



Rothestay 2023 Annual Report



**This is the Annual Report of the
corporation of the town of Rothestay
for the 2023 fiscal year (January 1 to December 31)**

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ROTHESAY



June 2024

Mayor Grant and Rothesay Council:

Re: 2023 Annual Report

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The annual report of Rothesay for 2023 is attached. 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 with a small surplus in both the general and utility funds.

Reform continued to be a major impetus for change on the New Brunswick municipal scene. Although Rothesay has not been subject to boundary adjustments, collaboration with other municipalities in the Fundy region has been a feature of the Town's activities. Envision Saint John-the Regional Growth Agency and the Fundy Regional Service Commission both required significant financial and time commitments as Mayor Grant took on a key role in chairing the Regional Facilities Committee.

Several Town projects progressed this year with the opening of the Recreation Building and a new baseball field in Wells. The wastewater treatment plant gained momentum with funding approval for the additional cost, now \$32M, and preliminary engineering advancing. Confirmation of provincial highways funding came a bit later in the season than usual but resulted in resurfacing a large section of Campbell Drive Highway Partnership Program.

Private sector development continued to be focused on multi-unit residential buildings with projects on School Avenue and Dobbin Street. Interest in such projects continues to be high.

The year ahead will bring ongoing change with provincial/municipal reform prominent. Rothesay staff are fully engaged in maintaining the service levels property owners rightfully expect. The support you, Mayor Grant and the Council, provide is key to advancing the agenda and is much appreciated by all.

Yours respectfully,


John Darvic RPP, MCIP
Town Manager

Explore our past / Explorez notre passé
Discover your future / Découvrez votre avenir

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

ROTHESAY

2023 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 Appendix “F” 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.

Members of Council and Their Committee and Other Responsibilities:

Mayor Nancy Grant	Fundy Regional Service Commission Regional Facilities Committee (FRSC) Nominating Committee (per Section 101 Procedural By-law) Personnel Committee Finance Committee Emergency Measures Committee Ex-officio Town Committees (except PAC and Heritage – separate legislation) Climate Change Adaptation Committee	Counc. Bill McGuire	Personnel Committee Nominating Committee Emergency Measures Committee Parks and Recreation Committee
Deputy Mayor Matt Alexander	Works and Utilities Committee Finance Committee Personnel Committee Climate Change Adaptation Committee	Counc. Peter Lewis	Board of Fire Commissioners, Kennebecasis Valley Fire Department Inc. Nominating Committee
Counc. Tiffany Mackay French	Rothesay Heritage Preservation Review Board Kennebecasis Regional Joint Board of Police Commissioners UMNB Representative Rothesay Living Museum Planning Advisory Committee	Counc. Don Shea	Planning Advisory Committee Kennebecasis Public Library Board Finance Committee Kennebecasis Regional Joint Board of Police Commissioners
Counc. Helen Boyle	Finance Committee Age Friendly Advisory Committee Parks and Recreation Committee	Counc. Dave Brown	Board of Fire Commissioners, Kennebecasis Valley Fire Department Inc. PRO Kids Personnel Committee Works and Utilities Committee

Committees of Council (2023)

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

Mary Jane Banks, BComm, 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 489 service requests responded to in 2023 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.

Human Resources contributes to the success of Rothesay and its administrators and employees through leadership, service and excellence in human resources management. It provides various services that are available to all employees, as well as advice and guidance on a multitude of staff employment situations. In developing policies and programs and in delivering services, Human Resources is dedicated to all employees and works to support a positive workplace culture.

Employment Overview

Rothesay has a diverse 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). At the end of 2023, Rothesay had 45 full time employees (including 20 members of the bargaining unit) and 3 seasonal employees. In addition to full-time staff, a total of 32 students were hired during the summer months to help with recreation programming.

The pace of recruitment activity remained steady in 2023. As nationwide labour shortages continue to impact recruitment efforts, retaining and developing employees will continue to be a focus of HR initiatives in 2024.

Looking Ahead

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.

Some of the activities planned for early in the next fiscal year include:

- A continued focus on recruitment and retention.
- Succession Planning
- Preparing for contract negotiations with C.U.P.E local 5369 and
- Preparing staff for organizational change.



5. PROTECTIVE SERVICES

A. FIRE

The Kennebecasis Valley Fire Department Inc. (KVFD) is a corporation jointly owned with Quispamsis to provide fire suppression, 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 spring 2024.



The Department provides assistance to Ambulance New Brunswick in responding to many medical emergencies. In 2023, there were 1,047 calls for service in Rothesay, which was up from 2022 where there were 538. Included in the 1,047 calls were 548 incidents with medical calls (Public Service – First Aid), and 108 motor vehicle accidents (Vehicle Accidents).

The Department consists of 41 firefighters, including 12 company officers, senior firefighters, lieutenants and captains. The management team consists of a Fire Chief, Deputy Chief, two Division Chiefs, an Executive Assistant to the Chief, one Fire Prevention Officer and a Finance Administrator. A Board with equal representation from each Council and volunteer appointments from each Town governs the KVFD. Rothesay paid \$2.411M or 40.74% of the Department's operating costs in 2023. 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 KRPf has 43 sworn officer positions and eight administrative positions. In 2023, KRPf received 5,504 calls for service and created 2,823 investigations.



Rothesay's share (39.86%) of the annual budget for policing was \$3.257M in 2023.

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

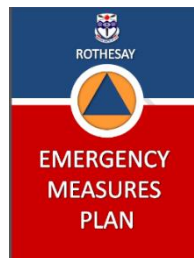
The 2023 year passed with relatively little demand for emergency services beyond those managed by the police and fire first responders. Resources were focused on emergency preparation and planning as a revised organization was implemented in partnership with Quispamsis and under the leadership of the Fire Chief as Director of Emergency Services.

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.

In the spring the Town was fortunate to be spared from high flooding and experienced no damage. No sandbags were distributed and no cleanup required.

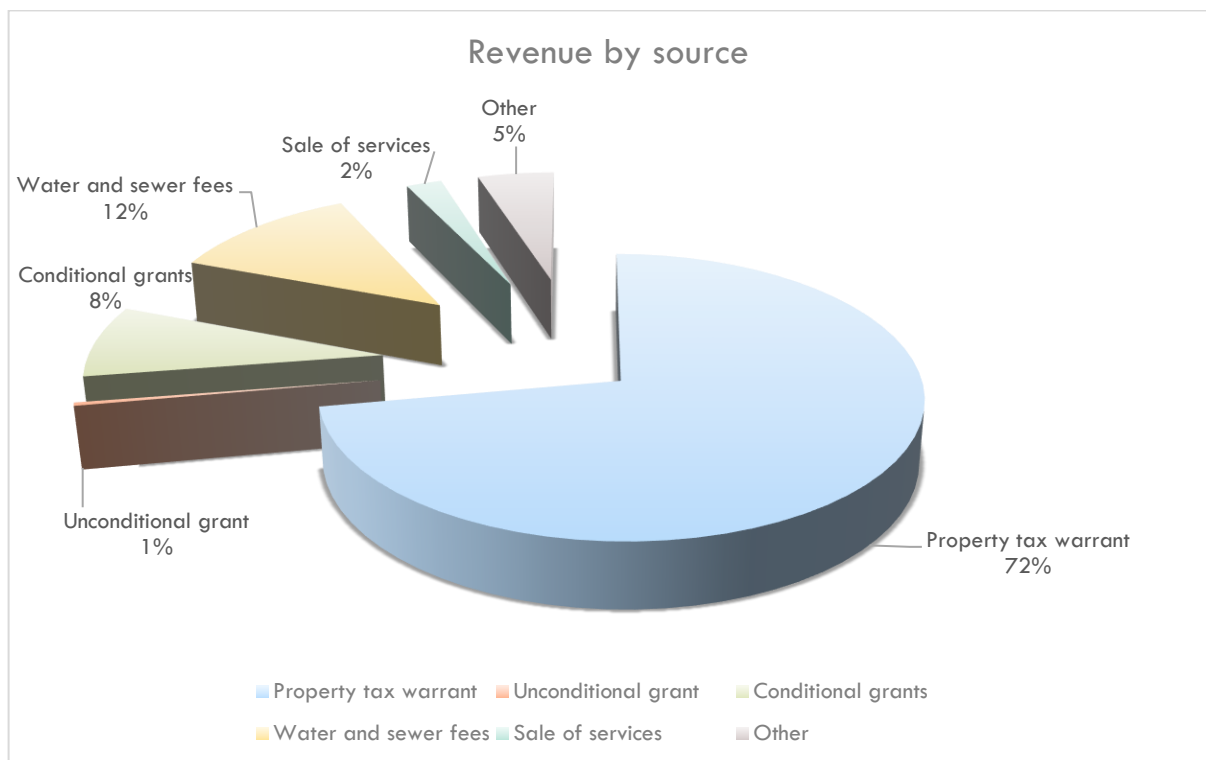
A draft joint KV EMO Emergency Management Program was presented to the Council in September 2023.



6. FINANCE

The Town finished the 2023 fiscal year with a general fund surplus of \$109,616 and \$40,521 in the utility account. These will be brought into budgets in 2025. During the year, the Town retired \$1.2M of debt. The general fund obtained a new debenture related to protective services of \$1 million. The Town's current net debt is approximately \$631 per capita and debt service costs are 3.53% 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 18.8%. That debt is repaid through utility charges.

