



Rothesay 2022 Annual Report



This is the Annual Report of the
corporation of the town of Rothesay
for the 2022 fiscal year (January 1 to December 31)

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ROTHESAY



May 2022

Mayor Grant and Rothesay Council:

Re: 2022 Annual Report

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It is my pleasure to present the annual report of Rothesay for 2022. This report has been prepared in accordance with the New Brunswick regulation 2018 - 54 under the Local Governance Act. Attached to this report are the audited financial statements showing that the Town operated a small surplus in both the general and utility funds.

Across New Brunswick municipal reform changed the number of municipalities and the boundaries of many. There were no changes to the Rothesay boundary, but reform meant a significant focus on the Fundy region and collaboration with other area municipalities.

The year saw a significant increase in residential development activity focused on apartment buildings. Three projects were approved on Hampton Road and others on Chapel and the corner of Gondola Point and Clark Roads. These projects generally targeted seniors as their clientele. Low density projects in Sagamore Point and the Hillside South Secondary Plan area were also initiated.

When the provincial three-year highway plan did not include resurfacing of Rothesay Road, strong representations to the Minister of Transportation and Infrastructure led by Mayor Grant and Deputy Mayor Alexander resulted in a change in the priorities for provincially designated highways in Rothesay and funding for a significant stretch of this key part of the regional road network.

Late in the year a collective agreement was reached with CUPE Local 5369 for the Town's outside labourers establishing terms until 2025.

Staff have worked diligently to adjust to changes brought on by the pandemic and I thank them for their perseverance during what must be described as a challenging three years. I also express my appreciation to you, Mayor Grant and the Council for supporting staff and carefully considering the many decisions you have faced during 2022.

Yours respectfully,


John Ferrier RPP, MCIP
Town Manager

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Discover your future / Découvrez votre avenir

Grand Bay-Westfield • Quispamsis • Rothesay • St. Martins • Saint John

ROTHESAY

2022 ANNUAL REPORT

1. INTRODUCTION

On January 1, 2018, Regulation 2018 – 54 came into effect. The Province of New Brunswick established the *Annual Report Regulation – Local Governance Act* to provide information to property taxpayers regarding their local government. Rothesay has published an annual report in the past, but this report differs in that it is designed to be in conformance with this legislation. A copy of the new regulation is found in the Appendices to this Report.

2. THE COMMUNITY

Land Acknowledgment

We would like to respectfully acknowledge that our town of Rothesay exists on the traditional lands of the Wolastoqiyik /Maliseet and Mi'Kmaq whose ancestors, along with the Passamaquoddy / Peskotomuhkati Tribes / Nations signed Peace and Friendship Treaties with the British Crown in the 1700s.

We respectfully acknowledge that the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP) was adopted by the United Nations on September 13, 2007 and enshrined in law in Canada by Parliament on June 21, 2021 as Bill C-15.

We respectfully endorse the Calls to Action of the Truth and Reconciliation Commission of 2015 as it applies to our Municipal Government of the town of Rothesay.

History

Rothesay is a long-established residential community in southern New Brunswick and celebrated its 150th anniversary in 2010. In 1997, the Provincial Government amalgamated a portion of the Local Service District of Wells with the Town of Rothesay and the villages of Fairvale, Renforth and East Riverside-Kingshurst to form the new town of Rothesay with a population of about 11,600.

The town motto, "*Quinque Iuncta In Uno (Five United In One)*", represents the strength and unity of our municipality and the joining together of the five founding communities. The Municipal Flag for Rothesay represents the first of its kind in Canada. By permission of the New Brunswick government, the provincial flag, adopted in 1965 on the authority of Queen Victoria's Warrant of 1868, occupies

the topmost part (the hoist) of the municipal flag. The Coat of Arms occupies the fly.

Rothesay's current population, based on the 2021 Statistics Canada Census, is 11,977, a small increase from the 2016 count. This population was distributed amongst 4,875 households, 75% of which occupied single detached housing with an average size of 2.4 persons.

Rothesay is part of the Fundy Regional Service District, which is composed of one unincorporated Rural District and six area municipalities centered on the mouth of the St. John River.

3. GOVERNANCE

An eight-person Council with Dr. Nancy Grant as Mayor provides for the governance of the Town. Council meeting attendance and monies Council members received from the Town are set out in Appendices B & C. Public events attended by Mayor Dr. Grant and Council members are set out in Appendix D.

COUNCIL MEMBERS

The Rothesay Council includes:

- **Mayor Dr. Nancy Grant**
- **Deputy Mayor Dr. Matthew Alexander, Ph.D.**

and Councillors:

- | | |
|--------------------------------|-------------------------|
| • Tiffany Mackay French | • Helen Boyle |
| • Bill McGuire | • Peter J. Lewis |
| • Dave Brown | • Don Shea |

COUNCIL MEETINGS

Rothesay Council meetings are typically held the second Monday of the month at 7:00 p.m. in the Common Room, Rothesay Town Hall, 70 Hampton Road, Rothesay, NB. Regular and special Council meetings are open to the public. Council agendas and agenda packages are posted to the website prior to each meeting. Approved Council minutes are available for review in the Clerk's office and also online: www.rothesay.ca

Closed session meetings are held in accordance with the Local Governance Act, SNB 17, c. 18 (s. 68) when the subject matter relates generally to the following: confidential and/or personal information protected by law; contract negotiations; land disposition or acquisition; litigation or potential litigation and legal opinions or advice; matters of security; information gathered by police; information that could violate confidentiality from the federal or provincial government; and labour and employment matters.

COVID-19 Pandemic declared 13 March 2020 (World Health Organization)

Meetings held by videoconference: January & February

Meetings held in person: March – December

Public Health restrictions (COVID-19) in New Brunswick were lifted by the province on 14 March 2022.

Committees of Council (2022)

- Personnel Committee
- Finance Committee
- Nominating Committee
- EMO Committee
- Parks and Recreation Committee
- Planning Advisory Committee
- Works and Utilities Committee
- Rothesay Heritage Preservation Review Board
- Rothesay Living Museum Committee
- Age Friendly Advisory Committee
- Climate Change Adaptation Committee

Mary Jane Banks is the Director of Administrative Services and Town Clerk.



4. ADMINISTRATION



The Rothesay Town office is open Monday through Friday from 8 am to 4:30 pm, except civic holidays. The office is closed from noon to 1 pm. The main telephone line (506-848-6600) is answered 7/24 for service requests and urgent matters.

Town records are filed in a computerized database with searching capacity in accordance with the guidelines of the Municipal Records Authority. Rothesay has implemented a system to record customer service requests and to track the nature of requests and the time required to respond. There were 675 service requests responded to in 2022 with the most frequent being related to general drainage issues, culverts, water meter readings and lateral locates.

Rothesay has a workforce of both unionized and non-unionized employees. Unionized employees at Rothesay are represented by the Canadian Union for Public Employees (C.U.P.E). Local 5369.

Our 2022 human resource efforts related in large part to contract negotiations with C.U.P.E. focused on reaching a fair and equitable agreement that would benefit both the municipality and employees. Rothesay is pleased to report that we have successfully concluded our contract negotiations. The new contract includes several key provisions that will benefit Rothesay employees and help attract and retain talent.

At the end of 2022, Rothesay had 46 permanent employees (including 18 members of the bargaining unit). During 2022, 32 recruitments were carried out or were in progress as of December 31st. This included four positions vacant from departing employees, two positions vacant due to retirement, and 26 to fill seasonal student positions.

The upcoming year will focus on recruitment, retention, and succession planning as we continue to plan for the transition of 30.4% of our workforce who are eligible for retirement within the next 10 years. As Nationwide labour shortages continue to impact recruitment efforts, retaining and developing employees will continue to be a focus of HR initiatives for the near future.

In the coming year, Rothesay will continue to strive towards being an employer of choice by offering a competitive compensation package, a safe and healthy work environment, and meaningful and engaging work.

5. PROTECTIVE SERVICES

A. FIRE

The Kennebecasis Valley Fire Department Inc. (KVFD) is a corporation jointly owned with Quispamsis to provide fire suppression and fire prevention and education services throughout the two Towns. Station 1 is located on Campbell Drive in Rothesay and Station 2 is located on Hampton Road in Quispamsis Renovations began on Station 2 in 2022 and are expected to be completed by summer 2023.



The Department provides assistance to Ambulance New Brunswick in responding to many medical emergencies. In 2022, there were 538 calls for service in Rothesay, which was up from 2021 where there were 454. Included in the 538 calls were 282 EMS incidents, and 65 motor vehicle incidents-collisions.

The Department consists of 40 firefighters, including 12 company officers, senior firefighters, lieutenants and captains. The management team consists of one Fire Chief and one Deputy Chief, two Division Chiefs, an Executive Assistant to the Chief and a Finance Administrator. A Board with equal representation from each Council and volunteer appointments from each Town governs the KVFD. Rothesay paid \$2.355M or 40.93% of the Department's operating costs in 2022. Details about the Fire Department are on its website:

<http://kvfire.ca>

The Fire Chief is Michael Boyle, BIS, ECFO

B. POLICE

The Kennebecasis Regional Police Force (KRPF), an organization jointly owned and funded with Quispamsis, carries out policing in Rothesay. The Force has 44 officers and employs seven civilian staff. In 2022, Rothesay had 2,180 calls for service.



Rothesay's share (40.05%) of the annual budget for policing was \$3.035M in 2022.

Oversight of the KRPF is charged to a Board of Commissioners appointed by the two Towns and one Commissioner appointed by the Provincial Minister of Public Safety. More information regarding the nature and operations of the Regional Police Force is on its website:

<http://www.kennebecasisregionalpolice.com/>

The Police Chief is Steve Gourdeau

C. EMERGENCY PREPAREDNESS

Operations at the Town returned to a level of normalcy as the Province lifted the Covid-19 Public Health restrictions, on March 14, 2022. Later, that spring the Town was also fortunate to be spared from the worst effects of the annual spring freshet as the flooding season came and went without significant damage to property and requirements for sand bagging and cleanup.

The efforts to establish a joint Emergency Measures Organization (EMO) with Quispamsis took the first step through the appointment of the new Kennebecasis Valley Fire Department (KVFD) Fire Chief as the director of KV EMO. The KVFD is well suited and staffed to be the lead agency for emergency management in the Kennebecasis Valley.

Moving towards a joint EMO model, the KV Fire Chief has created a steering committee with representatives from both Towns and the mandate to establish an emergency measures organization that represents both municipalities.



6. FINANCE

The Town finished the 2022 fiscal year with a general fund surplus of \$128,838 and a surplus in the utility fund of \$33,993. These will be brought into budgets in 2024. During the year, the Town retired \$1.3M of debt. No new debt was incurred during 2022 however debentures in the amount of \$800,000 and \$1 million are expected in 2023 to finance utility and protective service projects respectively.

