



City of Fredericton
2025 ANNUAL REPORT

Fredericton

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Land Acknowledgement

We acknowledge that the City of Fredericton is situated on traditional Wolastoqey territory. The territory of the Wolastoqiyik People is recognized in the Peace and Friendship Treaties to establish an ongoing relationship of peace, friendship and mutual respect between equal nations. The river that runs through our City is known as the Wolastoq, along which live the Wolastoqiyik, “the People of the beautiful and bountiful river.”



Message From the Mayor

Throughout 2025, the City of Fredericton continued to respond thoughtfully to meet the needs of our growing community. This progress would not be possible without our dedicated staff, whose hard work and expertise drive

the delivery of services and initiatives every day. Thank you for your continued commitment.

Looking back, key accomplishments in 2025 include implementing a mid-day half-hour transit service on high-demand routes, continuing to offer free and affordable recreation and entertainment opportunities throughout the year, adopting the South Core Secondary Municipal Plan, and successfully completing a robust construction season.

This year also saw important progress in addressing residents' concerns related to safety. In May, the City's multi-sectoral Community Safety Task Force released its report, outlining 47 actionable recommendations focused on housing, health care supports, security enhancements, and strengthening neighbourhood well-being.

These recommendations emphasize both immediate actions and long-term solutions to address one of the most pressing social challenges

of our time. While meaningful progress takes time, collaboration and a shared commitment to addressing root causes will lead to lasting change.

The work of municipal government is made stronger through partnerships. We are grateful for the ongoing collaboration with all orders of government, local leaders, business organizations, post-secondary institutions, and the many community organizations that help make Fredericton a stronger, more connected city. Thank you to all who continue to support this important work.

As I reflect on this report, I am especially mindful that it marks my final annual report as Mayor of Fredericton. It has been a privilege to serve this community, and I am deeply proud of what we have accomplished together.

Throughout this term we've responsibly embraced generational change with bold decisions to help build a vibrant, affordable community for everyone to call home, now and for the future.

Sincerely,

Kate Rogers, Mayor
City of Fredericton



Message From the CAO

In 2025, the City of Fredericton advanced many critical projects and initiatives to support our growing community. All this work was guided by Council's Vision and our Strategy Map.

Key accomplishments from 2025 consist of executing a successful season of complex capital projects including the replacement of the sanitary trunk line through Sitsansk Old Reserve, developing a new recreation rate strategy, implementing key components of the Killarney Lake Park Plan, delivering on the Affordable Housing Strategy, and adopting the new South Core Secondary Municipal Plan.

To address resident and business concerns related to safety, the Mayor's Community Safety Task Force delivered its final report comprised of 47 recommendations focused on justice, policing, mental health, addictions and homelessness. An oversight

committee consisting of all levels of government and business community representatives was established to oversee the execution of the recommendations. Our Fire, Police, 911 operators, by-law enforcement and Emergency Management Teams continue to contribute to the City's public safety with dedicated and talented first responders.

Strong partnerships are essential to the success of our work. The City of Fredericton benefits greatly from ongoing collaboration with other levels of government, Sitsansk First Nation, local organizations, and community leaders. These partnerships enhance our ability to deliver meaningful outcomes for residents.

Here's to a successful year ahead as we continue to work together to make Fredericton a great place to live, work and play.

Sincerely,

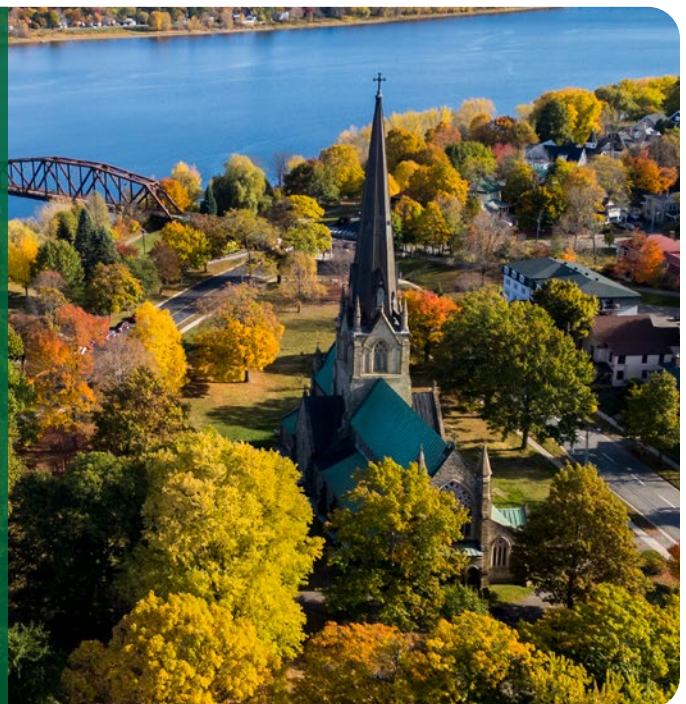
Steven Hart, CAO
City of Fredericton

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 begin on page 45, as APPENDIX II - 2025 AUDITED FINANCIAL STATEMENT.



COMMUNITY PROFILE

Fredericton, the capital city of New Brunswick, is a vibrant and welcoming community that blends rich history, natural beauty, and forward-looking innovation. Situated along the scenic Wolastoq (Saint John River) in the heart of the province, Fredericton serves as a regional hub for government, education, culture, and economic development.

A diverse and rapidly growing community, the City of Fredericton's population reached approximately 79,000 in 2025. As Fredericton grows, the City remains committed to fostering a strong sense of community for all residents while providing essential services.

Boasting four universities and numerous training colleges and institutes, including the University of New Brunswick (UNB), St. Thomas University, Yorkville, the University of Fredericton, the New Brunswick Community College (NBCC), and the New Brunswick College of Craft and Design (NBCCD), businesses in diverse sectors and industries draw from a highly skilled workforce with one of the largest per capita university-educated populations in Canada.

Anchored by research strengths in cybersecurity, defense innovation, advanced technologies and natural resources, Fredericton serves as a foundational pillar for New Brunswick's economy and a strategic contributor to Canada's national innovation and security goals.



Population 79,000



Atlantic Canada's largest concentration of knowledge workers



A member of the Canadian Coalition of Inclusive Municipalities

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Situated in the heart of the New Brunswick, along a scenic bend in the Wolastoq (Saint John River), the cost-competitive business environment is balanced with abundant recreational and cultural amenities.

Home to more than 150km of trails and numerous parks, pools, sports fields and rinks. From free swim lessons for youth to free programming for seniors, the City of Fredericton is proud to provide activities and facilities for residents of all ages and interests. Additionally, Fredericton is a city full of vibrant arts and culture initiatives that ensure art is part of everyday life and accessible for all.

The City of Fredericton understands how important nurturing, investing, and celebrating culture and recreation are to fostering a healthy community that benefits from a vibrant local economy and a high quality of life. Our investments are guided by the Culture Plan, the Recreation and Leisure Master Plan, and rooted in public engagement.

Incorporated in 1785 Fredericton's rich cultural history proximately feature First Nations People, Acadians and the British. Presently the city is home to an increasingly diverse population with over 30 different ethnocultural associations and organizations.

The City of Fredericton is proud of its diversity and is a member of the Canadian Coalition of Inclusive Municipalities, a network of municipalities working together to build an open and inclusive society.



4 universities and numerous training colleges and institutes



2025 Project of the Year Award from the Atlantic Canada Water and Wastewater Association for Fredericton's City-Wide Flood Risk Profile



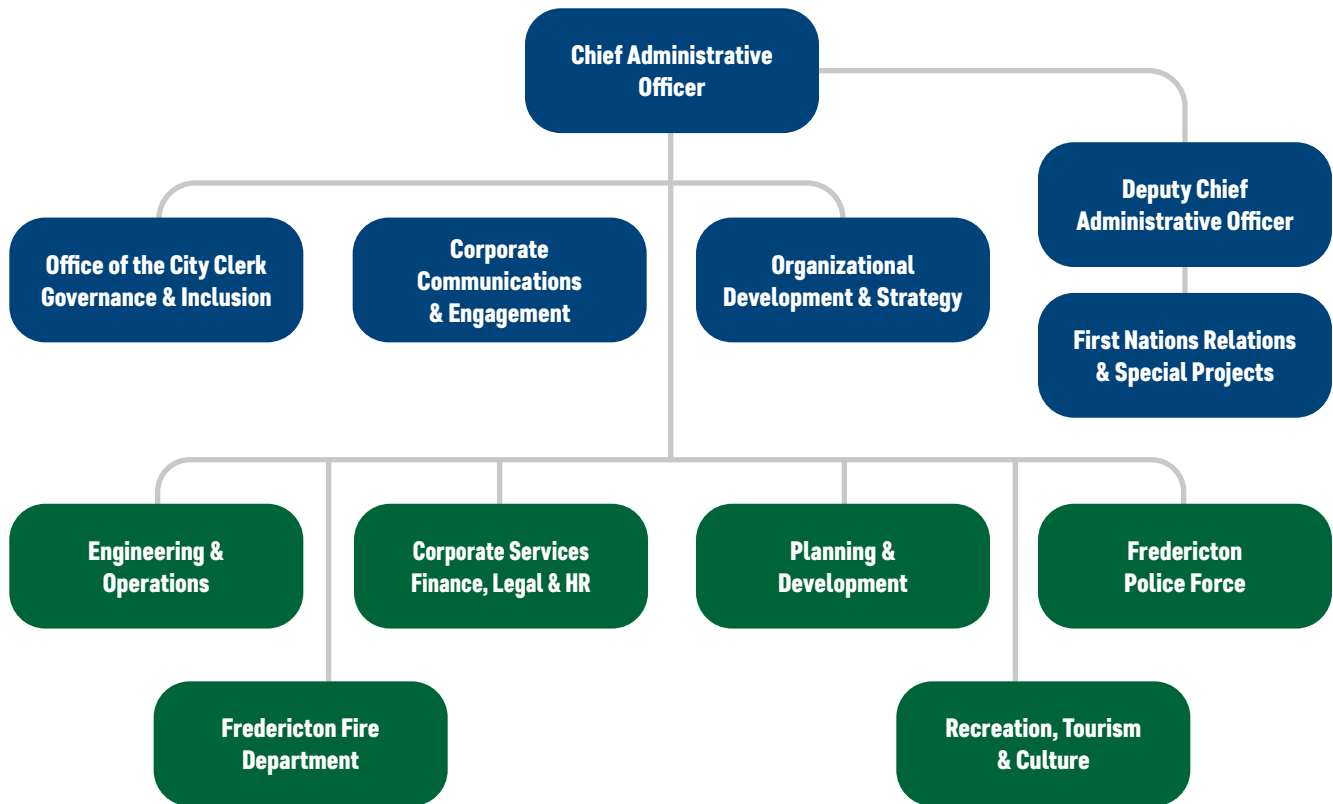
Vibrant arts and culture initiatives ensure art is part of everyday life and accessible for all.

Municipal Government is responsible for:





City of Fredericton Departments





Property Tax Rate and User Charges

The City of Fredericton approved an operating budget of \$180,154,363 for 2025.

The budget addressed inflationary needs being faced by the City, including increased contractual costs, materials costs and lights and power. It allowed for core programs and services to continue and expand where necessary. There are investments in transit, including increased frequency on a number of routes, as well as increased investment in public safety 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 residential property owners saw a two-cent decrease in their property tax rate, from \$1.3286 to \$1.3086 per \$100 of assessment. The outside rate increased from \$1.1065 to \$1.1565. Most residents who joined the city on January 1, 2025 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 were applied:

- Saint Mary's increased from \$0.5659 to \$0.6159 per \$100 of assessment.
- Douglas, Pepper Creek and Estey's Bridge increased from \$0.6786 to \$0.7286 per \$100 of assessment.
- Lakeside Estates increased from \$0.6362 to \$0.6862 per \$100 of assessment.
- Lincoln remained at \$0.5042 per \$100 of assessment.

Note: All these areas paid an additional tax rate of \$0.4115 to the province for road maintenance.

In addition, the budget earmarked \$27,365,000 for Capital projects in 2025 and made \$659,850 available in strategic partner, community and climate change action grants. There were slight increases in transit fares and parking rates, and sidewalk café permits.

- Property Tax \$156.3 (86.8%)
- User Charges, Licenses, Fees & Others \$23M (12.8%)
- Unconditional Grant from the Province – \$805K (0.4%)

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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:

- Property taxes generated 86.8% of the budget or \$156.3M,
- User charges, licenses, fees, and other revenues resulted in 12.8% of the budget or \$23M, and
- The Unconditional Grant from the Province of New Brunswick totaled 0.4% of the budget or \$805K.

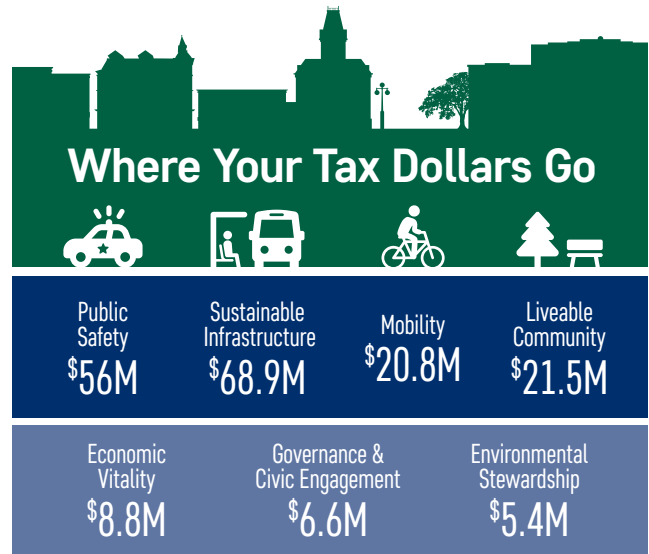


- Property Tax \$156.3M (86.8%)
- User Charges, Licenses, Fees & Others \$23M (12.8%)
- Unconditional Grant from the Province – \$805K (0.4%)

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, Livable Community, Mobility, and Public Safety.

Note: These external programs are supported by the internal Municipal Finance and Corporate Administration 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.

