rothesay Arena	315,000	349,094	244,979
Memorial Centre	76,000	69,359	56,225
Summer programs	62,825	62,780	63,086
Rothesay Common	44,000	64,171	49,957
Parks and gardens	613,500	629,917	618,654
Regional Facilities Commission	393,125	410,103	451,692
Kennebecasis Public Library Inc	88,850	78,611	80,589
Special events	39,500	14,744	7,432
Playgrounds and fields	124,000	136,176	112,218
Living museum	-	71	-
PRO Kids	7,500	7,500	-
Interest	100,000	100,968	109,379
Amortization	<u>742,033</u>	<u>740,412</u>	<u>688,147</u>
	<u>\$ 2,970,845</u>	<u>\$ 3,036,557</u>	<u>\$ 2,807,327</u>
Water and sewer services			
Water System			
Administration	\$ 447,500	\$ 480,900	\$ 413,425
Purification maintenance and treatment	420,000	408,751	550,846
Source of supply - purchase of water	750	1,181	1,176
Transmission and distribution	130,000	74,667	141,160
Power and pumping	42,000	39,654	48,567
Billing and collecting	<u>-</u>	<u>2,410</u>	<u>2,941</u>
	<u>1,040,250</u>	<u>1,007,563</u>	<u>1,158,115</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2021 Budget	2021 Actual	2020 Actual
Sewer System			
Administration	677,500	648,900	616,744
Sewer collection system	84,000	83,047	165,948
Sewer lift stations	70,000	43,551	38,783
Treatment and disposal	92,000	130,494	93,163
Infiltration study	-	-	5,872
Loss on disposal of tangible capital asset	<u>-</u>	<u>87,691</u>	<u>-</u>
	<u>923,500</u>	<u>993,683</u>	<u>920,510</u>
Interest	305,893	284,448	324,836
Amortization	<u>1,240,000</u>	<u>1,236,874</u>	<u>1,129,831</u>
	<u>1,545,893</u>	<u>1,521,322</u>	<u>1,454,667</u>
	<u>\$ 3,509,643</u>	<u>\$ 3,522,568</u>	<u>\$ 3,533,292</u>