

**Fundy Regional Service Commission**

**Financial Statements**

Year Ended December 31, 2025



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**Fundy Regional Service Commission**

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Year Ended December 31, 2025

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## INDEPENDENT AUDITORS' REPORT

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To the Members of Fundy Regional Service Commission

### *Opinion*

We have audited the financial statements of Fundy Regional Service Commission (the "Commission"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the commission as at December 31, 2025, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

### *Basis for Opinion*

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

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

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

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

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

### *Auditors' Responsibilities for the Audit of the Financial Statements*

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

*(continues)*

Independent Auditors' Report to the Members of Fundy Regional Service Commission *(continued)*

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the commission'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 commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Saint John, New Brunswick  
April 23, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

**Fundy Regional Service Commission**

## Consolidated Statement of Operations

Year Ended December 31, 2025

	2025		2024
	(Unaudited)		
	Budget (Note 22)	Actual	Actual
<b>Revenue</b>			
Member charges	\$ 3,633,770	\$ 3,833,648	\$ 3,547,890
Sales of services	9,118,850	9,982,542	8,827,319
Government transfers	9,159,572	9,084,048	8,336,499
Other revenues	63,876	122,184	156,058
Interest	40,000	216,822	191,059
Gain on disposal of tangible capital assets	-	20,808	2,022
Gain on sale of investments	-	17,682	12,307
	<u>22,016,068</u>	<u>23,277,734</u>	<u>21,073,154</u>
<b>Expenditures</b>			
Cooperative and regional planning services	58,061	93,520	21,576
Local planning services	539,640	534,116	669,682
Solid waste services	11,601,230	10,559,627	10,152,751
Generation facility	265,966	168,853	269,437
Regional tourism promotion services	886,094	1,059,824	804,760
Regional economic development services	2,499,322	3,078,467	2,449,194
Community development services	605,210	606,709	417,793
Regional transportation services	368,953	383,957	174,930
Regional public safety committee services	187,859	187,923	142,521
Regional sport, recreation and cultural infrastructure support and development services	5,131,481	3,907,095	3,896,346
	<u>22,143,816</u>	<u>20,580,091</u>	<u>18,998,990</u>
<b>Annual operating surplus (deficit)</b>	<u>\$ (127,748)</u>	2,697,643	2,074,164
<b>Accumulated operating surplus</b>			
Beginning of year		<u>11,803,188</u>	<u>9,729,024</u>
End of year		<u>\$ 14,500,831</u>	<u>\$ 11,803,188</u>

See accompanying notes to the consolidated financial statements

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**Fundy Regional Service Commission**

## Consolidated Statement of Remeasurement Gains and Losses

 Year Ended December 31, 2025
 

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	<b>2025</b>	<b>2024</b>
	<hr/>	<hr/>
Unrealized gains attributable to:		
Portfolio investments	\$ 96,922	\$ 29,492
Amounts reclassified to the statement of operations		
Realized gains on portfolio investments	(17,682)	(12,307)
	<hr/>	<hr/>
Net remeasurement gains for the year	79,240	17,185
<b>Accumulated remeasurement gains</b>		
Beginning of year	56,967	39,782
	<hr/>	<hr/>
End of year	\$ 136,207	\$ 56,967
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See accompanying notes to the consolidated financial statements

**Fundy Regional Service Commission**

## Consolidated Statement of Financial Position

As at December 31, 2025

	<b>2025</b>	<b>2024</b>
<b>Financial assets</b>		
Cash (Note 3)	\$ 2,233,740	\$ 1,180,815
Receivables		
General (Note 4)	1,653,929	1,765,405
Due from federal government and its agencies (Note 5)	18,488	149,948
Due from Province of New Brunswick (Note 6)	135,037	727,216
Portfolio investments (Note 7)	5,219,217	3,401,410
	<u>9,260,411</u>	<u>7,224,794</u>
<b>Liabilities</b>		
Bank indebtedness (Note 8)	-	616,507
Accounts payable and accrued liabilities	1,516,810	1,646,542
Customer security deposits	43,316	70,471
Deferred revenue	483,324	335,841
Long term debt (Note 9)	1,285,000	2,258,000
Asset retirement obligation (Note 10)	14,250,550	13,698,515
	<u>17,579,000</u>	<u>18,625,876</u>
<b>NET DEBT</b>	<u>(8,318,589)</u>	<u>(11,401,082)</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 18)	82,333,101	80,727,718
Accumulated amortization (Note 18)	(59,569,637)	(57,725,944)
	<u>22,763,464</u>	<u>23,001,774</u>
Deferred financing charges	6,227	11,771
Inventory of supplies	21,065	26,065
Prepaid expenses	164,871	221,627
	<u>22,955,627</u>	<u>23,261,237</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 14,637,038</u>	<u>\$ 11,860,155</u>
<b>Accumulated surplus is comprised of:</b>		
Accumulated operating surplus (Page 3)	\$ 14,500,831	\$ 11,803,188
Accumulated remeasurement gains (Page 4)	136,207	56,967
	<u>\$ 14,637,038</u>	<u>\$ 11,860,155</u>

**Contingent liability (Note 12)**
**Commitments (Note 24)**

On behalf of the Commission

Approved by:

Commissioner \_\_\_\_\_

Commissioner \_\_\_\_\_

See accompanying notes to the consolidated financial statements

**Fundy Regional Service Commission**

## Consolidated Statement of Changes in Net Debt

Year Ended December 31, 2025

	2025		2024
	(Unaudited)		
	Budget (Note 22)	Actual	Actual
Annual operating surplus (deficit)	\$ (127,748)	\$ 2,697,643	\$ 2,074,164
Add (deduct) :			
Acquisition of tangible capital assets	(828,400)	(1,382,573)	(2,153,147)
Asset retirement cost reduction (increase) from change in estimated cash flows	-	(574,715)	1,730,948
Proceeds on disposal of tangible capital assets	-	22,808	6,522
Gain on sale of tangible capital assets	-	(20,808)	(2,022)
Amortization of tangible capital assets	2,013,000	1,921,942	1,769,271
Amortization of asset retirement costs	200,000	271,656	235,972
Amortization of deferred financing charges	3,252	5,544	4,223
Acquisition of deferred financing charges	(11,000)	-	-
Consumption of inventories	-	5,000	3,751
Use (acquisition) of prepaid assets	-	56,756	(199,890)
	1,249,104	3,003,253	3,469,792
Net remeasurement gains	-	79,240	17,185
Decrease in net debt	1,249,104	3,082,493	3,486,977
<b>Net Financial Debt</b>			
Beginning of the year	(11,401,082)	(11,401,082)	(14,888,059)
End of the year	\$ (10,151,978)	\$ (8,318,589)	\$ (11,401,082)

On behalf of the Commission

Approved by:

Commissioner \_\_\_\_\_

Commissioner \_\_\_\_\_

See accompanying notes to the consolidated financial statements

**Fundy Regional Service Commission**

## Consolidated Statement of Cash Flows

Year Ended December 31, 2025

	<b>2025</b>	<b>2024</b>
<b>Increase (decrease) in cash and cash equivalents</b>		
<b>Operating transactions</b>		
Annual operating surplus	\$ 2,697,643	\$ 2,074,164
Gain on disposal of tangible capital assets	(20,808)	(2,022)
Gain on sale of investments	(17,682)	(12,307)
Amortization of tangible capital assets	1,921,942	1,769,271
Amortization of asset retirement costs	271,656	235,972
Asset retirement obligation accretion expense	613,660	589,888
Amortization of deferred financing charges	5,544	4,223
Receivable - General	111,476	(760,869)
Receivable - Federal Government and its agencies	131,460	61,035
Receivable - Province of New Brunswick	592,179	(405,542)
Accounts payable and accrued liabilities	(129,732)	(704,968)
Customer security deposits	(27,155)	(32,316)
Deferred revenue	147,483	94,611
Asset retirement obligation settlements	(636,340)	-
Inventory of supplies	5,000	3,751
Prepaid expenses	56,756	(199,890)
	<u>5,723,082</u>	<u>2,715,001</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(1,382,573)	(2,153,147)
Proceeds on sale of tangible capital assets	22,808	6,522
	<u>(1,359,765)</u>	<u>(2,146,625)</u>
<b>Financing transactions</b>		
Issue (repayment) of bank indebtedness	(616,507)	611,765
Repayment of long term debt	(973,000)	(927,000)
	<u>(1,589,507)</u>	<u>(315,235)</u>
<b>Investing transactions</b>		
Proceeds on sale of investments	303,592	1,221,863
Purchase of investments	(2,024,477)	(1,721,435)
	<u>(1,720,885)</u>	<u>(499,572)</u>
Net increase (decrease) in cash and cash equivalents	1,052,925	(246,431)
<b>Cash and cash equivalents</b>		
Beginning of year	1,180,815	1,427,246
End of year	<u>\$ 2,233,740</u>	<u>\$ 1,180,815</u>

See accompanying notes to the consolidated financial statements

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## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

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### 1. Purpose of the Organization

The Fundy Regional Service Commission was established by the Province of New Brunswick under the Regional Service Delivery Act with additional regulations to this Act including 2012-109 General, 2022-46 Regions and 2023-35 Regional Services Support Fund. Regulation 2022-46 Regions came into force on January 1, 2023 to replace Regulation 2012-91 Regions due to changes in municipal boundaries resulting from local governance reform. The significant changes to the commission's boundaries were the addition of the local government of Hampton and the loss of the local service district of Musquash. The Commission is comprised of the Fundy Rural District and the Local Governments of Fundy-St. Martins, Grand Bay-Westfield, Hampton, Quispamsis, Rothesay and The City of Saint John.