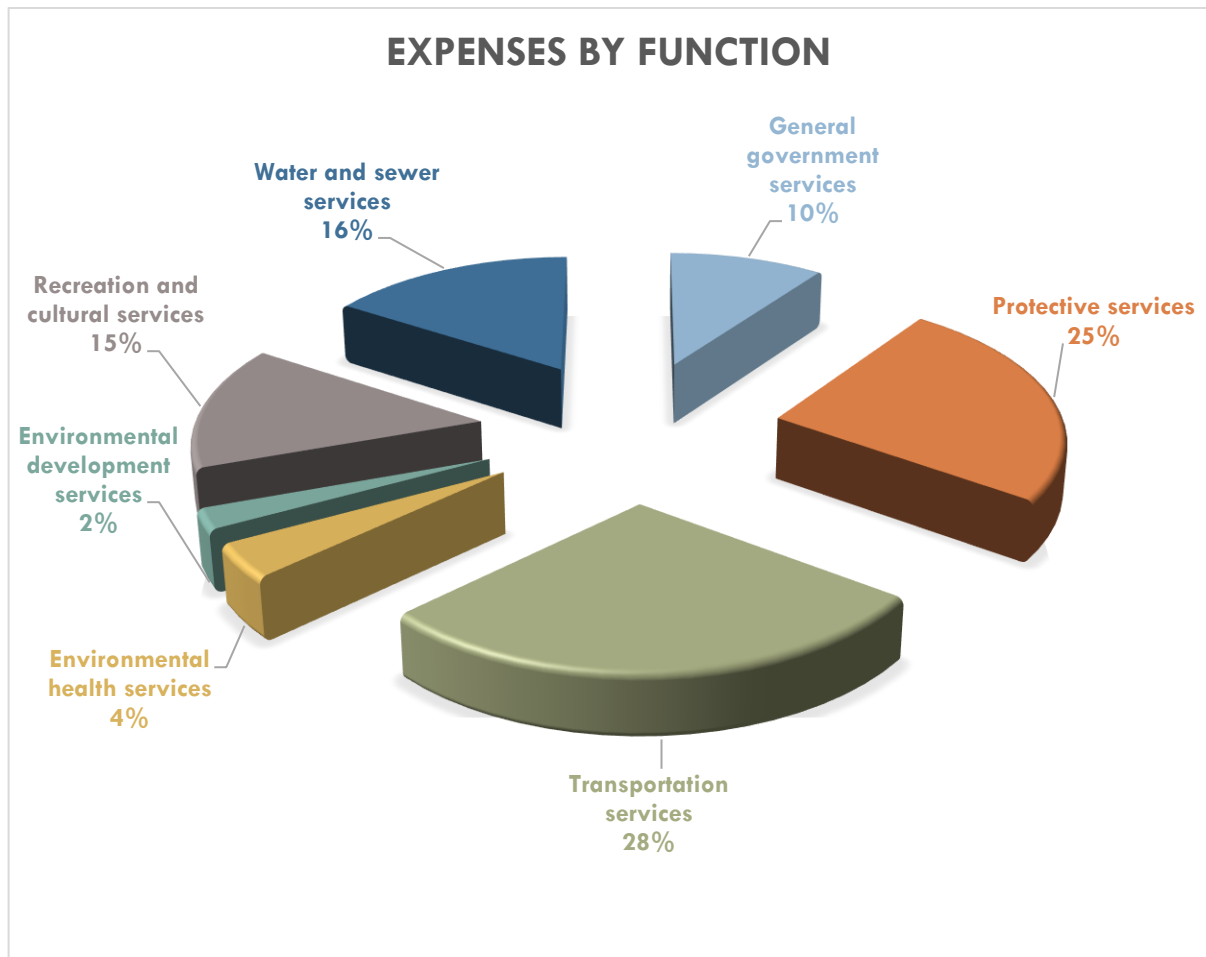
The Town donated \$32,500 to various groups and good causes in 2023; none of these were for economic development purposes. A list of the donations is found in Appendix A.



The total tax base of the municipality for the purposes of setting the tax rate was \$1.691B. The tax rate for 2023 was \$1.19 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 dollars 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 \$2.023 + the \$2.27 Provincial rate.

Utility rates for the fiscal period were as follows: Water cost was \$1.24/m³ plus a fixed cost of \$53.75 per quarter. The annual sewer charge was \$435 in 2023 for a single-family house. Business and multi-family buildings pay for the fixed water charge by size of the service connection to the Town system.



The total operating expenditures and debt service costs of the Town were \$23.67M. Rothesay paid approximately \$155,000 in Provincial property tax in 2023 as well as HST to the Province of approximately \$550,000. The Provincial Government transferred \$104,778 which represents 12.8¢ of the \$2.27 provincial tax rate paid by non-residential property in the town.

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

Doug MacDonald, CPA CA, is the Town Treasurer.

7. PARKS & RECREATION

A. RECREATION

The Rothesay Recreation Department presents a variety of programming opportunities for both residents and visitors throughout the year. Our facilities encompass the Rothesay Arena, Bill McGuire Centre, Rothesay Common, Rothesay HIVE, and the Wells Recreation Building. With programs and events taking place at different community locations year-round, the Recreation Department remains active and engaged.

Noteworthy moments for Rothesay Recreation in 2023 comprised our involvement in Fundy Winterfest, special skating events at the Common, advancements at the Rothesay HIVE, the summer concert series, the Canada Day celebration on the Common, our playground programs, and the 25th Annual KV Santa Claus Parade.

In 2023, Fundy Winterfest extended its influence. Alongside the existing four municipalities - Rothesay, Quispamsis, Grand Bay-Westfield, and the City of Saint John - the Town of Hampton and the Village of Fundy-St. Martins joined as new additions to this regional event.



Rothesay's Winterfest lineup included a mix of large group events and passive activities people could do on their own or with family and friends.

- New this year, was the KV Brewskis and Frostbites food and beverage winter adventure. Rothesay, Quispamsis, and 11 local food and beverage businesses worked together to offer an exciting activity where people could explore local breweries and restaurants, collect stamps for their map, and be entered in the grand prize draw. Over 70 people participated in the KV Brews N Bites adventure which is a great turnout for the first year.

- The special skating events at the Rothesay Common saw hundreds of participants each Wednesday night in February. The theme nights included Try Para Ice Hockey, Glow in the Dark Skate, Disney/Marvel Night, and Skate with the Saint John Seadogs. We were able to secure a sponsor for each of the four theme nights to help pay for the cost of program supplies.
- We partnered with River and Trail once again to offer free snowshoe rentals from their store on Hampton Road. Over 6 weeks, we had 59 rentals; compared to 18 in 2022. Winter Waldo was once again hiding in Rothesay Trails. This year Winter Waldo was spotted in 10 different locations and was found by 90 different people or groups.
- Other Fundy Winterfest activities that took place in Rothesay included the Winter Speaker Series, Frozen Moment Photo Contest, Snowfolk Making Contest, Winter Carnival on the Common, Snowshoeing with the KV Walkers, and a Moonlight Snowshoe and hike with River and Trail Outdoor company that saw over 50 participants.

The Summer Playground Program saw large numbers in 2023 with 331 kids who registered to attend throughout the summer. We once again had three different programs that operated out of Kennebecasis Park Elementary School, Rothesay Park Middle School, and Wells Recreation Park from June 26th to August 25th. This was our first year trying out the new Recreation Software – PerfectMind. It was a bit of a learning curve but overall, staff, parents, and guardians adjusted just fine and were happy to be able to purchase the punch passes online.

Both Kennebecasis Park and Renforth Beaches were open during the summer and guarded Monday to Friday from 11 am - 5 pm with Renforth Beach also under lifeguard supervision on the weekends.

Hundreds joined us to celebrate our Nation's 156th Birthday. Inclement weather drove the celebration indoors at the Rothesay Arena. The celebration began with a flag-raising ceremony that was followed by musical entertainment, 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 3rd Annual Halloween Skating Party at the Rothesay Arena where participants were invited to come dressed up in their favorite costume.

The 25th Annual KV Santa Claus Parade took place along Hampton Road on Saturday, November 25th. 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 15,000 views. With thirty-five 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. This year we had online voting for the People's Choice Award on Facebook. The voting post reached over 39,000 Facebook users. Next year is the 26th Annual KV Santa Claus Parade with the theme "Christmas Treasures".



We were able to host the 9th Annual Mayor's Tree Lighting event at the Rothesay Common. We had a great evening with live musical entertainment, skating, hot chocolate, and gingerbread cookies.

Artist-in-Residence

Rothesay welcomed Darlene Baker as an Artist-in-Residence during the summer. Darlene Baker is a visual artist, living and working in Rothesay, New Brunswick. She recently completed her first year in the Bachelor of Fine Arts Program at Mount Allison University.



AGE-FRIENDLY PROGRAMMING

Throughout 2023, the Rothesay Recreation Department provided many opportunities for older adults to thrive in our community.

Rothesay HIVE

The Rothesay HIVE membership grew from 124 in 2022 to 162 in 2023, a 30% increase that shows age-friendly programming is critical to the needs of our community. Not only is the Rothesay HIVE membership growing, but the number of residents who are older adults will continue to grow as well. Based on the 2021 Statistics Canada report, 22.8% of New Brunswickers are aged 65 years and older, which is higher than Canada overall. However, that number is expected to continue to grow. The Government of New Brunswick noted that within 10 years, over 28% of New Brunswick's population will be over the age of 65. The 2021 Census showed Rothesay with 21.1% of the population over 65.



In 2023, the Rothesay HIVE continued to offer programs that have become a staple of the community centre: fitness classes (four classes to choose from), Tai Chi, Latin line dancing classes, book club, garden club, movie matinees, coffee and chats, cards and board games, mahjong games and lessons, bridge games and lessons, lending library, information presentations, and a community resource library. There were many special events celebrated in 2023, including a Coronation High Tea, Open House, and Holiday High Tea. We broadened our program offerings in 2023; the Rothesay HIVE now offers members a puzzle library, walking club, trivia games, and pet therapy. The Rothesay HIVE again offered the online Rothesay HIVE Fall Speaker Series. This year the interviews were focused on recognizing Rothesay residents – titled “Rothesay’s Hidden Gems”. The Rothesay HIVE Facebook group also continued to post mindful moment videos that focused on improving older adults mental, physical, and social wellness with helpful information and tips.

The Saint John Newcomers' Centre continues to offer 'Future Engage' at the Rothesay HIVE. The program brings people of all ages and backgrounds together for intergenerational and cross-cultural activities. The Saint John Newcomers' Centre also added a new program "English Conversations" at the Rothesay HIVE. This program brings newcomers and older adults together to practice their conversational English in a casual and comfortable environment.



Canadian Health Solutions started their Wellness 55 program in September 2023 in Rothesay Town Hall and use the Rothesay HIVE for special group meetings. The goal of this program is to increase the overall wellness of older adults by integrating science, technology, and community resources.

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.

Renforth Senior Exercise Classes

Renforth Seniors Exercise Classes are offered by the Rothesay Recreation Department at the Bill McGuire Centre from September to June each year. This older adult-friendly workout mixes low-intensity movement and strength components. This helps to increase older adults' energy, strength, endurance, mobility, and balance, while meeting the needs of all levels of fitness. The class remains to be popular and enjoyed by many.

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 opened for the summer season and hosted the KVMBU U18 and both RHS and KVHS varsity boys baseball teams.

The construction of a 120-foot boardwalk along the McKeever Lake trail was opened in 2023. 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 was completed in late fall with a grand opening held in December. The new building will host meetings, small community events and the Rothesay playground program during the summer months.



Two new pickleball courts adjacent to the Arthur Miller Fields lower parking lot were completed in late 2023 and will be open for play in the spring of 2024.

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

Rothestay Parks & Trails

Trails

The Rothestay Common	Wells Trail (12km)
East Riverside-Kingshurst Park	Hillside Trail (3 km)
Steele-Kennedy Nature Park	Bicentennial Trail (1.5km)
Wells Recreation Park	Villa Madonna Trail (0.5 km)
Renforth Wharf Park	Steele Kennedy Trail (0.95km)
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 2023 operating cost is \$89,932 (38.96% of the total cost). More information on the Kennebecasis Public Library can be found on Facebook:

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



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 viewed online at: <https://www.rothesaylivingmuseum.com/>. As the year comes to a close, the evolution of the museum remains uncertain.



8. PLANNING AND DEVELOPMENT

A. BUILDING PERMITS

In 2023 the Town issued 181 Building Permits.

Total Value of Construction for these permits was \$31,604,717.98 – 2023, up 42% from the 2022 total of \$22,184,326.96.

The 2023 total value of building permit fees resulting from the permits is \$233,313.00 up from the 2022 total of \$161,500.00.