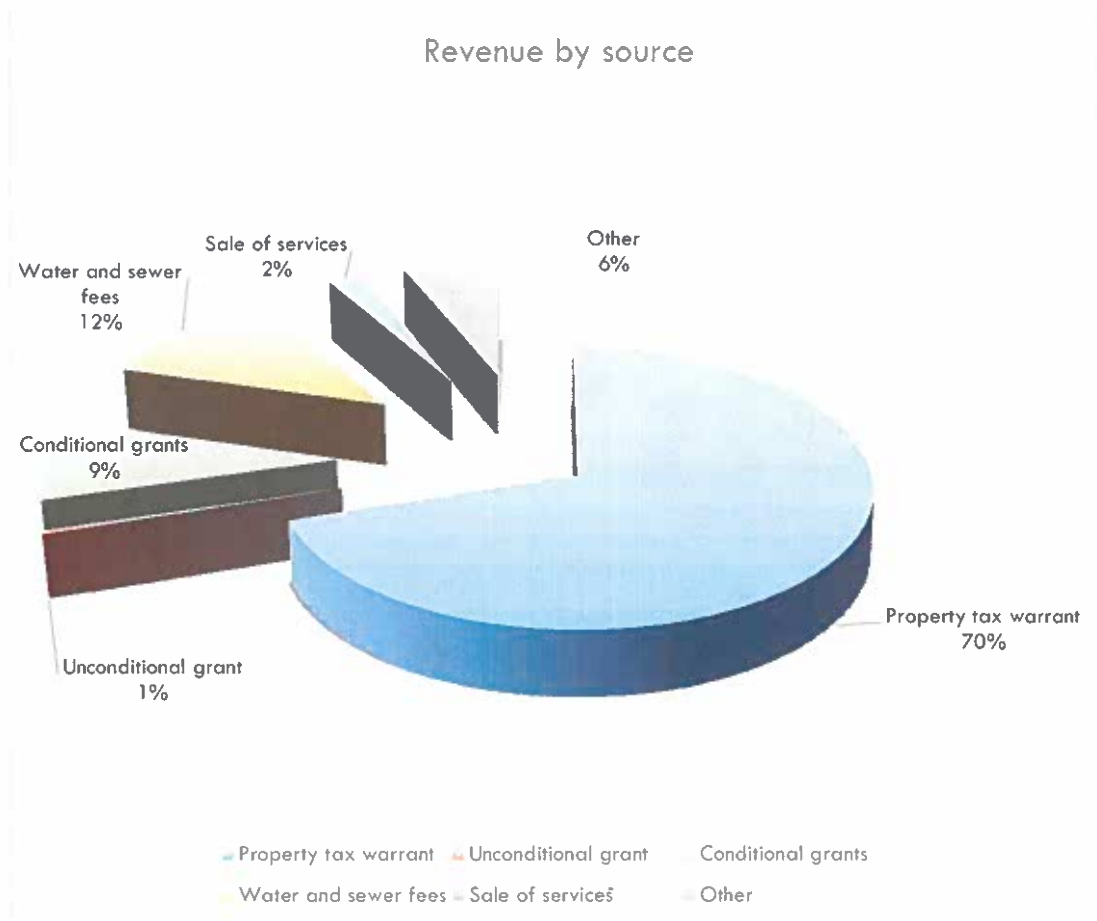
The Town's current net debt is approximately \$728 per capita and debt service costs are 4.41% of the annual budget supported by property taxes. The legislated limit for debt service is 20% of a municipality's annual expenditures in its general fund. The borrowing limits for utilities are larger and the Town is currently well within provincial guidelines with utility debt service costs of 21.9%. That debt is repaid through utility charges.

The total operating expenditures and debt service costs of the Town were \$19.6M. Rothesay paid approximately \$155,000 in Provincial property tax in 2022 as well as HST to the Province of approximately \$550,000. The Provincial Government transferred \$130,972 which represents 16¢ of the \$2.27 provincial tax rate paid by non-residential property in the town.

The Town donated \$30,725 to various groups and causes in 2022; none of these are for economic development purposes. A list of the donations is found in Appendix A.



A. Revenue

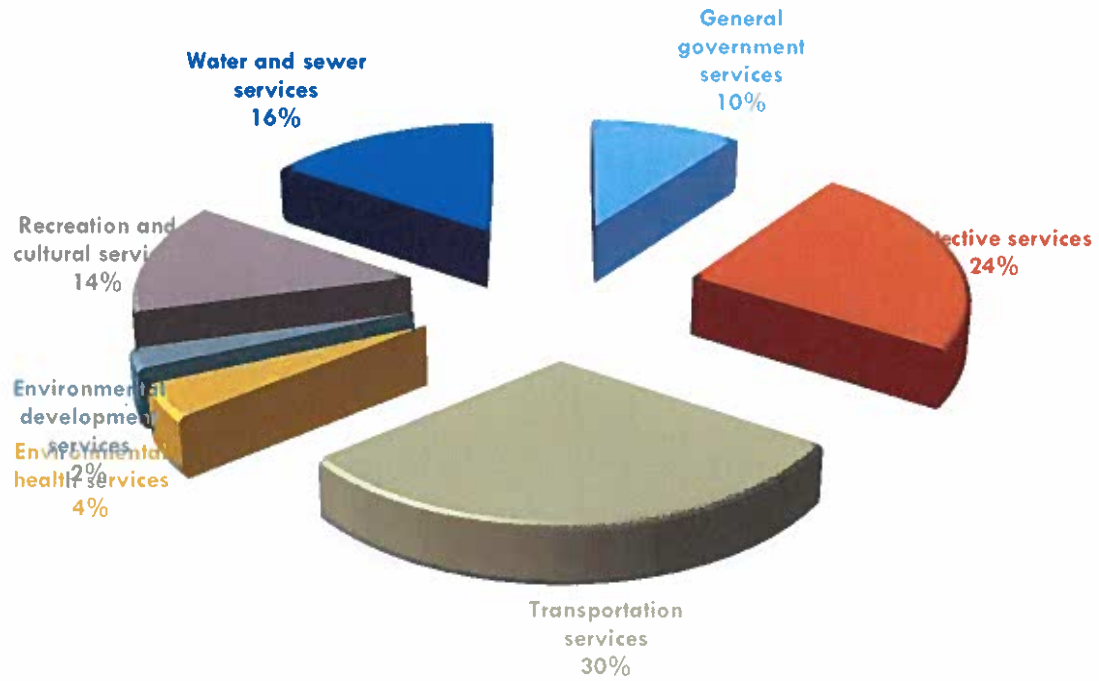


The total tax base of the municipality for the purposes of setting the tax rate was \$1.515B. The tax rate for 2022 was \$1.20 per hundred dollars of assessment. Assessments are carried out by Service New Brunswick on behalf of all municipalities in the province at a cost of slightly less than two cents per hundred to the property owner and an equal amount paid by the Town. Six percent of the tax base is made up of non-residential properties that were taxed at a rate of \$1.80 + the \$2.27 Provincial rate.

Utility rates for the fiscal period were as follows: Water cost was \$1.18/m³ plus a fixed cost of \$51.25 per quarter. The annual sewer charge was \$410 in 2022 for a single-family house. A typical single-family home in Rothesay paid about \$660 for water and sewer services. Business and multi-family buildings pay by size of the service connection to the Town system.

B. Expenses

EXPENSES BY FUNCTION



The audited financial statements of the Town are found in Appendix F.

Doug MacDonald is the Town Treasurer.



7. PARKS & RECREATION

A. RECREATION

Rothesay Recreation Department provides numerous programming opportunities for its citizens throughout the year. Facilities include the Rothesay Arena, Bill McGuire Centre, Rothesay Common, Rothesay HIVE, and the Wells Recreation Building. Through the summer months, the Recreation Department offers summer programs from various locations within the community. Highlights for Rothesay Recreation in 2022 included our participation in Fundy Winterfest, growth at the Rothesay HIVE, the return of our Canada Day on the Common celebration, record participation in our playground programs and the 24th Annual KV Santa Claus Parade.



Despite COVID-19, it was a successful 2022 Fundy Winterfest in Rothesay with a mix of in-person and virtual programs, events, and activities. We introduced three new activities this year for residents and visitors to enjoy. The first being a contest to win an ice fishing session with our partners at The Shacks; 468 people entered the contest, and we were able to provide 16 groups with an hour of ice fishing at Renforth Wharf. Our second activity was free snowshoe rentals at River and Trail Outdoor Company. Our department purchased 8 pairs of snowshoes and River and Trail Outdoor Company ran the program out of their store. Over the course of 6 weeks, we had eighteen rentals which is a great start to this new program. Our last addition was our Find Winter Waldo contest. Winter Waldo was hidden seven times throughout our trail system. We had 84 groups who successfully spotted Winter Waldo in our trails to enter that contest!

Other Fundy Winterfest activities in Rothesay included a Virtual Speaker Series, Snowshoeing with the KV Walkers, Snowfolk Making Contest, Virtual Valentine's Day live event with the Snow Queen, and a Moonlight Snowshoe and hike with River and Trail Outdoor company that saw over 100 participants.



The Summer Playground Program had record numbers in 2022 with 314 kids who registered to attend throughout the summer. We were happy to return to our drop-in/punch pass programming format that operated out of Kennebecasis Park Elementary School, Rothesay Park Middle School, and Wells Recreation Park from June 27th to August 26th.

Both Kennebecasis Park and Renforth Beaches were open this summer and guarded Monday to Friday from 11am-5pm with Renforth Beach also under lifeguard supervision on the weekends. The Town was able to hire seven lifeguards who were certified to teach swimming lessons. We officially became an affiliate member of the Life Saving Society which enabled us to offer the Swim For Life programs at our beaches. We had eighteen kids register for our swimming lesson programs this summer.

July 1st saw the return of our in-person Canada Day Celebrations on the Rothesay Common. Hundreds joined us to celebrate our Nation's 155th Birthday. The celebration began with a flag-raising ceremony that was followed by musical entertainment, First Nations Storytellers, a reading circle with the Kennebecasis Public Library, face painting, balloon animals, giant inflatables and bouncy castles, a BBQ, popcorn, cotton candy, cupcakes, ice cream, and more!



It was a successful community garden season with all 42 plots being rented. We also hosted our 2nd Annual Halloween Skating Party at the Rothesay Arena where participants were invited to come dressed up in their favorite costume.

The 24th Annual KV Santa Claus Parade took place along Hampton Road on Saturday, November 26th. The parade was once again live streamed on Facebook for anyone who preferred to watch from the comfort of their own home. The Facebook video of the parade has over 2,600 views. With forty community groups and businesses participating in the parade and an estimated 10,000 spectators lined up along Hampton Road to watch it was another grand success. Next year is the 25th Annual KV Santa Claus Parade with the theme "A Silver Christmas – Celebrating 25 Years".

The 8th Annual Mayor's Tree Lighting event was hosted in person this year at the Rothesay Common for the first time in 3 years. We had a great evening with live musical entertainment, skating, hot chocolate, and gingerbread cookies.

The new year brought with it many challenges, opportunities, and successes to the Rothesay HIVE. In the beginning of 2022, the Rothesay HIVE was closed due to the COVID-19 Pandemic until February 7, 2022. In January of 2022, we brought back the Rothesay HIVE memberships which were put on hold from November 2020 to December 2021 due to the COVID-19 Pandemic. For the first year that Rothesay Recreation Department has been responsible for the Rothesay HIVE we are proud to have 122 HIVE members, over double the number prior to the pandemic. We also offer a 3 Visit Trial for those who want to test out the Rothesay HIVE programs and activities prior to becoming a member.

We have broadened our program offerings in 2022, including but not limited to: Garden Club, Mahjong and Bridge Lessons, Movie Matinees, Tai Chi, and many community events and programs. We still offer our popular fitness classes, book club, coffee and chats, cards and board games, and host numerous information sessions. Future Engage also began at the Rothesay HIVE this year. The program is run by the Saint John Newcomers Centre and brings people of all ages and backgrounds together for intergenerational and cross-cultural activities. The File of Life continues to be a valuable and popular resource for the community which can be accessed through the Rothesay HIVE. We are always striving to add new programs and activities that will benefit our members. By connecting with community organizations, we can create lasting connections between older adults, future generations, and community supports.

B. PARKS



Rothesay maintains a network of parks and green spaces with major highlights such as the Rothesay Common, East Riverside-Kingshurst Park, Steele-Kennedy Nature Park, Wells Recreation Park, Renforth Wharf Park and smaller gems such as Dobbin Park and 150 Anniversary Park. The Town also maintains many outdoor recreation facilities including five ball fields, two synthetic turf surfaces at the Arthur Miller Fields, two irrigated soccer pitches and approximately 20 kilometers of walking, hiking and cross-country ski trails.

The new baseball field at Wells Recreation Park was completed in 2022 and will open in the spring of 2023.

The construction of a 120-foot boardwalk along the McKeever Lake trail was completed in 2022. This new 1.5km trail will be groomed for cross country skiing and snowshoeing for the 2023/24 season.

Construction of the new building at Wells Recreation Park started in the fall. Expected completion is the summer of 2023.



Phase 1 of the Rothesay Pickleball Court project was completed in 2022. Phase 2 will be finished in 2023 with two new pickleball courts adjacent to the Arthur Miller Fields lower parking lot.

The Marigold Project – All three elementary schools in Rothesay participated. Over 250 children took part in growing Marigolds from seeds and planting them around Rothesay.