The business and affairs of the Commission is directed and controlled by a board of directors in accordance with the Regional Service Delivery Act. The Board shall consist of:

- (a) the mayors of each local government in a region,
- (b) if the rural district in a region has a rural district advisory committee, the chair of the advisory committee, and
- (c) the Chief Executive Officer of the Commission, who shall be a non-voting member.

Regional Service Delivery Act section 3.1(1) prescribes the Commission mandate as follows:

- (a) To provide or facilitate the provision of common services to its member local governments and rural district as follows: a solid waste disposal service; a regional transportation service; a land use planning service to its members that are local governments that are not providing their own land use planning service and to its rural district member;
- (b) To develop and implement a regional strategy;
- (c) To undertake activities related to regional economic development, regional community development and regional tourism promotion;
- (d) To identify sport, recreational and cultural infrastructure in the region, to apportion the costs attributable to that infrastructure among its members and to ensure the management of any resulting agreements or contracts;
- (e) To establish a public safety committee to exchange information and discuss resource sharing and joint planning by its members in relation to policing services, fire protection services and emergency measures planning services;
- (f) To work with its members to facilitate administrative, financial and other service arrangements;

Regional Service Delivery Act section 3.1(2) states that in addition to the mandate in subsection (1), any Commission prescribed by regulation is mandated to develop a plan for integrating and coordinating services to address homelessness, poverty and mental health and may enter into agreements with the Crown in right of the Province for that purpose. Regulation 2012-109 mandates Fundy Regional Service Commission to provide those services.

### 2. Summary of significant accounting policies

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

The focus of Public Sector Accounting (PSA) financial statements is on the financial position of the Commission and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Commission.

No other entities have been included in these consolidated financial statements.

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

#### Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Commission and which are owned or controlled by the Commission.

Interdepartmental and organizational transactions and balances are eliminated.

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

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**2. Summary of significant accounting policies (continued)****Budget**

The budget figures contained in these financial statements were approved by the Commission on October 24, 2024.

**Revenue recognition**

- (a) Solid waste tipping fees are recorded when waste is delivered to the landfill facility and collection is reasonably assured.
- (b) Sales of recyclable materials are recorded when bales are ready for shipment from the recycling facility, realizable value is determinable and collection is reasonably assured.
- (c) Member charges are recorded when services are provided and collection is reasonably assured.
- (d) Investment and other income are recorded on the accrual basis.

**Expenditure recognition**

Expenditures are recorded on the accrual basis. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

**Asset retirement obligations**

The Commission follows the provisions of CPA Canada PS 3280 standards to account for and report the liability for asset retirement obligations. Asset retirement obligations are costs associated with the retirement of a tangible capital asset that result from its acquisition, construction, development or normal use.

Activities associated with the retirement of solid waste containment cells include:

- (a) final cover, vegetation and drainage control features;
- (b) facilities for leachate collection, holding and treatment facilities and leachate discharge monitoring;
- (c) landfill gas collection and destruction facilities;
- (d) acquisition of additional land for buffer zones;
- (e) monitoring the quality of ground and surface water.

Activities associated with the retirement of buildings and other structures include:

- (a) demolition and disposal of building materials at an approved facility,
- (b) remediation of land.

**Use of estimates**

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Significant estimates include allowance for doubtful accounts, useful life of tangible capital assets, future solid waste tonnage and compaction ratio, future asset retirement costs and the timing of those expenditures, the inflation rate and discount rate used to calculate the asset retirement obligation. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

**Government transfers**

The Commission follows the provisions of CPA Canada PS 3410 standards:

- (a) Transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized.
- (b) Transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met.
- (c) Transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability for the recipient government in accordance with CPA Canada PS 3200.

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

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**2. Summary of significant accounting policies (continued)****Financial instruments**

The Commission follows CPA Canada PS 3450 standards to recognize, measure and report financial instruments.

Measurement of financial instruments

The commission initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The commission subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value of these portfolio investments are recognized in remeasurement gains and losses.

Financial assets measured at amortized cost include cash, fixed income and pooled investment fund portfolio investments, trade receivables, accrued investment income, due from the federal government and its agencies and due from the Province of New Brunswick.

Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities, security deposits, deferred revenue and long term debt.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in operations.

Transaction costs

The commission recognizes its transaction costs in operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

**Cash and cash equivalents**

Cash and cash equivalents include cash on hand, balances with banks, short term deposits with original maturities of three months or less and bank overdrafts. Bank borrowings are considered to be financing activities.

**Inventory of supplies**

Inventory is valued at the lower of cost and net replacement cost with cost being determined on the average cost basis.

**Post-employment benefits and compensated absences**

The Commission follows the provisions of CPA Canada PS 3250 and PS 3255 standards in its financial statement presentation and disclosure.

**Tangible capital assets**

The Commission follows the provisions of CPA Canada PS 3150 standards: Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Asset retirement costs recognized under CPA Canada PS 3280 are capitalized to the cost of the related tangible capital asset. Carrying costs during construction or development are capitalized. Donated or contributed tangible capital assets are recorded at their fair market value at the date of construction or contribution. The capitalization threshold is \$ 10,000. Amortization shall begin in July of the year in which the costs were incurred and no amortization is recorded in the year of disposal with the exception of containment cells which are amortized over the actual usage period. Assets under construction are not amortized until the asset is available for productive use. The cost of the tangible capital assets is amortized on the following basis and over the estimated useful life as follows:

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**2. Summary of significant accounting policies (continued)****Tangible capital assets (continued)**

<u>Asset type</u>	<u>Amortization basis</u>	<u>Estimated useful life</u>
Landfill site and roadways	Volume usage of the landfill	landfill life
Buildings	Volume usage of the landfill	landfill life
Buildings (compost and MRF facilities foundation)	Volume usage of the landfill	landfill life
Buildings (compost and MRF facilities frame and covering)	Straight-line	18 - 20 years
Leasehold improvement	Straight-line	Lease term
Gas generation system	Straight-line	4 years
Containment cells	Straight-line	3 - 5 years
Containment cells - Asset retirement costs	Volume usage of the landfill	landfill life
Vehicles	Straight-line	5 - 10 years
Heavy equipment	Straight-line	4 - 20 years
Equipment	Straight-line	5 - 20 years
Furniture and fixtures	Straight-line	10 years

During the year, equipment with a net book value of \$ nil was sold for \$ 21,720 and vehicles with a net book value of \$ 2,000 was sold for \$ 1,088. These sales were in the normal course of operations.

**Contributed goods and services**

With the exception of tangible capital assets which are recognized at their fair market value, the value of contributed goods and services are not recognized in the financial statements.

**Segmented information**

The Commission provides waste disposal, local planning and cooperative and regional planning services for the geographic area of Region 9. For management reporting purposes, the Commission's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Services are provided by departments as follows:

Cooperative and Regional Planning Services

The Commission is responsible for the development of a Regional Plan, the aim of which would be to better coordinate and manage development and land use within the region. More specifically, the Regional Plan will focus on strategies that focus sustainable development practices, that encourage coordinated development between communities, that influence and guide the location of significant infrastructure (e.g., major roadways, facilities, trails), and that enhance coordination of commercial/industrial development. The Regional Plan will also serve as an important tool in better managing, protecting and harmonizing urban and rural landscapes and resources.

Local Planning Services

This department provides land use planning services to the Fundy Rural District and any Local Government that does not currently have the service. This service includes the development of rural plans, the administration and enforcement of the plans, the issuance of building permits, conducting building inspections, and the approval of subdivisions, etc. The Commission encourages local service districts to develop common integrated plans, where possible and appropriate.

Solid Waste Services

This department provides solid waste disposal services to the Southwest Rural District and all Local Governments. This includes the operation of recycling programs, composting, hazardous waste and public education programs.

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

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**2. Summary of significant accounting policies (continued)****Segmented information (continued)**Generation Facility

This department utilizes landfill gases to generate electricity. Solid Waste Services uses the electricity generated and any excess production is sold to Saint John Energy.

Regional Tourism Promotion

This department establishes a regional tourism promotion organization and develops a regional destination marketing strategy which is integrated with the RSC Economic Development Plan. It participates in and contributes to Department of Tourism, Heritage and Culture cooperative marketing partnership opportunities. It creates and executes marketing initiatives/programs, partnerships and digital channels, contributes to provincially owned digital marketing channels, develops a regional website to promote the region, and actively participates in the provincial Tourism Advisory committee.

Regional Economic Development

This department provides strategic focus for regional economic growth, focuses on supporting investment-ready communities, coordinates investor visits in the region, serves as a liaison for new inward investors, develops a deep understanding of the local economy, and supports workforce development and labour force growth.

Community Development Service

This department is responsible for establishing a committee to development a coherent regional vision and plan. A community development action plan will be created including areas such as affordable housing, newcomer settlement and diversity promotion, social inclusion and healthy communities. The Commission will provide a strategic regional focus and accountability, ensure more effective delivery of investments in infrastructure and programs, identify partnership opportunities with existing initiatives, bring regional partners and stakeholders together to develop a regional plan and identify specific needs and support major regional initiatives.

Regional Transportation Service

This department is responsible for establishing a committee to gather data for ongoing regional transportation planning and preparing an Integrated Regional Transportation Vision, Strategy and Plan for the region based on the displacement needs of the community. The Commission offers support for volunteer-based transportation initiatives.

Regional Public Safety CommitteeRegional Policing Collaboration

The Commission serves as a forum through which the effectiveness and efficiency of policing services is reviewed and evaluated on a regional basis. In addition, the Commission will identify issues of common concern within the region and provide direction on priorities for policing services. The Commission will identify ways in which police forces within a region can work together to share costs, reduce duplication and generally build stronger linkages with one another.

