

EDMUNDSTON

CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2024

EDMUNDSTON

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Nadeau Picard & Associés, CPA

Comptables professionnels agréés
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To His Honor the Mayor of Edmundston
and Members of City Council

Opinion

We have audited the consolidated financial statements of Edmundston (hereafter "the Municipality"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations and accumulated surplus, 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, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality as at December 31, 2024, and the results of its consolidated operations and of its accumulated surplus, changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Without modifying our opinion, we draw attention to the fact that the Municipality includes in its financial statements certain financial information not required under Canadian public sector accounting standards. This information is prepared according to the form prescribed by the Department of Environment and Local Government. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the 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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Municipality's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 Municipality'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 event or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Municipality's audit. We remain solely responsible for our audit opinion.

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

Nadeau Picard & Associés, CPA

Nadeau Picard & Associés, CPA
Chartered Professional Accountants

Edmundston, N.-B.
April 15, 2025

EDMUNDSTON**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**

Year ended December 31

	Budget (unaudited) (Note 26)	2024	2023
REVENUES			
Property tax warrant	\$ 29,793,723	\$ 29,793,732	\$ 28,069,812
Services provided to other governments (Note 27)	1,249,334	1,307,243	1,218,341
Sale of services, fines and other fees (Note 27)	4,505,643	4,828,378	4,737,617
Unconditional grant	5,890,726	5,890,704	6,200,712
Other government transfers	116,242	5,276,152	5,367,835
Other revenues from own sources (Note 27)	739,529	1,401,025	997,119
Contractors and other organizations contributions	-	417,728	555,471
User fees - Water and sewer services	6,718,486	6,669,686	6,721,093
Sales electrical utility - Distribution	33,560,080	35,651,252	32,939,072
Sales electrical utility - Generation	3,008,982	2,645,292	3,823,572
Interest	236,000	1,330,448	1,376,135
	<u>85,818,745</u>	<u>95,211,640</u>	<u>92,006,779</u>
EXPENSES (Note 27)			
General government services	5,646,186	5,562,923	5,035,339
Protective services	11,855,698	11,780,717	9,475,783
Transportation services	11,149,682	12,261,543	11,800,053
Environmental health services	1,020,996	1,002,941	1,037,381
Development services	1,938,582	2,125,349	1,391,671
Recreational and cultural services	10,372,952	10,517,879	9,357,401
Water and sewer collection and disposal	8,028,962	7,582,908	7,443,463
Electrical utility - Distribution	33,557,498	35,807,688	32,172,234
Electrical utility - Generation	2,149,503	1,758,063	2,099,434
Loss (gain) on disposal of tangible capital assets	(18,000)	120,629	(163,942)
	<u>85,702,059</u>	<u>88,520,640</u>	<u>79,648,817</u>
ANNUAL SURPLUS (Note 26)	<u>\$ 116,686</u>	<u>6,691,000</u>	<u>12,357,962</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR		<u>145,674,710</u>	<u>133,316,748</u>
ACCUMULATED SURPLUS, END OF YEAR		<u>\$ 152,365,710</u>	<u>\$ 145,674,710</u>

EDMUNDSTON**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

Year ended December 31

2024

2023

FINANCIAL ASSETS

Cash (Note 5)	\$ 24,835,540	\$ 23,255,312
Terms deposit (Note 6)	395,000	95,000
Receivables		
General	748,933	1,134,264
Water and sewer	1,309,807	1,223,466
Electrical utility	4,923,442	4,537,342
Federal government and its agencies (Note 7)	320,267	508,561
Province of New Brunswick (Note 8)	5,553,392	2,790,994
	38,086,381	33,544,939

LIABILITIES

Bank loans (Note 16)	9,850,571	3,000,571
Trade payables and other operating liabilities (Note 9)	12,975,006	11,857,290
Holdbacks payable	424,929	299,877
Deferred revenues (Note 10)	637,446	272,621
Debentures (Note 11)	37,721,000	44,402,000
Accrued sick leave (Note 12)	3,157,000	3,157,000
	64,765,952	62,989,359

NET DEBT**(26,679,571)** **(29,444,420)****NON-FINANCIAL ASSETS**

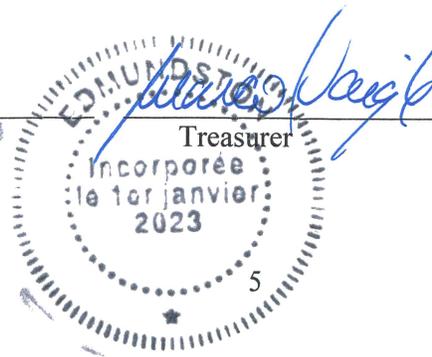
Tangible capital assets (Note 21)	385,683,534	369,294,563
Accumulated amortization (Note 21)	(217,639,050)	(206,261,894)
	168,044,484	163,032,669

Inventory of supplies	2,374,809	2,409,323
Prepaid expenses	245,234	62,338
Post employment benefits surplus (Note 13)	8,380,754	9,614,800
	11,000,797	12,086,461

179,045,281 **175,119,130****ACCUMULATED SURPLUS****\$ 152,365,710** **\$ 145,674,710**

Approved by :

Mayor



EDMUNDSTON**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**

Year ended December 31	Budget	2024	2023
Annual surplus	\$ 116,686	\$ 6,691,000	\$ 12,357,962
Assets under construction, beginning of year	-	3,105,382	2,150,671
Assets under construction, end of year	-	(7,463,216)	(3,105,382)
Acquisition of tangible capital assets	(5,050,000)	(12,690,250)	(10,826,781)
Amortization of tangible capital assets	11,903,537	11,903,537	12,078,040
Proceeds on disposal of tangible capital assets	18,000	12,103	266,498
Loss (gain) on disposal of tangible capital assets	-	120,629	(163,942)
	6,871,537	(5,011,815)	399,104
Acquisition of inventory of supplies	-	(2,374,809)	(2,409,323)
Consumption of inventory of supplies	-	2,409,323	2,074,619
Acquisition of prepaid expenses	-	(245,234)	(62,338)
Use of prepaid expenses	-	62,338	135,640
Post employment benefits surplus, end of year	-	(8,380,754)	(9,614,800)
Post employment benefits surplus, beginning of year	-	9,614,800	5,724,697
	-	1,085,664	(4,151,505)
Decrease in net debt	6,988,223	2,764,849	8,605,561
Net debt, beginning of year	(29,444,420)	(29,444,420)	(38,049,981)
Net debt, end of year	\$ (22,456,197)	\$ (26,679,571)	\$ (29,444,420)

EDMUNDSTON**CONSOLIDATED STATEMENT OF CASH FLOWS**

Year ended December 31

2024

2023

Operating activities

Annual surplus	\$ 6,691,000	\$ 12,357,962
Items not affecting cash:		
Amortization of tangible capital assets	11,903,537	12,078,040
Loss (gain) on disposal of tangible capital assets	120,629	(163,942)
Net change in working capital items (Note 4)	32,043	(3,874,379)
	<u>18,747,209</u>	<u>20,397,681</u>

Capital activities

Acquisition of tangible capital assets	(17,048,084)	(11,781,492)
Disposal of tangible capital assets	12,103	266,498
	<u>(17,035,981)</u>	<u>(11,514,994)</u>

Financing activities

Bank loan	6,850,000	(2,612,429)
Debentures	-	2,300,000
Repayment of debentures	(6,681,000)	(6,839,000)
	<u>169,000</u>	<u>(7,151,429)</u>

Investing activities

Investments and cash flows from investing activities	(300,000)	205,000
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Increase in cash and cash equivalents	1,580,228	1,936,258
Cash and cash equivalents, beginning of year	23,255,312	21,319,054
Cash and cash equivalents, end of year	\$ 24,835,540	\$ 23,255,312

Cash and cash equivalents consist of cash.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

1. STATUTES AND NATURE OF ACTIVITIES

The Municipality, formally known as City of Edmundston, was incorporated as a city by the Province of New Brunswick *Municipalities Act* in 1905 and then merged with the City of Saint-Basile, the Village of Saint-Jacques and the Village of Verret under the article 2 on May 25, 1998 to become Edmundston. On January 1st, 2023, Rivière-Verte and a part of the LSD of Saint-Jacques and Saint-Joseph merged with Edmundston by the An Act Respecting Local Governance Reform (Bill 82). As a municipality, Edmundston is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The Municipality has the following vision statement: "Open and inclusive; Sustainable and thriving".