Parks	Rothesay Parks & Trails	Trails
The Rothesay Common		Wells Trail (12kms)
East Riverside-Kingshurst Park		Hillside Trail (3 kms)
Steele-Kennedy Nature Park		Bicentennial Trail (1.5km)
Wells Recreation Park		Villa Madonna Trail (0.5 km)
Renforth Wharf Park		
Jordan Miller Park		
Stuart Dobbin Park		
150 Anniversary Park		

Charles Jensen is the Director of Recreation and Parks.



C. LIBRARY

Library services for Rothesay residents are provided in partnership with the town of Quispamsis and the Province of New Brunswick. The building in Quispamsis at 1 Landing Court is maintained by the two Towns and cost-shared on a per capita basis. Permanent staff working in the library are employees of the Public Library Service of New Brunswick. The original library opened its doors in 1984 and was enlarged and renovated in 2013 at a total project cost of just under \$6M. Rothesay's share of 2022 operating cost is \$83,217 (38.99% of the total cost). More information on the Kennebecasis Public Library can be found on Facebook:

<https://www.facebook.com/kennebpl>



The Acting Library Director is Norah Emerson.

D. ROTHESAY LIVING MUSEUM

The Rothesay Living Museum began as a partnership with Rothesay High School designed to protect and maintain memorabilia and artifacts from the five founding communities of the Town. It has evolved to a “digital museum” and can be found at <https://www.rothesaylivingmuseum.com/>. It is operated by a volunteer committee that has collected stories of prominent citizens in written and audio forms, as well as community artifacts. It also sponsored the publication of a book and several special events. There are photographic displays located in various schools in the community, and in the Common Room at Town Hall. Committee activity was impacted by COVID-19 but the museum remains a repository for Town history and an opportunity for everyone in the community to gain an appreciation for how we came to be.



Winter Carnival on the Rothesay Common, 1945

8. PLANNING AND DEVELOPMENT

A. BUILDING PERMITS

In 2022 the Town issued 174 Building Permits.

Total Value of Construction for these permits was \$22,184,326.96 – 2022, up 127% from the 2021 total of \$9,781,945.23.

The 2022 total value of building permit fees resulting from the permits is \$161,500.00 up from the 2021 total of \$73,531.00.

B. BY-LAW ENFORCEMENT

The responsibilities of Town staff include enforcement of Town by-laws. The following is the by-law enforcement activity in 2022.

	Zoning By-Law	Unsightly Premises	Building By-Law	Town Owned Lands	Commercial Signage	Animal Control	Civic Complaint	Noise Complaint
2022	10	3	1	0	3	5	4	3

Pursuant to SECTION 5 a.(vii) of BY-LAW NO. 4-03 - PEACE, ORDER AND THE PREVENTION OF NUISANCES.

“No person shall either directly or indirectly demand or invoke the official services of any police officer, firefighter or other officer of Rothesay where no reasonable cause exists for so doing;”. Resolving disputes between neighbours is not part of the mandate of municipal staff.

Directing water from downspouts onto a neighbour's property and establishing a business in a residential area are types of infractions staff dealt with in 2022.

C. PLANNING

The Province of New Brunswick lifted the COVID-19 Public Health restrictions on March 14, 2022. The Planning Advisory Committee returned to in-person meetings at Rothesay Town Hall, effective 4 April 2022. The Rothesay Planning Advisory Committee had one of its busiest years on record. It met 11 times and reviewed several major applications:

1. Rezoning 145 Hampton Road- 43-unit apartment building
2. Rezoning 95 Hampton Road -36-unit apartment building
3. Rezoning 2 & 4 Highland Avenue – 41-unit apartment building
4. Rezoning 50 Hampton Road – 27-unit apartment building
5. Rezoning Corner of Gondola Point Road and Clark Road - 24-unit apartment building
6. 14 residential lot subdivision with new public road connections to Dunedin Road and Higginson Avenue.
7. 30 seat commercial restaurant with drive-thru on the property at 110 Hampton Road

D. HERITAGE PRESERVATION BOARD

The Rothesay Heritage Preservation Review Board met three times in 2022. The Heritage Permit applications under consideration included the replacement of the Church sign at Saint David's United Church, installation of windows in the garage at 18 HAMPTON Road and the installation of accessibility ramp on the Old Medical Clinic at 8 GONDOLA POINT Road.

Brian White is the Director of Planning & Development Services.



9. PUBLIC WORKS

In 2022, the Public Works Department recorded 4,661,000 kg of salt/sand mixture that was placed by monitored equipment during road maintenance.

The Department saw a busy year; staff responded to 208 Service Requests in 2022 and broken down in the table below.

Catch basins	13
Culverts	29
Ditches	11
Drainage	5
General Drainage	85
General Transportation	22
Potholes	17
Roadkill	3
Signs	2
Snow Plow Damage	18
Street Lights	1
Traffic Lights	2

In 2022, the following infrastructure work was completed:

- New Catch basins installed to help with drainage
 - ❖ 10 Appleby Drive
 - ❖ 2 New at 18 Eriskay Drive to help with winter run off and freezing
 - ❖ 82 Hampton Road New catch basin and piping to make drop off sidewalk safer
 - ❖ 52 Gondola Point Road to help with winter run off and freezing.
- 9 pipe related repairs for the Utility Department
- Tree removals in right-of-way
- Tree Limbing in right-of-way
- French Village sightlines (Opening up vegetation at intersections)
- Fence at Rothesay Elementary School removed, reclaimed and reinstalled in new location
- Line Painting- stop bars, crosswalks and directional arrows
- Curb Sweeping (Two machines)- 4 times during the year for maintenance
- Street sweeping (4 Weeks) – once in the spring
- Storm flushing – 5 weeks with rented flusher uni.
- Shoulder and ditch repair in general
- Seasonal wharf removal / installation for Parks Department at K Park and Renforth
- Shoulder mowing (ditches/slopes)

- Mowing trail system for Parks
- Mowing Oakville detention pond
- Mowing sewer lagoons
- Snowplow damage repair
- Flagging for Parks Department for Hampton Road island maintenance – ongoing all summer
- Pothole / patching asphalt repair

Asphalt Paving:

Broadway Street	590 m
Holiday Drive	470 m
Crestline Road	445 m
Forest Road	475 m
Bayley Road	130 m
Calistoga Road	260 m
Kildare Court	490 m
Crescent Drive	515 m
Park Drive	160 m
Princess Place	60 m
Seville Row	275 m
Frances Avenue	810 m
Beach Drive	490 m
Spruce Street	300 m
Scichilone Street	200 m

Concrete Curb and Sidewalk:

Hazen Avenue	30 m
Kingswood	350 m
Iona Avenue	240 m
Spruce Street	305 m
Gondola Point Road	130 m



10. UTILITIES

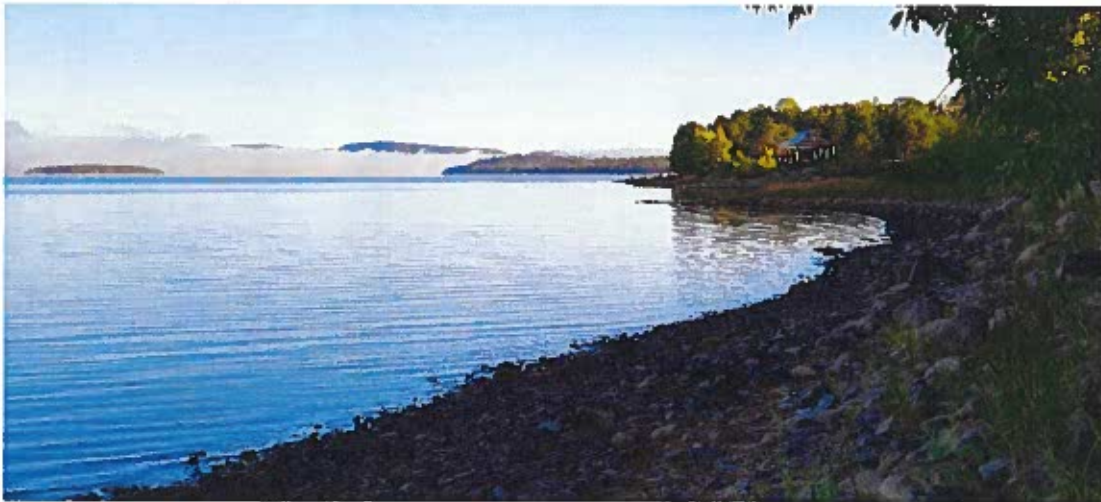
A. WATER

In 2022, the Rothesay treatment plant at Carpenter Pond withdrew 687,125 m³ of raw water from the well network to produce 653,527 m³ of drinking water for distribution. With 23 new water connections and 19 new sewer connections, production was high.

The following are the performance results for the three Town wastewater treatment lagoons for 2022.

Lagoon	Treated Volumes (m ³)	Mg/litre Oxygen Demand (CBOD)	Mg/litre Suspended Solids (TSS)
KPARK	215,094	35	25.25
RENFORTH	345,107	7.25	9
FAIRVALE	2,832,471	17.3	20.8

Brett McLean is the Director of Operations (Works and Utilities).



11. ENVISION SAINT JOHN: THE REGIONAL GROWTH AGENCY

Introducing – Always Moving Forward

The region's value proposition, or brand promise, was built on and validated by our proven track record of forward-thinking, with Canada's first incorporated city at its core and many notable firsts to its name (Canada's first bank, newspaper, and museum – to name just a few). The region is united by pride of place and a strong determination to grow. People here love to roll-up their sleeves and get things done – providing a legacy of success that gives us an outsized advantage in building for the future.

At the region's core is a truly vibrant, contemporary city with a major port. Port Saint John's modernization positions it as the Next Great Port in Canada – a clear demonstration of Always Moving Forward. And there are many more like this.

Multiple billion-dollar companies are headquartered in our region providing a legacy of success not typically found in a region of our size. Hosting the upcoming Memorial Cup builds on our hockey history and reputation for hosting world-class events. And the recently opened Area 506 Waterfront Container Village leans into our natural assets as the only city on the Bay of Fundy with the backdrop of a working port.

Even our Envision Saint John agency business model – our innovative, collaborative approach to growing the region (the first of its kind in New Brunswick) – reinforces our region's commitment to Always Moving Forward.

It's the region's brand persona – The Gritty Go-Getter – that is driving the work of Envision Saint John. We're creating new connections, expanding the traditional economic development network, looking for diverse perspectives, tapping into different talent, and bringing new voices to the table.

You will also start to notice a new Saint John region wordmark designed to reflect the connected nature and forward momentum of Saint John and its surrounding communities. The connected letters represent our togetherness – as a people, as a place and our vision for the future. And the directional arrow reaches ahead, representing a region that is forward-thinking, poised for future growth, and Always Moving Forward.

The Saint John region is the powerhouse that will drive growth for NB.