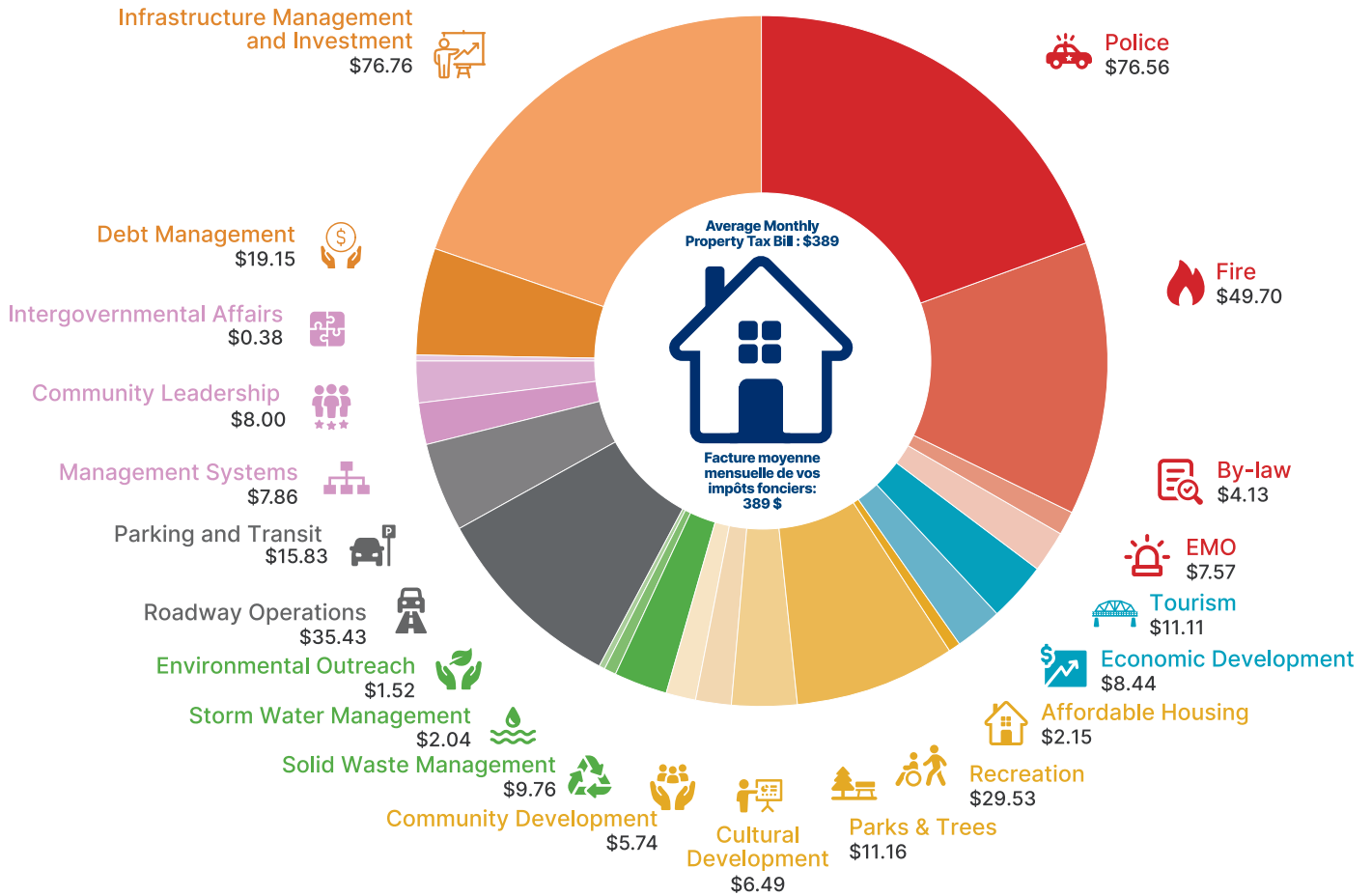


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Residential Tax Dollars: A Monthly Breakdown

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 2025, the average assessed value of a house in Fredericton was \$335,131 making the average property tax bill for the year \$4,452.55 or \$371.05 per month.



Public Safety

Mobility

Economic Vitality

Liveable Community

Environmental Stewardship

Governance & Civic Engagement

CITY OF FREDERICTON

REPORT CARD

WATER & SEWER UTILITY 2025

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

7.65 MILLION m³
of water produced... enough to fill the
SMYTHE STREET WATER TOWER
- **MORE THAN 3,400 TIMES!**

**3.82 km of WATER MAIN and
3.75 km of SANITARY SEWER MAIN
REPLACED...**
ENOUGH TO RUN FROM
Fredericton City Hall TO THE
Regent Mall and back!

ALL WASTEWATER gets treated and returned to the Wolastoq (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.

2025 BUDGET

OPERATING **\$13.2M** CAPITAL **\$11.3M**

By provincial legislation, the Utility is self-funded through rates collected and grants received.

2025 RATES

QUARTERLY SERVICE CHARGE **\$144.60** USAGE RATE **\$2.04/M³**

LOWEST RATES IN THE REGION.



KEY RENEWAL PROJECTS

NORTHUMBERLAND STREET	RIVERSIDE DRIVE	NOBLE STREET
BABBIT-GILL-UNION	GEORGE STREET (AT REGENT)	WELLINGTON COURT
CROCKET STREET	PUGH STREET	DORCAS STREET
MAIN STREET (AT BROOKSIDE)	LINCOLN ROAD	CANADA STREET

KEY SUCCESSES



A new production well was installed in the Lady Beaverbrook Rink parking lot and is now online.



Initial testing for a new production well was successful at the end of Churchill Row.



Water resource recovery on Barker Street.



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.



#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.

YOUR UTILITY AT A GLANCE...



440 km of water pipe and 405 km of sanitary sewer pipe



1 wastewater treatment plant



11 major production wells



1 sewage treatment lagoon



2 water treatment plants



35 vehicles/pieces of equipment



42 employees



17 water towers/storage tanks



14 water pumping stations



36 sewage lift stations

Providing safe drinking water. Treating wastewater responsibly.

2026 BUDGET

OPERATING **\$13.9M** CAPITAL **\$11.6M**

2026 RATES

QUARTERLY SERVICE CHARGE **\$155** USAGE RATE **\$2.08/m³**

The typical Fredericton household will pay just \$2.80 daily for safe, secure, and reliable water along with environmentally sound wastewater treatment.

Fredericton YEAR IN REVIEW



DEVELOPMENT:

As our community grows faster than anticipated, the City remains focused on managing growth thoughtfully. The City's approach prioritizes affordability, connectivity, and sustainability, while enabling infill and redevelopment that aligns with Fredericton's character and supports long-term quality of life.

2025 Highlights:

- In 2025, Fredericton recorded the highest level of construction activity in its history, with more than \$359.4 million in building permits issued; surpassing 2024 levels by \$5 million.
- Residential construction lead the way, reaching a record \$296 million.
- A total of 1,564 new housing units were approved for construction.
- More than 90% of housing construction in 2025 was multi-residential development, with 1,406 new townhouses and apartment units.

CONSTRUCTION:

With consecutive years of record-breaking development, it is essential that the City prioritizes the revitalization of infrastructure and public spaces to ensure safety, reliability, and capacity to accommodate future growth.

2025 Highlights:

- Infrastructure renewal on Crocket Street, Lincoln Road, Union and Babbitt streets.
- Infrastructure renewal and Public Realm Upgrades on Main Street, Northumberland Street, and the Nashwaak Trail Bridge rehabilitation.
- Garrison Multi-Plaza construction, Northside Sanitary Trunk Sewer, Riverside Drive upgrades, and Crosstown Trail phase 3 further strengthened transportation, recreation, and climate resilience infrastructure across the city.
- Strategic projects such as the Demerchant Drive lot development are creating opportunities for future housing supply, while the expansion of the Vanier Industrial park supported employment growth and long-term economic sustainability.



ROADS AND SIDEWALKS:

As Fredericton continues to grow, it's increasingly important to maintain and renew transportation infrastructure. The City now maintains 716 kilometres of roads and streets, 263 kilometres of sidewalks, and more than 1,055 city streets, supported by 156 traffic signals and 5,673 streetlights city wide.

In 2025, Roadway Operations focused on maintaining safety and reliability through:

- the resurfacing of approximately 10.5 kilometres of streets.
- the replacement of 2.7 kilometres of curbing and 3.5 kilometres of sidewalks.

TRANSIT:

2025 marked Fredericton Transit's 50th anniversary of service. This milestone reflected both the system's longstanding role in the community and its continued evolution to meet a growing community and changing travel needs.

2025 Highlights:

- A 13% increase in ridership, with 1.809 million passenger trips.
- Introduced half-hour service on several high-demand routes.

- Launch of On-Demand Service for selected routes.
- 3 new diesel-electric hybrid buses.

RECREATION:

Early 2025 saw the adoption of the Recreation & Leisure Master Plan, with implementation beginning shortly after. This plan provides a long-term framework to guide investment, improve access, and ensure recreational opportunities continue to meet the evolving needs of a growing community.

2025 Highlights:

- Killarney Lake Park Upgrades: including the development of new mountain biking trails, a new disc golf course, early work on a natural play park, and an off-leash dog trail pilot program.
- Construction began on the Garrison Plaza which will create an inclusive, accessible space for all in the heart of Fredericton's downtown.
- Skate Loan Program at Officers' Square helps remove financial and equipment barriers so residents and visitors can enjoy outdoor skating in the downtown core. The program provided free access to more than 3000 skaters in 2025!
- Introduced the FredRec Fun Map: an interactive, digital tool designed to make it easier for residents and visitors to discover recreation opportunities across the city.



Fredericton Fire Department

The Fire Department Master Plan was completed in 2025, providing a roadmap for future service delivery, while implementation continued on a centralized system for response coordination, reporting, asset management, and scheduling.

Significant progress was also made in strategic planning and modernization.

To meet the needs of a growing and changing city, Council approved a fifth fire station for construction in the Southwest area of the city.

With extreme drought conditions throughout the summer, the Department also continued to enhance rural firefighting and wildfire response capabilities through specialized training and equipment, including structure protection. In addition, work began on a Community Wildfire Resiliency Plan, focused on prevention, preparedness, and response to reduce wildfire risk across the community.

Increased use of technology, including AI supported analytics, helped to enhance the efficiency and effectiveness of responses, inspections, and training. The development of a drone program further strengthened frontline service delivery, while ongoing fleet renewal, including the introduction of a new first responder boat, supported operational capacity.

2025 Highlights:

- **RESPONDED TO 6,107 INCIDENTS** with medical calls accounting for approximately 53.3% of the call volume.
- **RESPONDED TO 692 FIRES** including 34 structure fires.
- **1,500 FIRE SAFETY INSPECTIONS** with 1,888 violations corrected, representing a success rate of 96.49%.
- **14,996 TRAINING HOURS.**



Fredericton Public Safety Communications Centre

The Fredericton Public Safety Communications Centre played a vital role in city wide emergency response and operations in 2025, answering 60,216 calls to 911 and nearly 200,000 administrative calls supporting City services. Dispatchers coordinated 51,372 dispatches for three police departments and 40 fire departments, while managing approximately 1.5 million radio transmissions, ensuring timely, reliable communication for first responders.

The Centre continued critical modernization efforts, including development and implementation of a new call handling and dispatch framework compliant with NG911, remaining on track to go live in May 2026.

A new radio communications platform was introduced to enhance responder safety and effectiveness, alongside operational resiliency and business continuity initiatives, to ensure readiness during unexpected conditions.

Ongoing professional development for dispatch and administrative staff, as well as updates to dispatch protocols following Local Governance Reform, further strengthened the Centre's ability to provide reliable, high quality public safety support.



Fredericton Police Force

In 2025, the Fredericton Police Force (FPF) strengthened public safety outcomes across the city through targeted initiatives, strategic partnerships, and community engagement, while laying the groundwork for long-term responsive policing.

Expanding Policing Jurisdiction

As part of Local Governance Reform, effective December 2, FPF became the police of jurisdiction for newly amalgamated areas including Pepper Creek, Douglas, McLeod Hill, Killarney Road, and the Capital Region Landfill. Residents and businesses now receive full policing services from FPF, with continued collaboration from RCMP on specialized policing functions.

The FPF led 7 of the 47 recommendations put forward by the Community Safety Task Force:

- **Direct-Action Response Team (DART):** A (pilot) targeted training initiative that increased police presence in high-traffic areas.
- **Community Camera Registry Program:** Launched to support investigations and crime prevention through voluntary community participation.
- **School Resource Officers (SROs):** Re-introduced two officers to Fredericton-area schools in partnership with the Anglophone West School District. This initiative supports school safety through enforcement, intervention, law related education, and relationship building, serving as trusted liaisons between schools, youth, and law enforcement.
- **Business & Resident Education:** Delivered education and support on SCAN and CPTED principles.
- **Enhanced Patrols:** Increased foot and e-bike patrols in business districts.
- **General Investigative Unit (GIU):** Established within the FPF organizational structure
- **Community Engagement Unit (CEU):** City Council approved an extension of this pilot initiative, which has six retired police officers providing support for non-emergency and administrative work.

Strengthening Operational Capabilities

The Fredericton Police Force enhanced its frontline capabilities through strategic investments in personnel and specialized resources:

- **K9 Officers:** Officers Mac and Jago, handled by Constables R. Hughson and S. Burgess, began training with FPF in 2025 and received their badges in early 2026. Their presence on the force significantly strengthens operational and investigative capacity.
- **Workforce Development:** Successfully onboarded 15 cadets and 6 experienced officers, providing a strong foundation in organizational expectations, operational procedures, and professional standards.
- **Police Science (Cadet) Program:** In partnership with the Atlantic Police Academy, this pilot program graduated 11 cadets who completed academic and field training before being sworn in as full-time constables.

Operations Update:

- responded to 31,492 calls for service.
- made several arrests of note related to drugs and weapons.
- Crime rates rose by about 10%; driven largely by increased calls for service, particularly in socially complex areas.