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Municipality are the responsibility of management and are prepared in accordance with the Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada.

The financial statements presented in accordance with the Canadian public sector accounting standard in the CPA Canada Public Sector Accounting Handbook are especially relating to the financial position of Edmundston and to changes relating to it. The consolidated statement of financial position includes all liabilities and assets of the Municipality.

Significant aspects of the accounting policies adopted by the Municipality are as follows:

Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses 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 Municipality which are owned or controlled by the Municipality.

Interdepartmental and organizational transactions and balances are eliminated.

The entities included in the financial statements are as follows:

- Centre des Arts La Petite Église d'Edmundston Inc.
- Gestion Edmundston Golf Management Inc.
- Innovation, Développement et événements Edmundston (IDÉE) Inc.
- Moitié-Moitié Centre Jean-Daigle Inc.

Budget

The budget figures contained in these financial statements were approved by Council on November 14, 2023 and the Minister of Local Government on December 13, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government transfers

Government transfers are accounted for in the financial statements as revenues during the period the activities giving rise to the transfer occurred provided that transfers are authorized, that the eligibility criteria are met and reasonable estimates of the amounts can be made. Transfers received for which expenses have not yet occurred are included in deferred revenue.

Revenue recognition

- a) Unrestricted revenues are recorded on an accrual basis and are recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.
- b) Other revenue is recorded when it is earned.

Deferred revenues

Deferred revenues consist of grants, contributions and other amounts received from a third party under legislature, regulations and agreements that can only be used for certain programs, for the completion of particular projects or for the purchase of capital assets. Revenues are recognized in the period in which the related expenses are incurred. Furthermore, all funds from external sources and revenues limited by agreement or legislation are accounted for as deferred revenues until they are utilized for the specified purposes.

Cash and cash equivalents

The Municipality's policy is to present in cash and cash equivalents bank balances, including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn, and investments with a maximum maturity of three months from the acquisition date or redeemable at any time without penalty.

Non-financial assets

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

Inventory of supplies

Inventory of supplies consist mainly of parts and materials for roads, water and sewer systems and electrical utility system maintenance and is valued at the lower of cost or replacement cost. Cost is determined using the weighted average cost method.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

<u>Asset type</u>	<u>Years</u>
Land improvements	5-25 years
Buildings	20-60 years
Vehicles	7-25 years
Machinery and equipment	3-15 years
Water and wastewater facilities	20-60 years
Electrical facilities	20-60 years
Roads, sidewalks, storm sewers, water and sewer main	15-50 years

Asset 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 in the consolidated statement of financial position at their fair value at the date of receipt and also recorded as revenue.

Write-down

When conditions indicate that a tangible capital asset no longer contributes to the Municipality's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying amount, the cost of the tangible capital asset is reduced to reflect the decline in value. Any write-down of tangible capital assets is accounted for as expenses in the statement of operations and any write-downs are not subsequently reversed.

Post employment benefits

The Municipality recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Municipality has a sick leave benefit as documented in Note 12 and a long-term service award and pension plan as documented in Note 13.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Segmented information

The Municipality is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality'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 Municipality. 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.

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 the swimming pool, arena, parks and playgrounds and other recreational and cultural facilities.

Water and Wastewater disposal services

This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, tanks and lagoons.

Generation facility

This department is responsible for the supply of electricity, including the maintenance of power lines and electrical installations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

3. CHANGES IN ACCOUNTING POLICIES

Public Private Partnerships

The following changes to the implementation of standard PS 3160 have been published and are applicable by the municipality for the fiscal year beginning on or after January 1st, 2024.

A public sector entity should recognize infrastructure, or a betterment to infrastructure, as an asset (Tangible Capital Assets, section PS 3150) where, through the terms and economic substance of the public private partnership the public sector entity controls the purpose and use of the infrastructure, controls the access to the future economic benefits and exposure to risks of the infrastructure asset and controls the significant residual interest in the infrastructure, if any, at the end of the public private partnership's term. The liability arising from the recognition of the asset is a financial liability or a performance obligation.

A constructed or acquired infrastructure asset as part of a public private partnership arrangement should be initially recognized at the public sector entity's cost, which represents fair value at the date of recognition. It is then amortized over its useful life. The liability should be initially measured at the same amount as the related infrastructure asset and the subsequent measurement will depend on whether these liabilities correspond to a financial liability or a non-financial performance obligation. Financial liabilities are settled when the public sector entity delivers cash or another financial asset and non-financial performance obligation liabilities are satisfied as the public sector entity fulfills its performance obligation under the public private partnership.

The application of this standard had no impact on the municipality's financial statements for the year ending December 31, 2024.

Revenue

The following changes to the implementation of standard PS 3400 have been published and are applicable by the municipality for the fiscal year beginning on or after January 1st, 2024.

Revenue, including a gain, is an increase in assets or a decrease in liabilities in the accounting period that results in an increase in net assets or a decrease in net liabilities. The application of Section 3400 requires a distinction to be made between exchange transactions and non-exchange transactions.

Exchange transactions are transactions where goods or services are provided to a payor for consideration and non-exchange transactions are transactions or events where there is no direct transfer of goods or services to a payor..

Revenue from transactions with performance obligations should be recognized when (or as) the public sector entity satisfies a performance obligation by providing the promised goods or services to a payor and revenue from transactions with no performance obligations should be recognized when a public sector entity has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

The application of this standard had no impact on the municipality's financial statements for the year ending December 31, 2024.