Regional Emergency Measures Planning

The Commission serves as a forum through which Fundy Rural District and Local Governments will plan, coordinate and pool resources on a regional basis to enable effective responses to emergency situations. This will involve working closely with the New Brunswick Emergency Measures Organization (NB EMO) to develop regional emergency protocols (specifying mutual assistance agreements between communities), providing assistance in developing and maintaining local emergency measures plans, and facilitating training initiatives for regional and inter-regional emergency responses.

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 2. Summary of significant accounting policies (continued)

#### Segmented information (continued)

##### Regional Sport, Recreational, and Cultural Infrastructure Planning and Cost-Sharing

The Commission is responsible for facilitating the planning and cost-sharing of major sport, recreational and cultural facilities within the region.

The Commission is the entity through which Fundy Rural District and Local Governments come together to identify and reach consensus on the need, scope and financing required for new facilities (could include the expansion/renovation of existing facilities). Such agreements can be developed on a regional or on a sub-regional basis and would cover initial capital and ongoing operating costs. In order to secure provincial funding, the project proponents are required to obtain support from the communities expected to benefit from the facilities.

The commission is required to meet any provincial or other established standards associated with the services.

### 3. Cash

	<b>2025</b>	<b>2024</b>
Restricted - Reserve Fund	\$ 1,046,525	\$ -
Restricted - Asset retirement obligation	80,627	90,081
Unrestricted	1,106,588	1,090,734
	<u>\$ 2,233,740</u>	<u>\$ 1,180,815</u>

### 4. Receivables - General

	<b>2025</b>	<b>2024</b>
Trade	\$ 1,625,234	\$ 1,744,770
Accrued investment income - Reserve Fund	2,441	2,100
Accrued investment income - Asset retirement obligation	26,254	18,535
	<u>\$ 1,653,929</u>	<u>\$ 1,765,405</u>

### 5. Due from federal government and its agencies

	<b>2025</b>	<b>2024</b>
Canada Revenue Agency (HST)	\$ 18,488	\$ 149,948

### 6. Due from Province of New Brunswick

	<b>2025</b>	<b>2024</b>
Environment & Local Government	\$ 110,441	\$ 583,786
Environmental Trust Fund	3,194	16,187
Post-Secondary Education, Training and Labour	20,957	-
Regional Development Corporation	-	127,077
Other	445	166
	<u>\$ 135,037</u>	<u>\$ 727,216</u>

### 7. Portfolio investments

	<b>2025</b>	<b>2024</b>
Restricted - Reserve Fund	\$ 1,504,392	\$ 1,033,654
Restricted - Asset retirement obligation	3,714,825	2,367,756
	<u>\$ 5,219,217</u>	<u>\$ 3,401,410</u>

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 7. Portfolio investments (continued)

These investments are comprised as follows:

	2025		2024	
	Book Value	Carrying Value	Book Value	Carrying Value
Reserve Fund				
Pooled investment funds	\$ 1,504,392	\$ 1,504,392	\$ 820,654	\$ 820,654
Canadian fixed income	-	-	\$ 213,000	\$ 213,000
Asset retirement obligation				
Canadian fixed income	3,120,131	3,120,131	1,990,080	1,990,080
Foreign fixed income	108,948	108,948	-	-
Canadian common shares	349,539	485,746	320,708	377,676
	<u>\$ 5,083,010</u>	<u>\$ 5,219,217</u>	<u>\$ 3,344,442</u>	<u>\$ 3,401,410</u>

Canadian common shares are carried at fair market value as determined by quoted market rates provided by the investment management firm.

Canadian and foreign fixed income investments and pooled investment funds are carried at average cost. At December 31, 2025, the fair market value is \$ 48,515 (2024 - \$ 46,368) lower than book value. Management believes that the decrease in market values is a temporary decline.

### 8. Bank indebtedness

Bank demand loan, prime rate interest, unsecured

	2025	2024
	\$ -	\$ 616,507

The Commission has a \$ 500,000 revolving line of credit facility for operating purposes at prime rate of interest, a \$ 4,464,000 non-revolving demand loan for capital projects at prime rate of interest, a \$ 50,000 Visa facility and a \$ 22,500 standby letter of credit facility. At yearend, the \$ 22,500 standby letter of credit was utilized.

### 9. Long-term debt

New Brunswick Municipal Finance Corporation Debentures:

Solid Waste Services

CC 29, 3.953% - 4.700%, due December 5, 2027, M.O. #22-0023

CE 32, 5.245% - 4.616%, due December 4, 2026, M.O. #21-0004

Generation Facility

CC 30, 3.987% - 4.700%, due December 5, 2026, M.O. #21-0004

	2025	2024
	\$ 525,000	\$ 772,000
	699,000	1,366,000
	61,000	120,000
	<u>\$ 1,285,000</u>	<u>\$ 2,258,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for all long-term debt.

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

2026	\$ 1,017,000
2027	\$ 268,000

### 10. Asset retirement obligation

The commission has obligations related to tangible capital assets which will require asset retirement activities when those assets are no longer in productive service. Solid waste disposed into the containment cells requires final cell capping, landfill gas collection wells and piping system, landfill gas disposal facilities, ground and surface water quality monitoring and reporting, leachate treatment facilities and operation/maintenance activities while the site operates and for an estimated 40 year care period after the site no longer accepts solid waste.

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**10. Asset retirement obligation (continued)**

In 2024, the Commission received approval for height augmentation of the landfill. For purposes of asset retirement obligation calculations, Phase 1 capacity was defined to include existing containment cells 1 to 9 plus the surge pond, which is currently located within the landfill footprint, to the augmented landfill height. Based on current waste volumes, Phase 1 has a lifespan until 2048 and future cells 10 to 17 will extend the landfill life to the year 2067. The construction and demolition waste site will require final capping only. Activities associated with the retirement of buildings and other structures include demolition and disposal.

Future cash outflows required to reduce the asset retirement obligation have been estimated using historical and industry data, engineering data and management's best estimates based on information available at the financial statement date. The effect of new legislation is not considered in estimating the liability until such legislation is enacted regardless of the effective date.

Total undiscounted expenditures are estimated to be \$ 109,195,331 using a 2.50% rate of inflation. These expenditures are incurred over the years from 2025 to 2107. The timing of settlement for these expenditures is estimated to be \$ 18,458,076 from 2025 to 2067 and \$ 90,737,256 from 2068 to 2107. Using a discount rate of 4.50%, the net present value of the estimated future cash outflows results in a December 31, 2025 liability of \$ 14,250,550.

**Reconciliation of Aggregate Carrying Amount**

	<b>2025</b>	<b>2024</b>
Asset retirement obligation		
Balance, beginning of year	\$ 13,698,515	\$ 14,839,575
Liability settled during the year	(636,340)	-
Accretion expense from the passage of time	613,660	589,888
Revisions in estimated cash flows	574,715	(1,730,948)
Balance, end of year	<u>\$ 14,250,550</u>	<u>\$ 13,698,515</u>

**Statement of Revenue and Expenditure**

	<b>2025</b>	<b>2024</b>
<b>Revenue</b>		
Transfer from Solid Waste Operating Fund	\$ 1,168,537	\$ 209,431
Realized gains on disposal of investments	17,682	12,307
Unrealized gains on portfolio investments	79,240	17,185
Investment income	102,064	78,903
	<u>1,367,523</u>	<u>317,826</u>
<b>Expenditures</b>		
Investment management fees	22,670	18,773
	<u>22,670</u>	<u>18,773</u>
<b>Annual surplus</b>	1,344,853	299,053
<b>Special account balance</b>		
Beginning of year	2,474,599	2,175,546
End of year	<u>\$ 3,819,452</u>	<u>\$ 2,474,599</u>

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 10. Asset retirement obligation (continued)

The Commission has designated specific investments accounts to settle asset retirement obligations as follows:

	2025	2024
Cash held in investment accounts	\$ 80,627	\$ 90,081
Portfolio investments		
Canadian fixed income	3,120,131	1,990,080
Foreign fixed income	108,948	-
Canadian common shares	485,746	377,676
Accrued investment income	26,254	18,535
Accrued investment management fees	(2,254)	(1,773)
	<u>\$ 3,819,452</u>	<u>\$ 2,474,599</u>

All investments acquired with money originally contributed to this special account, and all interest and other income earned on that money or those investments are restricted for settlement of the liability. Withdrawals from this special account require a resolution of the Commission.

### 11. Measurement uncertainty

The Commission estimated the future costs of closing the landfill site and monitoring the site for a period of forty years after closing based on assumptions about future events. The landfill asset retirement obligation recorded in the financial statements will require adjustment if the following significant assumptions change:

- (1) A costing study determines that future annual asset retirement obligation cost estimates differ from current expectations.
- (2) The estimated 2.5% rate of inflation or 4.5% discount rate differs.
- (3) The total capacity and estimated life of the landfill has been determined based on average annual tonnes accepted in the landfill and average waste compaction ratios. Annual volumetric usage is impacted by factors such as regional population change, regional waste diversion strategies, extended producer responsibility initiatives and technological innovation which may significantly impact the life of the landfill.
- (4) Phase 1 has a lifespan until 2048 and future cells 10 to 17 will extend the landfill life to the year 2067. There may be asset retirement cost savings related to Phase 1 while the landfill site accepts waste until the final closure date of the landfill site.

### 12. Contingent liability

In the normal course of operations, the Commission becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2025 cannot be predicted with certainty, it is the opinion of management that resolution of these matters will not have a material adverse effect as the Commission maintains insurance coverage in amounts considered appropriate.