Community Partnership with Sitansisk

FPF continued to strengthen its relationship with the Sitansisk community through multiple coordinated initiatives:

- **Community Consultative Group (CCG):** Established under the Quadripartite Agreement, the CCG brings together representatives from the Sitansisk community, FPF, and the City of Fredericton to identify issues and concerns in relation to policing, seek solutions and develop the objectives, priorities, goals, strategies and special projects designed to meet the identified needs.
- **Sitansisk Community Office:** Opened a dedicated community space within Sitansisk to strengthen relationships and improve access to support. This space provides a welcoming and accessible location for

Community Liaison Officers (CLO) and the Community Program Officer (CPO) to engage with residents, respond to concerns, and collaborate with local partners.

- **Ongoing community engagement:** The Fredericton Police Force participated in community-led events including the 25th Anniversary Powwow, Truth and Reconciliation Day activities, and seasonal celebrations. Engagement prioritized youth, families, and Elders through school based programs, sports and enrichment activities, Kids & Kops Summer Camp, Summer Safety Days, elder support initiatives, and community food distributions.
- **Mi'kmaq-Wolastoqiyik Social Workers Conference:** FPF members attended the annual conference hosted by Sitansisk, gaining cultural awareness and community engagement insights that support relationship-building and enhance understanding regarding Indigenous communities.

Community Engagement

The Fredericton Police Force greatly values giving back to the community. Facing off against the Fredericton Fire Department, The 11th Annual Guns & Hoses Charity Hockey Game was a smashing success, raising an incredible \$12,649.44 for the Fredericton Food Bank - Greener Village, including 1,368 lbs. of food! FPF also took part in several community events and fundraisers, including a Polar Plunge, Halloween Trunk or Treat, Downtown Spring Clean-Up, Touch-a-Truck, MADD Crashed Car Campaign, and Special Olympics Donut Day.





KEY AREAS OF FOCUS



A Growing, Inclusive, and Innovative Community

Fredericton continues to grow and thrive. With a population now estimated at 79,000 and growth exceeding expectations, the City is focused on ensuring development is managed in a way that supports affordability, connectivity, and long-term sustainability.



Planning for the Future

As we look ahead, the City is committed to listening, understanding, and finding smart solutions to complex challenges. We're working with community partners to build a strong local economy, attract talent, and create a livable city for everyone. Whether it's through new housing, better transit, or access to nature and culture, Fredericton is building a future that feels like home.



Investing in Recreation and Community Life

Recreation and leisure planning advanced in 2025 with the adoption of the Recreation & Leisure Master Plan, providing a long-term framework to guide investment and improve access to recreational opportunities in the community. Significant upgrades began at Killarney Lake Park, including new mountain biking trails, a disc golf course, and early work on a natural playpark. City-wide improvements also included a new active transportation trail guide, expanded river access, a new cricket pitch, and beginning construction on a new outdoor rink. The Officers' Square skate loan program continues to be successful, loaning more than 3000 pairs of skates free of charge.

Several initiatives implemented during the year directly reflected community feedback, including the introduction of a pilot project for six kilometres of off-leash dog trails at Killarney Lake Park. Additional enhancements, such as the installation of a six-piece BarkPark agility area at the McLeod Avenue dog park, reinforced the City's commitment to enhancing public spaces, encouraging active lifestyles, and delivering accessible, community-focused recreation opportunities.



Innovation and Community Impact

Fredericton is a smart, innovative city with a strong knowledge-based economy. Home to Atlantic Canada's largest concentration of knowledge workers, the city supports more than 2,700 knowledge-based businesses and represents 70% of New Brunswick's innovation sector. This leadership was recognized in 2025 when Fredericton was named one of Canada's Most Innovative Communities by Innovating Canada Magazine. This reflects the City's continued focus on innovation, talent, and economic opportunity.

At the same time, Fredericton remains deeply committed to supporting its community. The City continues to contribute to provincial efforts to attract new doctors through a targeted welcome strategy, highlighting Fredericton's strong sense of community and quality of life. Community impact is further supported through \$860,000 in Community Grants, helping strengthen local non-profit organizations, climate action, arts, culture, and heritage. The City also recognizes individuals and organizations who generously give their time to serve others through the Community Recognition Awards. Together, these efforts reflect a city that leverages innovation to strengthen community well-being and give back to the people who help it thrive.



Leading on Climate and Environmental Action

A healthy city relies on smart and sustainable growth. In 2025, climate and environmental action remained a strategic priority for the City of Fredericton, with continued progress through policy implementation, infrastructure investment, and community engagement.

Municipal leadership in climate adaptation was recognized regionally when City staff received the 2025 Project of the Year Award from the Atlantic Canada Water and Wastewater Association for Fredericton's City Wide Flood Risk Profile, which strengthens the City's capacity to plan for and mitigate flood risk.

The City also received an investment of more than \$7.9 million from the Government of Canada's Disaster Mitigation and Adaptation Fund for 13 projects over several years to make the City's core infrastructure more resilient to natural hazards intensified by climate change.

Environmental initiatives expanded at the community and corporate levels. The City hosted free composting workshops in partnership with Hayes Farm, providing residents with education and free bins. The program is set to continue into 2026 due to strong participation and positive feedback.

Investments in renewable energy advanced with a new solar installation at the Regent Street Depot, while urban greening efforts included:

- the establishment of Fredericton's first fruit forest in Wilmot Park.
- doubling the annual tree-planting program to more than 1,000 trees.
- proactively addressing the threat of invasive species.
- improving recycling access in multi-unit residential buildings.
- enhancing the WasteSmart App to support convenient, cost-effective waste reduction.

Together, these initiatives reflect the City's continued commitment to climate resilience, environmental stewardship, and a greener future for the community.



Keeping Our City Safe and Connected

As Fredericton continues to grow, so does our commitment to building a community where everyone feels safe, supported, and connected. The City is working closely with all three levels of government, along with residents, service providers, and the business community, to strengthen community safety and address the root causes of homelessness, mental health challenges, and substance use disorders.

In May 2025, the City-led Community Safety Task Force released 47 recommendations focused on public safety, housing, and social well-being. An oversight committee, led by the City of Fredericton, ensures accountability and ongoing progress in implementing these actions.

The Fredericton Police Force (FPF) is leading seven of these initiatives (see page 18), including expanding foot and e-bike patrols, reintroducing School Resource Officers, and launching a camera registry program that encourages residents to voluntarily share security camera information with police.

The City's Community Safety Services Unit (CSSU) operates 24 hours a day, providing trail education, graffiti monitoring, and outreach to individuals experiencing homelessness and helping foster a safer, more inclusive community.

In addition, the Community Engagement Unit, made up of six retired police officers, supports non-emergency

calls and administrative duties, allowing frontline officers to focus on urgent, high-priority policing needs.

The City has also supported the launch of the John Howard Society's mobile outreach service, which provides compassionate overnight support to individuals experiencing homelessness during critical hours.

Throughout 2025, the provincial government and community partners also made progress on several recommendations addressing gaps in housing, mental health, and addiction services. Key initiatives included the construction of 27 ultra-low-barrier housing units in the Forest Hill neighbourhood, the launch of a provincial Homelessness Strategy, and improvements to discharge planning for individuals leaving incarceration.

Meaningful public engagement remains essential to building trust, identifying community priorities, and shaping effective solutions. In December, the City hosted a Community Safety Open House, giving residents the opportunity to learn about priorities and share feedback. This event followed a series of targeted outreach efforts throughout the year, including a Business Engagement Session, a College Hill information session, a Ward 10 public meeting, and a session for newly annexed areas. These sessions ensure that residents' voices continue to guide decisions and support collective efforts to build a safer city for everyone.



Listening to Residents, Taking Action

Public engagement is extremely important to the City's approach to decision-making, ensuring residents have meaningful opportunities to provide input and help shape City policies, plans, and initiatives. Through a range of engagement activities and the Engage Fredericton online platform, the City continues to foster open dialogue, increase awareness of municipal initiatives, and support transparent and inclusive processes.

In 2025, the City hosted more than 15 public open houses, engaging residents on a wide range of priorities. Key initiatives included:

- Community Safety open house.
- College Hill Housing Options open house.
- Meet-and-greet sessions for amalgamated areas.
- Integrated Mobility Plan open house.
- Off-Leash Dog Trail survey.
- Multiple engagement sessions related to creating new Secondary Dwelling Units.

Feedback gathered through these efforts informed planning and policy development, reinforcing the City's commitment to inclusive, community-driven decision making.



Supporting Housing and Affordability

Fredericton City Council recognizes that affordability remains a significant concern for residents and continues to place it at the forefront of their decision-making. Council recognizes that rising costs, including the impact of taxes and property assessments, continue to place pressure on household budgets. In response, the City reduced the inside property rate for a fourth consecutive year, reinforcing Council's commitment to balancing affordability with the delivery of essential municipal services.

The City continues to advance affordability through long-term planning and collaboration. Now in its fourth year, the Affordable Housing Strategy guides efforts to increase housing supply through partnerships with all levels of government and housing sector experts, supported by the Affordable Housing Committee. Additional investments in accessible services, including transit improvements and enhanced trail lighting, further support affordability by improving mobility, promoting active transportation, and enhancing overall quality of life for residents.

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.

Municipal Achievements 2025

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 2025.

LEGEND:  Complete  In Progress  Deferred

1 People Focused (Citizens)

- **Support the Community Safety Task Force** : A CSTF report with 47 recommendations was adopted by Council; a committee consisting of city, provincial, federal and business community representatives has been established to oversee the execution of the recommendation plans moving forward, and report publicly on progress.
- **Implement phase 1 components of the Customer Relationship Management (CRM) system**. Phase 1 components of the CRM system including implementation of the core system. Work has begun on phase 2 components for the customer portal.
- **Advance next generation infrastructure projects including the Performing Arts Center and the Regional Aquatics Center**: Construction continued to progress on the Performing Arts Center and is on track for completion in 2027. The city continues to work with stakeholders on a potential solution for a Regional Aquatic Center.
- **Complete the 2025 construction elements in the Garrison District**. Construction continues in Officers' Square with the completion of the multiplaza and progress on the water feature and playground. Design and consultation with Saint Mary's First Nations (SMFN) on the Joint Development Area is ongoing in 2026.
- **Implement key components of the Killarney Lake Park Plan**. A Killarney Park project management plan was completed and presented to Council. Work commenced on key components of the plan including the playground, bike trails and disc golf course that will continue throughout 2026.
- **Develop a Cultural Plan**. Preparatory work has progressed on a new Creative Cities Strategy with final public engagement and completion of a draft plan targeted for 2026. Consultant has been engaged and phase 1 work has begun.

2 Regional Leadership

- **Complete phase 1 of the recreation service agreements renewal**. Data gathering was completed, and a new proposed model is being worked on with the CAO's office, preparing us to begin negotiations with other parties in the coming year.
- **Develop a long-term Revenue & Rate Strategy to support recreational service agreements with regional municipalities**. Recommendations on recreation rates including long-term per user costs of recreation services was approved by Council and incorporated in the 2026 budget.

3 Environmentally Responsible

- **Complete replacement of northside Trunk line crossing SMFN.** Construction of the trunkline crossing the old SMFN reserve property has been completed.
- **Complete a prioritization of active transportation and integrate into the 5-year capital plan.** Funding applications for 2026 projects have been submitted and, pending funding, will be integrated into the 5-year capital plan.

4 Fiscal Stewardship

- **Complete phase 3 of Asset Management including a Corporate Building Strategy.** Level of service inventory as well as a corporate building analysis were completed. Work will continue in 2026, including the completion of a long-term financial forecast.
- **Implement the non-bargaining pension solution for Fire & Police.** A final path forward has been developed and the technical steps identified with implementation targeted in early Q2 2026.

5 Building Our Community

- **Advance the South Core Plan.** A new South Core plan was presented to Council and adopted.
- **Determine way forward related to Doak Road Secondary Municipal Plan.** A draft secondary municipal plan for the Doak Road areas was prepared and presented to Council.
- **Set conditions for a renewed Riverfront Advisory Committee. Will start in Q1 2026 to develop project charter and key milestones and then confirm post-election.**
- **Complete a Strategic Land Plan including a strategy for the Vanier Industrial Park.** Consultant was engaged and background work including asset management plan completed. Work will continue in 2026 including the completion of a draft strategic land plan.
- **Improve public perception regarding responsiveness to citizen concerns related to public safety.** The Community Engagement Unit pilot to support Level 3 & 4 police response was successfully implemented. In addition, significant progress was made on implementing FPF related recommendations from the CSTF report including increased police presence in high schools and business districts, developing a public safety camera strategy and enhancing neighbourhood watch programs.
- **Advance the visions outlined for the NBEX.** Location of the replacement for George Street Middle School was confirmed but implementation of the NBEX plan was put on hold due to a pending legal process. Work on advancing the vision for the NBEX will continue in 2026.
- **Update the Transit Strategic Plan and complete a city transit funding strategy.** The review of the Transit Strategic Plan was deferred to 2026 due to competing resource demands. Funding applications have been submitted for transit projects and a capital project strategy has been developed to support work in 2026.
- **Complete the Fire Master Plan.** A draft Fire Master Plan was completed and was presented to Council in early 2026.

Sustaining Our People

- **Implement year 1 actions of our Training Strategy and Corporate Training Plan.** Key priorities were identified within the Corporate Training Strategy to guide training areas of focus for 2026. Implementation of year 1 actions will continue in 2026.
- **Complete initial year for the Atlantic Police Academy (Fredericton).** The 2025 graduating cadets were onboarded into the ranks of the Fredericton Police Force as 4th class constables.

Sustaining the Business

- **Advance the next phase of Downtown Building Optimization.** Preliminary work was completed including a draft consultant report to help guide future decisions on city owned buildings in the downtown. Work will continue in 2026.
- **Implement the Business Intelligence platform.** Key organizational dashboards continued to be developed along with training, enhancing a community of practice in BI and facilitating cross-organizational engagement.
- **Implement a new development system.** The new development system is currently in the test phase after significant engagement and effort of the stakeholders with implementation targeted for Q3 2026.



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 11, 2026.

