



City of Fredericton
2021 ANNUAL REPORT



Fredericton

2021 ANNUAL REPORT

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Message from the Mayor

On behalf of Fredericton City Council, I am pleased to make the City of Fredericton's 2021 Annual Report available. The 2021 report celebrates our successes over the past year. It also provides specific details required by the province related to our operating and financial activities.

In 2021, I was honoured to be elected as Mayor of Fredericton. It has been a privilege to work on Fredericton City Council, where our councillors take on the many challenges that affect our City. I am confident that by working together we can build a more inclusive, vibrant, affordable and healthy City and region.

To inform our work, City Council has previously adopted a new municipal plan and growth strategy. Soon after the election, we also developed a set of guiding principles, which focus on people, building community, prioritizing regional leadership, and maintaining strong fiscal and environmental stewardship.

We are a smart, growing and increasingly diverse city. This report improves on our transparency in the reporting of our local government activities. Council's efforts during 2021, including those related to another year of COVID-19, were in support of our residents, businesses and community groups, whose well-being needs to drive everything that we do.

Thank you,

Mayor Kate Rogers



☆
Steven Hart took over the role of Chief Administrative Officer (CAO) for the City of Fredericton in April 2021. He replaced Chris MacPherson, who retired after 11 years as the City's CAO, and a 40-year career with the City of Fredericton.

In addition, Sara DeGrace became the City's new Deputy Chief Administrative Officer in June 2021. She replaced former Deputy CAO Jeff Trail who retired at the end of March 2021.

Message from the CAO

Fredericton is an incredible city, with passionate citizens, dedicated staff, and an engaged council.

2021 was a year full of change for the municipality. We wished Chris MacPherson (CAO) and Jeff Trail (Deputy CAO) well as they retired in April, after making incredible contributions to our City. We welcomed a new Deputy CAO in Sara DeGrace.

Throughout this period, the team at the City responded exceptionally well to these significant changes. The pace of change was further driven by an election, as well as continued delivery of services throughout COVID-19, and the emerging changes resulting from Local Governance Reform.

With all this change and complexity, comes opportunity. In 2021 we made progress on the goals established by the previous Council and CAO, including:

- Achieving Fredericton's urban vision on both sides of the Saint John River – largely via progressing the Court House in our vibrant downtown, and the NBEX Plan, which was developed with our community partners.
- Strengthening the interaction between the City and our residents –

particularly with the success of Engage Fredericton and our work with BFN and DFI regarding construction project management and communications.

- Supporting our economic growth and mitigating COVID-19 with our hospitality partners and leveraging the Tourism Levy – including an award winning "Dinner's on Us" campaign.
- Completing a robust orientation with our new Council and staff to begin our work together.

My role is to operationalize Council's vision and lead our organization in the effective delivery of programs and services, and to ensure our organization is agile and responsive in order to meet our community's needs of today and the future. From my perspective 2021 was exceptional and unique – and I am immensely proud of our employee's dedication and resilience.

Moving forward, there is much to do as our City grows, and I look forward to working with City Council, staff and our community partners to continue serving the citizens of Fredericton.

Steven Hart, CAO
City of Fredericton

Foreword

This Annual Report is prepared according to section 105 of the *Local Governance Act*, and Regulation 2018-54.

It contains general information about Fredericton, such as its population, tax base, tax rate, user charges, and general information about the municipality, as well as more detailed information regarding City Council, the City's financial statements, the provision of grants, and the types and cost of the services provided.

The Audited Financial Statements are appended as Appendix I. Information related to the City of Fredericton's response to COVID-19 in 2021 is contained in Appendix II.

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Community Profile

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

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

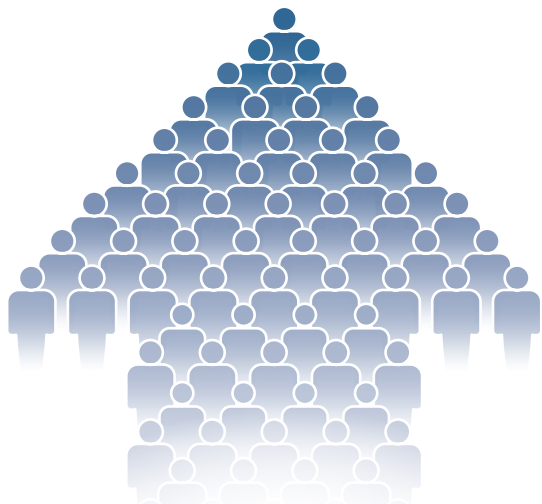
Together with its community stakeholders, the City of Fredericton is working to be the most vibrant, small city in North America.

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



Fredericton

AT A GLANCE



FREDERICTON
POPULATION
63,116

↑ up **7.5%** from 2016

GREATER FREDERICTON
POPULATION
108,610

↑ up **5.8%** from 2016

SECOND urban centre in
FASTEST GROWING New Brunswick;
fifth in Atlantic Canada



Total employment in
Greater Fredericton rose by 11%
between 2017 and 2021



Greater Fredericton is now considered a
**Census Metropolitan
Area (CMA)**



Between 2016 and 2020, **Greater
Fredericton attracted more
immigrants** than any other urban
centre in NB. Growth continued in 2021



Fredericton experienced record-breaking
development in 2021, with **\$187 million**
in development being recorded



Over \$30 million invested
in roads & streets and water & sewer
infrastructure replacement and renewal in 2021



**TOP
CAPITAL
PRIORITIES**



A NEW
**Performing
Arts
Centre**



A NEW
**Regional
Aquatics
Facility**



Fredericton

AT A GLANCE CONTINUED

**115+ kms
of trail**

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

4 skate parks,
including the new
Garrison Skatepark,
which officially opened on
September 23

**251 kms
of sidewalk**

(enough to
stretch past
Amherst, NS)

**560 kms of
roads and
streets**

(enough to almost
reach Quebec City)

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

(747 developed / 613
undeveloped)

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

**28 low-floor
transit buses**

**TRANSIT SERVES OVER
1 MILLION USERS** /per
year

**8 outdoor
rinks,**
(7 natural / 1
with an ice plant)

**7 pickle-ball
courts,**
with more planned

FREDERICTON POLICE FORCE

**100+
DRUG ARRESTS**

which
included the
seizure of:

- **11** Firearms
- **2.15** kilos of Meth
- **18,000** Meth pills

74

— Average of —
**74 CALLS
FOR SERVICE**
— per day —

150 impaired
driving charges



Atlantic Meth
Strategy initiated



New Body Worn Camera
/ Mental Health Program
LAUNCHED

FREDERICTON FIRE DEPARTMENT

FFD responded to

3,908 INCIDENTS in 2021;

just **OVER HALF** were medical assistance calls.



349 FIRES including 33
structural fires



In response to COVID-19
restrictions, launched a new
virtual fire station tour

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City of Fredericton Headlines (Year in Review)

JANUARY	<ul style="list-style-type: none">• City accepts Aquatics Facility Feasibility Study: Reaffirms funding support; Identifies preferred location	
FEBRUARY		
MARCH	<ul style="list-style-type: none">• City Council provides funding for John Howard Society City Motel project to help homeless.	<ul style="list-style-type: none">• Fredericton named to Intelligent Community Forum's Smart21 list for fifth time
APRIL	<ul style="list-style-type: none">• NBEX Site Development Plan adopted	
MAY	<ul style="list-style-type: none">• City introduces Energy and Emissions Plans to address climate change	
JUNE	<ul style="list-style-type: none">• Landmark downtown deal will ensure growth; will result in new Courthouse being built	
JULY	<ul style="list-style-type: none">• City announces Plan to care for Old Loyalist Burial Ground	
AUGUST	<ul style="list-style-type: none">• City takes action towards increasing Social Inclusion and Diversity	
SEPTEMBER	<ul style="list-style-type: none">• City to observe National Day for Truth and Reconciliation as Municipal Holiday	<ul style="list-style-type: none">• City permanently raises Wolastoqey flag in front of City Hall
OCTOBER		
NOVEMBER	<ul style="list-style-type: none">• City and owner collaborate to save historic Lemont Building	<ul style="list-style-type: none">• Council moves forward with final design for Officers' Square
DECEMBER	<ul style="list-style-type: none">• Victoria Circle named International Roundabout of the Year	

Municipal Achievements 2021

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 the successes for 2021.

LEGEND:  Complete  In Progress  Delayed

1 Achieving Fredericton's urban vision on both sides of the River

- Advance and/or complete on-going capital projects, including the Performing Arts Centre, Officers' Square, a new regional aquatics center, the exhibition grounds, and South Core Plan.
- Significant progress has been made on key capital projects:
 - Performing Arts Centre – Funding and site location expected to be confirmed in 2022.
 - Officers' Square – Design plan approved by Council with construction slated to start in 2022.
 - Regional Aquatics Center – Confirmed support from neighbouring communities and design initiative is now being coordinated by the Regional Service Commission (RSC).
 - Exhibition Grounds – Secondary Municipal Plan presented to Council and by-law adoption process approved.
- Maximize the Tourism Levy's potential to support economic growth.
 - Work with local hotel partners to sustain industry during COVID-19.
- Determine and begin to action City Council's direction on affordable housing.
 - Needs analysis complete.
 - Strategy to be announced in 2022.
- Complete a Parks & Recreation Master Plan.
 - Project scoped and charter completed with RFP process to begin in 2022.

2 Strengthening the interaction between the City and our residents

- Fully optimize the Engage Fredericton public engagement effort.
 - Completed and operationalized the Engage Fredericton platform.
- Implement the first phase of the new mass-notification system.
 - Working to find vendor.
- Improve the onboarding of the new City Council.
 - Designed and delivered to new Council.

3 Preparing our organization for the future

- Focus on the employee engagement HR pillar.
 - Corporate level action plan completed; effort ongoing.
- Determine the future use of 335 Queen Street as municipal office space.
 - Sequencing decision with broader building asset management initiative.
- Update the long-term Financial and Asset Management Plans, including the recommended approach from the Community Energy and Emission Plan (CEEP) consultation.
 - Implementation of Community Energy and Emission Plan underway.
 - Long-term planning to start in 2022, in time for 2023 Budget process.
- Implement the Inclusion and Diversity Framework, which outlines how the corporation will be respectful and inclusive of all human differences.
 - Framework being developed; implementation underway.

4 Achieving operational excellence

- Monitor and reduce overtime by resolving underlying cause.
 - Significant progress was made on assessing key overtime gaps and implemented improved tracking strategies within Public Safety to address underlying causes.
- Focus on workforce safety; reduce the incidences of lost time injuries and number of motor vehicle accidents.
 - Our six Joint Health & Safety Committees continued to work very hard to keep our employees safe. Efforts underway.
- Continue to implement operational flexibility / advancements identified during COVID-19.
 - Continued to adjust our approach and remained agile in implementing operational flexibility and advancement through the organization throughout the COVID-19 pandemic. COVID is now integrated with and part of our regular business.



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.

A number of 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 *Municipalities 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. This meant that Fredericton was served by two City Councils in 2021.

City Council (January to May 2021)

The outgoing City of Fredericton Council was elected on May 9, 2016, and sworn into office on May 24, 2016. While the next regular municipal election should have been held in May 2020, due to COVID-19 restrictions, the province extended the terms of municipal governments and postponed elections until May 10, 2021.



Front Row: Stephen Chase, Councillor, Ward 9 (Bishop Drive/Odell Park); Mark Peters, Councillor, Ward 2 (McLeod/Brookside); Mike O'Brien, Mayor; Kate Rogers, Councillor, Ward 11 (East Downtown & Plat/UNB); and, Henri Mallet, Councillor, Ward 12 (Silverwood/Garden Creek).