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

4. INFORMATION INCLUDED IN THE STATEMENT OF CASH FLOWS

The net change in working capital items is detailed as follows:

	2024	2023
Accounts receivables	\$ (2,661,214)	\$ (2,086,713)
Trade payables and other operating liabilities	1,117,716	2,797,158
Holdbacks payable	125,052	(119,015)
Deferred revenues	364,825	(149,405)
Inventory of supplies	34,514	(344,642)
Prepaid expenses	(182,896)	73,341
Post employment benefits surplus and non payable	1,234,046	(4,045,103)
	<u>\$ 32,043</u>	<u>\$ (3,874,379)</u>

5. CASH

	2024	2023
Cash - restricted	\$ 15,762,213	\$ 13,828,079
Cash - unrestricted	9,073,327	9,427,233
	<u>\$ 24,835,540</u>	<u>\$ 23,255,312</u>

6. TERMS DEPOSIT

	2024	2023
Term deposit, 5,75 %, maturing June 2025	\$ 95,000	\$ 95,000
Term deposit, 4,5 %, maturing January 2026	300,000	-
	<u>\$ 395,000</u>	<u>\$ 95,000</u>

7. RECEIVABLES FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	2024	2023
Canada Revenue Agency (HST refund)	\$ 320,267	\$ 478,261
Atlantic Canada Opportunities Agency (ACOA)	-	30,300
	<u>\$ 320,267</u>	<u>\$ 508,561</u>

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

8. RECEIVABLES FROM PROVINCE OF NEW BRUNSWICK	2024	2023
Regional Development Corporation	\$ 2,733,202	\$ 2,431,207
Transportation and Infrastructure Department	-	359,787
New Brunswick Finance Department	2,820,190	-
	\$ 5,553,392	\$ 2,790,994
9. TRADE PAYABLES AND OTHER OPERATING LIABILITIES	2024	2023
Accounts payable and accrued liabilities	\$ 9,806,267	\$ 8,658,796
Salaries payable	1,040,842	941,059
Accrued interest	79,853	97,919
Government remittances	935,952	1,208,007
Clients deposits	670,651	642,824
Contractor's deposits	441,441	308,685
	\$ 12,975,006	\$ 11,857,290
10. DEFERRED REVENUES	2024	2023
Deferred grants	\$ 635,098	\$ 98,107
Other deferred revenues	2,348	174,514
	\$ 637,446	\$ 272,621

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

11. DEBENTURES	2024	2023
GENERAL CAPITAL FUND		
<u>New Brunswick Municipal Financing Corporation</u>		
BY42, 0.5 % - 0.95 %, matured in 2024, OIC #20-0029 and #20-0033	\$ -	\$ 12,000
BM3, 0.95 % - 2.8 % due in 2025, OIC #05-0015, #13-0027, #14-0001 and #14-0026	286,000	564,000
BO5, 1.45 % - 2.9 %, due in 2026, OIC #15-0023	155,000	230,000
BP4, 1.2 % - 2.95 %, due in 2026, OIC #16-0009	217,000	321,000
BK36, 1.15 % - 3.65 %, due in 2026, OIC #13-0045	54,000	80,000
BG4, 1.65 % - 3.8 %, due in 2027, OIC #10-0022, #10-0071, #11-0004, #11-0051, #11-0072, #11-0110, and #12-0005	1,493,000	1,657,000
BQ4, 1.2 % - 2.7 % due in 2027, OIC #15-0023 and #16-0009	601,000	792,000
BW7, 1.95 % - 2.45 % due in 2029, OIC #18-0016	861,000	1,083,000
BZ5, 0.3 % - 2.3 %, due in 2031, OIC #09-0032 and #10-0071	2,924,000	3,320,000
CB4, 3.005 % - 4.083 %, due in 2032, OIC #19-0018, #20-0008 and #21-0003	2,441,000	2,834,000
BH7, 1.35 % - 3.8 %, due in 2032, OIC #11-0004, #11-0051, and #11-0110	94,000	104,000
CC24, 3.95 % - 4.7 %, due in 2032, OIC #19-0080	37,000	41,000
BI3, 1.35 % - 4 %, due in 2033, OIC #11-0051, #11-0072, #12-0024 and #12-0044	529,000	578,000
CD5, 4.048 % - 5.115 %, due in 2033, OIC #20-0008, #20-0022 and #21-0003	2,056,000	2,300,000
BK1, 1.15 % - 4.15 % due in 2034, OIC #11-0004, #11-0110, #12-0024, #12-0083, #13-0027, #13-0047, #13-0054 and #13-0060	316,000	624,000
BY7, 0.5 % - 2.3 %, due in 2035, OIC #09-0032, #17-0010, #18-0016, #19-0018 and #20-0022	2,564,000	3,054,000
BU5, 2.55 % - 3.7 %, due in 2038, OIC #15-0083, #16-0009, #17-0010 and #17-0085	3,591,000	3,952,000
	\$ 18,219,000	\$ 21,546,000

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

11. DEBENTURES (continued)	2024	2023
WATER AND WASTEWATER DISPOSAL SERVICES CAPITAL FUND		
<u>New Brunswick Municipal Financing Corporation</u>		
BK2, 1.15 % - 3.45 %, matured in 2024, OIC #11-0051, #12-0024 and #13-0027	\$ -	\$ 146,000
BV5, 2.05 % - 2.3 % matured in 2024, OIC #07-0022	-	34,000
BM4, 0.95 % - 2.8 %, due in 2025, OIC #13-0027 and #14-0026	29,000	57,000
BP6, 1.2 % - 2.95 %, due in 2026, OIC #05-0034, #13-0027, #14-0026 and #15-0023	191,000	283,000
BU6, 2.55 % - 3.4 %, due in 2028, OIC #14-0026 and #16-0009	180,000	221,000
BJ41, 1.25 % - 4.15 %, due in 2028, OIC #11-0027	163,000	200,000
BW8, 1.95 % - 2.45 % due in 2029, OIC #16-0009, #17-0059 and #18-0016	280,000	362,000
BV38, 2.05 % - 2.85 %, due in 2029, OIC #06-0004	184,000	218,000
BW48, 1.95 % - 2.45 %, due in 2029, OIC #18-0043	53,000	63,000
BY08, 0.5 % - 1.8 %, due in 2030, OIC #18-0016 and #19-0018	148,000	193,000
	<hr/>	<hr/>
	\$ 1,228,000	\$ 1,777,000

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

11. DEBENTURES (continued)	2024	2023
GENERATION FACILITY CAPITAL FUND		
<u>New Brunswick Municipal Financing Corporation</u>		
BK3, 1.15 % - 3.45 %, matured in 2024, OIC #11-0051, #12-0024 and #12-0040	\$ -	\$ 224,000
BG6, 1.65 % - 3.8 %, due in 2027, OIC #09-0076	567,000	629,000
BV6, 2.05 % - 2.85 % due in 2029, OIC #14-0026, #15-0023, #17-0010 and #18-0016	415,000	503,000
BY9, 0.5 % - 1.8 %, due in 2030, OIC #09-0076	2,944,000	3,415,000
BM5, 0.95 % - 3.25 %, due in 2030, OIC #05-0004, #12-0040 and #13-0027	978,000	1,196,000
BP6, 1.2 % - 3.55 %, due in 2031, OIC #05-0004, #05-0034 and #16-0070	7,986,000	9,000,000
BZ6, 0.3 % - 2.3 % due in 2031, OIC #09-0076 and #09-0137	3,825,000	4,343,000
BH9, 1.35 % - 3.8 %, due in 2032, OIC #10-0022, #11-0051 and #12-0006	1,042,000	1,153,000
BQ6, 1.2 % - 3.3 %, due in 2032, OIC #13-0027	517,000	616,000
	\$ 18,274,000	\$ 21,079,000
	\$ 37,721,000	\$ 44,402,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debentures.