12. APPENDICES

A. DONATIONS

RECIPIENT	TYPE	FORM	\$	PURPOSE
KV3C	grant	In kind	2,500	Space in McGuire Centre
NB Medical Education Trust	grant	cash	5,000	Medical education
KV Food Basket	grant	cash	500	To offset operating cost
KV Food Bank via Quispamsis	grant	cash	6,000	To offset rental cost
St Joseph's Hospital Foundation	grant	cash	1,000	To support programs
You Can Ride Two)	grant	cash	1,000	To offset operating cost
Rothsay High School	grant	cash	1,000	Student scholarship
KV Oasis Youth Centre	grant	cash	2,500	To offset operating cost
Saint John Theatre Co.	grant	cash	1,000	To offset operating cost
Symphony N.B.	grant	cash	1,000	To offset operating cost
Junior Achievement N.B.	grant	cash	300	To offset operating cost
CIMB-FM Oldies 96	grant	cash	1,000	To offset operating costs
KV Girls Softball	grant	cash	500	To support programs
SJ Regional Hospital Foundation	grant	cash	1,000	To support programs
RNS Arts Show	grant	cash	500	To support donations
NB Competitive Festival of Music	grant	cash	250	To support programs
St Paul's Church	grant	cash	500	To support programs
Saint John Seafarer's Mission.	grant	cash	250	To support programs
Shining Horizons Riding Association	grant	cash	1,200	To offset operating cost
Kennebecasis Rowing & Canoe Club	grant	cash	2,500	To support programs
KVMHA	grant	cash	500	To support programs
Bradley Joudrey	grants	cash	500	To support programs
NB Sport Hall of Fame	grants	cash	225	To support event

TOTAL

 \$30,725

Jan 10		√								
Feb 14		√								
Mar 14		√								
Apr 11		√								
May 2		√								
May 9		√								
May 13		√								
Jun 13		√								
Jul 11		√								
Aug 8		√								
Sep 12		√								
Oct 3		√								
Oct 11		√								
Nov 1		√								
Nov 14		√								
Nov 28		√								
Dec 12		√								

**Conflict of Interest (COI) declared*

Closed Committee Meetings

- Finance Committee
- 31 March 2022
- 21 April 2022
- 21 July 2022
- 25 August 2022
- 29 September 2022
- 20 October 2022

C. COUNCIL REMUNERATION

Mayor Grant	D/Mayor Alexander	Councillor Shea	Councillor Lewis
\$37,000	\$20,100	\$18,000	\$18,000
Councillor McGuire	Councillor Mackay French	Councillor Boyle	Councillor Brown
\$18,000	\$18,000	\$18,000	\$18,000

Expenses - Mobility Charges (iPADs)

Mayor Grant - \$300

Councillors - \$2,539

SENIOR STAFF SALARY RANGES

POSITION	SALARY RANGE
Director Administrative Service/Clerk	100,000 - 125,000
Director Parks & Recreation	100,000 - 125,000
Director of Planning & Development	100,000 - 125,000
Director of Operations	100,000 - 125,000
Treasurer	100,000 - 125,000
Town Manager	150,000 - 175,000

D. 2022 EVENTS ATTENDED BY THE MAYOR AND COUNCIL

January 2022

Jan 3	New Year's Message to CBC
Jan 18	Video for Chinese New Year
Jan 23	Photo for Pink Shirt Day
Jan 31	Video for Winterfest (Wells)

February 2022

Feb 25	Opening of KAM Institute of Design
Feb 26	Branch 58 Legion Fundraiser

March 2022

Mar 16	Funding Announcement for Wells Building
Mar 19	Branch 58 Legion Fundraiser
Mar 28	Regional Chamber of Commerce Luncheon
Mar 30	Community input into Health and Technology District
Mar 31	USPORTS Championships at Fieldhouse

April 2022

Apr 5	Envision Meeting and Luncheon
Apr 9	Jervis Bay Legion Fundraiser for Ukraine
Apr 13	CBC Interview RE: Changing Density in Rothesay
Apr 19	The Wave interview RE: Rothesay Road
Apr 26	"Thank You" delivered to schools (Earth Day Clean Up)
Apr 29	Kick off to Cruise season

May 2022

May 2	ENVISION Saint John Regional Mayors Luncheon
May 11	Cheque presentation to KV Girls Softball
May 18	Saint John Catalytic Projects Launch
May 20	Kennebecasis Regional Police Force (KRPF) Open House
May 20	Video for Intergenerational Day Canada
May 24	Regional Chamber of Commerce: State of the City
May 26	Red Triangle Award dinner
May 28	Quispamsis Lions Club CNIB Dog Walk
May 28	Asian Heritage Month Gala

June 2022

- June 1 Intergenerational Day Celebration – Rothesay Hive
- June 1 East Coast Games Kickoff Reception
- June 3 Kennebecasis Valley Fire Department Retirement Reception D/C
Chief Dan McCoy
- June 3 Rothesay Netherwood School Graduation and Closing
Ceremonies
- June 5 Queen's Jubilee Tea, St. Paul's Church
- June 7 David Goss Walk'n'Talk
- June 11 East Coast Games Opening Ceremony – Softball (Counc. Boyle)
- June 13 Chamber of Commerce Luncheon (Premier – State of the
Province)
- June 14 Saint John Regional Hospital Foundation Reception
- June 17 QMJHL Memorial Cup at Rothesay Town Hall
- June 18 Rothesay Netherwood School Founder's Dinner
- June 21 Platinum Jubilee Tree Planting – Veteran's Memorial Park with
Branch 58 Legion
- June 21 Photo with Rothesay's "White Heart" at East Riverside-Kingshurst
Park
- June 22 QMJHL Memorial Cup game with Regional Mayors
- June 23 Rothesay High School Graduation Ceremony (Deputy Mayor
Alexander)
- June 30 Sweet Caroline Foundation

July 2022

- July 1 Canada Day celebrations
- July 5 Welcome Stephanie Labbé to Arthur Miller Fields
- July 7 Concert in the Common
- July 12 ENVISION Saint John Regional Mayors
- July 15 Kennebecasis Regional Police Force Community BBQ
- July 24 Welcome Kayleigh Rafter and KGSA to Wells Ballfield
- July 24 Operation White Heart Fundraiser
- July 28 Community PSA for Oldies 96

August 2022

- Aug 3 Port of Saint John Tour with Deputy Prime Minister Chrystia
Freeland
- Aug 6 Saint John Pride Parade (Councs. Boyle and Mackay French)
- Aug 9 Maiden Factor/Port Saint John Dinner
- Aug 9 Visit to Kennebecasis Paddling Club RE: Canada Summer
Games
- Aug 12 Photo Op with rowers off to Canada Summer Games

- Aug 22 KV Walkers Ramble
 Aug 25 Premier Higgs Meet and Greet

September 2022

- Sept 1 Rothesay Park School: Opening of Outdoor Learning Space
 Sept 6 Visit to Rothesay Athletics and Training
 Sept 10 Branch 58 Legion Music Party
 Sept 13 Dedication of new Coast Guard ship
 Sept 19 St. Paul's Church Requiem Eucharist for Queen Elizabeth II
 Sept 24 Branch 58 Legion Fundraising supper
 Sept 29 "The Joanne Project" at Rothesay High School

October 2022

- Oct 4 Water Tasting at American Waterworks Association Atlantic meeting
 Oct 6 Future Engage with Saint John Newcomers Centre
 Oct 15 Kennebecasis Valley Fire Department Open House
 Oct 18 Regional Chamber of Commerce Outstanding Business Awards
 Oct 19 Sophia Recovery Centre Sunny Side Up Breakfast
 Oct 20 Saint John Rotary Club Gala
 Oct 28 Branch 58 Legion Poppy Campaign Kickoff
 Oct 29 Rocmaura Gala

November 2022

- Nov 5 Greater Saint John Sports Hall of Fame Induction Ceremony
 Nov 10 RUSI Pre-Remembrance Day Dinner
 Nov 11 Remembrance Day Service at Qplex
 Nov 11 Branch 58 Legion Reception
 Nov 17 PRO Kids Dinner (Councs. Boyle and Brown)
 Nov 22 INNOVATE NB Awards
 Nov 24 Saint John Newcomers Centre Volunteer Appreciation Night
 Nov 26 KV Santa Claus Parade
 Nov 29 Saint John Immigration Launch
 Nov 30 Saint Andrews Society of Saint John

December 2022

- Dec 1 Christmas message for Oldies96
 Dec 6 New Brunswick Medical Education Trust Open House
 Dec 7 Saint John Newcomers Centre English classes
 Dec 7 Port Saint John Holiday celebration
 Dec 10 Rothesay Ballet presentation "The Nutcracker"
 Dec 12 Saint John Newcomers Centre Grand Opening

E. AUDITED FINANCIAL STATEMENTS

**ROTHESAY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2022**

ROTHESAY
DECEMBER 31, 2022
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**teed saunders
doyle**

Chartered professional accountants
& advisors

INDEPENDENT AUDITORS' REPORT

An independent
member of



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

Opinion

We have audited the consolidated financial statements of Rothesay (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2022, 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, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the 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.

(continues)

Independent Auditors' Report to Her Worship The Mayor and Members of Council of Rothesay (cont'd)

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, NH
April 11, 2023

ROTHESAY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2022

	2022 Budget (Note 27)	2022 Actual	2021 Actual
REVENUE			
Property tax warrant	\$ 18,181,510	\$ 18,181,510	\$ 17,002,299
Unconditional grant	130,973	130,972	131,193
Conditional government transfers (Note 28)	1,190,000	2,375,988	2,286,228
Services other governments	60,000	81,806	80,180
Sale of services (Note 28)	419,900	475,710	459,024
Other own source (Note 28)	82,943	967,681	112,770
Water and sewer user fees	3,151,780	3,163,226	3,077,512
Sundry income	<u>264,099</u>	<u>634,317</u>	<u>394,176</u>
	<u>21,481,205</u>	<u>26,011,210</u>	<u>21,543,382</u>
EXPENDITURE (Note 28)			
General government services	2,351,067	2,329,502	2,051,047
Protective services	5,686,685	5,574,528	5,067,807
Transportation services	5,546,451	6,996,434	5,520,009
Environmental health services	862,000	962,281	854,521
Environmental development services	682,700	568,112	507,044
Recreation and cultural services	2,963,304	3,185,894	3,036,557
Water and sewer services	<u>3,460,190</u>	<u>3,605,789</u>	<u>3,522,568</u>
	<u>21,552,397</u>	<u>23,222,540</u>	<u>20,559,553</u>
ANNUAL SURPLUS FOR THE YEAR	<u>\$ 1,928,808</u>	2,788,670	2,983,829
ACCUMULATED SURPLUS - BEGINNING OF YEAR		85,146,828	82,162,618
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES (Note 2)		<u>5,427</u>	<u>381</u>
ACCUMULATED SURPLUS - END OF YEAR		<u>\$ 87,940,925</u>	<u>\$ 85,146,828</u>

ROTHESAY

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	\$ 10,324,104	\$ 10,449,858
Accounts receivable (Note 5)	1,550,159	1,357,294
Investments (Note 10)	<u>345,227</u>	<u>290,428</u>
	<u>\$ 12,219,490</u>	<u>\$ 12,097,580</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	\$ 2,832,770	\$ 1,869,686
Deferred revenue (Note 8)	3,592,555	3,982,636
Long term debt (Note 11)	13,059,967	14,435,218
Accrued pension obligation (Note 16)	10,152	71,893
Accrued sick leave (Note 15)	142,374	204,289
Accrued retirement allowance (Note 16)	<u>1,059,520</u>	<u>1,011,803</u>
	<u>20,697,318</u>	<u>21,575,525</u>
NET DEBT	<u>(8,477,848)</u>	<u>(9,477,945)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 21)	164,706,278	158,983,625
Accumulated amortization (Note 21)	<u>(68,352,353)</u>	<u>(64,414,227)</u>
	96,348,925	94,569,398
Inventory	35,691	31,163
Prepaid expenses	32,923	22,507
Unamortized debenture costs	<u>1,234</u>	<u>1,705</u>
	<u>26,418,773</u>	<u>24,624,773</u>
ACCUMULATED SURPLUS	<u>\$ 87,940,925</u>	<u>\$ 85,146,828</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, 2022

	2022	2021
Annual surplus	\$ 2,788,670	\$ 2,983,829
Acquisition of tangible capital assets	(6,669,289)	(5,882,178)
Proceeds on disposal of tangible capital assets	-	12,423
Amortization of tangible capital assets	4,758,755	4,649,782
Change in ownership of tangible capital assets	(5,711)	76
Loss on disposal of tangible capital assets	<u>136,718</u>	<u>367,868</u>
	1,009,143	2,131,800
Acquisition of inventories	(35,691)	(31,163)
Acquisition of prepaid assets	(32,923)	(22,507)
Acquisition of unamortized debenture costs	(1,234)	(1,705)
Consumption of inventories	31,163	16,268
Use of prepaid assets	22,507	22,059
Consumption of unamortized debenture costs	<u>1,705</u>	<u>2,179</u>
	994,670	2,116,931
Change in ownership of controlled entities	<u>5,427</u>	<u>381</u>
Decrease in net debt	1,000,097	2,117,312
Net debt - beginning of year	<u>(9,477,945)</u>	<u>(11,595,257)</u>
Net debt - end of year	<u>\$ (8,477,848)</u>	<u>\$ (9,477,945)</u>

