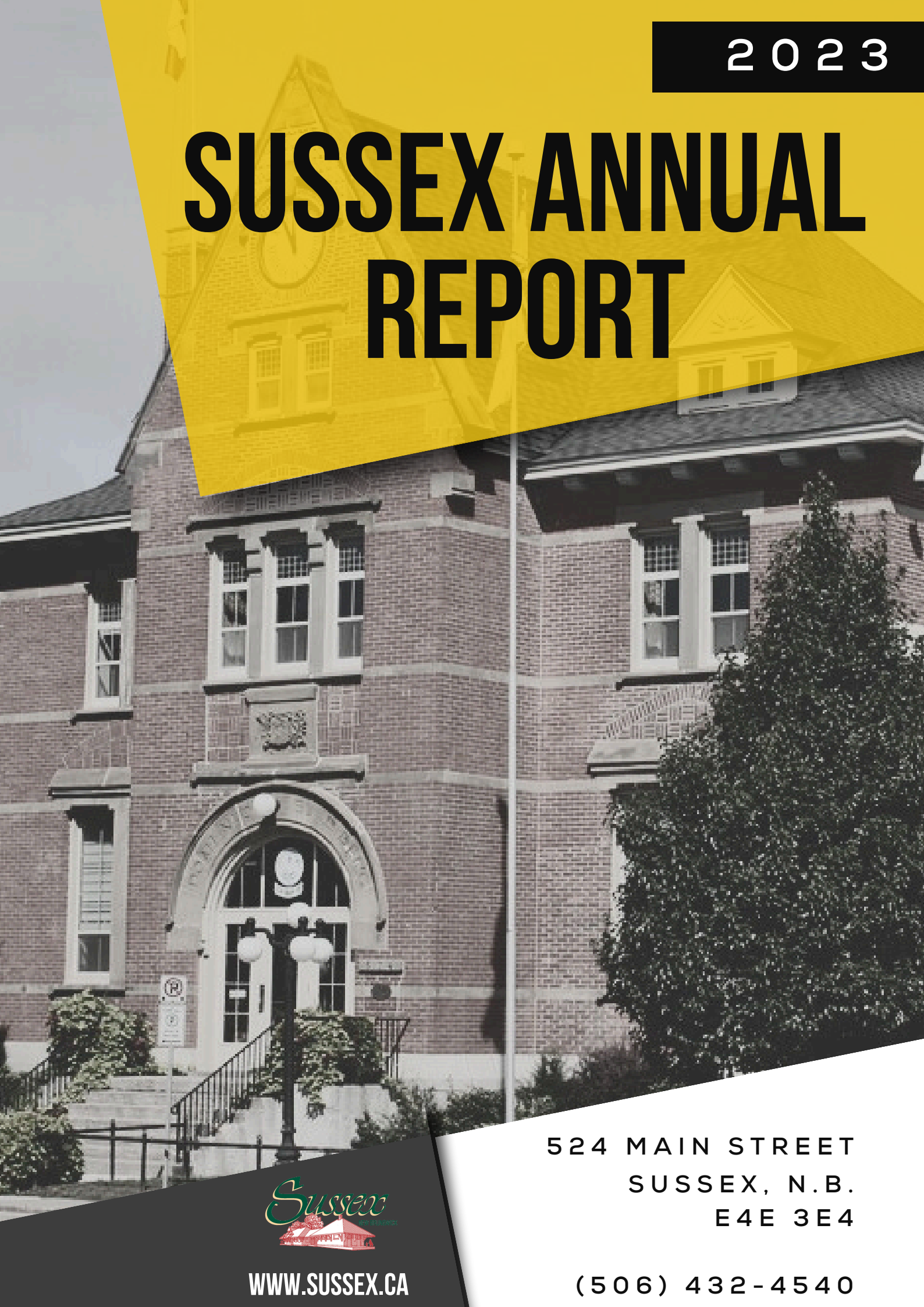


2023

SUSSEX ANNUAL REPORT



524 MAIN STREET
SUSSEX, N.B.
E4E 3E4


WWW.SUSSEX.CA

(506) 432-4540

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FOREWORD



This annual report is prepared pursuant to Section 105 of the Local Governance Act, and Regulation 2018-54.

