



City of Fredericton  
**2023 ANNUAL REPORT**



*Fredericton*

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## Message From the Mayor

Looking back over 2023, there were several highlights for me. Of significant note was the growth of our city. We welcomed not only 4,500 new residents because of local governance reform, but also saw growth due to the arrival of people from around the province, country and globe.

Along with the increase in population, we continued to experience record-breaking development. While we have talked about changes to transit for a decade, 2023 was the year where data was collected, and changes proposed. We will welcome Sunday transit service in 2024.

In response to public safety concerns in the community, we created the City's Community Safety Services Unit in 2023. This is a promising new addition to the City's resources that will increase our capacity to patrol the downtown area and extensive trail network.

We also saw recommendations from the Anti-Racism Task Force intended to make our city more inclusive. Our relationship with Sitansisk (St. Mary's First Nations) continued to evolve and grow.

There was also progress on Officers' Square, the Performing Arts Centre, and gradual movements towards the future development of the exhibition grounds. We enjoyed our Fredericton 175+ celebrations and were honoured to be named the Forestry Capital of Canada.

With success, can also come challenge. Certainly, increasing costs have affected our municipal operations, as well as households in our city. To offset the impact on residents, we have worked to deliver more free recreational opportunities, assets and programming.

Within our jurisdiction as a municipal government and collaborating with other orders of government, in addition to other partners, we have worked hard to set the conditions that will see more housing built. The greatest need, of course, is for deeply affordable housing.

Certainly, homelessness remains a challenge in our community and others. We continue to work with experts in the community and other governments to address and mitigate the causes of homelessness.



Looking ahead to 2024, we expect growth to continue at a pace higher than originally anticipated. We will continue to move projects forward and engage residents on major files through our consultation efforts. Weaving this all together is like threading a needle, it is delicate work.

Sincerely,

**Kate Rogers**, Mayor  
City of Fredericton

## Message From the CAO

As a team, the City of Fredericton experienced many successes and achievements in 2023. While the work of the City continues to be guided by Council's Vision and our Strategy Map, the dedication to the community by our City staff is second to none.

Progress on various files is covered in the 'Municipal Achievements' and 'Key Areas of Focus' sections of this annual report. I would be remiss to not mention the forward movement achieved on Officers' Square, the new Performing Arts Centre, the planning for a river access project and paddling network, and our recreation master plan. At the same time, our complex capital construction projects continue to move forward. Major capital construction projects involve renewing aging infrastructure, but also incorporate work to mitigate impacts from climate change. Although the 2023 construction season was a challenge, I am confident we will apply lessons learned as we look to 2024. Many thanks to the incredibly talented group of people we have working as project managers and engineer design teams.

In 2023, we have worked to address public safety concerns through public safety cameras and the Community Safety Services Unit. While we still struggle with the impacts of many citizens 'living rough', the CSSU has been a significant resource that not only provides much needed presence but allows the Fredericton Police Force to focus on more complex criminality and investigations.

The City's Planning Department has led a collaborative team effort to successfully deliver on several affordable housing initiatives in 2023. This small group of planners, specialists and building inspectors also maintained their core service delivery programs, and managed record breaking permitting, growth and development projects.

Partnerships are key to the success of any work, and at the City of Fredericton we benefit from strong partnerships with other levels of government and local community leaders. We look forward to another year of collaborative work with our Federal and Provincial partners, Business Improvement Areas, the Fredericton Chamber of Commerce, the Fredericton International Airport, post-secondary higher learning institutions, and countless other not-for-profit organizations, boards, commissions, and volunteers.

Here's to a successful 2024!

**Steven Hart, CAO**  
*City of Fredericton*



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## Foreword

This City of Fredericton Annual Report is prepared in accordance with subsection 105(1) of the *Local Governance Act*.

This annual report contains the information prescribed by regulation, including, but not limited to, governance and financial information, information respecting the delivery of local government services, and information respecting grants and economic development activities.

The Audited Financial Statements are appended as Appendix I.

## Community Profile

The City of Fredericton prides itself on being a smart, sustainable and innovative city offering a cost-competitive business environment and a balanced lifestyle with abundant recreational and cultural amenities.

Internationally and nationally recognized for municipal and community efforts, the City delivers more than 60 programs and services to residents and visitors alike, in a planned and financially responsible manner.

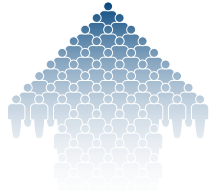
Together with its community stakeholders, the City of Fredericton is working to be the most vibrant, small city in North America.

Situated along the shores of the beautiful Saint John (Wolastoq) River, in the heart of the Province of New Brunswick, Fredericton is as much urban energy as small-town charm. [www.fredericton.ca](http://www.fredericton.ca)



## Fredericton AT A GLANCE

### CITY POPULATION



— THE POPULATION OF —  
**FREDERICTON**  
**71,000+**

Based on July 2022 Census and growth of city through local governance reform on January 1, 2023.

All indications are that Fredericton continues to grow, and in fact, is exceeding estimated forecasts found within its Growth Strategy.

### REGION POPULATION



— THE POPULATION OF —  
**FREDERICTON METRO**  
**116,159**

Estimates are that the population of the region also continues to grow.

### RECORD BREAKING DEVELOPMENT



The City of Fredericton issued building permits for **over \$267 million in construction activity in 2023, surpassing 2022 activity by over \$10 million.**



Higher density forms of residential development make up **more than 80% of total housing construction with construction of another 699 new townhouse and apartment units** starting in 2023.



The **total value of construction** in 2023 was well above the 5-year average of **\$208 million.**



This record-breaking development is supporting the **rapid population growth occurring in Fredericton.**



Development was strong across all sectors with **new residential developments valued at \$166 million, and commercial, government and institutional construction valued at \$101 million.**



Supporting the region's rapidly growing population the City approved **839 new housing units for construction** within the city in 2023.

## Fredericton AT A GLANCE

### CONSTRUCTION 2023

Here is the list of major and neighbourhood projects for 2023.

#### Major projects:

- Queen Street (City Hall to Sutton House)
- Regent Street Phase 2 (King to George)
- Queen Street & Westmorland (TD Tower)
- Riverside Drive Phase 1 (Sumac to Scott)
- Lincoln Road (Wilsey to Irving)
- Royal Road (Primrose to Hawkins)
- Maple Phase 3 (Willow to Fulton)
- Canada Street Phase 3
- Rookwood (Woodstock to Saunders) Phase 3
- Officers Square

#### Neighbourhood projects

- Jaffrey Street
- Clarence Avenue (Summer to Bruce) & Bruce Street
- Fairview (Silent Hill to Mountain) & Mountain Drive
- Hargrove
- Fairview Drive (Silent Hills Drive to Mountain Drive) & Mountain Drive

#### Here is a list of paving projects for 2023:

- Brookside Drive (Heron to Jacob)
- Durell Street
- Main Street (Raymond to Friel)
- Knowledge Park Drive (Riocan to Cyber)
- Montgomery Street (Regent to College Hill)
- Montgomery Street (Regent to Mitchell)
- University Avenue (Lansdowne to Queen)
- Prospect Street (West of Regent to FHS)
- Smythe Street (Prospect to Priestman)
- River Street (Civic 266 to 320)
- Mayflower Court
- Talisman Crescent (Rosewood to Thorndale)
- Rosewood (Woodstock to Talisman)
- Colebrook Court
- Doyle Court
- Piercy Crescent
- Doak Road
- McLeod Hill Road (Royal Road to Civic #139)

In addition to promoting construction projects via social media, in 2023, the City launched a construction newsletter to help residents stay informed.

### PARKS

**115+ kms  
of trail**

(27 kms paved; 30 kms  
maintained for winter use)

**1,360 ha  
(3,361 acres)  
of parkland**

(747 developed / 613  
undeveloped)

**760 ha  
(1,878 acres)  
of environmental  
open space**

## Fredericton AT A GLANCE

### RECREATION

**5 pools**

(4 outdoor / 1 indoor)



**9 wading pools**



**2 senior centres**



**2 community lodges**



**20 ball diamonds**



**5 skateparks**



**1 Indoor Skatepark**

(NYC @ Willie O'Ree Place)



**8 basketball courts**



**13 sports fields** (2 with artificial turf)



**4 arenas**

(2 which serve as multi-sport community recreation hubs)



**8 outdoor rinks**

(7 natural / 2 with an ice plant.)

- Officers' Square Skating Track opened December 2023. (Official Opening in January 2024.)



**9 tennis court locations**





## Fredericton AT A GLANCE

### RECREATION

**3 pickleball court locations**

(Four new courts coming in 2024.)

**7 Beach Volleyball Courts at Willie O'Ree**

**Work underway on Lincoln Cricket Field**

(Will officially open in 2024.)

### ROADS AND SIDEWALKS

**587 kms of roads and streets**

(almost enough to reach Quebec City)

**253 kms of sidewalk**

(enough to reach past Amherst, NS)

**1,000 city streets**

**142 traffic lights**

**5,447 streetlights**

(NB Power, Decorative and Standard)

*Note: As the city grows, so do these numbers.*

# Fredericton AT A GLANCE

## WATER & SEWER

438 kms of  
water lines



2,608 fire  
hydrants  
(City-owned  
and private)



404 kms of  
sewer lines



304 kms of  
storm sewer  
lines



6,403  
manholes



# Fredericton AT A GLANCE

## Transit



Transit provides over  
**1.3M** PASSENGER TRIPS PER YEAR

Fleet consists of  
**28** LOW-FLOOR  
TRANSIT BUSES

Offers  
**PARA TRANSIT  
SERVICE**

to persons with physical and cognitive disabilities.

Fredericton Transit also participated in  
**CLEAN AIR DAY**  
by offering **FREE** transit fares for the day.

**17** COMMUNITY GROUPS  
were supported under the City's Transit Fare  
Assistance Program.

**5,080** FREE TRANSIT TICKETS  
were handed out to clients of these groups so they could  
get to school, medical appointments, seek employment,  
and/or visit service providers.

*Note: See Key Areas of Focus in this annual report for a list of improvements made to transit in 2023.*

## Fredericton Fire Department



FFD responded to  
**5,148** INCIDENTS IN 2023  
with medical calls being around 49.59% of the call volume.

**628** FIRES including 40  
structure fires

Fire Services Review completed. Fire Department Master  
Plan being developed and will be presented to Council.  
Recommendations to be followed up on starting in 2024.

## *Fredericton* AT A GLANCE

### Fredericton Police Force

In 2023, the following key efforts were carried out by the Fredericton Police Force

#### Recruitment and Retention:

- Created a comprehensive strategy including a recruitment video, dedicated website, nationwide digital marketing campaign, and attend at job fairs / community event.
- Established a partnership with the Atlantic Police Academy, where the hiring process is completed before the candidates attend the Academy, offering them a guaranteed position with the Force upon successful completing the program.

#### Public Safety Cameras:

- In partnership with the local business community, the strategic placement of CCTV cameras took place throughout the city. The cameras provide police with real-time situational awareness, enabling a more effective response.
- The visible presence of these cameras, along with appropriate signage, can serve as a powerful deterrent to potential criminals as demonstrated in other locations.
- This initiative represents a proactive approach to public safety, leveraging technology to protect and serve the community.

#### Community Engagement:

- The Force continued to demonstrate a strong commitment to community engagement in 2023, hosting their annual Seniors Academy, and participating in several events, including Kids & Kops, Sitansisk Powwow, and the Healing Hands Bridge Walk.
- Notably, they also hosted Guns 'n Hoses, a charity hockey game between the police and fire departments, which served not only a testament to their camaraderie and community service, but also raised close to \$10,000 for the local food bank.
- These initiatives highlight the importance of community involvement in fostering trust and cooperation between the police and the communities they serve.

#### Body-Worn Cameras:

- Fredericton Police Force deployed 48 additional body worn cameras to its front-line patrols in 2023, in addition to the existing 12 that were in use.
- This initiative aims to improve overall community safety and well-being, increase transparency and accountability in policing and improve evidence collection and documentation.
- Body-worn cameras were identified as a priority in the Force's 2023-2025 Strategic Action Plan, as part of continue initiatives to modernize and optimize police assets to protect residents and meet the current and future safety needs of the city.

## City of Fredericton Headlines (Year in Review)

### JANUARY

- Community Open House – Heritage Program and Services Review

### FEBRUARY

- Black History GeoTour receives funding from Saint Mary's University: *Three new sites announced for Greater Fredericton portion of GeoTour*
- Meet & Greet to be held for new City residents: *Local government reform means Fredericton has grown by 4,300 people*

### MARCH

- Fredericton and New Taipei City Receive Intelligent Community Certification
- Fredericton named Forest Capital of Canada for 2023
- Fredericton's New Performing Arts Centre: *Learn More and Share Your Thoughts!*

### APRIL

- City Creates Community Safety Services Unit Pilot Program
- City Launches First Phase of Community Notifications and Alerts
- City Announces Mayor Construction Projects for 2023

### MAY

- Federal Government Announces funding for 25 affordable homes in Fredericton

### JUNE

- Funding announced for preliminary design plans for new regional aquatic centre
- Temporary Art Installation Goes in Killarney Lake Park: *Harold the Hippo Finds a Home in Killarney Lake*
- Progress Continues Toward Regional Aquatic Centre's Next Phase
- Final report of Heritage Program and Services Review now complete

### JULY

- City Announces Next Steps in Preservation of Historic Lemont House: *Request for Information Issued*
- City, Province, and Property Owner Collaborate to Revive High Profile Property Along Woodstock Road: *Purchase of former Craigs Automotive site positions the site for re-development.*
- City Introduces Flexible Commercial Zoning to Create More Affordable Housing Options: *Repurposing commercial spaces brings housing closer to places of work and amenities.*
- City receives funding from Intact Public Entities (IPE) and Intact Financial Corporation: *New interactive Neighborhood Flood Risk Map launched for residents.*

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## AUGUST

- Applications now being accepted for City's 2024 Community Grant Program: *New category has been added targeting climate change action.*
- City of Fredericton members appointed to Joint-Decision Making Authority for Exhibition Grounds: *Along with Fredericton Exhibition members, group will oversee the future development of the site.*
- City opens two new bike locker facilities
- Celebration held to recognize installation of City-commissioned Indigenous artwork at airport: *Painting by Percy Sacobie called "Glooscap and the Giant Beaver" finds home in departures lounge*
- Governments of Canada and New Brunswick invest in infrastructure renewal in Fredericton: *\$44.5 million to support water and active transportation infrastructure improvements.*

## SEPTEMBER

- Add Your Voice to Fredericton's Electric Vehicle Strategy
- Help Us Design a ParticiPARK at Killarney Lake!
- Harvest Festival Returns to Officers' Square
- City releases one-year implementation plan to action recommendations from Heritage Program and Services Review

## OCTOBER

- Artist sought to create public art for Performing Arts Centre
- Survey: Share Your Thoughts on Fredericton's Trails: *Survey part of developing a new Recreation and Leisure Master Plan for Fredericton*

## NOVEMBER

- Council adopts budget that supports residents living in a growing city
- City provides \$643,000 in community grants as part of Budget 2024

## DECEMBER

- Officers' Square Skating Rink in Historic Garrison District officially opens
- City Announces Next Steps in Preserving Historic Lemont House

**NOTE:** For information about the Fredericton 175+ and Forestry Capital of Canada, as well as efforts related to transit during 2023, see the Key Areas of Focus in this report.

## Municipal Achievements 2023

Based on Council's priorities, as well as approved Master Plans and operational plans, each year the City of Fredericton's Chief Administrative Officer (CAO) sets a series of goals to achieve. The following summarizes key successes for 2023.

LEGEND:  Complete  In Progress  Delayed

### 1 People Focused (Citizens)

- *Advance next generation infrastructure projects including the Performing Arts Center, Regional Aquatics Center, Officers' Square and downtown core amenities* – Significant progress had been made on our next generation infrastructure projects including site prep and initiation of the RFP process for the Performing Arts Center; initiated design for the Regional Aquatics Center; for Officers' Square substantial development to the main lawn area and skating rink; and several amenities improvements to the downtown core including garbage service level augmentation, underground power, short-term and long-term bike storage, as well as identification of potential dog park and paddle sport storage locations.
- *Implement new approaches to community safety, including a community safety unit (CSSU) and camera technology* – Successfully implemented the CSSU pilot and presented a pilot assessment to Council. In addition, several new community and public safety cameras were installed. The community appreciated both these critical projects.
- *Advance the Recreation and Parks Master Plan* – Kicked off the Recreation Master Plan process, completed presentation to Council as well as Phase 1 Technical Background Report and initiated the Stakeholder Engagement process.
- *Launch a refreshed City website and a digital e-services (CRM) system* – Completed and launched new modern and user-friendly City and Tourism websites as well as developed the RFP for the Client Relationship Management (CRM) system.
- *Develop service standards for fixed route transit* – Service standards for fixed route transit were completed and presented to the Council.

### 2 Regional Leadership

- *Manage opportunities and challenges presented by Local Governance Reform* – Presented a final operations plan for the Fredericton Police Force to Council for newly annexed areas.
- *Develop and execute a tourism regional service agreement with the Regional Service Commission* – A strategic Regional Service Commission (RSC) tourism plan was successfully completed including overall marketing adoption. Our team has been appreciated across the region.