City Council (2021 – 2026)



Front Row: Jocelyn Pike, Deputy Mayor, Ward 4 (Main Street/North Devon); Cassandra LeBlanc, Councillor, Ward 10 (West Downtown & Plat/Sunshine Gardens); Kate Rogers, Mayor, City of Fredericton; Greg Ericson, 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 Members and Responsibilities

City Councillors serve on various committees during their term in office. Council participated in the following committees in 2025.

City Council (May 2025 onwards)

Kate Rogers, Mayor:

- Ex-officio to all Standing Committees
- Fredericton Affordable Housing Committee, Chair
- Governance & Civic Engagement Committee, Vice-Chair
- UNB Board of Governors, Member
- Capital Region Service Commission Board
- 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
- Governance & Civic Engagement Committee, Member
- Livable Community Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Preservation Review Board, Council Representative
- Superannuation Administration Committee (Police & Fire- By-Law A 13), Member
- Planning Advisory Committee, Member
- Fredericton Public Library Board, Council Representative
- Mobility Committee, Member

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

- Governance & Civic Engagement, Member
- Livable Community Committee, Vice-Chair
- Public Safety Committee, Member
- Planning Advisory Committee, Member
- Recreation Advisory Committee, Council Representative

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

- Mobility Committee, Chair
- Economic Vitality Committee, Member
- Governance & Civic Engagement, Member
- Ignite Economic Development Agency, Council Representative
- Public Safety Committee, Member
- Livable Community Committee, Member
- Environmental Stewardship Committee, Member
- Business Fredericton North, Liaison

Jocelyn Pike, Deputy Mayor/Councillor, Ward 4 (Main Street/North Devon):

- Municipal Finance & Corporate Administration Committee, Member
- Business Fredericton North (alternate)
- Governance & Civic Engagement Committee, Chair
- Livable Community Committee, Member
- Environmental Stewardship Committee, Member
- Economic Vitality Committee, Member
- Mobility Committee, Member
- Public Safety Committee, Member

Steven Hicks, Councillor, Ward 5 (Marysville):

- Public Safety Committee, Vice-Chair
- Economic Vitality Committee, Vice-Chair
- Environmental Stewardship Committee, Member
- Governance & Civic Engagement, Member
- Negotiations Liaison Committee, Member
- Livable Community Committee, Member

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

- Livable Community Committee, Member
- Economic Vitality Committee, Member
- Environmental Stewardship Committee, Member
- Governance & Civic Engagement Committee, Member
- Mobility Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Public Safety Committee, Chair
- Superannuation Administration Committee (Police & Fire- By-Law A 13), Member
- Union of the Municipalities of New Brunswick, Council Representative
- Age Friendly Community Committee, Council Representative

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

- Environmental Stewardship Committee, Chair
- Governance & Civic Engagement, Member
- Municipal Finance & Corporate Administration Committee, Member
- Negotiations Liaison Committee, Member
- Superannuation Administration Committee (Police & Fire-By-Law A-13), Member
- Mobility Committee, Member
- Economic Vitality Committee, Member
- Fredericton Tree Commission, Council Representative

**Greg Ericson, Councillor, Ward 8
(Skyline Acres):**

- Governance & Civic Engagement, Member
- 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, Chair

- Negotiations Liaison Committee, Member
- Public Safety Committee, Member
- Regional Service Commission (alternate)
- Planning Advisory Committee, Member

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

- Environmental Stewardship Committee, Member
- Governance & Civic Engagement, member
- Livable Community Committee, Chair
- Mayor's Working Committee on Community/ Post-Secondary Relations, Council Representative
- Mobility Committee, Member
- Negotiations Liaison Committee, Chair
- Economic Vitality Committee, Member
- Superannuation Administration Committee (Police & Fire- By-Law 13), Member
- Fredericton Botanic Gardens, Liaison
- Municipal Finance & Corporate Administration Committee, Member
- Social Inclusion Committee, Council Representative
- Joint Decision-Making Authority for New Brunswick Exhibition Lands

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

- Mobility Committee, Vice-Chair
- Downtown Fredericton Inc. (alternate)
- Economic Vitality Committee, Member
- Governance & Civic Engagement Committee, Member
- Mayor's Youth Action Team, Council Representative
- Multicultural Liaison, Council Representative
- Economic Vitality Committee, Member
- Municipal Finance & Corporate Administration Committee, Vice-Chair
- Arts and Culture Advisory Committee, Council Representative
- Superannuation Administration Committee (Police & Fire- By-Law 13), Member

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

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

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

- Superannuation Administration Committee (Police & Fire- By-Law A-13), Member
- 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





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 the third 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
- Downtown Fredericton, Inc.
- Fredericton Affordable Housing Committee
- Fredericton Public Library Board
- Fredericton Tree Commission
- Ignite Economic Development Agency
- Le Centre Communautaire Sainte-Anne
- Local Improvement Association for the City of Fredericton Botanic Garden
- Fredericton Mayor's Working Committee on Community/Post-Secondary Relations
- NBEX Land Development Committee
- Negotiations Liaison Committee
- Preservation Review Board
- Regional Services Commission
- Social Inclusion Committee
- Shared Risk Plan Board of Trustees
- Union of Municipalities of New Brunswick
- Youth Advisory Committee
- Community Safety Task Force



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 2025 is detailed in the table in Appendix 1.

Remuneration of Council

BY-LAW NO. A-16

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

	2024	2025
Mayor	Annually	Annually
Salary:	78,112.18	80,205.59
Benefit Spending Allowance (health/dental)	5,854.03	6,010.92
Subtotal Base Salary:	83,966.21	86,216.50
Allowances:		
Car allowance	8,294.46	8,516.75
Communication allowance	3,283.54	3,371.54
Clothing Allowance	2,564.78	2,633.52
Subtotal Allowances:	14,142.78	14,521.82
Total Salary and Allowances:	98,108.99	100,738.32
Deputy Mayor	Annually	Annually
Salary:	39,220.07	40,271.17
Benefit Spending Allowance	5,854.03	6,010.92
Subtotal Base Salary:	45,074.10	46,282.08
Allowances:		
Communication allowance	3,283.54	3,371.54
Subtotal Allowances:	3,283.54	3,371.54
Total Salary and Allowances:	48,357.64	49,653.63
Council	Annually	Annually
Salary:	30,556.11	31,375.01
Benefit Spending Allowance	5,854.03	6,010.92
Subtotal Base Salary:	36,410.14	37,385.93
Allowances:		
Communication allowance	3,283.54	3,371.54
Subtotal Allowances:	3,283.54	3,371.54
Total Salary and Allowances:	39,693.68	40,757.47

As per By-law A-16, Mayor and Council's remuneration is adjusted annually by an amount equal to the average increase in the Consumer Price Index (CPI) NB. 2021 and prior was based on the annual posted CPI for the preceding year and after 2021 follows the City's HR Tactical Plan which uses CPI for the period of May 1 - April 30 of the preceding year.

CPI application as follows:

- 2.68% increase for 2025
- 6.83% increase for 2024
- 5.38% increase for 2023
- 0.53% increase for 2022
- 0.2% increase for 2021
- 1.7% increase for 2020
- 2.1% increase for 2019
- 2.3% increase for 2018
- 2.2% increase for 2017
- 0.5% increase for 2016
- 1.5% increase for 2015

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 2025, the City of Fredericton issued grants for tourism purposes totaling \$500 or more as seen below:

Total Expenditures: \$157,729

DESCRIPTION	2025 Actual
Sport Tourism – Event SEED Funding	\$55,672
Sport Tourism – Development	\$102,057



Grants for Social or Environmental Purposes

In 2025, the City of Fredericton issued grants for social or environmental purposes totaling \$500 or more as seen in the table below:

Total Expenditures: \$1,577,647

DESCRIPTION	2025 Actual
UNB (Sir Max Aitken Pool)	\$290,000
Greener Village	\$150,000
Public Library	\$134,310
Arts & Heritage – Project Support	\$103,600
UNB Venture Campaign	\$100,000
York Sunbury Historical Society	\$77,000
Harvest Jazz & Blues Festival	\$70,000
Beaverbrook Art Gallery Capital Campaign	\$50,000
Fredericton Loyalist Rugby Club	\$45,090
Botanic Gardens	\$44,000
Cultural Plan Implementation (Artist in Residence/Ethno-Cultural)	\$38,430
Regional Museum Parking Agreement	\$38,360
NB Highland Games & Scottish Festival	\$36,000
Women in Transition House	\$35,000
Charlotte Street Arts Centre	\$32,500
York Sunbury Search and Rescue	\$32,500
Beaverbrook Art Gallery	\$27,500
NB Youth Orchestra	\$23,000
Greater Fredericton Social Innovation Grant	\$20,000
S.P.C.A. – Operating	\$19,472
Theatre NB	\$17,000
Community Inclusion Grants	\$14,304
Centre Communautaire Sainte-Anne	\$13,000
Fredericton Concert & Marching Band-Grant	\$11,500
Fredrod Car Show	\$10,000
NB African Association	\$9,750
Shivering Songs	\$9,000
Fredericton Outdoor Summer Theater (FrOST)	\$8,000
Bard in the Barracks	\$8,000

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Multicultural Association	\$8,000
YM-YWCA Youth Program	\$7,650
Fredericton Pride	\$7,581
Flourish Festival	\$7,000
Christ Church Cathedral	\$7,000
New Brunswick Summer Music Festival	\$7,000
Fredericton Society of St Andrew Pipe Band	\$6,500
Fredericton Arts Alliance	\$6,000
Living Roots Music Festival	\$6,000
The Gaia Project	\$5,500
Nashwaak Watershed	\$5,500
Notable Acts Theatre Company	\$5,500
Science East	\$5,000
Nature NB	\$4,500
Fredericton Community Climate Hub	\$4,000
Saint Thomas University	\$4,000
NB Lung Association	\$3,000
Fredericton Active Transportation Coalition	\$2,800
Crime Stoppers	\$2,500
Kinsmen Santa Claus Parade	\$2,000
NB Community Harvest Gardens	\$1,800
Activity Support	\$1,500



Grants for Economic Development Opportunities

In 2025, the City of Fredericton issued grants for economic development purposes totaling \$500 or more as seen in the list below:

Total Expenditures: \$1,687,010

DESCRIPTION	2025 Actual
Fredericton Convention Centre	\$1,033,410
Fredericton Playhouse Inc Operating grant	\$533,400
Fredericton Playhouse Inc Capital grant	\$60,000
Business Fredericton North	\$50,000

NOTE: An additional \$479,756 was paid to the Capital Region Service Commission in 2025 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: \$9,265,200

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: \$62,782,478

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: \$27,516,683

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: \$5,663,077

Includes:

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

v) Environmental Health Services – Utility Fund

Total Expenditures: \$37,080,924

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: \$14,346,145

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: \$45,092,982

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: \$69,576,461

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

APPENDIX I - MEETINGS OF COUNCIL (ABSENT/PRESENT)

City Council (January to December 2025)

Present (P) Absent (A)		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarity	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet (Resigned Oct 1st)
Date	Meeting													
13-Jan-25	CIC Closed/Pre-Council	P	P	A	P	P	P	P	P	P	P	P	P	P
13-Jan-25	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	A
27-Jan-25	CIC Closed/Pre-Council	A	P	P	P	P	P	P	P	P	P	A	P	P
27-Jan-25	Regular City Council	A	P	P	P	P	P	P	P	P	P	A	P	P
10-Feb-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	A	P	P
10-Feb-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	A	P	P
24-Feb-25	CIC Closed/Pre-Council	A	P	P	P	P	P	P	P	P	P	V	A	P
24-Feb-25	Regular City Council	A	P	P	P	P	P	P	P	P	P	V	A	P
10-Mar-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	P	P	P
10-Mar-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
24-Mar-25	Private Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
24-Mar-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	P	P	P
24-Mar-25	Regular City Council	P	V	P	P	P	P	P	P	P	P	P	P	P
14-Apr-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	P	P	P
14-Apr-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
28-Apr-25	CIC Closed/Pre-Council	P	P	P	P	P	P	A	P	P	P	A	P	P
28-Apr-25	Regular City Council	P	P	P	P	P	P	V	P	P	P	V	P	P
12-May-25	CIC Closed/Pre-Council	P	P	P	P	P	A	P	P	P	P	V	P	A
12-May-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	V	P	P
26-May-26	Private Closed	P	P	P	P	P	A	P	P	P	P	A	P	P
26-May-25	CIC Closed/Pre-Council	P	P	P	P	P	A	P	P	P	P	A	P	P
26-May-25	Regular City Council	P	P	P	P	P	A	P	P	P	P	P	P	P
09-Jun-26	Private Closed	P	P	P	P	P	P	P	P	P	A	V	P	P
09-Jun-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	A	V	P	P
09-Jun-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	V	P	P
23-Jun-25	CIC Closed/Pre-Council	A	P	P	P	P	P	P	P	P	P	P	P	A
23-Jun-25	Regular City Council	A	P	P	P	P	P	P	P	P	P	P	P	P
14-Jul-25	CIC Closed/Pre-Council	P	P	A	P	P	P	A	P	P	P	P	P	P
14-Jul-25	Regular City Council	P	P	A	P	P	P	A	P	P	P	P	P	P
17-Jul-25	CIC Private Closed	P	P	P	P	P	P	A	P	P	P	P	P	P
28-Jul-25	CIC Closed	P	P	P	A	P	P	P	A	P	P	P	P	P
28-Jul-25	CIC Pre- Council	P	P	P	A	P	P	P	A	P	P	P	P	P
28-Jul-25	Regular City Council	P	P	P	P	P	P	P	A	P	P	P	P	P

P – PRESENT

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V – VIRTUAL

NM – NON-MEMBER

EO – EX-OFFICIO

APPENDIX I - MEETINGS OF COUNCIL (ABSENT/PRESENT)