B. BY-LAW ENFORCEMENT

The responsibilities of Town staff include enforcement of Town by-laws. The following is the by-law enforcement activity in 2023.

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

	Zoning By-Law	Unsightly Premises	Building By-Law	Town Owned Lands	Commercial Signage	Animal Control	Civic Complaint	Noise Complaint
2023	4	3	1	0	7	21	2	2

“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.

C. PLANNING

The Rothesay Planning Advisory Committee met eleven times and reviewed several major applications:

1. 20 seat commercial restaurant on the property at 82 Hampton Road
2. Subdivision of vacant land off Wanda Crescent
3. Rezoning lands located off Holland Drive – 48-unit four storey apartment building

4. 38 Appleby Drive - Council accepted Land for Public Purposes
5. 202 Gondola Point Road - **Cash in Lieu of** Land for Public Purposes
6. Rezoning 2 Campbell Drive – Light industrial
7. Rezoning and subdivision – School Avenue/Kaitlyn Street – 54-unit / 8 blocks of single or two-level units
8. 28 seat commercial restaurant on the property at 82 Hampton Road (Unit B)
9. Rezoning 7 Scott Avenue- Two Family Residential

D. HERITAGE PRESERVATION BOARD

The Rothesay Heritage Preservation Review Board met three times in 2023. The Heritage Permit applications under consideration included the replacement of existing garage doors, installation of window doors, construction of fence and signage at 12 Gondola Point Road; and installation of windows at 10 Church Avenue.

Brian White was the Director of Planning & Development Services until August 2023.



9. PUBLIC WORKS

In 2023, the Public Works Department recorded 2,834,200 kg of salt/sand mixture that was placed by monitored equipment during road maintenance.

The Department saw a busy year; staff responded to 158 Service Requests in 2023 and broken down in the table below.

Catch basins	5
Culverts	30
Ditches	13
General Drainage	53
General Transportation	20
Potholes	13
Signs	2
Snow Plow Damage	22

In 2023, the following infrastructure work was completed:

- Storm work at 52 and 58 Gondola Point Road to control water run off
- Storm work at the Corner of first and Fox Farm to deal with run off
- Concrete work and additional Pedestrian buttons installed at Lennox and Clark
- Water line installed for 2344 Rothesay Road
- Line Painting- stop bars, crosswalks and directional arrows
- Curb Sweeping (Two machines)- 4 times during the year for maintenance
- Street sweeping. Two crews for 6 weeks
- 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
- Concrete work for sidewalk and curb repair
- Tree removal and trimming
- Several repairs for utilities
- Street sign repairs and installations

Asphalt Paving:

Charles Crescent	1,410 m
Campbell Drive	1,690 m

Concrete Curb and Sidewalk:

Charles Crescent	601 m
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10. UTILITIES

A. WATER

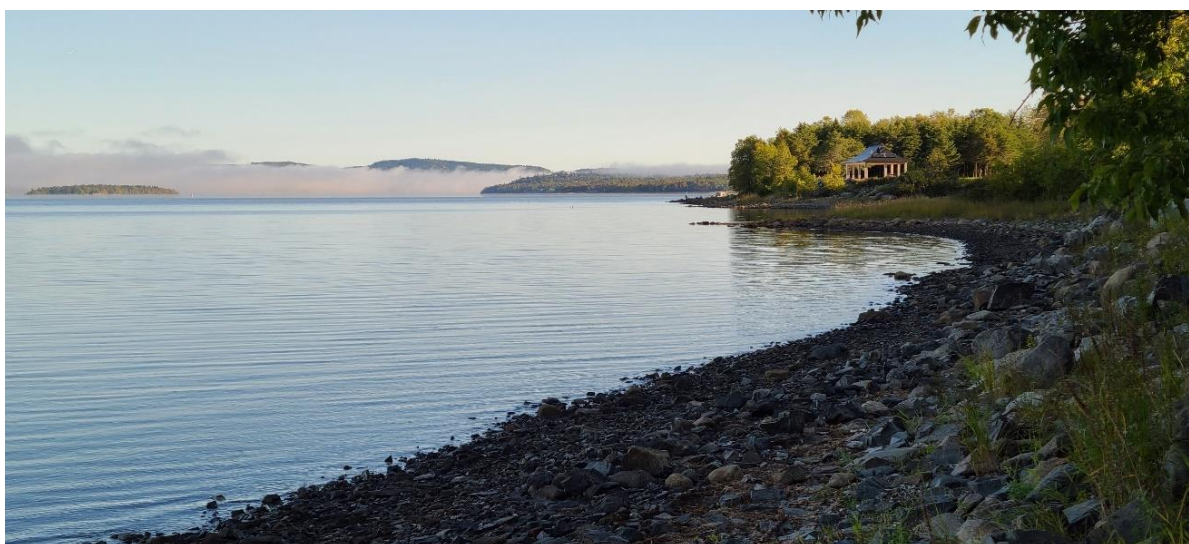
In 2023, the Rothesay treatment plant at Carpenter Pond withdrew 636,083 m³ of raw water from the well network to produce 605,504 m³ of drinking water for distribution. With 20 new water connections and 23 new sewer connections, production was high.

B. WASTEWATER

The following are the performance results for the three Town wastewater treatment lagoons for 2023.

Lagoon	Treated Volumes (m ³)	Mg/litre Oxygen Demand (CBOD)	Mg/litre Suspended Solids (TSS)
KPARK	206,882	16	26.7
RENFORTH	238,615	3.5	2.8
FAIRVALE	3,245,480	17.1	20.5

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



11. ENVISION SAINT JOHN: THE REGIONAL GROWTH AGENCY

Always Moving Forward

Envision Saint John was born from a desire to have a single entity charged with fostering growth in our community and realizing that vision. Made up of the urban hub of the City of Saint John and the towns of Grand Bay-Westfield, Hampton, Quispamsis, Rothesay, and Fundy-St. Martins – each with their own identity yet sharing a common desire for sustainable growth. Now, we are working together collectively to attract growth with a singular purpose. Envision Saint John is strategically led by an independent Board of Directors made up of business and academic leaders along with municipal and provincial investor representatives.

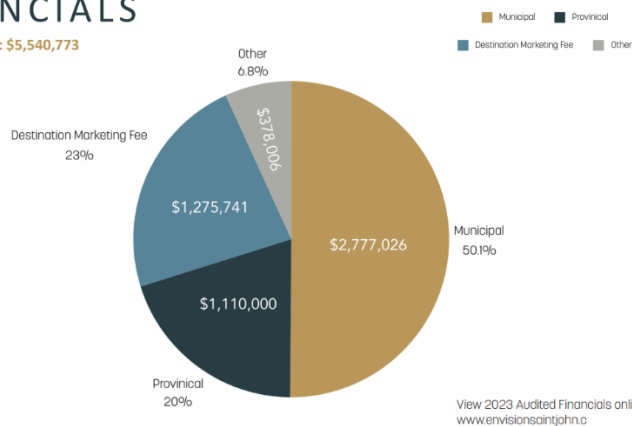
Beginning January 1, 2023, Envision Saint John: The Regional Growth Agency officially became the entity to deliver Economic Development and Tourism Promotion Services on behalf of the Fundy Region Service Commission.

Entering its third year of operations, the Agency focused on:

- Better defining and expanding strategic services
- Building out the team
- Operational improvements
- Stakeholder engagement

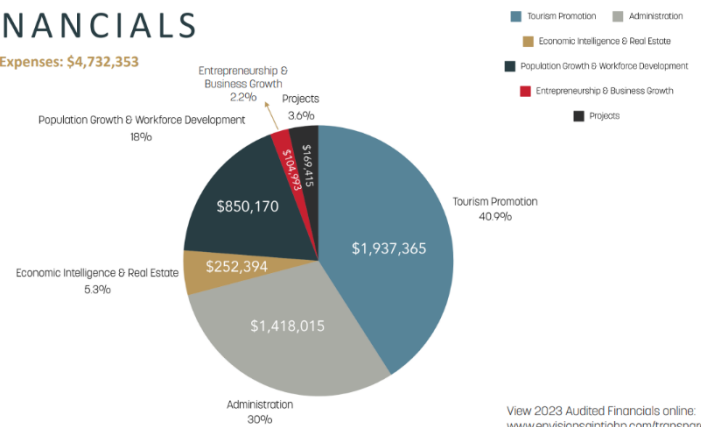
FINANCIALS

2023 Revenue: \$5,540,773



FINANCIALS

2023 Expenses: \$4,732,353



12. APPENDICES

C. DONATIONS

RECIPIENT	TYPE	FORM	AMOUNT \$	PURPOSE
KV3C	grant	in kind	2,500	Use of space in McGuire Centre
NB Medical Education Trust	grant	cash	5,000	Support for medical education
KV Food Basket	grant	cash	500	To offset operating cost
KV Food Bank via Quispamsis	grant	cash	7,000	To offset rental cost
St Joseph's Hospital Fdn	grant	cash	1,000	To support programs
You Can Ride Two)	grant	cash	500	To offset operating cost
Rothsay High School	grant	cash	1,000	Student scholarship
Rothsay High School	grant	cash	250	To support fundraiser
Gala Ballet Productions.	grant	cash	250	To offset operating cost
Shea family dance	grant	cash	500	To offset travel cost
Junior Achievement N.B.	grant	cash	300	To offset operating cost
Sophia Recovery Centre	grant	cash	5,000	To offset operating costs
KV Girls Softball	grant	cash	500	To support programs
Pro-Kids	grant	cash	7,500	To support programs
RNS Arts Show	grant	cash	500	To support donations
Saint John Seafarer's Mission.	grant	cash	200	To support programs
TOTAL			\$32,500	

D. REGULAR/SPECIAL/CLOSED COUNCIL MEETINGS ATTENDANCE 2023

Legend		Open	Closed Mtg/ Working Session	Mayor Nancy Grant	DM Matt Alexander	Counc. Peter Lewis	Counc. Tiffany Mackay French	Counc. Bill McGuire	Counc. Don Shea	Counc. Helen Boyle	Counc. Dave Brown
Present											
Absent											
Jan 9		√									
Jan 16 Public Hrg		√									
Jan 23 Public Mtg		√									
Feb 13		√									
Mar 13		√									
Apr 11		√									
May 8		√									
May 15 Public Hrg		√									
Jun 12		√									
Jul 10		√									
Aug 14		√									
Sep 11 PH		√									
Sep 11 Council		√									
Oct 10		√									
Oct 30 Budget		√									
Nov 14		√									
Nov 20 PH		√									
Dec 11		√									
Jan 9			√								

Jan 23 Working Session		√								
Feb 13		√								
Mar 13		√								
Mar 20 Wkg Sess.		√								
Apr 11		√								
May 8		√								
May 15 Wkg Sess.		√								
Jun 12		√								
Jul 10		√								
Aug 14		√								
Sep 5 Wkg Sess.		√								
Sep 11		√								
Oct 10		√								
Oct 16 Wkg Sess.		√								
Oct 30 Budget		√								
Nov 14		√								
Dec 11		√								