## 3 Environmentally Responsible

- *Make tangible progress on the implementation of the Corporate Energy Plan (CEP), including electrification strategy and green building policy* – An anti-idling policy has been completed and a green fleet transition plan and green building policy have been drafted and will be brought forward to Council in early 2024. A draft Electric Vehicle strategy is being developed and progress has been made on light-duty fleet and building energy reduction.
- *Make tangible progress on Climate Change Action Plan (CCAP)* – A neighbourhood flood-risk portal was launched. In addition, progress was made on adaption funding related to river and heavy rainfall flooding. A resilience lands management framework is being developed with implementation targeted for 2024.
- *Conclude the Strategic Urban Forest Plan* – Progress was made on the Strategic Urban Forest Plan including internal Stakeholder engagement. Conclusion of the plan is anticipated for 2024.

## 4 Fiscal Stewardship

- *Review and revise the City's Long-Term Financial Plan* – An updated Long-term Financial Plan, including asset and growth strategies, was completed, and presented to Council during the budget process.
- *Leverage and track funding opportunities with other levels of government* – A third-party funding process/framework was completed and has been staffed and aligned with our five-year capital plan and infrastructure steering committee.

## 5 Building Our Community

- *Implement the one-year affordable housing strategy* – A housing accelerator application was submitted to the Federal government and a rapid housing funding agreement was signed. Zoning changes have commenced.
- *Advance the visions outlined for the NBEX* – A Joint Decision-Making Authority was established between the City and NBEX Board to guide future development on the exhibition grounds. Additional progress (Phase 1) is anticipated for 2024.
- *Accept and begin implementation of the Fire Services review action plan* – A Fire Service Review was completed and presented to Council with the Fire Master Plan rollout expected in 2024. Some elements were funded in the 2024 budget.
- *Develop a Master Transportation Plan* – Substantial progress was made on a transportation study including data analysis.
- *Review and implement process improvements for development projects* – An action plan for development projects process improvements was completed and implementation has commenced with remaining action items anticipated for completion next year.



## Sustaining the Business

- *Initiate a fleet renewal and optimization plan beginning with AVL implementation* – Automatic vehicle location (AVL) installation in all City vehicles almost complete with remaining vehicles targeted for early 2024. A City vehicle use policy has been completed with training to applicable staff ready for next year.
- *Develop a corporate digital strategy including digital road map* – A Digital Business Strategy and road map has been completed and will be presented to Council in 2024.
- *Complete building and fleet asset management plans* – A draft fleet asset management plan was completed by the Consultant with final plan targeted for January of 2024. Challenges with the building fleet management plan shifted scope of the project. Current work underway to consolidate data on inventory and determine asset condition and financial implications.

## Key Areas of Focus

### Fredericton 175+ Celebrations Held

Fredericton's history goes back thousands of years. Originally home to the Wolastogiyik People, the French and British followed. Today, this scenic bend on the river is home to people from around the world.

Fredericton was incorporated as a city on March 30, 1848, by an Act of the Provincial Legislature. 175 years later, in 2023, the City of Fredericton paused to celebrate that milestone, along with the history that went before and the bright future that lies ahead.

In preparing for the event, the City consulted with community partners, including Sitansisk (St. Mary's First Nations) and Centre communautaire Sainte-Anne, looked at its own programming and considered ways to create inclusive city-wide events.

In January, the City announced that while Fredericton's actual 175th birthday was in March, formal celebration would be held in August. A \$50,000 Fredericton 175+ Community Celebration Grant program was announced to organize events.



In February, the Fredericton 175+ logo was unveiled. Centred around Fredericton's iconic City Hall clock tower, the colours used represent the natural surroundings of the city and region. The yellow star represents our Acadian culture and has been taken from the Acadian flag in the exact same shape and colour. The base of the logo is the Wabanaki Circle of Life Motif and represents the strong tie to the Indigenous community.

General events for the summer were also announced including an ice cream social, concerts, outdoor dances, and other events. A Fredericton 175+ Facebook page and website were established.

On March 30, 2023, a ceremony was held at City Hall to celebrate the 175th anniversary. It included birthday cake, cupcakes, and hot chocolate, as well as the unveiling of the Fredericton 175+ flag, which featured the 175+ logo.

In April 2023, eight successful Fredericton 175+ Community Celebration Grants recipients were announced. This included two \$10,000 grants for:

- Capital Arts Support – Tannery 175+ Concerts, and
- Fredericton Outdoor Summer Theatre – Dosquicentennial Show.

Six \$5,000 grants were given for:

- Adult Literacy Fredericton Story Walk.
- Atlantic Sinfonia – A (Musical) Celebration of Us.
- Beaverbrook Art Gallery – Jordan Bennett mural portal: A gateway to reconciliation.
- Charlotte St. School Reunion.
- Fredericton Exhibition Ltd – Community Block Party.
- York Care Centre – “Old Time Country Day”.

In May, Fredericton's poet laureate, Jordan Trethewey, in partnership with the City of Fredericton and the Fredericton Public Library announced the “Ode to Your Postal Code” poetry challenge.

As part of the challenge, residents were invited to write a unique, six-line poem, paying tribute to their community by using their postal code. There are three categories for submission: Kids, Youth and Adult.

At the end of July, details about the biggest celebration on the Fredericton 175+ events calendar were unveiled. Taking place from August 9-20, the celebration featured events large and small.

This included an Indigenous Cultural Evening at the Beaverbrook Art Gallery, a special Fredericton 175+ exhibit at the Fredericton Region Museum, a Silent Disco, a Memory Lane Block Party and Exhibit, the Mayor's Ice Cream Social, and the RCMP Musical Ride.

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There was a Fredericton-themed Concert Night with the Downtown Blues Band, performances and a street dance by the Alex Bailey Swing Band, Fredericton 175+ Concerts, and a Freddy Beach Fan Fest (Comicon).

In addition, residents enjoyed specially themed Garrison Night Markets, Acadian Day Celebrations, a Fredericton Folk Concert, and a Sports Spectacular at the NB Sports Hall of Fame.

In August, the winners and ten runners up of the “Ode to Your Postal Code” poetry challenge were announced.

The winner in the Kid’s category was Lucy Godfrey, age 8. The Youth category winner was Selena Michaud, age 14. The Adult category was won by Pam McCann.

The poems were on display until the end of September at the Fredericton Public Library and on the City website.

Finally, in September, a planting ceremony was held at the Fredericton Botanic Gardens to establish a Fredericton 175+ rose garden. This was made possible by \$25,000 in funding from the City. It consisted of 11 rose species, native to Canada and at least six heritage species from around the world.

While celebration activities for the year came to an end, stories about the community’s history continued to be posted to the Fredericton 175+ Facebook page until the end of the year.

## Forestry Capital of Canada 2023

In March, it was announced that the City of Fredericton and the Greater Fredericton Region had been named as the Forest Capital of Canada for 2023 ... a great honour for a city whose motto is “Noble Daughter of the Forest.”

The designation by the Canadian Institute of Forestry (CIF) kicks off a year-long celebration of the city’s rich forest history and the valuable role forestry has played in the social and environmental growth of the Greater Fredericton region.

The Forest Capital of Canada program focuses on the role forests play in the socio-economic and environmental health of our communities – past, present and future, while also recognizing the importance of forest heritage and a commitment to sustainable forest management practices across the community.

Fredericton and the region is a hub for excellence in the forest profession, home to several leading forest sector companies, as well as boasting several forest research, training and advocacy organizations within the Hugh John Flemming Forestry Complex.

The city is also home to several post-secondary academic institutions with forestry and natural resources programs. The city has over 70 years of demonstrated stewardship and management of the urban forest, through the creation of the Fredericton Tree Commission, and the Parks and Trees Division.

Highlights for the year include:

- Hosted Canadian Institute of Forestry delegates for National program and designation launch.
- Hosted Forest NB Industry Forum
- Hosted and sponsored Northern Hardwoods Research Institute National Conference
- Municipal representation at Women in Wood event
- Provided educational opportunities at Garrison District Night Market over the summer.
- Regional representation at the North American Forest Commission
- Regional representation Canadian Institute of Forestry Silver Ring ceremony
- Planted elm trees on the riverfront
- Development of a new Urban Forestry Strategy
- Online campaign to promote Fredericton’s Urban Forest including Trees of Fredericton map and two educational park walk videos with City staff.

## Growth

In 2023, Fredericton continued to be one of Canada’s fastest growing small cities. Record levels of international immigration and migration from other parts of Canada have resulted in the city doubling the population growth projections included in the Municipal Plan with the population of the city increasing by about 2,000 people per year.

The development community is responding by delivering record numbers of new housing starts but there is evidence to suggest that the volume of activity is not adequate to meet demand and the new inventory is not

diverse enough to be affordable or appropriate for all. Strong population growth has been accompanied by equally strong employment growth. Total employment in Fredericton is up by about 6,000 since the period immediately before COVID.

The City will again have exceeded \$250 million in construction activity in 2023. The pressure on the City's Building Inspection Division to appropriately deal with this volume activity, as well as new building and energy code requirements, has been a significant challenge.

In Community Planning and Engineering Construction & Design, the complexity and scale of development applications has been made more manageable by the adoption the new Municipal Plan in 2020 but application processing has consumed considerable professional resources. City teams have played a key role in getting developments approved and processed – their work continues well past PAC and permit issuance.

Growth is impacting all of City departments, with an increase in special events, user groups competing for facility access, service calls for Service Fredericton and outside workers, pressure on roads and water teams, and the ability of project teams to manage projects in an extremely complex environment.

## Transit Improvements

2023 was a year of planning and improvements for Fredericton Transit.

It was announced in April that passenger counters, automated announcements, on-board cameras, and debit and credit payments were being introduced. The customer facing improvements were important as they provided accessibility enhancements, safety features and fare payment option, but just as important was the ability to collect passenger data.

It was not just about the total number of passengers, but more about where they got on the bus and where they got off, and what each day of service looked like. This information was key to future route and service improvements.

In July, to further understand what transit passengers wanted, a survey was launched. In November, using the data collected during the year, service standards for fixed route transit were completed and presented to the

Council. This information would be used to guide transit services in Fredericton and inform any future changes.

Also in November, it was announced that following an RFP process, Pacific Western Transportation (PW Transit), would take over the para transit contract in Fredericton as of January 2024. They are a well-established transit company that offers specialized para transit services across the country. Customers of para transit can expect more responsive services starting in the new year.

Finally, in December 2023, it was announced that Sunday services would roll into Fredericton in Spring 2024. Transit buses are expected to run between 9 a.m. and 6 p.m. on Sunday. This will include Sunday service for Para Transit. The goal of the Sunday routing is to provide a more direct and robust service to customers who need it most on Sundays.

## Climate Change Action

2023 was another significant year in advancing corporate and community actions related to the City's energy and emissions plans and advancing GHG reduction. Progress can be tracked via the Environmental Dashboard – [https://environment-fredericton.hub.arcgis.com/pages/dashboard\\_eng](https://environment-fredericton.hub.arcgis.com/pages/dashboard_eng)

Did you know the City...

- Was recognized as an "NB Power Energy Champion" for our efforts in energy efficiency.
- Received an A for our adaptation efforts and an A – for mitigation efforts. CDP – CDP-ICLEI is the world's leading climate and environment reporting platform and progress accountability mechanism for cities.
- Secured significant third-party funding.
- Witnessed positive impacts of our infrastructure climate adaptations during Tropical Storm Lee.
- Supported community partnerships and action.
  - Launched an interactive heat map that identifies the solar potential of your home, what rebates are available to you, and the likely return on your investment.
  - Was certified as a Monarch Butterfly friendly City.
- Was designated by the Canadian Institute of Forestry as the "Forest Capital of Canada" for 2023.

## Local Governance Reform

LGR has impacted the City for a third year – this time requiring agile and timely support from a large team related to new legislation that eroded Municipality autonomy. This small team also did excellent work related to inside / outside tax rates and service levels. It has also been challenging to influence the new strategy and budget developed by the Regional Service Commission.

## Social Inclusion

This group had a large impact this year – concluding the Anti-Racism Task Force. Also saw significant success advocating to the Province regarding the dire need for a homelessness strategy, and making significant progress regarding Physician recruitment. Related to the living rough, we do need to acknowledge our Parks team for their agility in responding to encampments and garbage.

## Housing

The City welcomed a new Housing Coordinator, delivered on two complex Rapid Housing Initiatives, successfully applied to the Housing Accelerator fund. Had significant influence on the Provincial Housing Strategy, and in partnership with Real Estate, did many land transactions to support our community's affordable and general housing inventory.



## City of Fredericton City Council

### Profile

The City of Fredericton is governed by a City Council consisting of a mayor, nominated and elected at large, and 12 city councillors, nominated and elected by ward. The mayor and city councillors serve for a four-year term.

City Council is responsible for conducting the business of municipal government. This is done through a variety of meetings, including regular Council meetings, Council-in-Committee meetings, Standing Committee meetings, and other committee and board meetings.

Numerous municipal bylaws are in place to govern the work of the City of Fredericton. The municipality

also operates under the legislation of the Province of New Brunswick, including the *Local Governance Act*, *Community Planning Act*, *Official Languages Act*, and *Right to Information and Protection of Privacy Act*.

The City's budget is based on a calendar year. City Council approves an annual capital and operating budget for both the General Fund and the Water and Sewer Utility.

Municipal elections were held in New Brunswick in May 2021. The next municipal election in New Brunswick is scheduled for May 2026.

### City Council (2021 – 2026)



**Front Row:** Jocelyn Pike, Councillor, Ward 4 (Main Street/North Devon); Cassandra LeBlanc, Councillor, Ward 10 (West Downtown & Plat/Sunshine Gardens); Kate Rogers, Mayor, City of Fredericton; Greg Ericson, Deputy Mayor / Councillor, Ward 8 (Skyline Acres); and, Henri Mallet, Councillor, Ward 12 (Silverwood/Garden Creek).

**Back Row:** Steven Hicks, Councillor, Ward 5 (Marysville); Margo Sheppard, Councillor, Ward 1 (Clements/Sunset); Jason LeJeune, Councillor, Ward 11 (East Downtown & Plat/UNB); Kevin Darrah, Councillor, Ward 7 (Southwood Park/Lincoln); Eric Megarity, Councillor, Ward 6 (South Devon/Barker's Point/Lower St. Mary's); Mark Peters, Councillor, Ward 2 (McLeod/Brookside); Ruth Breen, Councillor, Ward 9 (Bishop Drive/Odell Park); and, Bruce Grandy, Councillor, Ward 3 (Nashwaaksis North).

## Council's Vision and Guiding Principles

Fredericton is a smart, growing and increasingly diverse city. To inform the City's work, City Council adopted a new municipal plan and growth strategy several years ago.

In addition, City Council sat down after the 2021 election to develop a vision and set of guiding principles to further direct their efforts.

During their term in office, Council will focus on people, building community, prioritizing regional leadership, and maintaining strong fiscal and environmental stewardship.

### COUNCIL'S Guiding Principles



#### PEOPLE FOCUSED

*We will place people first.*

This will be achieved through inclusion, diversity and a thoughtful approach to governing.

#### REGIONAL LEADERSHIP

*We will build regional leadership.*

This will be achieved through open dialogue and forging strong partnerships.

#### BUILDING COMMUNITY

*We will build community.*

This will be achieved through efficient movement of people, housing for all and thoughtful development.

#### FISCAL STEWARDSHIP

*We will act to ensure fiscal stewardship.*

This will be achieved by maintaining quality programs and their delivery, responsible growth and economic vitality, and efficient use of available resources.

#### ENVIRONMENTALLY RESPONSIBLE

*We will be environmentally responsible.*

This will be achieved through sustainable and efficient infrastructure, environmental stewardship and prioritizing active transportation.

## COUNCIL GUIDING PRINCIPLES

### Council Vision

An inspirational, growing city with a sense of community and culture, promoting thoughtful urban development, active living and a social, environmental and fiscal conscience.

## Council Members and their Responsibilities

City Councillors serve on various committees during their term in office. In 2023, Council participated in the following committees.

