

TANTRAMAR
FINANCIAL STATEMENTS
DECEMBER 31, 2024

INDEX

	<u>Page</u>
Management's Responsibility for Financial Reporting	1
Independent Auditors' Report	2 - 3
FINANCIAL STATEMENTS	
Statement of Operations and Accumulated Surplus	4
Statement of Financial Position	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 21
Schedule 1 - Schedule of Segment Disclosures	22 - 23
Schedule 2 - Schedule of Revenues	24
Schedule 3 - Schedule of Expenses	25 - 27
Schedules of Regulatory Reporting Requirements	28 - 31

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of Tantramar (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in the notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with certainty until future periods.


The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Baker Tilly GMA LLP, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion of the Town's financial statements.



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Michael Beal



Assistant Treasurer
Elizabeth Hartling

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INDEPENDENT AUDITORS' REPORT

To His Worship the Mayor and Members of Town Council of Tantramar:

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Tantramar ("the Town"), which comprise the statement of financial position as at December 31, 2024 and the statements of operations and accumulated surplus, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Tantramar as at December 31, 2024, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis of 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management are responsible for the preparation and fair presentation of the financial statements in accordance with Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

Identify and assess the risks of material misstatement of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Town to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Riverview, N.B.
June 20, 2025

Baka Tilly CPA LLP
Chartered Professional Accountants

TANTRAMAR
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 PSA Budget	2024 Actual	2023 Actual
Revenue (Schedule 2)			
Property tax warrant	\$ 15,433,428	\$ 15,433,428	\$ 14,189,867
Unconditional transfers from the Provincial Government	137,344	137,344	167,338
Other contributions and government transfers	4,008,916	5,339,862	5,835,655
Sales of services	633,700	770,827	898,815
Other revenue from own sources	526,488	884,710	944,668
Water and sewer revenue	<u>2,205,303</u>	<u>2,298,723</u>	<u>2,159,011</u>
Total revenue	<u>22,945,179</u>	<u>24,864,894</u>	<u>24,195,354</u>
Expenses (Schedule 3)			
General government services	2,601,099	2,369,086	2,326,693
Protective services	4,405,489	3,874,709	3,416,696
Transportation services	2,745,894	5,783,394	3,849,577
Environmental health and development services	2,043,770	1,730,746	1,582,900
Recreation and cultural services	1,748,059	1,828,521	1,551,689
Water supply	1,179,859	1,180,375	991,026
Sewer collection and disposal	625,887	593,998	557,788
Amortization of tangible capital assets (Note 10)	3,100,360	3,100,360	3,008,865
Interest expense and miscellaneous	<u>262,385</u>	<u>212,152</u>	<u>246,594</u>
Total expenses	<u>18,712,802</u>	<u>20,673,341</u>	<u>17,531,828</u>
Annual surplus	<u>4,232,377</u>	<u>4,191,553</u>	<u>6,663,526</u>
Accumulated surplus at beginning of year, before surplus from amalgamation	59,820,490	59,820,490	48,805,103
Accumulated surplus from amalgamation	<u>-</u>	<u>-</u>	<u>4,351,861</u>
Accumulated surplus at beginning of year	<u>59,820,490</u>	<u>59,820,490</u>	<u>53,156,964</u>
Accumulated surplus at end of year	\$ <u>64,052,867</u>	\$ <u>64,012,043</u>	\$ <u>59,820,490</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

TANTRAMAR
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash in bank (Note 3)	\$ 9,763,016	\$ 6,853,349
Receivables (Note 4)	2,477,937	4,198,461
Pension asset (Note 9)	<u>68,500</u>	<u>48,600</u>
	<u>12,309,453</u>	<u>11,100,410</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	\$ 3,984,451	\$ 4,774,720
Deferred government transfers (Note 6)	291,221	214,380
Long-term debt (Note 7)	<u>7,653,000</u>	<u>8,579,000</u>
	<u>11,928,672</u>	<u>13,568,100</u>
Net assets (debt)	<u>380,781</u>	<u>(2,467,690)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	118,848,805	114,899,372
Accumulated amortization (Note 10)	<u>(55,663,080)</u>	<u>(53,053,026)</u>
	63,185,725	61,846,346
Inventories of materials and supplies	434,267	427,755
Prepaid expenses and deposits	<u>11,270</u>	<u>14,079</u>
	<u>63,631,262</u>	<u>62,288,180</u>
Accumulated surplus	<u>\$ 64,012,043</u>	<u>\$ 59,820,490</u>

COMMITMENTS (NOTE 13)

CONTINGENCIES (NOTE 14)

APPROVED BY:

Andrew Black Mayor

[Signature] ASSISTANT Clerk

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

TANTRAMAR
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024 PSA Budget	2024	2023
Annual surplus	\$ <u>4,232,377</u>	\$ <u>4,191,553</u>	\$ <u>6,663,526</u>
Acquisition of tangible capital assets	(7,238,145)	(4,631,294)	(7,897,773)
Amortization of tangible capital assets	3,100,360	3,100,360	3,008,865
Gain (loss) on sale of tangible capital assets	-	(15,816)	28,075
Proceeds on sale of tangible capital assets	-	81,851	38,747
Transfer of assets under construction	<u>-</u>	<u>125,520</u>	<u>473,895</u>
	<u>(4,137,785)</u>	<u>(1,339,379)</u>	<u>(4,348,191)</u>
Change in inventories of materials and supplies	-	(6,512)	(40,882)
Change in prepaid expenses and deposits	<u>-</u>	<u>2,809</u>	<u>(9,799)</u>
	<u>-</u>	<u>(3,703)</u>	<u>(50,681)</u>
Reduction in net debt	<u>94,592</u>	<u>2,848,471</u>	<u>2,264,654</u>
Net assets (debt) before amalgamation	(2,467,690)	(2,467,690)	(4,802,676)
Net debt on amalgamation	<u>-</u>	<u>-</u>	<u>70,332</u>
Net debt at beginning of year	<u>(2,467,690)</u>	<u>(2,467,690)</u>	<u>(4,732,344)</u>
Net assets (debt) at end of year	\$ <u>(2,373,098)</u>	\$ <u>380,781</u>	\$ <u>(2,467,690)</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