**Conflict of Interest (COI) declared*

Closed Committee Meetings

Finance Committee
 30 March 2023
 20 April 2023
 1 June 2023
 25 October 2023
 7 November 2023

Right to Information Response: 1

E. 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 - \$266
- Councillors - \$1,987

2023 COUNCIL EXPENSES	UMNB	FCM	TOTAL
D/Mayor Alexander	\$741		\$741
Councillor Shea	\$365		\$365
Councillor Mackay French		\$1,995	\$1,995
Councillor Boyle	\$365	\$3,852	\$4,217
Councillor Brown	\$365		\$365

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

F. 2023 EVENTS ATTENDED BY THE MAYOR AND COUNCIL

January 2023

Jan 16	Envision Announcement at New Brunswick Museum
Jan 17	Regional Chamber of Commerce Luncheon
Jan 24	Video for Trans Canada Trail
Jan 25	Building Safer Communities Funding Announcement
Jan 29	Chinese New Year Celebration

February 2023

Feb 1	Photo with Black History Month display at Kennebecasis Public Library (with Quispamsis Mayor O'Hara)
Feb 10	Cheque presentation to Rothesay High School
Feb 11	Winter Carnival in the Common
Feb 17	Cheque presentation to Sophia Recovery Centre
Feb 18	Rothesay Kings Rotary in the Common
Feb 23	Rothesay Netherwood School OMG Speaker Series
Feb 25	Rothesay Netherwood School Top of The Hill Dinner
Feb 26	Kennebecasis Regional Police Force Information Night at Harry Miller Middle School

March 2023

Mar 1	Harry Miller Middle School Cheer Regional
Mar 8	International Women's Day KV Celebration
Mar 29	Saint John Region Chamber of Commerce Luncheon: American Ambassador to Canada
Mar 30	YMCA Newcomers Employment Champions Gala

April 2023

Apr 2	Opening Ceremony: Canadian Masters Curling Championships
Apr 8	Guns "n" Hoses Charity Hockey Game
Apr 12	Saint John Region Chamber of Commerce Breakfast (Riverside Country Club)
Apr 26	Provincial Health Announcement at New Brunswick Education Trust

May 2023

May 7	Opening Ceremony Asian Heritage Month
May 10	Rothesay Service Recognition Awards
May 12	Rothesay Netherwood School Art Show

- May 17 Saint John Region Chamber of Commerce Mixer (New Brunswick Education Trust)
- May 19 University of New Brunswick Convocation Reception
- May 19 Kennebecasis Regional Police Force Community Barbecue
- May 27 Opening of Global Pet Foods Store – Deputy Mayor Alexander
- May 27 Walk for Guide Dogs – Deputy Mayor Alexander

June 2023

- June 1 Port Saint John Days
- June 3 Rothesay Ballet School Spring Recital
- June 12 Marigold Planting with Rothesay Elementary School
- June 15 Mayors' Tour of University of New Brunswick Saint John
- June 16 Marigold Planting with Kennebecasis Park Elementary School
- June 16 Rothesay Netherwood School Graduation
- June 17 Rothesay Netherwood School Dinner
- June 19 Dedication of new flagged in Veterans Memorial Park
- June 20 Rothesay Elementary School Grade 3 Tour of Town Hall
- June 20 Just Steps Graduation
- June 21 Lycée Français Tour of Rothesay
- June 22 Rothesay High School Graduation
- June 24 Official Opening of East Coast Games Softball
- June 24 Branch 58 Legion Lobster Supper Fundraiser
- June 27 Saint John Newcomers Centre Awards Presentation

July 2023

- July 1 Rothesay Canada Day Celebration
- July 22 Fundraiser for KV Domestic Violence Outreach
- July 27 Saint John Newcomers Centre Future Engage

August 2023

- Aug 4 Interview with New Canadians TV
- Aug 6 Saint John Newcomers Centre International Culturefest
- Aug 9 Appearance in KV Players "Something Rotten"
- Aug 9 Groundbreaking Ceremony for University of New Brunswick Saint John Health Initiative
- Aug 9 Draggin'Boat Derby for P.R.O. Kids
- Aug 17 Sophia Recovery Centre Tour of Premises
- Aug 23 Kennebecasis Public Library Train Celebration
- Aug 23 Diane Baker Art Opening

September 2023

- Sept 12 Opening of Wells Baseball Field
- Sept 15 United Way Campaign Kickoff

Sept 20 KV Quilt Show Gala
 Sept 28 New Brunswick Medical Education Trust – Counc. Mackay French

October 2023

Oct 1 International Culturefest – Rothesay in the Common
 Oct 27 Branch 58 Legion – First Poppy

November 2023

Nov 2 Recreation Master Plan Public Meeting
 Nov 3 Record Speakers' Series for Rothesay HIVE
 Nov 5 Anniversary Celebration – Our Lady of Perpetual Help
 Nov 7 Saint John Region Chamber of Commerce Outstanding Business Awards
 Nov 10 RUSI Pre Remembrance Day Dinner
 Nov 11 Remembrance Day Ceremony
 Nov 18 Kennebecasis Lions Lobster Takeout
 Nov 22 Tour of Kennebecasis Valley Fire Department Force Station #2
 Nov 23 Kennebecasis Regional Police Force Employees Service Awards
 Nov 25 Saint Andrews Society Dinner
 Nov 30 New Brunswick Emergency Measures Organization Presentation

December 2023

Dec 2 Rothesay HIVE Fashion Show
 Dec 8 Rothesay Netherwood School Carol Service

G. AUDITED FINANCIAL STATEMENTS

ROTHESAY
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2023

ROTHESAY**DECEMBER 31, 2023****CONTENTS**

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Consolidated Statement of Changes in Net Debt	5
Consolidated Statement of Cash Flows	6
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INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the consolidated financial statements of Rothesay (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2023, 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, 2023, 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, NB
April 8, 2024

ROTHESAY

CONSOLIDATED STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Budget (Note 27)	2023 Actual	2022 Actual
REVENUE			
Property tax warrant	\$ 20,123,778	\$ 20,123,774	\$ 18,181,510
Unconditional grant	104,778	104,782	130,972
Conditional government transfers (Note 28)	691,500	2,300,421	2,375,988
Services other governments	80,000	85,362	81,806
Sale of services (Note 28)	464,704	549,502	475,710
Other own source (Note 28)	98,008	312,954	967,681
Water and sewer user fees	3,373,243	3,360,101	3,163,226
Sundry income	<u>337,653</u>	<u>1,051,457</u>	<u>634,317</u>
	<u>25,273,664</u>	<u>27,888,353</u>	<u>26,011,210</u>
EXPENDITURE (Note 28)			
General government services	2,393,089	2,357,830	2,329,502
Protective services	5,959,132	5,911,655	5,574,528
Transportation services	5,902,740	6,667,119	6,996,434
Environmental health services	1,077,728	951,525	962,281
Environmental development services	829,950	567,039	568,112
Recreation and cultural services	3,446,311	3,454,222	3,185,894
Water and sewer services	<u>3,841,500</u>	<u>3,759,917</u>	<u>3,605,789</u>
	<u>23,450,450</u>	<u>23,669,307</u>	<u>23,222,540</u>
ANNUAL SURPLUS FOR THE YEAR	<u>\$ 1,823,214</u>	4,219,046	2,788,670
ACCUMULATED SURPLUS - BEGINNING OF YEAR		87,940,925	85,146,828
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES (Note 2)		<u>(14,729)</u>	<u>5,427</u>
ACCUMULATED SURPLUS - END OF YEAR		<u>\$ 92,145,242</u>	<u>\$ 87,940,925</u>

ROTHESAY


CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	\$ 11,224,515	\$ 10,324,104
Accounts receivable (Note 5)	2,303,966	1,550,159
Investments (Note 10)	<u>365,807</u>	<u>345,227</u>
	<u>\$ 13,894,288</u>	<u>\$ 12,219,490</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	\$ 3,710,330	\$ 2,832,770
Deferred revenue (Note 8)	3,845,393	3,592,555
Long term debt (Note 11)	12,783,202	13,059,967
Accrued pension (asset) obligation (Note 16)	(73,098)	10,152
Accrued sick leave (Note 15)	102,652	142,374
Accrued retirement allowance (Note 16)	<u>1,078,722</u>	<u>1,059,520</u>
	<u>21,447,201</u>	<u>20,697,338</u>
NET DEBT	<u>(7,552,913)</u>	<u>(8,477,848)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 21)	172,578,784	164,706,278
Accumulated amortization (Note 21)	<u>(73,058,909)</u>	<u>(68,357,353)</u>
	99,519,875	96,348,925
Inventory	142,001	35,691
Prepaid expenses	35,518	32,923
Unamortized debenture costs	<u>761</u>	<u>1,234</u>
	<u>99,698,155</u>	<u>96,418,773</u>
ACCUMULATED SURPLUS	<u>\$ 92,145,242</u>	<u>\$ 87,940,925</u>
CONTINGENT LIABILITY (Note 17)		
COMMITMENTS (Note 18)		

APPROVED BY:

 Mayor

 Town Treasurer

ROTHESAY

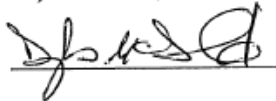
CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2023

	2023	2022
Annual surplus	\$ 4,219,046	\$ 2,788,670
Acquisition of tangible capital assets	(8,362,647)	(6,669,289)
Proceeds on disposal of tangible capital assets	11,782	-
Amortization of tangible capital assets	5,021,096	4,758,755
Change in ownership of tangible capital assets	15,472	(5,711)
Loss on disposal of tangible capital assets	<u>143,347</u>	<u>136,718</u>
	1,048,096	1,009,143
Acquisition of inventories	(142,001)	(35,691)
Acquisition of prepaid assets	(35,518)	(32,923)
Acquisition of unamortized debenture costs	(761)	(1,234)
Consumption of inventories	35,691	31,163
Use of prepaid assets	32,923	22,507
Consumption of unamortized debenture costs	<u>1,234</u>	<u>1,705</u>
	939,664	994,670
Change in ownership of controlled entities	<u>(14,729)</u>	<u>5,427</u>
Decrease in net debt	924,935	1,000,097
Net debt - beginning of year	<u>(8,477,848)</u>	<u>(9,477,945)</u>
Net debt - end of year	<u>\$ (7,552,913)</u>	<u>\$ (8,477,848)</u>

APPROVED BY:

 Mayor

 Town Treasurer

ROTHESAY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus	\$ 4,219,046	\$ 2,788,670
Loss on disposal of tangible capital assets	143,347	136,718
Amortization of tangible capital assets	5,021,096	4,758,755
Accounts receivable	(753,807)	(192,865)
Accounts payable and accrued liabilities	877,560	963,084
Deferred revenue	252,838	(390,081)
Accrued sick leave	(39,722)	(61,915)
Change in accrued pension obligation	(83,250)	(61,741)
Change in accrued retirement allowance	19,202	47,717
Change in inventory/prepaid expenses/unamortized debenture costs	(108,432)	(14,473)
	<u>9,547,878</u>	<u>7,973,869</u>
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(8,362,647)	(6,669,289)
Change in ownership of capital assets	15,472	(5,711)
Proceeds on disposal of tangible capital assets	<u>11,782</u>	<u>-</u>
	<u>(8,335,393)</u>	<u>(6,675,000)</u>
FINANCING TRANSACTION		
Long term debt (net)	<u>(276,765)</u>	<u>(1,375,251)</u>
INVESTING TRANSACTION		
Decrease in investments	<u>(20,580)</u>	<u>(54,799)</u>
CHANGE IN OWNERSHIP OF CONTROLLED ENTITIES	<u>(14,729)</u>	<u>5,427</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	900,411	(125,754)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>10,324,104</u>	<u>10,449,858</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 11,224,515</u>	<u>\$ 10,324,104</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. PURPOSE OF THE ORGANIZATION

Rothsay ("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, Rothsay 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:

- Rothsay
- 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:

	2023	2022
Kennebecasis Regional Joint Board of Police Commissioners	39.857%	40.05%
Kennebecasis Valley Fire Department Inc.	40.742%	40.93%
Kennebecasis Public Library	38.960%	38.99%

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

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, 2023

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

Budget

The budget figures contained in these consolidated financial statements were approved by Council on November 14, 2022 and the Director of Community Finances on November 28, 2022.