### City Council (January to December 2023)

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#### **Kate Rogers, Mayor:**

- Ex-officio to all Standing Committees
- Fredericton Affordable Housing Committee, Chair
- UNB Board of Governors, Member
- Joint Decision-Making Authority for New Brunswick Exhibition Lands

#### **Margo Sheppard, Councillor, Ward 1 (Clements/Sunset):**

- Environmental Stewardship Committee, Vice-Chair
- Economic Vitality Committee, Member
- Fredericton Tree Commission, Council Representative
- Governance & Civic Engagement Committee, Member
- Livable Community Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Preservation Review Board, Council Representative
- Public Safety Committee, Member
- Riverfront Advisory Committee, Member
- Superannuation Administration Committee (Police & Fire – By-Law A 13), Member

#### **Mark Peters, Councillor, Ward 2 (McLeod/Brookside):**

- Economic Vitality Committee, Vice-Chair
- Mobility Committee, Vice-Chair
- Business Fredericton North, Liaison
- Governance & Civic Engagement, Member
- Livable Community Committee, Member

#### **Bruce Grandy, Councillor, Ward 3 (Nashwaaksis North):**

- Mobility Committee, Chair
- Economic Vitality Committee, Member
- Governance & Civic Engagement, Member
- Ignite Fredericton Board of Directors, Member
- Public Safety Committee, Member

#### **Jocelyn Pike, Councillor, Ward 4 (Main Street/North Devon):**

- Municipal Finance & Corporate Administration Committee, Vice Chair
- Age Friendly Community Advisory Committee, Council Representative
- Business Fredericton North (alternate)
- Governance & Civic Engagement Committee, Member
- Livable Community Committee, Member
- Superannuation Administration Committee (Police & Fire – By-Law A 13), Member
- Environmental Stewardship Committee, Member
- Economic Vitality Committee, Member

#### **Steven Hicks, Councillor, Ward 5 (Marysville):**

- Public Safety Committee, Chair
- Economic Vitality Committee, Member
- Environmental Stewardship Committee, Member
- Governance & Civic Engagement, Member
- Negotiations Liaison Committee, Member
- Union of the Municipalities of New Brunswick, Council Representative

#### **Eric Megarity, Councillor, Ward 6 (South Devon/Barker's Point/Lower St. Mary's):**

- Livable Community Committee, Chair
- Economic Vitality Committee, Member
- Environmental Stewardship Committee, Member
- Governance & Civic Engagement Committee, Member
- Local Improvement Association for the Fredericton Botanic Garden, Liaison
- Mobility Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Planning Advisory Committee, Member
- Public Safety Committee, Member
- Superannuation Administration Committee (Police & Fire – By-Law A 13), Member



**Kevin Darrah, Councillor, Ward 7  
(Southwood Park/Lincoln):**

- Environmental Stewardship Committee, Chair
- Arts and Culture Advisory Committee, Council Representative
- Association of Francophone Municipalities of New Brunswick (alternate)
- Governance & Civic Engagement, Member
- Municipal Finance & Corporate Administration Committee, Member
- Negotiations Liaison Committee, Member
- Planning Advisory Committee, Member
- Superannuation Administration Committee (Police & Fire-By-Law A-13), Member

**Greg Ericson, Deputy Mayor  
(Councillor, Ward 8 – Skyline Acres)**

- Governance & Civic Engagement, Chair
- Superannuation Administration Committee (Police & Fire – By-Law 13), Chair
- Economic Vitality Committee, Member
- Environmental Stewardship Committee, Member
- Livable Community Committee, Member
- Mobility Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Negotiations Liaison Committee, Member
- Public Safety Committee, Member
- Regional Service Commission (alternate)

**Ruth Breen, Councillor, Ward 9  
(Bishop Drive/Odell Park):**

- Public Safety Committee, Vice-Chair Environmental Stewardship Committee
- Governance & Civic Engagement, member
- Livable Community Committee, member
- Mayor's Working Committee on Community/Post-Secondary Relations, Council Representative
- Mobility Committee, Member
- Negotiations Liaison Committee, Member
- Economic Vitality Committee, Member
- Joint Decision-Making Authority for New Brunswick Exhibition Lands

**Cassandra LeBlanc, Councillor, Ward 10  
(West Downtown & Plat/Sunshine Gardens):**

- Livable Community Committee, Vice-Chair
- Downtown Fredericton Inc. (alternate)
- Economic Vitality Committee, Member
- Fredericton Public Library Board, Council Representative
- Governance & Civic Engagement Committee, Member
- Mayor's Youth Action Team, Council Representative
- Multicultural Liaison, Council Representative
- Planning Advisory Committee, Member
- Economic Vitality Committee, Member

**Jason LeJeune, Councillor, Ward 11,  
(East Downtown & Plat/UNB):**

- Economic Vitality Committee, Chair
- Downtown Fredericton Inc., Council Representative
- Fredericton Affordable Housing Advisory Committee, Council Representative
- Governance & Civic Engagement, Member
- Livable Community Committee, Member
- Mobility Committee, Member
- Public Safety Committee, Member
- Superannuation Administration Committee (Police & Fire By-Law 13), Member

**Henri Mallet, Councillor, Ward 12  
(Silverwood/Garden Creek):**

- Municipal Finance & Corporate Administration Committee, Chair
- Superannuation Administration Committee (Police & Fire – By-Law A-13), Vice – Chair
- Association of Francophone Municipalities of New Brunswick, Council Representative
- Economic Vitality Committee, Member
- Governance & Civic Engagement, Member
- Centre communautaire Sainte-Anne, Liaison
- Livable Community Committee, Member
- Negotiation Liaison Committee, Member
- Recreation Advisory Committee, Council Representative



## Committees

The work of Fredericton's City Council is informed by various committees and groups. These include standing committees, a Planning Advisory Committee (PAC), and other advisory committees, boards, and commissions.

At a high level, the purpose of any committee is to provide advice to City Council and staff on specifically mandated areas of interest and contribute to the development of policies, programs and initiatives.

Standing committees are made up of City Councillors appointed to that role. The Planning Advisory Committee is made up of a combination of councillors and members of the public. Advisory committees are composed of volunteers, appointed by Council, and they meet as needed.

### Standing Committees of Council

Standing Committee meetings are normally held each Thursday at 12 noon.

#### **Economic Vitality Committee**

Program: Economic Vitality – Guided by comprehensive, sustainable community planning and focused economic growth, stability and prosperity.

#### **Environmental Stewardship Committee**

Program: Environmental Stewardship – A community that respects its natural environment, minimizes its environmental impact and adapts to climate change.

#### **Governance & Civic Engagement Committee**

Program: Governance & Civic Engagement – Vision, leadership and decision making for the common good, generated by an informed and engaged community working in collaboration with City government.

#### **Livable Community Committee**

Program: Livable Community – To promote a socially progressive and diverse community offering varied opportunities for cultural enrichment and active living, and ensuring the preservation of the City's cultural and historical identity.

#### **Mobility Committee**

Program: Mobility – A safe, multi-modal transportation system with varied opportunities for movement of people and goods.

#### **Municipal Finance and Corporate Administration**

Program: Corporate Efficiency and Sustainable Infrastructure – Efficient, effective and responsive services, sustainable infrastructure and finances.

#### **Public Safety**

Program: Public Safety – A safe and secure community.

## Planning Advisory Committee

The Planning Advisory Committee (PAC) is an appointed Committee of Council, comprised of three Councillors and six local citizens. The mandate of PAC is to perform necessary duties relating to community planning, as required by the *Community Planning Act* or City Council.

This committee's duties include making recommendations to City Council on land use planning matters, including Municipal Plan Amendments, rezoning of property, zone amendments, and subdivisions. The committee also acts as the approving authority for the majority of significant variances.

Regular meetings of PAC are held on one Wednesday of every month. The meeting begins at 7:00 p.m. in City Hall Council Chamber and is open to all members of the public.

## Other Advisory Committees, Boards and Commissions

- Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton
- Age-Friendly Community Advisory Committee
- Arts and Culture Advisory Committee
- Association of Francophone Municipalities of NB
- Business Fredericton North
- Cities of New Brunswick Association (Mayors only)
- Downtown Fredericton, Inc.
- Fredericton Affordable Housing Committee
- Fredericton Public Library Board
- Fredericton Tree Commission
- Ignite Fredericton
- Le Centre Communautaire Sainte-Anne
- Local Improvement Association of the City of Fredericton
- Mayor's Working Committee on Community/Post-Secondary Relations
- Multicultural Liaison
- NBEX Land Development Committee
- Negotiations Liaison Committee
- Performing Arts Centre Design Team Procurement
- Preservation Review Board
- Recreation Advisory Board
- Regional Services Commission
- Social Inclusion Committee
- Shared Risk Plan Board of Trustees
- Union of Municipalities of New Brunswick
- Mayor's Youth Action Team



# 2023 ANNUAL REPORT

## Council Training & Professional Development

In 2023, City Council received Cultural Awareness Training in addition to various lunch and learns on governance, finance, planning and land funds. Additionally, Council participated in various engagement sessions including ones on heritage, the Urban Forest Strategy, and the Recreation and Leisure Master Plan.

## Meetings of Council

Regular Council meetings are normally held at 7:30 pm on the second and fourth Mondays of the month, except for holidays. Special meetings may be called.

To confirm meetings and their times, as well as to see the meeting agenda, the public can visit the City of Fredericton Council Meeting web page.

Anyone can watch the public Council and Standing Committee meetings by using the broadcast link on the Council Meeting web page.

The public can request to present at a meeting by submitting a Request to Appear form to the Office of the City Clerk.

Councillor meeting attendance at Regular Council meetings for 2023 is detailed in the table below:

## City Council (January to December 2022)

Present (P) Absent (A)		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Mearity	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
Date	Meeting													
9-Jan-23	Council-in-Committee Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
9-Jan-23	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	P
23-Jan-23	Council-in-Committee Closed	P	P	V	P	P	P	P	P	P	P	P	P	A
23-Jan-23	Regular City Council	P	P	V	P	P	P	P	P	P	P	P	P	V
13-Feb-23	Council-in-Committee Closed	P	P	P	A	A	P	P	P	P	P	P	P	P
13-Feb-23	Regular City Council	P	P	P	A	A	P	P	P	P	P	P	P	P
27-Feb-23	Council-in-Committee Closed	P	P	P	P	P	P	P	A	P	P	A	P	P
27-Feb-23	Regular City Council	P	P	P	P	P	P	P	A	P	P	P	P	P
13-Mar-23	Council-in-Committee Closed	P	P	P	P	P	A	P	P	P	A	P	A	P
13-Mar-23	Regular City Council	P	P	P	P	P	P	P	P	P	A	P	P	P
27-Mar-23	Council-in-Committee Closed	P	A	P	A	P	P	P	P	P	P	P	P	A
27-Mar-23	Regular City Council	P	A	P	A	P	P	P	P	P	P	P	P	A
11-Apr-23	Council-in-Committee Closed	A	P	P	P	P	P	P	P	P	A	P	P	P
11-Apr-23	Regular City Council	A	P	P	P	P	P	P	P	P	A	P	P	P
24-Apr-23	Council-in-Committee Closed	P	P	P	P	A	P	P	P	P	P	P	P	P
24-Apr-23	Regular City Council	P	P	P	P	A	P	P	P	P	P	P	P	P
8-May-23	Council-in-Committee Closed	P	P	A	A	P	P	P	P	P	P	P	P	P
8-May-23	Regular City Council	P	P	A	A	P	P	P	P	P	P	P	P	P
23-May-23	Council-in-Committee Closed	P	P	A	P	P	A	P	P	P	P	P	P	P

P – PRESENT      A – ABSENT      V – VIRTUAL

# 2023 ANNUAL REPORT

## Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
23-May-23	Regular City Council	P	P	A	P	P	A	P	P	P	P	P	P	P
12-Jun-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	A	P	P	P
12-Jun-23	Regular City Council	P	P	P	P	P	P	P	P	P	A	P	P	P
26-Jun-23	Council-in-Committee Closed	P	P	P	P	P	V	P	V	P	P	A	P	P
26-Jun-23	Regular City Council	P	P	P	P	P	V	P	V	P	P	A	P	P
10-Jul-23	Council-in-Committee Closed	A	P	P	P	P	P	P	P	P	P	P	P	P
10-Jul-23	Regular City Council	A	P	P	P	P	P	P	P	P	P	P	P	P
24-Jul-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
24-Jul-23	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
14-Aug-23	Council-in-Committee Closed	P	P	P	P	P	P	A	P	P	P	A	P	A
14-Aug-23	Regular City Council	P	P	P	P	P	P	A	P	P	P	P	P	A
21-Aug-23	Regular City Council	P	P	P	A	P	P	A	P	P	P	P	P	P
28-Aug-23	Council-in-Committee Closed	P	P	P	A	P	P	P	P	P	P	P	P	A
28-Aug-23	Regular City Council	P	P	P	A	P	P	P	P	P	P	P	P	A
11-Sep-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
11-Sep-23	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
25-Sep-23	Council-in-Committee Closed	A	P	A	P	P	P	P	P	P	P	P	P	P
25-Sep-23	Council-in-Committee Budget	A	P	A	P	P	P	P	P	P	P	P	P	P
25-Sep-23	Regular City Council	A	P	A	P	P	P	P	P	P	P	P	P	A
4-Oct-23	Special City Council	A	P	A	A	P	P	V	A	P	P	V	P	P
10-Oct-23	Council-in-Committee Closed	P	P	P	A	P	P	P	P	P	P	P	P	P
10-Oct-23	Council-in-Committee Budget	P	P	P	A	P	P	P	P	P	P	P	P	P
10-Oct-23	Regular City Council	P	P	P	A	P	P	P	P	P	P	P	P	P
16-Oct-23	Council-in-Committee Budget	P	P	P	A	P	P	P	P	P	P	P	P	P
23-Oct-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
23-Oct-23	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
6-Nov-23	Council-in-Committee Budget	P	P	P	P	P	P	P	P	P	V	P	P	P
14-Nov-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	A	P	P	P
14-Nov-23	Regular City Council	P	P	P	P	P	P	P	P	P	A	V	P	P
20-Nov-23	Council-in-Committee Budget	P	P	A	P	P	P	P	A	P	V	P	P	P
27-Nov-23	Council-in-Committee Closed	P	A	P	P	P	P	P	P	P	P	P	P	P
27-Nov-23	Regular City Council	P	A	P	P	P	P	P	P	P	P	P	P	P
11-Dec-23	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
11-Dec-23	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P

**P – PRESENT      A – ABSENT      V – VIRTUAL**

# 2023 ANNUAL REPORT

## Present (P) Absent (A)

Date	Meeting	Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
5-Jan-23	Livable Community	EO	P	A	P	P	NM	P	NM	P	P	P	P	P
12-Jan-23	Environmental Stewardship	EO	P	NM	P	P	P	P	P	P	P	P	P	P
19-Jan-23	Mobility	A	P	P	P	P	NM	P	P	P	P	P	P	P
26-Jan-23	Economic Vitality	EO	P	A	P	P	P	P	NM	P	P	P	P	A
2-Feb-23	Governance & Civic Engagement	A	P	P	A	P	P	P	P	P	P	P	P	P
9-Feb-23	Public Safety	A	P	NM	A	NM	P	P	P	P	A	P	P	NM
16-Feb-23	Livable Community	A	P	A	A	A	NM	P	P	P	P	A	P	A
23-Feb-23	Municipal Finance	EO	P	NM	A	P	NM	P	P	P	NM	P	P	P
28-Feb-23	Economic Vitality	P	P	P	A	P	P	P	NM	P	P	P	P	A
16-Mar-23	Environmental Stewardship	EO	P	NM	A	A	A	P	P	P	A	P	NM	NM
23-Mar-23	Livable Community	A	A	P	A	P	P	P	NM	P	P	P	P	P
30-Mar-23	Municipal Finance – Cancelled	CANCELLED												
6-Apr-23	Mobility	A	NM	P	P	P	P	P	P	P	A	P	P	P
13-Apr-23	Economic Vitality	P	P	P	P	P	P	P	P	P	A	P	P	P
20-Apr-23	Public Safety	P	P	P	P	P	P	P	NM	P	P	P	P	P
4-May-23	Livable Community	P	P	P	P	P	V	A	A	P	P	P	A	P
11-May-23	Environmental Stewardship	EO	P	NM	P	P	A	P	P	P	P	P	P	P
18-May-23	Governance & Civic Engagement	A	P	A	P	P	A	P	A	P	P	P	P	A
25-May-23	Municipal Finance	EO	A	NM	A	P	NM	P	A	P	NM	NM	NM	P
1-Jun-23	Public Safety	P	P	NM	P	P	P	P	P	P	P	V	A	P
8-Jun-23	Economic Vitality	P	P	P	A	A	V	P	P	A	V	V	P	P
15-Jun-23	Mobility	P	V	P	P	P	V	P	P	P	V	P	P	P
22-Jun-23	Livable Community	EO	P	A	V	P	NM	P	NM	A	A	P	P	P
27-Jun-23	Municipal Finance	CANCELLED												
6-Jul-23	Mobility	A	P	A	P	P	NM	P	NM	P	P	P	P	P
13-Jul-23	Environmental Stewardship	EO	P	NM	P	P	A	A	A	P	P	NM	NM	P
20-Jul-23	Economic Vitality	P	P	A	P	P	A	P	NM	P	P	A	P	P
27-Jul-23	Municipal Finance	P	A	NM	P	P	NM	P	A	P	NM	P	NM	P
3-Aug-23	Livable Community	EO	A	A	A	P	NM	P	NM	A	A	P	P	P
10-Aug-23	Public Safety	P	A	NM	P	P	P	P	P	P	P	NM	P	NM
17-Aug-23	Governance & Civic Engagement	A	P	A	P	P	A	P	P	P	P	P	P	A
24-Aug-23	Mobility	P	P	P	P	P	NM	A	P	P	P	A	P	NM
31-Aug-23	Municipal Finance	P	P	NM	A	P	NM	P	P	P	NM	V	NM	A

**P – PRESENT    A – ABSENT    V – VIRTUAL    NM – NON-MEMBER**

# 2023 ANNUAL REPORT

## Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
7-Sep-23	Economic Vitality	P	P	P	A	P	A	A	NM	P	P	A	P	A
14-Sep-23	Livable Community	P	A	A	P	P	P	P	NM	P	P	P	P	A
21-Sep-23	Environmental Stewardship	EO	P	NM	P	P	P	P	P	P	P	P	NM	NM
26-Sep-23	Public Safety	EO	P	NM	A	P	P	P	P	P	P	NM	P	NM
28-Sep-23	Municipal Finance	CANCELLED												
5-Oct-23	Mobility	CANCELLED												
12-Oct-23	Public Safety	CANCELLED												
17-Oct-23	Public Safety	P	NM	NM	A	P	P	P	P	P	A	NM	P	NM
19-Oct-23	Economic Vitality	P	P	P	P	P	P	P	NM	NM	A	A	P	A
26-Oct-23	Livable Community	EO	A	A	P	P	P	P	P	P	P	P	P	A
2-Nov-23	Governance & Civic Engagement	P	P	A	P	P	P	P	P	P	V	A	P	P
7-Nov-23	Mobility	P	V	V	P	P	NM	P	P	P	V	V	P	P
9-Nov-23	Environmental Stewardship	EO	P	NM	P	P	A	P	A	P	V	NM	NM	NM
16-Nov-23	Mobility (CANCELLED)	CANCELLED												
23-Nov-23	Economic Vitality	CANCELLED												
30-Nov-23	Livable Community	P	P	V	A	P	NM	P	NM	P	P	P	P	P
7-Dec-23	Public Safety	EO	P	NM	P	P	A	P	NM	A	P	P	P	P
14-Dec-23	Governance & Civic Engagement	P	P	A	P	P	P	P	P	P	P	P	P	P
19-Dec-23	Economic Vitality	P	P	A	P	P	A	A	NM	P	P	P	P	P
21-Dec-23	Mobility	EO	P	P	P	P	NM	P	NM	P	P	A	A	NM

**P – PRESENT      A – ABSENT      V – VIRTUAL      NM – NON-MEMBER**

## Remuneration of Council

### BY-LAW NO. A-16

#### A BY-LAW RESPECTING THE REMUNERATION OF CITY COUNCIL FOR THE CITY OF FREDERICTON

As per By-law No. A-16, a *Bylaw Respecting the Remuneration of City Council for the City of Fredericton*, Mayor and Council's remuneration is adjusted annually by an amount equal to the average increase in the Consumer Price Index (CPI) NB recorded for the immediately preceding calendar year.