TANTRAMAR
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	2024	2023
Operating transactions		
Annual surplus	\$ 4,191,553	\$ 6,663,526
Amortization of tangible capital assets	3,100,360	3,008,865
Gain (loss) on disposal of tangible capital assets	(15,816)	28,075
Change in accrued pension	(19,900)	(16,600)
Change in receivables	1,720,524	(2,877,944)
Change in accounts payable and accrued liabilities	(790,269)	2,548,992
Change in inventories of materials and supplies	(6,512)	(40,882)
Change in prepaid expenses and deposits	<u>2,809</u>	<u>(9,799)</u>
Cash provided by operating transactions	<u>8,182,749</u>	<u>9,304,233</u>
Capital transactions		
Acquisition of tangible capital assets	(4,631,294)	(7,897,773)
Change in assets under construction	125,520	473,895
Change in deferred government transfers	76,841	(252,876)
Proceeds on sale of tangible capital assets	<u>81,851</u>	<u>38,747</u>
Cash applied to capital transactions	<u>(4,347,082)</u>	<u>(7,638,007)</u>
Investing transactions		
Financing transactions		
Proceeds from long-term debt issue	343,000	149,000
Long-term debt repayment	<u>(1,269,000)</u>	<u>(1,292,000)</u>
Cash applied to financing transactions	<u>(926,000)</u>	<u>(1,143,000)</u>
Increase in cash and cash equivalents	2,909,667	523,226
Cash on amalgamation	-	859,056
Cash and cash equivalents at beginning of year	<u>6,853,349</u>	<u>5,471,067</u>
Cash and cash equivalents at end of year	\$ <u>9,763,016</u>	\$ <u>6,853,349</u>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of these financial statements.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

Purpose of organization

Tantramar (the "Town") is incorporated and operates under the provisions of the Province of New Brunswick Local Governance Act. As a Town, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act as a Public Service Body. The Town is as a result of an amalgamation of the Municipality of the Town of Sackville, the Village of Dorchester and all or part of three Local Service Districts (Sackville LSD - North, Sackville LSD - South and Pointe-de-Bute LSD).

The Town provides municipal services such as police, fire, public works, engineering, parks and recreation, community development and other general government operations.

1. Adoption of new and revised standards and interpretations

There are no Public Sector standards that are not yet effective that would be expected to have a material impact on the Town's future financial statements.

2. Summary of significant accounting policies

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

The focus of Public Sector Accounting financial statements is on the financial position of the Town and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Town.

The significant aspects of the accounting policies adopted by the Town are as follows:

(a) Reporting entity

These financial statements reflect the assets, liabilities, revenues, expenditures and changes in net assets 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 controlled by the Town.

Interdepartmental and organizational transactions and balances are eliminated.

(b) Budget

The budget figures contained in these financial statements were approved by Council on November 14, 2023 and the Minister of Local Government approved the Operating budgets on December 7, 2023

(c) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts 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 annual surplus in the period in which they become known. Actual results may differ from those estimates. Estimates are used when accounting for certain items such as allowance for doubtful accounts and the useful life of tangible capital assets.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. Summary of significant accounting policies (continued)

(d) Financial instruments

Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred. Financial instruments consist of cash in bank, receivables, pension assets/liabilities, investments, accounts payable and accrued liabilities, long-term debt and accrued retirement allowances.

Subsequent measurement

At each reporting date, the Town measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The Town does not measure any assets or liabilities at fair value. The Town uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of operations. The financial instruments measured at amortized costs are cash in bank, receivables, pension assets/liabilities, investments, accounts payable and accrued liabilities, long-term debt and accrued retirement allowances.

For financial assets measured at cost or amortized cost, the Town regularly assesses whether there are any indications of impairment. If there is impairment, and the Town determines there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, credit, liquidity or market risk arising from financial instruments.

(e) Cash and cash equivalents

Cash and cash equivalents are comprised of cash on hand, demand deposits and short term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired. In addition, all funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenues until used for the purpose specified.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. Summary of significant accounting policies (continued)

(g) Employee future benefits

The Town and its employees contribute to two pension plans, one for the former employees of the Village of Dorchester, which is a defined benefit pension plan and one for the former employees of the Municipality of the Town of Sackville, which is a defined contribution plan. Details of these plans are seen in Note 9.

Employees may carry forward unused sick leave throughout their employment. This sick leave vests to the employees as detailed in Note 8, and as such the Town is required to compensate employees for unused amounts upon leaving employment with the Town.

(h) Non-financial assets

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

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 is amortized on a straight line basis over the estimated useful life as follows:

Land	Not amortized
Land improvements	5 - 25 years
Buildings	20 - 60 years
Vehicles and equipment	5 - 25 years
Roads, streets, sidewalks and culverts	10 - 50 years
Water and sewer pipes	30 - 100 years

Assets under construction

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

Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value, and as revenue at the date of receipt. Fair value is determined by the Town's engineering staff using current expected construction costs of similar assets.

Inventories of materials and supplies

Inventories of materials and supplies consist mainly of parts and road maintenance materials, and are valued at the lower of cost and net realizable value.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. Summary of significant accounting policies (continued)

(i) Reserve funds

Under the Province of New Brunswick Local Governance Act, Council may establish discretionary reserves for each type of its operating and capital funds. In addition, the Community Planning Act requires that a statutory Land Reserve be established and maintained for the purpose of acquiring and developing land held for public purposes.

Certain amounts, as approved by Town Council, are set aside in reserve funds for future operating and capital purposes. Transfers to and from reserve funds are recorded as an adjustment to accumulated surplus of that fund. Note 2 included in the Schedules of Regulatory Reporting Requirements is included to show the reserve fund balances as supplementary information.

(j) 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, road and street maintenance, street lighting, traffic services, parking and other transportation related functions.

Environmental health services and development services

This department is responsible for the provision of waste collection and disposal, 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 swimming pools, arena, parks and playgrounds and other recreational and cultural facilities.

Water supply and wastewater collection and disposal

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. Summary of significant accounting policies (continued)

(k) Revenue recognition

Warrant revenue represents an annual property tax levy administered and collected by the Province of New Brunswick on behalf of all New Brunswick Municipalities for municipal services.

Sale of services and other charge revenue including sales of services, licences and permits, fines, other, and water and wastewater are recorded on an accrual basis and recognized as earned, which is usually when services are provided or facilities are utilized.