The estimated instalments on debentures for the next five years are as follows:

	General capital fund	Water and wastewater disposal services capital fund	Generation facility capital fund	Total
2025	\$ 3,064,000	\$ 347,000	\$ 2,621,000	\$ 6,032,000
2026	\$ 2,695,000	\$ 302,000	\$ 2,592,000	\$ 5,589,000
2027	\$ 3,508,000	\$ 212,000	\$ 3,017,000	\$ 6,737,000
2028	\$ 1,988,000	\$ 217,000	\$ 2,576,000	\$ 4,781,000
2029	\$ 1,670,000	\$ 129,000	\$ 2,643,000	\$ 4,442,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

12. ACCRUED SICK LEAVE

The Municipality provides sick leave that accumulates at 1 day per month for management staff and employees of Local 60. Management staff can accumulate a maximum of 260 days of sick leave while employees of Local 60 can accumulate a maximum of 130 days. The Municipality also provides sick leave that accumulates at 10 hours per month for the firefighters of Local 60. These firefighters can accumulate a maximum 2,080 hours. The Municipality provides sick leave that accumulates at 10 hours per month for policemen of Local 558 to a maximum of 2,080 hours. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave.

An actuarial valuation was performed on the 199 employees plan in accordance with PSA 3255. 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 reflects the Municipality's best estimates.

The following summarizes the major assumptions in the valuation :

- discount rate of the engagement 5 %;
- annual salary increase of 3.5 %;
- mortality age was determined according to the table "CPM 2014 Mortality Table", projected by year of birth using scale B, adjusted according to the size;
- leaving age was determined by the rate associated with age;
- retirement age was determined by the rate associated with age, and
- number of days of sick leave used per year :
 - Management : 4.6
 - Local 60 (blue and white collar) : 9.3
 - Local 60 (firefighters) : 6.4
 - Local 558 (policemen) : 6.3

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid from general revenues as they become due.

The unfunded liability was estimated at \$3,157,000 as at December 31, 2024 (\$3,157,000 as at December 31, 2023).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

13. POST EMPLOYMENT BENEFITS PAYABLE

Defined benefit pension plan

The Municipality sponsors a contributory defined benefit pension plan for substantially all of its employees. The average age of the 202 employees covered by the plan is 45.3 years. At present, the plan provides benefits for the 167 retirees with an average age of 70.9 years.

Normal retirement

The normal retirement date is the first day of the month coincident with or next following the sixty-fifth birthday of the participant.

Early retirement

The participant may retire on the first day of any month in the period of ten years before the normal retirement date.

The amounts of contributions payable to fund benefits for the service rendered by the participants are determined as follows for the employees other than the appointed officers :

- Employee contribution : 9 % of salary.
- Employer contributions : 2.95 % of employee earning.

In addition, the annual amortization payment in the amount of \$390,739 and expenses not related to investments in the amount of \$150,000 are paid by the employer.

Total benefits payments to retirees during the year was approximately \$3,778,176 (\$3,857,000 in 2023). Pension fund assets are invested in Canadian Equity Funds, Fixed Income Funds and Global Equity Funds and short term investments.

Actuarial evaluations for accounting purposes are performed annually using the Projected Benefit Method. The most recent actuarial evaluation was prepared on December 31, 2023 and at that time, the pension plan had an accrued benefit surplus of \$8,380,754.

The actuarial valuation was based on a number of assumptions about future events, such as inflation rate, interest rates, wage and salary increase and employee turnover and mortality. The assumptions used reflect the Municipality's best estimates.

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

13. POST EMPLOYMENT BENEFITS PAYABLE (continued)

The following summarizes the major assumptions in the valuation :

- discount rate of engagement at 6.3 %;
- the rate of wage increase was 3.5 % (nil for disabled participants);
- the rate of increase of the maximum pensionable earning (MPE) is 3 %;
- the rate of increase in the maximum pension of the Canadian Income Tax Act is 3 %;
- the expected inflation rate is 2 %;
- the indexation of pensions for which revaluation is expected is 0.2 %, except for pensions in respect of services from Saint-Basile which are indexed at 2 % per year;
- interest rates on salary contribution is 3 %.

Combined employer and employee contributions during the year were \$3,455,645 (\$3,543,010 in 2023).

Actuaries for the Municipality have not yet completed the valuation at the date of the financial statements in order to determine the position of the pension benefits as at December 31, 2024.

The statement of financial position of the plan as at December 31, 2023 was as follows:

Assets continuity	\$ 85,746,185
Actuarial liabilities	
Active and disabled members	29,549,164
Retired members and beneficiaries	47,700,466
Participants terminated vested	115,801
Total actuarial liability	77,365,431
Plan surplus	\$ 8,380,754

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

14. CONTINGENCIES

In the normal course of operations, the Municipality becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2024 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 as the Municipality maintains insurance coverage in amounts considered appropriate.

Moreover, the Municipality has endorsed the line of credit of Gestion Edmundston Golf Management Inc. The maximal risk in regard to this endorsement is \$140,000, however the maximal amount permitted is \$40,000. The Municipality estimates that the amount it could be called upon to honor is low.

15. COMMITMENTS

The Municipality has committed itself by contract until 2028. The balance of the following commitments is established at \$1,915,007. Minimum payments over the next four years are as follows:

2025 - \$	787,687
2026 - \$	646,675
2027 - \$	318,440
2028 - \$	162,205

The commitments for the snow removal services and the garbage and waste collection will be renewable annually with a mutual agreement between the Municipality and the contractors.

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

16. SHORT-TERM BORROWINGS COMPLIANCE

The Municipality has ministerial authority for borrowing as follows:

General capital fund:

OIC #22-0004	\$ 3,393,524
OIC #23-0003	3,229,500
OIC #19-0080	80,000
OIC #22-0079 (Interim financing)	1,207,000
OIC #24-0006	2,352,000

10,262,024

Used as bank loans

4,012,571

Not used

\$ 6,249,453

General operating fund:

Authorized \$ 1,000,000

Used as bank loans

-

Not used

\$ 1,000,000

Water and wastewater disposal services capital fund:

OIC #19-0018	\$ 125,000
OIC #20-0008	350,000
OIC #21-0003	375,000
OIC #22-0004	1,247,000
OIC #23-0003	967,000
OIC #22-0079 (Interim financing)	1,079,000
OIC #24-0006	200,000

4,343,000

Used as bank loans

750,000

Not used

\$ 3,593,000

Water and wastewater disposal services operating fund:

Authorized \$ 1,000,000

Used as bank loans

754,000

Not used

\$ 246,000

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

16. SHORT-TERM BORROWINGS COMPLIANCE (continued)

Generation facility capital fund:

OIC #19-0018	\$	445,000
OIC #20-0008		240,000
OIC #21-0003		486,000
OIC #22-0004		750,000
OIC #23-0003		425,000
OIC #23-0037 et #23-0038 (Interim financing)		7,000,000
OIC #24-0007		255,000

9,601,000

Used as bank loans

2,910,000

Not used

\$ 6,691,000

Generation facility operating fund:

Authorized	\$	4,500,000
Used as bank loans		1,424,000

Not used

\$ 3,076,000

Operating borrowing

As prescribed in the *Local Governance Act*, borrowing to finance General Operating Fund operations is limited to 4 % of the Municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50 % of the operating budget for the year. In 2024, the Municipality is in compliance with these restrictions.