5.38% increase for 2023

0.53% increase for 2022

	2022	2023
<b>Mayor</b>	<b>Annually</b>	<b>Annually</b>
Salary:	69,385.28	73,118.21
Benefit Spending Allowance (health/dental)	5,200.00	5,479.76
<b>Subtotal Base Salary:</b>	<b>74,585.28</b>	<b>78,597.97</b>
Allowances:		
Car allowance	7,367.78	7,764.17
Communication allowance	2,916.70	3,073.62
Clothing Allowance	2,278.24	2,400.81
<b>Subtotal Allowances:</b>	<b>12,562.72</b>	<b>13,238.60</b>
<b>Total Salary and Allowances:</b>	<b>87,148.00</b>	<b>91,836.57</b>
<b>Deputy Mayor</b>	<b>Annually</b>	<b>Annually</b>
Salary:	34,838.30	36,712.60
Benefit Spending Allowance	5,200.00	5,479.76
<b>Subtotal Base Salary:</b>	<b>40,038.30</b>	<b>42,192.36</b>
Allowances:		
Communication allowance	2,916.70	3,073.62
<b>Subtotal Allowances:</b>	<b>2,916.70</b>	<b>3,073.62</b>
<b>Total Salary and Allowances:</b>	<b>42,955.00</b>	<b>45,265.98</b>
<b>Council</b>	<b>Annually</b>	<b>Annually</b>
Salary:	27,142.30	28,602.56
Benefit Spending Allowance	5,200.00	5,479.76
<b>Subtotal Base Salary:</b>	<b>32,342.30</b>	<b>34,082.32</b>
Allowances:		
Communication allowance	2,916.70	3,073.62
<b>Subtotal Allowances:</b>	<b>2,916.70</b>	<b>3,073.62</b>
<b>Total Salary and Allowances:</b>	<b>35,259.00</b>	<b>37,155.94</b>



## Property Tax Rate and User Charges

The City of Fredericton approved and operating budget of \$152,881,318 for 2023.

The budget addressed inflationary needs being faced by the City, including increased gas and tender prices. It allowed for core programs and services to continue and expand where necessary. There are investments in public safety, including a community safety unit, as well as affordable housing and environmental initiatives. The budget allowed for a fully funded Capital program that will see road surfaces and underground pipes replaced in a timely fashion, all in support of a growing city.

Most current residential property owners saw a seven-cent decrease in their property tax rate, from \$1.4086 to \$1.3386 per \$100 of assessment. The outside rate remained at \$1.0565.

New residents who joined the city on January 1 will see a five-cent tax increase to reflect their increased level of municipal services, as allowed by the Province of New Brunswick. The following property tax rates applied:

- Saint Mary's increased from \$0.4659 to \$0.5159 per \$100 of assessment.
- Douglas, Pepper Creek and Estey's Bridge increased from \$0.5786 to \$0.6286 per \$100 of assessment.
- Lakeside Estates increased from \$0.5362 to \$0.5862 per \$100 of assessment.
- Lincoln increased from \$0.4542 to 0.5042 per \$100 of assessment.

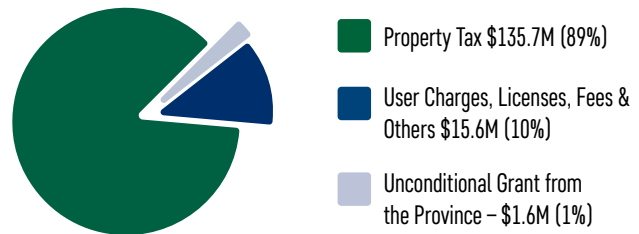
**NOTE:** All these areas paid an additional tax rate of \$0.4115 to the province for road maintenance. Some of the tax collected by the City will transfer back to the Province for garbage and recycling, as well as RCMP contract.

In addition, the budget earmarked \$26,891,849 for Capital projects in 2023 and made \$643,000 available in strategic partner and community grants. There were slight increases in sidewalk patios permits and parking fees.

## Where the money comes from...

The municipal services City residents receive each day are funded primarily through property tax. Funds came from the following sources:

- Residential property tax generated 89% of the budget or \$135.7M,
- User charges, licences, fees, and other revenues resulted in 10% of the budget or \$15.6M, and
- The Unconditional Grant from the Province of New Brunswick totalled 1% of the budget or \$1.6M.



## Where the money goes...

Funds from the approved general fund budget are used to provide services in six external programs, including Economic Vitality, Environmental Stewardship, Governance & Civic Engagement, Liveable Community, Mobility, and Public Safety.

**Note:** These external programs are supported by the Sustainable Infrastructure, and the internal Corporate program, which includes various aspects related to the management of communications, finances, facilities, fleet and equipment, human resources, information and technology infrastructure, purchasing, and real estate.

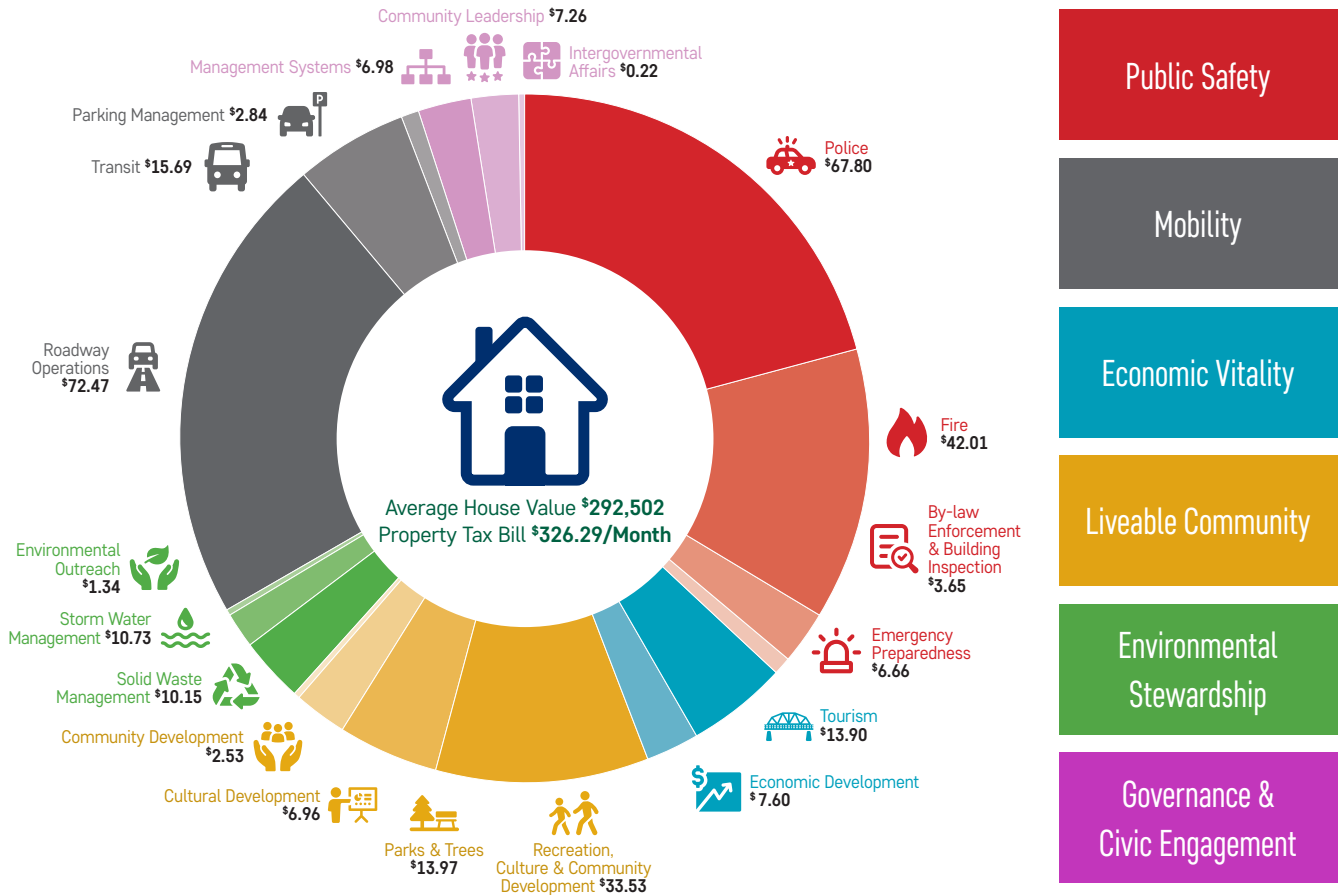


# 2023 ANNUAL REPORT

## Residential Tax Dollars: A Monthly Breakdown

To better understand what programs and services residents receive for their municipal tax dollars, the following monthly breakdown is provided based on the value of an average house in Fredericton.

In 2023, the average assessed value of a house in Fredericton is \$292,502 making the average property tax bill for the year \$3,915.48 or \$326.29 per month.



- Public Safety
- Mobility
- Economic Vitality
- Liveable Community
- Environmental Stewardship
- Governance & Civic Engagement

## Water & Sewer Utility

There was no water & sewer rate increase in 2023 for the City of Fredericton Water & Sewer Utility budget.

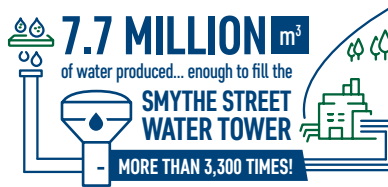
The combined Water & Sewer Rate remained at \$1.94/m<sup>3</sup>, while the Quarterly Service Charge remained at \$123.80.

The Utility, whose operating budget was \$23,671,040, spent \$11,820,935 on Capital projects in 2023.

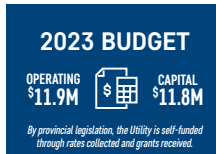
As per provincial legislation, Fredericton's water and sewer utility is self-funded, deriving all its revenue from rates charged and government infrastructure grants.

## CITY OF FREDERICTON WATER & SEWER UTILITY REPORT CARD 2023

Here's how your WATER & SEWER RATES were used.



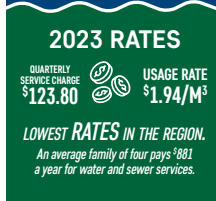
ALL WASTEWATER gets treated and returned to the Saint John River.



The Utility is funded separately from the City's general fund, deriving all its revenue from rates charged and funding received from other levels of government.



JAFFEY STREET	BRUCE STREET	REGENT STREET
FAIRVIEW DRIVE	ROYAL ROAD	MAPLE STREET
MOUNTAIN DRIVE	ROCKWOOD AVENUE	LINCOLN ROAD
CLARENCE AVENUE	RIVERSIDE DRIVE	CANADA STREET



### KEY SUCCESSES

**Completed drilling and hydraulic testing of a new City production well** (PW12) on University Avenue.

**Completed the installation of a backup electrical generator system** for the E J Bliss Water Treatment Plant.

**The 1970s Lincoln #1 Sewage Lift Station has been overhauled** with new pumps, controls, and a new building.

**#DONOTFLUSH**  
Only three things should go down your toilet... pee, poo and toilet paper – the 3P's. Anything else can clog or damage the pipes in your home, business or municipal sanitary sewer system.

**The Utility understands that times can be tough** and tries to work with customers with outstanding water & sewer bills to find ways to keep the water running.

### YOUR UTILITY AT A GLANCE...



Providing safe drinking water. Treating wastewater responsibly.

### 2024 BUDGET



### 2024 RATES



*The typical Fredericton household will pay just \$2.53 daily for safe, secure and reliable water along with environmentally sound wastewater treatment.*



**Fredericton**

service@fredericton.ca | 506-460-2020  
Fredericton.ca/water-sewer

## Grants

One of the purposes of local government as stated in the *Local Governance Act* is to foster the economic, social, and environmental well-being of its community.

Fredericton is a more rewarding and satisfying place to live for us all when the people of the city are actively involved in its enrichment. That's why the City is dedicated to providing a wide range of grants, including Community Funding Grants, the Strategic Partner Capital Grants, and the Arts, Culture and Heritage Funding Grants.

### Grants for Tourism Purposes

In 2023, the City of Fredericton issued grants for tourism purposes totalling \$500 or more as seen below:

Total Expenditures: \$95,142

DESCRIPTION	2022 Actual
Sport Tourism – Event SEED Funding	\$54,880
Sport Tourism – Development	\$40,262



### Grants for Social or Environmental Purposes

In 2023, the City of Fredericton issued grants for social or environmental purposes totalling \$500 or more as seen in the table below:

Total Expenditures: \$1,196,289

DESCRIPTION	2023 Actual
UNB (Sir Max Aitken Pool)	140,000
UNB Venture Campaign	100,000
Public Library	121,897
Arts & Heritage – Project Support	83,000
Harvest Jazz & Blues Festival	61,500
Fredericton 175+ Grants	65,000
Beaverbrook Art Gallery Capital Campaign	50,000
Regional Museum Parking Agreement	38,360
Cultural Plan Implementation (Artist in Residence/Ethno-Cultural)	60,700
NB Highland Games & Scottish Festival	33,000
Charlotte Street Arts Centre – Capital Grant	28,600
NBEX	21,500
Science East – Strategic Capital Grant	50,000
Beaverbrook Art Gallery	25,500
S.P.C.A. – Operating	26,367
York Sunbury Historical Society	25,000
Fredericton Civic Pride Committee	47,500
Botanic Gardens	34,690
Capital Arts Support Inc.	21,400
NB Youth Orchestra	21,000
Science East	20,000
Greater Fredericton Social Innovation Grant	15,000
Fredericton Concert & Marching Band-Grant	10,000
Charlotte Street Arts Centre	10,000
Winterfrolic	9,500
Centre communautaire Sainte-Anne	10,000
YM-YWCA Youth Program	7,650
Fredericton Outdoor Summer Theater (FrOST)	7,000
Bard in the Barracks	6,500
Fredericton Arts Alliance	6,000

# 2023 ANNUAL REPORT

Christ Church Cathedral	6,000
Shivering Songs	7,000
Fredericton Society of St Andrews Pipe Band	5,000
Multicultural Association	6,000
Theatre NB	7,000
Community Inclusion Grants	6,625
Notable Acts Theatre Company	4,500
Crime Stoppers	2,500
NB African Association	4,500
Kinsmen Santa Claus Parade	2,000
Activity Support	1,500

## Grants for Economic Development Opportunities

In 2023, the City of Fredericton issued grants for economic development purposes totalling \$500 or more as seen in the list below:

Total Expenditures: \$1,616,200

DESCRIPTION	2021 Actual
Fredericton Convention Centre	\$997,500
Fredericton Playhouse Inc Operating grant	\$508,700
Fredericton Playhouse Inc Capital grant	\$60,000
Business Fredericton North	\$50,000

**NOTE:** An additional \$580,016 was paid to the Capital Region Service Commission in 2023 for Economic Development.



## Services

### i) General Government Services

#### “Governance and Civic Engagement”

Vision, leadership and decision-making for the common good, generated by an informed and engaged community working in collaboration with City government.