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet (Resigned Oct 1st)
11-Aug-25	Private Closed	P	P	A	A	P	V	P	V	V	P	P	P	P
11-Aug-25	CIC Closed/Pre-Council	P	P	A	P	P	A	P	V	V	P	P	P	P
11-Aug-25	Regular City Council	P	P	A	A	P	V	P	V	V	P	P	P	P
25-Aug-25	CIC Private Closed	P	P	P	P	P	P	P	V	P	P	V	A	P
25-Aug-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	V	P	P	V	A	P
25-Aug-25	Regular City Council	P	P	P	P	P	P	P	V	P	P	V	A	P
08-Sep-25	CIC Private Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
08-Sep-25	CIC Closed/Pre-Council	P	P	A	P	P	P	P	P	P	P	P	P	A
08-Sep-25	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	A
16-Sep-25	Private Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
22-Sep-25	CIC Private closed	P	P	A	P	P	P	P	P	P	P	P	P	P
22-Sep-25	CIC Closed/Pre-Council	P	P	A	P	P	P	P	P	P	P	P	P	P
22-Sep-25	CIC Budget	P	P	A	P	P	P	P	P	P	P	V	P	P
22-Sep-25	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	P
06-Oct-25	CIC Budget	P	P	P	P	P	A	P	P	P	P	V	P	
14-Oct-25	CIC Closed	A	P	P	P	P	P	P	P	P	A	P	P	
14-Oct-25	Regular City Council	A	P	P	P	P	P	P	P	P	P	P	P	
20-Oct-25	CIC Budget	P	P	P	P	P	P	P	P	P	P	P	P	
27-Oct-25	CIC closed	A	P	P	P	P	P	P	P	P	P	A	P	
27-Oct-25	Regular City Council	A	P	P	P	P	P	P	P	P	P	A	P	
03-Nov-25	CIC Budget	A	P	A	P	P	P	P	P	P	P	P	P	
10-Nov-25	Private Closed	P	P	A	P	P	P	P	P	P	P	P	P	
10-Nov-25	CIC Closed/Pre-Council	P	P	A	P	P	P	P	P	P	P	P	P	
10-Nov-25	Regular City Council	P	P	A	A	P	P	P	P	P	P	P	P	
24-Nov-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	P	P	
24-Nov-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	
08-Dec-25	CIC Private Closed	A	A	A	P	P	P	P	P	A	P	P	P	
08-Dec-25	CIC Closed/Pre-Council	P	P	P	P	P	P	P	P	P	P	P	P	
08-Dec-25	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	

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APPENDIX I - STANDING COMMITTEES (ABSENT/PRESENT)

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarity	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
9-Jan-25	Governance & Civic Engagement	P	P	A	P	P	P	P	A	P	P	P	P	P
16-Jan-25	Public Safety	P	V	A	V	P	P	P	NM	P	P	V	P	NM
23-Jan-25	Environmental Stewardship	EO	P	NM	A	P	V	P	P	P	P	NM	NM	NM
30-Jan-25	Economic Vitality	EO	A	V	V	P	P	P	P	NM	P	A	P	P
6-Feb-25	Livable Community	EO	A	V	P	P	V	P	P	P	P	NM	P	A
13-Feb-25	Governance & Civic Engagement	P	A	A	P	P	V	P	A	P	A	A	P	P
20-Feb-25	Mobility	EO	P	NM	P	P	NM	P	P	P	P	V	P	P
27-Feb-25	Municipal Finance	CANCELLED												
13-Mar-25	Public Safety	EO	P	V	P	P	V	P	P	P	P	P	A	P
20-Mar-25	Mobility	EO	A	NM	P	A	NM	P	P	P	P	V	P	P
25-Mar-25	Economic Vitality	P	A	NM	P	P	A	P	P	P	V	V	P	A
27-Mar-25	Municipal Finance	EO	A	P	NM	P	NM	A	A	P	V	V	P	P
3-Apr-25	Livable Community	P	A	A	P	P	P	P	NM	P	P	NM	P	A
10-Apr-25	Environmental Stewardship	P	P	NM	P	P	P	P	P	P	P	NM	P	NM
15-Apr-25	Economic Prosperity & Growth Planning	P	P	NM	P	P	A	P	P	P	P	A	P	P
17-Apr-25	Mobility	EO	V	V	P	P	NM	A	P	P	P	V	P	P

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarity	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
24-Apr-25	Municipal Finance	P	V	NM	P	P	NM	V	P	A	P	P	NM	NM
1-May-25	Governance & Civic Engagement	P	P	A	P	P	P	P	P	P	P	A	P	A
8-May-25	Economic Prosperity & Growth Planning	P	P	NM	P	P	P	P	A	P	P	V	P	P
15-May-25	Mobility	EO	P	V	P	P	NM	V	P	P	P	V	P	P
22-May-25	Livable Community	P	P	A	A	P	A	P	NM	P	P	NM	P	P
29-May-25	Municipal Finance	P	P	NM	P	A	NM	P	A	P	A	V	P	NM
5-Jun-25	Public Safety	P	P	V	P	P	P	P	P	P	NM	NM	P	P
12-Jun-25	Mobility	EO	P	NM	P	P	NM	P	P	P	P	A	P	NM
19-Jun-25	Livable Community	EO	A	V	P	A	P	P	NM	P	P	NM	P	P
26-Jun-25	Municipal Finance	CANCELLED												

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APPENDIX I - STANDING COMMITTEES (ABSENT/PRESENT)

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet
3-Jul-25	Environmental Stewardship	P	P	NM	A	P	V	P	A	P	P	NM	NM	P
10-Jul-25	Economic Prosperity & Growth Planning	P	P	NM	P	P	A	P	A	P	P	V	P	P

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet (Resigned October 1st)
17-Jul-25	Mobility	EO	P	P	P	P	V	A	P	P	P	V	P	P
22-Jul-25	Economic Prosperity & Growth Planning	P	A	NM	P	P	A	V	P	P	P	A	P	P
24-Jul-25	Livable Community	P	A	P	P	P	P	P	NM	P	P	NM	P	A
31-Jul-25	Municipal Finance	CANCELLED												
7-Aug-25	Public Safety	V	NM	A	P	P	P	P	NM	V	NM	NM	A	NM
14-Aug-25	Governance & Civic Engagement	P	V	A	P	P	P	A	A	A	P	A	P	P
21-Aug-25	Mobility	A	A	NM	P	P	NM	V	A	P	P	V	A	P
28-Aug-25	Municipal Finance	V	P	NM	NM	P	P	P	A	A	P	P	NM	NM
4-Sep-25	Economic Prosperity & Growth Planning	P	P	V	A	P	V	V	P	P	P	A	P	A
11-Sep-25	Livable Community	MOVED TO SEPTEMBER 23, 2025												
18-Sep-25	Environmental Stewardship	P	V	NM	P	P	P	V	P	P	V	NM	NM	NM
23-Sep-25	Livable Community	P	P	A	P	P	A	P	P	P	P	V	P	P
25-Sep-25	Mobility	P	P	NM	P	P	P	P	P	P	P	V	P	P
2-Oct-25	Public Safety	P	V	A	P	P	P	P	NM	P	P	NM	P	
9-Oct-25	Economic Vitality	A	P	V	P	P	P	P	P	V	P	A	P	
16-Oct-25	Livable Community	CANCELLED												
23-Oct-25	Mobility	CANCELLED												
30-Oct-25	Environmental Stewardship	CANCELLED												
6-Nov-25	Governance & Civic Engagement	A	P	A	P	P	P	P	P	P	P	A	P	
13-Nov-25	Economic Prosperity & Growth Planning	EO	P	V	P	P	Z	A	P	V	P	A	P	

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APPENDIX I - STANDING COMMITTEES (ABSENT/PRESENT)

Present (P) Absent (A)

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	LeBlanc (Blackmore)	LeJeune	Mallet (Resigned October 1st)
20-Nov-25	Livable Community	EO	P	V	P	P	V	P	NM	P	P	NM	P	
25-Nov-25	Mobility Committee	EO	P	NM	P	P	P	P	P	P	P	A	P	
27-Nov-25	Public Safety	EO	P	V	P	P	P	P	P	P	P	V	P	
4-Dec-25	Environmental Stewardship	EO	P	V	A	P	V	P	P	A	P	NM	NM	
11-Dec-25	Economic Prosperity & Growth Planning	EO	P	V	A	P	P	P	P	P	P	A	P	
16-Dec-26	Mobility	P	P	NM	A	P	NM	P	P	P	P	P	P	
18-Dec-25	Livable Community	EO	P	A	V	P	A	P	NM	P	P	NM	P	

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APPENDIX II - 2025 AUDITED FINANCIAL STATEMENT

CITY OF FREDERICTON

Consolidated Financial Statements

Year ended December 31, 2025

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Independent auditor's report

To Her 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, 2025, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net surplus, 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, 2025 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 Amended and Restated 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 amended and restated 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.

Emphasis of matter

We draw attention to Note 28 to the financial statements, which explains that certain comparative information for the year ended December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis but does not include the amended and restated consolidated financial statements and our auditor's report thereon.

Our opinion on the amended and restated 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 amended and restated 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 amended and restated consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Financial Discussion and Analysis prior to the date of the auditor's report. 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 amended and restated consolidated financial statements

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

In preparing the amended and restated 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.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated amended and restated 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 amended and restated 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 amended and restated 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 amended and restated 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 amended and restated consolidated financial statements, including the disclosures, and whether the amended and restated 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.

Ernst & Young LLP

Chartered Professional Accountants

Saint John, Canada
April 13, 2026



A member firm of Ernst & Young Global Limited

Independent auditor's report

To Her 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, 2025, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net surplus, 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, 2025 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 Amended and Restated 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 amended and restated 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.

Emphasis of matter

We draw attention to Note 28 to the financial statements, which explains that certain comparative information for the year ended December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

Other information

Management is responsible for the other information. The other information comprises the Financial Statement Discussion and Analysis but does not include the amended and restated consolidated financial statements and our auditor's report thereon.

Our opinion on the amended and restated 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 amended and restated 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 amended and restated consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Financial Discussion and Analysis prior to the date of the auditor's report. 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 amended and restated consolidated financial statements

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

CITY OF FREDERICTON

Consolidated Statement of Financial Position

As at December 31


	2025	2024 (Restated)
Financial assets		
Cash and cash equivalents <i>[note 2]</i>	\$ 77,557,735	\$ 92,886,844
Investments	4,626,986	2,678,750
Accounts receivable	21,110,345	23,476,981
Accrued pension asset <i>[note 17]</i>	-	8,072,700
	\$ 103,295,066	\$ 127,115,275
Liabilities		
Accounts payable and accrued liabilities	\$ 18,595,919	\$ 23,250,531
Deferred revenue	6,277,080	5,527,771
Deferred government transfers <i>[note 4]</i>	11,753,979	21,269,833
Deposits <i>[note 3]</i>	927,844	891,844
Long-term debt <i>[note 5]</i>	19,985,291	23,357,474
Long-term commitment <i>[note 17]</i>	589,143	885,858
Asset retirement obligations <i>[note 18]</i>	683,728	869,671
Supplemental executive retirement plan <i>[note 8]</i>	277,500	284,000
	\$ 59,090,484	\$ 76,336,982
Net surplus	\$ 44,204,582	\$ 50,778,293
Non-financial assets		
Tangible capital assets <i>[note 20]</i>	\$ 734,279,923	\$ 691,334,928
Supplies inventory	3,702,110	3,619,473
	\$ 737,982,033	\$ 694,954,401
Accumulated surplus	\$ 782,186,615	\$ 745,732,694
Accumulated surplus consisting of:		
Accumulated operating surplus	\$ 780,694,584	\$ 744,988,894
Accumulated rereasurement gains	\$ 1,492,031	743,800
	\$ 782,186,615	\$ 745,732,694

Contingencies *[note 11]*
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

	2025 Budget	2025 Actual	2024 Actual (Restated)
Revenue			
Property taxes	\$ 156,346,042	\$ 156,346,042	\$ 148,212,547
Community funding and equalization grant	805,011	805,015	1,207,516
Federal grant in lieu of taxes adjustment	4,404	4,404	4,466
Services to other governments	5,508,503	5,969,197	5,393,656
Sales, fines and other fees	37,500,469	46,666,555	42,554,377
Interest and return on investments	560,000	3,686,115	4,830,726
Third-party contributions	-	46,068,152	33,408,146
	\$ 200,724,429	\$ 259,545,480	\$ 235,611,434
Expenses			
General Government Services - Corporate	\$ 2,622,308	\$ 3,277,520	\$ 3,019,355
Sustainable Infrastructure	4,086,187	2,766,164	3,270,371
Economic Vitality	15,074,128	21,147,482	17,851,750
Environmental Stewardship	6,310,154	6,599,993	7,171,104
Governance & Civic Engagement	6,668,494	7,014,013	5,830,563
Livable Community	29,853,690	49,822,681	38,986,040
Mobility [including Transit]	39,099,715	39,763,462	37,374,977
Public Safety [note 16]	64,146,464	72,297,547	57,713,541
Water and Wastewater	19,832,597	20,402,697	19,451,953
	\$ 187,693,737	\$ 223,091,559	\$ 190,669,654
Annual surplus	\$ 13,030,692	\$ 36,453,921	\$ 44,941,780
Remeasurement gains	-	(748,231)	(337,188)
Annual operating surplus	\$ 13,030,692	\$ 35,705,690	\$ 44,604,592
Accumulated operating surplus, beginning of year	755,580,045	744,988,894	700,384,302
Accumulated operating surplus, end of year	\$ 768,610,737	\$ 780,694,584	\$ 744,988,894

See accompanying notes

CITY OF FREDERICTON

Consolidated Statement of Changes in Net Surplus

For the year ended December 31

	2025 Budget	2025 Actual	2024 Actual (Restated)
Annual operating surplus	\$ 13,030,692	\$ 35,705,690	\$ 44,604,592
Acquisition of tangible capital assets	(37,953,102)	(72,051,654)	(65,060,466)
Disposal of tangible capital assets	4,222,261	2,030,643	5,388,894
Amortization of tangible capital assets	22,968,188	27,076,016	25,448,079
Decrease (increase) in supplies inventory	-	(82,637)	207,928
	\$ (10,762,653)	\$ (43,027,632)	\$ (34,015,565)
Increase (decrease) in net surplus excluding net remeasurement	2,268,039	(7,321,942)	10,589,027
Remeasurement gains	-	748,231	337,188
Change in net surplus	2,268,039	(6,573,711)	10,926,215
Net surplus, beginning of year	50,778,293	50,778,293	39,852,078
Net surplus, end of year	\$ 53,046,332	\$ 44,204,582	\$ 50,778,293