Interfund borrowing

The Municipal Financial Reporting Manual requires that short-term interfund borrowings be repaid in next year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

17. WATER AND WASTEWATER DISPOSAL SERVICES OPERATING FUND SURPLUS/DEFICIT

The *Local Governance Act* requires Water and wastewater disposal services operating fund surplus/deficit amounts to be absorbed into one or more of four operating budgets commencing with the second next ensuing year. The balance of the surplus/deficit at the end of the year consists of:

	2024	2023
2024 - Surplus	\$ 34,131	\$ -
2023 - Surplus	23,623	23,623
2022 - Surplus	-	28,564
	\$ 57,754	\$ 52,187

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

18. WATER COST TRANSFER

The Municipality's water cost transfer for the fire protection is within the maximum allowable by Regulation 81-195 under the Local Governance Act based upon the applicable percentage of water system expenses for the population.

19. REPORTING TO THE PROVINCE OF NEW BRUNSWICK

The Municipality complies with PSAB accounting standards. The Municipality is also required to comply with the Municipal Financial Reporting Manual prescribed by the Province of New Brunswick. Differences in accounting policies include the methodology for accounting of tangible capital assets, government transfers and liability accruals for the pension fund and other retirement benefits. The PSAB also requires full consolidation of funds.

Note 23 provides a reconciliation between fund reporting required by the Province of New Brunswick and current year PSAB.

20. COMPARATIVE FIGURES

Certain figures for 2023 have been reclassified to make their presentation identical to that adopted in 2024.

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

21. TANGIBLE CAPITAL ASSETS

	Land	Land improvements	Buildings*	Vehicles	Machinery and equipment	Water and wastewater facilities	Electrical facilities	Linear assets**	Assets under construction	2024 Total	2023 Total
Cost											
Opening balance	\$ 9,805,393	\$ 16,699,920	\$ 73,971,049	\$ 15,172,518	\$ 21,079,866	\$ 11,279,892	\$ 69,339,797	\$ 148,840,746	\$ 3,105,382	\$ 369,294,563	\$ 358,946,545
Net additions	499,693	1,596,533	1,248,408	1,183,560	2,021,011	205,634	465,451	5,469,960	4,357,834	17,048,084	11,781,492
Disposals	(75,745)	(60,000)	-	(386,370)	-	-	-	(136,998)	-	(659,113)	(1,433,474)
Closing balance	10,229,341	18,236,453	75,219,457	15,969,708	23,100,877	11,485,526	69,805,248	154,173,708	7,463,216	385,683,534	369,294,563
Accumulated amortization											
Opening balance	-	8,841,196	37,295,455	6,833,088	13,516,345	8,817,194	30,537,711	100,420,905	-	206,261,894	195,514,772
Amortization during the year	-	703,762	2,514,293	1,050,621	1,287,422	210,377	2,012,606	4,124,456	-	11,903,537	12,078,040
Accumulated amortization on disposals	-	(46,454)	-	(359,738)	-	-	-	(120,189)	-	(526,381)	(1,330,918)
Closing balance	-	9,498,504	39,809,748	7,523,971	14,803,767	9,027,571	32,550,317	104,425,172	-	217,639,050	206,261,894
Net book value of tangible capital assets											
	\$ 10,229,341	\$ 8,737,949	\$ 35,409,709	\$ 8,445,737	\$ 8,297,110	\$ 2,457,955	\$ 37,254,931	\$ 49,748,536	\$ 7,463,216	\$ 168,044,484	\$ 163,032,669
Consists of:											
General capital fund	\$ 7,464,843	\$ 6,001,513	\$ 32,068,361	\$ 6,852,675	\$ 5,173,254	\$ -	\$ -	\$ 34,590,022	\$ 972,761	\$ 93,123,429	\$ 92,514,807
Water and wastewater disposal services capital fund	1,973,407	2,294,240	1,910,157	631,010	1,423,550	2,457,955	-	15,158,514	188,520	26,037,353	25,361,464
Generation facility capital fund	778,691	141,858	1,335,902	848,408	1,277,642	-	37,254,931	-	6,301,935	47,939,367	44,216,664
Reserve fund	12,400	-	-	-	-	-	-	-	-	12,400	12,400
Controlled entities	-	300,338	95,288	113,644	422,665	-	-	-	-	931,935	927,334
	\$ 10,229,341	\$ 8,737,949	\$ 35,409,708	\$ 8,445,737	\$ 8,297,111	\$ 2,457,955	\$ 37,254,931	\$ 49,748,536	\$ 7,463,216	\$ 168,044,484	\$ 163,032,669

*The buildings include works of art for an amount of \$ 246,715 which are not amortized.

**The linear assets include: Roads, sidewalks, storm sewers, water and sewer main.

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024

22. SCHEDULE OF SEGMENT DISCLOSURE

	General government services	Protective	Transportation	Environmental health	Development	Recreational and cultural	Water and wastewater disposal services	Generation facility	Reserves	2024 Total	2023 Total
Revenues											
Property tax warrant*	\$ 4,006,778	\$ 8,413,317	\$ 7,912,297	\$ 724,543	\$ 1,375,702	\$ 7,361,095	\$ -	\$ -	\$ -	\$ 29,793,732	\$ 28,069,812
Services provided to other governments	-	906,873	400,370	-	-	-	-	-	-	1,307,243	1,218,341
Sale of services, fines and other revenues	559,925	-	-	-	154,301	3,219,322	-	894,830	-	4,828,378	4,737,617
Unconditional grant*	792,205	1,663,449	1,564,389	143,254	271,999	1,455,408	-	-	-	5,890,704	6,200,712
Other government transfers	1,365,612	237,537	1,625,343	-	88,482	98,018	1,195,790	665,370	-	5,276,152	5,367,835
Other revenues from own sources	592,195	435,649	266,237	55,908	6,606	-	44,430	-	-	1,401,025	997,119
Contractors and other organizations contributions	-	-	-	-	-	227,897	189,831	-	-	417,728	555,471
User fees - Water and sewer services	-	-	-	-	-	-	7,262,686	-	-	7,262,686	6,721,093
Sales electrical utility - Distribution	-	-	-	-	-	-	-	35,651,252	-	35,651,252	32,939,072
Sales electrical utility - Generation	-	-	-	-	-	-	-	2,645,292	-	2,645,292	3,823,572
Interest	584,578	-	-	-	-	-	36,822	-	709,048	1,330,448	1,376,135
	7,901,293	11,656,825	11,768,636	923,705	1,897,090	12,361,740	8,729,559	39,856,744	709,048	95,804,640	92,006,779
Expenses											
Salaries and benefits	3,704,261	8,324,892	4,399,209	-	786,862	3,465,574	1,651,496	2,130,989	-	24,463,283	19,609,907
Goods and services	1,743,675	2,370,035	3,952,833	1,002,941	1,221,126	4,850,305	3,742,231	32,388,474	-	51,271,620	43,487,372
Amortization	604,705	938,923	3,655,223	-	110,467	2,048,077	2,142,852	2,403,290	-	11,903,537	12,035,495
Interest	103,282	146,867	254,278	-	6,894	153,923	46,329	642,998	-	1,354,571	1,500,640
Gain on disposal of tangible capital assets	121,039	-	-	-	-	(410)	-	-	-	120,629	(163,942)
	6,276,962	11,780,717	12,261,543	1,002,941	2,125,349	10,517,469	7,582,908	37,565,751	-	89,113,640	76,469,472
Surplus (deficit) for the year	\$ 1,624,331	\$ (123,892)	\$ (492,907)	\$ (79,236)	\$ (228,259)	\$ 1,844,271	\$ 1,146,651	\$ 2,290,993	\$ 709,048	\$ 6,691,000	\$ 15,537,307

*For the segment disclosure, the property tax warrant and the unconditional grant are distributed between departments based on the budgeted expenses.