Total Expenditures: \$8,102,331

#### Includes:

- Community Leadership
- Management Systems
- Intergovernmental Affairs
- Corporate Services

### ii) Protective Service

#### “Public Safety”

Public Safety includes the protection of people and property through police and fire services, emergency management and enforcement of appropriate legislation.

Total Expenditures: \$53,814,877

#### Includes:

- Police – Investigate Crime
- Police – Maintain Peace & Order
- Police – Prevent Crime and Harm
- Police – Protect Life and Property
- Fire Emergency Incident Mitigation
- Fire Prevention & Inspection
- Fire Investigation
- Building Construction Permission & Enforcement
- Emergency Preparedness
- By-law Enforcement
- Animal Registration & Control
- Municipal Licensing
- Public Safety Service Request Management

### iii) Transportation Services

#### “Mobility”

Mobility focuses on the movement of people and goods through a well planned transportation system that provides efficient movement of people and vehicles.

Total Expenditures: \$23,853,948

#### Includes:

- Roadway Management
- Transportation System Management
- Sidewalk Management
- Fixed Route Scheduled Transit
- Dial-A-Bus Transit
- Parking Management
- Taxi Industry Regulation
- Trails Management

### iv) Environmental Health Services – General Fund

#### “Environmental Stewardship”

This program focuses on the environmental health and vibrancy of the community’s natural assets and how they interface with our built environment.

Total Expenditures: \$5,939,992

#### Includes:

- Solid Waste Management
- Composting
- Environmental Outreach
- Storm Water Management
- Hazardous Waste

## v) Environmental Health Services – Utility Fund

Total Expenditures: \$29,202,627

**Includes:**

- Water
  - Purification & Treatment
  - Source of Supply
  - Transmission & Distribution
  - Plant and Equipment Maintenance
  - Water Meters
- Sewerage
  - Lift Stations & System Maintenance
  - Treatment & Disposal
- Common Services
- Fiscal Services

## vi) Environmental Development Services

### “Economic Vitality”

Economic vitality focuses on the economic health, diversity and prosperity of our community.

Total Expenditures: \$11,005,189

**Includes:**

- Business Attraction & Retention
- Development Approval
- Land Use Planning
- Tourism Development & Operations
- Tourism Marketing & Sales

## vii) Recreation and Cultural Services

### “Livable Community”

A socially progressive and diverse community offering opportunities for cultural enrichment and active living, while ensuring preservation of the City’s cultural and historical identity.

Total Expenditures: \$21,386,210

**Includes:**

- Heritage Planning & Conservation
- Arboriculture
- Horticulture
- Cultural Development
- Community Special Event Coordination & Support
- Leisure & Recreation Development & Delivery
- Recreation Facility Scheduling
- Outdoor Sport, Recreation & Leisure Spaces & Infrastructure
- Community Liaison & Social Outreach

## viii) Fiscal Services

Total Expenditures: \$48,121,080

**Includes:**

- Sustainable Infrastructure
  - Capital Prioritization & Investment Service
  - Linear & Utility Infrastructure Capital Planning Service
  - Debt & Affordability Management Service
  - Debt Principal Repayment
  - Interest on Capital Debt
- Funding Current Year’s New Capital Projects
- Funding Current Year’s Capital Renewal Projects
- Transfers to Reserves
- Remeasurement Gains & Losses

# **CITY OF FREDERICTON**

Consolidated Financial Statements

Year ended December 31, 2023

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# Independent auditor's report

To His Worship the Mayor and Members of the City Council of the  
**City of Fredericton**

## Opinion

We have audited the consolidated financial statements of the **City of Fredericton** [the "City"], which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net surplus and consolidated statement of 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 City as at December 31, 2023 and its consolidated results of operations 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 City 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

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

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



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### **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 judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City'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 City 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.

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.

Fredericton, Canada  
April 8, 2024

*Ernst + Young LLP*

Chartered Professional Accountants



A member firm of Ernst & Young Global Limited

# CITY OF FREDERICTON

## Consolidated Statement of Financial Position

As at December 31

	2023	2022
<b>Financial assets</b>		
Cash and cash equivalents <i>[note 3]</i>	\$ 91,319,154	\$ 72,197,522
Investments	4,526,338	4,346,144
Accounts receivable	16,180,368	11,629,976
Accrued pension asset <i>[note 9]</i>	7,413,000	7,721,000
	<b>\$ 119,438,860</b>	<b>\$ 95,894,642</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 20,538,857	\$ 12,668,136
Deferred revenue	6,364,467	5,687,396
Deferred government transfers <i>[note 5]</i>	23,605,831	12,513,896
Deposits <i>[note 4]</i>	899,844	794,484
Long-term debt <i>[note 6]</i>	26,147,000	29,313,083
Long-term commitment <i>[note 18]</i>	1,183,966	1,483,440
Asset retirement obligations <i>[note 20]</i>	846,817	-
	<b>\$ 79,586,782</b>	<b>\$ 62,460,435</b>
<b>Net surplus</b>	<b>\$ 39,852,078</b>	<b>\$ 33,434,207</b>
<b>Non-financial assets</b>		
Tangible capital assets <i>[note 22]</i>	\$ 657,111,435	\$ 626,080,545
Supplies inventory	3,827,401	3,264,732
	<b>\$ 660,938,836</b>	<b>\$ 629,345,277</b>
<b>Accumulated surplus</b>	<b>\$ 700,790,914</b>	<b>\$ 662,779,484</b>
Accumulated surplus consisting of:		
Accumulated operating surplus	\$ 700,384,302	\$ 662,779,484
Accumulated remeasurement gains	\$ 406,612	-
	<b>\$ 700,790,914</b>	<b>\$ 662,779,484</b>

Contingencies *[note 12]*  
See accompanying notes

Approved by:

  
Kate Rogers, Mayor

  
Alicia Keating, City Treasurer

# CITY OF FREDERICTON

## Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31

	2023 Budget	<b>2023 Actual</b>	2022 Actual
<b>Revenue</b>			
Property taxes	\$ 135,680,565	\$ <b>135,680,565</b>	\$ 118,873,040
Community funding and equalization grant	1,610,022	<b>1,610,022</b>	1,967,081
Federal grant in lieu of taxes adjustment	2,945	<b>2,945</b>	14,504
Services to other governments	4,842,048	<b>5,096,986</b>	3,882,021
Sales, fines and other fees	29,033,142	<b>33,615,229</b>	30,428,041
Interest and return on investments	280,000	<b>4,660,868</b>	1,809,071
Third-party contributions	-	<b>23,181,234</b>	10,678,332
	<b>\$ 171,448,722</b>	<b>\$ 203,847,849</b>	\$ 167,652,090
<b>Expenses</b>			
General Government Services - Corporate	\$ 2,124,392	\$ <b>2,484,719</b>	\$ 1,362,537
Sustainable Infrastructure	3,569,309	<b>2,714,290</b>	1,823,411
Economic Vitality	10,682,483	<b>12,417,049</b>	8,428,998
Environmental Stewardship	6,608,081	<b>6,659,499</b>	6,005,642
Governance & Civic Engagement	6,114,280	<b>6,239,873</b>	5,435,510
Livable Community	24,258,945	<b>25,800,948</b>	21,136,568
Mobility [including Transit]	33,571,126	<b>35,872,329</b>	34,674,817
Public Safety [note 17]	54,649,240	<b>55,265,211</b>	45,189,868
Water and Wastewater	18,116,007	<b>18,382,501</b>	17,079,598
	<b>\$ 159,693,863</b>	<b>\$ 165,836,419</b>	\$ 141,136,949
Annual surplus	\$ 11,754,859	\$ <b>38,011,430</b>	\$ 26,515,141
Remeasurement gains	-	<b>(406,612)</b>	-
Annual operating surplus	<b>\$ 11,754,859</b>	<b>\$ 37,604,818</b>	\$ 26,515,141
Accumulated operating surplus, beginning of year	662,779,484	<b>662,779,484</b>	636,264,343
<b>Accumulated operating surplus, end of year</b>	<b>\$ 674,534,343</b>	<b>\$ 700,384,302</b>	\$ 662,779,484

See accompanying notes

# CITY OF FREDERICTON

## Consolidated Statement of Changes in Net Surplus

For the year ended December 31

	2023 Budget	<b>2023 Actual</b>	2022 Actual
<b>Annual operating surplus</b>	\$ 11,754,859	<b>\$ 37,604,818</b>	\$ 26,515,141
Acquisition of tangible capital assets	(36,168,784)	<b>(58,057,131)</b>	(36,543,555)
Disposal of tangible capital assets	4,222,261	<b>2,552,831</b>	2,317,820
Amortization of tangible capital assets	22,968,188	<b>24,473,410</b>	23,949,025
Increase in supplies inventory	-	<b>(562,669)</b>	(471,554)
	<b>\$ (8,978,335)</b>	<b>\$ (31,593,559)</b>	<b>\$ (10,748,264)</b>
Increase in net surplus excluding net remeasurement gains	2,776,524	<b>6,011,259</b>	15,766,877
Net remeasurement gains			
Portfolio investments	-	<b>406,612</b>	-
Change in net surplus	2,776,524	<b>6,417,871</b>	15,766,877
Net surplus, beginning of year	33,434,207	<b>33,434,207</b>	17,667,330
<b>Net surplus, end of year</b>	<b>\$ 36,210,731</b>	<b>\$ 39,852,078</b>	<b>\$ 33,434,207</b>

See accompanying notes

# CITY OF FREDERICTON

## Consolidated Statement of Remeasurement Gains

For the year ended December 31

	<u>2023</u>	<u>2022</u>
Accumulated remeasurement gains, beginning of year	\$ -	\$ -
Adjustment for accumulated remeasurement gains attributable to portfolio investments at January 1, 2023	308,678	-
Unrealized gains attributable to portfolio investments	97,934	-
Net remeasurement gains for the year	<u>406,612</u>	<u>-</u>
<b>Accumulated remeasurement gains, end of year</b>	<b>\$ 406,612</b>	<b>\$ -</b>

*See accompanying notes*

# CITY OF FREDERICTON

## Consolidated Statement of Cash Flows

For the year ended December 31

	2023	2022
<b>Operating activities</b>		
Annual surplus	\$ 38,011,430	\$ 26,515,141
Items not affecting cash		
Amortization of tangible capital assets	24,473,410	23,949,025
Loss on sale of tangible capital assets	2,219,467	211,957
Contributed tangible capital assets	(3,616,663)	-
Unrealized gain/loss on investments	(97,934)	-
Recognition of asset retirement obligations	846,817	
Uses		
Change in working capital	3,425,689	2,675,147
Change in accrued pension asset	308,000	(2,571,400)
Change in deferred revenue	677,071	1,873,507
Change in deferred government transfers	11,091,935	4,117,263
Change in long-term commitment	(299,474)	(300,815)
Change in supplies inventory	(562,669)	(471,554)
<b>Cash provided by operating activities</b>	<b>\$ 76,477,079</b>	<b>\$ 55,998,271</b>
<b>Capital activities</b>		
Proceeds on sale of tangible capital assets	333,364	2,105,863
Acquisition of tangible capital assets	(54,440,468)	(36,543,555)
<b>Cash used in capital activities</b>	<b>\$ (54,107,104)</b>	<b>\$ (34,437,692)</b>
<b>Financing activities</b>		
Repayment of long-term debt	(3,082,000)	(2,999,000)
Capital lease principal repayments	(84,083)	(109,733)
<b>Cash used in financing activities</b>	<b>\$ (3,166,083)</b>	<b>\$ (3,108,733)</b>
<b>Investing activities</b>		
Change in long-term investments		(2,086,309)
Purchase of long-term investments	(82,260)	
<b>Cash provided by (used in) investing activities</b>	<b>\$ (82,260)</b>	<b>\$ (2,086,309)</b>
Change in cash and cash equivalents	19,121,632	16,365,537
Cash and cash equivalents, beginning of year	72,197,522	55,831,985
<b>Cash and cash equivalents, end of year</b>	<b>\$ 91,319,154</b>	<b>\$ 72,197,522</b>

See accompanying notes

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 1. Significant accounting policies

(i) Reporting entity

The consolidated financial statements of the City of Fredericton [the "City"] reflect the assets, liabilities, revenue, expenditures, remeasurement gains and losses, and changes in net debt and accumulated surplus in the reporting entity. The reporting entity comprises the organizations accountable for the administration of their affairs and resources to City Council and owned or controlled by the City. Inter-fund and inter-corporate balances and transactions have been eliminated. The entities included in the consolidated financial statements are as follows:

Owned/controlled corporations

e-Novations ComNet Inc.  
Fredericton Convention Centre Inc.  
Newmarket Properties Inc.

(ii) Basis of accounting

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ["PSAB"] of the Chartered Professional Accountants of Canada.

(iii) Revenue recognition

Revenue is recognized on the accrual basis and as it is earned and measurable. Revenue received prior to being earned is recorded as deferred revenue until such time as the revenue is earned.

(iv) Expense recognition

Expenses are recorded on the accrual basis as they are incurred and are measurable based on receipt of goods or services and obligation to pay.

(v) Supplies inventory

Inventory is valued at the lower of cost and net replacement cost, with cost being determined on the first-in, first-out basis.



# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 1. Significant accounting policies (continued)

### (vi) Tangible capital assets

Tangible capital assets ["TCAs"] are physical assets that are used to provide city services, city administration, construction or maintenance of other TCAs owned by the City, will be used on a regular basis for a period greater than one year, and are not surplus properties held for resale or disposal. Studies and master plans are not considered TCAs.

TCAs are recorded at cost, which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset, and are amortized on a straight-line basis over their estimated useful lives. Amortization begins in the year after the asset has been put into use. Assets under construction are not amortized until they are put into use. Descriptions and useful lives are as follows:

	Useful Lives
<b>Land:</b> all land owned by the City, including land under buildings	N/A
<b>Land improvements:</b> includes major landscaping projects, sports fields/courts, trail culverts, paved trails, parking lots, playgrounds and similar assets	15–80 years
<b>Buildings:</b> all City-owned buildings, with the exception of treatment plants, as single assets or broken into components: structural, interior, exterior, mechanical, electrical, specialty items and equipment, and site works	20–60 years
<b>Machinery and equipment:</b> includes information technology assets, large signage, transit fare boxes, motorized fleet equipment, parking meters, leasehold improvements and similar assets	3–40 years
<b>Vehicles:</b> all City vehicles, including cars, trucks, buses and similar assets	6–20 years
<b>Linear assets:</b> all Public Works infrastructure including roads, sidewalks, street lights, traffic signals, storm sewers, water and sewer mains	15–80 years
<b>Water and wastewater treatment facilities:</b> includes water and wastewater treatment plants broken into components: process piping/equipment, electrical and instrumentation, structural, architectural, mechanical, and site works	10–60 years

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 1. Significant accounting policies (continued)

### (vi) Tangible capital assets (continued)

The City has a capitalization threshold in the amount of \$25,000. Any item purchased under this threshold is recorded as an expense in the year during which the item is acquired. An exception is pooled assets, which include computers, street lights, parking meters and groups of assets of a similar nature.

All grants, donations from subdivision developers and other third-party contributions are recorded as income in the year during which the expenditure for the capital asset is incurred. The full cost of the asset is capitalized in the year during which the asset is substantially complete and put into use.

### (vii) Employee future benefits

The City accrues its obligations under employee future benefit plans and the related costs, net of plan assets. The City has adopted the following policies:

a) The cost of pensions earned by employees is actuarially determined using the projected benefit method prorated on service and management's best estimate of expected plan investment performance, salary escalation and retirement ages of employees.

For the purpose of calculating the expected return on plan assets, those assets are valued at fair value.

Current service costs are expensed during the year.

The excess of net actuarial gains (losses) is amortized over the average remaining service period of active employees, which is estimated to be 16 years.

b) The City has a Supplemental Executive Retirement Plan ["SERP"] for eligible employees [see note 9].

c) City employees are entitled to a retirement allowance under collective agreements or in accordance with City policy. The liability is actuarially determined [see note 10].

### (viii) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions based on information available at the date of the consolidated financial statements. Actual results may differ from those estimates.

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 1. Significant accounting policies (continued)

### (ix) Asset retirement obligation

The City accounts for an asset retirement obligation in the period during which a legal obligation associated with the retirement of a tangible capital asset is incurred and when a reasonable estimate of this amount can be made. The asset retirement obligation is initially measured at the best estimate of the expenditure required to settle the present obligation at the consolidated statement of financial position date. A corresponding amount is added to the carrying amount of the related asset and is then amortized over its useful life. Changes in the liability due to the passage of time are recognized as interest expense in net income with a corresponding increase in the liability.

At each consolidated balance sheet date, the asset retirement obligation is reviewed and adjusted to reflect the then current best estimate of the liability. Such adjustments may result from changes in the assumptions used to estimate the undiscounted cash flows required to settle the obligation, including changes in estimated probabilities, amounts and timing of settlement, as well as changes in the legal requirements of the obligation and in the discount rate. These changes are recognized as an increase or decrease in the carrying amount of the asset retirement obligation, with a corresponding adjustment to the carrying amount of the related asset.