See accompanying notes

CITY OF FREDERICTON

Consolidated Statement of Remeasurement Gains

For the year ended December 31

	<u>2025</u>		<u>2024</u>
Accumulated remeasurement gains, beginning of year	\$ 743,800	\$	406,612
Unrealized gains attributable to portfolio investments	748,231		337,188
Accumulated remeasurement gains, end of year	\$ 1,492,031	\$	743,800

See accompanying notes

CITY OF FREDERICTON

Consolidated Statement of Cash Flows

For the year ended December 31

	2025	2024 (Restated)
Operating activities		
Annual surplus	\$ 36,453,921	\$ 44,941,780
Items not affecting cash		
Amortization of tangible capital assets	27,076,016	25,448,079
Loss on disposition of tangible capital assets	944,614	5,388,894
Contributed tangible capital assets	(3,113,389)	(3,510,494)
Unrealized gain on investments	(748,231)	(337,188)
Accretion of asset retirement obligations	14,057	22,854
Loss on settlement of pension plan	8,072,700	-
Uses		
Change in working capital	(2,251,976)	(4,592,939)
Change in accrued pension asset	(6,500)	(375,700)
Change in deferred revenue	749,309	(836,696)
Change in deferred government transfers	(9,515,854)	(2,335,998)
Change in long-term commitment	(296,715)	(298,108)
Change in supplies inventory	(82,637)	207,928
Settlement of asset retirement obligation	(200,000)	-
Cash provided by operating activities	\$ 57,095,315	\$ 63,722,412
Capital activities		
Proceeds on sale of tangible capital assets	1,086,029	1,346,610
Acquisition of tangible capital assets	(68,938,265)	(61,549,972)
Cash used in capital activities	\$ (67,852,236)	\$ (60,203,362)
Financing activities		
Repayment of long-term debt	(3,208,000)	(3,126,000)
Capital lease principal repayments	(164,183)	(672,948)
Cash used in financing activities	\$ (3,372,183)	\$ (3,798,948)
Investing activities		
Net sale (purchase) of long-term investments	(1,200,005)	1,847,588
Cash provided by (used in) investing activities	\$ (1,200,005)	\$ 1,847,588
Change in cash and cash equivalents	(15,329,109)	1,567,690
Cash and cash equivalents, beginning of year	92,886,844	91,319,154
Cash and cash equivalents, end of year	\$ 77,557,735	\$ 92,886,844

See accompanying notes

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

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 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 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, 2025

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
Land: all land owned by the City, including land under buildings	N/A
Land improvements: includes major landscaping projects, sports fields/courts, trail culverts, paved trails, parking lots, playgrounds and similar assets	15–80 years
Buildings: 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
Machinery and equipment: includes information technology assets, large signage, transit fare boxes, motorized fleet equipment, parking meters, leasehold improvements and similar assets	3–40 years
Vehicles: all City vehicles, including cars, trucks, buses and similar assets	6–20 years
Linear assets: all Public Works infrastructure including roads, sidewalks, street lights, traffic signals, storm sewers, water and sewer mains	15–80 years
Water and wastewater treatment facilities: 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, 2025

1. Significant accounting policies (continued)

(vi) Tangible capital assets (continued)

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.

(vii) Employee future benefits

a) The City has certain shared risk pension plans for eligible employees. The City's contributions to these plans are expensed as incurred [note 17].

b) The City has a Supplemental Executive Retirement Plan ["SERP"] for eligible employees which is actuarially determined using the projected benefit method prorated on service [note 8].

c) City employees are entitled to a retirement allowance under collective agreements or in accordance with City policy. The liability is actuarially determined using the projected benefit method prorated on service [note 9].

(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.

(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.

(x) Budget

The budget figures contained in these financial statements were approved by Council on November 25, 2024 and the Minister of Local Government on December 19, 2024. The budget is unaudited and does not include elimination of inter-organizational revenues and expenses with controlled entities.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

2. 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 \$53,003,991 [2024 - \$56,097,384].

3. 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.

	2025	2024
Foundation locations	\$ 86,500	\$ 86,500
Tenders	161,837	161,837
Infrastructure fees	331,796	306,796
Performance bonds	205,806	205,806
Animal control and other	240	240
Development fees	885	885
Water and sewer installations	140,780	129,780
	\$ 927,844	\$ 891,844

4. 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:

	2025	2024
Canada Community Building Fund	\$ 7,906,782	\$ 17,164,834
CMHC Housing Accelerator Fund	3,529,504	1,810,415
CMHC Rapid Housing Initiative Fund	317,693	2,294,584
	\$ 11,753,979	\$ 21,269,833

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

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

5. Long-term debt

External Borrowing

	2025	2024
General Fund		
Debtures, 20-year amortization period:		
Maturing in 2028, bearing interest at 4.51% to 5.25%	\$ 2,033,000	\$ 2,651,000
Maturing in 2029, bearing interest at 1.95% to 2.45%	5,364,000	6,632,000
Maturing in 2030, bearing interest at 0.50% to 1.80%	3,183,000	3,795,000
Maturing in 2033, bearing interest at 1.35% to 4.00%	4,273,000	4,727,000
Maturing in 2041, bearing interest at 0.86% to 2.96%	4,960,000	5,216,000
	19,813,000	23,021,000
Capital lease obligation with implicit interest rate of 4.83% - Pumper Truck		
	172,291	336,474
Total external long-term debt and capital lease obligations	\$ 19,985,291	\$ 23,357,474

The General Fund debentures 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 debentures for the remainder of the amortization period or to pay them off in full.

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

Interest in the amount of \$620,358 [2024 - \$701,453] relating to the external debentures is included in interest expense.

Interest in the amount of \$16,616 [2024 - nil] relating to the capital lease obligations is included in interest expense.

Internal Borrowing

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

	2025	2024
General Fund		
Debtures, 10-year amortization period:		
Maturing in 2026, bearing interest at 1.45% to 2.90%	\$ 897,892	\$ 1,773,064
Maturing in 2026, bearing interest at 1.45% to 2.90%	168,670	333,074
Maturing in 2028, bearing interest at 2.10% to 3.45%	730,018	959,206
Total internal long-term debt	\$ 1,796,580	\$ 3,065,344

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

5. Long-term debt (continued)

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

	External	Internal	Total
2026	\$ 3,464,291	\$ 1,301,373	\$ 4,765,664
2027	3,381,000	243,525	3,624,525
2028	3,475,000	251,682	3,726,682
2029	2,833,000	-	2,833,000
2030 and thereafter	6,832,000	-	6,832,000
	\$ 19,985,291	\$ 1,796,580	\$ 21,781,871

6. Capital borrowing

Requested and approved capital borrowing

The City obtained approval under Order in Council ["OIC"] and Ministerial order to borrow an amount of \$145,137,000, of which \$78,814,000 has been borrowed to date. This includes \$5,964,000 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, 2025		\$ 145,137,000	\$ 78,814,000

Of the total amount borrowed, \$19,813,000 [2024 - \$23,021,000] remains to be repaid to the New Brunswick Municipal Finance Corporation [note 5].

7. Capital commitments

As at December 31, 2025, the City has approved a total budget of \$111,209,744 for capital projects related to the construction of a new Performing Arts Centre. Funding for the project is expected to come from multiple sources, including contributions from other levels of government, the divestiture of the existing Playhouse, the Encore! capital campaign, the City, and debt borrowings.

Grants have been formally committed to The Fredericton Playhouse Inc. under the Local Governance Act to guarantee awarded vendor and supplier invoices. As at December 31, 2025, tenders totaling \$100,535,077 had been awarded for the project, of which \$35,394,666 has been paid.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

8. Pension asset/liability

	2025	2024
Supplemental Executive Retirement Plan	\$ 277,500	\$ 284,000

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

Discount rate:	3.19% [2024 - 3.63%] per annum
Inflation rate:	2.75% per annum

9. 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, 2025 are as follows:

	2025	2024
Accrued benefit liability as at January 1	\$ 13,378,100	\$ 12,829,200
Current service cost	848,200	746,800
Interest on obligation	465,400	578,900
Benefit payments	(824,800)	(868,600)
Amortization of losses	45,300	91,800
Accrued benefit liability as at December 31	\$ 13,912,200	\$ 13,378,100
Restricted cash and investments for retirement allowance	\$ 13,912,200	\$ 13,378,100
Net accrued benefit obligation	\$ -	\$ -
Benefit expenses		
Current-period benefit cost	\$ 848,200	\$ 746,800
Interest cost	465,400	578,900
Amortization of losses	45,300	91,800
Retirement allowance expense	\$ 1,358,900	\$ 1,417,500

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

Discount rate:	3.19% [2024 - 3.63%] per annum
Salary growth rate:	2.75% per annum thereafter, plus promotional and merit scale [2024 - 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

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

10. Expenses by nature of object

	<u>2025</u>	<u>2024 (Restated)</u>
Salaries and benefits	\$ 103,705,841	\$ 89,589,329
Goods and services	90,728,113	71,422,233
Amortization	27,076,017	25,448,079
Interest	636,974	701,454
Other loss (gain) on assets	944,615	3,508,559
	<u>\$ 223,091,560</u>	<u>\$ 190,669,654</u>

11. 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.

12. 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 22]. A capital replacement fund is in place to plan for future capital expenditures relating to the arenas.

In return, the LSDs and the Village had 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 \$805,602 [2024 - \$709,279] 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 LSDs covered by these agreements. As such, two of the newly formed entities have signed new agreements effective January 1, 2025, in addition to the Capital Region Rural Community, under the same terms as the original agreement. These new agreements will also expire December 31, 2027 and will need to be renegotiated at that time.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

13. Other

Funds held in trust

Trust fund assets administered by the City for the benefit of external parties in the amount of \$1,279,804 [2024 - \$1,176,257] 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 expiring on April 30, 2029. 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.

14. 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 19]. 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 [including Transit]

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.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

14. Segmented information (continued)

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.

15. 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, 2025 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 [note 21].

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

16. 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 Sitansisk (St. Mary's) First Nation for policing services to Sitansisk (St. Mary's) First Nation. Amounts included relating to expenses and recoveries are as follows:

	2025	2024
Sitansisk (St. Mary's) First Nation policing expenses	\$ 1,219,055	\$ 1,142,725
Federal contribution	(559,244)	(604,777)
Provincial contribution	(485,005)	(462,752)
City contribution	\$ 174,806	\$ 75,196

17. Shared risk pension plans

a - City of Fredericton Shared Risk Plan

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 Fredericton Firefighter's Association Local 1053 and the Fredericton Police Union UBC 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 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 \$589,143 [2024 - \$885,858].

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

2026	370,656
2027	370,656
	\$ 741,312

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

17. Shared risk pension plans (continued)

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, 2025. At that date, the open group funded ratio of the Plan was 128.1% [2024 - 125.1%].

b - City of Fredericton Police & Fire Shared Risk Plan

On October 3, 2024 The City entered into a Memorandum of Understanding (MOU) regarding the superannuation plan for certain employees of the City of Fredericton with the Fredericton Firefighter's Association Local 1053 and the Fredericton Police Union UBC 911. The MOU outline terms for conversion of the existing superannuation plan to a shared risk plan. Effective January 1, 2025, the superannuation plan was converted into the City of Fredericton Police & Fire Shared Risk Plan ("P&F SRP").

The P&F SRP is a Shared Risk Plan in accordance with the *Pension Benefits Act* (New Brunswick). The P&F SRP Plan is administered by an independent Board of Trustees and covers employees of the City who are active members of the Fredericton Firefighter's Association Local 1053 and the Fredericton Police Union UBC 911. Under the P&F SRP, contributions are made by the P&F SRP members and the City.

Plan members contribute at a rate of 10.0% of pensionable earnings in 2025, 10.5% in 2026, and 11.0% in 2027 and thereafter. The City contributes at a rate of 12.0% of pensionable earnings in 2025, 11.5% in 2026, and 11.0% in 2027 and thereafter. As per the Plan's Funding Policy, contributions may increase or decrease by 2% of payroll for both the City and the employees should certain funding levels be reached.

For service up to and including December 31, 2024, 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 \$2,500 per year of pensionable service. For service after January 1, 2025, benefits accrued at a rate of 1.8% of pensionable earnings. Benefits are available on an unreduced basis for members who retire on or after age 65, after 27 years of pensionable service, or the age at which the member's age plus years of service equals 80 years. The P&F SRP has certain benefit terms for early retirement, death before and after retirement, and termination.

The last actuarial valuation of the P&F SRP Plan was conducted as at January 1, 2025. At that date, the open group funded ratio of the Plan was 114.4%.