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024

23. RECONCILIATION OF ANNUAL SURPLUS

	General operating fund	General capital fund	Water and wastewater disposal services operating fund	Water and wastewater disposal services capital fund	Generation facility operating fund	Generation facility capital fund	Reserves	Controlled entities	Total
2024 surplus (deficit) by fund	\$ 8,423,834	\$ (5,739,792)	\$ 1,953,903	\$ (997,082)	\$ 4,027,222	\$ (1,737,920)	\$ 709,048	\$ 51,787	\$ 6,691,000
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus	5,169	-	2,074	-	41,657	-	-	-	48,900
Transfers between funds									
General operating fund to General capital fund	(4,750,000)	4,750,000	-	-	-	-	-	-	-
Water and wastewater disposal services operating fund to Water and wastewater disposal services capital fund	-	-	(1,270,000)	1,270,000	-	-	-	-	-
Generation facility operating fund to Generation facility capital fund	-	-	-	-	(1,300,000)	1,300,000	-	-	-
General operating fund to General capital reserve fund	(1,625,000)	-	-	-	-	-	1,625,000	-	-
Water and wastewater disposal services operating fund to Water and wastewater disposal services capital reserve fund	-	-	(200,000)	-	-	-	200,000	-	-
General capital reserve fund to general operating fund	250,000	-	-	-	-	-	(250,000)	-	-
General capital reserve fund to general operating fund	250,000	-	-	-	-	-	(250,000)	-	-
Water and wastewater disposal services operating reserve fund to Water and wastewater disposal services operating fund	-	-	30,000	-	-	-	(30,000)	-	-
Principal payments on long-term debt	(3,327,000)	3,327,000	(549,000)	549,000	(2,805,000)	2,805,000	-	-	-
BALANCE TO FORWARD	(9,196,831)	8,077,000	(1,986,926)	1,819,000	(4,063,343)	4,105,000	1,295,000	-	48,900

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

23. RECONCILIATION OF ANNUAL SURPLUS (continued)

	General operating fund	General capital fund	Water and wastewater disposal services operating fund	Water and wastewater disposal services capital fund	Generation facility operating fund	Generation facility capital fund	Reserves	Controlled entities	Total
FORWARDED BALANCE	\$ (9,196,831)	\$ 8,077,000	\$ (1,986,926)	\$ 1,819,000	\$ (4,063,343)	\$ 4,105,000	\$ 1,295,000	\$ -	\$ 48,900
Provision for accrued retirement	1,043,240	-	83,310	-	107,497	-	-	-	1,234,047
Provision for accrued sick leave	(202,317)	-	(16,156)	-	(20,347)	-	-	-	(238,820)
Amortization expense	-	7,126,952	-	2,460,872	-	2,447,671	-	-	12,035,495
Total adjustments to the annual surplus (deficit)	(8,355,908)	15,203,952	(1,919,772)	4,279,872	(3,976,193)	6,552,671	1,295,000	-	13,079,622
Annual fund surplus	\$ 67,926	\$ 9,464,160	\$ 34,131	\$ 3,282,790	\$ 51,029	\$ 4,814,751	\$ 2,004,048	\$ 51,787	\$ 19,770,622

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

24. STATEMENT OF RESERVES

	General operating reserve	General capital reserve	Water and wastewater disposal services operating reserve	Water and wastewater disposal services capital reserve	Generation facility operating reserve	Generation facility capital reserve	2024 Total	2023 Total
Assets								
Cash	\$ 2,097,325	\$ 4,958,743	\$ 407,134	\$ 2,896,004	\$ 1,618,363	\$ 3,784,644	\$ 15,762,213	13,828,078
Public utility land	-	-	-	12,400	-	-	12,400	12,400
Accumulated surplus	\$ 2,097,325	\$ 4,958,743	\$ 407,134	\$ 2,908,404	\$ 1,618,363	\$ 3,784,644	\$ 15,774,613	13,840,478
Revenues								
Interests	\$ 9,029	\$ 229,935	\$ 24,188	\$ 123,000	\$ 96,717	\$ 226,179	\$ 709,048	558,770
Interfund transfers	-	1,125,000	(30,000)	200,000	-	-	1,295,000	2,679,375
Annual surplus (deficit)	\$ 9,029	\$ 1,354,935	\$(5,812)	\$ 323,000	\$ 96,717	\$ 226,179	\$ 2,004,048	3,238,145

Respect of the budgetary limit

The reserve of the general operating reserve fund and the generation facility operating reserve fund respects the budgetary limit of 5. p 100 intended by the *Local Governance Act*. However, the water and wastewater disposal services operating reserve fund exceed the permitted limit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

24. STATEMENT OF RESERVES (continued)

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Eric Desjardins, seconded by Councillor Denise Landry-Nadeau that \$250,000 be transferred from the general capital reserve fund to the general operating fund. (#2023-130)

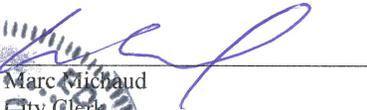
Moved by Councillor Eric Desjardins, seconded by Councillor Denise Landry-Nadeau that \$30,000 be transferred from water and wastewater disposal services operating reserve fund to the water and wastewater disposal services operating fund. (#2023-145)

Moved by Councillor Sylvie St-Onge-Morneault, seconded by Councillor Eric Desjardins that \$250,000 be transferred from the general capital reserve fund to the general operating fund. (#2024-088)

Moved by Councillor Eric McGuire, seconded by Councillor Diane Bélanger-Nadeau that \$1,625,000 be transferred from the general operating fund to the general capital reserve fund. (#2024-146)

Moved by Councillor Lisa Parent, seconded by Councillor Karen Power that \$200,000 be transferred from the water and wastewater disposal services operating fund to the water and wastewater disposal services capital reserve fund. (#2024-147)

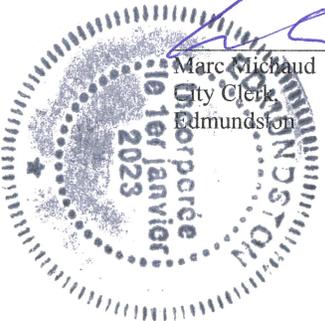
I hereby certify that the above are true and exact copies of resolutions adopted at a regular public meeting of Council on September 19, 2023, at a special public meeting of Council on November 14, 2023 and at a regular public meeting of Council on December 17, 2024.