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 2. Change in accounting policy

On January 1, 2023, the City adopted Public Accounting Standard PS 3280 Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets. The standard was adopted on the prospective basis at the date of adoption. Under the prospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. This change also results in recognizing an increase to the related tangible capital asset for assets in productive use or an expense for for tangible capital assets not in productive use.

This change resulted in the recognition of an asset retirement obligation of \$846,817, an increase to tangible capital assets of \$496,817 and an expense of \$350,000. The prior year comparative information has not been restated.

On January 1, 2023, the City adopted other Public Accounting Standards, PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation, PS 3041 Portfolio Investments, and PS 3450 Financial Instruments. These standards have no material impact on the consolidated financial statements. PS 3041 Portfolio Investments required the adoption of a statement of remeasurement gains. A cumulative adjustment was made on January 1, 2023 to reflect all amounts required to be classified as remeasurement gains or losses. The prior year comparative information has not been restated.

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## 3. Cash and cash equivalents

Cash and cash equivalents are recorded at cost, which approximates their fair value, and are redeemable upon demand. Included in this amount are funds internally restricted by City Council for predetermined projects in the amount of \$50,350,817 [2022 - \$46,771,938].

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## 4. Deposits

Deposits consist of monies being held by the City that will either be refunded, provided certain requirements are met, or earned upon final sale of assets.

	<b>2023</b>	<b>2022</b>
Foundation locations	\$ 86,500	\$ 86,500
Tenders	171,837	50,622
Infrastructure fees	306,796	306,796
Performance bonds	205,806	205,806
Animal control and other	240	240
Development fees	885	8,740
Water and sewer installations	127,780	135,780
	<b>\$ 899,844</b>	<b>\$ 794,484</b>

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 5. Deferred government transfers

Funding received as part of the Canada Community Building Funding program is recorded as revenue in the year during which related expenditures are incurred. Monies that have not been spent are recorded as deferred government transfers on the consolidated statement of financial position. This amount consists of the following:

	<u>2023</u>	<u>2022</u>
Canada Community Building Fund	\$ 17,711,299	\$ 12,513,896
CMHC Housing Accelerator Fund	2,568,530	-
CMHC Rapid Housing Initiative Fund	3,326,002	-
	<u>\$ 23,605,831</u>	<u>\$ 12,513,896</u>

These amounts are restricted to fund pre-approved projects that relate to the program objectives and cannot be used for other projects.

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 6. Long-term debt

### External Borrowing

	2023	2022
General Fund		
Debtures, 20-year amortization period:		
Maturing in 2023 bearing interest at 2.10% to 5.55%	\$ -	\$ 3,828,000
Maturing in 2028, bearing interest at 4.51% to 5.25%	3,238,000	-
Maturing in 2029, bearing interest at 1.95% to 2.45%	7,873,000	9,089,000
Maturing in 2030, bearing interest at 0.50% to 1.80%	4,402,000	5,004,000
Maturing in 2033, bearing interest at 1.35% to 4.00%	5,166,000	5,591,000
Maturing in 2041, bearing interest at 0.86% to 2.96%	5,468,000	5,717,000
	<b>26,147,000</b>	29,229,000
Capital lease obligations with implicit interest rates of 2.85% and 4.54%	-	84,083
Total external long-term debt	<b>\$ 26,147,000</b>	<b>\$ 29,313,083</b>

The General Fund debtures are amortized over a period of up to 20 years, with fixed rates of interest over the initial term which can vary between 5-20 years. After the initial term the City has the option to renew the debtures for the remainder of the amortization period or to pay them off in full.

The City has obtained approval of the Municipal Capital Borrowing Board for the long-term debt, and expects to renew each of the debtures as they mature.

Interest in the amount of \$838,282 [2022 - \$1,042,828] relating to the external debtures is included in interest expense.

Interest in the amount of \$3,897 [2022 - \$8,957] relating to the capital lease obligations is included in interest expense.

### Internal Borrowing

The City has refinanced some of the debtures with internal inter-fund debtures. These are not presented on the Statement of Financial Position as they are eliminated upon consolidation.

	2023	2022
General Fund		
Debtures, 10-year amortization period:		
Maturing in 2026, bearing interest at 1.45% to 2.90%	\$ 2,628,648	\$ 3,469,313
Maturing in 2026, bearing interest at 1.45% to 2.90%	493,796	651,716
Maturing in 2028, bearing interest at 2.10% to 3.45%	1,182,898	1,401,223
Total internal long-term debt	<b>\$ 4,305,342</b>	<b>\$ 5,522,252</b>

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 6. Long-term debt (continued)

Principal due within the next five years and thereafter on certificates of indebtedness is as follows:

	External	Internal	Total
2024	\$ 3,126,000	\$ 1,239,998	\$ 4,365,998
2025	3,208,000	1,268,759	4,476,759
2026	3,292,000	1,301,378	4,593,378
2027	3,381,000	243,525	3,624,525
2028 and thereafter	13,140,000	251,682	13,391,682
	<b>\$ 26,147,000</b>	<b>\$ 4,305,342</b>	<b>\$ 30,452,342</b>

## 7. Capital borrowing

### Requested and approved capital borrowing

The City obtained approval under Order in Council ["OIC"] and Ministerial order to borrow an amount of \$78,814,000, of which \$5,964,000 was financed in 2021, \$8,950,000 in 2013, \$1,100,000 in 2012, \$11,000,000 in 2010, \$21,800,000 in 2009, \$13,500,000 in 2008, and \$16,500,000 in 2006 by the New Brunswick Municipal Finance Corporation. Of this amount, \$9,934,000 and \$2,251,000 were refinanced with internal inter-fund debentures in 2016 and 2018, respectively.

		<u>Approved</u>	<u>Borrowed</u>
Recreation and Cultural	OIC 06-02	\$ 14,350,000	\$ 14,350,000
Recreation and Cultural	OIC 06-23	5,900,000	5,900,000
Recreation and Cultural	OIC 06-43	9,360,000	9,360,000
Protective Services	OIC 06-43	5,400,000	5,400,000
Protective Services	OIC 07-17	1,400,000	1,400,000
General Government	OIC 07-55	3,040,000	3,040,000
General Government	OIC 07-66	1,000,000	1,000,000
General Government	OIC 09-08	30,800,000	30,800,000
Protective Services	OIC 10-72	500,000	500,000
Environmental Health	OIC 11-06	1,100,000	1,100,000
General Government	OIC 21-0048	9,487,000	5,964,000
Recreation and Cultural	OIC 23-0075	62,800,000	-
Total authorizations to December 31, 2023		<b>\$ 145,137,000</b>	<b>\$ 78,814,000</b>

Of the total amount borrowed, \$30,452,342 [2022 - \$34,751,252] remains to be repaid [see note 6].

## 8. Capital commitments

There are no significant capital commitments outstanding as at December 31, 2023 [2022 - nil].

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 9. Pension asset/liability

### a - Superannuation Pension Plan

The City provides pension benefits to certain employees of the City, in accordance with the *Pension Benefits Act* (New Brunswick) and City By-Law A-5. The Superannuation Pension Plan [the "Plan"] is administered by City Council as the Board of Administrators. The Plan is a contributory defined benefit pension plan covering the active members of IAFF 1053 and UBCJ 911, and IAFF 1053 and UBCJ 911 retirees on or after March 31, 2013. Under the Plan, contributions are made by the Plan members and the City.

An actuarial valuation of the Plan was completed for December 31, 2022 and extrapolated to December 31, 2023.

	2023	2022
<b>Plan assets, at January 1</b>	<b>\$ 87,097,700</b>	<b>\$ 104,750,500</b>
Contributions - City	2,535,500	2,157,300
Contributions - employee required	2,259,500	1,900,300
Contributions - past service	66,600	-
Benefit payments	(5,884,700)	(5,373,300)
Administrative expenses paid from plan assets	(250,000)	(250,000)
Expected earnings on market-related value	6,052,200	6,861,800
Actuarial gain (loss)	5,579,800	(22,948,900)
<b>Plan assets, at December 31</b>	<b>\$ 97,456,600</b>	<b>\$ 87,097,700</b>
<b>Accrued benefit obligation, January 1</b>	<b>\$ 94,643,500</b>	<b>\$ 88,491,100</b>
Current service cost	2,997,300	2,688,200
Prior service cost	66,600	-
Benefit payments	(5,884,700)	(5,373,300)
Interest on accrued benefit obligation	6,522,400	5,748,700
Net actuarial loss (gain)	1,024,600	3,088,800
<b>Accrued benefit obligation, December 31</b>	<b>\$ 99,369,700</b>	<b>\$ 94,643,500</b>
<b>Unamortized actuarial gains (losses), January 1</b>	<b>\$ (15,588,500)</b>	<b>\$ 10,741,800</b>
Losses on accrued obligation	(1,024,600)	(3,088,800)
Actuarial gains (losses) on pension fund assets	5,579,800	(22,948,900)
Amortization of prior-year actuarial losses	1,443,300	(292,600)
<b>Unamortized actuarial losses, December 31</b>	<b>\$ (9,590,000)</b>	<b>\$ (15,588,500)</b>
<b>Net pension fund asset comprising:</b>		
Accrued benefit obligation	\$ 99,369,700	\$ 94,643,500
Less plan assets	(97,456,600)	(87,097,700)
Plus unamortized gains (losses)	(9,590,000)	(15,588,500)
<b>Net pension fund asset</b>	<b>\$ (7,676,900)</b>	<b>\$ (8,042,700)</b>
<b>City portion of Plan expenses</b>		
Current year benefit cost	\$ 3,247,300	\$ 2,938,200
Employee contributions	(2,259,500)	(1,900,300)
Amortization of prior-year actuarial losses	1,443,300	(292,600)
	2,431,100	745,300
Interest during the year on average pension liability (asset)	470,200	(1,113,100)
<b>Pension-related expense (income)</b>	<b>\$ 2,901,300</b>	<b>\$ (367,800)</b>



# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 9. Pension asset/liability (continued)

### b - Supplemental Executive Retirement Plan

	<u>2023</u>	<u>2022</u>
<b>Accrued actuarial obligation</b>	<b>\$ 263,900</b>	<b>\$ 321,700</b>

### c - Net Pension Asset/Liability

	<u>2023</u>	<u>2022</u>
Superannuation Pension Plan	<b>\$ (7,676,900)</b>	<b>\$ (8,042,700)</b>
Supplemental Executive Retirement Plan	<b>263,900</b>	<b>321,700</b>
	<b>\$ (7,413,000)</b>	<b>\$ (7,721,000)</b>

Significant management assumptions used in the actuarial valuation for the Plan are:

Discount rate:	6.90% for 2023 year-end disclosures [7.00% for fiscal 2023 expense and 2022 year-end disclosures]
Inflation rate:	2.10% [2022 - 2.10%] per annum
Salary growth rate:	2.85% [2022 - 2.85%] per annum, plus promotional and merit scale
Retirement age:	60% [2022 - 60%] at the age first eligible for an unreduced pension, 20% [2022 - 20%] at 35 years of service [if prior to age 65], remainder at age 65 [2022 - 65]

The Plan is exempted from funding on a solvency basis. The exemption was approved by the New Brunswick Superintendent of Pensions and recorded effective May 5, 2014.

Significant management assumptions used in the actuarial valuation for the SERP are:

Discount rate:	4.82% [2022 - 2.85%] per annum
Inflation rate:	2.50% per annum

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 10. Retirement allowance liability

The City provides a retirement allowance to employees of the City who have continuous service of five years or more and retire due to disability, death or age, or are laid off by the City. The City shall pay such employees or their beneficiaries an allowance equal to one month's pay for each five years of service or fraction thereof, but not exceeding six months, at the employee's regular rate of salary plus their benefit spending allowance at retirement.

Based on an actuarial valuation of the liability, the results as at December 31, 2023 are as follows:

	<u>2023</u>	<u>2022</u>
<b>Accrued benefit liability as at January 1</b>	<b>\$ 11,888,200</b>	<b>\$ 11,179,100</b>
Current service cost	876,500	904,900
Interest on obligation	382,300	251,400
Benefit payments	(565,600)	(744,800)
Amortization of losses	247,800	297,600
<b>Accrued benefit liability as at December 31</b>	<b>\$ 12,829,200</b>	<b>\$ 11,888,200</b>
<b>Restricted cash and investments for retirement allowance</b>	<b>\$ 12,829,200</b>	<b>\$ 11,888,200</b>
<b>Net accrued benefit obligation</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Benefit expenses</b>		
Current-period benefit cost	\$ 876,500	\$ 904,900
Interest cost	382,300	251,400
Amortization of losses	247,800	297,600
<b>Retirement allowance expense</b>	<b>\$ 1,506,600</b>	<b>\$ 1,453,900</b>

Significant economic and demographic assumptions used in the actuarial valuation are:

Discount rate:	4.82% [2022 - 2.85%] per annum
Salary growth rate:	2.75% in 2022, 5.38% in 2023, 6.83% in 2024 and 2.75% per annum thereafter, plus promotional and merit scale [2022 - 2.75% in 2022, 5.38% in 2023, 6.00% in 2024 and 2.75% per annum thereafter, plus promotional and merit scale]
Retirement age:	60% at the age first eligible for an unreduced pension, remainder at age 65

## 11. Expenses by nature of object

	<u>2023</u>	<u>2022</u>
Salaries and benefits	\$ 85,457,889	\$ 74,250,784
Goods and services	52,303,370	41,570,337
Amortization	24,473,410	23,949,025
Interest	838,282	1,051,785
Other	2,763,468	315,018
	<b>\$ 165,836,419</b>	<b>\$ 141,136,949</b>

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 12. Contingencies

The City is subject to claims and lawsuits arising in the normal course of operations. Many of these claims, especially related to property expropriation, may take several years to resolve. Management is of the opinion that the ultimate resolution of any legal proceedings will not have a significant effect on the City's financial position.

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## 13. Recreational service agreement

The City entered into Recreational Service Agreements ["Agreements"] with a number of surrounding Local Service Districts [the "LSDs"] and the Village of New Maryland [the "Village"]. The Agreements are in effect from January 1, 2008 to December 31, 2027 with an option to extend beyond this period.

Under the Agreements, the City is required to provide access to constituents of the LSDs and the Village to the City's recreational facilities as if they were residents of the City. In addition, the City is required to provide an audited consolidated schedule of net operating loss of the City's arena complexes [note 24]. A capital replacement fund is in place to plan for future capital expenditures relating to the arenas.

In return, the LSDs and the Village have agreed to have a portion of their property taxes paid to the City in order to help fund a proportional amount of the capital and operating expenses of the facilities. The contributions are collected by the Province of New Brunswick, then distributed to the City by the Minister of Local Government. Contributions under this agreement for the current year amounted to \$584,055 [2022 - \$641,547] and are included in revenue under services to other governments.

With the implementation of Local Governance Reform, there are new entities that have replaced the former Local Service Districts covered by these agreements. As such, two of the newly formed entities have requested to opt out of the agreement effective January 1, 2025. This will result in a reduction in guaranteed revenue associated with these entities (\$0.03 / \$100 of assessed value), however, residents of these entities that choose to utilize City recreational facilities will be required to pay the individual winter and/or summer Outside User Fee.

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## 14. Other

### Funds held in trust

Trust fund assets administered by the City for the benefit of external parties in the amount of \$1,059,217 [2022 - \$845,440] are not included in these consolidated financial statements.

### Lease arrangement

The City, through Newmarket Properties Inc., leases land and a building from the Province of New Brunswick for a nominal fee of \$1 per year under a five-year renewable lease agreement that terminated on April 30, 2014. Under the terms of the lease, the Province of New Brunswick is responsible for the provincial portion of the real property tax levy. The effect of this lease arrangement is not recorded in these consolidated financial statements.

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 15. Segmented information

The City is a diversified municipal government that provides a wide range of services to citizens. For management reporting purposes, these operations are broken into segments [note 21]. The segments are as follows:

### General Government Services - Corporate

General Government Services are responsible for the internal services provided by and for the other City departments. They consist of Corporate Services—including Communications, Human Resources, Purchasing, Fleet, Information Technology, Building Services, Telecommunications, Real Estate, and Finance. Internal services costs are re-allocated to the public services areas below.

### Governance & Civic Engagement

Governance & Civic Engagement services provide legislation, community relations, and community and corporate leadership. This segment includes the Mayor and Council, and the City Administrator—including Strategic Initiatives, the City Solicitor, and the City Clerk.

### Sustainable Infrastructure

Sustainable Infrastructure services consist of planning for long-term infrastructure needs, creating long-term capital plans, and managing debt and affordability.

### Public Safety

Public Safety services include Police, Fire, Bylaw and Building Inspection services within the City and aiding surrounding areas as required.

### Mobility

Mobility services consist of common services, road and linear maintenance, street lighting, traffic services, Parking Services and Public Transit.

### Environmental Stewardship

Environmental Stewardship consists of garbage and waste collection and disposal, and composting.

### Economic Vitality

Economic Vitality consists of economic development, and tourism and culture. It includes the Fredericton Convention Centre Inc., e-Novations ComNet Inc., and Newmarket Properties Inc.