Financial Instruments

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

Cash and Cash Equivalents

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

Revenue Recognition

Unrestricted revenue is recorded on an accrual basis and is recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Other revenue is recorded when it is earned.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Measurement Uncertainty

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

Examples of significant estimates include:

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

Inventories

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

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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, 2023

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, 2023:

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, 2023

3. FINANCIAL INSTRUMENTS (cont'd)

Interest Rate Risk

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

4. CASH

	<u>2023</u>	<u>2022</u>
Unrestricted	\$ 1,407,263	\$ 2,313,833
Restricted - reserve funds (Note 25)	9,555,732	7,750,182
Restricted - controlled entities	<u>261,520</u>	<u>260,089</u>
	<u>\$ 11,224,515</u>	<u>\$ 10,324,104</u>

5. ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
Due from the Federal Government and its agencies (Note 6)	\$ 727,757	\$ 493,686
Due from the Province of New Brunswick (Note 7)	501,246	58,921
Water and sewer	895,981	892,549
Arena	67,523	53,574
Other	<u>111,459</u>	<u>51,429</u>
	<u>\$ 2,303,966</u>	<u>\$ 1,550,159</u>

6. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	<u>2023</u>	<u>2022</u>
Canada Revenue Agency (HST refund)	\$ 691,266	\$ 447,588
RCMP Secondments	<u>36,491</u>	<u>46,098</u>
	<u>\$ 727,757</u>	<u>\$ 493,686</u>

7. DUE FROM PROVINCE OF NEW BRUNSWICK

	<u>2023</u>	<u>2022</u>
Department of Transportation and Infrastructure	\$ 500,000	\$ 29,690
Department of Justice and Public Safety	<u>1,246</u>	<u>29,231</u>
	<u>\$ 501,246</u>	<u>\$ 58,921</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

8. DEFERRED REVENUE

	2023	2022
Government transfers - Gas Tax	\$ 3,817,006	\$ 3,580,543
Deferred revenue - Quispamsis	17,710	-
Deferred revenue - K-Park Levy (Note 14)	<u>10,677</u>	<u>12,012</u>
	<u>\$ 3,845,393</u>	<u>\$ 3,592,555</u>

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2023	2022
Accounts payable - trade	\$ 1,565,730	\$ 1,962,917
Bid deposits	129,050	129,050
Accrued interest	25,972	17,332
Accrued liabilities	<u>1,989,578</u>	<u>723,471</u>
	<u>\$ 3,710,330</u>	<u>\$ 2,832,770</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 loss on the investments at December 31, 2023 was \$1,415; (2022 - \$41,766). The investments are restricted for future payment of retirement benefits.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

11. LONG TERM DEBT

(a) General Capital Fund

	Balance January 1, 2023	Issued during year	Redeemed during year	Balance December 31, 2023
New Brunswick Municipal Financing Corporation				
Debentures:				
CD13 4.048% - 5.115%, due 2043, OIC # 22-0018	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
BG18 1.65% - 3.80%, due 2027, OIC # 10-12, 11-71, 99-77	15,000	-	1,000	14,000
BL26 1.2% - 3.7%, due 2034, OIC # 03-88, 11-71, 13-08	1,998,000	-	201,000	1,797,000
BN17 1.05% - 3.15%, due 2025, OIC # 10-12, 13-08	598,000	-	194,000	404,000
B019 1.45% - 3.50%, due 2031, OIC # 13-08	1,111,000	-	201,000	910,000
BX18 0.90% - 2.95%, due 2040, OIC # 19-0020	930,000	-	36,000	894,000
BY23 0.50% - 1.80%, due 2030, OIC # 19-0020	282,000	-	34,000	248,000
	<u>\$ 4,934,000</u>	<u>\$ 1,000,000</u>	<u>\$ 667,000</u>	<u>\$ 5,267,000</u>

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

2024 - \$714,000; 2025 - \$671,000; 2026 - \$475,000; 2027 - \$330,000; 2028 - \$330,000

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

11. LONG TERM DEBT (cont'd)

(b) Water and Sewer Capital Fund

	Balance January 1, 2023	Issued during year	Redeemed during year	Balance December 31, 2023
New Brunswick Municipal Financing Corporation				
Debentures:				
CA20 0.855% - 2.378%, due 2031, OIC # 00-0018	\$ 867,000	\$ -	\$ 90,000	\$ 777,000
BG19 1.65 - 3.80%, due 2027, OIC # 11-0045	379,000	-	14,000	365,000
BH23 1.35 - 3.80%, due 2032, OIC # 00-0018	409,000	-	35,000	374,000
BL27 1.2% - 3.7%, due 2034, OIC # 11-0045	810,000	-	27,000	783,000
BN18 1.05% - 3.15%, due 2025, OIC # 15-38	114,000	-	37,000	77,000
BP21 1.20% - 3.80%, due 2036, OIC # 18-0020	731,000	-	22,000	709,000
BR22 1.65% - 3.30%, due 2037, OIC # 15-0069	1,147,000	-	32,000	1,115,000
BU21 2.55% - 3.7%, due 2038, OIC # 15-0069, 96-006, 96-0072	1,070,000	-	84,000	986,000
BY24 0.50% - 2.60%, due 2040, OIC # 19-0020	<u>710,000</u>	<u>-</u>	<u>20,000</u>	<u>690,000</u>
	<u>6,237,000</u>	<u>-</u>	<u>361,000</u>	<u>5,876,000</u>

Canada Mortgage and Housing Corporation

CMHC 3.70%, due 2030 OIC # 09-119, 09-139, 10-012	<u>1,730,369</u>	<u>-</u>	<u>189,810</u>	<u>1,540,559</u>
	<u>\$ 7,967,369</u>	<u>\$ -</u>	<u>\$ 550,810</u>	<u>\$ 7,416,559</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 \$374,640 (2022 - \$410,926) 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:

2024 - \$565,708; 2025 - \$580,035; 2026 - \$560,639; 2027 - \$878,528; 2028 - \$577,715

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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

11. LONG TERM DEBT (cont'd)

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

	Balance January 1, 2023	Issued during year	Redeemed during year	Balance December 31, 2023
New Brunswick Municipal Financing Corporation				
Debentures:				
BL45 1.2% - 3.1%, due 2024, OIC # 02-66, 03-53	\$ 43,254	\$ -	\$ 21,124	\$ 22,130
BN35 1.05% - 3.15%, due 2025, OIC# 03-53	115,344	-	37,831	77,513
	<u>\$ 158,598</u>	<u>\$ -</u>	<u>\$ 58,955</u>	<u>\$ 99,643</u>

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

2024 - \$60,184; 2025 - \$39,459

Total Long term debt:

	2023	2022
General Capital Fund	\$ 5,267,000	\$ 4,934,000
Water and Sewer Capital Fund	7,416,559	7,967,369
Jointly Controlled Entity - KRJPC	<u>99,643</u>	<u>158,598</u>
	<u>\$ 12,783,202</u>	<u>\$ 13,059,967</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, 2023, the balance in this reserve was \$353,430 (2022 - \$319,717).

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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

Rothsay 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 3255, was performed for each plan, the 43 employee plan for Rothsay 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 Rothsay and 2.25% for KVFD;
- the discount rate used to determine the accrued benefit obligations is 2.54% for Rothsay and 1.99% for KVFD;
- retirement age is 65 for Rothsay 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 2023	2022
Rothsay	\$ 22,100	\$ -
KRJBPC	6,895	6,928
KVFD	<u>73,657</u>	<u>135,446</u>
	<u>\$ 102,652</u>	<u>\$ 142,374</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

16. POST EMPLOYMENT BENEFITS PAYABLE

Retirement Allowance Program

Rothsay'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, 2021, which used a discount rate of 2.54% 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, 2022, which used a discount rate of 4.52% and an annual salary increase rate of 3%.

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, 2022, which used a discount rate of 3.96% and an annual salary increase rate of 1.75% for one year, 6% for the next year and 2% thereafter.

The consolidated unfunded liability consist of:

	<u>2023</u>	<u>2022</u>
Rothsay	\$ 493,887	\$ 444,587
KVFD	246,269	268,748
KRJBPC	<u>338,566</u>	<u>346,185</u>
Balance at end of year	<u>\$ 1,078,722</u>	<u>\$ 1,059,520</u>

KVFD and KRJBPC have internally restricted funds for their liabilities.

Pension Obligation

Employees of Rothsay, 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, 2021 and resulted in an overall NB MEPP accrued benefit obligation of \$140,299,800 based on the accounting basis.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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, 2022:

- the expected inflation rate is 2.10% (prior 2.10%);
- the discount rate used to determine the accrued benefit obligation is 6.15% (prior 5.7%);
- the expected rate of return on assets is 6.15% (prior 5.7%);
- retirement age varies by age and employment category; and
- estimated average remaining service life (EARSLS) is 14.0 years (prior 14.0 years).

The actuarial valuation prepared as at December 31, 2021 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 surplus of \$1,294,100, a change of \$2,127,600 from the December 31, 2020 deficit of \$833,500. Based on the assumptions as at December 31, 2021, 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, 2021, the NB MEPP provides benefits for 310 retirees. Total benefits payments to retirees and terminating employees during 2023 are estimated to be approximately \$5,210,400 (actual 2022, \$6,836,300) 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 7.95%. 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 2023 are estimated to be approximately \$7,978,000 (actual 2022, \$7,988,500) 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, 2021);
- benefit payments were \$298,100 in 2022 and were estimated to be \$219,400 in 2023; and
- combined contributions were \$447,000 in 2022 and were estimated to be \$457,800 in 2023.

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 44.3 (2022- 43.3);
- benefit payments were \$557,200 in 2022 and were estimated to be \$549,100 in 2023; and
- combined contributions were \$669,400 in 2022 and were estimated to be \$689,400 in 2023.