Other revenues are recorded when they are earned, and collection is reasonably assured.

(l) Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, provided the transfers are authorized, all eligibility criteria or stipulations have been met and reasonable estimates of the amounts can be made. Transfers received for which the above have not been met are included in deferred government transfers. Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized.

(m) Expense recognition

Expenses are recognized in the period that the goods and services were acquired and a liability was incurred. Expenses are recorded on an accrual basis.

(n) Liability for contaminated sites and asset retirement obligation

Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Town is directly responsible or accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

Management has reviewed potential sites where a material liability may exist and has concluded there is no known material liability at this time.

Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b) The past transaction or event giving rise to the liability has occurred;
- c) It is expected that future economic benefits will be given up; and
- d) A reasonable estimate of the amount can be made.

Management has reviewed potential sites where a material liability may exist and has concluded there is no known material liability at this time.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

3. Cash in bank

	2024	2023
Cash - restricted	\$ 9,015,035	\$ 7,277,307
Cash (overdraft) - unrestricted	<u>747,981</u>	<u>(423,958)</u>
	<u>\$ 9,763,016</u>	<u>\$ 6,853,349</u>

Restricted cash

The Town has restricted cash balances which consist of amounts included in Reserve funds, which can only be accessed through Council Resolution.

Restricted cash is as follows:

	2024	2023
Gas Tax Fund	\$ 294,273	\$ 492,244
General Operating Reserve	551,421	431,456
General Capital Reserve	6,013,219	4,677,048
General Parkland Reserve	1,462	1,398
Utility Operating Reserve	42,095	21,102
Utility Capital Reserve	<u>2,112,565</u>	<u>1,654,059</u>
	<u>\$ 9,015,035</u>	<u>\$ 7,277,307</u>

4. Receivables

	2024	2023
<u>General</u>		
Trade receivables - General operating	\$ 280,531	\$ 228,560
Water and sewer receivables - Utility operating	189,710	230,651
Water and sewer accruals - Utility operating	535,354	545,355
Water and sewer non-connected accounts - Utility operating	236,817	412,144
Allowance for doubtful accounts	<u>(302,473)</u>	<u>(393,039)</u>
	<u>939,939</u>	<u>1,023,671</u>
<u>Federal Government</u>		
Canada Revenue Agency (HST refundable)	771,419	1,296,274
Atlantic Canada Opportunities Agency (ACOA)	<u>-</u>	<u>25,237</u>
	<u>771,419</u>	<u>1,321,511</u>
<u>Provincial Government</u>		
Capital grants and other receivable	766,579	382,020
Designated highway funding	<u>-</u>	<u>1,471,259</u>
	<u>766,579</u>	<u>1,853,279</u>
	<u>\$ 2,477,937</u>	<u>\$ 4,198,461</u>

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

5. Accounts payable and accrued liabilities

	2024	2023
Accounts payable	\$ 3,193,136	\$ 3,668,836
Contractors' holdbacks	781,902	1,085,467
Accrued interest on long-term debt	<u>9,413</u>	<u>20,417</u>
	<u>\$ 3,984,451</u>	<u>\$ 4,774,720</u>

6. Deferred government transfers

Deferred government transfers represent amounts held at year end to be applied to approved projects. These deferred contributions consist of Gas Tax Funds of \$291,221 (2023 - \$214,380).

7. Long-term debt

New Brunswick Municipal Finance Corporation

Interest rates	Due date	Debenture/OIC #	2024	2023
1.15% to 3.45%	2024	BK-12, 11-0033, 12-0007, 13-0020	\$ -	\$ 41,000
0.95% to 2.80%	2025	BM-16, 13-0020, 14-0006	137,000	270,000
0.95% to 2.80%	2025	BM-17, 14-0006	10,000	20,000
1.45% to 2.90%	2026	BO-20, 14-0006, 15-0006	51,000	76,000
1.45% to 2.90%	2026	BO-21, 14-0006, 14-0014, 15-0006	75,000	111,000
1.45% to 2.90%	2026	BO-37, 04-0007	77,000	114,000
1.20% to 2.70%	2027	BQ-17, 14-0014, 15-0006, 16-0010	96,000	126,000
2.10% to 3.45%	2028	BT-15, 16-0010, 16-0072, 17-0015	293,000	361,000
2.00% to 2.85%	2029	BV-14, 16-0010	138,000	164,000
2.00% to 2.85%	2029	BV-15, 17-0015, 18-0002	99,000	139,000
0.90% to 2.05%	2030	BX-19, 09-0012, 18-0002, 19-0008	105,000	165,000
0.30% to 2.30%	2031	BZ-19, 09-0012, 19-0008, 20-0002	327,000	431,000
2.00%	2032	FCM 10346 1-2012, 10-0061	4,131,000	4,603,000
3.00% to 4.08%	2032	CB-12, 20-0002, 21-0001	256,000	283,000
4.05% to 5.12%	2033	CD-17, 20-0002, 21-0001	137,000	149,000
1.55% to 4.15%	2034	BK-11, 10-0061, 11-0033, 12-0007, 13-0020	1,214,000	1,350,000
0.30% to 2.70%	2036	BZ-28, 17-0088, 20-0045	164,000	176,000
3.36% to 3.96%	2034	CG 24, 22-0001, 23-0054	<u>343,000</u>	<u>-</u>
			<u>\$ 7,653,000</u>	<u>\$ 8,579,000</u>

All of the long-term debt above has annual principal payments ranging from \$10,000 to \$481,000 per debenture in 2025 and semi-annual interest payments.

The above debentures outstanding by fund are as follows:

Utility Capital Fund	\$ 1,818,000	\$ 1,940,000
General Capital Fund	<u>5,835,000</u>	<u>6,639,000</u>
	<u>\$ 7,653,000</u>	<u>\$ 8,579,000</u>

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

7. Long-term debt (continued)

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

2025	1,223,000
2026	1,049,000
2027	887,000
2028	872,000
2029	817,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debenture debt reported and all the long-term debt has been approved by Order-in-Council of the Provincial Legislature.

8. Accrued sick leave obligation

The town and its employees operate under a collective bargaining agreement with CUPE Local 1188 effective from December 1, 2023 to December 31, 2027.