Back Row: Steven Hicks, Deputy Mayor (as of May 28) and Councillor, Ward 5 (Marysville); Dan Keenan, Councillor, Ward 1 (Clements/Sunset); Eric Megarity, Councillor, Ward 6 (South Devon/Barker's Point/Lower St. Mary's); Kevin Darrah, Councillor, Ward 7 (Southwood Park/Lincoln); Greg Ericson, Councillor, Ward 8 (Skyline Acres); John MacDermid, Councillor, Ward 10 (West Downtown & Plat/Sunshine Gardens); Eric Price, Councillor, Ward 4 (Main Street/North Devon); and, Bruce Grandy, Councillor, Ward 3 (Nashwaaksis North).

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City Council (June to December 2021)

The current City Council was elected on May 10, 2021. Due to a COVID lock down in the north of the province, however, election results were not announced until after 8 pm on May 25, 2021. The new City Council was sworn into office on June 14, 2021.

Mayor Kate Rogers became Mayor of Fredericton, becoming the first woman to hold the position in the history of the City.

Five new councillors were elected to serve on City Council, including four women. This is the largest number of women to ever serve on City Council at one time. Seven City Councillors were returned to office.

As a result of changes related to local governance reform in New Brunswick, this Council will serve a five-year term, as opposed to the normal four-year term. The next municipal election in New Brunswick is scheduled for May 2026.

Mayor & Council 2021-2026

Kate Rogers
Mayor, City of Fredericton

Margo Sheppard
Councillor, Ward 1
(Clements/Sunset)

Mark Peters
Councillor, Ward 2
(McLeod/Brookside)

Bruce Grandy
Councillor, Ward 3
(Nashwaaksis North)

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

Steven Hicks
Councillor, Ward 5
(Marysville)

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

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

Greg Ericson
Councillor, Ward 8
(Skyline Acres)

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

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

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

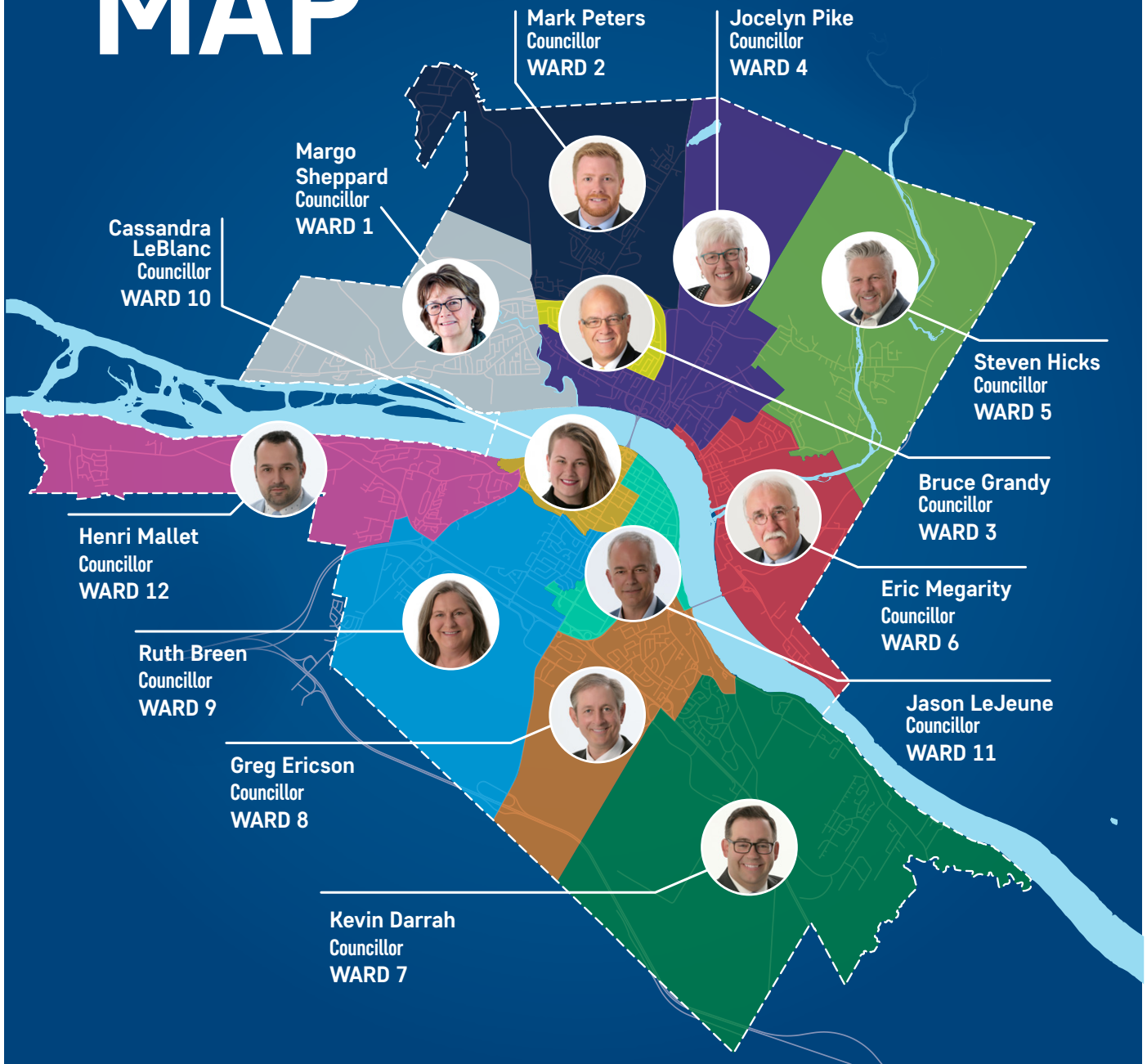
Henri Mallet
Councillor, Ward 12
(Silverwood/Garden Creek)

CITY OF FREDERICTON

WARD MAP



Mayor Kate Rogers
Elected at Large



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.



PEOPLE FOCUSED

We will place people first.

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

REGIONAL LEADERSHIP

We will build regional leadership.

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

BUILDING COMMUNITY

We will build community.

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

FISCAL STEWARDSHIP

We will act to ensure fiscal stewardship.

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

ENVIRONMENTALLY RESPONSIBLE

We will be environmentally responsible.

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

COUNCIL GUIDING PRINCIPLES

Council Vision

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

Council Members and their Responsibilities

City Councillors serve on various committees during their term in office. In 2021, the outgoing and current Council participated in the following committees.

City Council (January to May 2021)

Dan Keenan, Councillor, Ward 1 (Clements/Sunset): Committees: Finance & Administration Committee, Vice-Chair; Community Services Committee, Member; Development Committee, Member; Strategic & External Relations Committee, Member; appointee to the Board of Ignite Fredericton; and Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton, Member.

Mark Peters, Councillor, Ward 2 (McLeod/Brookside): Committees: Community Services Committee, Vice-Chair; Strategic & External Relations Committee, Member; Development Committee, Member; and Planning & Advisory Committee, Member.

Bruce Grandy, Councillor, Ward 3 (Nashwaaksis North): Committees: Development Committee, Chair; Strategic & External Relations Committee, Vice-Chair; Public Safety & Environment Committee, Member; Community Services Committee, Member; Finance & Administration Committee, Member; Transportation Committee, Member; and Performing Arts Centre Design Team Procurement, Council Representative.

Eric Price, Councillor, Ward 4 (Main Street/North Devon): Committees: Public Safety & Environment Committee, Vice-Chair; Finance & Administration, Member; Community Services Committee, Member; Strategic & External Relations Committee, Member; Transportation Committee, Member; Add: Member: Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton; Business Fredericton North Liaison.

Steven Hicks, Deputy Mayor and Councillor, Ward 5 (Marysville): Committees: Strategic & External Relations Committee, Chair; Negotiations Liaison Committee, Chair; and Regional Services Commission Council Representative.

Eric Megarity, Councillor, Ward 6 (South Devon/Barker's Point/Lower St. Mary's): Committees: Development Committee, Vice-Chair; Finance & Administration Committee, Member; Community Services Committee, Member; Public Safety & Environment Committee, Member; Transportation Committee, Member; Strategic & External Relations Committee, Member; and Age-Friendly Community Advisory Committee, Chair. Member: Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton; Multicultural Liaison; NBEX Council Representative; Union of Municipalities of New Brunswick Council Representative; and Preservation Review Board Council Representative.

Kevin Darrah, Councillor, Ward 7 (Southwood Park/Lincoln): Committees: Transportation Committee, Chair; Public Safety & Environment Committee, Member; Development Committee, Member; Strategic & External Relations Committee, Member; Negotiations Liaison Committee, Member; and Planning Advisory Committee, Member.

Greg Ericson, Councillor, Ward 8 (Skyline Acres): Committees: Finance & Administration, Chair; Strategic & External Relations, Member; Community Services Committee, Member; Public Safety & Environment Committee, Member; Fredericton Tree Commission, Member; Mayor's Working Group on Community / Post-Secondary Relations, Member; and Shared Risk Plan Board of Trustees, Member; Development Committee, Member; Transportation Committee, Member; Negotiations Liaison Committee, Member; and Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton, Chair.

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Stephen Chase, Councillor, Ward 9 (Bishop Drive/Odell Park): Committees: Public Safety & Environment Committee, Chair; Transportation Committee, Member; Finance & Administration Committee, Member; and Strategic & External Relations Committee, Member; Community Services Committee, Member; Development Committee, Member; Negotiations Liaison Committee, Member; Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton, Member; and Downtown Fredericton Inc. Liaison, Local Improvement Association of the City of Fredericton (Fredericton Botanic Garden) Liaison.

John MacDermid, Councillor, Ward 10 (West Downtown & Plat/Sunshine Gardens): Committees: Development Committee, Member; Strategic & External Relations Committee, Member; Community Services Committee, Member; Finance & Administration Committee, Member; Public Safety & Environment Committee, Member; Transportation Committee, Member; Planning Advisory Committee, Member; Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton, Member; and Fredericton Public Library Board, Member.

Kate Rogers, Councillor, Ward 11 (East Downtown & Plat/UNB): Committees: Strategic & External Relations Committee, Member; Community Services Committee, Member; Development Committee, Member; Transportation Committee, Vice-Chair; Arts & Culture Advisory Committee, Member; and Fredericton Affordable Housing Committee, Chair.

Henri Mallet, Councillor, Ward 12 (Silverwood/Garden Creek): Committees: Community Services Committee, Chair; Development Committee, Member; Finance & Administration Committee, Member; Strategic & External Relations Committee, Member; Negotiation Liaison Committee, Member; Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton, Member; Association of Francophone Municipalities of New Brunswick, Council Representative; Recreation Advisory Committee, Council Representative, Mayor's Youth Action Team, Council Representative; and Le Centre Communautaire Sainte-Anne, Council Representative.