Marc Michaud
City Clerk
Edmundston



Date



EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

25. STATEMENT OF CONTROLLED ENTITIES OPERATIONS

	Innovation, Développement et événements Edmundston (IDÉE) Inc.	Gestion Edmundston Golf Management Inc.	Moitié-Moitié Centre Jean-Daigle Inc.	Centre des Arts La Petite Église d'Edmundston Inc.	2024 Total	2023 Total
Assets	\$ 517,975	\$ 1,287,150	\$ 30,524	\$ 630,527	\$ 2,466,176	\$ 2,261,147
Liabilities	380,143	148,093	23,147	25,451	576,834	423,593
Accumulated surplus	\$ 137,832	\$ 1,139,057	\$ 7,377	\$ 605,076	\$ 1,889,342	\$ 1,837,554
Revenues	\$ 76,253	\$ 988,647	\$ 367,370	\$ 479,328	\$ 1,911,598	\$ 1,894,947
Expenses	62,166	946,021	364,139	487,485	1,859,811	1,708,966
Annual surplus (deficit)	\$ 14,087	\$ 42,626	\$ 3,231	\$ (8,157)	\$ 51,787	\$ 185,981

The above noted entities are included in the financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

26. OPERATING BUDGET TO PSAB BUDGET

	General operating fund	Water and wastewater disposal services operating fund	Generation facility operating fund	Amortization of tangible capital assets	Controlled entities	Transfers	Total
Revenues							
Property tax warrant	\$ 29,793,723	\$ -	\$ -	\$ -	\$ -	\$ -	29,793,723
Services provided to other governments	1,249,334	-	-	-	-	-	1,249,334
Sale of services, fines and other revenue	1,758,786	-	797,992	-	1,948,865	-	4,505,643
Unconditionnal grant	5,890,726	-	-	-	-	-	5,890,726
Other government transfers	25,801	-	-	-	90,441	-	116,242
Other revenues from own sources	683,979	55,550	-	-	-	-	739,529
User fees - Water and wastewater disposal services	-	7,311,486	-	-	-	(593,000)	6,718,486
Sales electrical utility - Distribution	-	-	33,560,080	-	-	-	33,560,080
Sales electrical utility - Generation	-	-	3,008,982	-	-	-	3,008,982
Interest	200,000	36,000	-	-	-	-	236,000
Second previous year's surplus	5,169	2,074	41,657	-	-	(48,900)	-
	39,607,518	7,405,110	37,408,711	-	2,039,306	(641,900)	85,818,745

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2024

26. OPERATING BUDGET TO PSAB BUDGET (continued)

	General operating fund	Water and wastewater disposal services operating fund	Generation facility operating fund	Amortization of tangible capital assets	Controlled entities	Transfers	Total
Expenses							
General government services	\$ 4,858,188	\$ -	\$ -	604,705	\$ -	183,293	\$ 5,646,186
Protective services	11,351,516	-	-	938,923	-	(434,741)	11,855,698
Transportation services	7,220,459	-	-	3,655,223	-	274,000	11,149,682
Environmental health services	1,020,996	-	-	-	-	-	1,020,996
Development services	1,820,686	-	-	110,467	-	7,429	1,938,582
Recreational and cultural services	6,352,831	-	-	2,048,077	1,806,183	165,861	10,372,952
Water and wastewater disposal services	-	5,720,972	-	2,142,852	-	165,138	8,028,962
Electrical utility - Distribution	-	-	31,555,503	1,583,170	-	418,825	33,557,498
Electrical utility - Generation	-	-	1,094,262	820,120	-	235,121	2,149,503
Debt service fees							
Debentures and long-term debt payments	3,327,000	549,000	2,805,000	-	-	(6,681,000)	-
Interest, bank fees and debenture fees	768,842	99,138	603,946	-	-	(1,471,926)	-
Discounts and bad debts	20,000	66,000	50,000	-	-	(136,000)	-
Transfer from the general operating fund to the general capital fund	2,800,000	-	-	-	-	(2,800,000)	-
Transfer from the general operating fund to the general operating reserve fund	125,000	-	-	-	-	(125,000)	-
Transfer from the water and wastewater disposal services operating fund to the water and wastewater disposal services capital fund	-	950,000	-	-	-	(950,000)	-
Transfer from the water and wastewater disposal services operating fund to the water and wastewater disposal services capital reserve fund	-	20,000	-	-	-	(20,000)	-
Transfer from the generation facility operating fund to the generation facility capital fund	-	-	1,300,000	-	-	(1,300,000)	-
Transfer from the general operating reserve fund to the general operating fund	(40,000)	-	-	-	-	40,000	-
Gain on disposal of tangible capital assets	(18,000)	-	-	-	-	-	(18,000)
	39,607,518	7,405,110	37,408,711	11,903,537	1,806,183	(12,429,000)	85,702,059
Surplus (deficit)	\$ -	\$ -	\$ -	(11,903,537)	\$ 233,123	\$ 11,787,100	\$ 116,686

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT

	Budget (unaudited)	2024	2023
<i>SERVICES PROVIDED TO OTHER GOVERNMENTS</i>			
Province of New Brunswick			
Fire protection	\$ 291,727	\$ 308,141	\$ 267,959
Police	5,000	5,780	5,000
Transportation	377,000	400,370	376,352
Communication center	575,607	592,952	569,030
	\$ 1,249,334	\$ 1,307,243	\$ 1,218,341
<i>SALE OF SERVICES, FINES AND OTHER REVENUES</i>			
Arenas	\$ 156,000	\$ 190,229	\$ 175,064
Jean-Daigle Centre	626,640	702,678	613,454
Sport Center	308,500	355,646	321,252
Golf	952,814	965,558	913,588
Recreational services	16,500	14,140	8,363
Cultural services	94,946	101,275	96,166
Service charge	50,000	84,748	70,574
Equipement rental	437,913	483,573	437,828
Licences, permits and fines	140,000	154,301	192,760
Sales and rental of equipment	326,279	343,570	394,202
Lodging tax	400,000	559,925	624,159
Moitié-Moitié Centre Jean-Daigle Inc.	418,051	367,370	409,887
Innovation, Développement et événements			
Edmundston (IDÉE) Inc.	31,000	76,253	45,795
Centre des Arts la Petite Église d'Edmundston Inc.	547,000	429,112	434,525
	\$ 4,505,643	\$ 4,828,378	\$ 4,737,617
<i>OTHER REVENUES FROM OWN SOURCES</i>			
Other revenues	\$ 53,450	\$ 541,766	\$ 106,258
Other revenues - Police	411,587	435,649	421,191
Other revenues - water and sewer services	30,000	18,880	163,447
Transportation department	135,000	235,222	187,643
Building rental	26,700	28,295	26,781
Administrative services	-	7,595	6,955
Wastewater treatment plant	25,550	25,550	25,550
Technical services	57,242	108,068	59,294
	\$ 739,529	\$ 1,401,025	\$ 997,119

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
<i>GENERAL GOVERNMENT SERVICES</i>			
Legislative			
Mayor	\$ 73,450	\$ 72,840	\$ 70,120
Councillors	97,785	107,812	151,936
Other legislative fees	150,512	162,878	141,144
	<u>321,747</u>	<u>343,530</u>	<u>363,200</u>
Administration			
Administration	661,379	652,497	681,553
City Clerk	129,127	110,279	106,368
Treasury	816,987	849,371	836,743
Tourism	453,511	613,436	670,673
Human resources	487,879	457,479	484,047
Office building	1,479,406	1,170,283	1,041,121
Data processing	447,089	425,542	524,944
Secrétariat à la Jeunesse	61,063	62,187	61,238
Pandemic fees	-	-	1,506
Sick leave and post employment benefits	-	150,624	(592,216)
Amortization	604,705	604,705	540,902
Debenture fees	52,000	-	97,047
Long-term debt interest	111,293	103,282	218,213
Bad debts	20,000	19,708	-
	<u>5,324,439</u>	<u>5,219,393</u>	<u>4,672,139</u>
	<u>\$ 5,646,186</u>	<u>\$ 5,562,923</u>	<u>\$ 5,035,339</u>