Under the terms of the contract with the employees, the Town is required to pay each employee a percentage of their accumulated unused sick leave up to a maximum of 120 days, on termination of employment. The amount of this sick leave, which has vested to the employees is as follows:

	2024	2023
General Operating Fund	\$ 508,037	\$ 449,307
Utility Operating Fund	<u>61,844</u>	<u>54,072</u>
	<u>\$ 569,881</u>	<u>\$ 503,379</u>

The amounts above have been included in accounts payable and accrued liabilities in Note 5.

9. Post Employment Benefits:

Defined Contribution Pension Plan

Under the terms of the contract with the employees (former Sackville Employees), the Town is part of a defined contribution pension plan. Employees' contributions are matched by the Town and fully funded in the year the obligations are incurred. The pension plan is administered and maintained by Great-West Life. The Town has no other obligations in the future under this plan.

Pension Asset

The Town and its employees (former Dorchester employees) 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. The actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as of December 31, 2021 and resulted in an overall NB MEPP accrued benefit obligation of \$140,299,800 on the accounting basis.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

9. Post Employment Benefits (continued):

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% per annum

The discount rate used to determine the accrued benefit obligation is 6.05% per annum

The expected rate of return on assets is 6.05% per annum, net of fees and expenses

Retirement age varies by age and employment category

The estimated average remaining service life (EARS�) is 14.0 years

The actuarial valuation prepared as at December 31, 2022 indicated that the market value of net assets available for the accumulated plan benefits were less than the present value of these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a plan deficit of \$12,228,600, a change of \$13,522,700 from the December 31, 2021 surplus of \$1,294,100. Based on the assumptions as at December 31, 2022, the actuary expects the level of employer and employee contributions to be sufficient to fund the current service cost and going concern special payments, as required by the Pension Benefits Act.

As at December 31, 2022, the NB MEPP provides benefits to 325 retirees. Total benefit payments to retirees and terminating employees during 2024 are estimated to be approximately \$5,440,900 (actual 2023 - \$7,516,800) 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 participating body contributes an amount that equals their employees contribution amounts. Pension Fund Assets are invested in Short Term Securities, Bonds, Canadian Equities, Real Estate, Infrastructure, and Foreign Equities. Combined Employees and participating bodies' contributions for 2024 are estimated to be approximately \$9,335,000 (actual 2023 - \$9,159,600) in totality for the NB MEPP.

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

The average age of the 3 active employees covered by the NB MEPP is 48 (as at December 31, 2022)

Benefit payments were \$21,000 in 2023 and were estimated to be \$21,000 in 2024.

Combined contributions were \$39,800 in 2023 and were estimated to be \$41,000 in 2024.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

9. Post Employment Benefits (continued):

In addition to determining the position of the NB MEPP as it relates to the Town as at December 31, 2022 and December 31, 2023, NB MEPP's actuary performed an extrapolation of the December 31, 2023 accounting valuation to determine the estimated position as at December 31, 2024. The extrapolation assumes assumptions used as at December 31, 2024 remain unchanged from December 31, 2023. The extrapolation also assumes assets return 6.05% net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experiences. Results of the extrapolation are as follows:

	Estimated 2024	Actual 2023
Accrued benefit asset (liability)		
Fair market value of plan assets	\$ 394,200	\$ 340,900
Accrued benefit obligation	<u>(363,900)</u>	<u>(344,600)</u>
Funded status	30,300	(3,700)
Unamortized actuarial losses	<u>38,200</u>	<u>52,300</u>
Accounting pension asset	<u>\$ 68,500</u>	<u>\$ 48,600</u>
Pension Expenses		
Current service cost	\$ 600	\$ 4,800
Interest on accrued benefit obligation	20,800	19,900
Expected return on assets	(21,900)	(18,300)
Experience loss	<u>2,900</u>	<u>4,000</u>
Pension expense	<u>\$ 2,400</u>	<u>\$ 10,400</u>

In summary, the accrued benefit asset as it relates to the Town is estimated to be \$68,500 as at December 31, 2024. This compares to an asset of \$39,000 as of January 1, 2023 and an asset of \$48,600 as at December 31, 2023. This amount is included in the post employment benefits receivable on the Statement of Financial Position.

TANTRAMAR
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
DECEMBER 31, 2024

10. Schedule of Tangible Capital Assets

	General Fund					Water and Sewer Fund		
	Land	Land Improvements	Buildings	Assets Under Construction	Vehicles and Equipment	Roads Streets Sidewalks Culverts	Water and Sewer Buildings	Water and Sewer Pipes
Cost								
Balance, beginning of year	\$ 1,483,615	\$ 4,837,280	\$ 23,644,542	5,207,003	\$ 9,844,462	\$ 32,828,533	\$ 9,580,943	\$ 27,472,994
Add:								
Additions	39,800	80,357	226,828	1,823,721	1,951,798	303,624	205,166	-
Less:								
Disposals	-	-	-	(125,520)	(513,759)	-	-	(42,582)
Balance, end of year	<u>1,523,415</u>	<u>4,917,637</u>	<u>23,871,370</u>	<u>6,905,204</u>	<u>11,282,501</u>	<u>33,132,157</u>	<u>9,786,109</u>	<u>27,430,412</u>
Accumulated amortization								
Balance, beginning of year	-	2,958,334	11,362,779	-	4,805,695	14,597,519	5,330,822	13,997,877
Add:								
Amortization during the year	-	184,214	749,230	-	503,049	1,027,107	220,867	415,893
Less:								
Disposals	-	-	-	-	(489,774)	-	-	(532)
Balance, end of year	<u>-</u>	<u>3,142,548</u>	<u>12,112,009</u>	<u>-</u>	<u>4,818,970</u>	<u>15,624,626</u>	<u>5,551,689</u>	<u>14,413,238</u>
Asset net book value	<u>\$ 1,523,415</u>	<u>\$ 1,775,089</u>	<u>\$ 11,759,361</u>	<u>\$ 6,905,204</u>	<u>\$ 6,463,531</u>	<u>\$ 17,507,531</u>	<u>\$ 4,234,420</u>	<u>\$ 13,017,174</u>
								<u>\$ 63,165,725</u>

TANTRAMAR
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION
DECEMBER 31, 2024