City Council (June to December 2021)

Kate Rogers, Mayor:

- Ex-officio to all Standing Committees
- Fredericton Affordable Housing Committee, Chair
- UNB Board of Governors, Member

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

- Environmental Stewardship Committee, Vice-Chair
- Economic Vitality Committee, Member
- Fredericton Tree Commission, Council Representative
- Governance & Civic Engagement Committee, Member
- Livable Community Committee, Member
- Municipal Finance & Corporate Administration Committee, Member
- Preservation Review Board, Council Representative
- Public Safety Committee, Member

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

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

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

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

- Mobility Committee, Chair
- Economic Vitality Committee, Member
- Governance & Civic Engagement, Member

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- Ignite Fredericton Board of Directors, Member
- Public Safety Committee, Member

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

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

Steven Hicks, Councillor, Ward 5 (Marysville):

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

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

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

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

- Environmental Stewardship Committee, Chair
- Arts and Culture Advisory Committee, Council Representative

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

Greg Ericson, Deputy Mayor (Councillor, Ward 8 - Skyline Acres):

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

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

- Public Safety Committee, Vice-Chair Environmental Stewardship Committee
- Governance & Civic Engagement, member
- Livable Community Committee, member
- Mayor's Working Committee on Community/ Post-Secondary Relations, Council Representative
- Mobility Committee, Member
- Negotiations Liaison Committee, Member

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

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

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- Multicultural Liaison, Council Representative
- Planning Advisory Committee, Member

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

- Economic Vitality Committee, Chair
- Downtown Fredericton Inc., Council Representative
- Fredericton Affordable Housing Advisory Committee, Council Representative
- Governance & Civic Engagement, Member
- Livable Community Committee, Member
- Mobility Committee, Member
- Public Safety Committee, Member

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

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

Committees

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

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

Standing committees are made up of City Councillors appointed to that role. These committees, in addition to PAC, have regular monthly meetings. Special 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.

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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, except in December when the regular monthly meeting may be held on the second Wednesday. The meeting begins at 7:00 p.m. in City Hall Council Chamber and is open to all members of the public.

Other Advisory Committees, Boards and Commissions

- Administration Committee for the Superannuation Plan for Certain Employees of the City of Fredericton
- Age-Friendly Community Advisory Committee
- Arts and Culture Advisory Committee
- Association of Francophone Municipalities of NB
- Business Fredericton North
- Cities of New Brunswick Association (Mayors only)

- Downtown Fredericton, Inc.
- Fredericton Affordable Housing Committee
- Fredericton Public Library Board
- Fredericton Tree Commission
- Ignite Fredericton
- Le Centre Communautaire Sainte-Anne
- Local Improvement Association of the City of Fredericton
- Fredericton Mayor's Working Committee on Community/Post-Secondary Relations
- Multicultural Liaison
- NBEX Land Development Committee
- Negotiations Liaison Committee
- Performing Arts Centre Design Team Procurement
- Preservation Review Board
- Recreation Advisory Board
- Regional Services Commission
- Shared Risk Plan Board of Trustees
- Union of Municipalities of New Brunswick
- Mayor's Youth Action Team

Council Training & Professional Development

In 2021, the newly elected City Council participated in a two-day Orientation Session upon commencement of their term which included Code of Conduct Training. They had two orientation sessions on the City's pension plans. They also completed Gender-based Analysis Plus (GBA+) training, participated in a Blanket Ceremony given by Under One Sky, Media Training, Inclusion and Diversity Training, as well as Respectful Workplace Training.

Remuneration of Council

BY-LAW NO. A-16

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

	2020	2021
Mayor	annually	annually
Salary:	54,096.26	54,204.45
Benefit Spending Allowance (health/dental)	5,200.00	5,200.00
Subtotal Base Salary:	59,296.26	59,404.45
Allowances:		
Car allowance	7,083.89	7,098.06
Communication allowance	2,804.31	2,809.92
Clothing Allowance	2,190.46	2,194.84
Subtotal Allowances:	12,078.66	12,102.82
Total Salary and Allowances:	71,374.92	71,507.27
Deputy Mayor	annually	annually
Salary:	22,540.13	22,585.21
Benefit Spending Allowance	5,200.00	5,200.00
Subtotal Base Salary:	27,740.13	27,785.21
Allowances:		
Communication allowance	2,804.31	2,809.92
Subtotal Allowances:	2,804.31	2,809.92
Total Salary and Allowances:	30,544.44	30,595.13
Council	annually	annually
Salary:	18,032.09	18,068.15
Benefit Spending Allowance	5,200.00	5,200.00
Subtotal Base Salary:	23,232.09	23,268.15
Allowances:		
Communication allowance	2,804.31	2,809.92
Subtotal Allowances:	2,804.31	2,809.92
Total Salary and Allowances:	26,036.40	26,078.07

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

0.2% increase for 2021

1.7% increase for 2020

2021 ANNUAL REPORT

Meetings of Council

During 2021, City Council followed two meeting schedule formats.

For the first part of the year, regular Council meetings were held on the second and fourth Mondays of the month, with Council-in-Committee meetings taking place the first, third and sometimes the fifth Mondays of the month. Exceptions applied.

Heading into summer, Council-in-Committee and regular Council meetings moved to being held on the second and fourth Mondays of the month. Exceptions applied. As summer ended, Council decided to pilot this meeting formation for the remainder of 2021.

Councillor meeting attendance at Regular Council meetings for 2021 is detailed in the table below:

City Council (January to May 2021)

Present (P) Absent (A)		O'Brien	Keenan	Peters	Grandy	Price	Hicks	Megarthy	Darrah	Ericson	Chase	MacDermid	Rogers	Mallet
Date	Meeting													
11-Jan-21	Council-in-Committee	P	P	P	P	P	P	P	A	P	P	P	P	P
11-Jan-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
18-Jan-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P
25-Jan-21	City Council	P	P	A	P	P	P	P	P	P	P	P	P	P
1-Feb-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P
8-Feb-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
22-Feb-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
1-Mar-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	A	P	P
8-Mar-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
10-Mar-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P
10-Mar-21	Special City Council	P	A	P	P	P	P	P	P	P	P	P	A	P
15-Mar-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P
22-Mar-21	Council-in-Committee	P	P	P	P	A	P	P	A	P	P	P	P	P
22-Mar-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
26-Mar-21	Special City Council	P	P	P	P	A	P	P	P	P	P	A	P	P
6-Apr-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P
12-Apr-21	City Council	P	P	P	A	P	P	P	P	P	P	P	P	P
19-Apr-21	Council-in-Committee	P	A	P	P	P	P	P	P	P	P	P	P	P
26-Apr-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
3-May-21	Council-in-Committee	P	P	P	P	P	P	P	P	P	P	P	P	P

2021 ANNUAL REPORT

(January to May 2021) Continued

Present (P) Absent (A)		O'Brien	Keenan	Peters	Grandy	Price	Hicks	Megarthy	Darrah	Ericson	Chase	MacDermid	Rogers	Mallet
11-May-21	City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
25-May-21	Special City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
25-May-21	City Council	P	A	P	P	P	P	P	P	P	P	P	P	P
31-May-21	Special City Council	A	A	P	P	P	P	P	P	P	P	P	P	P

City Council (June to December 2021)

Present (P) Absent (A) Participating Virtually (V)		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Megarthy	Darrah	Ericson	Breen	Blackmoore	Lejeune	Mallet
* Absent after declaring a conflict of interest														
Date	Meeting													
14-Jun-21	Special City Council-Swearing In Ceremony	P	P	P	P	P	P	P	P	P	P	P	P	P
14-Jun-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
14-Jun-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
21-Jun-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
28-Jun-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
28-Jun-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
12-Jul-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	A	P	P	P	P
12-Jul-21	Pre-Council Closed	P	P	P	P	P	P	P	P	A	P	P	P	P
12-Jul-21	Regular City Council	P	P	P	P	P	P	P	P	A	P	P	P	P
26-Jul-21	Council-in-Committee Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
26-Jul-21	Pre-Council Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
26-Jul-21	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	P
9-Aug-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
9-Aug-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
9-Aug-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
23-Aug-21	Council-in-Committee Closed	P	P	A	P	P	P	A	P	P	P	P	P	V
23-Aug-21	Pre-Council Closed	P	P	A	P	P	P	A	P	P	P	P	P	V

2021 ANNUAL REPORT

(June to December 2021) continued

Present (P) Absent (A) Participating Virtually (V)

* Absent after declaring a conflict of interest

		Rogers	Sheppard	Peters	Grandy	Pike	Hicks	Mearity	Darrah	Ericson	Breen	Blackmoore	Lejeune	Mallet
23-Aug-21	Regular City Council	P	P	A	P	P	P	A	P	P	P	P	P	V
2-Sep-21	Special City Council	P	V	P	P	P	P	P	A	P	P	P	V	P
13-Sep-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
13-Sep-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
13-Sep-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
20-Sep-21	CIC - Budget	P	P	P	P	P	P	P	P	P	P	P	P	P
27-Sep-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	V	P	P	P
27-Sep-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	V	P	P	P
27-Sep-21	Regular City Council	P	P	P	P	P	P	P	P	P	V	P	P	P
12-Oct-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
12-Oct-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
12-Oct-21	CIC - Budget	P	P	P	P	P	P	P	P	P	P	P	P	P
12-Oct-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
18-Oct-21	CIC - Budget	P	P	P	P	P	P	P	P	P	P	P	P	P
25-Oct-21	Pre-Council Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
25-Oct-21	Council-in-Committee Closed	P	P	P	P	P	P	P	P	P	P	P	P	P
25-Oct-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
1-Nov-21	CIC - Budget	P	P	P	P	P	P	P	P	P	P	P	P	P
8-Nov-21	Council-in-Committee Private Closed	P	P	A	A*	P	P	P	P	P	P	P	P	P
8-Nov-21	Council-in-Committee Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
8-Nov-21	Pre-Council Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
8-Nov-21	Regular City Council	P	P	P	P	P	P	P	P	P	P	P	P	P
22-Nov-21	Council-in-Committee Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
22-Nov-21	Pre-Council Closed	P	P	A	P	P	P	P	P	P	P	P	P	P
22-Nov-21	Regular City Council	P	P	A	P	P	P	P	P	P	P	P	P	P
13-Dec-21	Council-in-Committee	A	P	P	P	P	P	P	P	P	P	P	P	P
13-Dec-21	Pre-Council Closed	A	P	P	P	P	P	P	P	P	P	P	P	P
13-Dec-21	Regular City Council	A	P	A	P	P	P	P	P	P	P	P	P	P

Property Tax Rate and User Charges

Fredericton City Council approved a \$125.1 million general fund budget for 2021. As in 2020, the tax rate was \$1.4311 per \$100 per assessment; the inside tax rate was \$1.0733 per \$100 assessment.

This funds all city services, except water and sewer expenses, which are funded by user fees collected quarterly through water and sewer bills.

The water and sewer utility budget for 2021 is \$22.3 million. By law, New Brunswick municipalities must have balanced budgets; deficits are not permitted.

Where the money comes from...

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

- Residential property tax generated 88.4% of the budget or \$110.6M.
- User charges, licences, fees and other revenues resulted in 10% of the budget or \$12.5M, and
- The Unconditional Grant from the Province of New Brunswick totalled 1.6% of the budget or \$2M.

Where the money goes...