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

- The average age of the 46 active employees covered by the NB MEPP is 44.3 (2022 - 44.5);
- benefit payments were \$526,100 in 2022 and were estimated to be \$526,100 in 2023; and
- combined contributions were \$865,700 in 2022 and were estimated to be \$825,800 in 2023.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

16. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

In addition to determining the position of the NB MEPP as it relates to Rothesay and the other controlled entities as at December 31, 2021 and December 31, 2022, NB MEPP's actuary performed an extrapolation of the December 31, 2022 accounting valuation to determine the estimated position as at December 31, 2023. The extrapolation assumes assumptions used as at December 31, 2023 remain unchanged from December 31, 2022. The extrapolation also assumes assets return 6.15%, net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Accrued Benefit Liability (Asset)		
Accrued benefit liability at beginning of period	\$ 10,152	\$ 224,000
Change in ownership percentage	(11)	(145,892)
Adjustment to actual	(36,128)	26,577
Pension expense for the year	486,796	406,024
Employer contributions	(533,907)	(500,557)
Accrued benefit liability (asset) at end of period	<u>\$ (73,098)</u>	<u>\$ 10,152</u>

In summary, the consolidated accrued benefit asset is estimated to be \$73,098 as at December 31, 2023. The December 31, 2022 liability was estimated in the prior year. The actual asset was calculated to be \$22,776. The difference of \$95,874 has been recorded in the current year. This amount is included in the post employment benefits payable on the consolidated statement of financial position.

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Rothesay	\$ (31,900)	\$ (26,700)
KVFD	18,986	72,937
KRJBPC	(60,184)	(36,085)
	<u>\$ (73,098)</u>	<u>\$ 10,152</u>

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

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	\$ 21,886,404	\$ 20,563,681
Plan assets	(20,131,491)	(18,616,154)
Plan deficit	1,754,913	1,947,527
Adjustment to actual	-	3,200
Unamortized experience gains	(1,828,011)	(1,973,503)
Accrued benefit liability at end of period	<u>\$ (73,098)</u>	<u>\$ (22,776)</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation at beginning of period	\$ 20,563,681	\$ 20,810,363
Change in ownership	(58,865)	17,899
Current service cost	769,734	864,364
Benefits payments	(652,802)	(736,865)
Interest for period	1,264,656	1,190,906
Experience gain during period	-	(1,582,986)
Accrued benefit obligation at end of period	<u>\$ 21,886,404</u>	<u>\$ 20,563,681</u>

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

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Plan Assets		
Plan assets at beginning of period	\$ 18,616,154	\$ 20,166,583
Change in ownership	(53,960)	17,451
Employer contributions	533,907	519,753
Employee contributions	533,907	547,945
Benefit payments	(652,802)	(736,865)
Return on plan assets during period	<u>1,154,285</u>	<u>(1,898,713)</u>
Plan assets at end of period	<u>\$ 20,131,491</u>	<u>\$ 18,616,154</u>

Total expense related to pensions include the following components:

	Estimated Jan 1, 2023 to Dec 31, 2023	Actual Jan 1, 2022 to Dec 31, 2022
Pension Expense		
Employer current service cost	\$ 235,827	\$ 316,419
Interest on accrued benefit obligation	1,264,655	1,190,906
Expected return on assets	(1,154,284)	(1,159,875)
Amortization of unrecognized balances		
Experience loss	<u>140,598</u>	<u>38,314</u>
Pension expense	<u>\$ 486,796</u>	<u>\$ 385,764</u>

The pension expense is included in the statement of operations.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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, 2023 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. COMMITMENTS

Solid Waste Collection, Transportation and Recycling Services

The Town has a two year contract for solid waste services. The contract expires on December 31, 2025. The minimum annual commitment for the next two years are as follows:

2024	\$536,800
2025	\$469,200

Snow Clearing Contract

During the year, the Town entered into a contract for snow clearing services from November 2023 to April 15, 2027. The minimum annual commitment for the next four years are as follows:

2024	\$874,365
2025	\$874,365
2026	\$874,365
2027	\$874,365

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 2023, the Town has complied with these restrictions.

Capital Funds

At December 31, 2023, there was \$329,500 short term funds (2022 - nil) borrowed from other funds and no short-term funds (2022 - nil) borrowed from a financial institution to provide interim funding for capital projects in the General Capital Fund.

At December 31, 2023, there was \$515,000 short-term funds (2022 - \$150,000) borrowed from other funds and no short-term funds (2022 - nil) borrowed from a financial institution to provide interim funding for capital projects in the Utility Capital Fund.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

19. SHORT TERM BORROWING (cont'd)

Interim Borrowing Capital Funds

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

General Capital Fund, OIC # 22-0018	\$ 250,000
General Capital Fund, OIC # 23-0015	<u>2,400,000</u>
	<u>\$ 2,650,000</u>
Utility Capital Fund, OIC # 21-0061	\$ 800,000
Utility Capital Fund, OIC # 23-0068	<u>10,000,000</u>
	<u>\$ 10,800,000</u>

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:

	2023	2022
2023 Surplus	\$ 40,521	\$ -
2022 Surplus	33,993	33,993
2021 Surplus	<u>-</u>	<u>41,757</u>
	<u>\$ 74,514</u>	<u>\$ 75,750</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

21. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings and Leasehold Improvements	Machinery and Equipment	Vehicles	Infrastructure			Subtotal	Assets Under Construction	2023 Total	2022 Total
						Roads and Streets	Storm Sewer	Water Sewer				
COST												
Balance - beginning of year	\$ 4,929,747	\$ 9,568,701	\$ 13,512,502	\$ 6,386,284	\$ 5,962,536	\$ 42,562,787	\$ 21,171,973	\$ 29,367,288	\$ 26,453,413	\$ 162,915,231	\$ 1,791,047	\$ 164,706,278
Change in ownership	(664)	(396)	(15,245)	(8,657)	(3,452)	-	-	-	-	(28,414)	-	11,028
Add: Net additions during the year	-	294,028	3,944,504	83,809	285,220	1,274,830	766,000	560,000	1,177,876	8,366,267	(23,620)	8,362,647
Less: Disposals during the year	-	-	-	(52,508)	(41,701)	(205,272)	(163,246)	-	-	(461,722)	-	(947,664)
Balance - end of year	<u>\$ 4,929,083</u>	<u>\$ 9,862,333</u>	<u>\$ 17,441,761</u>	<u>\$ 6,408,028</u>	<u>\$ 6,202,603</u>	<u>\$ 46,632,345</u>	<u>\$ 21,775,727</u>	<u>\$ 29,927,288</u>	<u>\$ 27,631,289</u>	<u>\$ 170,811,357</u>	<u>\$ 1,767,427</u>	<u>\$ 172,578,784</u>
ACCUMULATED AMORTIZATION												
Balance - beginning of year	-	5,204,561	5,639,699	3,973,018	3,340,509	22,866,244	8,134,679	9,388,543	9,810,100	68,357,353	-	64,414,227
Change in ownership	-	(148)	(5,879)	(4,589)	(2,326)	-	-	-	-	(12,942)	-	5,317
Add: Amortization during the year	-	392,073	533,033	493,387	549,240	1,458,225	360,641	701,085	533,412	5,021,096	-	5,021,096
Less: Accumulated amortization on disposals	-	-	-	(50,115)	(29,349)	(143,009)	(84,124)	-	-	(306,598)	-	(820,346)
Balance - end of year	<u>-</u>	<u>\$ 5,586,486</u>	<u>\$ 6,166,853</u>	<u>\$ 4,411,701</u>	<u>\$ 3,858,074</u>	<u>\$ 24,181,460</u>	<u>\$ 8,411,195</u>	<u>\$ 10,089,628</u>	<u>\$ 10,343,512</u>	<u>\$ 73,058,909</u>	<u>-</u>	<u>\$ 73,058,909</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 4,929,083</u>	<u>\$ 4,265,847</u>	<u>\$ 11,274,908</u>	<u>\$ 1,997,227</u>	<u>\$ 2,344,529</u>	<u>\$ 22,450,885</u>	<u>\$ 13,364,532</u>	<u>\$ 19,837,660</u>	<u>\$ 17,287,777</u>	<u>\$ 97,752,448</u>	<u>\$ 1,767,427</u>	<u>\$ 99,519,875</u>
Consists of:												
General Fund Assets	\$ 4,559,421	\$ 4,128,709	\$ 6,431,453	\$ 1,105,910	\$ 1,588,180	\$ 22,258,735	\$ 13,364,532	\$ -	\$ -	\$ 53,436,940	\$ 889,415	\$ 54,326,355
Utility Fund Assets	119,971	-	1,015,923	58,724	347,509	192,150	-	19,837,660	17,287,777	38,859,714	878,012	39,737,726
Controlled Entities	249,691	137,138	3,827,532	832,593	408,840	-	-	-	-	5,455,794	-	4,521,291
	<u>\$ 4,929,083</u>	<u>\$ 4,265,847</u>	<u>\$ 11,274,908</u>	<u>\$ 1,997,227</u>	<u>\$ 2,344,529</u>	<u>\$ 22,450,885</u>	<u>\$ 13,364,532</u>	<u>\$ 19,837,660</u>	<u>\$ 17,287,777</u>	<u>\$ 97,752,448</u>	<u>\$ 1,767,427</u>	<u>\$ 99,519,875</u>

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ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

22. SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR JOINTLY CONTROLLED ENTITIES

	Land	Land Improvements	Buildings	Vehicles	Machinery and Equipment	Assets Under Construction	2023 Total	2022 Total
COST								
Balance - beginning of year	\$ 230,353	\$ 164,446	\$ 4,897,410	\$ 1,864,108	\$ 902,420	\$ -	\$ 8,078,637	\$ 7,104,439
Change in ownership	(664)	(396)	(15,245)	(8,657)	(3,452)	-	(28,414)	11,028
Add: Net additions during the year	-	67,206	918,159	83,809	239,209	-	1,308,382	968,945
Less: Disposals during the year	-	-	-	(52,508)	(41,701)	-	(94,209)	(5,775)
Balance - end of year	<u>249,691</u>	<u>231,256</u>	<u>5,880,324</u>	<u>1,886,752</u>	<u>1,096,476</u>	<u>-</u>	<u>9,264,396</u>	<u>8,078,637</u>
ACCUMULATED AMORTIZATION								
Balance - beginning of year	-	82,827	1,842,169	987,711	644,741	-	3,557,346	3,235,578
Change in ownership	-	(148)	(5,879)	(4,589)	(2,326)	-	(12,942)	5,317
Add: Amortization during the year	-	11,439	136,502	121,152	74,570	-	343,663	322,226
Less: Accumulated amortization on disposals	-	-	-	(50,115)	(29,349)	-	(79,465)	(5,775)
Balance - end of year	<u>-</u>	<u>94,118</u>	<u>1,972,792</u>	<u>1,054,159</u>	<u>687,636</u>	<u>-</u>	<u>3,808,602</u>	<u>3,557,346</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$ 249,691</u>	<u>\$ 137,138</u>	<u>\$ 3,827,532</u>	<u>\$ 832,593</u>	<u>\$ 408,840</u>	<u>\$ -</u>	<u>\$ 5,455,794</u>	<u>\$ 4,521,291</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