This report contains general information about Sussex such as its population; tax base; tax rate and user charges, as well as more detailed information regarding Town Council, the provision of grants, and the types and cost of the services provided. The **2023 Audited Financial Statements** are appended as **Appendix I.**

MESSAGE FROM MAYOR MARC THORNE

On behalf of Sussex Council, it is my pleasure to present the 2023 Annual Report for the Town of Sussex.

In 2023 your Council continued to work towards achieving our strategic vision developed with the assistance of the greater regional community while actively addressing our response and needs to set in place needed capital improvements and the adverse effects of flooding in Sussex. Sussex is proud of its rural setting and natural environment, its inclusive quality of life and its location as the business center for the greater Sussex Region. Our town remains the hub for industrial service, connecting residents while servicing a broad marketplace both near and far and looks for ways to lead our effort and strategic vision. This 2023 Annual Report provides key information on the town's activities, programming and the new work within our new community, as well as our collective accomplishments and development in 2023.



This past year our projects and community initiatives remain aligned with our strategic studies that focus on the pillars of strength of our greater regional economic recovery strategy developed at the grassroots level. Our community continues to grow with the number of residential construction units and development of multi-residential housing units and with the assistance of investment by private stakeholders in our community. We have finalized our flood mitigation strategy to identify a sustainable path forward that will see a vibrant Sussex well beyond 2100. We are proud of our community's efforts to adjust to the changes necessary to address the protection of the health of our community and the health of each resident of Sussex. Sussex Council remains proud of our collective contributions to the strategic initiatives in our Region and while much work remains to be completed, we believe Sussex's role has provided the foundation for continued success both in our town and our surrounding areas and our new community is now well underway.

Sussex continues to assess ways to improve processes and practices that deliver efficient and effective services to each resident while continuing to maintain our infrastructure and adding to the health and well-being of our community. In 2023 the town has seen continued and substantial growth in residential construction with the continued trend of forming a solid framework of growth for our future direction now completing year one on our local governance reform. Sussex Council remains committed to actively working on the implementation strategy of our community and incorporate plans to set in place the framework for our flood mitigation efforts to assist our new community and sustainability of Sussex as the regional service center while continuing to reduce the effects of Sussex's greenhouse gas emissions.

In addition, Sussex has continued its long-standing vision of capital planning and improvements in the critical infrastructure servicing our growing community. Our community remains committed to improving, upgrading, and revitalizing the useful life of our critical infrastructure in 2023, and as well we have positioned our activities for the next decade and beyond. Sussex Council have begun their stewardship of our new town using our guiding principles that began in 1904, and now being set in motion for a bright future.

Our town Administration continues to offer community engagement, civic pride and our continued goal to deliver the community's priorities and future services to Sussex residents and we remain committed to offering an effective delivery of service into a bright future for our new town and to offer our success as a hallmark of all residents building a better Sussex. I would also like to express appreciation and gratitude to the Sussex administrative team as well as to each resident of Sussex during this year. It has been a pleasure to serve and to work for our community to achieve the objectives of the Town of Sussex and our goal to continue to deliver exemplary services, all in a responsible and safe manner.

Yours sincerely,

Marc Thorne
Mayor

COMMUNITY PROFILE

Sussex is situated in Kings County and has a population of 5,988.

The Town Hall is located at 524 Main Street and accommodates Town Administration offices, the Council Chambers and Committee Room.

The Town Office is administered by a Chief Administrative Officer, Town Clerk, Town Treasurer, Director of Public Works and Administrative staff.



Other municipal facilities include the Fire Hall, located at 22 Maple Avenue which accommodates the Fire Department and the Town's Emergency Operations Control Centre; the 8th Hussars Sports Centre, located at 8 Leonard Drive; the Sussex Regional Library at 46 Magnolia Avenue and the Works Centre Garages located at 107 Leonard Drive and 77 Cogle Road which accommodate the Works Department and its equipment. The Town employs 36 full-time staff, of which 19 are unionized employees.

DEPARTMENT FACILITIES

Sussex Town Hall



524 Main Street

8 Leonard Drive



8th Hussars Sports Centre

1067 Main Street



Community Services Department

Sussex Fire Department



22 Maple Ave

Ward 1 Works Garage



107 Leonard Drive

77 Cogle Road



Ward 2 Works Garage

SUSSEX TOWN COUNCIL



Sussex is governed by a Mayor and seven (7) Councillors who meet monthly through various Committees of Council. Municipal elections are held every four (4) years in May. Local Governance Reform in 2022 provided for an election which was held in November 2022 to elect Council for the new municipality of Sussex sworn in upon its incorporation in 2023.