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

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



2021 ANNUAL REPORT

Additional Budget Highlights

 Community Grants
\$803k

 Increase from Property Tax Revenue [7.5%]
\$2.4M

 Savings from Innovation | Efficiencies
\$214k

 Increased Market Assessment
\$0.74%

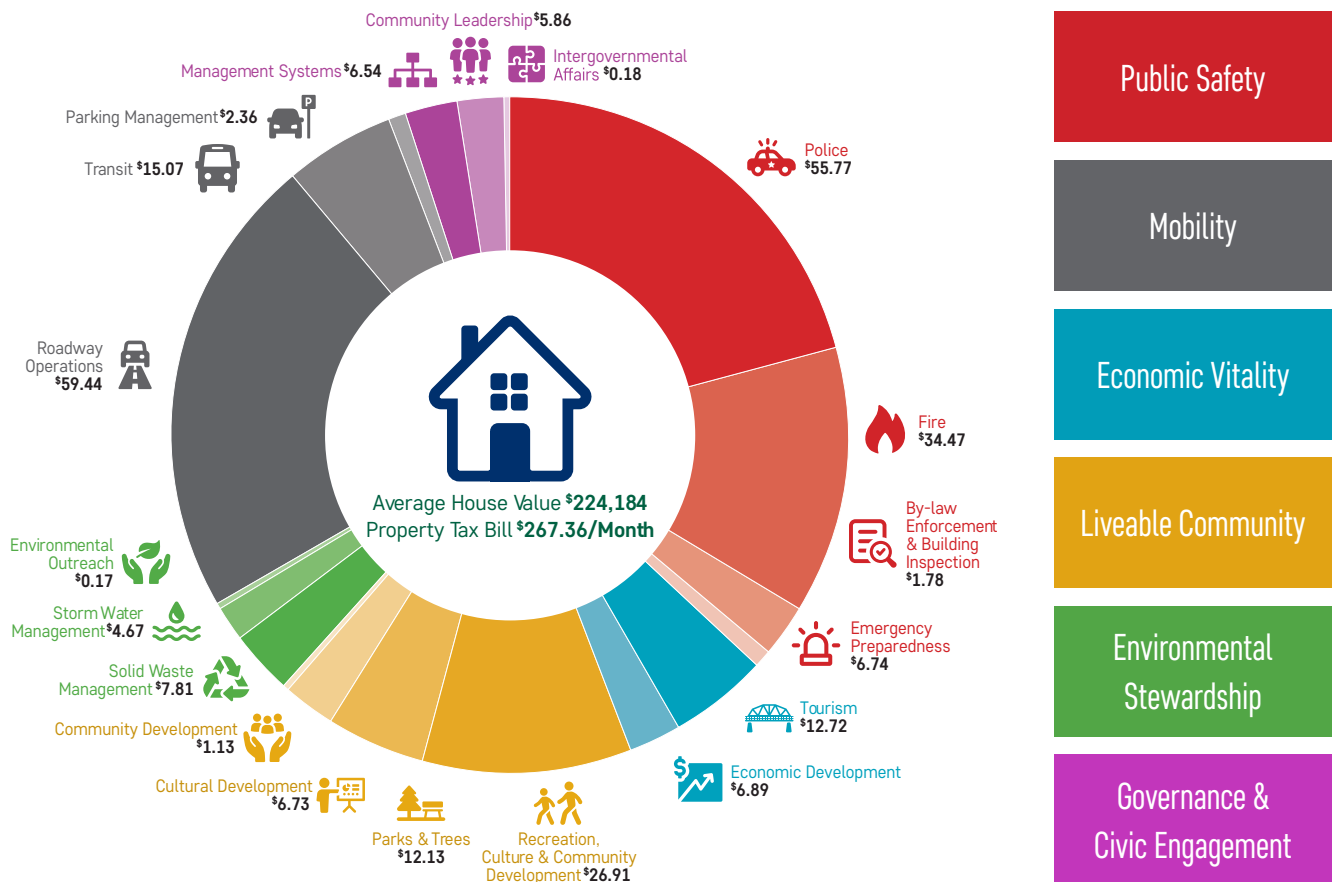
Residential Tax Dollars: A Monthly Breakdown

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 2021, the average assessed value of a house in Fredericton is \$224,184 making the average property tax bill for the year \$3,208 or \$267.36 per month.

2021 VALUE FOR SERVICE

Your Property Tax Dollars: A Monthly Breakdown



2021 ANNUAL REPORT

Water & Sewer Utility

With water consumption up in Fredericton in 2020, the City's Water & Sewer Utility set aside its ongoing rate strategy and recommended that water & sewer rates not increase in 2021. Rates for 2021 remained at \$117.20 for the quarterly service charge and a usage fee of \$1.86/m³.

The total Water & Sewer Budget is \$22.3M, with \$11.5M going towards Capital projects.

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



CITY OF FREDERICTON

WATER & SEWER UTILITY 2021

REPORT CARD

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



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



2021 BUDGET

OPERATING \$22.3M CAPITAL \$11.5M

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

2021 RATES

QUARTERLY SERVICE CHARGE \$117.20 USAGE RATE \$1.86/m³

LOWEST RATES IN THE REGION.
An average family of four pays \$840.00 a year for water and sewer services.



During 2021, and throughout the COVID-19 pandemic, we understood that times were tough for many. The Utility worked with customers that had outstanding water & sewer bills to find ways to keep their water running.



KEY RENEWAL PROJECTS

ROOKWOOD REGENCY (QUEEN TO KING) BROOKSIDE DRIVE AT NEVILLE	UNION WILSEY FAIRVIEW AND ARLINGTON RANKINE	HUMMINGBIRD CANADA MAPLE LIMERICK LILAC	HILLCOURT MCADAM WINTER SUMMER
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KEY SUCCESSES



Installed a back up power generator at EJ Bliss treatment plant



Upgrading the electrical supply at WL Barrett treatment plant



Replaced 4600m water main and 4700m of sanitary sewer main



#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.

COMPLETED MAINTENANCE

at the Garden Creek Lagoon

The work removed sediment and items like personal wipes, etc., that had accumulated in the lagoon from sewage treatment over the years. With the support of area residents not flushing personal wipes, etc., down the toilet, the work will optimize the performance of the lagoon for the coming decade.

YOUR UTILITY AT A GLANCE...



880 kms of pipe almost enough to stretch to Halifax... and back!



1 water resource recovery facility



10 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



35 sewage lift stations

Providing safe drinking water. Treating wastewater responsibly.

2022 BUDGET

OPERATING \$23.2M CAPITAL \$11.7M

2022 RATES

QUARTERLY SERVICE CHARGE \$123.80 USAGE RATE \$1.94/m³

Fredericton

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

2021 ANNUAL REPORT

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, the Arts, Culture and Heritage Funding Grants, and the Ambassadorship / Traveling Athlete Grants.

Grants for Tourism Purposes

In 2021, the City of Fredericton issued grants for tourism purposes totalling \$500 or more as seen below:

Total Expenditures: \$129,734

DESCRIPTION	2021 Actual
Sport Tourism - Event SEED Funding	32,695
Sport Tourism - Development	22,039
Canadian Curling Association	75,000
Subtotal for Tourism Purposes	\$129,734



Grants for Social or Environmental Purposes

In 2021, the City of Fredericton issued grants for social or environmental purposes totalling \$500 or more as seen in the table below:

Total Expenditures: \$1,947,062

DESCRIPTION	2021 Actual
John Howard Society	900,000
UNB (Sir Max Aitken Pool)	140,000
UNB Venture Campaign	100,000
Public Library	86,160
Arts & Heritage - Project Support	85,500
Capital Winter Club – Strategic Capital Grant	75,000
Harvest Jazz & Blues Festival	65,000
Beaverbrook Art Gallery Capital Campaign	50,000
Regional Museum Parking Agreement	38,360
Cultural Plan Implementation (Artist in Residence/Ethno-Cultural)	35,500
NBEX	32,500
Military Compound	31,350
Science East – Strategic Capital Grant	30,000
Beaverbrook Art Gallery	27,500
S.P.C.A. - Operating	26,367
York Sunbury Historical Society	26,000
Fredericton Civic Pride Committee	23,750
Botanic Gardens	23,285
NB Youth Orchestra	22,000
Science East	21,000
Fredericton Loyalist Rugby Club – Strategic Capital Grant	14,600
Fredericton Concert & Marching Band-Grant	10,000
Centre communautaire Sainte-Anne	8,000
YM-YWCA Youth Program	7,650
Military Compound - Free Program	7,290

2021 ANNUAL REPORT

Grants for Social or Environmental Purposes Continued

DESCRIPTION	2021 Actual
Fredericton Outdoor Summer Theater (FrOST)	7,000
Bard in the Barracks	6,500
Fredericton Arts Alliance	6,000
Shivering Songs	5,000
Fredericton Pride	5,000
Fredericton Society of St Andrews Pipe Band	5,000
Multicultural Association	5,000
Flourish Festival	5,000
Notable Acts Theatre Company	4,500
Branch Out Productions	3,500
Crime Stoppers	2,500
NB African Association	2,500
Kinsmen Santa Claus Parade	2,000
Activity Support	1,000
Subtotal for Social or Environmental Purposes	\$1,947,062

Grants for Economic Development Opportunities

In 2021, the City of Fredericton issued grants for economic development purposes totalling \$500 or more as seen in the list below:

Total Expenditures: \$2,325,325

DESCRIPTION	2021 Actual
Fredericton Convention Centre	950,000
Ignite Fredericton	704,272
Fredericton Playhouse Inc Operating grant	479,100
Fredericton Playhouse Inc Capital grant	60,000
Immigration Coordinator	45,953
Business Fredericton North	50,000
Subtotal for Economic Development Purposes	\$2,325,325



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: \$7,432,631

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: \$45,163,738

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: \$21,625,025

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: \$4,886,522

Includes:

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

v) Environmental Health Services - Utility Fund

Total Expenditures: \$30,036,835

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: \$6,884,266

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: \$17,334,149

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: \$40,668,231

Includes:

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

2021 ANNUAL REPORT

COVID-19 and the City of Fredericton

Throughout 2021, the City of Fredericton continued to adjust its operations in response to the challenges presented by the ongoing COVID-19 pandemic. The City's Emergency Measures Organization (EMO) also continued to take the lead on the City's response.

As in 2020, we continued to adjust our operations based on the direction of the Chief Medical Officer of Health and the Government of New Brunswick. Our primary focus was always to keep our staff and the public safe, while continuing to deliver municipal programs and services, especially those deemed essential.

From a public perspective, we continued to update our COVID-19 web page – www.fredericton.ca/coronavirus with the most current information.

We also continued to advise the public of any changes to our programs and services using our various social media channels. External and internal changes related to COVID-19 were communicated with staff in a variety of ways.

The City also continued to support local businesses by participating in the #SupportFredLocal effort, along with local community and business agencies. For a detailed summary of timelines associated with COVID-19 during 2021, see Appendix II of this report.