APPROVED BY:

Shirley Hunt Mayor

John Smith Town Treasurer

ROTHESAY		
CONSOLIDATED STATEMENT OF CASH FLOWS		
FOR THE YEAR ENDED DECEMBER 31, 2022		
	2022	2021
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	\$ 2,788,670	\$ 2,983,829
Loss on disposal of tangible capital assets	136,718	367,868
Amortization of tangible capital assets	4,758,755	4,649,782
Accounts receivable	(192,865)	856,669
Accounts payable and accrued liabilities	963,084	54,509
Deferred revenue	(390,081)	649,978
Accrued sick leave	(61,915)	(85,717)
Change in accrued pension obligation	(61,741)	(107,727)
Change in accrued retirement allowance	47,717	19,003
Change in inventory prepaid expenses-unamortized debenture costs	(14,473)	(14,869)
	<u>2,973,869</u>	<u>9,373,325</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(6,669,289)	(5,882,178)
Change in ownership of capital assets	(5,711)	76
Proceeds on disposal of tangible capital assets	-	12,423
	<u>(6,675,000)</u>	<u>(5,869,679)</u>
FINANCING TRANSACTION		
Long term debt (net)	(1,375,251)	(1,378,894)
	<u>(1,375,251)</u>	<u>(1,378,894)</u>
INVESTING TRANSACTION		
Increase (decrease) in investments	(54,799)	86,277
	<u>(54,799)</u>	<u>86,277</u>
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES		
	<u>5,427</u>	<u>381</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(125,754)	2,211,410
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>10,449,858</u>	<u>8,238,448</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 10,324,104</u>	<u>\$ 10,449,858</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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:

	2022	2021
Kennebecasis Regional Joint Board of Police Commissioners	40.05%	40.08%
Kennebecasis Valley Fire Department Inc.	40.93%	40.77%
Kennebecasis Public Library	38.99%	38.94%

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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

Budget

The budget figures contained in these consolidated financial statements were approved by Council on November 15, 2021 and the Director of Community Finances on November 25, 2021.

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. Transaction 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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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, 2022:

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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

	2022	2021
Unrestricted	\$ 2,313,833	\$ 2,687,892
Restricted - reserve funds (Note 25)	7,750,182	7,452,748
Restricted - controlled entities	<u>260,089</u>	<u>309,218</u>
	<u>\$ 10,324,104</u>	<u>\$ 10,449,858</u>

5. ACCOUNTS RECEIVABLE

	2022	2021
Due from the Federal Government and its agencies (Note 6)	\$ 493,686	\$ 366,741
Due from the Province of New Brunswick (Note 7)	58,921	69,101
Water and sewer	892,549	860,610
Arena	53,574	41,542
Other	<u>51,429</u>	<u>19,300</u>
	<u>\$ 1,550,159</u>	<u>\$ 1,357,294</u>

6. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	2022	2021
Canada Revenue Agency (HST refund)	\$ 447,588	\$ 321,432
RCMP Secondments	<u>16,098</u>	<u>45,309</u>
	<u>\$ 493,686</u>	<u>\$ 366,741</u>

7. DUE FROM PROVINCE OF NEW BRUNSWICK

	2022	2021
Department of Transportation and Infrastructure	\$ 29,690	\$ 69,101
Department of Justice and Public Safety	<u>29,231</u>	<u>-</u>
	<u>\$ 58,921</u>	<u>\$ 69,101</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

8. DEFERRED REVENUE

	2022	2021
Government transfers - Gas Tax	\$ 3,580,543	\$ 3,890,604
Deferred revenue - Quispamsis	-	78,686
Deferred revenue - K-Park Levy (Note 14)	<u>12,012</u>	<u>13,346</u>
	<u>\$ 3,592,555</u>	<u>\$ 3,982,636</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable - trade	\$ 1,962,917	\$ 1,303,439
Bid deposits	129,050	161,260
Accrued interest	17,332	18,322
Accrued liabilities	723,471	379,241
Accounts payable - other	<u>-</u>	<u>7,424</u>
	<u>\$ 2,832,770</u>	<u>\$ 1,869,686</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, 2022 was (\$41,766); (2021 - \$26,224). The investments are restricted for future payment of retirement benefits.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

11. LONG TERM DEBT

(a) General Capital Fund

	Balance January 1, 2022	Issued during year	Redeemed during year	Balance December 31, 2022
New Brunswick Municipal Financing Corporation				
Debentures				
BG18 1.65% - 3.80%, due 2027, OIC # 10-12, 11-71, 99-77	\$ 149,000	\$ -	\$ 134,000	\$ 15,000
BL26 1.2% - 3.7%, due 2034, OIC # 03-88, 11-71, 13-08	2,194,000	-	196,000	1,998,000
BN17 1.05% - 3.15%, due 2025, OIC # 10-12, 13-08	787,000	-	189,000	598,000
BO19 1.45% - 3.50%, due 2031, OIC # 13-08	1,307,000	-	196,000	1,111,000
BX18 0.90% - 2.95%, due 2040, OIC # 19-0020	965,000	-	35,000	930,000
BY23 0.50% - 1.80%, due 2030, OIC # 19-0020	316,000	-	34,000	282,000
	<u>\$ 5,718,000</u>	<u>\$ -</u>	<u>\$ 784,000</u>	<u>\$ 4,934,000</u>

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

2023 - \$667,000; 2024 - \$682,000; 2025 - \$637,000; 2026 - \$440,000; 2027 - \$293,000

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

11. LONG TERM DEBT (cont'd)

(b) Water and Sewer Capital Fund

	Balance January 1, 2022	Issued during year	Redeemed during year	Balance December 31, 2022
New Brunswick Municipal Financing Corporation				
Debentures:				
CA20 0.855% - 2.378%, due 2031, OIC # 00-0018	\$ 956,000	\$ -	\$ 89,000	\$ 867,000
BG19 1.65 - 3.80%, due 2027, OIC # 11-0045	393,000	-	14,000	379,000
BH23 1.35 - 3.80%, due 2032, OIC # 00-0018	443,000	-	34,000	409,000
BL27 1.2% - 3.7%, due 2034, OIC # 11-0045	836,000	-	26,000	810,000
BN18 1.05% - 3.15%, due 2025, OIC # 15-38	150,000	-	36,000	114,000
HP21 1.20% - 3.80%, due 2036, OIC # 18-0020	752,000	-	21,000	731,000
HR22 1.65% - 3.30%, due 2037, OIC # 15-0069	1,179,000	-	32,000	1,147,000
BU21 2.55% - 3.7%, due 2038, OIC # 15-0069, 96-006, 96-0072	1,153,000	-	83,000	1,070,000
BY24 0.50% - 2.60%, due 2040, OIC # 19-0020	730,000	-	20,000	710,000
	<u>6,592,000</u>	<u>-</u>	<u>355,000</u>	<u>6,237,000</u>
Canada Mortgage and Housing Corporation				
C'MHC 3.70%, due 2030 OIC # 09-119, 09-139, 10-012	1,909,191	-	178,822	1,730,369
	<u>\$ 8,501,191</u>	<u>\$ -</u>	<u>\$ 533,822</u>	<u>\$ 7,967,369</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 \$410,926 (2021 - \$445,272) 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:

2023 - \$548,498; 2024 - \$565,435; 2025 - \$579,629; 2026 - \$360,090; 2027 - \$877,826

In 2027, debenture BG19 will mature with a final amount due of \$303,000, however it is expected that \$303,000 of this payment will be refinanced during that year for an additional ten years.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

11. LONG TERM DEBT (cont'd)

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

	Balance January 1, 2022	Issued during year	Redeemed during year	Balance December 31, 2022
New Brunswick Municipal Financing Corporation				
Debentures:				
BL45 1.2% - 3.1%, due 2024, OIC # 02-66, 03-53	\$ 64,123	\$ -	\$ 20,869	\$ 43,254
BN35 1.05% - 3.15%, due 2025, OIC # 03-53	<u>151,904</u>	<u>-</u>	<u>36,560</u>	<u>115,344</u>
	<u>\$ 216,027</u>	<u>\$ -</u>	<u>\$ 57,429</u>	<u>\$ 158,598</u>

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

2023 - \$58,473; 2024 - \$60,476; 2025 - \$39,649

Total Long term debt:

	2022	2021
General Capital Fund	\$ 4,934,000	\$ 5,718,000
Water and Sewer Capital Fund	7,967,369	8,501,191
Jointly Controlled Entity - KRJPC	<u>158,598</u>	<u>216,027</u>
	<u>\$ 13,059,967</u>	<u>\$ 14,435,218</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, 2022, the balance in this reserve was \$319,717 (2021 - \$296,690).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

Rothestay provides non-unionized employees sick leave that accumulates at a rate of 18 hours per month and a rate of 1.5 days per month of service for unionized employees. Non-union 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. Unionized employees can accumulate up to 150 days of 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 J255, was performed for each plan, the 43 employee plan for Rothestay 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 Rothestay and 2.25% for KVFD;
- the discount rate used to determine the accrued benefit obligations is 2.54% for Rothestay and 1.99% for KVFD;
- retirement age is 65 for Rothestay and 60 for KVFD; 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 2022	2021
Rothestay	\$ -	\$ -
KRJBPC	6,928	6,131
KVFD	<u>135,446</u>	<u>198,158</u>
	<u>\$ 142,374</u>	<u>\$ 204,289</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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 26 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:

	2022	2021
Rothestay	\$ 444,587	\$ 446,306
KVFD	268,748	233,552
KRJBPC	<u>346,185</u>	<u>331,945</u>
Balance at end of year	<u>\$ 1,059,520</u>	<u>\$ 1,011,803</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, 2020 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, 2022

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, 2021:

- the expected inflation rate is 2.10% (prior 2.10%);
- the discount rate used to determine the accrued benefit obligation is 5.7% (prior 5.55%);
- the expected rate of return on assets is 5.7% (prior 5.55%);
- retirement age varies by age and employment category; and
- estimated average remaining service life (EARSL) is 14.0 years (prior 13.0 years).

The actuarial valuation prepared as at December 31, 2020 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 \$833,500, a change of \$191,700 from the December 31, 2019 deficit of \$641,800. Based on the assumptions as at December 31, 2020, 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, 2020, the NB MEPP provides benefits for 294 retirees. Total benefits payments to retirees and terminating employees during 2022 are estimated to be approximately \$4,957,200 (actual 2021, \$6,360,300) 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 2022 are estimated to be approximately \$7,421,400 (actual 2021, \$7,235,200) in totality for the NB MEPP.

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

- The average age of the 44 active employees covered by the NB MEPP is 47.6 (as at Dec 31, 2020);
- benefit payments were \$261,900 in 2021 and were estimated to be \$211,200 in 2022, and
- combined contributions were \$429,500 in 2021 and were estimated to be \$441,400 in 2022.

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

- The average age of the 43 active employees covered by the NB MEPP is 43.3 (2021 - 42.7);
- benefit payments were \$527,600 in 2021 and were estimated to be \$527,600 in 2022, and
- combined contributions were \$569,400 in 2021 and were estimated to be \$575,600 in 2022.

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

- The average age of the 45 active employees covered by the NB MEPP is 44.5 (2021 - 44);
- benefit payments were \$797,300 in 2021 and were estimated to be \$513,700 in 2022, and
- combined contributions were \$793,800 in 2021 and were estimated to be \$817,600 in 2022.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

In addition to determining the position of the NB MEPP as it relates to Rothestay and the other controlled entities as at December 31, 2020 and December 31, 2021, NB MEPP's actuary performed an extrapolation of the December 31, 2021 accounting valuation to determine the estimated position as at December 31, 2022. The extrapolation assumes assumptions used as at December 31, 2022 remain unchanged from December 31, 2021. The extrapolation also assumes assets return 5.7%, 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:

	<u>Estimated Jan 1, 2022 to Dec 31, 2022</u>	<u>Jan 1, 2021 to Dec 31, 2021</u>
Accrued Benefit Liability		
Accrued benefit liability at beginning of period	\$ 71,893	\$ 256,767
Change in ownership percentage	310	(43,507)
Adjustment to actual	35,809	7,986
Pension expense for the year	404,360	352,713
Employer contributions	<u>(502,220)</u>	<u>(502,066)</u>
Accrued benefit liability at end of period	<u>\$ 10,152</u>	<u>\$ 71,893</u>

In summary, the consolidated accrued benefit liability (assot) is estimated to be \$10,152 as at December 31, 2022. The December 31, 2021 liability was estimated in the prior year. The actual liability was calculated to be \$101,804. The difference of \$29,911 has been recorded in the current year. This amount is included in the post employment benefits payable on the consolidated statement of financial position.