### 13. Surplus / deficit reconciliation

	2025	2024
Net debt	\$ (8,318,589)	\$ (11,401,082)
Adjustments:		
Unrealized gain on portfolio investments	(136,207)	(56,967)
Bank loan	-	616,507
Long term debt	1,285,000	2,258,000
Inventory of supplies	21,065	26,065
Prepaid expenses	164,871	221,627
Asset retirement obligation funding shortfall	6,373,021	6,373,021
Unamortized asset retirement costs	4,027,148	3,724,089
	<u>\$ 3,416,309</u>	<u>\$ 1,761,260</u>

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 13. Surplus / deficit reconciliation (continued)

	2025	2024
Composition annual fund surplus (deficit) per PNB requirements is as follows:		
2023 Cooperative & Regional Planning Fund Surplus		1,541
2023 Local Planning Fund Deficit		(92)
2023 Solid Waste Fund Deficit		(96,732)
2023 Generation Facility Fund Deficit		(3,253)
2023 Regional Tourism Promotion Fund Surplus		3,570
2023 Regional Economic Development Fund Deficit		(2,940)
2023 Community Development Fund Surplus		11,415
2023 Regional Transportation Fund Deficit		(1,303)
2023 Regional Public Safety Committee Fund Surplus		7,683
2023 Regional Sport Recreation and Cultural Infrastructure Support and Development Fund Surplus		511
2024 Cooperative & Regional Planning Fund Deficit	(3,558)	(3,558)
2024 Local Planning Fund Surplus	17,841	17,841
2024 Solid Waste Fund Surplus	297,557	297,557
2024 Generation Facility Fund Deficit	(62,822)	(62,822)
2024 Regional Tourism Promotion Fund Surplus	31,368	31,368
2024 Regional Economic Development Fund Surplus	54,170	54,170
2024 Community Development Fund Surplus	933	933
2024 Regional Transportation Fund Deficit	(11,198)	(11,198)
2024 Regional Public Safety Committee Fund Deficit	(695)	(695)
2024 Regional Sport Recreation and Cultural Infrastructure Support and Development Fund Deficit	(7,117)	(7,117)
2025 Cooperative & Regional Planning Fund Surplus	11,316	
2025 Local Planning Fund Surplus	36,972	
2025 Solid Waste Fund Surplus	185,128	
2025 Generation Facility Fund Surplus	70,477	
2025 Regional Tourism Promotion Fund Surplus	20,144	
2025 Regional Economic Development Fund Surplus	15,581	
2025 Community Development Fund Surplus	80,258	
2025 Regional Transportation Fund Deficit	(1,177)	
2025 Regional Public Safety Committee Fund Surplus	23,305	
2025 Regional Sport Recreation and Cultural Infrastructure Support and Development Fund Surplus	104,468	
Reserve Fund balances	2,553,358	1,524,381
	<u>\$ 3,416,309</u>	<u>\$ 1,761,260</u>

### 14. Short-term borrowings compliance

#### Interim capital borrowing

At yearend, the Commission has outstanding ministerial authority for interim capital borrowing as follows:

<u>M.O. #</u>	<u>Purpose</u>	<u>Amount</u>	<u>Term</u>
24-0022	Environmental Health Services (General)	\$ 1,114,000	not exceeding 5 years
25-0016	Environmental Health Services (General)	\$ 1,100,000	not exceeding 15 years

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 14. Short-term borrowings compliance (continued)

#### Operating borrowing

As prescribed in the Regional Service Delivery Act Regulation 2012-109, borrowing for operating expenses is limited to 5% of the Commission's operating budget for that service and borrowing for operating expenses of a solid waste management service is limited to 25% of the operating budget for that service.

In 2025, the Commission has complied with these restrictions.

#### Inter-fund borrowing

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in the next year unless the borrowing is for a capital project. Interfund borrowing is in compliance with the requirements.

### 15. Financial instruments

The Commission is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about risk exposure and concentration of risks at December 31, 2025.

#### Credit risk

Credit risk arises from the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligations. The Commission is exposed to credit risk from customers. In order to reduce its risk, the Commission reviews new customers' credit history before extending credit, collects security deposits or bank letters of credit, conducts regular reviews of its existing customers' credit performance and contacts customers with overdue invoices. The Canadian government sector accounted for 100% of member charge revenue. In addition, 73.6% (2024 - 75.8%) of tipping fees from other sources was generated from four major customers. The remaining sales are represented by a significant number of diverse customers.

Aging of overdue trade receivables (not impaired)	Overdue by <u>1 month</u>	Overdue by <u>2 months</u>	Overdue by <u>Over 2 months</u>
Government	\$ 15,509	\$ 53	\$ -
Non-government	255,325	276,954	13,964
	<u>\$ 270,834</u>	<u>\$ 277,007</u>	<u>\$ 13,964</u>

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash balances earn interest at floating interest rates and fixed income portfolio investments bear interest at fixed interest rates. Due to professional management of the investment portfolio and the expected long term rate of return, the commission believes that interest rate risk is low for investments. Long term debt totalling \$ 1,285,000 (2024 - \$ 2,258,000) bears interest at a fixed rates until paid off in 2027. Bank indebtedness totalling \$ nil (2024 - \$ 616,507) bears interest at a floating rate. The bank indebtedness outstanding at December 31, 2024 was paid off during 2025. Due to the minimal balance of bank indebtedness, the commission believes that interest rate risk is low.

#### Currency risk

Currency risk arises from the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission does not have any sales or receivables denominated in foreign currencies.

The commission is exposed to currency risk from Canadian supplier purchases of goods sourced directly or indirectly from foreign manufacturers (i.e. heavy equipment purchased for landfill operations originates primarily from the USA).

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 15. Financial instruments (continued)

#### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty meeting its obligations associated with financial liabilities. The Commission has significant working capital held in accounts receivable from customers but management believes that cash flow will be sufficient to settle financial liabilities as required. If liquidity difficulties arise, the Commission has the ability to borrow for operating and capital purposes.

#### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Commission has portfolio investments, held as equity instruments, debt instruments and pooled investment funds, totalling \$ 5,219,217 (2024 - \$ 3,401,410) representing domestic and foreign sources. These investments are subject to fluctuations in stock market prices whether caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Commission does not have a formally documented investment policy. The fund manager must maintain reasonable sector and securities diversification within the investment portfolio.

	<u>2025</u>	<u>2024</u>
Investment allocation by asset class is as follows:		
Canadian pooled investment funds	28.9%	24.3%
Canadian fixed income	59.6%	64.5%
Foreign fixed income	2.1%	0.0%
Canadian equity	9.4%	11.2%
	<u>100.0%</u>	<u>100.0%</u>
Investment allocation by sector is as follows:		
Canadian pooled investment funds		
High interest savings accounts	28.9%	24.4%
Canadian fixed income		
Federal and Provincial	27.9%	30.5%
Municipal	0.7%	0.9%
Corporate	31.0%	33.0%
Foreign fixed income		
Corporate	2.1%	0.0%
Canadian equity		
Energy	1.9%	2.6%
Materials	0.6%	0.5%
Industrials	0.7%	0.3%
Consumer discretionary	0.7%	1.2%
Consumer staples	0.3%	0.7%
Financials	3.5%	4.1%
Information technology	0.5%	0.7%
Communications	0.7%	0.5%
Real estate investment trusts	0.0%	0.0%
Utilities	0.5%	0.6%
	<u>100.0%</u>	<u>100.0%</u>

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

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**16. Post-employment benefits and compensated absences**

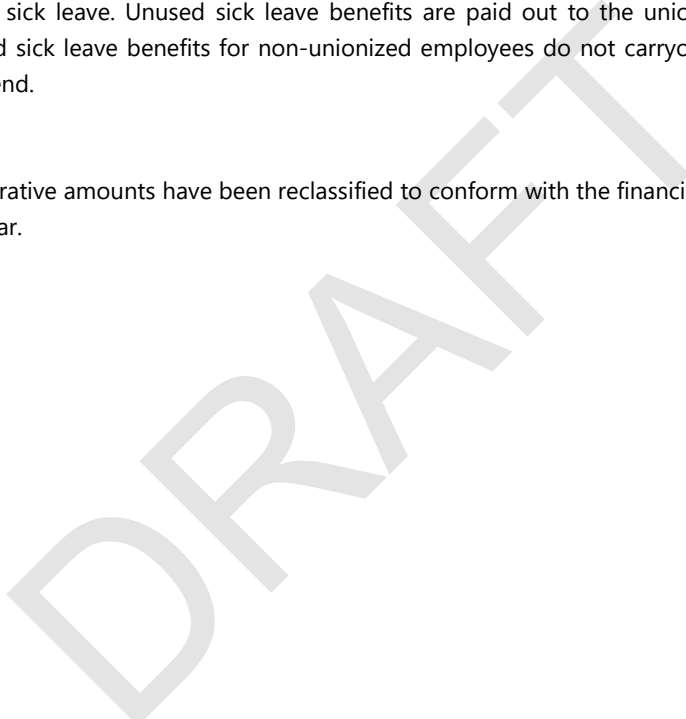
The commission sponsors a defined contribution pension plan for its unionized workforce whereby the employer obligation is limited to a matching contribution of up to 5% of regular and overtime pay. For employees with full-time status of 10 years or more, the employer will contribute up to 6% matching. The expense recognized in the 2025 financial statements totals \$ 106,422 (2024 - \$ 97,599). There were no significant changes to the pension plan during the year.

The Commission contributes to RRSP benefit plans for its full-time management workforce. The Commission matches employee contributions to a specified percentage of earnings. The expense recognized in the 2025 financial statements totals \$ 82,244 (2024 - \$ 70,036).

The Commission provides sick leave for full-time employees. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave. Unused sick leave benefits are paid out to the unionized employees on the last pay period of the year. Unused sick leave benefits for non-unionized employees do not carryover to the next year. Accordingly, there is no liability at yearend.