Dwayne Killingbeck,
*Fire Chief, Fredericton Fire Department
(Director, City of Fredericton Emergency
Measures Organization)*

March 2022



APPENDIX I - AUDITED FINANCIAL STATEMENT

CITY OF FREDERICTON

Consolidated Financial Statements

Year ended December 31, 2021

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Independent auditor's report

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

Opinion

We have audited the consolidated financial statements of the City of Fredericton [the "City"], which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net surplus and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2021 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

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

Other information

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

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



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

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

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

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

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

Fredericton, Canada
April 11, 2022

Ernst & Young LLP

Chartered Professional Accountants



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CITY OF FREDERICTON

Consolidated Statement of Financial Position

As at December 31, 2021

	2021	2020
Financial assets		
Cash and cash equivalents <i>[note 2]</i>	\$ 60,130,656	\$ 52,871,383
Investments	4,682,889	5,307,873
Accounts receivable	14,774,177	9,272,433
Accrued pension asset <i>[note 8]</i>	5,149,600	5,198,100
Assets held for sale	-	806,374
	\$ 84,737,322	\$ 73,456,163
Liabilities		
Accounts payable and accrued liabilities	\$ 13,137,098	\$ 9,446,604
Deferred revenue	3,813,889	4,166,688
Deferred government transfers <i>[note 4]</i>	8,396,633	5,160,678
Deposits <i>[note 3]</i>	794,576	1,482,419
Long-term debt <i>[note 5]</i>	39,143,541	37,188,113
Long-term commitment <i>[note 17]</i>	1,784,255	2,086,386
	\$ 67,069,992	\$ 59,530,888
Net surplus	\$ 17,667,330	\$ 13,925,275
Non-financial assets		
Tangible capital assets <i>[note 20]</i>	\$ 615,803,835	\$ 598,898,890
Supplies inventory	2,793,178	2,916,329
	\$ 618,597,013	\$ 601,815,219
Accumulated surplus	\$ 636,264,343	\$ 615,740,494

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, 2021

	2021 Budget	2021 Actual	2020 Actual
Revenue			
Property taxes	\$ 110,537,926	\$ 111,089,470	\$ 108,183,452
Community funding and equalization grant	2,026,188	2,026,188	1,890,636
Federal grant in lieu of taxes adjustment	11,627	11,627	1,742
Services to other governments	3,792,667	3,751,796	3,419,153
Sales, fines and other fees	27,667,499	29,047,882	27,067,387
Interest and return on investments	284,500	1,110,810	914,179
Third party contributions	-	13,742,607	10,310,761
	\$ 144,320,407	\$ 160,780,380	\$ 151,787,310
Expenses			
General Government Services - Corporate	\$ 1,506,840	\$ 728,332	\$ 2,059,163
Sustainable Infrastructure	2,222,863	1,718,021	1,862,451
Economic Vitality	8,666,982	8,114,575	8,012,429
Environmental Stewardship	5,050,732	5,351,348	4,826,583
Governance and Civic Engagement	5,295,333	6,005,005	4,687,703
Livable Community	20,968,371	20,665,102	22,720,450
Mobility [including Transit]	31,306,158	31,057,512	30,476,828
Public Safety	46,000,266	45,661,100	46,333,366
Water and Wastewater	16,903,271	20,955,536	17,288,065
	\$ 137,920,816	\$ 140,256,531	\$ 138,267,038
Annual surplus	\$ 6,399,591	\$ 20,523,849	\$ 13,520,272
Accumulated surplus, beginning of year	588,357,639	615,740,494	602,220,222
Accumulated surplus, end of year	\$ 594,757,230	\$ 636,264,343	\$ 615,740,494

See accompanying notes

CITY OF FREDERICTON

Consolidated Statement of Changes in Net Surplus

For the year ended December 31, 2021

	2021 Budget	2021 Actual	2020 Actual
Annual surplus	\$ 6,399,591	\$ 20,523,849	\$ 13,520,272
Acquisition of tangible capital assets	(27,804,750)	(47,642,524)	(31,488,932)
Disposal of tangible capital assets	4,222,261	7,262,777	2,420,176
Amortization of tangible capital assets	22,968,188	23,474,802	24,601,879
Increase (decrease) in supplies inventory	-	123,151	(212,585)
	\$ (614,301)	\$ (16,781,794)	\$ (4,679,462)
Increase in net surplus	5,785,290	3,742,055	8,840,810
Net surplus, beginning of year	13,925,275	13,925,275	5,084,465
Net surplus, end of year	\$ 19,710,565	\$ 17,667,330	\$ 13,925,275

See accompanying notes

CITY OF FREDERICTON

Consolidated Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Operating activities		
Annual surplus	\$ 20,523,849	\$ 13,520,272
Items not affecting cash		
Amortization of tangible capital assets	23,474,802	24,601,879
Loss on sale of tangible capital assets	2,955,364	2,055,854
Uses		
Change in working capital	(2,499,093)	(4,744,743)
Change in accrued pension asset	48,500	547,700
Change in assets held for sale	806,374	-
Change in deferred revenue	(352,799)	392,700
Change in deferred government transfers	3,235,955	7,801
Change in long-term commitment	(302,131)	(303,422)
Change in supplies inventory	123,151	(212,586)
Cash provided by operating activities	\$ 48,013,972	\$ 35,865,455
Capital activities		
Proceeds on sale of tangible capital assets	4,307,413	364,323
Acquisition of tangible capital assets	(47,642,524)	(31,488,932)
Cash used in capital activities	\$ (43,335,111)	\$ (31,124,609)
Financing activities		
Proceeds of long-term debt	5,964,000	-
Repayment of long-term debt	(3,877,783)	(3,765,976)
Capital lease principal repayments	(130,789)	(220,369)
Cash provided by (used in) financing activities	\$ 1,955,428	\$ (3,986,345)
Investing activities		
Change in long-term investments	624,984	100,323
Cash provided by investing activities	\$ 624,984	\$ 100,323
Change in cash and cash equivalents	7,259,273	854,824
Cash and cash equivalents, beginning of year	52,871,383	52,016,559
Cash and cash equivalents, end of year	\$ 60,130,656	\$ 52,871,383

See accompanying notes

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

1. Significant accounting policies:

(i) Reporting entity:

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

Owned/controlled corporations

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

(ii) Basis of accounting:

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

(iii) Revenue recognition:

Revenue is recognized on the accrual basis and is measurable as it is earned. 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, 2021

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 and/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, 2021

1. Significant accounting policies (continued)

(vi) Tangible capital assets (continued)

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

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

(vii) Employee future benefits

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

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

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

Current service costs are expensed during the year.

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

b) The City has a Supplemental Executive Retirement Plan ["SERP"] for eligible employees [see note 8].

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

2. Cash and cash equivalents

Cash and cash equivalents are recorded at cost, which approximates their quoted market value, and are redeemable upon demand. Included in this amount are funds internally restricted by City Council for predetermined projects in the amount of \$36,827,220 [2020 - \$37,071,490].

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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.

	2021	2020
Foundation locations	\$ 86,500	\$ 87,000
Tenders	52,914	63,175
Infrastructure fees	306,796	306,796
Performance bonds	205,806	205,806
Animal control and other	240	240
Development fees	8,541	673,511
Water and sewer installations	133,779	145,891
	<u>\$ 794,576</u>	<u>\$ 1,482,419</u>

4. Deferred government transfers

Funding received as part of the Gas Tax 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:

	2021	2020
Gas Tax Funding	<u>\$ 8,396,633</u>	<u>\$ 5,160,678</u>

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, 2021

5. Long-term debt

	2021	2020
General Fund		
Debentures, 20-year amortization period:		
Maturing in 2023 bearing interest at 2.10% to 5.55%	4,377,000	4,903,000
Maturing in 2026 bearing interest at 1.45% to 2.90%	4,298,671	5,120,196
Maturing in 2026 bearing interest at 1.45% to 2.90%	807,512	961,836
Maturing in 2028 bearing interest at 2.10% to 3.45%	1,615,542	1,827,476
Maturing in 2029 bearing interest at 1.95% to 2.45%	10,282,000	11,452,000
Maturing in 2030 bearing interest at 0.50% to 1.80%	5,602,000	6,197,000
Maturing in 2033 bearing interest at 1.35% to 4.00%	6,003,000	6,402,000
Maturing in 2041 bearing interest at 0.86% to 2.96%	5,964,000	-
	38,949,725	36,863,508
Capital lease obligations with implicit interest rates of 2.85% and 4.54%	193,816	324,605
Total long-term debt	\$ 39,143,541	\$ 37,188,113

The General Fund debentures are amortized over 20-years with fixed rates of interest over the initial 10-year term.

The City has obtained approval of the Municipal Capital Borrowing Board for the long-term debt, and expects to renew each of the debentures for an additional term of 10 years as they mature.

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

2022	4,198,473
2023	4,298,910
2024	4,388,890
2025	4,486,948
2026 and thereafter	21,576,504
	\$ 38,949,725

Interest in the amount of \$1,048,040 [2020 - \$1,263,956] relating to the debentures is included in interest expense.

Capital lease obligations due within the next two years are as follows:

2022	109,733
2023	84,083
Total minimum lease payments	\$ 193,816

Interest in the amount of \$14,968 [2020 - \$23,467] relating to the capital lease obligations is included in interest expense.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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 \$78,814,000, of which \$5,964,000 was financed in 2021, \$8,950,000 in 2013, \$1,100,000 in 2012, \$11,000,000 in 2010, \$21,800,000 in 2009, \$13,500,000 in 2008, and \$16,500,000 in 2006 by the New Brunswick Municipal Finance Corporation. Of this amount, \$9,934,000 and \$2,251,000 were refinanced with internal inter-fund debentures in 2016 and 2018 respectively.

		<u>Approved</u>	<u>Borrowed</u>
Recreation and Cultural	OIC 06-02	\$ 14,350,000	\$ 14,350,000
Recreation and Cultural	OIC 06-23	5,900,000	5,900,000
Recreation and Cultural	OIC 06-43	9,360,000	9,360,000
Protective Services	OIC 06-43	5,400,000	5,400,000
Protective Services	OIC 07-17	1,400,000	1,400,000
General Government	OIC 07-55	3,040,000	3,040,000
General Government	OIC 07-66	1,000,000	1,000,000
General Government	OIC 09-08	30,800,000	30,800,000
Protective Services	OIC 10-72	500,000	500,000
Environmental Health	OIC 11-06	1,100,000	1,100,000
General Government	OIC 21-0048	9,487,000	5,964,000
Total authorizations to December 31, 2021		<u>\$ 82,337,000</u>	<u>\$ 78,814,000</u>

Of the total amount borrowed, \$38,949,725 [2020 - \$36,863,508] remains to be repaid [see note 5].

7. Capital commitments

There are no significant capital commitments outstanding as at December 31, 2021 [2020 - nil].

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

8. Pension asset/liability

a - Superannuation Pension Plan

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

An actuarial valuation of the Plan was completed for December 31, 2019 and extrapolated to December 31, 2021.

	2021	2020
Plan assets, at market-related value, January 1	\$ 102,243,700	\$ 91,319,100
Contributions - City	2,241,400	2,208,600
Contributions - employee required	1,868,900	1,886,000
Benefit payments	(6,587,000)	(3,199,200)
Administrative expenses paid from plan assets	(250,000)	(250,000)
Expected earnings on market-related value	5,346,600	5,170,700
Actuarial (loss) gain	(113,100)	5,108,500
Plan assets, at market-related value, December 31	\$ 104,750,500	\$ 102,243,700
Accrued benefit obligation, January 1	\$ 101,096,100	\$ 91,661,800
Current service cost	3,377,700	3,276,000
Benefit payments	(6,587,000)	(3,199,200)
Interest on accrued benefit obligation	5,270,600	5,178,500
Net actuarial (gain) loss	(14,666,300)	4,179,000
Accrued benefit obligation, December 31	\$ 88,491,100	\$ 101,096,100
Unamortized actuarial losses, January 1	\$ (4,428,400)	\$ (6,484,200)
Current-year gains (losses) on accrued obligation	14,666,300	(4,179,000)
Actuarial (losses) gains on pension fund assets	(113,100)	5,108,500
Amortization of prior-year actuarial losses	617,000	1,126,300
Unamortized actuarial gains (losses), December 31	\$ 10,741,800	\$ (4,428,400)
Net pension fund asset comprising:		
Accrued benefit obligation	\$ 88,491,100	\$ 101,096,100
Less plan assets	(104,750,500)	(102,243,700)
Plus unamortized gains (losses)	10,741,800	(4,428,400)
Net pension fund asset	\$ (5,517,600)	\$ (5,576,000)
City portion of Plan expenses		
Current year benefit cost	\$ 3,627,700	\$ 3,526,000
Less employee contributions	(1,868,900)	(1,886,000)
Add amortization of actuarial losses	617,000	1,126,300
	2,375,800	2,766,300
Interest during the year on average pension liability (asset)	(76,000)	7,800
Pension-related expense	\$ 2,299,800	\$ 2,774,100

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

8. Pension asset/liability (continued)

b - Supplemental Executive Retirement Plan

	2021	2020
Accrued actuarial obligation	\$ 368,000	\$ 377,900

c - Net Pension Asset/Liability

	2021	2020
Superannuation Pension Plan	\$ (5,517,600)	\$ (5,576,000)
Supplemental Executive Retirement Plan	368,000	377,900
	\$ (5,149,600)	\$ (5,198,100)

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

Discount rate:	6.60% for 2021 year-end disclosures [5.30% for fiscal 2021 expense and 2020 year-end disclosures]
Inflation rate:	2.00% [2020 - 2.00%] per annum
Salary growth rate:	2.75% [2020 - 2.75%] per annum, plus promotional and merit scale
Retirement age:	60% [2020 - 60%] at the age first eligible for an unreduced pension, 20% [2020 - 0%] at 35 years of service [if prior to age 65], remainder at age 65 [2020 - 65]

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

Discount rate:	1.85% [2020 - 1.85%] per annum
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The Superannuation Pension Plan for certain employees of the City is exempted from funding on a solvency basis. The exemption was approved by the New Brunswick Superintendent of Pensions and recorded effective May 5, 2014.