23. SCHEDULE OF SEGMENT DISCLOSURE

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2023 Consolidated	2022 Consolidated
REVENUE									
Property tax warrant	\$ 3,069,238	\$ 7,447,878	\$ 4,355,496	\$ 1,283,254	\$ 995,709	\$ 2,972,199	\$ -	\$ 20,123,774	\$ 18,181,510
Sale of service	123,165	-	-	-	-	426,337	-	549,502	475,710
Services provided to other governments	-	-	85,362	-	-	-	-	85,362	81,806
Other own source	56,086	1,400	4,708	-	250,760	-	-	312,954	967,681
Unconditional grant	15,981	38,780	22,679	6,682	5,184	15,476	-	104,782	130,972
Conditional government transfers	76,003	-	1,110,000	-	-	692,958	421,460	2,300,421	2,375,988
Water and sewer user fees	-	-	-	-	-	-	3,360,101	3,360,101	3,163,226
Sundry and interest	495,456	324,336	-	-	-	7,372	124,293	1,051,457	634,317
	<u>3,935,929</u>	<u>7,812,394</u>	<u>5,578,245</u>	<u>1,289,936</u>	<u>1,251,653</u>	<u>4,114,342</u>	<u>3,905,854</u>	<u>27,888,353</u>	<u>26,011,210</u>
EXPENDITURE									
Salaries and benefits	1,074,232	4,985,528	1,151,830	-	279,354	1,233,850	543,884	9,268,678	7,920,984
Goods and services	1,111,084	649,789	2,940,372	951,525	287,685	1,256,173	1,554,222	8,750,770	9,927,032
Interest	6,909	22,492	67,135	-	-	82,906	251,255	430,697	431,747
Other	54,720	2,963	140,384	-	-	-	-	198,067	184,022
Amortization	110,965	250,883	2,367,398	-	-	881,293	1,410,556	5,021,095	4,758,755
	<u>2,357,830</u>	<u>5,911,653</u>	<u>6,667,119</u>	<u>951,525</u>	<u>567,039</u>	<u>3,454,222</u>	<u>3,759,017</u>	<u>23,669,307</u>	<u>23,222,540</u>
Surplus (deficit) for the year	<u>\$ 1,578,099</u>	<u>\$ 1,900,739</u>	<u>\$ (1,088,874)</u>	<u>\$ 338,411</u>	<u>\$ 684,614</u>	<u>\$ 660,120</u>	<u>\$ 145,937</u>	<u>\$ 4,219,046</u>	<u>\$ 2,788,670</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

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
2023 annual surplus (deficit)	\$ 5,400,488	\$ (3,222,342)	\$ 1,922,410	\$ (1,420,504)	\$ 38,834	\$ 290,940	\$ 5,328	\$ 53,280	\$ 1,150,619	\$ 4,219,046
Adjustments to annual surplus										
Surplus (deficit) for funding requirements										
Second previous year's surplus	274,070	-	41,757	-	-	-	-	-	141,468	457,295
Transfers between funds										
Transfer elimination	19,550	-	-	-	-	(19,550)	-	-	-	-
Transfer elimination	(150,715)	-	-	-	-	150,715	-	-	-	-
Transfer elimination	(875,000)	-	(150,000)	-	-	875,000	-	150,000	-	-
Transfer elimination	(7,206)	-	-	-	-	7,206	-	-	-	-
Transfer elimination	640,000	-	-	-	-	(640,000)	-	-	-	-
Transfer elimination	(876,461)	-	-	-	-	876,461	-	-	-	-
Transfer elimination	-	-	(5,686)	-	-	-	-	5,686	-	-
Transfer elimination	-	-	(11,650)	-	-	-	-	11,650	-	-
Transfer elimination	(3,879,371)	3,879,371	(1,205,500)	1,205,500	-	-	-	-	-	-
Long term debt principal repayment	(667,000)	667,000	(550,810)	550,810	-	-	-	-	-	-
Provision for retirement allowance	-	-	-	-	-	-	-	-	(54,581)	(54,581)
Provision for pension asset	(5,200)	-	-	-	-	-	-	-	(77,889)	(83,089)
Provision for sick leave accrual	-	-	-	-	-	-	-	-	(61,167)	(61,167)
Accumulated amortization on disposal of capital assets	-	(227,134)	-	-	-	-	-	-	(79,465)	(306,599)
Deferred Gas tax revenue	236,461	-	-	-	-	-	-	-	-	236,461
Unrealized loss on Investments	-	-	-	-	-	-	-	-	1,415	1,415
Amortization expense	-	3,266,877	-	1,410,556	-	-	-	-	343,663	5,021,096
Total adjustments to 2023 annual surplus (deficit)	(5,280,872)	7,586,114	(1,881,889)	3,166,866	-	1,249,832	-	167,336	213,444	\$ 2,10,831
2023 annual surplus for funding requirements	\$ 109,616	\$ 4,363,765	\$ 40,521	\$ 1,746,362	\$ 38,834	\$ 1,540,772	\$ 5,328	\$ 220,616	\$ 1,364,063	\$ 9,429,877

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ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

25. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Utility Operating Reserve	Utility Capital Reserve	Land for Public Purpose	2023 Total	2022 Total
ASSETS							
Cash and short term investments	\$ 956,471	\$ 7,220,800	\$ -	\$ 1,378,461	\$ -	\$ 9,555,732	\$ 7,750,182
Accounts receivable from other funds	-	(167,542)	113,813	(113,813)	167,542	-	-
	<u>\$ 956,471</u>	<u>\$ 7,053,258</u>	<u>\$ 113,813</u>	<u>\$ 1,264,648</u>	<u>\$ 167,542</u>	<u>\$ 9,555,732</u>	<u>\$ 7,750,182</u>
ACCUMULATED SURPLUS	<u>\$ 956,471</u>	<u>\$ 7,053,258</u>	<u>\$ 113,813</u>	<u>\$ 1,264,648</u>	<u>\$ 167,542</u>	<u>\$ 9,555,732</u>	<u>\$ 7,750,182</u>
REVENUE							
Other government transfers	\$ -	\$ 876,461	\$ -	\$ -	\$ -	\$ 876,461	\$ 839,941
Transfers from Operating Funds	-	1,025,715	-	167,336	7,206	1,200,257	249,492
Interest	<u>38,834</u>	<u>283,415</u>	<u>5,328</u>	<u>53,280</u>	<u>7,525</u>	<u>388,382</u>	<u>158,001</u>
	<u>38,834</u>	<u>2,185,591</u>	<u>5,328</u>	<u>220,616</u>	<u>14,731</u>	<u>2,465,100</u>	<u>1,247,434</u>
EXPENDITURES							
Transfers to General Operating Fund	-	19,550	-	-	-	19,550	-
Transfer to General Capital Fund	-	640,000	-	-	-	640,000	900,000
Transfers to Water and Sewer Capital Fund	-	-	-	-	-	-	550,000
	-	<u>659,550</u>	-	-	-	<u>659,550</u>	<u>1,450,000</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ 38,834</u>	<u>\$ 1,526,041</u>	<u>\$ 5,328</u>	<u>\$ 220,616</u>	<u>\$ 14,731</u>	<u>\$ 1,805,550</u>	<u>\$ (202,566)</u>

Included in the General Capital Reserve Fund is \$4,554,032 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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

25. STATEMENT OF RESERVES (cont'd)

Council Resolutions regarding transfers to and from reserves:

Date Enacted December 11, 2023

MOVED by Deputy Mayor Alexander and seconded by Counc. Boyle the Gas Tax Funding in the amount of \$876,461.00 for the year 2023, be transferred to the General Capital Reserve Fund (Gas Tax).

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Boyle the sum of \$640,000.00 be transferred from the General Capital Reserve Fund (Gas Tax) to the General Operating Fund to cover the costs of Capital projects.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. McGuire the sum of \$19,550.00 be transferred from the Town Hall Capital Reserve to the General Operating Fund to cover the costs of 2023 expenditures.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Brown that the sum of \$150,715.00 be transferred from the General Operating Fund to the General Capital Reserve Fund to cover the costs of 2023 Regional Facility Capital expenditures.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Boyle that the sum of \$875,000.00 be transferred from the General Operating Fund to the General Capital Reserve Fund to cover the costs of 2023 Capital projects carried forward to 2024.

CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. Lewis \$150,000.00 be transferred from the Utility Operating Fund to the Utility Capital Reserve Fund for water and sewer connection fees.

CARRIED.


MOVED by Deputy Mayor Alexander and seconded by Counc. 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.

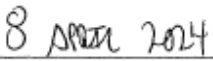
CARRIED.

MOVED by Deputy Mayor Alexander and seconded by Counc. McGuire that \$11,650.00 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 11, 2023.


Town Clerk


Date

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

26. STATEMENT OF JOINTLY CONTROLLED ENTITIES OPERATIONS

	KV Fire	Police	Library	2023 Total	2022 Total
ASSETS	\$ 3,793,247	\$ 1,693,031	\$ 1,386,636	\$ 6,872,914	\$ 6,018,023
LIABILITIES	\$ 726,822	\$ 610,632	\$ 21,645	\$ 1,359,099	\$ 1,641,174
ACCUMULATED SURPLUS	\$ 3,066,425	\$ 1,082,399	\$ 1,364,991	\$ 5,513,815	\$ 4,376,849
REVENUE	\$ 3,462,569	\$ 3,547,350	\$ 99,813	\$ 7,109,732	\$ 6,422,701
EXPENDITURES	2,437,443	3,337,824	186,001	5,961,268	5,727,980
	1,025,126	209,526	(86,188)	1,148,464	694,721
CHANGE IN OWNERSHIP	(9,387)	(4,227)	36,051	22,437	5,427
ANNUAL SURPLUS (DEFICIT)	\$ 1,015,739	\$ 205,299	\$ (50,137)	\$ 1,170,901	\$ 700,148

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.