10. Schedule of Tangible Capital Assets (continued)

	General Fund					Water and Sewer Fund		
	Land	Land Improvements	Buildings	Assets Under Construction	Vehicles and Equipment	Roads Streets Sidewalks Culverts	Water and Sewer Buildings	Water and Sewer Pipes
Cost								
Balance, beginning of year	\$ 1,322,185	\$ 4,182,850	\$ 22,858,735	258,384	\$ 7,802,158	\$ 29,339,720	\$ 9,195,572	\$ 23,744,019
Add:								
Additions	-	183,409	154,789	5,422,514	934,726	633,158	95,282	473,895
Transfer on amalgamation	161,430	471,021	631,018	-	1,411,015	2,855,655	290,089	3,330,023
Less:								
Disposals	-	-	-	(473,895)	(303,437)	-	-	(74,943)
Balance, end of year	<u>1,483,615</u>	<u>4,837,280</u>	<u>23,644,542</u>	<u>5,207,003</u>	<u>9,844,462</u>	<u>32,828,533</u>	<u>9,580,943</u>	<u>27,472,994</u>
Accumulated amortization								
Balance, beginning of year	-	2,408,238	10,223,891	-	3,865,365	12,531,283	4,900,288	11,555,136
Add:								
Amortization during the year	-	174,709	791,703	-	437,612	986,147	207,475	411,219
Transfer on amalgamation	-	375,387	347,185	-	791,791	1,080,089	223,059	2,054,005
Less:								
Disposals	-	-	-	-	(289,073)	-	-	(22,483)
Balance, end of year	<u>-</u>	<u>2,958,334</u>	<u>11,362,779</u>	<u>-</u>	<u>4,805,695</u>	<u>14,597,519</u>	<u>5,330,822</u>	<u>13,997,877</u>
Asset net book value	<u>\$ 1,483,615</u>	<u>\$ 1,878,946</u>	<u>\$ 12,281,763</u>	<u>\$ 5,207,003</u>	<u>\$ 5,038,767</u>	<u>\$ 18,231,014</u>	<u>\$ 4,250,121</u>	<u>\$ 13,475,117</u>
								<u>\$ 61,846,346</u>

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

11. Short-term borrowings compliance

Interim borrowing for capital

Bank overdrafts are amounts due to the bank with a limit of \$5,097,120 and interest payable on a monthly basis at prime (at December 31, 2024 - 5.45%) These amounts are secured by resolutions signed by the Municipal Capital Borrowing Board, Province of New Brunswick. Under the resolutions, the Town has Orders in Council (OIC) amounts available of \$7,296,000 and \$2,113,000 for the General Capital and Utility Capital Funds respectively.

		General Capital	Utility Capital	Total
OIC# 22-0001	January 10, 2022	\$ 800,000	\$ 301,000	\$ 1,101,000
OIC# 22-0032	April 14, 2022	5,496,000	-	5,496,000
OIC# 23-0054	June 21, 2023	1,000,000	212,000	1,212,000
OIC# 23-0061	August 16, 2023	-	1,050,000	1,050,000
OIC# 24-0003	January 8, 2024	<u>-</u>	<u>550,000</u>	<u>550,000</u>
		<u>\$ 7,296,000</u>	<u>\$ 2,113,000</u>	<u>\$ 9,409,000</u>

As at December 31, 2024 the Town's temporary advances net of amounts receivable in the general and utility capital funds were within the limits prescribed by with the Province of New Brunswick Local Governance Act.

Operating borrowing

As prescribed in the Province of New Brunswick Local Governance Act, the borrowing to finance its General Fund operations is limited to 4% of the Town's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the Town's operating budget.

The outstanding amounts of borrowings and overdrafts in operating funds were as follows:

General Operating	Utility Operating
\$ <u>NIL</u>	\$ <u>NIL</u>

In 2024 the Town has complied with these restrictions.

Inter-fund borrowing

The Municipal Financial Reporting Manual 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.

TANTRAMAR
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024

12. Financial Instrument Risk

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town has exposure to credit risk in its receivables. The Town reduces exposure to this risk by conducting a thorough assessment of debtors prior to granting credit and actively monitors the financial health of its debtors on an ongoing basis. For deferred local improvement receivables and water and sewer receivables, the owner of the properties are required to satisfy these receivables prior to transferring the property to another owner. As a result, exposure risk of these receivables is low. In management's opinion, credit risk exposure to the Town is low and has not changed significantly from the previous fiscal year. The Town's maximum exposure to credit risk is \$2,477,937 (2023 - \$4,198,461).

Liquidity Risk

Liquidity risk arises from the potential that the Town will not be able to meet all cash outflow obligations as they come due. The Town has exposure to liquidity risk in its accounts payable and current year long-term debt payments. The Town reduces exposure to this risk by monitoring cash activities and expected outflows and maintains a line of credit sufficient to assist in discharging its short-term financial obligations. In management's opinion, liquidity risk exposure to the Town is low and has not changed significantly from the previous fiscal year.

The maturity analysis of long-term debt is noted in Note 7. Other financial instruments have no specific maturity date.

13. Commitments

The Town has entered into a number of multi-year contracts for delivery of services, the construction of assets and other expenditures. None of these multi-year contracts involve a high-degree of speculative risk, are abnormal in relation to the financial position or usual business operations and govern the level of any type of expenditure for a considerable period into the future. These contract obligations will become financial liabilities in the future when the terms of the contract are met.

14. Contingencies

In the normal course of the Town's activities, the Town is subject to a number of claims and litigations. The Town intends to defend and negotiate such claims and litigations. The eventual outcome of these claims and litigations are not determinable at year end.