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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, 2021 are as follows:

	2021	2020
Accrued benefit liability as at January 1	\$ 10,866,600	\$ 10,157,300
Current service cost	846,800	824,100
Interest on obligation	239,800	235,300
Benefit payments	(1,041,000)	(617,000)
Amortization of losses	266,900	266,900
Accrued benefit liability as at December 31	\$ 11,179,100	\$ 10,866,600
Restricted cash and investments for retirement allowance	\$ 11,179,100	\$ 10,866,600
Net accrued benefit obligation	\$ -	\$ -
City portion of benefit expenses		
Current-period benefit cost	\$ 846,800	\$ 824,100
Interest cost	239,800	235,300
Amortization of losses	266,900	266,900
Retirement allowance expense	\$ 1,353,500	\$ 1,326,300

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

Discount rate:	1.85% [2020 - 1.85%] per annum
Salary growth rate:	2.75% [2020 - 2.75%] per annum, plus promotional and merit scale
Retirement age:	60% at the age first eligible for an unreduced pension, remainder at age 65

10. Expenses by object

	2021	2020
Salaries and benefits	\$ 73,852,323	\$ 72,872,114
Goods and services	38,911,034	37,449,768
Amortization	23,474,802	24,601,879
Interest	1,063,009	1,287,423
Other	2,955,363	2,055,854
	\$ 140,256,531	\$ 138,267,038

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

11. Contingencies

(i) The City provided a letter of guarantee in 2013 in support of a loan by Capital Region Community Tennis Centre Inc. up to an amount of \$670,000 with National Bank for a term not to extend beyond 2016. City Council guaranteed an extension of 24 months at the November 13, 2018 Council Meeting. Further, City Council guaranteed an extension of 24 months at the December 3, 2020 Council Meeting. The outstanding loan balance at December 29, 2021 amounts to \$18,200.

(ii) 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 have agreed to have a portion of their property taxes paid to the City in order to help fund a proportional amount of the capital and operating expenses of the facilities. The contributions are collected by the Province of New Brunswick, then distributed to the City by the Minister of Local Government. Contributions under this agreement for the current year amounted to \$585,499 [2020 - \$566,955] and are included in revenue under services to other governments.

13. Other

Funds held in trust

Trust fund assets administered by the City for the benefit of external parties in the amount of \$746,554 [2020 - \$693,605] are not included in these consolidated financial statements.

Lease Arrangement

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

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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

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

Environmental Stewardship

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

Economic Vitality

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

Livable Community

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

Water and Wastewater (Utility Operations)

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

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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, 2021 represent current transactions except as noted below and are in compliance with the policy established by the Department of Environment and Local Government.

(ii) Restrictions on municipal borrowings

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

(iii) Water cost transfer

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

(iv) Second previous year's surplus

The *Local Governance Act* requires that the General Operating Fund surplus (deficit) be absorbed into the operating budget of the second subsequent year and that the Water and Sewerage Operating Fund surplus (deficit) be absorbed into one or more of the three operating budgets commencing with the second following year [see note 21].

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 the Saint Mary's First Nation for Native policing services. Amounts included relating to expenses and recoveries are as follows:

	2021	2020
Native policing expenses	\$ 816,058	\$ 722,806
Federal contribution	(311,628)	(303,288)
Provincial contribution	(287,656)	(279,958)
City contribution	\$ 216,774	\$ 139,560

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

17. Shared risk pension

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

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

As a result of the 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 \$1,784,255.

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

2022	300,815
2023	299,474
2024	298,108
2025	296,715
2026 and thereafter	589,143
	<u>\$ 1,784,255</u>

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 Plan was conducted as at March 31, 2021. At that date, the open group funded ratio of the Plan was 116.9% [2020 - 105.9%].

18. Pension plan asset split

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

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

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

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

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

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

Eckler Limited has been appointed as Plan Actuary effective March 2021. The actuary is currently working on completing the new actuarial valuations for 2013 to present and it is anticipated that it will be presented and approved by the Administration Committee in early 2022 for submission to the Superintendent of Pensions. In conjunction with the new actuarial valuations, Eckler will be bringing forward options regarding contributions, funding levels and CRA exemptions if required.

Notes to Consolidated Financial Statements
Year ended December 31, 2021

General Government Services - Corporate
Governance & Civic Engagement

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CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

20. Schedule of Tangible Capital Assets

	Land	Land improvements	Buildings	Vehicles	Machinery and equipment	Treatment facilities	Linear assets	Assets under construction	2021 Total	2020 Total
Cost										
Balance, beginning of year	\$ 15,215,158	\$ 25,114,799	\$ 156,124,734	\$ 34,053,359	\$ 31,015,033	\$ 76,517,003	\$ 594,288,492	\$ 5,387,657	\$ 937,716,235	\$ 918,416,315
Net additions during the year	8,797,960	2,179,649	2,013,341	1,047,491	1,680,088	1,126,440	27,836,374	2,961,181	47,642,524	\$ 31,488,932
Disposals during the year	(3,085,822)	(289,984)	(148,797)	(1,485,380)	(888,284)	(18,198)	(17,970,548)	-	(23,887,013)	\$ (12,189,012)
Balance, end of year	\$ 20,927,296	\$ 27,004,464	\$ 157,989,278	\$ 33,615,470	\$ 31,806,837	\$ 77,625,245	\$ 604,154,318	\$ 8,348,838	\$ 961,471,746	\$ 937,716,235
Accumulated Amortization										
Balance, beginning of year	\$ -	\$ 9,244,261	\$ 60,526,450	\$ 16,264,217	\$ 14,023,943	\$ 33,759,173	\$ 204,999,301	\$ -	\$ 338,817,345	\$ 323,984,302
Amortization during the year	-	1,068,544	4,893,976	2,358,851	2,423,404	2,216,058	10,515,969	-	23,474,802	\$ 24,601,879
Accumulated amortization on disposals	-	(192,093)	(148,797)	(1,243,801)	(837,727)	(18,198)	(14,183,620)	-	(16,624,236)	\$ (9,768,836)
Balance, end of year	\$ -	\$ 10,120,712	\$ 65,271,629	\$ 17,377,267	\$ 15,609,620	\$ 35,957,033	\$ 201,331,650	\$ -	\$ 345,667,911	\$ 338,817,345
Net book value of tangible capital assets	\$ 20,927,296	\$ 16,883,752	\$ 92,717,649	\$ 16,238,203	\$ 16,197,217	\$ 41,668,212	\$ 402,822,668	\$ 8,348,838	\$ 615,803,835	\$ 598,898,890
Consists of:										
General Fund Assets	\$ 19,553,586	\$ 16,883,752	\$ 92,717,649	\$ 14,402,875	\$ 14,671,849	\$ -	\$ 227,209,732	\$ 5,831,518	\$ 391,270,961	\$ 378,134,217
Water and Sewer Fund Assets	1,373,710	-	-	1,835,328	1,525,368	41,668,212	175,612,936	2,517,320	224,532,874	\$ 220,764,673
	\$ 20,927,296	\$ 16,883,752	\$ 92,717,649	\$ 16,238,203	\$ 16,197,217	\$ 41,668,212	\$ 402,822,668	\$ 8,348,838	\$ 615,803,835	\$ 598,898,890

The City has tangible capital assets under capital leases as follows, included in the amounts listed above:

	Historical cost	Accumulated amortization	Net book value
Vehicles	\$ 308,346	\$ 77,087	\$ 231,260
Machinery and equipment	402,611	80,522	322,089
Total assets under capital leases	\$ 710,957	\$ 157,609	\$ 553,348

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

21. Consolidated Schedule of Accumulated Surplus Reconciliation to Province of New Brunswick ["PNB"] Compliance Requirements

	General Operating Fund	Water and Sewerage Operating Fund	Reserve Funds	Land Sales Fund	Parking Land Bank Fund	General Capital Fund	Water and Sewerage Capital Fund	Total
2021 annual surplus	\$ 4,010,629	\$ 642,043	\$ (244,271)	\$ 868,797	\$ 692,401	\$ 6,735,302	\$ 7,818,948	\$ 20,523,849
Adjustments to 2021 annual surplus for PNB compliance requirements								
Second previous year's surplus	\$ (840,030)	\$ 1,432,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 592,585
Amortization expense	-	-	-	-	-	18,188,279	5,286,523	23,474,802
Accumulated amortization on asset disposal	-	-	-	-	-	(11,843,908)	(4,780,328)	(16,624,236)
PSAB adjusting entries	(243,732)	-	-	-	-	-	-	(243,732)
Total adjustments to 2021 annual surplus	\$ (1,083,762)	\$ 1,432,615	\$ -	\$ -	\$ -	\$ 6,344,371	\$ 506,195	\$ 7,199,419
2021 annual surplus per PNB compliance requirements	\$ 2,926,867	\$ 2,074,658	\$ (244,271)	\$ 868,797	\$ 692,401	\$ 13,079,673	\$ 8,325,143	\$ 27,723,268
Accumulated surplus per PNB compliance requirements, beginning of year	1,942,979	3,150,742	37,071,491	6,138,202	3,102,178	547,836,857	349,835,023	949,077,472
Second previous year's (surplus) deficit	840,030	(1,432,615)	-	-	-	-	-	(592,585)
Accumulated surplus per PNB compliance requirements, end of year	\$ 5,709,876	\$ 3,792,785	\$ 36,827,220	\$ 7,006,999	\$ 3,794,579	\$ 560,916,530	\$ 358,160,166	\$ 976,208,155

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

22. Consolidated Schedule of Net Operating Loss - Arena Complexes

	2021	2020
Revenue <i>[note 12]</i>		
Ice rental	\$ 1,328,033	\$ 1,003,938
Canteen rental	6,177	4,329
Building rental	-	4,774
Community room rental	5,740	3,514
Other	8,582	5,813
YMCA lease agreement	28,000	12,944
Total arena complex revenue	1,376,532	1,035,312
Expenses <i>[note 12]</i>		
Salaries and wages	1,855,908	1,718,333
Supplies	68,099	116,114
Repairs and maintenance	261,945	263,380
Utilities	830,461	705,733
Service contracts	266,557	154,308
Other	36,501	25,797
Total arena complex expenses	3,319,471	2,983,665
Net operating loss	\$ (1,942,939)	\$ (1,948,353)

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]*

	2021	2020
Opening balance, beginning of year	\$ 1,473,104	\$ 1,331,517
Contribution	125,140	125,140
Interest on balance	12,028	16,447
Closing balance, end of year	\$ 1,610,272	\$ 1,473,104

The Capital Replacement Fund is included with cash that is designated as reserves for spending in future years by City Council *[see note 2]*.