	<u>Estimated Jan 1, 2022 to Dec 31, 2022</u>	<u>Jan 1, 2021 to Dec 31, 2021</u>
Rothestay	\$ (26,700)	\$ (15,700)
KVFD	72,937	65,150
KRJBC	<u>(36,085)</u>	<u>22,443</u>
	<u>\$ 10,152</u>	<u>\$ 71,893</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:

	<u>Estimated Jan 1, 2022 to Dec 31, 2022</u>	<u>Jan 1, 2021 to Dec 31, 2021</u>
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	\$ 22,224,683	\$ 20,810,363
Plan assets	<u>(21,716,631)</u>	<u>(20,166,583)</u>
Plan deficit	508,052	643,780
Adjustment to actual	-	(5,900)
Unamortized experience losses	<u>(497,900)</u>	<u>(336,076)</u>
Accrued benefit liability at end of period	<u>\$ 10,152</u>	<u>\$ 101,804</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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, 2022 to Dec 31, 2022	Jan 1, 2021 to Dec 31, 2021
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation at beginning of period	\$ 20,810,363	\$ 19,995,520
Change in ownership	17,899	(6,954)
Current service cost	836,272	805,636
Benefits payments	(632,884)	(796,536)
Interest for period	1,193,033	1,109,658
Experience loss during period	-	(296,961)
Accrued benefit obligation at end of period	<u>\$ 22,224,683</u>	<u>\$ 20,810,363</u>

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

	Estimated Jan 1, 2022 to Dec 31, 2022	Jan 1, 2021 to Dec 31, 2021
Reconciliation of Plan Assets		
Plan assets at beginning of period	\$ 20,166,583	\$ 19,398,804
Change in ownership	17,451	(6,701)
Employer contributions	502,221	487,277
Employee contributions	502,221	492,499
Benefit payments	(632,884)	(796,536)
Return on plan assets during period	<u>1,161,039</u>	<u>591,240</u>
Plan assets at end of period	<u>\$ 21,716,631</u>	<u>\$ 20,166,583</u>

Total expense related to pensions include the following components:

	Estimated Jan 1, 2022 to Dec 31, 2022	Actual Jan 1, 2021 to Dec 31, 2021
Pension Expense		
Employer current service cost	\$ 334,051	\$ 313,138
Interest on accrued benefit obligation	1,193,033	1,109,658
Expected return on assets	(1,161,039)	(1,081,325)
Amortization of unrecognized balances	-	-
Experience loss	<u>38,315</u>	<u>26,363</u>
Pension expense	<u>\$ 404,360</u>	<u>\$ 367,834</u>

The pension expense is included in the statement of operations.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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, 2022 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 year is \$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 year is \$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 Utility Fund operations is limited to 50% of the operating budget for the year. In 2022, the Town has complied with these restrictions.

Capital Funds

At December 31, 2022, there were no short-term funds (2021 - \$500,000) borrowed from other funds and no short-term funds (2021 - nil) borrowed from a financial institution to provide interim funding for capital projects in the General Capital Fund.

At December 31, 2022, there was \$150,000 short-term funds (2021 - nil) borrowed from other funds and no short-term funds (2021 - nil) borrowed from a financial institution to provide interim funding for capital projects in the Utility Capital Fund.

Interim Borrowing Capital Funds

The Town has remaining outstanding authority for short term borrowings as follows:

General Capital Fund, OIC # 22-0018	\$ 1,250,000
Utility Capital Fund, OIC # 21-0061	800,000
	<u>\$ 2,050,000</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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:

	2022	2021
2022 Surplus	\$ 33,993	\$ -
2021 Surplus	41,757	41,757
2020 Surplus	-	<u>48,220</u>
	<u>\$ 75,750</u>	<u>\$ 89,977</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

21. SCHEDULE OF TANGIBLE CAPITAL ASSETS

COST	Land	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment			Infrastructure			Salvage	Assets Under Construction	2022 Total	2021 Total
				Trucks	Other	Other	Water	Sewer	Other				
Balance - beginning of year	\$ 4,885,039	\$ 12,793,288	\$ 6,317,529	\$ 5,362,741	\$ 44,769,998	\$ 21,022,269	\$ 29,170,713	\$ 23,947,199	\$ 158,105,755	\$ 879,870	\$ 158,985,625	\$ 154,359,352	
Change in ownership	108	4,457	5,418	946	-	-	-	-	11,028	-	11,928	14,951	
Add: Net additions during the year	41,000	856,533	365,337	574,624	2,257,963	229,511	196,575	517,922	3,758,112	911,177	6,069,289	5,832,178	
Less: Disposals during the year	-	-	-	(5,725)	(868,219)	(79,802)	-	(4,808)	(957,464)	-	(957,464)	(1,211,050)	
Balance - end of year	\$ 4,929,147	\$ 13,653,021	\$ 6,688,284	\$ 5,362,536	\$ 43,901,782	\$ 21,242,467	\$ 29,367,288	\$ 24,659,313	\$ 162,223,221	\$ 1,791,047	\$ 164,776,228	\$ 158,981,625	
ACCUMULATED AMORTIZATION													
Balance - beginning of year	-	-	-	-	2,884,830	7,850,854	8,767,458	9,364,676	64,414,227	-	64,414,227	60,645,553	
Change in ownership	-	-	-	454	-	-	-	-	5,317	-	5,317	179	
Add: Amortization during the year	-	472,357	608,574	512,268	1,472,669	350,770	521,085	449,272	4,757,758	-	4,758,035	4,649,782	
Less: Accumulated amortization on disposals	-	-	-	(5,215)	(762,818)	(65,545)	-	(3,808)	(820,946)	-	(820,946)	(822,759)	
Balance - end of year	-	472,357	1,116,851	1,360,609	3,594,681	8,136,079	9,288,543	9,816,135	68,357,355	-	68,357,355	64,814,272	
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS													
	\$ 4,929,147	\$ 13,653,021	\$ 6,688,284	\$ 5,362,536	\$ 43,901,782	\$ 21,242,467	\$ 29,367,288	\$ 24,659,313	\$ 162,223,221	\$ 1,791,047	\$ 164,529,223	\$ 158,981,625	
Consists of													
General Fund	\$ 4,559,421	\$ 11,714,994	\$ 1,471,939	\$ 4,937,467	\$ 22,501,461	\$ 13,037,294	\$ -	\$ -	\$ 51,504,191	\$ 267,212	\$ 51,771,403	\$ 49,974,531	
Utility Fund	119,971	-	1,122,568	61,830	428,887	-	19,976,745	14,643,333	38,333,396	1,523,835	40,956,231	40,775,606	
Controlled Entities	250,755	838,027	893,777	332,239	236,494	-	-	-	4,385,634	-	4,385,634	1,609,261	
	\$ 4,929,147	\$ 13,653,021	\$ 6,688,284	\$ 5,362,536	\$ 43,901,782	\$ 21,242,467	\$ 29,367,288	\$ 24,659,313	\$ 162,223,221	\$ 1,791,047	\$ 164,529,223	\$ 158,981,625	

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

12. SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR JOINTLY CONTROLLED ENTITIES

		Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Assets Under Construction	2022 Total	2021 Total					
COST														
Balance - beginning of year	\$	250,247	\$	320,089	\$	4,176,196	\$	1,746,458	\$	811,542	\$	7,104,439	\$	6,960,149
Change in ownership		108	89	4,667	5,418	946	-	11,028	(455)					
Add: Net additions during the year		-	44,268	716,747	112,212	95,707	-	968,945	214,723					
Less: Disposals during the year		-	-	-	-	(5,775)	-	(5,775)	(60,918)					
Balance - end of year		<u>250,355</u>	<u>364,357</u>	<u>4,892,943</u>	<u>1,858,670</u>	<u>902,426</u>	<u>-</u>	<u>8,073,617</u>	<u>7,104,439</u>					
ACCUMULATED AMORTIZATION														
Balance - beginning of year		-	74,064	1,701,976	871,493	588,197	-	3,235,578	2,978,829					
Change in ownership		-	89	2,222	2,551	454	-	5,317	(379)					
Add: Amortization during the year		-	3,671	138,030	113,667	61,865	-	222,226	317,716					
Less: Accumulated amortization on disposals		-	-	-	-	(5,775)	-	(5,775)	(60,566)					
Balance - end of year		<u>-</u>	<u>82,824</u>	<u>1,842,228</u>	<u>987,711</u>	<u>644,741</u>	<u>-</u>	<u>3,557,586</u>	<u>3,235,578</u>					
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS		<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>					
		<u>250,355</u>	<u>281,533</u>	<u>3,050,715</u>	<u>870,959</u>	<u>257,685</u>	<u>-</u>	<u>4,421,291</u>	<u>3,868,861</u>					

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

11. SCHEDULE OF SEGMENT DISCLOSURE

	General	Recreation and Culture	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2022 Consolidated	2021 Consolidated
REVENUE								
Property tax warrant	\$ 2,913,905	\$ 6,617,081	\$ 4,286,296	\$ 791,170	\$ 2,596,046	\$ -	\$ 18,181,510	\$ 17,692,259
Sale of service	142,676	-	4,708	-	338,326	-	475,710	463,732
Services provided to other governments	-	-	31,836	-	-	-	8,306	80,180
Other own source	791,843	-	-	175,838	-	-	967,681	108,052
Unconditional grant	20,990	47,667	30,877	5,529	18,701	-	130,972	131,193
Conditional government transfers	2,031,948	-	-	-	-	374,000	2,375,988	2,286,228
Water and sewer user fees	-	-	-	-	-	3,163,226	3,163,226	3,077,312
Sundry and interest	219,921	280,636	-	-	6,486	112,234	633,311	394,176
	6,091,123	6,955,388	4,401,882	962,937	2,936,559	3,654,100	26,111,210	23,543,182
EXPENDITURE								
Salaries and benefits	964,469	4,616,619	1,048,733	294,265	441,606	535,352	7,920,984	7,331,793
Goods and services	1,189,536	707,398	3,388,906	273,847	1,854,305	1,550,759	9,927,832	7,697,665
Interest	2,294	1,563	65,777	-	92,121	269,593	431,767	463,263
Other	47,304	-	336,718	-	-	-	184,022	415,048
Amortization	125,959	278,943	2,336,300	-	797,862	1,249,682	4,758,735	4,649,282
	2,329,562	5,574,523	6,996,639	568,132	3,185,894	3,605,282	23,272,340	20,559,553
Surplus (deficit) for the year	\$ 3,761,561	\$ 1,380,858	\$ (2,594,757)	\$ 394,805	\$ (236,335)	\$ (49,211)	\$ 2,788,670	\$ 2,983,629