TANTRAMAR

**SCHEDULE OF SEGMENT DISCLOSURES
DECEMBER 31, 2024**

Schedule 1

	General Government	Protective	Transportation	Environmental Health & Development	Recreational and Cultural	Water & Sewer	Total 2024
Revenue							
Property tax warrant	\$ 2,827,262	\$ 5,535,156	\$ 3,241,769	\$ 2,021,976	\$ 1,807,265	\$ -	\$ 15,433,428
Unconditional transfers from the Provincial Government	25,160	49,258	28,849	17,994	16,083	-	137,344
Other contributions and government transfers	11	20,464	4,825,614	-	-	493,773	5,339,862
Sales of services	-	340,500	21,030	-	409,297	-	770,827
Other revenue from own sources	680,002	13,700	-	-	-	191,008	884,710
Water and sewer revenue	-	-	-	-	-	2,298,723	2,298,723
Total revenue	<u>3,532,435</u>	<u>5,959,078</u>	<u>8,117,262</u>	<u>2,039,970</u>	<u>2,232,645</u>	<u>2,983,504</u>	<u>24,864,894</u>
Expenses							
Salaries and benefits	1,092,395	565,441	1,153,857	448,347	908,320	1,010,754	5,179,114
Goods and services	1,271,962	3,309,266	4,627,199	1,244,291	960,177	768,820	12,181,715
Amortization, disposals and transfers	680,711	145,008	1,301,693	-	265,336	707,612	3,100,360
Interest	<u>8,773</u>	<u>147,569</u>	<u>3,986</u>	<u>-</u>	<u>4,702</u>	<u>47,122</u>	<u>212,152</u>
	<u>3,053,841</u>	<u>4,167,284</u>	<u>7,086,735</u>	<u>1,692,638</u>	<u>2,138,535</u>	<u>2,534,308</u>	<u>20,673,341</u>
Surplus	<u>\$ 478,594</u>	<u>\$ 1,791,794</u>	<u>\$ 1,030,527</u>	<u>\$ 347,332</u>	<u>\$ 94,110</u>	<u>\$ 449,196</u>	<u>\$ 4,191,553</u>

TANTRAMAR

**SCHEDULE OF SEGMENT DISCLOSURES
DECEMBER 31, 2024**

Schedule 1

	<u>General Government</u>	<u>Protective</u>	<u>Transportation</u>	<u>Environmental Health & Development</u>	<u>Recreational and Cultural</u>	<u>Water & Sewer</u>	<u>Total 2023</u>
Revenue							
Property tax warrant	\$ 2,980,461	\$ 4,805,947	\$ 3,290,542	\$ 1,579,184	\$ 1,533,733	\$ -	\$ 14,189,867
Unconditional transfers from the Provincial Government	35,148	56,675	38,805	18,623	18,087	-	167,338
Other contributions and government transfers	-	28,532	5,724,930	-	-	82,193	5,835,655
Sales of services	-	340,500	26,163	-	532,152	-	898,815
Other revenue from own sources	803,766	8,710	-	-	-	132,192	944,668
Water and sewer revenue	-	-	-	-	-	2,159,011	2,159,011
Total revenue	<u>3,819,375</u>	<u>5,240,364</u>	<u>9,080,440</u>	<u>1,597,807</u>	<u>2,083,972</u>	<u>2,373,396</u>	<u>24,195,354</u>
Expenses							
Salaries and benefits	1,006,204	489,619	1,045,525	457,249	699,746	923,826	4,622,169
Goods and services	1,343,574	2,927,078	2,804,051	1,065,026	885,133	629,338	9,654,200
Amortization, disposals and transfers	707,561	148,530	1,214,688	-	250,453	687,633	3,008,865
Interest	<u>8,668</u>	<u>170,014</u>	<u>5,142</u>	<u>6,803</u>	<u>-</u>	<u>55,967</u>	<u>246,594</u>
	<u>3,066,007</u>	<u>3,735,241</u>	<u>5,069,406</u>	<u>1,529,078</u>	<u>1,835,332</u>	<u>2,296,764</u>	<u>17,531,828</u>
Surplus	<u>\$ 753,368</u>	<u>\$ 1,505,123</u>	<u>\$ 4,011,034</u>	<u>\$ 68,729</u>	<u>\$ 248,640</u>	<u>\$ 76,632</u>	<u>\$ 6,663,526</u>

TANTRAMAR
SCHEDULE OF REVENUES
DECEMBER 31, 2024

Schedule 2

	2024 PSA Budget	2024 Actual	2023 Actual
Other contributions and government transfers			
Department of transportation and infrastructure	\$ 3,063,428	\$ 3,063,428	\$ 4,705,478
Gas tax program	312,517	312,517	753,206
Contributed assets	27,800	27,800	-
Grants from outside sources	493,773	1,815,289	209,993
Federal grant adjustments	11	11	-
Fire - local service district	13,554	20,464	28,533
Roads and streets	92,333	91,469	130,699
Lane marking	5,500	8,884	7,746
	\$ 4,008,916	\$ 5,339,862	\$ 5,835,655
Sales of services			
Swimming pools	\$ 4,700	\$ 2,426	\$ 4,643
Skating rinks and arenas	228,000	277,871	359,234
Other recreational programs	44,000	129,000	168,275
RCMP building lease	340,500	340,500	340,500
Other - culverts, curb cutting	16,500	21,030	26,163
	\$ 633,700	\$ 770,827	\$ 898,815
Other revenue from own sources			
Licences and permits			
Building	\$ 80,000	\$ 131,073	\$ 323,886
Animal	7,500	8,750	3,640
Fines			
Municipal By-Laws	15,000	13,700	8,710
Other			
Miscellaneous	5,000	174,404	128,544
Loss on disposal of assets	-	15,816	(28,075)
Return on investments			
Interest on cash in bank	5,000	37,929	56,385
Interest on past due accounts	57,500	145,432	172,693
Interest on reserve funds	356,488	357,606	278,885
	\$ 526,488	\$ 884,710	\$ 944,668
Water and sewer revenue			
Water user charges - residential	\$ 630,122	\$ 857,779	\$ 807,165
- other	490,054	307,594	332,544
Sewer user charges - residential	558,806	678,595	661,422
- other	372,538	260,978	243,327
Sprinkler sand hydrants	35,000	36,144	31,834
Water and sewer - other revenue	24,100	60,247	39,442
3rd party utility agreements	94,683	97,386	43,277
	\$ 2,205,303	\$ 2,298,723	\$ 2,159,011