**17. Comparative figures**

Certain of the 2024 comparative amounts have been reclassified to conform with the financial statement presentation adopted for the current year.



## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

## 19. Schedule of Segment Disclosure

	Cooperative & Regional Planning Services				Regional Tourism Promotion Services	Regional Economic Development Services	Community Development Services	Regional Transportation Services	Regional Public Safety Committee Services	Regional Sport Recreation and Cultural Infrastructure Services	2025 Consolidated	2024 Consolidated
<b>Revenues</b>												
Member charges	\$ 44,020	\$ 476,838	2,645,861	\$ -	\$ 68,105	\$ 59,005	\$ 175,115	\$ 138,246	\$ 86,246	\$ 140,212	\$ 3,833,648	\$ 3,547,890
Sales of services	-	-	9,981,415	1,127	-	-	-	-	-	-	9,982,542	8,827,319
Government transfers	56,022	65,856	282,316	-	989,497	2,986,402	456,686	224,087	106,703	3,916,479	9,084,048	8,336,499
Other revenues	1,136	568	26,799	142	16,537	48,475	20,434	1,562	1,562	4,969	122,184	156,058
Interest	-	2,498	211,427	2	8	24	-	-	-	2,863	216,822	191,059
Gain on disposal of tangible capital assets	-	-	20,808	-	-	-	-	-	-	-	20,808	2,022
Gain on sale of investments	-	-	17,682	-	-	-	-	-	-	-	17,682	12,307
	101,178	545,760	13,186,308	1,271	1,074,147	3,093,906	652,235	363,895	194,511	4,064,523	23,277,734	21,073,154
<b>Expenses</b>												
Salaries and benefits	23,537	292,933	4,012,446	63,890	30,381	36,429	351,406	180,387	72,790	146,289	5,210,488	4,543,936
Goods and services	67,865	202,016	3,928,050	35,461	1,027,184	3,038,932	221,986	183,382	106,098	3,746,690	12,557,664	11,694,288
Amortization	2,118	39,167	2,005,471	64,821	2,259	3,106	33,317	20,188	9,035	14,116	2,193,598	2,005,243
Interest and accretion	-	-	613,660	4,681	-	-	-	-	-	-	618,341	755,523
	93,520	534,116	10,559,627	168,853	1,059,824	3,078,467	606,709	383,957	187,923	3,907,095	20,580,091	18,998,990
<b>Surplus (deficit) for the year</b>	\$ 7,658	\$ 11,644	\$ 2,626,681	\$ (167,582)	\$ 14,323	\$ 15,439	\$ 45,526	\$ (20,062)	\$ 6,588	\$ 157,428	\$ 2,697,643	\$ 2,074,164

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

## 18. Schedule of Tangible Capital Assets

	Land	Buildings	Leasehold Improvement	Vehicles	Heavy Equipment	Equipment	Furniture & Fixtures	Infrastructure		Assets Under Construction	2025 Total	2024 Total
								Landfill Site & Roadways	Containment Cells			
<b>Cost</b>												
Balance, beginning of year	\$ 1,173,460	\$ 7,394,835	\$ 752,936	\$ 463,635	\$ 11,757,722	\$ 1,528,463	\$ 48,438	\$ 11,727,447	\$ 45,818,623	\$ 62,159	\$ 80,727,718	\$ 80,585,716
Plus: Net additions during the year	-	-	-	91,993	492,342	156,144	-	274,538	574,715	367,556	1,957,288	2,153,147
Less: Disposals during the year	-	-	-	52,332	184,479	115,094	-	-	-	-	351,905	2,011,145
Balance, end of year	1,173,460	7,394,835	752,936	503,296	12,065,585	1,569,513	48,438	12,001,985	46,393,338	429,715	82,333,101	80,727,718
<b>Accumulated Amortization</b>												
Balance, beginning of year	-	3,578,521	47,058	219,519	7,808,366	996,698	30,793	6,036,642	39,008,347	-	57,725,944	55,996,398
Plus: Amortization during the year	-	142,785	141,176	48,299	724,442	90,082	2,353	146,613	897,848	-	2,193,598	2,005,243
Less: Accumulated amortization on disposals	-	-	-	50,332	184,479	115,094	-	-	-	-	349,905	275,697
Balance, end of year	-	3,721,306	188,234	217,486	8,348,329	971,686	33,146	6,183,255	39,906,195	-	59,569,637	57,725,944
<b>Net Book Value</b>	\$ 1,173,460	\$ 3,673,529	\$ 564,702	\$ 285,810	\$ 3,717,256	\$ 597,827	\$ 15,292	\$ 5,818,730	\$ 6,487,143	\$ 429,715	\$ 22,763,464	\$ 23,001,774
Consists of:												
Solid Waste assets	\$ 1,173,460	\$ 3,673,529	\$ -	\$ 205,476	\$ 3,702,943	\$ 536,801	\$ 15,292	\$ 5,818,730	\$ 6,487,143	\$ 429,715	\$ 22,043,089	\$ 22,165,938
Electrical Generation assets	-	-	-	28,816	14,313	61,026	-	-	-	-	104,155	129,958
Local Planning assets	-	-	-	51,518	-	-	-	-	-	-	51,518	-
Corporate assets	-	-	564,702	-	-	-	-	-	-	-	564,702	705,878
	\$ 1,173,460	\$ 3,673,529	\$ 564,702	\$ 285,810	\$ 3,717,256	\$ 597,827	\$ 15,292	\$ 5,818,730	\$ 6,487,143	\$ 429,715	\$ 22,763,464	\$ 23,001,774

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

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## 20. Reconciliation of Annual Surplus

	Cooperative & Regional Planning Operating Fund	Local Planning Operating Fund	Solid Waste Operating Fund	Generation Facility Operating Fund	Regional Tourism Promotion Operating Fund	Regional Economic Development Operating Fund	Community Development Operating Fund	Regional Transportation Operating Fund	Regional Public Safety Committee Operating Fund	Regional Sport Recreation and Cultural Infrastructure Operating Fund	Solid Waste Capital Fund	Local Planning Capital Fund	Generation Facility Capital Fund	Reserve Funds	Total
<b>2025 annual surplus (deficit)</b>	\$ 9,775	\$ 43,314	\$ 4,318,632	\$ (102,764)	\$ 16,574	\$ 18,521	\$ 78,843	\$ 126	\$ 15,622	\$ 168,682	\$ (1,833,428)	\$ 1,268	\$ (63,974)	\$ 26,452	\$ 2,697,643
<b>Adjustments to annual surplus (deficit) for funding requirements</b>															
Second previous year's surplus (deficit)	1,541	(92)	(96,732)	(3,253)	3,570	(2,940)	11,415	(1,303)	7,683	511	-	-	-	-	(79,600)
Transfers between funds															
Transfer from local planning operating fund to local planning capital fund	-	(6,250)	-	-	-	-	-	-	-	-	-	6,250	-	-	-
Transfer from local planning capital reserve fund to local planning capital fund	-	-	-	-	-	-	-	-	-	-	-	44,000	-	(44,000)	-
Transfer from community development operating fund to community development operating reserve fund	-	-	-	-	-	-	(10,000)	-	-	-	-	-	-	10,000	-
Transfer from regional sport, recreation & cultural infrastructure operating fund to regional sport, recreation & cultural infrastructure operating reserve fund	-	-	-	-	-	-	-	-	-	(90,880)	-	-	-	90,880	-
Transfer from regional sport, recreation & cultural infrastructure operating reserve fund to regional sport, recreation & cultural infrastructure operating fund	-	-	-	-	-	-	-	-	-	26,155	-	-	-	(26,155)	-
Transfer from solid waste operating fund to solid waste capital reserve fund	-	-	(800,000)	-	-	-	-	-	-	-	-	-	-	800,000	-
Transfer from solid waste operating fund to solid waste operating reserve fund	-	-	(171,800)	-	-	-	-	-	-	-	-	-	-	171,800	-
Transfer from solid waste operating fund to generation facility operating fund	-	-	(235,219)	235,219	-	-	-	-	-	-	-	-	-	-	-
Transfer from solid waste operating fund to solid waste capital fund	-	-	(914,000)	-	-	-	-	-	-	-	914,000	-	-	-	-
Transfer from solid waste operating fund to solid waste capital fund	-	-	(1,327,323)	-	-	-	-	-	-	-	1,327,323	-	-	-	-
Transfer from solid waste operating fund to solid waste capital fund	-	-	(616,507)	-	-	-	-	-	-	-	616,507	-	-	-	-
Transfer from generation facility operating fund to generation facility capital fund	-	-	-	(59,000)	-	-	-	-	-	-	-	-	59,000	-	-
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	(20,808)	-	-	-	(20,808)
Proceeds from disposal of tangible capital assets	-	-	22,808	-	-	-	-	-	-	-	(22,808)	-	-	-	-
Amortization of deferred financing charge	-	-	5,269	275	-	-	-	-	-	-	-	-	-	-	5,544
Amortization of tangible capital assets	-	-	-	-	-	-	-	-	-	-	1,854,236	3,732	63,974	-	1,921,942
Total adjustments to annual surplus (deficit)	1,541	(6,342)	(4,133,504)	173,241	3,570	(2,940)	1,415	(1,303)	7,683	(64,214)	4,668,450	53,982	122,974	1,002,525	1,827,078
<b>2025 annual fund surplus (deficit) per PNB requirements</b>	\$ 11,316	\$ 36,972	\$ 185,128	\$ 70,477	\$ 20,144	\$ 15,581	\$ 80,258	\$ (1,177)	\$ 23,305	\$ 104,468	\$ 2,835,022	\$ 55,250	\$ 59,000	\$ 1,028,977	\$ 4,524,721