Shown (standing – left to right): Treasurer Heather Moffett , Councillor Graham Milner, Councillor Eric Nelson, Councillor Paul Maguire, Councillor Doug Bobbitt, Councillor Fred Brenan, CAO Scott Hatcher, Clerk Tara Olesen, (seated – left to right) Deputy Mayor Tim Wilson, Mayor Marc Thorne, Councillor Catherine MacLeod.



MARC THORNE
MAYOR



TIM WILSON
DEPUTY MAYOR



ERIC NELSON
COUNCILLOR AT LARGE



GRAHAM MILNER
COUNCILLOR AT LARGE



PAUL MAGUIRE
COUNCILLOR WARD 1



FRED BREANAN
COUNCILLOR WARD 1



CATHERINE MACLEOD
COUNCILLOR WARD 2



DOUG BOBBITT
COUNCILLOR WARD 2

	Protective Services Committee	Works Committee	Community Services Committee	Economic Development and Long Range Planning Committee	Administration	Committee of the Whole
Mayor Marc Thorne	Member	Member	Member	Member	Member	Member
Deputy Mayor Tim Wilson	Member	Vice-Chairperson	Member	Member	Member	Member
Councillor Eric Nelson	Member	Member	Member	Chairperson	Member	Member
Councillor Doug Bobbitt	Vice-Chairperson	Chairperson	Member	Member	Member	Member
Councillor Graham Milner	Chairperson	Member	Vice-Chairperson	Member	Member	Member
Councillor Catherine MacLeod	Member	Member	Chairperson	Member	Member	Vice-Chairperson
Councillor Fred Brenan	Member	Member	Member	Vice-Chairperson	Chairperson	Member
Councillor Paul McGuire	Member	Member	Member	Member	Vice-Chairperson	Chairperson

Member

Chairperson

Vice-Chairperson

MEETINGS

COMMITTEE OF COUNCIL MEETINGS

The business of Sussex is extensive and varied, often dealing with many complicated and time-consuming issues. In order to organize this business into manageable components, Sussex operates under a Committee Structure.

Each Committee oversees one or more municipal departments, and it is through these meetings that staff report to Council.

The Committee reviews the suggestions of the various department(s) and recommendations are made to Council on an appropriate course of action relative to the topic discussed. In addition, correspondence from the public is reviewed and discussed at this time.

Public attendance and participation is encouraged at Committee Meetings since they allow for less formal discussion and questions.

COUNCIL MEETINGS


Council meetings are held in Council Chambers in the Town Hall located at 524 Main Street in Sussex. All regular and special meetings of Council and all meetings of Committees of Council are open to the public. The regular Council meetings are held on the third Monday of each month. In the event that the third Monday falls on a holiday, the meeting is held the following Tuesday. Once the minutes of Council meetings have been approved, they are available for examination by the public at the office of the Clerk during normal office hours and are posted on the Sussex website at www.sussex.ca.

The following table outlines the date of Council meetings, attendance and means of participation.

DATE	MEETING	Mayor	Deputy Mayor	Councillor	Councillor	Councillor	Councillor	Councillor	Councillor
		Marc Thorne	Tim Wilson	Eric Nelson	Doug Bobbitt	Graham Milner	Catherine MacLeod	Fred Brennan	Paul McGuire
January 16, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
January 31, 2023	Special	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
February 21, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
March 20, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
April 24, 2023	Special	PRESENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT
April 24, 2023	Regular	PRESENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT
May 15, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
June 19, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
July 17, 2023	Special	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
July 17, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
August 21, 2023	Special	ABSENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT
August 21, 2023	Regular	PRESENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT
September 18, 2023	Special	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT
September 18, 2023	Regular	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT	ABSENT	PRESENT	PRESENT
October 23, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
November 15, 2023	Special	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
November 27, 2023	Regular	PRESENT	ABSENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT
December 18, 2023	Regular	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT	PRESENT