TANTRAMAR
SCHEDULE OF EXPENSES
DECEMBER 31, 2024

Schedule 3

	2024 PSA Budget	2024 Actual	2023 Actual
General government services			
Legislative			
Mayor	\$ 75,855	\$ 81,544	\$ 70,816
Councillors	<u>248,750</u>	<u>245,554</u>	<u>230,244</u>
	<u>324,605</u>	<u>327,098</u>	<u>301,060</u>
Administrative			
Manager	441,337	418,954	383,986
Office building	178,788	183,637	192,251
Solicitor	90,000	47,479	33,270
Other	<u>277,820</u>	<u>281,899</u>	<u>360,895</u>
	<u>987,945</u>	<u>931,969</u>	<u>970,402</u>
Financial and Human Resources			
Administrative	348,180	335,346	322,453
Accounting and human resources	<u>103,734</u>	<u>89,779</u>	<u>108,190</u>
	<u>451,914</u>	<u>425,125</u>	<u>430,643</u>
Other General Government Services			
Other general government services	406,635	263,628	234,543
Public liability insurance premiums	<u>430,000</u>	<u>421,266</u>	<u>390,045</u>
	<u>836,635</u>	<u>684,894</u>	<u>624,588</u>
	<u>\$ 2,601,099</u>	<u>\$ 2,369,086</u>	<u>\$ 2,326,693</u>
Protective services			
Police			
Station and building	\$ 153,600	\$ 162,650	\$ 140,400
RCMP	2,415,321	2,197,747	1,875,089
Other	<u>224,971</u>	<u>214,144</u>	<u>168,288</u>
	<u>2,793,892</u>	<u>2,574,541</u>	<u>2,183,777</u>
Fire			
Administration and volunteers	477,949	325,859	287,027
Training and development	65,000	48,386	33,910
Station and building	161,000	155,175	169,212
Firefighting equipment	290,000	224,393	154,117
Other	<u>180,098</u>	<u>131,159</u>	<u>97,229</u>
	<u>1,174,047</u>	<u>884,972</u>	<u>741,495</u>

TANTRAMAR
SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2024

Schedule 3

	2024 PSA Budget	2024 Actual	2023 Actual
Protective services (continued)			
Other			
Bylaw enforcement	400,870	382,679	459,571
Animal and pest control	<u>36,680</u>	<u>32,517</u>	<u>31,853</u>
	437,550	415,196	491,424
	<u>\$ 4,405,489</u>	<u>\$ 3,874,709</u>	<u>\$ 3,416,696</u>
Transportation services			
Common Services			
Administration	\$ 1,389,070	\$ 1,202,853	\$ 1,091,659
General equipment	80,500	74,685	73,312
Workshops, yard and other buildings	<u>167,644</u>	<u>176,402</u>	<u>223,199</u>
	<u>1,637,214</u>	<u>1,453,940</u>	<u>1,388,170</u>
Road transport			
Roads and streets			
Summer maintenance	412,680	362,646	349,199
Department of transportation and infrastructure streets	-	3,429,168	1,449,612
Snow and ice removal	<u>436,000</u>	<u>270,552</u>	<u>423,854</u>
	848,680	4,062,366	2,222,665
Street lighting	<u>207,000</u>	<u>212,673</u>	<u>193,884</u>
Traffic services			
Street signs	14,750	18,768	8,816
Traffic lane marking	25,000	22,061	22,190
Traffic signals	<u>13,250</u>	<u>13,586</u>	<u>13,852</u>
	53,000	54,415	44,858
	<u>\$ 2,745,894</u>	<u>\$ 5,783,394</u>	<u>\$ 3,849,577</u>
Environmental health and development services			
Environmental health services			
Garbage and waste collection	\$ 512,141	\$ 513,386	\$ 394,235
Landfill costs	<u>187,131</u>	<u>180,265</u>	<u>115,643</u>
	699,272	693,651	509,878
Environmental development services			
Wages and benefits	496,739	395,869	404,449
Community development agency	489,732	317,503	364,720
Economic development and tourism	<u>358,027</u>	<u>323,723</u>	<u>303,853</u>
	1,344,498	1,037,095	1,073,022
	<u>\$ 2,043,770</u>	<u>\$ 1,730,746</u>	<u>\$ 1,582,900</u>

TANTRAMAR
SCHEDULE OF EXPENSES (CONTINUED)
DECEMBER 31, 2024

Schedule 3

	2024 PSA Budget	2024 Actual	2023 Actual
Recreation and cultural services			
Wages and benefits	\$ 886,168	\$ 925,941	\$ 721,305
Community centres and halls	55,100	41,840	35,061
Swimming pools	42,700	49,016	45,173
Rinks and arenas	357,346	454,162	417,282
Parks and playgrounds	194,354	186,269	165,009
Library	71,291	47,480	35,090
Events and fairs	141,100	123,813	132,769
	<u>\$ 1,748,059</u>	<u>\$ 1,828,521</u>	<u>\$ 1,551,689</u>
Water supply			
Administration	\$ 179,137	\$ 170,419	\$ 152,095
Power and pumping	930,198	932,181	778,487
Other	70,524	77,775	60,444
	<u>\$ 1,179,859</u>	<u>\$ 1,180,375</u>	<u>\$ 991,026</u>
Sewer collection and disposal			
Administration	\$ 159,137	\$ 162,680	\$ 152,254
Sewer lift stations	387,963	359,474	336,134
Other	78,787	71,844	69,400
	<u>\$ 625,887</u>	<u>\$ 593,998</u>	<u>\$ 557,788</u>
Interest and miscellaneous			
Interest on bank overdraft	\$ 57,000	\$ 10,544	\$ 17,864
Interest on long-term debt	205,385	201,608	228,730
	<u>\$ 262,385</u>	<u>\$ 212,152</u>	<u>\$ 246,594</u>

TANTRAMAR
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2024

The Department of Local Government of New Brunswick has requested some disclosures in addition to Canadian Public Sector Accounting Standards for monitoring purposes. The Town has provided these disclosure requirements in the following pages.