18. 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.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

19. Consolidated schedule of segment disclosure

	General Government Services - Corporate	Governance & Civic Engagement	Sustainable Infrastructure	Public Safety	Mobility (Including Transit)	Environmental Stewardship	Economic Vitality	Livable Community	Water and Wastewater	2025 Consolidated	2024 Consolidated (Restated)
Revenue											
Property tax/community funding and equalization grant	-	\$ 6,616,748	\$ 4,109,183	\$ 58,811,314	\$ 41,044,169	\$ 6,817,729	\$ 10,843,455	\$ 28,912,863	\$ -	\$ 157,155,461	\$ 149,424,529
Services to other governments	2,096,788	-	-	1,855,580	488,349	-	1,528,480	-	-	5,969,197	5,393,655
Sales, fines and other fees	-	-	-	3,473,685	6,643,684	-	8,246,237	3,533,679	23,789,554	46,666,565	42,554,378
Interest and return on investments	-	-	-	-	-	-	-	-	401,003	3,686,115	4,830,726
Government transfers	-	-	304,410	-	12,034,527	14,149	3,099,827	17,381,861	7,605,450	41,057,391	26,994,639
Other	-	-	49,656	15,000	1,658,871	895,968	4,500	369,935	1,992,096	5,010,761	6,413,507
	\$ 7,003,618	\$ 6,616,748	\$ 4,463,249	\$ 64,155,579	\$ 61,869,500	\$ 7,727,846	\$ 23,722,499	\$ 50,198,338	\$ 33,788,103	\$ 259,545,480	\$ 235,611,434
Expenses											
Salaries and benefits	14,320,118	\$ 3,369,743	\$ 1,478,156	\$ 49,694,168	\$ 12,954,629	\$ 875,527	\$ 3,881,125	\$ 10,519,268	\$ 6,713,107	\$ 103,705,841	\$ 89,589,329
Goods and services	25,636,180	2,025,759	223,777	4,838,600	6,928,594	4,143,492	13,717,011	25,479,896	7,734,804	90,728,113	71,422,233
Amortization	-	62,717	92,131	2,240,064	11,384,291	884,105	1,784,708	4,693,319	5,934,682	27,076,017	25,448,079
Interest	-	-	-	94,631	60,255	-	124,322	229,785	-	636,974	701,454
Other (gain) loss on assets	-	-	-	116,023	817,918	52,812	78,465	(59,858)	20,104	944,615	3,508,559
Subtotal expenses	\$ 40,003,430	\$ 5,458,219	\$ 1,794,064	\$ 56,883,486	\$ 32,145,687	\$ 5,955,936	\$ 19,585,631	\$ 40,862,410	\$ 20,402,697	\$ 223,091,560	\$ 190,669,654
Allocation of Corporate overhead	(36,725,911)	1,555,794	972,100	15,414,062	7,617,775	644,058	1,561,852	8,960,270	-	-	-
Total expenses	\$ 3,277,519	\$ 7,014,013	\$ 2,766,164	\$ 72,297,548	\$ 39,763,462	\$ 6,599,994	\$ 21,147,483	\$ 49,822,680	\$ 20,402,697	\$ 223,091,560	\$ 190,669,654
Annual surplus	\$ (397,265)	\$ (397,265)	\$ 1,697,085	\$ (8,141,969)	\$ 22,106,038	\$ 1,127,852	\$ 2,575,016	\$ 375,658	\$ 13,385,406	\$ 36,453,920	\$ 44,941,780

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

20. Schedule of tangible capital assets

	Land	Land improvements	Buildings	Vehicles	Machinery and equipment	Treatment facilities	Linear assets	Assets under construction	2025 Total	2024 Total (Restated)
Cost										
Balance, beginning of year	\$ 22,790,203	\$ 35,667,900	\$ 167,843,260	\$ 39,335,866	\$ 38,567,541	\$ 79,695,754	\$ 688,461,119	\$ 15,635,646	\$ 1,087,997,289	\$ 1,037,685,381
Net additions during the year	1,233,335	4,611,666	3,155,968	10,050,149	6,029,587	14,100,225	40,384,217	(7,513,493)	72,051,654	65,060,466
Disposals during the year	(188,463)	(2,110,523)	(390,371)	(2,855,398)	(977,175)	(331,871)	(4,909,817)		(11,733,618)	(14,748,558)
Balance, end of year	\$ 23,865,075	\$ 38,169,043	\$ 170,608,857	\$ 46,530,617	\$ 43,619,953	\$ 93,464,108	\$ 723,935,519	\$ 8,122,153	\$ 1,148,315,325	\$ 1,087,997,289
Accumulated amortization										
Balance, beginning of year	\$ -	\$ 9,591,959	\$ 79,281,044	\$ 21,243,604	\$ 19,988,058	\$ 41,205,094	\$ 225,352,602	\$ -	\$ 396,662,361	\$ 380,573,946
Amortization during the year	-	1,280,554	5,278,414	2,694,878	2,986,207	2,226,340	12,609,623	-	27,076,016	25,448,079
Accumulated amortization on disposals	-	(2,043,956)	(390,371)	(2,531,242)	(913,816)	(297,575)	(3,526,015)	-	(9,702,975)	(9,359,664)
Balance, end of year	\$ -	\$ 8,828,557	\$ 84,169,087	\$ 21,407,240	\$ 22,060,449	\$ 43,133,859	\$ 234,436,210	\$ -	\$ 414,035,402	\$ 396,662,361
Net book value of tangible capital assets	\$ 23,865,075	\$ 29,340,486	\$ 86,439,770	\$ 25,123,377	\$ 21,559,504	\$ 50,330,249	\$ 489,499,309	\$ 8,122,153	\$ 734,279,923	\$ 691,334,928
Consists of:										
General Fund Assets	\$ 22,491,808	\$ 29,340,486	\$ 86,439,770	\$ 23,046,036	\$ 19,297,388	\$ -	\$ 283,251,375	\$ 4,229,887	\$ 468,096,750	\$ 438,850,815
Water and Sewer Fund Assets	1,373,267	-	-	2,077,341	2,262,116	50,330,249	206,247,934	3,892,266	266,183,173	252,484,113
	\$ 23,865,075	\$ 29,340,486	\$ 86,439,770	\$ 25,123,377	\$ 21,559,504	\$ 50,330,249	\$ 489,499,309	\$ 8,122,153	\$ 734,279,923	\$ 691,334,928

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

21. Consolidated schedule of accumulated surplus (deficit) reconciliation

	General Operating Fund	Water and Sewer Operating Fund	Reserve Funds	Land Sales Fund	Parking Land Bank Fund	General Capital Fund	Water and Sewerage Capital Fund	Total
2025 annual surplus (deficit), per Local Governance Act	\$ 3,598,803	\$ 516,168	\$ (1,208,907)	\$ (1,667,869)	\$ 160,847	\$ 59,316,686	\$ 15,960,125	\$ 76,675,853
Adjustments to 2025 annual surplus for funding requirements								
Second previous year's surplus	(3,146,698)	(768,753)	-	-	-	-	-	(3,915,451)
Amortization expense	-	-	-	(9,387)	-	(21,150,722)	(5,934,682)	(27,094,791)
External long-term debt principal repayment	(3,208,000)	-	-	-	-	3,208,000	-	-
Internal long-term debt principal repayment	(1,440,690)	-	-	-	-	1,440,690	-	-
Long-term commitment	296,715	-	-	-	-	-	-	296,715
Transfer from water and sewer operating fund to water and sewer reserve fund	-	2,695,550	(2,695,550)	-	-	-	-	-
Transfer from water and sewer reserve to water and sewer operating fund	-	(3,871,711)	3,871,711	-	-	-	-	-
Transfer from general operating fund to general capital reserve fund	12,589,290	-	(12,589,290)	-	-	-	-	-
Transfer from general operating fund to general operating reserve fund	2,102,270	-	(2,102,270)	-	-	-	-	-
Transfer from general operating reserve fund to general operating fund	(14,165,557)	-	14,165,557	-	-	-	-	-
Transfer from general capital reserve fund to general operating fund	(2,008,391)	-	2,008,391	-	-	-	-	-
Transfer of capital from operating	45,827,748	19,903,220	-	-	-	(45,827,748)	(19,903,220)	-
Transfer of capital from land sales fund	-	-	-	1,281,177	-	(923,577)	(357,600)	-
Contributed capital assets	-	-	-	-	-	1,121,293	1,992,096	3,113,389
Gain (loss) on disposal of tangible capital assets	-	-	-	(8,362)	-	(12,388,475)	(224,957)	(12,621,794)
Total adjustments to 2025 annual surplus	\$ 36,846,687	\$ 17,958,306	\$ 2,658,549	\$ 1,263,428	\$ -	\$ (74,520,539)	\$ (24,428,363)	\$ (40,221,932)
2025 annual surplus per PSAB for the year	\$ 40,445,490	\$ 18,474,474	\$ 1,449,642	\$ (404,441)	\$ 160,847	\$ (15,203,853)	\$ (8,468,238)	\$ 36,453,921

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

22. Schedule of net operating loss - arena complexes

	2025	2024
Revenue [note 12]		
Ice rental	\$ 1,690,526	\$ 1,591,092
Canteen rental	26,801	35,973
Building rental	1,800	11,317
Community room rental	34,277	30,269
Other	5,626	4,925
YMCA lease agreement	30,596	30,545
Total arena complex revenue	1,789,626	1,704,121
Expenses [note 12]		
Salaries and wages	2,568,555	2,267,504
Supplies	175,244	154,813
Repairs and maintenance	450,793	409,035
Utilities	1,140,802	993,559
Service contracts	243,839	226,183
Other	68,282	63,508
Total arena complex expenses	4,647,515	4,114,602
Net operating loss	\$ (2,857,889)	\$ (2,410,481)

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 12]

	2025	2024
Opening balance, beginning of year	\$ 840,347	\$ 1,870,892
Expenditure	(119,219)	(1,121,337)
Interest on balance	26,100	90,792
Closing balance, end of year	\$ 747,228	\$ 840,347

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

Total payments made during the year to the Municipal Capital Borrowing Board for the debt associated with the Grant Harvey Centre and Willie O'Ree Centre was \$2,130,839 (2024 - \$2,130,654). The amount representing interest for the year was \$297,484 (2024 - \$343,651).

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

23. Statement of reserves

	General Operating Reserve	General Capital Reserve (a)	Water and Sewer Reserve	2025 Total	2024 Total
Assets					
Cash	\$ 8,800,396	\$ 34,024,757	\$ 10,178,838	\$ 53,003,991	\$ 56,097,384
Net payables	(11,903)	(217,665)	(583,376)	(812,944)	(2,056,922)
Investments	-	2,896,844	-	2,896,844	2,256,336
Accumulated surplus	\$ 8,788,493	\$ 36,703,936	\$ 9,595,462	\$ 55,087,891	\$ 56,296,798
Revenue					
Transfers from Operating Funds	\$ 2,102,270	\$ 12,589,290	\$ 2,695,550	\$ 17,387,110	\$ 19,778,756
Interest	238,379	927,066	284,197	1,449,642	1,896,521
	2,340,649	13,516,356	2,979,747	18,836,752	21,675,277
Expenditures	2,008,391	14,165,557	3,871,711	20,045,659	15,729,296
Annual surplus (deficit)	\$ 332,258	\$ (649,201)	\$ (891,964)	\$ (1,208,907)	\$ 5,945,981
Balance, beginning of the year	8,456,235	37,353,137	10,487,426	56,296,798	50,350,817
Balance, end of the year	\$ 8,788,493	\$ 36,703,936	\$ 9,595,462	\$ 55,087,891	\$ 56,296,798

(a) Included in the assets of the General Capital Reserve is \$5,607,934 for the Capital Replacement Reserve of the Fredericton Convention Centre. Transfers from Operating Funds to the General Capital Reserve include \$796,408 from the Fredericton Convention Centre for the Capital Replacement Reserve.

Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Interfund debenture	\$ 730,018	2.10% - 3.45%	May 16, 2028
Interfund debenture	\$ 168,673	1.65% - 2.90%	December 1, 2026
Non-cashable GIC	\$ 5,000,000	3.80%	March 6, 2026
Non-cashable GIC	\$ 1,763,127	5.30%	April 30, 2027
Canadian equities	\$ 235,026	N/A	N/A

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

23. Statement of reserves (continued)

Council Resolutions regarding transfer to and from reserves:

Moved by: Councillor Greg Ericson

Seconded by: Councillor Steven Hicks

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 \$2,008,391 in the General Operating Reserve Fund to the 2025 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 \$14,165,557 in the General Capital Reserve Fund to the 2025 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 \$3,871,711 in the Water and Sewer Capital Reserve Fund to the 2025 expenditures 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 \$2,102,270 to the General Operating Reserve Fund in order to complete projects budgeted for in 2025 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 transfer the amount of \$11,792,882 to the General Capital Reserve Fund in order to complete projects budgeted for in 2025 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 transfer the amount of \$2,695,550 to the Water and Sewer Capital Reserve Fund in order to complete projects budgeted for in 2025 in future years from the Water and Sewer Operating 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 8, 2025.


Jennifer Lawson
City Clerk
City of Fredericton




Date April 13/26

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

24. Statement of controlled entities

	Controlled entities consolidated with the General Operating Fund					
	e-Novations ComNet Inc.	Newmarket Properties Inc.	Fredericton Convention Centre	Intercompany Eliminations	2025 Total	2024 Total
Assets						
Liabilities	\$ 1,862,663	\$ 2,166,606	\$ 1,051,190	\$ (2,370,592)	\$ 2,709,867	\$ 2,746,769
Accumulated surplus	(575,410)	(188,604)	(339,479)	137,193	(966,300)	(1,287,753)
	\$ 1,287,253	\$ 1,978,002	\$ 711,711	\$ (2,233,399)	\$ 1,743,567	\$ 1,459,016
Revenue	\$ 190,061	\$ 1,036,122	\$ 6,551,400	\$ (1,316,477)	\$ 6,461,106	\$ 4,768,287
Expenditures	(189,044)	(403,195)	(5,666,502)	883,594	(5,380,147)	(3,952,363)
Annual surplus - Per Province of New Brunswick ["PNB"] compliance requirements	\$ 1,017	\$ 627,927	\$ 884,898	\$ (432,883)	\$ 1,080,959	\$ 815,924

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, 2025

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

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Adjustments	PSAB Budget
Revenue					
Property taxes	\$ 156,346,042	\$ -	\$ -	-	\$ 156,346,042
Community funding and equalization grant	805,011	-	-	-	805,011
Federal grant in lieu of taxes adjustment	4,404	-	-	-	4,404
Services to other governments	5,508,503	-	-	-	5,508,503
Licenses, permits and fines	2,592,500	-	-	-	2,592,500
Sales and own source revenue	11,191,205	23,716,764	-	-	34,907,969
Interest and return on investments	560,000	-	-	-	560,000
Second previous year's surplus	3,146,698	768,753	-	(3,915,451) (a)	-
	\$ 180,154,363	\$ 24,485,517	\$ -	(3,915,451)	\$ 200,724,429
Expenses					
Governance & Civic Engagement	\$ 6,605,777	\$ -	\$ 62,717	-	6,668,494
Sustainable Infrastructure	3,994,056	-	92,131	-	4,086,187
General Government Services - Corporate	2,313,905	-	-	308,403 (b)	2,622,308
Public Safety [note 16]	61,678,364	-	2,240,064	228,036 (b)	64,146,464
Mobility [including Transit]	27,570,225	-	11,384,291	145,199 (b)	39,099,715
Environmental Stewardship	5,426,049	-	884,105	-	6,310,154
Economic Vitality	12,989,834	-	1,784,708	299,586 (b)	15,074,128
Livable Community	24,606,645	-	4,693,319	553,726 (b)	29,853,690
Fiscal Services					
Principal payments on long-term debt	6,069,058	-	-	(6,069,058) (c)	-
Interest payments on long-term debt	1,534,950	-	-	(1,534,950) (b)	-
Funding current year's capital projects	27,365,500	10,587,602	-	(37,953,102) (d)	-
Water and Wastewater	-	13,897,915	5,934,682	-	19,832,597
	\$ 180,154,363	\$ 24,485,517	\$ 27,076,017	(44,022,160)	\$ 187,693,737
Annual surplus	\$ -	\$ -	(27,076,017)	\$ 40,106,709	\$ 13,030,692