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

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
2022 annual surplus (deficit)	\$ 5,722,791	\$ (4,224,640)	\$ 1,033,625	\$ (624,436)	\$ 2,180	\$ 11,212	\$ 2,180	\$ 25,516	\$ 721,321	\$ 2,708,673
Adjustments to annual surplus										
Surplus (deficit) for funding requirements	52,674	-	48,220	-	-	-	-	-	93,129	194,023
Second previous year's surplus	(175,000)	-	300,000	-	-	175,000	-	(100,000)	-	-
Transfers between funds	-	-	(57,550)	-	-	-	-	57,550	-	-
Transfer elimination	-	900,000	-	250,000	-	(1,150,000)	-	-	-	-
Transfer elimination	-	-	-	-	-	839,941	-	-	-	-
Transfer elimination	-	-	(15,686)	-	-	-	-	3,686	-	-
Transfer elimination	-	-	(11,256)	-	-	-	-	11,256	-	-
Transfer elimination	(3,526,620)	1,526,620	(739,337)	739,337	-	-	-	-	-	-
Long term debt principal repayment	(784,000)	784,000	(533,823)	533,823	-	-	-	-	-	-
Provision for retirement allowance	-	-	-	-	-	-	-	-	(5,740)	(5,740)
Provision for pension liability	(11,000)	-	-	-	-	-	-	-	(50,982)	(61,982)
Provision for sick leave accrual	-	-	-	-	-	-	-	-	(54,162)	(64,162)
Accumulated amortization on disposal of capital assets	(310,059)	(809,363)	-	(3,808)	-	-	-	-	(5,775)	(828,945)
Unrealized gain on investments	-	-	-	-	-	-	-	-	41,766	41,766
Amortization expense	-	1,156,844	-	1,245,683	-	-	-	-	372,226	4,738,755
Total adjustments to 2022 annual surplus (deficit)	\$ 5,933,946	\$ 7,528,101	\$ (999,632)	\$ 2,767,237	\$ 2,180	\$ (115,259)	\$ 2,180	\$ (225,508)	\$ 310,465	\$ 7,331,655
2022 annual surplus (deficit) for funding requirements	\$ 128,841	\$ 3,163,661	\$ 31,993	\$ 2,147,807	\$ 12,588	\$ (17,342)	\$ 2,180	\$ (199,992)	\$ 1,053,285	\$ 6,520,315

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

25. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Utility Operating Reserve	Utility Capital Reserve	Land for Public Purpose	2022 Total	2021 Total
ASSETS							
Cash and short term investments	\$ 917,637	\$ 5,680,028	\$ -	\$ 1,152,517	\$ -	\$ 7,750,182	\$ 7,452,748
Accounts receivable from other funds	-	(152,811)	108,485	(108,485)	152,811	-	-
Due from (to) other funds	-	-	-	-	-	-	500,000
	<u>\$ 917,637</u>	<u>\$ 5,527,217</u>	<u>\$ 108,485</u>	<u>\$ 1,044,032</u>	<u>\$ 152,811</u>	<u>\$ 7,750,182</u>	<u>\$ 7,952,748</u>
ACCUMULATED SURPLUS	<u>\$ 917,637</u>	<u>\$ 5,527,217</u>	<u>\$ 108,485</u>	<u>\$ 1,044,032</u>	<u>\$ 152,811</u>	<u>\$ 7,750,182</u>	<u>\$ 7,952,748</u>
REVENUE							
Other government transfers	\$ -	\$ 839,941	\$ -	\$ -	\$ -	\$ 839,941	\$ 1,654,360
Transfers from Operating Funds	12,588	175,000	-	74,492	-	249,492	1,037,536
Interest	-	115,157	2,180	25,516	2,560	158,001	39,378
	<u>12,588</u>	<u>1,130,098</u>	<u>2,180</u>	<u>100,008</u>	<u>2,560</u>	<u>1,247,434</u>	<u>2,731,274</u>
EXPENDITURES							
Transfer to General Capital Fund	-	900,000	-	-	-	900,000	650,000
Transfers to Water and Sewer Capital Fund	-	250,000	-	100,000	-	550,000	174,000
	-	<u>1,150,000</u>	-	<u>100,000</u>	-	<u>1,450,000</u>	<u>1,024,000</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 12,588</u>	<u>\$ (19,992)</u>	<u>\$ 2,180</u>	<u>\$ (199,992)</u>	<u>\$ 2,560</u>	<u>\$ (202,566)</u>	<u>\$ 1,707,274</u>

Included in the General Capital Reserve Fund is \$4,102,261 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, 2022

15. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

Date Enacted December 12, 2022

MOVED by Deputy Mayor Alexander and seconded by Council Boyle that the Gas Tax Funding in the amount of \$839,941.00 for the year 2022, be transferred to the General Capital Reserve Fund (Gas Tax).

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Council Boyle that the sum of \$900,000.00 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 Council Boyle that the sum of \$175,000.00 be transferred from the General Operating Fund to the General Capital Reserve to cover the costs of future Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Council McGuire that \$57,550.00 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 Council Boyle that the sum of \$250,000.00 be transferred from the General Capital Reserve Fund (Gas Tax) to the Utility Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Council Boyle that the sum of \$300,000.00 be transferred from the Utility Capital Reserve Fund to the Utility Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Council Boyle that \$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 Boyle that \$11,256.00 received from Quispamsis for Sewage Outfall be transferred from the Utility Operating Fund to the Utility Sewage Outfall Reserve Fund.

CARRIED.

I hereby certify that the above are true and exact copies of resolutions adopted at the regular meeting of Council on December 12, 2022.


Town Clerk

11 April 2023
Date

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

26. STATEMENT OF JOINTLY CONTROLLED ENTITIES OPERATIONS

	<u>KV Fire</u>	<u>Police</u>	<u>Library</u>	<u>2022 Total</u>	<u>2021 Total</u>
ASSETS	\$ <u>2,929,258</u>	\$ <u>1,622,376</u>	\$ <u>1,466,389</u>	\$ <u>6,018,023</u>	\$ <u>4,960,647</u>
LIABILITIES	\$ <u>878,595</u>	\$ <u>745,277</u>	\$ <u>17,302</u>	\$ <u>1,641,174</u>	\$ <u>1,318,613</u>
ACCUMULATED SURPLUS	\$ <u>2,050,663</u>	\$ <u>877,099</u>	\$ <u>1,449,087</u>	\$ <u>4,376,849</u>	\$ <u>3,642,034</u>
REVENUE	\$ 3,016,342	\$ 3,316,601	\$ 89,758	\$ 6,422,701	\$ 5,433,335
EXPENDITURES	<u>2,453,709</u>	<u>3,093,225</u>	<u>181,046</u>	<u>5,727,980</u>	<u>5,218,321</u>
	562,633	223,376	(91,288)	694,721	215,014
CHANGE IN OWNERSHIP	<u>5,868</u>	<u>(441)</u>	<u>-</u>	<u>5,427</u>	<u>381</u>
ANNUAL SURPLUS (DEFICIT)	\$ <u>568,501</u>	\$ <u>222,935</u>	\$ <u>(91,288)</u>	\$ <u>700,148</u>	\$ <u>215,395</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, 2022

27. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Transfers	Total
REVENUE	\$ 18,181,510	\$ -	\$ -	\$ -	\$ -	\$ 18,181,510
Property tax warrant	130,973	-	-	-	-	130,973
Unconditional transfers from other governments	40,000	-	-	-	-	40,000
Conditional transfers from Federal or Provincial governments	60,000	-	-	-	1,150,000	1,210,000
Services other governments	82,943	-	-	-	-	82,943
Other own source	419,900	-	-	-	-	419,900
Sale of services	1,050,000	-	-	-	(1,050,000)	-
Other transfers	-	3,511,780	-	-	(360,000)	3,151,780
Water and sewer user fees	12,000	80,000	-	172,079	-	264,079
Sundry income	52,674	48,220	-	-	(100,894)	-
Surplus (deficit) of second previous year	20,030,000	3,640,000	-	172,079	(360,894)	23,481,205
EXPENDITURES	2,545,617	-	125,000	-	(319,350)	2,351,067
General government services	5,765,750	-	228,946	31,689	(339,700)	5,686,685
Protective services	3,759,451	-	2,450,000	-	(663,100)	5,546,451
Transportation services	862,000	-	-	-	-	862,000
Environmental health services	982,700	-	-	-	-	982,700
Environmental development services	2,267,832	-	600,000	7,572	87,800	2,963,304
Recreation and cultural services	794,000	329,810	-	-	(1,313,810)	-
Fiscal services	187,450	293,190	-	-	(480,640)	-
Long term debt repayments	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Transfer from General Operating Fund to General Operating Reserve Fund	175,000	-	-	-	(175,000)	-
Transfer from General Operating Fund to General Capital Fund	3,000,000	-	-	-	(3,000,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Reserve Fund	-	780,000	-	-	(780,000)	-
Water and Sewer	-	2,032,000	1,130,000	-	293,190	3,460,190
Surplus (deficit)	20,030,000	3,640,000	4,533,946	39,261	(6,690,810)	21,553,397
	\$ -	\$ -	\$ (4,533,946)	\$ 132,838	\$ 6,329,916	\$ 1,978,805

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

28. REVENUE AND EXPENDITURES SUPPORT

	2022 Budget	2022 Actual	2021 Actual
REVENUE			
Sale of services			
Community Centre	\$ 20,000	\$ 23,240	\$ 26,615
Rental revenue	106,000	96,414	94,696
Recreational programs	293,900	327,246	337,713
HIVE programs	-	28,810	-
	<u>\$ 419,900</u>	<u>\$ 475,710</u>	<u>\$ 459,024</u>
Other own source			
Permits and fines	\$ 55,000	\$ 175,838	\$ 94,132
Contributions by developers	-	645,068	-
Developers contributions - LPP	-	-	4,560
Local improvement levy	4,708	4,708	4,708
Miscellaneous	23,235	142,062	9,170
	<u>\$ 82,943</u>	<u>\$ 967,681</u>	<u>\$ 112,770</u>
Conditional government transfers			
Government of Canada	\$ 38,500	\$ 35,728	\$ 63,774
Province of New Brunswick	-	1,188,580	1,193,354
Gas Tax revenue	1,150,000	1,150,000	1,024,000
Canada Day grants	1,500	1,680	1,600
Other government grants	-	-	3,500
	<u>\$ 1,190,000</u>	<u>\$ 2,375,988</u>	<u>\$ 2,286,228</u>
EXPENDITURE			
General government services			
Legislative			
Mayor	\$ 47,000	\$ 41,421	\$ 36,986
Councillors	135,100	130,639	126,140
Fundy Regional Service Commission	6,000	5,239	5,226
Other	12,499	6,768	3,191
	<u>200,599</u>	<u>184,067</u>	<u>171,740</u>
Administrative			
Administration	837,000	818,911	698,436
Office building	181,250	183,120	176,730
Solicitor	50,000	19,030	20,564
Supplies	30,000	28,801	30,977
Other	245,928	317,708	208,518
	<u>1,342,178</u>	<u>1,367,570</u>	<u>1,135,225</u>
Financial management			
Professional fees	35,000	31,155	26,510