Total payments made during the year to the Municipal Capital Borrowing Board for the arena debt was \$2,132,725 [2020 - \$2,133,063]. The amount representing interest for the year was \$451,494 [2020 - \$476,881].

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

23. Statement of Reserves

	General Operating Reserve	General Capital Reserve	Water & Sewer Reserve	2021 Total	2020 Total
Assets					
Cash	\$ 5,686,694	\$ 22,241,969	\$ 5,965,893	\$ 33,894,556	\$ 32,626,639
Net receivables	-	(206,326)	(170,471)	(376,797)	(740,376)
Investments	- (a)	3,309,461	-	3,309,461	5,185,227
Accumulated surplus	\$ 5,686,694	\$ 25,345,104	\$ 5,795,422	\$ 36,827,220	\$ 37,071,490
Revenue					
Transfers from Operating Funds	\$ 2,233,600 (b)	\$ 6,570,420	\$ 1,627,000	\$ 10,431,020	\$ 4,985,645
Interest	43,860	181,161	52,334	277,355	547,023
	2,277,460	6,751,581	1,679,334	10,708,375	5,532,668
Expenditures	2,969,866	3,708,053	4,274,727	10,952,646	102,819
Annual surplus	\$ (692,406)	\$ 3,043,528	\$ (2,595,393)	\$ (244,271)	\$ 4,541,660
Balance, beginning of the year	6,379,100	22,301,576	8,390,815	37,071,491	32,529,831
Balance, end of the year	\$ 5,686,694	\$ 25,345,104	\$ 5,795,422	\$ 36,827,220	\$ 37,071,491

(a) Included in the assets of the General Capital Reserve is \$3,242,726 for the Capital Replacement Reserve of the Fredericton Convention Centre.

(b) Transfers from Operating Funds to the General Capital Reserve include \$423,252 from the Fredericton Convention Centre for the Capital Replacement Reserve.

Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Interfund debenture	\$ 1,615,542	2.10% - 3.45%	May 16, 2028
Interfund debenture	\$ 807,512	1.65% - 2.90%	December 1, 2026
Non-cashable GIC	\$ 538,443	1.50%	August 4, 2024
Canadian equities	\$ 347,964	N/A	N/A

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

25. Statement of Reserves (Continued)

Council Resolutions regarding transfer to and from reserves:

Moved by: Councillor Jocelyn Pike

Seconded by: Councillor Eric Megarity

THAT City Council adopt the following resolution:

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$2,969,866 to the General Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the General Operating Reserve 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 of the City of Fredericton to transfer the amount of \$3,708,053 to the General Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the General Capital Reserve 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 of the City of Fredericton to transfer the amount of \$4,274,727 to the Water & Sewer Operating Fund in order to fund projects completed in 2021 that were budgeted for in previous years from the Water & Sewer Capital Reserve 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 of the City of Fredericton to transfer the amount of \$2,233,600 to the General Operating Reserve Fund in order to complete projects budgeted for in 2021 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 of the City of Fredericton to transfer the amount of \$6,147,168 to the General Capital Reserve Fund in order to complete projects budgeted for in 2021 in future years from the General Operating Fund pursuant to Section 101 under Section 9 of the *Local Governance Act*;

BE IT RESOLVED that the Council of the City of Fredericton authorizes the City Treasurer of the City of Fredericton to transfer the amount of \$1,627,000 to the Water & Sewer Capital Reserve Fund in order to complete projects budgeted for in 2021 in future years from the Water & 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 13, 2021.

Jennifer Lawson Murray
City Clerk
City of Fredericton

Date

Municipal Seal

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

24. Statement of Controlled Entities

	Controlled entities consolidated with the General Operating Fund					2021 Total	2020 Total
	e-Novations ComNet Inc.	Newmarket Properties Inc.	Fredericton Convention Centre	Intercompany Eliminations			
Assets							
Liabilities							
Accumulated surplus	\$ 2,186,633	\$ 1,228,328	\$ 709,676	\$ (1,739,027)	\$ 2,385,610	\$ 2,116,820	
	(975,632)	(37,523)	(260,766)	(2,705)	(1,276,626)	(1,111,501)	
	\$ 1,211,001	\$ 1,190,805	\$ 448,910	\$ (1,741,732)	\$ 1,108,984	\$ 1,005,319	
Revenue	\$ 172,349	\$ 268,320	\$ 1,600,683	\$ (1,150,134)	\$ 891,218	\$ 1,156,448	
Expenditures	(153,597)	(308,783)	(1,130,403)	1,228,482	(364,301)	(731,955)	
Annual surplus - Per PNB compliance requirements	\$ 18,752	\$ (40,463)	\$ 470,280	\$ 78,348	\$ 526,917	\$ 424,493	

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, 2021

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 for Full Accrual Accounting	Total Budget to PSAB Budget
Revenue					
Property taxes	\$ 110,537,926	\$ -	\$ -	\$ -	\$ 110,537,926
Community Funding and Equalization Grant	2,026,188	-	-	-	2,026,188
Federal grant in lieu of taxes adjustment	11,627	-	-	-	11,627
Services to other governments	3,792,667	-	-	-	3,792,667
Licenses, permits and fines	1,757,920	-	-	-	1,757,920
Sales and own source revenue	5,065,296	20,844,283	-	-	25,909,579
Interest and return on investments	284,500	-	-	-	284,500
Second previous year's surplus	-	1,432,615	-	(1,432,615) (a)	-
Revenue from Operating Reserve	1,627,115	-	-	(1,627,115) (e)	-
	\$ 125,103,239	\$ 22,276,898	\$ -	\$ (3,059,730)	\$ 144,320,407
Expenses					
Governance and Civic Engagement	\$ 5,169,747	\$ -	\$ 125,586	\$ -	\$ 5,295,333
Sustainable Infrastructure	2,137,436	-	85,427	-	2,222,863
General Government Services - Corporate	1,506,840	-	-	-	1,506,840
Public Safety <i>[note 18]</i>	43,922,508	-	1,893,439	184,319 (b)	46,000,266
Mobility <i>[including Transit]</i>	21,309,306	-	9,845,228	151,624 (b)	31,306,158
Environmental Stewardship	4,490,042	-	560,690	-	5,050,732
Economic Vitality	6,759,845	-	1,675,260	231,877 (b)	8,666,982
Livable Community	16,445,896	-	4,002,649	519,826 (b)	20,968,371
Fiscal Services					-
Principal payments on long-term debt	4,289,343	-	-	(4,289,343) (c)	-
Interest payments on long-term debt	1,087,646	-	-	(1,087,646) (b)	-
Funding current year's capital projects	17,144,600	10,660,150	-	(27,804,750) (d)	-
Water and Wastewater	-	11,616,748	5,286,523	-	16,903,271
Second previous year's deficit	840,030	-	-	(840,030) (a)	-
	\$ 125,103,239	\$ 22,276,898	\$ 23,474,802	\$ (32,934,123)	\$ 137,920,816
Annual surplus	\$ -	\$ -	\$ (23,474,802)	\$ 29,874,393	\$ 6,399,591

(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

(e) Eliminate transfer from General Operating Reserve to General Operating Fund

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CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

26. Detailed Statement of Revenue and Expenditure

General Operating Fund - Consolidated

	2021		2020
	Budget	Actual	Actual
Revenue from operations			
Province of New Brunswick			
Property taxes	\$ 110,537,926	\$ 111,089,470	\$ 108,183,452
Community funding and equalization grant	2,026,188	2,026,188	1,890,636
	112,564,114	113,115,658	110,074,088
Federal payment in lieu of taxes	11,627	11,627	1,742
Services provided to other governments			
Transportation services - provincial routes	423,441	415,835	423,440
Public Safety Emergency Dispatch and 911	1,409,546	1,372,812	1,108,469
Fire services - local service districts	971,085	971,084	925,240
Fire services - provincial hazmat	100,633	100,633	86,743
Services to Saint Mary's First Nation			
Fire services - Federal transfer	288,678	292,148	292,014
Police services - Federal transfer	311,628	311,628	303,288
Police services - Provincial transfer	287,656	287,656	279,958
	3,792,667	3,751,796	3,419,152
Licenses, permits and fines			
Taxi, business and dog licenses	26,500	16,664	21,130
Building permits	1,187,000	1,854,067	1,501,038
Development approval	78,000	120,275	80,150
Parking, municipal bylaw, and other fines	389,420	436,125	342,470
Police security checks, fine sharing and false alarms	77,000	97,115	81,504
	1,757,920	2,524,246	2,026,292
Sales and other revenue			
Parking meters	420,000	516,999	458,284
Parking lots and garages	1,074,536	1,123,938	907,762
Public transit	1,480,600	1,509,790	1,551,704
Para transit	18,000	25,829	25,189
Chartered busing	-	-	260
Arena rentals	1,072,096	1,376,532	1,107,660
Outside user fee	585,499	614,271	580,684
Community centres	117,483	126,028	116,214
Indoor pool	211,238	165,865	113,942
Sports fields	73,794	156,891	246,762
Cultural development	6,300	3,557	4,341
Police sale of unclaimed goods	2,000	1,951	5,531
Cash flow and investment management	284,500	338,413	394,357
Miscellaneous	3,750	400,931	209,296
Vehicle auction proceeds	-	83,168	275,509
Hotel accommodation levy	-	306,084	-
	5,349,796	6,750,247	5,997,495
Total revenue from operations	\$ 123,476,124	\$ 126,153,574	\$ 121,518,769

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

General Operating Fund - Consolidated (Continued)

	2021		2020
	Budget	Actual	Actual
Revenue (Continued):			
Government transfers	\$ -	\$ 6,097,734	\$ 3,004,616
Insurance proceeds	-	588,942	-
Third party contributions	-	1,135,206	1,486,270
Sale of assets	-	2,922,383	-
	-	4,646,531	1,486,270
Transfer from General Capital Reserve	-	3,708,053	-
Transfer from Operating Reserve	-	2,969,866	-
Total transfers from reserves	-	6,677,919	-
Revenue from contingency	1,627,115	1,627,115	-
Second previous years' surplus	-	-	1,988,495
Total revenue	\$ 125,103,239	\$ 145,202,873	\$ 127,998,150

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

General Operating Fund - Consolidated (Continued)