2023 COUNCIL MEETING DATES & ATTENDANCE

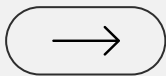
2023 SPECIAL COUNCIL MEETINGS

January 30, 2023	To award Tender 22-4095 Trout Creek Park, Pedestrian Bridge, Phase 1	<p>In 2023, six (6) special meetings were held for the following purposes</p> 
April 4, 2023	Hearing of Objections for Proposed By-Law 125-14-03, Proposed Rezoning for Lucy Creighton Subdivision	
July 17, 2023	Hearing of Objections for Proposed Municipal Plan By-law Amendment, By-law 704-20-02, and Proposed Zoning By-Law Amendment, By-law 1350-21-03	
August 21, 2023	Public Presentation of Proposed Sussex Corner Rural Plan Amendment, By-law 125-14-04	
September 18, 2023	Hearing of Objections for Village of Sussex Corner Rural Plan Amendment, By-law 125-14-04	
November 15, 2023	Introduction of Draft 2024 Budget	



2023 CLOSED SESSION MEETINGS

In 2023, there were 10 closed Committee of Council meetings held on the following dates under Section 68 of the Local Governance Act.



Date	Local Governance Act Section
January 12, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) c): CONTRACTS AND OR AGREEMENTS.
March 13, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) h): ACCESS TO OR SECURITY OF BUILDINGS.
April 20, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) h): ACCESS TO OR SECURITY OF BUILDINGS.
May 11, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) a): INFORMATION PROTECTED BY LAW 68 (1) d): ACQUISITION OR DISPOSITION OF LAND.
June 15, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) a): INFORMATION PROTECTED BY LAW 68 (1) b): PERSONAL INFORMATION
July 13, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) a): INFORMATION PROTECTED BY LAW
August 17, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) d): ACQUISITION OR DISPOSITION OF LAND.
September 14, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) a): INFORMATION PROTECTED BY LAW 68 (1) d): ACQUISITION OR DISPOSITION OF LAND. 68 (1) j): INFORMATION GATHERED BY POLICE
October 19, 2023	68 (1) j): LABOUR AND EMPLOYMENT MATTERS. 68 (1) a): INFORMATION PROTECTED BY LAW
November 23, 2023	68 (1) d): ACQUISITION OR DISPOSITION OF LAND. 68 (1) c): AGREEMENTS AND CONTRACTS

FINANCE



UTILITY AND GENERAL FUND DEBT

UTILITY FUND DEBT

PURPOSE	YEAR	AMOUNT BORROWED	TERM
WATER & SEWER LINE UPGRADES	2014	\$50,000	10 YEARS
LAGOON UPDATES	2018	\$106,000	10 YEARS
WATER & SEWER LINE UPDGRADES	2020	\$37,000	10 YEARS

GENERAL FUND DEBT

PURPOSE	YEAR	AMOUNT BORROWED	TERM
RECREATION & CULTURAL SERVICES	2018	\$121,000	10 YEARS
TRANSPORTATION	2019	\$361,000	10 YEARS
TRANSPORTATION SERVICES & PROTECTIVE SERVICES	2020	\$980,000	10 YEARS
TRANSPORTATION SERVICES	2020	\$198,000	10 YEARS
TRANSPORTATION SERVICES	2022	\$295,000	10 YEARS
TRANSPORTATION SERVICES	2023	\$430,000	10 YEARS

REMUNERATION OF COUNCIL

Section 49 of the Local Governance Act states that local governments can provide a salary and allowance to Mayors and Councillors. Salaries and expenses for travelling on local government business outside of Sussex is authorized under By-law #204-21 – Council Members Remuneration and Expense By-law.

	COMPENSATION	TRAVEL EXPENSE
Deputy Mayor Wilson	\$20,365.02	\$1,353.49
Councillor Eric Nelson	\$15,273.75	-
Councillor Doug Bobbitt	\$15,273.75	-
Councillor Graham Milner	\$15,273.75	\$1,222.80
Councillor Catherine MacLeod	\$15,273.75	\$1,454.55
Councillor Paul Maguire	\$15,273.75	\$1,558.44
Councillor Fred Brennan	\$15,273.75	\$1,364.05
Mayor Marc Thorne	\$35,638.77	\$1,366.83

PROPERTY TAX RATE AND USER CHARGES

The tax base for the town of Sussex in 2023 was **\$630,853,650** and the residential property tax rate was **\$1.2330** per **\$100.00** of assessment. Sussex provides water and wastewater disposal services on a user fee basis. The residential user fee for a single dwelling in 2023 was **\$450.00** annually which breaks down as **\$198** water and **\$252** sewer charges.