EDMUNDSTON

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
PROTECTIVE SERVICES			
911 Center	\$ 1,466,061	\$ 1,450,306	\$ 1,398,245
Police			
Administration	519,222	536,840	408,060
Crime prevention	4,623,107	4,406,502	4,361,511
Traffic activities	253,740	180,289	66,171
Station and buildings	485,678	482,623	493,768
Vehicles	378,651	374,793	287,298
Animal control	19,778	22,327	20,986
Jailer	34,513	28,817	28,284
Emergency measures service	11,534	6,124	11,082
Sick leave and post employment benefits	-	245,574	(1,079,306)
Amortization	737,728	737,728	726,971
Long-term debt interest	129,548	120,223	126,990
	7,193,499	7,141,840	5,451,815
Fire			
Administration	273,067	265,269	283,968
Fire fighting force	1,992,978	1,953,825	1,851,542
Brigade	279,655	213,682	169,321
Prevention	142,280	149,413	136,378
Station and buildings	135,252	135,559	135,862
Vehicles	143,000	150,051	161,634
Sick leave and post employment benefits	-	92,933	(338,479)
Amortization	201,195	201,195	196,809
Long-term debt interest	28,711	26,644	28,688
	3,196,138	3,188,571	2,625,723
	\$ 11,855,698	\$ 11,780,717	\$ 9,475,783

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
<i>TRANSPORTATION SERVICES</i>			
Administration - Road transport	\$ 923,393	\$ 927,914	\$ 904,815
Street maintenance - Summer	2,384,494	2,233,794	2,116,941
Street maintenance - Winter	2,589,735	2,621,505	2,651,121
Floods	-	756,106	1,438,088
Landscaping	372,108	591,074	434,268
Sidewalks	36,000	18,702	29,080
Storm sewers	155,000	124,274	119,086
Street lighting	537,000	635,830	587,197
Traffic	122,520	140,691	114,012
Parking	87,027	81,607	83,227
Other	13,182	41,665	23,310
Sick leave and post employment benefits	-	178,880	(614,644)
Amortization	3,655,223	3,655,223	3,642,633
Long-term debt interest	274,000	254,278	270,919
	\$ 11,149,682	\$ 12,261,543	\$ 11,800,053
<i>ENVIRONMENTAL HEALTH SERVICES</i>			
Garbage and waste collection	\$ 1,020,996	\$ 1,002,941	\$ 1,037,381
	\$ 1,020,996	\$ 1,002,941	\$ 1,037,381
<i>DEVELOPMENT SERVICES</i>			
Economic development	\$ 454,321	\$ 214,702	\$ 346,207
Engineering	79,603	79,069	74,454
Building inspectors	493,256	382,148	361,047
Environmental sustainability	113,220	29,535	20,340
Planning department	98,167	94,634	89,348
Communication towers	2,000	8,283	1,628
Urban development	216,374	686,736	308,370
Housing	-	132,697	-
Airport	138,780	138,780	138,613
Northwest Regional Service Commission (NWRSC)	224,965	209,409	127,647
Sick leave and post employment benefits	-	31,995	(167,351)
Amortization	110,467	110,467	83,719
Long-term debt interest	7,429	6,894	7,649
	\$ 1,938,582	\$ 2,125,349	\$ 1,391,671

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
<i>RECREATIONAL AND CULTURAL SERVICES</i>			
Recreational			
Administration	\$ 768,152	\$ 733,661	\$ 752,763
Sports	1,334,560	1,398,260	1,421,250
Arenas and Palladium	616,384	727,699	719,898
Jean-Daigle Centre	1,253,183	1,319,766	1,251,876
Parks and playgrounds	1,332,837	1,273,543	1,088,118
Golf	888,832	992,912	815,212
Moitié-Moitié Centre Jean-Daigle Inc.	418,051	364,139	408,200
Sick leave and post employment benefits	-	140,917	(409,544)
Amortization	2,048,077	2,048,077	1,935,917
Long-term debt interest	165,861	153,923	156,838
	8,825,937	9,152,897	8,140,528
Cultural			
Sociocultural	731,231	644,548	552,725
Library	180,284	176,612	185,394
Innovation, Développement et événements			
Edmundston (IDÉE) Inc.	31,000	62,166	39,863
Centre des Arts La Petite Église d'Edmundston Inc.	604,500	481,656	438,891
	1,547,015	1,364,982	1,216,873
	\$ 10,372,952	\$ 10,517,879	\$ 9,357,401

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
<i>WATER AND SEWER COLLECTION AND DISPOSAL</i>			
Water supply			
Administration	\$ 718,212	\$ 636,613	\$ 466,291
Billing and collecting	139,456	137,456	135,089
Power and pumping	548,210	627,702	622,378
Purification and treatment	160,225	126,717	138,693
Transmission and distribution	1,984,048	1,736,810	1,925,725
Sick leave and post employment benefits	-	55,075	(232,177)
Amortization	1,164,797	1,164,797	1,349,753
Bank fees	16,000	20,504	3,382
Short-term debt interest	10,000	2,222	3,623
Long-term debt interest	40,184	27,574	41,104
Discounts	46,000	51,050	48,490
Bad debts	2,000	-	-
	<u>4,829,132</u>	<u>4,586,520</u>	<u>4,502,351</u>
Sewer collection and disposal			
Administration	472,110	472,541	423,237
Billing and collection	92,971	92,971	91,349
Wastewater treatment plant	379,770	311,277	325,646
Sewage collection system	796,025	769,937	627,869
Lift-station	429,945	329,325	408,631
Sick leave and post employment benefits	-	12,079	(67,732)
Amortization	978,055	978,055	1,111,119
Bank fees	10,124	13,670	194
Short-term debt interest	5,000	1,481	2,416
Long-term debt interest	17,830	15,052	18,383
Bad debts	18,000	-	-
	<u>3,199,830</u>	<u>2,996,388</u>	<u>2,941,112</u>
	<u>\$ 8,028,962</u>	<u>\$ 7,582,908</u>	<u>\$ 7,443,463</u>

EDMUNDSTON**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2024

27. REVENUES AND EXPENSES SUPPORT (continued)

	Budget (unaudited)	2024	2023
<i>ELECTRICAL UTILITY</i>			
Electrical utility - Distribution			
Electrical energy purchases	\$ 26,239,648	\$ 27,814,306	\$ 25,656,995
Variance account	(50,000)	415,012	(225,539)
Administration	302,855	315,460	292,263
Distribution	2,074,660	2,136,001	2,133,220
Management expenses	2,179,926	2,168,482	2,107,252
Management and planning	133,914	132,889	109,531
Customer service	148,688	161,139	152,742
Electrometry	525,812	573,306	540,627
Sick leave and post employment benefits	-	81,326	(232,377)
Amortization	1,583,170	1,583,170	1,209,387
Short-term debt interest	40,001	100,059	46,320
Long term debt interest	328,824	324,357	360,547
Bad debts	50,000	2,181	21,266
	33,557,498	35,807,688	32,172,234
Electrical utility - Generation			
Administration	38,786	44,934	38,618
Management expenses	262,702	262,704	230,000
Management and planning	87,864	86,634	85,242
Operations	646,635	293,578	297,809
Electrometry	11,168	11,168	8,568
Lines	47,107	15,019	18,226
Sick leave and post employment benefits	-	5,324	(36,263)
Amortization	820,120	820,120	1,238,285
Short-term debt interest	12,432	18,703	-
Debenture fees	20,000	-	-
Long-term debt interest	202,689	199,879	218,949
	2,149,503	1,758,063	2,099,434
	\$ 35,707,001	\$ 37,565,751	\$ 34,271,668