	2021		2020
	Budget	Actual	Actual
Expenditure from operations			
Governance and Civic Engagement			
Community Leadership	\$ 2,390,338	\$ 3,320,376	\$ 2,451,362
Management Systems	2,702,686	2,538,252	2,021,893
Intergovernmental Affairs	76,723	67,163	126,645
	5,169,747	5,925,791	4,599,900
Economic Vitality			
Business Attraction and Retention	885,968	869,796	1,010,703
Development Approval	1,137,426	1,141,156	979,784
Land Use Planning	759,316	576,282	453,806
Tourism Development and Operations	1,228,926	1,162,047	801,926
Tourism Marketing and Sales	2,748,209	3,134,985	2,562,510
	6,759,845	6,884,266	5,808,729
Environmental Stewardship			
Solid Waste Management	3,266,808	3,341,205	3,154,099
Composting	54,548	(2,233)	31,888
Environmental Outreach	71,686	386,829	120,029
Storm Water Management	1,097,000	1,160,721	1,011,053
	4,490,042	4,886,522	4,317,069
Livable Community			
Arboriculture	1,260,010	1,439,760	1,404,234
Community Liaison and Social Outreach	254,056	242,961	127,217
Community Special Event Coordination and Support	569,513	588,987	688,794
Cultural Development	2,428,082	2,456,274	2,515,636
Heritage Planning and Conservation	214,647	185,343	180,535
Horticulture	750,460	825,206	1,108,848
Leisure and Recreation Development and Delivery	3,069,006	2,961,665	2,537,972
Parks and Playground Management	2,040,784	3,032,789	2,705,362
Recreation Facility Scheduling	5,131,257	4,840,663	5,375,304
Sport Field Management	728,081	760,501	266,505
	16,445,896	17,334,149	16,910,407
Mobility [including Transit]			
Chartered Busing	-	-	63,280
Dial-a-Bus Transit	707,553	621,647	546,252
Fixed Route Scheduled Transit	6,032,415	6,008,632	5,781,805
Parking Management	2,144,377	2,241,460	1,824,222
Roadway Management	8,454,535	9,381,831	10,317,683
Sidewalk Management	1,562,028	1,196,248	1,086,148
Taxi Industry Regulation	81,855	76,257	88,662
Trails Management	844,698	854,806	648,669
Transportation System Management	1,481,845	1,244,144	1,191,113
	\$ 21,309,306	\$ 21,625,025	\$ 21,547,834

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

General Operating Fund - Consolidated (Continued)

	2021		2020
	Budget	Actual	Actual
Expenditure from operations (Continued)			
Public Safety			
Animal Registration and Control	\$ 144,278	\$ 132,264	\$ 135,799
Building Construction Permission and Enforcement	1,220,396	1,238,969	1,160,520
Bylaw Enforcement	388,543	368,009	339,684
Emergency Preparedness	2,622,452	2,689,397	620,844
Fire Emergency Incident Mitigation	14,067,318	14,077,840	14,415,458
Fire Investigation	256,657	269,520	501,036
Fire Prevention and Inspection	691,789	683,070	2,087,169
Police - Enforce Federal, Provincial and Municipal Laws	4,500,572	4,741,478	6,439,089
Police - Keeping the Peace	4,230,759	4,424,527	6,240,793
Police - Prevent and Detect Crime	8,332,517	8,751,527	6,286,565
Police - Protect Life and Property	7,467,227	7,787,137	6,336,882
	43,922,508	45,163,738	44,563,839
Corporate Services			
Communications Management	756,546	857,980	546,361
Continuous Improvement	762,658	623,418	507,309
Facilities Management	8,996,341	8,539,243	5,793,091
Financial Management	1,729,823	3,672,440	1,375,059
Fleet and Equipment Management	4,235,837	4,276,551	4,377,319
Human Resource Management	1,033,472	828,054	501,391
Information Technology Solution Delivery	1,068,566	1,210,610	1,045,627
Information Technology Support	1,507,873	2,056,269	2,210,543
Insurance Coverage Service	327,412	294,292	107,969
Legal Services	673,055	617,336	653,515
Occupational Health and Safety	164,316	161,718	79,829
Public Procurement Management	382,577	357,703	463,332
Public Safety Service Request Management	2,625,156	2,655,199	2,463,701
Real Estate Management	2,058,626	1,934,623	1,843,047
Records Management	161,793	171,940	73,130
Request Management	273,004	250,125	365,208
Corporate overhead allocated to external services	(26,757,055)	(28,507,501)	(22,406,431)
Property assessment and collection [PNB]	1,506,840	1,506,840	1,474,741
	\$ 1,506,840	\$ 1,506,840	\$ 1,474,741

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

General Operating Fund - Consolidated (Continued)

	2021		2020
	Budget	Actual	Actual
Expenditure from operations (Continued)			
Sustainable Infrastructure			
Capital Asset Management	87,329	66,979	840,521
Capital Planning and Implementation	678,249	706,216	556,154
Capital Prioritization and Investment Service	1,338,003	865,804	341,397
Debt and Affordability Management Service	33,855	27,009	32,929
Debt principal repayment	4,289,343	4,012,343	4,003,746
Interest on capital debt	1,087,646	1,063,008	1,287,423
Funding current year's new capital projects	3,481,000	5,954,636	5,620,236
Funding current year's capital renewal projects	13,663,600	17,468,908	12,756,814
	24,659,025	30,164,903	25,439,220
Second previous years' deficit	840,030	840,030	-
Transfer to General Capital Reserve	-	6,570,420	566,792
Transfer to General Operating Reserve	-	2,233,600	374,278
Total transfer to reserves	-	8,804,020	941,070
Total expenditure from operations	\$ 125,103,239	\$ 143,135,284	\$ 125,602,809
General Operating Fund surplus from operations	\$ -	\$ 2,067,589	\$ 2,395,341
Remeasurement gains and losses			
Unrealized loss attributable to foreign exchange	\$ -	\$ (10,577)	\$ (45,093)
Unrealized gain on investments	-	342,938	8,261
Unrealized surplus from subsidiary entities	-	526,917	424,493
Total remeasurement gains	\$ -	\$ 859,278	\$ 387,661
Consolidated General Fund annual surplus	\$ -	\$ 2,926,867	\$ 2,783,002

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

Water and Sewerage Operating Fund - Consolidated Statement of Revenue and Expenditure

	2021		2020	
	Budget	Actual	Actual	
Revenue				
Water and sewerage rates	\$ 19,665,201	\$ 19,347,205	\$ 19,614,329	
Water supply for fire protection	1,000,612	1,000,612	1,000,612	
Miscellaneous revenue	178,470	210,292	381,329	
Interest	-	43,974	101,130	
Transfer from utility reserve	-	4,274,727	102,819	
Land sales and vehicle auction proceeds	-	83,921	42,813	
Third-party contributed capital	-	223,490	-	
Federal and Provincial grant funding	-	5,494,657	5,213,781	
Second previous years' surplus	1,432,615	1,432,615	1,862,191	
Total revenue	\$ 22,276,898	\$ 32,111,493	\$ 28,319,004	
Expenditure				
Water				
Purification and treatment	\$ 314,300	\$ 666,108	\$ 663,974	
Source of supply	290,000	259,902	169,916	
Transmission and distribution	63,634	58,062	75,883	
Plant and equipment maintenance	480,073	948,100	933,593	
Billing and collecting	90,265	139,266	122,174	
Water meters	65,000	358,418	344,750	
	1,303,272	2,429,856	2,310,290	
Sewerage				
Lift stations and system maintenance	608,035	915,041	905,598	
Sewerage treatment and disposal	2,158,865	2,937,937	2,169,572	
	2,766,900	3,852,978	3,075,170	
Common services				
	7,546,576	5,962,824	5,442,507	
Fiscal services				
Funding current year's new capital projects	110,000	799,468	2,164,072	
Funding current year's renewal capital projects	10,550,150	15,364,709	10,199,192	
Transfer to water and sewer capital reserve	-	1,627,000	3,409,643	
	10,660,150	17,791,177	15,772,907	
Total expenditure	\$ 22,276,898	\$ 30,036,835	\$ 26,600,874	
Annual surplus	\$ -	\$ 2,074,658	\$ 1,718,130	

CITY OF FREDERICTON

Notes to Consolidated Financial Statements

Year ended December 31, 2021

27. Comparative Figures

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

APPENDIX II – COVID-19 TIMELINE (January – December 2021)

City of Fredericton COVID-19 Timeline - January – December 2021

January 2021

- 01/05/2021 – Entire Province moves to Orange Phase
- 01/19/2021 – Zones 1, 2 and 3 move to Red Phase
- 01/24/2021 – Zone 4 moves to full lockdown
- 01/26/2021 – Zones 2 and 3 move to Orange Phase

February 2021

- 02/09/2021 – Zone 1 to “Orange Phase” and Zone 4 to “Red Phase”
- 02/19/2021 – Zone 4 to “Orange Phase”
- 8 Operational Plans (Police) approved in February 2021
- 2 COVID related MEMO meetings in the month of February 2021

March 2021

- 3/1/2021 – The number of confirmed cases in New Brunswick is 1,431 (total to date), and 27 deaths
- 3/1/2021 – Total Vaccine Doses to date = 33,741, Fully Vaccinated in NB = 12,142 people
- 3/2/2021 – All zones remain in Orange Phase
- 3/4/2021 – UK variant confirmed in NB
- 03/07/2021 – All zones move to Yellow Phase
- 03/25/2021 – Zone 4 moves to Red Level (circuit breaker)

April 2021

- 04/10/2021 – Zone 4 moves to full lockdown
- 04/26/2021 – Confirmed case of India variant in NB
- 04/26/2021 – Outbreak declared at UNB (Magee House)
- 04/27-2021 – Zone 4 moves to Orange Phase

May 2021

- 05/06/2021 - Confirmed case of the Brazilian variant of COVID-19
- 05/18/2021 – City of Fredericton cancels Garrison Night Market due to COVID-19 concerns

June 2021

- 06/07/2021 – All zones remain at Yellow Phase
- 06/15/2021 – NB moves to first phase of Green Level, 75% of NB residents have first dose of vaccine
- 06/16/2021 – NB moves to second phase of Green Level
- 06/16/2021 – City of Fredericton cancels Canada Day Fireworks
- 06/18/2022 – Harvest Jazz & Blues will be held in downtown Fredericton in September
- 06/25/2021 – 25% of eligible NB residents have 2 doses of vaccine (fully vaccinated)

July 2021

- 07/15/2021 – 55% of eligible NB residents have 2 doses of vaccine
- 07/30/2021 – NB moves to full Green Level at midnight, removes all restrictions, 67% of residents 12 and older are considered fully vaccinated (2 doses)

August 2021

- 08/30/2021 – 75% of eligible population have received 2 doses of vaccine

September 2021

- 09/15/2021 – Fourth wave of COVID-19 hits NB
- 09/21/2021 – New COVID measures introduced to reduce spread of COVID. Proof of full vaccination when accessing certain events, services & businesses, masking will be mandatory in all public indoor spaces.

APPENDIX II – COVID-19 TIMELINE (January – December 2021)

- 09/24/2021 – State of Emergency reinstated, mandatory order back in place.

October 2021

- 10/05/2021 – Circuit breaker introduced in part of Zone 3 and all of Zone 4. GNB announces mandatory vaccination policy for parts of government, civil service, health care, education, and crown corporations. Rapid testing to begin in schools on October 12. Booster dose started in long-term care homes.
- 10/22/2021 – Circuit breaker expands to Zone 5
- 10/28/2021 – Circuit breaker expands to Zone 2

November 2021

- 11/04/2021 – Circuit breakers ending in Zone 3, 4 and 5, expanding in Zones 1 and 2
- 11/08/2021 – Canada – US Border opens
- 11/19/2021 – Circuit breakers lifted in Zone 1 and 7

December 2021

- 12/03/2021 – Details of COVID-19 Winter Action Plan
- 12/05/2021 – All of NB at Level 1 of the Winter Action Plan
- 12/13/2021 – First 3 cases of Omicron variant confirmed in NB
- 12/27/2021 – NB moves to Level 2 of the Winter Action Plan

Compiled by:

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Safety / EMO Coordinator

City of Fredericton

March 2022



City of Fredericton 2021 **ANNUAL REPORT**

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