GRANTS FOR SOCIAL OR ENVIRONMENTAL PURPOSES

One of the purposes of a local government as stated in the Local Governance Act is to foster the economic, social and environmental well-being of its community. The hard work of community organizations assists Sussex in achieving this purpose. In this report, grants of \$500 or greater are identified.

If more detailed information is required, please contact Town Hall.

In 2023, Sussex provided grants to:

Hospice Sussex	\$ 500
Sussex Tourism Festival	\$ 500
Heritage NB Association	\$ 500
Rotary Club	\$ 800
Sussex Skating Club	\$ 1,000
Sussex Minor Hockey Association	\$ 1,000
Multicultural Association of Sussex	\$ 1,000
Atlantic Balloon Fiesta	\$ 3,500
Sussex Tennis Association	\$ 4,000
Sussex Firefighters Association	\$ 2,651



SERVICES

GENERAL SERVICES

Local Government budgets and services are established in accordance with a standardized classification system. In 2023, the Council adopted a General Fund Operating Budget of \$9,638,514. Actual revenue of \$12,100,917 and expenditures of \$12,097,714



GENERAL GOVERNMENT SERVICES

TOTAL EXPENDITURES: \$1,068,250

GENERAL GOVERNMENT SERVICES CONSIST OF EXPENDITURES RELATING TO OVERALL GOVERNANCE AND FINANCIAL ADMINISTRATION OF SUSSEX INCLUDING TOWN COUNCIL, GENERAL ADMINISTRATION, TOWN HALL, ADVERTISING, AUDIT AND LEGAL.



PROTECTIVE SERVICES

TOTAL EXPENDITURES: \$2,770,678

PROTECTIVE SERVICES INCLUDE EXPENDITURES FOR POLICING SERVICES, FIRE SERVICES, EMERGENCY MEASURES, BUILDING INSPECTION, AND ANIMAL CONTROL.



TRANSPORTATION SERVICES

TOTAL EXPENDITURES: \$3,224,839

TRANSPORTATION SERVICES INCLUDE EXPENDITURES RELATING TO PUBLIC WORKS INCLUDING ROADS AND STREETS, STREET LIGHTING, RAILWAY CROSSING SIGNALS AND BUILDING MAINTENANCE.



GENERAL SERVICES CONTINUED



ENVIRONMENTAL HEALTH SERVICES

TOTAL EXPENDITURES: \$739,476

ENVIRONMENTAL HEALTH SERVICES INCLUDE EXPENDITURES FOR SOLID WASTE COLLECTION AND DISPOSAL SERVICES.



ENVIRONMENTAL DEVELOPMENT SERVICES

TOTAL EXPENDITURES: \$588,089

ENVIRONMENTAL DEVELOPMENT SERVICES INCLUDE EXPENDITURES RELATING TO GENERAL LAND ASSEMBLY, BEAUTIFICATION, COMMUNITY DEVELOPMENT, HOUSING, TREE REMOVAL AND PLANTING, INDUSTRIAL PARK AND COMMISSION, TOURISM AND INTERPRETIVE CENTER, WEB SITE PROGRAM, CHRISTMAS LIGHTING, AND BUSINESS DEVELOPMENT.



RECREATION AND CULTURAL SERVICES

TOTAL EXPENDITURES: \$1,527,032

RECREATION AND CULTURAL SERVICES ARE COMPRISED OF EXPENDITURES RELATING TO THE 8TH HUSSARS SPORTS CENTRE, PARKS & PLAYGROUNDS, GOLDEN JUBILEE HALL, HERITAGE, MUSEUM & ART GALLERY, REGIONAL LIBRARY, AS WELL AS ANY COMMUNITY SERVICE AND WALKING TRAILS.



FISCAL SERVICES

TOTAL EXPENDITURES: \$2,179,350

THIS CATEGORY INCLUDES INTEREST ON SHORT AND LONG-TERM LOANS, PRINCIPAL REPAYMENT OF LONG-TERM DEBT, THE FUNDING OF PRIOR YEAR DEFICITS, TRANSFERS TO RESERVE FUNDS FOR FUTURE EXPENDITURES AND CAPITAL EXPENDITURES.

SERVICES

WATER & WASTEWATER UTILITY

The office of the Water and Wastewater Department is located at the Town Office, 524 Main Street. Sussex provides water and wastewater services to 3,333 equivalent users. In 2023, the Council adopted a Utility Fund Operating Budget of \$9,638,514. Actual revenue of \$12,100,917 and expenditures of \$12,097,714.