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

## 21. Statement of Reserves

	Solid Waste Capital Reserve	Local Planning Capital Reserve	Generation Facility Capital Reserve	Solid Waste Operating Reserve	Local Planning Operating Reserve	Regional Tourism Promotion Operating Reserve	Regional Economic Development Operating Reserve	Community Development Operating Reserve	Regional Sport and Cultural Recreation and Cultural Infrastructure Operating Reserve	2025 Total	2024 Total
<b>Assets</b>											
Cash	\$ 800,000	\$ -	\$ -	\$ 171,800	\$ -	\$ -	\$ -	\$ 10,000	\$ 64,725	\$ 1,046,525	\$ -
Receivable from Operating Funds	-	-	-	-	-	-	-	-	-	-	488,627
Investments	534,748	1,928	115	697,799	100,332	476	1,430	-	167,564	1,504,392	1,033,654
Accrued investment income	868	3	-	1,132	163	1	2	-	272	2,441	2,100
	1,335,616	1,931	115	870,731	100,495	477	1,432	10,000	232,561	2,553,358	1,524,381
<b>Accumulated Surplus</b>	\$ 1,335,616	\$ 1,931	\$ 115	\$ 870,731	\$ 100,495	\$ 477	\$ 1,432	\$ 10,000	\$ 232,561	\$ 2,553,358	\$ 1,524,381
<b>Revenue</b>											
Transfer from Operating Funds											
Solid Waste	\$ 800,000	\$ -	\$ -	\$ 171,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 971,800	\$ 401,000
Community Development	-	-	-	-	-	-	-	10,000	-	10,000	-
Regional Sport, Recreation and Cultural Infrastructure Support and Development	-	-	-	-	-	-	-	-	90,880	90,880	111,698
Investment income	9,136	784	2	11,921	1,714	8	24	-	2,863	26,452	33,237
	809,136	784	2	183,721	1,714	8	24	10,000	93,743	1,099,132	545,935
<b>Expenditures</b>											
Transfer to Capital Funds											
Local Planning Capital Fund	-	44,000	-	-	-	-	-	-	-	44,000	-
Transfer to Operating Funds											
Regional Tourism Promotion Operating Fund	-	-	-	-	-	-	-	-	-	-	15,000
Regional Economic Development Operating Fund	-	-	-	-	-	-	-	-	-	-	45,000
Regional Sport, Recreation and Cultural Infrastructure Operating Fund	-	-	-	-	-	-	-	-	26,155	26,155	24,071
	-	44,000	-	-	-	-	-	-	26,155	70,155	84,071
<b>Annual Surplus (deficit)</b>	809,136	(43,216)	2	183,721	1,714	8	24	10,000	67,588	1,028,977	461,864
<b>Accumulated Surplus</b>											
Beginning of year	526,480	45,147	113	687,010	98,781	469	1,408	-	164,973	1,524,381	1,062,517
End of year	\$ 1,335,616	\$ 1,931	\$ 115	\$ 870,731	\$ 100,495	\$ 477	\$ 1,432	\$ 10,000	\$ 232,561	\$ 2,553,358	\$ 1,524,381

Reserve fund investments are held as pooled investment funds

Under Canada-New Brunswick Building Canada Fund - Communities Component Project No.27900, the Commission has a replacement reserve fund balance totalling \$ 256,640 (2024 - \$ 246,365).

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**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**21. Statement of Reserves (continued)****Commission resolutions regarding transfers to and from reserves:****January 30, 2025****9. Building Inspection and Community Planning Capital Reserve Release****Resolution Number: RM-2025-013****Moved by:** Director O'Hara**Seconded by:** Director MacKenzie

THAT the Board release the total \$ 44,000 from the Building Inspection and Community Planning capital reserve, to finance the purchase of a new vehicle for FRSC's Building Inspection and Community Planning Service.

Against (1): Director Riddell

Absent (1): Director Merrifield

Result: Motion Carried (6 to 1)

**Voter Type: Majority (Present), Recorded****December 4, 2025****4.5 Year End Financial Motions****Resolution Number: RM-2025-135****Moved by:** Director MacKenzie**Seconded by:** Director Merrifield

THAT the Board approves the following:

1. Transfer \$ 171,800 from the Solid Waste Operating Fund to the Solid Waste Operating Reserve Fund.
2. Transfer \$ 800,000 from the Solid Waste Operating Fund to the Solid Waste Capital Reserve Fund.
3. Transfer \$ 10,000 from the Community Development Operating fund to the Community Development Operating Reserve Fund.
4. Transfer \$ 90,880 from the Regional Sport, Recreation and Cultural Infrastructure Support and Development Services Operating Fund to the Regional Sport, Recreation and Cultural Infrastructure Support and Development Services Operating Reserve Fund.
5. Transfer \$ 26,155.11 from the Regional Sport, Recreation and Cultural Infrastructure Support and Development Services Operating Reserve Fund to the Regional Sport, Recreation and Cultural Infrastructure Support and Development Services Operating Fund.

Result: Motion Carried

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 Phillippe Ouellette  
 Chief Executive Officer  
 Fundy Regional Service Commission

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 Date

Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

22. Operating Budget to PSA Budget

											Regional Sport					
	Cooperative			Tourism			Economic		Community		Regional		Public		Recreation	
	Corporate	& Regional	Local	Solid	Generation	Promotion	Development	Development	Transportation	Safety	Infrastructure	Subtotal	Amortization	Transfers	Total	
	Services	Planning	Planning	Waste	Facility	Operating	Operating	Operating	Operating	Operating	Operating	Budget	Budget	Budget	Budget	
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	
<b>Revenue</b>																
Member charges	\$ -	\$ 44,020	\$ 476,838	\$ 2,445,983	\$ -	\$ 68,105	\$ 59,005	\$ 175,115	\$ 138,246	\$ 86,246	\$ 140,212	\$ 3,633,770	\$ -	\$ -	\$ 3,633,770	
Sales of services	-	-	-	9,118,850	-	-	-	-	-	-	-	9,118,850	-	-	9,118,850	
Government transfers	-	12,500	62,894	155,000	-	798,450	2,395,350	418,680	232,010	93,930	4,990,758	9,159,572	-	-	9,159,572	
Transfers from own and other funds	1,674,970	-	-	-	235,219	-	-	-	-	-	-	1,910,189	-	(1,910,189)	-	
Other revenues	-	-	-	-	-	15,969	47,907	-	-	-	-	63,876	-	-	63,876	
Interest	-	-	-	40,000	-	-	-	-	-	-	-	40,000	-	-	40,000	
Surplus of second previous year	-	1,541	-	-	-	3,570	-	11,415	-	7,683	511	24,720	-	(24,720)	-	
	1,674,970	58,061	539,732	11,759,833	235,219	886,094	2,502,262	605,210	370,256	187,859	5,131,481	23,950,977	-	(1,934,909)	22,016,068	
<b>Expenditures</b>																
Governance	144,210	-	-	-	-	-	-	-	-	-	-	144,210	-	-	144,210	
Administration	1,530,760	33,061	205,040	1,949,817	28,211	87,644	103,972	306,251	368,953	187,859	281,446	5,083,014	-	(1,674,970)	3,408,044	
Regional Services	-	25,000	-	-	-	798,450	2,395,350	298,959	-	-	4,850,035	8,367,794	-	-	8,367,794	
Operations	-	-	331,600	6,316,829	139,902	-	-	-	-	-	-	6,788,331	2,213,000	-	9,001,331	
Financial Services																
Interest	-	-	-	218,897	4,853	-	-	-	-	-	-	223,750	-	-	223,750	
Other Financing Charges	-	-	3,000	28,000	-	-	-	-	-	-	-	31,000	-	(3,252)	27,748	
Transfer to the Capital Fund - Debt Repayment	-	-	-	1,115,000	59,000	-	-	-	-	-	-	1,174,000	-	(1,174,000)	-	
Transfer to the Capital Fund - Asset Acquisition	-	-	-	828,400	-	-	-	-	-	-	-	828,400	-	(828,400)	-	
Transfer to the Generation Facility Operating Fund	-	-	-	235,219	-	-	-	-	-	-	-	235,219	-	(235,219)	-	
Asset retirement obligation accretion	-	-	-	950,939	-	-	-	-	-	-	-	950,939	-	-	950,939	
Second previous year deficit	-	-	92	96,732	3,253	-	2,940	-	1,303	-	-	104,320	-	(104,320)	-	
Other fiscal services	-	-	-	20,000	-	-	-	-	-	-	-	20,000	-	-	20,000	
	1,674,970	58,061	539,732	11,759,833	235,219	886,094	2,502,262	605,210	370,256	187,859	5,131,481	23,950,977	2,213,000	(4,020,161)	22,143,816	
<b>Surplus (Deficit)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,213,000)	\$ 2,085,252	\$ (127,748)	

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 23. Revenue and Expense Support

Revenue	2025		2024
	(Unaudited)		
	Budget	Actual	Actual
Member charges			
Cooperative and regional planning services	\$ 44,020	\$ 44,020	\$ 763
Local planning services	476,838	476,838	448,842
Solid waste tipping fees	2,445,983	2,645,861	2,487,400
Tourism promotion services	68,105	68,105	57,149
Economic development services	59,005	59,005	71,274
Community development services	175,115	175,115	134,688
Regional transportation services	138,246	138,246	60,512
Public safety committee services	86,246	86,246	74,580
Regional sport recreation and cultural infrastructure support and development services	140,212	140,212	212,682
Total member charges	\$ 3,633,770	\$ 3,833,648	\$ 3,547,890
Sales of services			
Solid waste services			
Tipping fees from other sources			
Industrial, commercial, institutional	\$ 7,006,390	\$ 7,553,141	\$ 6,837,104
Construction and demolition	192,500	272,092	248,725
Special waste	70,660	127,898	107,920
Recycling			
Fibre	16,000	26,387	73,989
Refundable products	-	-	42,372
Metals	80,000	70,046	85,649
Paints	5,000	8,874	9,332
Bale and storage fees	100,000	103,862	84,183
Other	57,500	76,964	85,089
Sorting services	1,171,800	1,340,117	787,960
Other operational revenue			
Compost	390,000	362,120	391,644
Organics	7,000	4,778	6,737
Other	22,000	35,136	33,166
Electrical generation	-	1,127	33,449
Total sales of services	\$ 9,118,850	\$ 9,982,542	\$ 8,827,319