### Livable Community

Livable Community services include recreation and cultural services consisting of administration, programs, community liaison, indoor and outdoor pools, arenas, community facilities, the Fredericton Public Library and the Fredericton Playhouse. Livable Community also includes Parks and Trees, outdoor sport, and community planning, building permits and inspection, development approval, heritage planning and conservation, and long-range land use planning.

### Water and Wastewater

Water and Wastewater services consist of supply, purification and treatment, transportation, storage, distribution of water, and collection and treatment of wastewater.

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 16. Province of New Brunswick Compliance Requirements

The City is in compliance with the following requirements under the *Local Governance Act* of the Province of New Brunswick:

(i) Inter-fund accounts

All inter-fund accounts as at December 31, 2023 represent current transactions except as noted below and are in compliance with the policy established by the Department of Environment and Local Government.

(ii) Restrictions on municipal borrowings

Section 100 of the *Local Governance Act* of the Province of New Brunswick restricts a municipality's borrowings for operating purposes to less than four percent of the operating budget of the municipality, as defined by the Province of New Brunswick, and to less than two percent of the assessed value of real property in the municipality for capital purposes. Borrowings by the City are within these legislative restrictions.

(iii) Water cost transfer

The City's water cost transfer is within the maximum allowable by regulation 2020-52 under the *Local Governance Act* based on the applicable percentage of water system expenditures for the population.

(iv) Second previous year's surplus

The *Local Governance Act* requires that the General Operating Fund surplus (deficit) be absorbed into the operating budget of the second subsequent year and that the Water and Sewerage Operating Fund surplus (deficit) be absorbed into one or more of the three operating budgets commencing with the second following year [see note 23].

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## 17. Public Safety

Included in Public Safety expenses are amounts related to a contribution agreement between the Government of Canada, the Province of New Brunswick, the City of Fredericton and Sitsansisk (Saint Mary's) First Nation for policing services to Sitsansisk (St. Mary's) First Nation. Amounts included relating to expenses and recoveries are as follows:

	2023	2022
Sitsansisk (St. Mary's) First Nation policing expenses	\$ 1,037,755	\$ 730,494
Federal contribution	(440,474)	(320,198)
Provincial contribution	(406,592)	(295,555)
City contribution	\$ 190,689	\$ 114,741

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 18. Shared risk pension

The City is a participating contributing employer to the City of Fredericton Shared Risk Plan [the "SRP Plan"] which is a Shared Risk Plan in accordance with the *Pension Benefits Act* (New Brunswick). The SRP Plan is administered by an independent Board of Trustees and covers employees of the City who are not active members of IAFF 1053 or UBCJ 911. Under the SRP Plan, contributions are made by the SRP Plan members and the City. The SRP Plan was created effective March 31, 2013 as a result of a Memorandum of Understanding between the City and CUPE locals 508, 1709, 1783 and 3864.

Plan members contribute at a rate of 9% of pensionable earnings, with the exception that designated Police and Fire Management employees contribute at a rate of 12% of pensionable earnings. The City matches these contributions to form the Plan's Initial Contributions. In addition, the City is making initial Temporary Contributions in the amount of 5% of pensionable earnings for at least 10 years and at most 15 years beginning March 31, 2013. As per the Plan's Funding Policy, contributions may increase or decrease by 2.25% of payroll for both the City and the employees should certain funding levels be reached.

As a result of the Pension plan asset split [note 19] changes to the SRP Plan assets, the City made a new long-term commitment to increase the Temporary Contributions to the SRP Plan from the initial rate of 4.25% of payroll to 5.0% of payroll. The commitment for additional Temporary Contributions is for the same period as the initial Temporary Contributions.

The present value of the long-term commitment for additional Temporary Contributions is estimated to be \$1,183,966 [2022 - \$1,483,440].

Additional Temporary Contributions due within the next four years on the long-term commitment are approximately as follows:

2024	\$	370,656
2025		370,656
2026		370,656
2027		370,656
	\$	1,482,624

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For service up to and including March 31, 2013, benefits accrue at a rate of 1.3% on the first \$5,000 of earnings and 2.0% on the remainder of pensionable earnings, to a maximum benefit of \$2,000 per year of pensionable service. For this period of pre-conversion service, benefits are available on an unreduced basis for members who retire on or after age 55 and whose age plus service total at least 80 years [or 75 years for designated Police and Fire Management employees]. For service after March 31, 2013, benefits accrued at a rate of 1.8% of pensionable earnings. For this period of post-conversion service, benefits are available on an unreduced basis for members who retire on or after age 65 [or 60 for designated Police and Fire Management employees].

The last actuarial valuation of the SRP Plan was conducted as at March 31, 2023. At that date, the open group funded ratio of the Plan was 123.6% [2022 - 122.0%].

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## 19. Pension plan asset split

A split, and transfer of assets from the Superannuation Plan for Employees of the City of Fredericton [the "old plan"] to the Superannuation Pension Plan for Certain Employees of the City of Fredericton [the "new plan"] and the SRP Plan, was approved by the Superintendent of Pensions' office on November 18, 2014. The transfer of assets was based on a division of assets from the old plan to the new plan and SRP Plan using a going concern basis.

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 19. Pension plan asset split (continued)

Mercer (Canada) Limited performed an actuarial valuation of the old plan with the purpose of determining the transfer of assets and liabilities as of March 31, 2013.

The use of a going concern basis to determine the transfer of assets was appealed by the police and fire union to the Financial and Consumer Services Tribunal [the "Tribunal"]. The Tribunal issued its decision on the appeal on March 9, 2016, overturning the original basis used for the division of assets (a going concern basis) in favour of a solvency apportionment of assets [the "solvency basis"].

During the year in 2016, Mercer (Canada) Limited performed new actuarial valuations of the plan asset split using the solvency basis. As a result of the revised actuarial valuation and remeasurement of the pension asset split value, an additional \$6,314,000 in pension assets have been transferred from the SRP Plan to the new plan.

As a result of additional appeals, regarding the results of the actuarial valuation, from the police and fire unions, the Tribunal held a hearing which resulted in an August 2020 decision. The decision resulted in the following actions: a) the Plan actuaries were removed; b) the plan administrator was required to retain a new actuary; c) the 2016 actuarial report was rejected ; d) the new actuary was required to conduct analysis to determine appropriate funding levels since Plan inception in 2013 and determine if a Canada Revenue Agency ["CRA"] exemption was to be required; and e) actuarial valuation reports for 2013 to present were required to be prepared again by the new actuary and re-submitted to the Superintendent of Pensions.

Eckler Limited has been appointed as Plan Actuary effective March 2021. New actuarial valuations for 2013 to 2021 have been completed, submitted and approved by the Superintendent of Pensions. In relation to the new valuations, there are no changes recommended or required relating to contributions, funding levels, or CRA exemptions.

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## 20. Asset retirement obligations

The estimated liability is the present value of future cash flows associated with asset retirement costs discounted using a long-term borrowing rate of 4.60%. The future cash flows to settle the liabilities were based on actuals incurred recently, management experience and estimates from third-parties, escalated for inflation. The City's asset retirement obligation consists of obligations relating to; buildings that are known to have asbestos and lead, and land requiring future remediation due to normal use of the land.

The transition and recognition of asset retirement obligations involved an accompanying increase to land and building capital assets.

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# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 21. Consolidated schedule of segment disclosure

	Government & Civic Engagement	General Services - Corporate	Sustainable Infrastructure	Public Safety	Mobility [Including Transit]	Environmental Stewardship	Economic Vitality	Livable Community	Water and Wastewater	2023 Consolidated	2022 Consolidated
<b>Revenue</b>											
Property tax/community funding and equalization grant	\$ 5,926,894	\$ -	\$ 3,523,672	\$ 49,247,917	\$ 37,309,394	\$ 9,109,113	\$ 8,814,445	\$ 23,362,097	\$ -	\$ 137,293,532	\$ 120,854,623
Services to other governments	-	1,573,696	-	1,654,632	416,658	-	1,452,000	-	-	5,096,986	3,882,021
Sales, fines and other fees	-	398,536	-	2,713,979	5,301,356	-	1,309,977	3,250,229	20,641,152	33,615,229	30,428,042
Interest and return on investments	-	4,074,423	-	-	-	-	-	-	586,445	4,660,868	1,809,071
Government transfers	-	33,976	-	-	8,178,791	-	2,201,143	2,111,768	5,857,538	18,494,887	5,872,329
Other	-	30,000	-	-	1,505,542	1,066,127	-	228,216	1,856,482	4,686,347	4,806,004
	\$ 5,926,894	\$ 6,110,631	\$ 3,523,672	\$ 53,616,528	\$ 52,711,741	\$ 10,286,911	\$ 13,777,565	\$ 28,952,310	\$ 28,941,597	\$ 203,847,949	\$ 187,652,090
<b>Expenses</b>											
Salaries and benefits	\$ 2,436,666	\$ 14,334,234	\$ 1,268,144	\$ 36,816,957	\$ 11,445,314	\$ 993,708	\$ 3,196,311	\$ 8,930,138	\$ 6,036,417	\$ 85,457,889	\$ 74,250,784
Goods and services	1,563,101	20,733,278	517,066	2,582,783	5,307,381	4,331,685	6,055,498	4,630,185	6,582,393	52,303,370	41,570,337
Amortization	106,212	-	94,341	1,960,360	10,130,404	704,037	1,716,056	4,171,098	5,590,902	24,473,410	23,949,025
Interest	-	136,666	-	145,039	79,006	-	190,477	287,094	-	838,282	1,051,785
Other loss on assets	-	696,021	-	(9,732)	1,828,412	15,470	-	62,508	172,789	2,753,468	315,018
Subtotal expenses	\$ 4,105,979	\$ 35,900,199	\$ 1,879,551	\$ 41,495,407	\$ 28,788,517	\$ 6,044,900	\$ 11,158,342	\$ 18,081,023	\$ 18,382,501	\$ 165,836,419	\$ 141,136,949
Allocation of Corporate overhead	2,133,894	(33,415,480)	834,739	13,769,804	7,083,812	614,599	1,258,707	7,719,925	-	-	-
<b>Total expenses</b>	\$ 6,239,873	\$ 2,484,719	\$ 2,714,290	\$ 55,265,211	\$ 35,872,329	\$ 6,659,499	\$ 12,417,049	\$ 25,800,948	\$ 18,382,501	\$ 165,836,419	\$ 141,136,949
<b>Annual surplus (loss)</b>	\$ (312,979)	\$ 3,625,912	\$ 809,382	\$ (1,648,683)	\$ 16,839,412	\$ 3,627,412	\$ 1,360,516	\$ 3,151,362	\$ 10,559,096	\$ 38,014,430	\$ 26,515,141



# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 22. Schedule of tangible capital assets

	Land	Land improvements	Buildings	Vehicles	Machinery and equipment	Treatment facilities	Linear assets	Assets under construction	2023 Total	2022 Total
<b>Cost</b>										
Balance, beginning of year	\$ 21,779,046	\$ 24,603,025	\$ 160,560,535	\$ 35,817,133	\$ 33,146,347	\$ 78,095,228	\$ 628,108,299	\$ 6,619,331	\$ 988,728,944	\$ 961,471,746
Net additions during the year	775,760	7,541,873	3,063,977	1,771,522	3,618,333	1,645,689	31,093,788	8,546,189	58,057,131	36,543,555
Disposals during the year	(90,386)	(243,631)	(1,616,057)	(864,978)	(1,536,938)	(283,747)	(4,464,957)	-	(9,100,694)	(9,286,357)
Balance, end of year	\$ 22,464,420	\$ 31,901,267	\$ 162,008,455	\$ 36,723,677	\$ 35,227,742	\$ 79,457,170	\$ 654,737,130	\$ 15,165,520	\$ 1,037,685,381	\$ 988,728,944
<b>Accumulated amortization</b>										
Balance, beginning of year	-	\$ 10,649,892	\$ 70,110,836	\$ 18,386,714	\$ 17,560,500	\$ 37,129,239	\$ 208,811,218	-	\$ 362,648,399	\$ 345,667,911
Amortization during the year	-	992,267	5,046,811	2,319,318	2,568,855	2,218,967	11,327,192	-	24,473,410	23,949,025
Accumulated amortization on disposals	-	(138,035)	(679,342)	(864,061)	(1,534,554)	(206,471)	(3,125,400)	-	(6,547,863)	(6,968,537)
Balance, end of year	\$ -	\$ 11,504,124	\$ 74,478,305	\$ 19,841,971	\$ 18,594,801	\$ 39,141,735	\$ 217,013,010	\$ -	\$ 380,573,946	\$ 382,648,399
<b>Net book value of tangible capital assets</b>	\$ 22,464,420	\$ 20,397,143	\$ 87,530,150	\$ 16,881,706	\$ 16,632,941	\$ 40,315,435	\$ 437,724,120	\$ 15,165,520	\$ 657,111,435	\$ 626,080,545
<b>Consists of:</b>										
General Fund Assets	\$ 21,091,153	\$ 20,397,143	\$ 87,530,150	\$ 14,836,216	\$ 15,283,350	\$ -	\$ 248,355,609	\$ 9,910,627	\$ 417,404,248	\$ 395,968,657
Water and Sewer Fund Assets	1,373,267	-	-	2,045,490	1,349,591	40,315,435	189,368,511	5,254,893	239,707,187	230,111,888
	\$ 22,464,420	\$ 20,397,143	\$ 87,530,150	\$ 16,881,706	\$ 16,632,941	\$ 40,315,435	\$ 437,724,120	\$ 15,165,520	\$ 657,111,435	\$ 626,080,545

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 23. Consolidated schedule of accumulated surplus reconciliation to Province of New Brunswick ["PNB"] compliance requirements

	General Operating Fund	Water and Sewerage Operating Fund	Reserve Funds	Land Sales Fund	Parking Land Bank Fund	General Capital Fund	Water and Sewerage Capital Fund	Total
2023 annual surplus	\$ 153,501	\$ (1,305,903)	\$ 3,578,879	\$ 1,194,936	\$ 207,513	\$ 22,725,782	\$ 11,456,722	\$ 38,011,430
<b>Adjustments to 2023 annual surplus for PNB compliance requirements</b>								
Second previous year's surplus	\$ 2,926,868	\$ 2,074,658	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,001,526
Amortization expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,882,508	\$ 5,590,902	\$ 24,473,410
Accumulated amortization on asset disposal PSAB adjusting entries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,948,855)	\$ (599,008)	\$ (6,547,863)
	\$ 66,329	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,329
<b>Total adjustments to 2023 annual surplus</b>	\$ 2,993,197	\$ 2,074,658	\$ -	\$ -	\$ -	\$ 12,933,653	\$ 4,991,894	\$ 22,993,402
<b>2023 annual surplus per PNB compliance requirements</b>	\$ 3,146,698	\$ 768,755	\$ 3,578,879	\$ 1,194,936	\$ 207,513	\$ 35,659,435	\$ 16,448,616	\$ 61,004,832
Accumulated surplus per PNB compliance requirements, beginning of year	4,121,305	2,889,841	46,771,938	8,871,429	3,883,651	581,071,432	369,268,273	1,016,877,869
Second previous year's surplus	(2,926,868)	(2,074,658)	-	-	-	-	-	(5,001,526)
<b>Accumulated surplus per PNB compliance requirements, end of year</b>	\$ 4,341,135	\$ 1,583,938	\$ 50,350,817	\$ 10,066,365	\$ 4,091,164	\$ 616,730,867	\$ 385,716,889	\$ 1,072,881,175

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 24. Schedule of net operating loss - arena complexes

	2023	2022
Revenue <i>[note 13]</i>		
Ice rental	\$ 1,504,776	\$ 1,312,293
Canteen rental	20,414	8,142
Building rental	10,613	16,209
Community room rental	23,515	17,396
Other	4,669	5,563
YMCA lease agreement	28,000	28,000
<b>Total arena complex revenue</b>	<b>1,591,987</b>	<b>1,387,603</b>
Expenses <i>[note 13]</i>		
Salaries and wages	2,051,267	1,794,677
Supplies	130,550	129,573
Repairs and maintenance	359,935	300,978
Utilities	954,116	900,532
Service contracts	280,998	202,582
Other	57,173	36,501
<b>Total arena complex expenses</b>	<b>3,834,039</b>	<b>3,364,843</b>
<b>Net operating loss</b>	<b>\$ (2,242,052)</b>	<b>\$ (1,977,240)</b>

Revenue is included in sales, fines and other fees and expenses are included in Livable Community in the consolidated statement of operations and accumulated surplus.

### Capital Replacement Fund - Arenas *[note 13]*

	2023	2022
Opening balance, beginning of year	\$ 1,776,123	\$ 1,610,272
Contribution	-	125,140
Interest on balance	94,769	40,711
<b>Closing balance, end of year</b>	<b>\$ 1,870,892</b>	<b>\$ 1,776,123</b>

The Capital Replacement Fund is included with cash that is designated as reserves for spending in future years by City Council *[see note 3]*.

Total payments made during the year to the Municipal Capital Borrowing Board for the arena debt were \$2,133,504 (2022 - \$2,133,420). The amount representing interest for the year was \$385,891 (2022 - \$421,376).