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

27. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Transfers	Total
REVENUE						
Property tax warrant	\$ 20,123,778	\$ -	\$ -	\$ -	\$ -	\$ 20,123,778
Unconditional transfers from other governments	104,778	-	-	-	-	104,778
Conditional transfers from Federal or Provincial governments	51,500	-	-	-	640,000	691,500
Services other governments	80,000	-	-	-	-	80,000
Other own source	110,008	-	-	-	(12,000)	98,008
Sale of services	464,704	-	-	-	-	464,704
Other transfers	522,500	-	-	-	(522,500)	-
Water and sewer user fees	-	3,733,243	-	-	(360,000)	3,373,243
Sundry income	32,000	80,000	-	225,653	-	337,653
Surplus of second previous year	274,070	41,757	-	-	(315,827)	-
	<u>21,763,338</u>	<u>3,855,000</u>	<u>-</u>	<u>225,653</u>	<u>(570,327)</u>	<u>25,273,664</u>
EXPENDITURES						
General government services	2,577,668	-	110,000	-	(294,579)	2,393,089
Protective services	6,255,025	-	250,884	(222,015)	(324,762)	5,959,132
Transportation services	3,637,919	-	2,370,000	-	(125,179)	5,902,740
Environmental health services	1,077,728	-	-	-	-	1,077,728
Environmental development services	836,236	-	-	-	(6,286)	829,950
Recreation and cultural services	2,496,171	-	872,779	4,993	72,368	3,446,311
Fiscal services						
Long term debt repayments	667,000	548,497	-	-	(1,215,497)	-
Interest	195,591	254,803	-	-	(450,394)	-
Transfer from General Operating Fund to General Operating Reserve Fund	250,000	-	-	-	(250,000)	-
Transfer from General Operating Fund to General Capital Fund	3,750,000	-	-	-	(3,750,000)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Reserve Fund	-	875,000	-	-	(875,000)	-
Water and Sewer	<u>-</u>	<u>2,176,700</u>	<u>1,410,000</u>	<u>-</u>	<u>254,800</u>	<u>3,841,500</u>
	<u>21,763,338</u>	<u>3,855,000</u>	<u>5,013,663</u>	<u>(217,022)</u>	<u>(6,964,529)</u>	<u>23,450,450</u>
Surplus (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,013,663)</u>	<u>\$ 442,675</u>	<u>\$ 6,394,202</u>	<u>\$ 1,823,214</u>

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ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

28. REVENUE AND EXPENDITURES SUPPORT

	2023 Budget	2023 Actual	2022 Actual
REVENUE			
Sale of services			
Community Centre	\$ 21,200	\$ 44,175	\$ 23,240
Rental revenue	121,104	130,742	96,414
Recreational programs	310,400	362,162	327,246
HIVE programs	<u>12,000</u>	<u>12,423</u>	<u>28,810</u>
	<u>\$ 464,704</u>	<u>\$ 549,502</u>	<u>\$ 475,710</u>
Other own source			
Permits and fines	\$ 82,500	\$ 252,160	\$ 175,838
Contributions by developers	-	48,255	645,068
Local improvement levy	4,708	4,708	4,708
Miscellaneous	<u>10,800</u>	<u>7,831</u>	<u>142,067</u>
	<u>\$ 98,008</u>	<u>\$ 312,954</u>	<u>\$ 967,681</u>
Conditional government transfers			
Government of Canada	\$ 50,000	\$ 62,196	\$ 35,728
Atlantic Canada Opportunities Agency	-	366,803	-
Province of New Brunswick	-	1,229,502	1,188,580
Gas Tax revenue	640,000	640,000	1,150,000
Canada Day grants	<u>1,500</u>	<u>1,920</u>	<u>1,680</u>
	<u>\$ 691,500</u>	<u>\$ 2,300,421</u>	<u>\$ 2,375,988</u>
EXPENDITURE			
General government services			
Legislative			
Mayor	\$ 47,000	\$ 41,143	\$ 41,421
Councillors	135,100	132,458	130,639
Fundy Regional Service Commission	15,075	15,076	5,239
Other	<u>13,500</u>	<u>8,793</u>	<u>6,768</u>
	<u>210,675</u>	<u>197,470</u>	<u>184,067</u>
Administrative			
Administration	876,110	847,966	818,911
Office building	177,750	207,059	183,120
Solicitor	50,000	38,525	19,030
Supplies	44,000	31,007	28,801
Information systems	99,000	114,665	200,506
Other	<u>110,000</u>	<u>126,814</u>	<u>117,202</u>
	<u>1,356,860</u>	<u>1,366,036</u>	<u>1,367,570</u>
Financial management			
Professional fees	<u>35,000</u>	<u>11,732</u>	<u>31,155</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Budget	2023 Actual	2022 Actual
General government services (cont'd)			
Other			
Civic relations	1,000	2,026	60
Covid-19	-	-	6,697
Community communications	8,525	6,310	6,393
Insurance	282,462	278,436	254,475
Property tax - land for public purposes	16,000	17,410	17,824
Grants to organizations	36,500	22,703	28,628
Fox Farm Road rental expenses	4,000	13,297	10,446
Cost of assessment	324,536	324,536	293,934
Interest	7,531	6,909	2,294
Amortization	<u>110,000</u>	<u>110,965</u>	<u>125,959</u>
	<u>790,554</u>	<u>782,592</u>	<u>746,710</u>
	<u>\$ 2,393,089</u>	<u>\$ 2,357,830</u>	<u>\$ 2,329,502</u>
Protective services			
Fire			
Administration	\$ 331,010	\$ 427,530	\$ 342,752
Firefighting force	1,660,471	1,657,272	1,709,809
Telecommunications	95,176	94,610	86,895
Insurance	24,928	27,682	23,626
Prevention and training	31,208	41,605	21,746
Facilities	88,546	85,109	75,242
Fleet	43,003	55,395	45,916
Operations	28,927	29,486	29,476
Water costs	14,038	14,038	13,692
Retirement allowance	(27,284)	(27,284)	21,683
Other	1,630	1,410	1,003
Loss on disposal of tangible capital assets	4,680	4,680	-
Amortization	<u>133,303</u>	<u>133,303</u>	<u>130,573</u>
	<u>2,429,636</u>	<u>2,544,836</u>	<u>2,502,413</u>
Crimestoppers	<u>2,800</u>	<u>2,800</u>	<u>2,800</u>
Police			
Crime Control	2,520,969	2,329,403	2,074,445
Vehicle Fleet	92,109	82,785	79,221
Property	90,830	92,842	106,782
Administration	512,655	563,369	509,613
Retirement allowance	37,983	35,238	34,779
Communications	113,354	116,946	109,942
Unrealized loss on investments	1,415	1,415	41,766
Gain on disposal of tangible capital assets	(1,717)	(1,717)	-
Amortization	<u>117,581</u>	<u>117,581</u>	<u>98,373</u>
	<u>3,485,179</u>	<u>3,337,862</u>	<u>3,054,921</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Budget	2023 Actual	2022 Actual
Protective services (cont'd)			
Other			
Emergency measures	500	-	116
Animal control	5,000	3,665	2,970
Interest	24,517	22,492	1,562
Other	<u>11,500</u>	<u>-</u>	<u>9,746</u>
	<u>41,517</u>	<u>26,157</u>	<u>14,394</u>
	<u>\$ 5,959,132</u>	<u>\$ 5,911,655</u>	<u>\$ 5,574,528</u>
Transportation services			
Common			
Wages and benefits	\$ 1,348,760	\$ 1,146,027	\$ 1,048,733
Workshop, yard and equipment maintenance	756,350	840,000	679,635
Engineering	<u>7,500</u>	<u>17,841</u>	<u>50,957</u>
	<u>2,112,610</u>	<u>2,003,868</u>	<u>1,779,325</u>
Roads and Streets			
Roadway surfaces	65,000	71,547	99,985
Designated highway surfacing	-	695,000	1,243,657
Storm water and traffic studies	-	-	130,885
Crosswalks and sidewalks	17,300	16,075	17,820
Culverts and drainage ditches	40,000	37,698	36,632
Storm sewers	40,000	67,828	90,995
Street cleaning	45,000	17,611	50,996
Snow and ice removal	810,000	864,561	684,756
Street lighting	145,000	151,763	148,728
Street signs	10,000	9,361	12,823
Traffic lane marking	35,000	32,120	33,279
Traffic signals and signs	10,000	23,325	9,679
Railway crossing signals	25,000	22,167	19,375
Public transit - Comex Service	89,652	76,692	78,088
Flood costs	15,000	2,586	616
Interest	73,178	67,135	65,777
Loss on disposal of tangible capital assets	-	140,384	136,718
Amortization	<u>2,370,000</u>	<u>2,367,398</u>	<u>2,356,300</u>
	<u>3,790,130</u>	<u>4,663,251</u>	<u>5,217,109</u>
	<u>\$ 5,902,740</u>	<u>\$ 6,667,119</u>	<u>\$ 6,996,434</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Budget	2023 Actual	2022 Actual
Environmental health services			
Solid waste disposal	\$ 224,280	\$ 235,704	\$ 213,639
Solid waste compost	38,448	32,067	31,469
Solid waste collection	771,000	647,103	682,657
Curbside recycling	4,000	-	3,093
Clean up campaign	<u>40,000</u>	<u>36,651</u>	<u>31,423</u>
	<u>\$ 1,077,728</u>	<u>\$ 951,525</u>	<u>\$ 962,281</u>
Environmental development services			
Environmental planning and zoning	\$ 620,000	\$ 360,407	\$ 376,112
Envision SJ	191,950	191,576	192,000
Tourism	<u>18,000</u>	<u>15,056</u>	<u>-</u>
	<u>\$ 829,950</u>	<u>\$ 567,039</u>	<u>\$ 568,112</u>
Recreation and cultural services			
Administration	\$ 399,000	\$ 446,319	\$ 383,924
Beaches	53,500	59,872	48,766
Rothsay Arena	349,000	404,921	406,862
Memorial Centre	67,850	90,068	48,856
Summer programs	72,100	81,385	65,551
Rothsay Common	52,950	73,095	40,034
Parks and gardens	691,725	679,071	624,734
Regional Facilities Commission	511,534	376,800	430,117
Kennebecasis Public Library Inc	90,005	88,557	92,198
Special events	40,000	40,557	28,492
HIVE programs	14,000	10,133	9,794
Playgrounds and fields	134,000	126,775	116,583
Living museum	-	315	-
PRO Kids	7,500	7,500	-
Wells canopy	-	4,655	-
Interest	90,368	82,906	92,121
Amortization	<u>872,779</u>	<u>881,293</u>	<u>797,862</u>
	<u>\$ 3,446,311</u>	<u>\$ 3,454,222</u>	<u>\$ 3,185,894</u>
Water and sewer services			
Water System			
Administration	\$ 500,000	\$ 453,134	\$ 470,644
Purification maintenance and treatment	536,000	547,287	518,785
Source of supply - purchase of water	1,200	785	1,605
Transmission and distribution	110,000	83,477	86,464
Power and pumping	51,000	53,208	49,779
Billing and collecting	<u>5,000</u>	<u>2,123</u>	<u>3,875</u>
	<u>1,203,200</u>	<u>1,140,014</u>	<u>1,131,152</u>

ROTHESAY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023

28. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Budget	2023 Actual	2022 Actual
Sewer System			
Administration	688,500	688,523	661,335
Sewer collection system	105,000	89,274	98,420
Sewer lift stations	77,000	62,037	47,593
Treatment and disposal	<u>103,000</u>	<u>118,258</u>	<u>147,611</u>
	<u>973,500</u>	<u>958,092</u>	<u>954,959</u>
Interest	254,800	251,255	269,993
Amortization	<u>1,410,000</u>	<u>1,410,556</u>	<u>1,249,685</u>
	<u>1,664,800</u>	<u>1,661,811</u>	<u>1,519,678</u>
	<u>\$ 3,841,500</u>	<u>\$ 3,759,917</u>	<u>\$ 3,605,789</u>

H. 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 totalling \$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.