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

Revenue	2025		2024
	(Unaudited)		
	Budget	Actual	Actual
Government transfers			
Federal			
Canada Summer Jobs	\$ -	\$ -	\$ 2,142
Province of New Brunswick			
Canada Community Building Fund	-	-	2,550
Economic and Social Inclusion Corporation	119,023	206,468	136,204
Environment and Local Government	155,427	135,377	634,110
Environmental Trust Fund	-	147,619	87,101
Health	-	25,000	91,667
Plug-in NB	-	5,000	-
Justice and Public Safety	-	123,701	300
Post-Secondary Education, Training and Labour	-	753,676	83,130
Regional Development Corporation	-	18,251	196,957
Regional Services Support Fund	2,533,995	2,346,880	2,003,373
Tourism, Heritage and Culture	-	29,418	
Local Government Cost Sharing Agreements			
Tourism promotion	355,403	355,403	339,171
Economic development	1,145,689	1,145,689	1,067,598
Regional sport, recreation and cultural infrastructure support and development	4,850,035	3,791,566	3,692,196
Total government transfers	\$ 9,159,572	\$ 9,084,048	\$ 8,336,499
Other revenues			
Contract administration fees	\$ 63,876	\$ 63,876	\$ 60,040
WorkSafe NB rebate	-	35,404	80,989
Contributions	-	18,304	15,029
Insurance proceeds	-	4,600	-
	\$ 63,876	\$ 122,184	\$ 156,058
<b>Corporate Services</b>			
<b>Expenditures</b>			
Governance			
Board Members			
Honorariums	\$ 41,770	\$ 40,800	\$ 39,922
Travel	4,000	2,663	1,240
Training and development	70,000	24,719	39,142
Insurance	28,440	18,885	25,856
Total Governance	144,210	87,067	106,160

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 23. Revenue and Expense Support (continued)

Expenditures	2025		2024
	(Unaudited) Budget	Actual	Actual
<b>Corporate Services</b>			
Administration			
Executive Director's Office			
Salaries and benefits	568,670	572,118	571,854
Travel	5,000	6,848	9,576
Training and development	10,000	2,253	3,944
Human Resources			
Salaries and benefits	89,070	52,209	-
Training and development	3,000	-	-
Other	33,000	79,094	40,676
Financial Management			
Salaries and benefits	202,770	165,854	152,264
Training and development	3,500	1,303	2,390
External audit fees	17,500	15,121	18,380
Other Administrative Services			
Advertising and public relations	40,000	10,346	506
Professional services	125,000	90,595	36,188
Legal services	20,000	114,278	25,654
Office buildings	233,950	200,586	206,043
Office equipment and supplies	124,800	78,513	111,290
Printing and copying	24,500	13,911	21,977
Telecommunications	20,000	14,906	26,792
Other	10,000	3,753	2,369
Amortization	-	141,175	47,059
Total Administration	1,530,760	1,562,863	1,276,962
Total Corporate Services Expenditures	1,674,970	1,649,930	1,383,122
Net budget to be allocated to other funds	\$ 1,674,970	\$ 1,649,930	\$ 1,383,122
Corporate expenditures allocated to:			
Cooperative and Regional Planning Services	\$ 33,061	\$ 36,347	\$ 21,576
Local Planning Services	134,088	151,668	144,742
Solid Waste Services	478,806	444,640	338,816
Electrical Generation	15,110	14,122	12,653
Regional Tourism Promotion Services	87,644	72,101	51,976
Regional Economic Development Services	103,972	93,308	99,176
Community Development Services	296,351	302,195	270,996
Regional Transportation Services	155,033	158,562	114,671
Regional Public Safety Committee Services	128,459	135,609	141,765
Regional Sport, Recreation and Cultural Infrastructure Support and Development Services	242,446	241,378	186,751
	\$ 1,674,970	\$ 1,649,930	\$ 1,383,122

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

	2025		2024
	(Unaudited)		
<b>Expenditures</b>	Budget	Actual	Actual
<b>Cooperative and Regional Planning Services</b>			
Allocation from Corporate Services	\$ 33,061	\$ 36,347	\$ 21,576
Regional Planning			
Professional Services	25,000	57,173	-
Total Cooperative and Regional Planning Expenditures	\$ 58,061	\$ 93,520	\$ 21,576
<b>Local Planning Services</b>			
Administration			
Allocation from Corporate Services	\$ 134,088	\$ 151,668	\$ 144,742
Other Administrative Services			
Advertising and public relations	1,500	-	37
Liability insurance	11,020	8,015	10,018
Professional services	27,062	31,573	-
Legal services	15,000	-	27,381
Office equipment and supplies	2,650	29,239	3,249
Printing and copying	800	2,643	-
Telecommunications	9,370	3,356	3,822
Other	3,550	1,979	754
Total Administration	205,040	228,473	190,003
Planning and Building Inspection Services			
Planning Services			
Salaries and benefits	127,610	124,934	118,792
Travel	6,000	7,608	4,453
Training and development	10,000	1,660	2,139
Maps and reference material	1,000	-	-
GIS operating and planet	2,000	823	1,013
Advertising	1,000	-	-
Planning committees	12,000	6,032	6,521
Other	22,800	21,796	206,059
	182,410	162,853	338,977
Inspection Services			
Salaries and benefits	132,090	131,770	128,717
Travel	9,600	1,094	5,376
Training and development	5,000	906	1,274
Maps and reference material	500	125	-
GIS operating and planet	2,000	803	783
Amortization	-	3,732	-
	149,190	138,430	136,150
Total Planning and Building Inspection Services	331,600	301,283	475,127
Fiscal Services			
Other Financing Charges			
Banking service charge	3,000	4,360	4,552
Total Local Planning Expenditures	\$ 539,640	\$ 534,116	\$ 669,682

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 23. Revenue and Expense Support (continued)

Expenditures	2025		2024
	(Unaudited)		
	Budget	Actual	Actual
<b>Solid waste services</b>			
Administration			
Allocation from Corporate Services	\$ 478,806	\$ 444,640	\$ 338,816
Director's Office			
Salaries and benefits	247,710	257,547	255,067
Travel	14,000	15,889	10,586
Training and development	16,500	28,972	13,996
Other Administrative Services			
Advertising	-	-	2,534
Insurance	296,420	224,534	231,314
Professional services	366,000	296,317	165,965
Legal services	10,000	44,627	55,301
Office equipment and supplies	49,350	52,862	33,495
Printing and copying	3,300	3,587	2,814
Telecommunications	13,000	15,337	16,808
Crane Mountain Enhancement Inc (Note 24)	27,126	27,126	26,765
Host Community Enhancement Fund (Note 24)	98,875	98,384	97,558
Host Community Economical Development Fund	67,000	67,000	-
Public education			
Personnel	106,010	110,893	87,734
Advertising, tours and promotional	128,600	119,166	75,681
Other administrative	27,120	7,747	12,379
Amortization	32,000	29,858	28,608
Total Administration	1,981,817	1,844,486	1,455,421
Operations			
Station and buildings			
Repairs and maintenance	8,000	11,556	56,140
Electricity	15,127	10,402	9,295
Property taxes	261,287	271,540	261,286
Environmental health and safety			
Personnel	99,060	90,382	91,298
Other	19,050	12,398	9,128
Amortization	24,000	26,322	24,154
Machinery and equipment			
Small equipment	13,000	9,824	15,345
Fuel	297,400	266,417	248,516
Repairs and maintenance	152,100	139,144	134,677
Amortization	464,000	621,354	529,382

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

Expenditures	2025		2024
	(Unaudited)		
	Budget	Actual	Actual
<b>Solid waste services</b>			
Landfill operations			
Personnel	1,159,262	1,322,652	1,146,679
Site and road maintenance	77,200	59,027	31,047
Monitoring	74,820	65,531	65,348
Site security and safety	34,033	19,206	11,354
Special waste handling	25,000	21,251	16,865
Cell cover material	29,200	182,363	603,836
Leachate personnel	638,110	568,716	485,605
Leachate & siltation management	902,567	752,432	656,996
Gas management and safety supplies	63,300	78,811	54,135
Interest	218,897	122,004	158,587
Amortization	1,311,000	1,035,932	1,008,155
Scale house			
Personnel	195,630	239,268	207,698
Supplies and equipment	25,850	31,433	25,192
Building maintenance	3,500	1,943	9,524
Amortization	39,000	24,539	25,772
Waste diversion			
Personnel - Recycling facility	870,511	792,991	696,876
Recycling facility	192,674	155,763	141,357
Amortization - Recycling facility	111,000	118,786	119,067
Composting program			
Personnel	314,000	310,588	279,720
Processing	706,348	482,236	617,334
Cart and bin purchases	76,800	-	128,442
Amortization	139,000	127,926	124,390
Hazardous household waste			
Collection	2,000	1,630	4,137
Disposal	50,000	60,086	62,847
Other	11,000	535	1,082
<b>Total solid waste operations</b>	<b>8,623,726</b>	<b>8,034,988</b>	<b>8,061,266</b>