1. Reconciliation of Annual Surplus in Financial Statements to Provincial Municipal Reporting Standards

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Reserve Fund	Water & Sewer Reserve Fund	Total
2024 annual fund surplus (deficit) per financial statements	\$ 5,579,837	\$ (2,327,482)	\$ 1,073,236	\$ (491,644)	\$ 256,201	\$ 101,405	\$ 4,191,553
<i>Adjustments to annual surplus (deficit) for funding requirements</i>							
Second previous year surplus	268,831	-	18,861	-	-	-	287,692
Transfer from operating to capital	(4,122,191)	4,122,191	(1,054,789)	1,054,789	-	-	-
Transfer from operating to reserve	(1,200,000)	-	(395,000)	-	1,200,000	395,000	-
Contributed assets	-	(27,800)	-	-	-	-	(27,800)
Amortization expense	-	2,392,748	-	707,612	-	-	3,100,360
Disposal of tangible capital assets	-	23,986	-	42,049	-	-	66,035
Water cost transfer	(376,000)	-	376,000	-	-	-	-
Pension adjustment	(19,900)	-	-	-	-	-	(19,900)
Total adjustments to 2024 annual surplus (deficit)	(5,449,260)	6,511,125	(1,054,928)	1,804,450	1,200,000	395,000	3,406,387
2024 annual surplus	\$ 130,577	\$ 4,183,643	\$ 18,308	\$ 1,312,806	\$ 1,456,201	\$ 496,405	\$ 7,597,940

TANTRAMAR
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2024

2. Statement of reserves

	General Operating	General Capital	General Parkland	Gas Tax Funds	Water&Sewer Operating	Water&Sewer Capital	Total 2024	Total 2023
<i>Assets</i>								
Cash	\$ 551,421	\$ 6,013,219	\$ 1,462	\$ 294,273	\$ 42,095	\$ 2,112,565	\$ 9,015,035	\$ 7,277,307
<i>Liabilities</i>								
Deferred government transfers	\$ -	\$ -	\$ -	\$ 291,221	-	\$ -	\$ 291,221	\$ 214,380
Payable to operating fund	-	-	-	-	-	-	-	270,069
<i>Surplus</i>								
Accumulated Surplus, beginning of year	431,456	4,677,048	1,398	492,244	21,102	1,654,059	7,277,307	5,393,976
Annual surplus	119,965	1,336,171	64	(489,192)	20,993	458,506	1,446,507	1,398,892
Accumulated Surplus and liabilities, end of year	\$ 551,421	\$ 6,013,219	\$ 1,462	\$ 294,273	\$ 42,095	\$ 2,112,565	\$ 9,015,035	\$ 7,277,307
<i>Revenue</i>								
Interest	\$ 19,965	\$ 236,171	\$ 64	\$ 16,907	993	\$ 83,506	\$ 357,606	\$ 278,827
Transfers from operating funds	100,000	1,100,000	-	-	20,000	375,000	1,595,000	1,128,250
<i>Expenses</i>								
Transfer to operating funds	119,965	1,336,171	64	16,907	20,993	458,506	1,952,606	1,407,077
Annual surplus (deficit)	\$ 119,965	\$ 1,336,171	\$ 64	\$ (489,192)	\$ 20,993	\$ 458,506	\$ 1,446,507	\$ 1,398,892

All amounts above consist of savings accounts with the following terms:

RBP less 2.25% (3.20%) to \$749,999, RBP less 2.00% (3.45%) \$750,000 to \$1,499,999 and RBP less 1.85% (3.60%) over \$1,499,999, no maturity

TANTRAMAR
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2024

2. Statement of reserves (continued)

Council Resolutions regarding transfers to and from reserves:

Resolution #24-242

Moved by: Councillor Bruce Phinney
Seconded by: Councillor Josh Goguen

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2024, of \$1,100,000 from the General Operating Budget to the General Capital Reserve Fund.

Resolution #24-243

Moved by: Councillor Bruce Phinney
Seconded by: Deputy Mayor Greg Martin

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2024, of \$100,000 from the General Operating Budget to the General Operating Reserve Fund.

Resolution #24-244

Moved by: Councillor Bruce Phinney
Seconded by: Councillor Barry Hicks

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2024, of \$375,000 from the Utility Operating Budget to the Utility Capital Reserve Fund.

Resolution #24-245

Moved by: Councillor Bruce Phinney
Seconded by: Councillor Barry Estabrooks

BE IT RESOLVED that Council authorize the transfer, for the Budget year 2024, of \$20,000 from the Utility Operating Budget to the Utility Operating Reserve Fund.

I certify that the above is a true and exact copy of the Motions passed by the Council of the Tantramar on the 10th day of December, 2024.



Becky Goodwin
Assistant Clerk
Tantramar

JUNE 23, 2025

Date

TANTRAMAR
SCHEDULES OF REGULATORY REPORTING REQUIREMENTS
DECEMBER 31, 2024

3. Reconciliation of Operating Budget to Public Sector Accounting for year ended December 31, 2024

	<u>Operating</u>	<u>Amortization</u>	<u>Other</u>	<u>Transfers</u>	<u>Total</u>
Revenue					
Warrant of assessment	\$ 15,433,428	\$ -	\$ -	-	\$ 15,433,428
Unconditional transfers from Provincial Government	137,344	-	-	-	137,344
Other contributions and government transfers	111,398	-	3,897,518	-	4,008,916
Sales of services	633,700	-	-	-	633,700
Other revenue from own sources	170,000	-	356,488	-	526,488
Water and sewer revenue	2,581,303	-	-	(376,000)	2,205,303
	<u>19,067,173</u>	<u>-</u>	<u>4,254,006</u>	<u>(376,000)</u>	<u>22,945,179</u>
Expenses					
General government services	2,620,999	-	(19,900)	-	2,601,099
Protective services	4,781,489	-	-	(376,000)	4,405,489
Transportation services	2,745,894	-	-	-	2,745,894
Environment health and development	2,043,770	-	-	-	2,043,770
Recreation and cultural services	1,748,059	-	-	-	1,748,059
Water supply	1,179,859	-	-	-	1,179,859
Sewer collection and disposal	625,887	-	-	-	625,887
Amortization of tangible capital assets	-	3,100,360	-	-	3,100,360
Interest expense and miscellaneous	262,385	-	-	-	262,385
	<u>16,008,342</u>	<u>3,100,360</u>	<u>(19,900)</u>	<u>(376,000)</u>	<u>18,712,802</u>
Fiscal services					
Transfer from operating fund to capital fund	3,026,523	-	-	(3,026,523)	-
Transfer from operating fund to reserve fund	320,000	-	-	(320,000)	-
Second previous years' surplus	(287,692)	-	-	287,692	-
	<u>3,058,831</u>	<u>-</u>	<u>-</u>	<u>(3,058,831)</u>	<u>-</u>
	<u>19,067,173</u>	<u>3,100,360</u>	<u>(19,900)</u>	<u>(3,434,831)</u>	<u>18,712,802</u>
Annual surplus	<u>\$ -</u>	<u>\$ (3,100,360)</u>	<u>\$ 4,273,906</u>	<u>\$ 3,058,831</u>	<u>\$ 4,232,377</u>