# CITY OF FREDERICKTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 25. Statement of reserves (continued)

**Council Resolutions regarding transfer to and from reserves:**

Moved by: Councillor Cassandra LeBlanc

Seconded by: Councillor Jocelyn Pike

THAT City Council adopt the following resolution:

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer to apply the amount of \$13,584,083 from the 2023 General Fund Budget to the 2023 expenditures incurred to complete previously approved projects;


BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer to transfer the amount of \$1,361,250 to the General Operating Reserve Fund in order to complete projects budgeted for in 2023 in future years from the General Operating Fund pursuant to Section 101 under Part 9 of the Local Governance Act;

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer to apply the amount of \$1,382,907 from the General Capital Reserve to the 2023 expenditures incurred to complete previously approved projects;

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer to apply the amount of \$3,279,391 from the 2023 Water and Sewer Budget to the 2023 expenditures incurred to complete previously approved projects;

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer to transfer the amount of \$1,168,696 to the Water & Sewer Capital Reserve Fund in order to complete projects budgeted in 2023 in future years from the Water and Sewer Fund pursuant to Section 101 under Part 9 of the Local Governance Act.

I hereby certify that the above are true and exact copies of resolutions adopted by City Council on December 11, 2023.

  
Jennifer Lawson Murray  
City Clerk  
City of Fredericton



May 7, 2024  
Date

Municipal Seal

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 26. Statement of controlled entities

	Controlled entities consolidated with the General Operating Fund						2023 Total	2022 Total
	e-Novations ComNet Inc.	Newmarket Properties Inc.	Fredericton Convention Centre	Intercompany Eliminations				
Assets	\$ 2,037,882	\$ 1,336,200	\$ 913,062	\$ (1,633,755)	\$ 4,785	\$ 2,653,390	\$ 2,580,276	
Liabilities	(774,477)	(53,516)	(379,566)			(1,202,775)	(1,279,222)	
Accumulated surplus	\$ 1,263,405	\$ 1,282,684	\$ 533,496	\$ (1,628,970)	\$ 4,785	\$ 1,450,615	\$ 1,301,054	
Revenue	\$ 197,863	\$ 369,892	\$ 5,035,591	\$ (2,141,934)	\$ 2,171,069	\$ 3,461,412	\$ 2,447,681	
Expenditures	(177,951)	(332,419)	(4,405,183)			(2,744,484)	(2,061,701)	
Annual surplus - Per PNB compliance requirements	\$ 19,912	\$ 37,473	\$ 630,408	\$ 29,135	\$ 716,928	\$ 716,928	\$ 385,980	

The above-noted entities are included in the consolidated financial statements of the City of Fredericton.

Intercompany revenue and expenses and accounts payable and receivable are eliminated upon consolidation.

The controlled entities are consolidated with the General Operating Fund per the Province of New Brunswick compliance requirements.

Surplus includes eliminating adjustments for depreciation and capital expenditures, and the second previous year's surplus as per PNB requirements.

The net of revenue and expenses are included in expenses for the Economic Vitality segment.

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 27. Reconciliation of operating budget for provincial compliance requirements to Public Sector Accounting Standards ["PSAB"]

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Adjustments for Full Accrual Accounting	Total Budget to PSAB Budget
<b>Revenue</b>					
Property taxes	\$ 135,680,565	\$ -	\$ -	\$ -	\$ 135,680,565
Community funding and equalization grant	1,610,022	-	-	-	1,610,022
Federal grant in lieu of taxes adjustment	2,945	-	-	-	2,945
Services to other governments	4,842,048	-	-	-	4,842,048
Licenses, permits and fines	2,040,000	-	-	-	2,040,000
Sales and own source revenue	5,396,760	21,596,382	-	-	26,993,142
Interest and return on investments	280,000	-	-	-	280,000
Second previous year's surplus	3,028,978	2,074,658	-	(5,103,636)	-
	\$ 152,881,318	\$ 23,671,040	\$ -	\$ (5,103,636)	\$ 171,448,722
<b>Expenses</b>					
Governance & Civic Engagement	\$ 6,008,068	\$ -	\$ 106,212	\$ -	\$ 6,114,280
Sustainable Infrastructure	3,474,968	-	94,341	-	3,569,309
General Government Services - Corporate	1,968,671	-	-	155,721	2,124,392
Public Safety [note 17]	52,523,619	-	1,960,360	165,261	54,649,240
Mobility [including Transit]	23,350,701	-	10,130,404	90,021	33,571,126
Environmental Stewardship	5,904,044	-	704,037	-	6,608,081
Economic Vitality	8,749,394	-	1,716,056	217,033	10,682,483
Liveable Community	19,760,726	-	4,171,098	327,121	24,258,945
Fiscal Services					
Principal payments on long-term debt	5,163,121	-	-	(5,163,121)	-
Interest payments on long-term debt	955,157	-	-	(955,157)	-
Funding current year's capital projects	25,022,849	11,145,935	-	(36,168,784)	-
Water and Wastewater	-	12,525,105	5,590,902	-	18,116,007
	\$ 152,881,318	\$ 23,671,040	\$ 24,473,410	\$ (41,331,905)	\$ 159,693,863
Annual surplus	\$ -	\$ -	\$ (24,473,410)	\$ 36,228,269	\$ 11,754,859

(a) Eliminate second previous year's surplus (deficit) for PSAB

(b) Allocation of interest expense

(c) Principal debt repayment

(d) Funding for current year's capital projects

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 28. Detailed statement of revenue and expenditure

### General Operating Fund - Consolidated

	2023		2022
	Budget	Actual	Actual
<b>Revenue from operations</b>			
Province of New Brunswick			
Property taxes	\$ 135,680,565	\$ 135,680,565	\$ 118,873,040
Community funding and equalization grant	1,610,022	1,610,022	1,967,081
	137,290,587	137,290,587	120,840,121
Federal payment in lieu of taxes	2,945	2,945	14,504
Services provided to other governments			
Transportation services - provincial routes	418,641	416,658	418,641
Public Safety Emergency Dispatch and 911	1,533,012	1,573,695	1,507,374
Fire services - local service districts	413,025	413,028	935,384
Fire services - provincial hazmat	105,237	98,467	107,414
Services to Saint Mary's First Nation			
Fire services - Federal transfer	300,220	296,072	297,455
Police services - Federal transfer	322,355	440,474	320,198
Police services - Provincial transfer	297,558	406,592	295,555
Regional Tourism	1,452,000	1,452,000	-
	4,842,048	5,096,986	3,882,021
Licenses, permits and fines			
Taxi, business and dog licenses	24,000	27,412	16,902
Building permits	1,455,000	2,536,055	2,250,706
Development approval	78,000	98,365	82,575
Parking, municipal bylaw, and other fines	406,000	490,527	350,335
Police security checks, fine sharing and false alarms	77,000	141,301	121,112
	2,040,000	3,293,660	2,821,630
Sales and other revenue			
Parking meters	539,000	581,403	575,611
Parking lots and garages	1,104,000	1,419,580	1,179,795
Public transit	1,580,000	2,780,045	2,186,695
Para transit	25,000	30,223	26,284
Arena rentals	1,157,271	1,694,234	1,387,468
Outside user fee	475,998	614,377	680,167
Community centres	161,161	336,994	266,694
Indoor pool	215,115	324,181	253,282
Sports fields	119,915	171,438	178,653
Cultural development	7,300	75,891	52,198
Police sale of unclaimed goods	2,000	8,189	15,263
Cash flow and investment management	280,000	1,960,111	867,085
Miscellaneous	10,000	240,842	249,346
Vehicle auction proceeds	-	-	41,902
Hotel accommodation levy	-	1,142,241	412,901
	5,676,760	11,379,749	8,373,344
<b>Total revenue from operations</b>	\$ 149,852,340	\$ 157,063,927	\$ 135,931,620

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 28. Detailed statement of revenue and expenditure (continued)

### General Operating Fund - Consolidated (continued)

	2023		2022
	Budget	Actual	Actual
<b>Revenue (Continued):</b>			
Government transfers	\$ -	\$ 12,603,373	\$ 3,430,020
Third-party contributions	-	1,291,140	1,269,942
Transfer from General Capital Reserve	-	1,382,907	3,050,185
Transfer from Operating Reserve	-	-	553,110
Total transfers from reserves	-	1,382,907	3,603,295
Second previous year's surplus	3,028,978	3,028,978	2,783,002
<b>Total revenue</b>	\$ 152,881,318	\$ 175,370,325	\$ 147,017,879



# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 28. Detailed statement of revenue and expenditure (continued)

### General Operating Fund - Consolidated (Continued)

	2023		2022
	Budget	Actual	Actual
<b>Expenditure from operations</b>			
Governance & Civic Engagement			
Community Leadership	\$ 2,995,922	\$ 3,033,387	\$ 2,801,860
Management Systems	2,921,690	3,007,423	2,426,516
Intergovernmental Affairs	90,456	92,850	78,160
	6,008,068	6,133,660	5,306,536
Economic Vitality			
Affordable Housing	260,474	2,086,049	-
Business Attraction and Retention	150,911	115,604	876,106
Development Approval	1,264,567	1,098,222	1,140,481
Land Use Planning	1,392,614	1,026,752	764,624
Tourism Development and Operations	1,626,792	1,647,727	1,168,222
Tourism Marketing and Sales	4,054,036	5,030,835	3,049,045
	8,749,394	11,005,189	6,998,478
Environmental Stewardship			
Composting	90,715	89,186	91,931
Environmental Strategy	549,080	546,887	322,137
Solid Waste Management	4,164,916	4,043,012	3,541,618
Storm Water Management	1,099,333	1,260,907	1,406,469
	5,904,044	5,939,992	5,362,155
Livable Community			
Arboriculture	1,409,326	1,660,724	1,538,577
Community Inclusion	847,830	1,011,050	296,202
Community Special Event Coordination and Support	489,636	488,711	487,714
Cultural Development	2,408,389	2,466,114	2,475,137
Heritage Planning and Conservation	141,210	152,771	130,762
Horticulture	961,292	1,110,506	896,691
Leisure and Recreation Development and Delivery	3,463,837	4,118,768	3,040,812
Parks and Playground Management	2,067,204	2,248,869	2,329,276
Recreation Facility Scheduling	6,847,501	7,000,007	4,622,870
Sport Field Management	1,124,501	1,128,690	777,270
	19,760,726	21,386,210	16,595,311
Mobility [including Transit]			
Fixed Route Scheduled Transit	6,502,127	6,740,500	6,685,309
Para Transit	657,515	724,877	672,099
Parking Management	2,365,372	2,093,960	1,889,532
Roadway Management	6,267,652	6,267,770	11,357,427
Sidewalk Management	2,554,326	2,372,424	1,425,644
Taxi Industry Regulation	100,781	96,903	81,744
Trails Management	961,166	1,038,328	1,003,689
Transportation System Management	3,941,762	4,519,186	1,210,686
	\$ 23,350,701	\$ 23,853,948	\$ 24,326,130

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 28. Detailed statement of revenue and expenditure (continued)

### General Operating Fund - Consolidated (continued)

	2023		2022
	Budget	Actual	Actual
<b>Expenditure from operations (continued)</b>			
Public Safety			
Animal Registration and Control	\$ 166,129	\$ 269,686	\$ 134,100
Building Construction Permission and Enforcement	1,418,385	1,448,929	1,359,733
Bylaw Enforcement	1,215,690	1,023,016	422,519
Emergency Preparedness	2,624,970	2,900,712	2,723,266
Fire Emergency Incident Mitigation	16,100,026	16,626,171	14,556,527
Fire Investigation	635,980	712,982	311,603
Fire Prevention and Inspection	907,933	1,002,655	799,987
Police - Enforce Federal, Provincial and Municipal Laws	7,566,335	7,461,038	4,797,006
Police - Keeping the Peace	6,003,011	6,043,101	4,466,123
Police - Prevent and Detect Crime	8,504,236	8,716,854	8,977,295
Police - Protect Life and Property	7,380,924	7,609,733	8,054,167
	52,523,619	53,814,877	46,602,326
Corporate Services			
Communications Management	1,188,175	1,229,321	826,599
Continuous Improvement	646,435	731,472	641,177
Facilities Management	7,056,936	7,040,910	9,312,064
Financial Management	2,037,475	1,811,936	1,614,571
Fleet and Equipment Management	4,311,192	4,569,317	4,930,737
Human Resource Management	1,539,500	1,414,526	1,138,668
Information Technology Solution Delivery	949,244	1,316,363	1,047,488
Information Technology Support	2,246,494	2,630,827	2,488,588
Insurance Coverage Service	1,021,972	1,133,626	396,763
Legal Services	791,333	759,888	661,505
Occupational Health and Safety	193,600	192,582	163,331
Public Procurement Management	381,808	358,067	365,488
Public Safety Service Request Management	2,933,159	2,882,180	2,587,268
Real Estate Management	2,290,537	1,846,764	1,901,840
Records Management	277,253	241,268	315,359
Request Management	381,430	380,184	328,756
Corporate overhead allocated to external services	(28,246,543)	(28,539,231)	(28,720,202)
Property assessment and collection [PNB]	1,968,671	1,968,671	1,645,642
	\$ 1,968,671	\$ 1,968,671	\$ 1,645,642

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## 28. Detailed statement of revenue and expenditure (continued)

### General Operating Fund - Consolidated (continued)

	2023		2022
	Budget	Actual	Actual
<b>Expenditure from operations (continued)</b>			
Sustainable Infrastructure			
Capital Asset Management	\$ 163,320	\$ 164,077	\$ 74,586
Capital Planning and Implementation	941,678	1,122,390	779,551
Capital Prioritization and Investment Service	2,214,804	1,186,933	853,334
Debt and Affordability Management Service	155,166	146,549	31,389
Debt principal repayment	5,163,121	4,386,764	4,313,233
Interest on capital debt	955,157	979,225	1,051,785
Funding current year's new capital projects	7,661,262	18,732,534	7,581,017
Funding current year's capital renewal projects	17,361,587	20,235,218	13,952,768
	34,616,095	46,953,690	28,637,663
Transfer to General Capital Reserve	-	567,367	10,244,248
Transfer to General Operating Reserve	-	1,361,250	502,915
Total transfer to reserves	-	1,928,617	10,747,163
<b>Total expenditure from operations</b>	\$ 152,881,318	\$ 172,984,854	\$ 146,221,404
<b>General Operating Fund surplus from operations</b>	\$ -	\$ 2,385,471	\$ 796,475
<b>Remeasurement gains and losses</b>			
Unrealized gain (loss) attributable to foreign exchange	\$ -	\$ (27,634)	\$ 199,250
Unrealized gain (loss) on investments	-	71,933	(187,274)
Unrealized surplus from subsidiary entities	-	716,928	385,980
<b>Total remeasurement gains</b>	\$ -	\$ 761,227	\$ 397,956
<b>Consolidated General Fund annual surplus</b>	\$ -	\$ 3,146,698	\$ 1,194,431

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

## Water and Sewerage Operating Fund - Consolidated Statement of Revenue and Expenditures

	2023		2022
	Budget	Actual	Actual
<b>Revenue</b>			
Water and sewerage rates	\$ 20,408,150	\$ 20,615,373	\$ 19,946,192
Water supply for fire protection	1,000,612	1,000,612	1,000,612
Miscellaneous revenue	187,620	205,367	209,374
Interest	-	217,833	115,442
Transfer from utility reserve	-	-	1,066,347
Federal and provincial grant funding	-	5,857,539	2,442,308
Second previous year's surplus	2,074,658	2,074,658	1,718,130
<b>Total revenue</b>	<b>\$ 23,671,040</b>	<b>\$ 29,971,382</b>	<b>\$ 26,498,405</b>
<b>Expenditures</b>			
<b>Water</b>			
Purification and treatment	\$ 430,550	\$ 854,136	\$ 659,234
Source of supply	290,000	392,580	289,267
Transmission and distribution	64,357	81,785	84,211
Plant and equipment maintenance	510,902	923,917	713,383
Billing and collecting	106,770	171,908	167,058
Water meters	75,000	477,141	347,692
	1,477,579	2,901,467	2,260,845
<b>Sewerage</b>			
Lift stations and system maintenance	622,889	965,423	871,866
Sewerage treatment and disposal	2,438,797	2,434,104	2,353,749
	3,061,686	3,399,527	3,225,615
<b>Common services</b>			
	7,985,840	6,349,597	6,124,036
<b>Fiscal services</b>			
Funding current year's new capital projects	3,491,258	3,946,774	498,442
Funding current year's renewal capital projects	7,654,677	11,436,576	10,464,049
Transfer to water and sewer capital reserve	-	1,168,686	3,110,232
	11,145,935	16,552,036	14,072,723
<b>Total expenditures</b>	<b>\$ 23,671,040</b>	<b>\$ 29,202,627</b>	<b>\$ 25,683,219</b>
<b>Annual surplus</b>	<b>\$ -</b>	<b>\$ 768,755</b>	<b>\$ 815,186</b>

# CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2023

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## 29. Comparative figures

Certain amounts of the previous year have been reclassified to conform to the presentation adopted for the current year.



# City of Fredericton 2023 **ANNUAL REPORT**

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