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

Expenditures	2025		2024
	(Unaudited)		
<b>Solid waste services</b>	Budget	Actual	Actual
Fiscal Services			
Other Financing Charges			
Debenture issue costs	7,748	7,142	4,615
Banking service charge	17,000	26,791	19,170
Other Fiscal Services			
Bad debt	-	9,890	3,617
Asset retirement obligation accretion	950,939	613,660	589,888
Investment management fees	20,000	22,670	18,774
Total fiscal services	995,687	680,153	636,064
Total Solid Waste Expenditures	\$ 11,601,230	\$ 10,559,627	\$ 10,152,751
<b>Generation Facility</b>			
Other Administrative Services			
Allocation from Corporate Services	\$ 15,110	\$ 14,122	\$ 12,653
Professional services	2,000	-	-
Office building	5,851	4,213	2,859
Office equipment and supplies	750	-	-
Telecommunications	2,500	1,935	2,013
Other	2,000	3,767	1,007
Total Administration	28,211	24,037	18,532
Operations			
Personnel			
Salaries and benefits	58,730	54,496	91,153
Training	3,500	455	1,943
Machinery and equipment			
Fuel and lubricants	26,272	539	8,347
Repairs and maintenance	51,400	20,396	43,482
Amortization	93,000	63,974	98,656
Total Operations	232,902	139,860	243,581
Fiscal Services			
Interest	4,853	4,681	7,048
Other Financing Charges			
Debenture issue costs	-	275	276
Total fiscal services	4,853	4,956	7,324
Total Generation Facility Expenditures	\$ 265,966	\$ 168,853	\$ 269,437

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

<b>Expenditures</b>	<b>2025</b>		<b>2024</b>
	<b>(Unaudited)</b>		
<b>Regional Tourism Promotion Services</b>	Budget	Actual	Actual
Administration			
Allocation from Corporate Services	\$ 87,644	\$ 72,101	\$ 51,976
Other Administrative Services			
Professional services	798,450	985,950	750,500
Legal services	-	1,773	2,284
Total Regional Tourism Promotion Services Expenditures	<u>\$ 886,094</u>	<u>\$ 1,059,824</u>	<u>\$ 804,760</u>
<b>Regional Economic Development Services</b>			
Administration			
Allocation from Corporate Services	\$ 103,972	\$ 93,308	\$ 99,176
Other Administrative Services			
Professional services	2,395,350	2,982,850	2,343,167
Legal services	-	2,309	6,851
Total Regional Economic Development Services Expenditures	<u>\$ 2,499,322</u>	<u>\$ 3,078,467</u>	<u>\$ 2,449,194</u>
<b>Community Development Services</b>			
Administration			
Allocation from Corporate Services	\$ 296,351	\$ 302,195	\$ 270,996
Personnel			
Salaries and benefits	181,399	188,666	91,389
Travel	2,560	4,489	968
Training and development	12,000	4,167	2,143
Other	-	954	1,352
Other Administrative Services			
Advertising and public relations	70,000	3,527	284
Professional services	25,000	93,574	45,087
Office equipment and supplies	5,000	3,206	-
Printing and copying	1,000	-	-
Telecommunications	2,000	2,306	2,030
Other	9,900	3,625	3,544
Total Community Development Services Expenditures	<u>\$ 605,210</u>	<u>\$ 606,709</u>	<u>\$ 417,793</u>

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**

Expenditures	2025		2024
	(Unaudited)		
	Budget	Actual	Actual
<b>Regional Transportation Services</b>			
Administration			
Allocation from Corporate Services	\$ 155,033	\$ 158,562	\$ 114,671
Personnel			
Salaries and benefits	91,670	96,464	-
Travel	1,000	1,318	-
Training and development	1,000	495	-
Other Administrative Services			
Advertising and public relations	1,000	4,019	25
Professional services	60,000	36,167	7,116
Office equipment and supplies	500	-	-
Printing and copying	500	131	329
Transfers to service providers	50,000	82,052	48,927
Other	8,250	4,749	3,862
Total Regional Transportation Services Expenditures	368,953	383,957	174,930
<b>Regional Public Safety Committee Services</b>			
Administration			
Allocation from Corporate Services	\$ 128,459	\$ 135,609	\$ 141,765
Other Administrative Services			
Professional services	55,000	51,377	-
Office equipment and supplies	1,000	-	-
Printing and copying	1,000	-	-
Other	2,400	937	756
Total Regional Public Safety Committee Services Expenditures	\$ 187,859	\$ 187,923	\$ 142,521
<b>Regional Sport, Recreation and Cultural Infrastructure Support and Development Services</b>			
Administration			
Allocation from Corporate Services	\$ 242,446	\$ 241,378	\$ 186,751
Personnel			
Travel	-	-	13
Other Administrative Services			
Professional services	25,000	-	-
Legal services	-	20,558	-
Office equipment and supplies	1,000	-	-
Printing and copying	1,000	-	-
Other	12,000	5,122	2,364
Total Administration	281,446	267,058	189,128

**Fundy Regional Service Commission**

Notes to the Consolidated Financial Statements

December 31, 2025

**23. Revenue and Expense Support (continued)**
**Regional Sport, Recreation and Cultural Infrastructure**
**Support and Development Services**

## Regional Services

## Regional Sport, Recreation and Culture Infrastructure

## Planning and Cost Sharing

Regional facilities cost sharing - Operating costs

Regional facilities cost sharing - Capital projects

 Total Regional Sport, Recreation and Cultural Infrastructure  
 Support and Development Services Expenditures

	<b>2025</b>		<b>2024</b>
	(Unaudited)		
	Budget	Actual	Actual
Regional facilities cost sharing - Operating costs	2,923,035	2,823,035	2,987,106
Regional facilities cost sharing - Capital projects	1,927,000	817,002	720,112
	<u>4,850,035</u>	<u>3,640,037</u>	<u>3,707,218</u>
Total Regional Sport, Recreation and Cultural Infrastructure Support and Development Services Expenditures	<u>\$ 5,131,481</u>	<u>\$ 3,907,095</u>	<u>\$ 3,896,346</u>

**24. Commitments**
**Lease agreement**

The Commission leases office space under a six year agreement which expires December 31, 2029. The lease contains an extension option for two additional terms of five years. The lease requires payment of base rent and additional rent for a portion of operating expenses.

**Crane Mountain Enhancement Inc**

The Commission has committed to provide \$ 20,000 annually (adjusted for one-half of the annual increase for the previous year all goods consumer price index) to Crane Mountain Enhancement Inc (CMEI) to fund monitoring and educational expenditures for the time period that solid waste facilities are operated at the site. The annual payment is reduced accordingly if the cash or near cash assets of CMEI exceed \$ 60,000 (adjusted for one-half of the annual increase for the previous year in the all goods consumer price index).

	<b>2025</b>	<b>2024</b>
Monitoring and education funds transferred	<u>\$ 27,126</u>	<u>\$ 26,765</u>

## Fundy Regional Service Commission

Notes to the Consolidated Financial Statements

December 31, 2025

### 24. Commitments (continued)

#### Host Community Enhancement Fund

As required by New Brunswick Order in Council 2005-112, the Commission allocates a dedicated portion of tipping fees to the Host Community Enhancement Fund for special projects designed to enhance the facility and/or the host community for the time period that solid waste facilities are operated at the site. For 2000 and subsequent years, the Commission has committed to provide \$ 75,000 annually (adjusted for one-half of the annual increase for the previous year in the "all goods consumer price index). The Fund is administered by Crane Mountain Enhancement Inc (formerly Fundy Future Environment and Benefits Council) and the Commission. The eligible funding recipients with project descriptions and funding amounts

Funding Recipient	Project Description	2025	2024
Ducks Unlimited Canada	Wetland field trip program	\$ 3,400	\$ 3,400
Girl Guides of Canada	Back packs	1,453	
Girl Guides of Canada	Tents		1,000
Grand Bay Baptist Church	Community garden deer fencing	8,500	
Grand Bay Community Centre & Rink	Upgrade to LED lighting	35,934	
Grand Bay Primary	Classroom smartboards		4,000
Grand Bay-Westfield Taikwondo	Interlocking foam floor mats	3,499	
Honour Our Veterans	Peace Park Cenotaph improvements		14,400
Inglewood School	Outdoor playground project		4,000
KBM Outing Association	Upstairs flooring	10,000	
KBM Outing Association	Downstairs LED lighting		9,460
KBM Outing Association	Upstairs bathrooms upgrade		14,835
Martinon Community Centre	Crackfill, paint & wall repairs	957	
Martinon Community Centre	Outdoor picnic table	2,398	
Martinon Community Centre	Exterior door		1,001
Martinon Community Centre	Baby changing stations		1,148
Menahqest Wellness Circle	Food growing & wellness activities	6,285	
Nature Trust of New Brunswick	Blueberry Hill and Noremac signage		5,501
River Valley Community Centre	Water treatment system for ice		10,916
RVMS Home & School Association	Playground equipment	14,991	
RVMS Home & School Association	Outdoor ball hockey court nets		7,500
River Valley Middle School	Outdoor bleachers		14,149
River Valley Softball League	Softball nets for River Valley field	1,106	
St. Augustine Cemetery Company Inc.	Garden	3,500	1,000
Westfield and District Recreation Association	Spikeball sets	400	
Westfield and District Recreation Association	Badminton & pickleball equipment		275
Westfield Elementary School	Concrete seating area	4,100	
Westfield Elementary School	Outdoor learning equipment		2,973
Words Works & Workshops	Research, marketing & promotion	250	
1st Ketepec Beavers, Cubs & Scouts	Camping equipment		1,000
1st Westfield Scouts	Various supplies	1,610	
1st Westfield Scouts	Foam sleeping pads & stove systems		1,000
		<u>\$ 98,384</u>	<u>\$ 97,558</u>