(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, 2025

26. Detailed statement of revenue and expenditure

General Operating Fund - Consolidated

	2025		2024
	Budget	Actual	Actual (Restated)
Revenue from operations			
Province of New Brunswick			
Property taxes	\$ 156,346,042	\$ 156,346,042	\$ 148,212,547
Community funding and equalization grant	805,011	805,015	1,207,516
	157,151,053	157,151,057	149,420,063
Federal payment in lieu of taxes	4,404	4,404	4,466
Services provided to other governments			
Transportation services - provincial routes	448,264	488,349	448,265
Public Safety Emergency Dispatch and 911	1,711,863	2,096,788	1,639,132
Fire services - local service districts	374,928	374,928	336,851
Fire services - provincial hazmat	105,237	107,632	106,440
Services to St. Mary's First Nation			
Fire services - Federal transfer	314,305	314,305	308,591
Police services - Federal transfer	525,421	559,244	604,777
Police services - Provincial transfer	485,005	499,471	462,752
Regional Tourism	1,543,480	1,528,480	1,486,848
	5,508,503	5,969,197	5,393,656
Licenses, permits and fines			
Taxi, business and dog licenses	60,500	74,375	16,744
Building permits	1,750,000	3,291,616	3,511,556
Development approval	100,000	114,960	94,384
Parking, municipal bylaw, and other fines	551,000	465,995	533,618
Police security checks, fine sharing and false alarms	131,000	158,761	148,291
	2,592,500	4,105,707	4,304,593
Sales and other revenue			
Parking meters	642,500	699,509	695,864
Parking lots and garages	1,551,100	1,770,332	1,549,545
Public transit	3,410,000	3,627,311	3,434,096
Para transit	46,410	24,399	41,155
Arena rentals	1,471,142	1,789,600	1,703,973
Outside user fee	805,603	855,442	735,544
Community centres	267,397	373,373	341,721
Indoor pool	252,421	326,824	311,561
Sports fields	145,232	175,719	168,692
Cultural development	5,900	79,962	84,630
Police sale of unclaimed goods	5,000	1,370	2,332
Cash flow and investment management	560,000	1,183,329	1,924,658
Miscellaneous	8,500	223,188	155,098
Vehicle auction proceeds	-	502,846	519,120
Tourism Accommodation Levy	2,580,000	1,599,700	1,548,030
	11,751,205	13,232,904	13,216,019
Total revenue from operations	\$ 177,007,665	\$ 180,463,269	\$ 172,338,797

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

26. Detailed statement of revenue and expenditure (continued)

General Operating Fund - Consolidated (continued)

	2025		2024
	Budget	Actual	Actual (Restated)
Revenue (Continued):			
Government transfers	\$ -	\$ 32,889,309	\$ 17,596,509
Insurance proceeds	-	-	427,475
Third-party contributions	-	1,897,373	2,903,012
Transfer from General Capital Reserve	-	14,165,557	9,922,563
Transfer from Operating Reserve	-	2,008,391	1,925,429
Total transfers from reserves	-	16,173,948	11,847,992
Second previous year's surplus	3,146,698	3,146,698	1,288,374
Total revenue	\$ 180,154,363	\$ 234,570,597	\$ 206,402,159

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

26. Detailed statement of revenue and expenditure (continued)

General Operating Fund - Consolidated (Continued)

	2025		2024
	Budget	Actual	Actual (Restated)
Expenditure from operations			
Governance & Civic Engagement			
Community Leadership	\$ 3,257,743	\$ 3,235,669	\$ 2,575,859
Management Systems	3,195,064	3,562,720	3,027,451
Intergovernmental Affairs	152,970	152,906	163,557
	6,605,777	6,951,295	5,766,867
Economic Vitality			
Affordable Housing	876,471	3,890,617	1,967,247
Business Attraction and Retention	219,629	294,911	260,275
Development Approval	1,912,756	1,740,532	1,544,205
Land Use Planning	1,404,142	1,251,053	1,271,864
Tourism Development and Operations	1,871,755	1,674,750	1,579,410
Tourism Marketing and Sales	6,705,081	5,494,282	5,707,334
	12,989,834	14,346,145	12,330,335
Environmental Stewardship			
Composting	310,009	445,703	269,789
Environmental Strategy	619,070	449,041	478,986
Solid Waste Management	3,665,437	3,691,272	4,392,867
Storm Water Management	831,533	1,077,061	1,252,463
	5,426,049	5,663,077	6,394,105
Livable Community			
Arboriculture	1,466,051	1,822,567	1,637,938
Community Inclusion	1,025,468	1,580,832	1,106,407
Community Special Event Coordination and Support	833,776	765,348	637,618
Cultural Development	2,660,111	21,657,022	10,067,051
Heritage Planning and Conservation	470,522	333,663	249,556
Horticulture	1,096,533	1,119,924	1,218,511
Leisure and Recreation Development and Delivery	5,289,295	5,725,755	4,777,836
Parks and Playground Management	1,984,433	2,310,462	2,466,836
Recreation Facility Scheduling	8,300,821	8,487,978	7,635,171
Sport Field Management	1,479,635	1,289,431	1,214,000
	24,606,645	45,092,982	23,943,697
Mobility [including Transit]			
Fixed Route Scheduled Transit	9,365,218	9,013,381	7,391,616
Para Transit	977,109	976,957	908,224
Parking Management	2,301,331	2,085,534	2,155,864
Roadway Management	6,596,224	6,519,257	6,972,420
Sidewalk Management	2,930,891	2,584,028	2,470,069
Taxi Industry Regulation	109,307	119,130	105,096
Trails Management	1,185,593	1,306,765	1,248,675
Transportation System Management	4,104,552	4,911,631	5,430,926
	\$ 27,570,225	\$ 27,516,683	\$ 26,682,890

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

26. Detailed statement of revenue and expenditure (continued)

General Operating Fund - Consolidated (continued)

	2025		2024
	Budget	Actual	Actual (Restated)
Expenditure from operations (continued)			
Public Safety			
Animal Registration and Control	\$ 255,830	\$ 233,878	\$ 213,927
Building Construction Permission and Enforcement	1,557,823	1,648,093	1,440,224
Bylaw Enforcement	1,630,077	2,245,612	1,369,506
Emergency Preparedness	3,229,825	3,124,531	2,962,669
Fire Emergency Incident Mitigation	19,435,317	18,820,592	17,835,812
Fire Investigation	745,797	780,322	717,813
Fire Prevention and Inspection	1,057,439	1,151,311	980,235
Police - Enforce Federal, Provincial and Municipal Laws	8,773,540	8,854,796	8,020,275
Police - Keeping the Peace	7,123,116	7,549,229	6,354,443
Police - Prevent and Detect Crime	9,323,390	9,579,764	8,967,629
Police - Protect Life and Property	8,546,210	8,794,350	8,176,716
	61,678,364	62,782,478	57,039,249
General Government Services - Corporate			
Communications Management	1,420,676	1,463,702	1,278,553
Continuous Improvement	49,175	42,933	35,494
Facilities Management	7,827,327	7,815,728	7,683,413
Financial Management	2,486,721	2,756,056	2,692,978
Fleet and Equipment Management	4,858,205	4,996,519	5,290,172
Human Resource Management	1,457,143	1,187,633	1,047,096
Information Technology Solution Delivery	1,437,075	1,429,683	1,165,023
Information Technology Support	3,330,246	3,232,667	2,917,721
Insurance Coverage Service	1,369,128	1,495,437	1,351,730
Legal Services	1,025,554	903,345	889,855
Occupational Health and Safety	366,196	296,376	300,545
Public Procurement Management	486,658	396,484	411,966
Public Safety Service Request Management	3,147,957	2,869,152	2,808,136
Real Estate Management	1,813,855	1,702,841	1,649,665
Records Management	117,296	111,765	170,596
Request Management	543,831	746,953	391,714
Corporate overhead allocated to external services	(31,737,043)	(31,447,274)	(30,084,655)
Property assessment and collection [PNB]	2,313,905	2,313,905	2,166,820
	\$ 2,313,905	\$ 2,313,905	\$ 2,166,822

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

26. Detailed statement of revenue and expenditure (continued)

General Operating Fund - Consolidated (continued)

	2025		2024
	Budget	Actual	Actual (Restated)
Expenditure from operations (continued)			
Sustainable Infrastructure			
Capital Asset Management	\$ 244,346	\$ 229,927	\$ 217,813
Capital Planning and Implementation	1,801,878	1,638,045	2,188,892
Capital Prioritization and Investment Service	1,751,183	595,784	577,734
Debt and Affordability Management Service	196,649	210,279	190,262
Debt principal repayment	6,069,058	4,648,690	5,130,078
Interest on capital debt	1,534,950	726,067	819,307
Funding current year's new capital projects	10,114,500	19,015,692	14,008,905
Funding current year's capital renewal projects	17,251,000	26,184,801	24,939,289
	38,963,564	53,249,285	55,139,507
Transfer to General Capital Reserve	-	12,589,290	12,563,949
Transfer to General Operating Reserve	-	2,102,270	2,679,224
Total transfer to reserves	-	14,691,560	15,243,173
Total expenditure from operations	\$ 180,154,363	\$ 232,607,410	\$ 204,706,645
General Operating Fund surplus from operations	\$ -	\$ 1,963,187	\$ 1,695,514
Remeasurement gains and losses			
Unrealized gain (loss) attributable to foreign exchange	\$ -	\$ (91,710)	\$ 256,134
Unrealized gain on investments	-	646,367	278,873
Unrealized surplus from subsidiary entities	-	1,080,959	815,924
Total remeasurement gains	\$ -	\$ 1,635,616	\$ 1,350,931
Consolidated General Fund annual surplus	\$ -	\$ 3,598,803	\$ 3,046,445

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

26. Detailed statement of revenue and expenditure (continued)

Water and Sewerage Operating Fund - Consolidated

	2025		2024
	Budget	Actual	Actual
Revenue			
Water and sewerage rates	\$ 22,519,220	\$ 23,776,920	\$ 22,376,907
Water supply for fire protection	1,000,612	1,000,612	1,000,612
Miscellaneous revenue	196,930	221,216	210,951
Interest	-	116,806	201,818
Transfer from utility reserve	-	3,871,711	3,881,304
Land sales and vehicle auction proceeds	-	102,471	126,096
Third-party contributed capital	-	133,153	288,038
Federal and provincial grant funding	-	7,605,450	7,210,802
Second previous year's surplus	768,755	768,753	815,185
Total revenue	\$ 24,485,517	\$ 37,597,092	\$ 36,111,713
Expenditures			
Water			
Purification and treatment	\$ 486,800	\$ 921,462	\$ 772,619
Source of supply	340,000	284,516	378,189
Transmission and distribution	65,563	256,566	170,218
Plant and equipment maintenance	550,539	1,123,082	1,192,353
Billing and collecting	123,770	206,988	188,483
Water meters	100,000	638,179	618,324
	1,666,672	3,430,793	3,320,186
Sewerage			
Lift stations and system maintenance	769,740	1,088,267	1,108,372
Sewerage treatment and disposal	2,476,225	2,541,844	2,288,495
	3,245,965	3,630,111	3,396,867
Common services			
	8,985,278	7,421,249	6,979,756
Fiscal services			
Funding current year's new capital projects	1,025,000	13,988,771	7,131,209
Funding current year's renewal capital projects	9,562,602	5,914,450	10,074,694
Transfer to water and sewer capital reserve	-	2,695,550	4,535,583
	10,587,602	22,598,771	21,741,486
Total expenditures	\$ 24,485,517	\$ 37,080,924	\$ 35,438,295
Annual surplus	\$ -	\$ 516,168	\$ 673,418

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2025

27. Comparative figures

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

28. Restatement of Financial Statements

Subsequent to the completion of the City's December 31, 2024 financial statements on March 24, 2025, it was discovered that, due to an agreement entered with the Fredericton Playhouse Inc. (the "Playhouse") in July 2024, the Playhouse would own the Performing Arts Centre (PAC). The City's involvement would be through funding of the PAC rather than ownership. The City incurred certain costs associated with the new PAC to be constructed and recognized these costs as a tangible capital asset in the amount of \$10.6M, rather than expensing these costs. The December 31, 2024 financial statements were restated to correct this error, as follows:

	As previously reported	Correction	As restated
Consolidated Statement of Financial Position			
Tangible capital assets	701,926,079	(10,591,151)	691,334,928
Accumulated surplus	756,323,845	(10,591,151)	745,732,694
Accumulated surplus consisting of:			
Accumulated operating surplus	755,580,045	(10,591,151)	744,988,894
Consolidated Statement of Operations and Accumulated Surplus			
Livable Community	28,394,889	10,591,151	38,986,040
Annual surplus	55,532,931	(10,591,151)	44,941,780
Consolidated Statement of Changes in Net Surplus			
Annual operating surplus	55,195,743	(10,591,151)	44,604,592
Acquisition of tangible capital assets	(72,127,693)	7,067,227	(65,060,466)
Disposal of tangible capital assets	1,864,970	3,523,924	5,388,894
Consolidated Statement of Cash Flow			
Annual surplus	55,532,931	(10,591,151)	44,941,780
Loss on sale of tangible capital assets	1,864,970	3,523,924	5,388,894
Acquisition of tangible capital assets	(68,617,199)	7,067,227	(61,549,972)

Consequential amendments have also been made to the related note disclosures.



City of Fredericton 2025 **ANNUAL REPORT**

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