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2022 Budget	2022 Actual	2021 Actual
General government services (cont'd)			
Other			
Civic relations	1,000	60	341
Covid-19	25,000	6,697	27,033
Community communications	10,000	6,393	2,738
Insurance	256,784	254,475	247,058
Property tax - land for public purposes	17,622	17,824	16,782
Grants to organizations	36,500	28,628	22,147
Fox Farm Road rental expenses	4,000	10,446	5,713
Cost of assessment	293,934	293,934	266,004
Interest	3,450	2,294	2,682
Amortization	<u>125,000</u>	<u>125,959</u>	<u>127,065</u>
	<u>773,290</u>	<u>746,710</u>	<u>717,563</u>
	<u>\$ 2,751,067</u>	<u>\$ 2,329,502</u>	<u>\$ 2,051,047</u>
Protective services			
Fire			
Administration	\$ 328,074	\$ 342,752	\$ 266,992
Firefighting force	1,688,532	1,709,809	1,519,478
Telecommunications	87,144	86,895	1,600
Insurance	22,718	23,626	21,348
Prevention and training	23,944	21,346	13,372
Facilities	77,207	75,242	71,623
Fleet	42,178	45,916	33,090
Operations	27,423	29,476	105,682
Water costs	13,692	15,692	13,243
Retirement allowance	21,683	21,683	25,772
Other	1,228	1,003	7,396
(Gain) on disposal of tangible capital assets	-	-	(6,990)
Amortization	<u>130,573</u>	<u>130,573</u>	<u>141,023</u>
	<u>2,464,396</u>	<u>2,502,413</u>	<u>2,213,629</u>
Crimestoppers	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>
Police			
Crime Control	2,252,446	2,074,445	2,030,630
Vehicle Fleet	79,499	79,221	72,059
Property	98,690	106,782	88,232
Administration	477,006	509,613	428,840
Retirement allowance	33,984	34,779	34,803
Communications	110,425	109,942	113,254
Unrealized loss (gain) on investments	41,766	41,766	(26,224)
Loss (gain) on disposal of tangible capital assets	-	-	3,959
Amortization	<u>98,373</u>	<u>98,373</u>	<u>84,659</u>
	<u>3,192,189</u>	<u>3,054,921</u>	<u>2,830,212</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2022 Budget	2022 Actual	2021 Actual
Protective services (cont'd)			
Other			
Emergency measures	-	116	975
Animal control	5,000	2,970	5,418
Interest	2,300	1,562	3,995
Other	<u>20,000</u>	<u>9,746</u>	<u>10,778</u>
	<u>27,300</u>	<u>14,394</u>	<u>21,166</u>
	<u>\$ 5,686,685</u>	<u>\$ 5,574,528</u>	<u>\$ 5,067,807</u>
Transportation services			
Common			
Wages and benefits	\$ 1,134,000	\$ 1,048,733	\$ 976,786
Workshop, yard and equipment maintenance	679,413	670,881	599,233
Engineering	<u>5,000</u>	<u>50,957</u>	<u>10,260</u>
	<u>1,818,413</u>	<u>1,770,571</u>	<u>1,586,279</u>
Roads and Streets			
Roadway surfaces	55,000	99,985	99,160
Designated highway surfacing	-	1,243,657	-
Storm water and traffic studies	-	130,885	157,260
Crosswalks and sidewalks	20,200	17,820	16,534
Culverts and drainage ditches	25,000	36,632	36,477
Storm sewers	35,000	99,749	34,249
Street cleaning	45,000	50,996	40,506
Snow and ice removal	667,000	684,756	520,677
Street lighting	145,000	148,728	161,646
Street signs	12,500	12,823	9,886
Traffic lane marking	40,000	33,279	25,677
Traffic signals and signs	40,000	9,679	52,191
Railway crossing signals	25,000	19,375	22,278
Public transit - Connex Service	77,438	78,088	81,110
Flood costs	15,000	616	-
Interest	75,900	65,777	73,172
Loss on disposal of tangible capital assets	-	136,718	283,208
Amortization	<u>2,459,000</u>	<u>2,356,300</u>	<u>2,319,749</u>
	<u>3,728,038</u>	<u>5,225,863</u>	<u>3,933,730</u>
	<u>\$ 5,546,451</u>	<u>\$ 6,996,434</u>	<u>\$ 5,520,009</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2022 Budget	2022 Actual	2021 Actual
Environmental health services			
Solid waste disposal	\$ 210,000	\$ 213,639	\$ 202,547
Solid waste compost	36,000	31,469	48,741
Solid waste collection	571,000	682,657	570,984
Curbside recycling	-	3,093	-
Clean up campaign	<u>45,000</u>	<u>31,423</u>	<u>32,249</u>
	<u>\$ 862,000</u>	<u>\$ 962,281</u>	<u>\$ 854,521</u>
Environmental development services			
Environmental planning and zoning	\$ 487,500	\$ 376,112	\$ 359,044
Envision SJ	192,000	192,000	148,000
Tourism	<u>3,200</u>	<u>-</u>	<u>-</u>
	<u>\$ 682,700</u>	<u>\$ 568,112</u>	<u>\$ 507,044</u>
Recreation and cultural services			
Administration	\$ 367,025	\$ 383,924	\$ 326,956
Beaches	51,000	48,766	45,695
Rothesay Arena	383,000	406,862	349,094
Memorial Centre	72,988	48,856	69,359
Summer programs	61,800	65,551	62,780
Rothesay Common	54,800	40,034	64,171
Parks and gardens	638,500	624,734	629,917
Regional Facilities Commission	356,102	430,117	410,103
Kennebecasis Public Library Inc	90,789	92,198	78,611
Special events	40,000	28,492	14,744
FIVE programs	-	9,794	-
Playgrounds and fields	134,000	116,583	136,176
Living museum	-	-	71
PRO Kids	7,500	-	7,500
Interest	105,800	92,121	100,968
Amortization	<u>600,000</u>	<u>797,862</u>	<u>740,412</u>
	<u>\$ 2,967,304</u>	<u>\$ 3,185,894</u>	<u>\$ 3,036,557</u>
Water and sewer services			
Water System			
Administration	\$ 454,000	\$ 470,644	\$ 480,900
Purification maintenance and treatment	487,500	518,785	408,751
Source of supply - purchase of water	1,000	1,605	1,181
Transmission and distribution	120,000	86,464	74,667
Power and pumping	44,000	49,779	39,654
Billing and collecting	<u>5,000</u>	<u>3,875</u>	<u>2,410</u>
	<u>\$ 1,111,500</u>	<u>\$ 1,131,152</u>	<u>\$ 1,007,563</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2022

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2022 Budget	2022 Actual	2021 Actual
Sewer System			
Administration	677,000	661,335	648,900
Sewer collection system	99,000	98,420	83,047
Sewer lift stations	56,000	47,593	43,551
Treatment and disposal	93,500	147,611	130,494
Loss on disposal of tangible capital asset	-	-	87,691
	<u>925,500</u>	<u>954,959</u>	<u>993,683</u>
Interest	293,190	269,993	284,448
Amortization	<u>1,130,000</u>	<u>1,249,685</u>	<u>1,236,874</u>
	<u>1,423,190</u>	<u>1,519,678</u>	<u>1,521,322</u>
	<u>\$ 3,460,190</u>	<u>\$ 3,605,789</u>	<u>\$ 3,522,568</u>

F. EXCERPT - REGULATION 2018 – 54

Acts and Regulations

Enabling Act: Local Governance

NEW BRUNSWICK

REGULATION 2018-54 under the

Local Governance Act

(O.C. 2018-189)

Filed June 25, 2018

Under subsection 191(1) of the *Local Governance Act*, the Lieutenant-Governor in Council makes the following Regulation:

Citation

1 This Regulation may be cited as the *Annual Report Regulation – Local Governance Act*.

DEFINITIONS

2 The following definitions apply in this Regulation.

"Act" means the *Local Governance Act*.(Loi)

"corporation" means a corporation referred to in subsection 8(1) of the Act or a corporation continued under the Act.(*personne morale*)

TIME TO PREPARE ANNUAL REPORT

3(1) On or before June 30 in each year, a local government shall prepare an annual report referred to in subsection 105(1) of the Act for the preceding fiscal year.

3(2) On or before June 30 in each year, a corporation shall prepare an annual report referred to in subsection 105(2) of the Act for the preceding fiscal year.

INFORMATION INCLUDED IN AN ANNUAL REPORT UNDER SUBSECTION 105(1) OF THE ACT

4(1) An annual report under subsection 105(1) of the Act prepared by a local government shall contain:

(a) the audited financial statements of the local government;

(a.1) the following information with respect to grants totaling \$500 or more that are made under section 101.3 of the Act by a local government:

(i) the recipient of the grant, (ii) the type of the

grant,

- (iii) the amount of the grant,
 - (iv) the terms and conditions imposed on the grant, and
 - (v) the purpose of the grant and the benefit to the local government in making the grant;
- (b) the following information with respect to grants totaling \$500 or more made by the local government for social or environmental purposes:
- (i) the recipient of the grant,
 - (ii) the type of grant,
 - (iii) the amount of the grant and whether it is a grant of money or an in-kind grant,
 - (iv) the terms and conditions imposed on the grant; and
 - (v) the purpose of the grant and the benefit to the local government in making the grant;
- (c) the following information with respect to economic development assistance or grants totaling \$500 or more made by the local government:
- (i) the recipient of the economic development assistance or grant,
 - (ii) the amount of economic development assistance or grant and whether it is a grant or assistance of money or in-kind,
 - (iii) the terms and conditions imposed on the economic development assistance or grant, and
 - (iv) the purpose of the economic development assistance or grant and the benefit to the local government in providing the assistance or making the grant;
- (d) the following information with respect to activities and programs relating to economic development:
- (i) the types of activities and programs, and
 - (ii) the purpose of the activities or programs and the benefit to the local government in providing the activities and programs;
- (e) the following information with respect to a corporation established by the local government:
- (i) the name of the corporation,
 - (ii) the purpose of the corporation,
 - (iii) the manner of consolidating the corporation within the financial statements of the local government, and

(iv) how to access the financial statements and annual reports of the corporation; (f) the following information with respect to the council:

- (i) the members of council and their committee and other responsibilities,
- (ii) the number of regular meetings held by the council and the names of the members of council in attendance at the meetings,
- (iii) the number of special meetings held by the council, the types of matters discussed and the names of the members of council in attendance at the meetings,
- (iv) the date of the council meetings or committee of council meetings closed to the public and the types of matters discussed at the meetings,
- (v) if electronic means of communication is used at a meeting of council, the names of the members of council participating by electronic means,
- (vi) the salary range and other remuneration or benefits of members of council, and
- (vii) the amounts paid as allowances to the members of council for expenses resulting from the discharge of their duties; and

(g) information with respect to the provision of services by or through the local government, including the nature of the service provided and the cost of the services and related infrastructure, under the following headings:

- (i) general government services,
- (ii) protective services,
- (iii) transportation services,
- (iv) environmental health services – general fund,
- (v) environmental health services – utility fund,
- (vi) environmental development services,
- (vii) recreation and cultural services,
- (viii) fiscal services,
- (ix) public health services, and (x) other services.

4(2) An annual report under subsection 105(1) of the Act prepared by a local government may include the following information:

- (a) general information regarding the local government, including the population, tax rates, tax base and user charges;
- (b) information on capital projects undertaken within the year and information on multiyear capital planning;
- (c) performance measures established by the local government and the progress made with respect to those measures; and
- (d) information respecting employee classification, salary ranges, benefits and travel expenses.

2019, c.5, s.4

INFORMATION INCLUDED IN AN ANNUAL REPORT UNDER SUBSECTION 105(2) OF THE ACT

5(1) An annual report under subsection 105(2) of the Act prepared by a corporation shall contain:

- (a) the audited financial statement of the corporation;
- (b) the following information with respect to grants totaling \$500 or more for social or environmental purposes made by the corporation:
 - (i) the recipient of the grant,
 - (ii) the type of grant,
 - (iii) the amount of the grant and whether it is a grant of money or an in-kind grant,
 - (iv) the terms and conditions imposed on the grant, and
 - (v) the purpose of the grant and the benefit to the local government in making the grant;
- (c) the following information with respect to economic development assistance or grants totaling \$500 or more provided by the corporation:
 - (i) the recipient of the economic development assistance or grant,
 - (ii) the amount of the economic development assistance or grant and whether it is a grant or assistance of money or in-kind,
 - (iii) the terms and conditions imposed on any economic development assistance or grant provided, and
 - (iv) the purpose of the economic assistance or grant and the benefit to the local government in making the grant or providing the benefit;
- (d) the following information with respect to activities and programs of the corporation relating to economic development:
 - (i) the types of activities and programs, and

- (ii) the purposes of the activities and programs or the benefit to the local government in providing the activities and programs;
- (e) the following information respecting the board of directors of the corporation:
 - (i) the names of the members of the board of directors and their responsibilities,
 - (ii) the number of meetings held by the board of directors and the names of the members of the board in attendance at the meetings, and
 - (iii) if electronic means of communication is used at a meeting, the names of the members of the board of the corporation participating by electronic means; and
- (f) information with respect to the provision of services provided by or through the corporation, including the nature of the services and the cost of the services and related infrastructure.

5(2) An annual report under subsection 105(2) of the Act prepared by a corporation may include the following information:

- (a) information on capital projects undertaken within the year and on multiyear capital planning; and
- (b) performance measures established by the corporation and the progress made with respect to those measures.

LOCAL GOVERNMENTS AND CORPORATIONS SHALL COMPLY WITH REQUIREMENTS UNDER SUBSECTION 105(3) OF THE ACT

6 Local governments and corporations shall comply with the posting requirements of an annual report and make the annual report available for examination in accordance with subsection 105(3) of the Act.

Commencement

7 ***This Regulation comes into force on January 1, 2019. N.B.*** This Regulation is consolidated to

June 14, 2019.