WATER SUPPLY

TOTAL EXPENDITURES: \$782,643

EXPENDITURES INCLUDE COSTS OF ADMINISTRATION AND PERSONNEL, WATER TREATMENT AND TRANSMISSION AND DISTRIBUTION.



SEWAGE COLLECTION & DISPOSAL

TOTAL EXPENDITURES: \$809,898

EXPENDITURES INCLUDE COSTS OF ADMINISTRATION AND PERSONNEL AND SYSTEM OPERATION AND MAINTENANCE.



FISCAL SERVICES

TOTAL EXPENDITURES: \$2,274,091

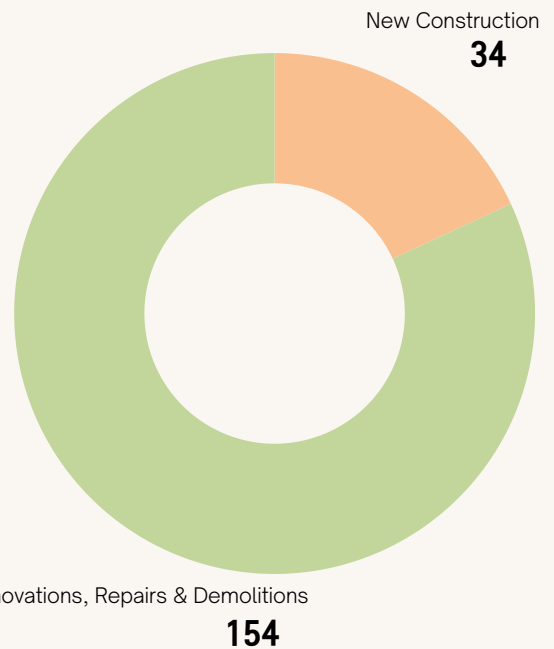
EXPENDITURES FOR FISCAL SERVICES INCLUDES INTEREST ON SHORT AND LONG-TERM LOANS, PRINCIPAL REPAYMENT OF LONG-TERM DEBT, THE FUNDING OF PRIOR YEAR DEFICITS AND TRANSFERS TO RESERVE FUNDS FOR FUTURE EXPENSES.

BUILDING & DEVELOPMENT

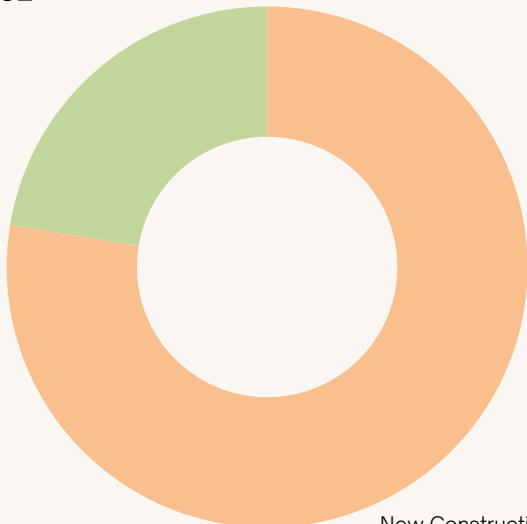
Photo by Ronnie Davis

**TOTAL NUMBER OF
ISSUED PERMITS - 2023:**

188



Additions, Renovations, Repairs & Demolitions Value
\$5,585,552



**TOTAL VALUE OF
ISSUED PERMITS - 2023:**

\$24,928,449.00

New Construction Value
\$19,342,897

APPENDIX I

2023

AUDITED FINANCIAL STATEMENTS

SUSSEX
CONSOLIDATED FINANCIAL STATEMENTS
AUDITED
As at December 31, 2023

SUSSEX
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AS AT DECEMBER 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Sussex (the "Municipality") are the responsibility of the Municipality's management and have been prepared in compliance with legislation and in accordance with generally accepted accounting principles for local government established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in the notes to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current period cannot be finalized with certainty until future periods.

The Municipality's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Council meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Ascend LLP, independent external auditors appointed by the Municipality. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion of the Municipality's consolidated financial statements.



Mayor of Sussex
Marc Thorne



Clerk, Sussex
Tara Olesen

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Sussex's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

The logo for Ascend LLP, featuring the word "Ascend" in a stylized, handwritten-style font with a horizontal line underneath.

Ascend LLP
Chartered Professional Accountants
Sussex, New Brunswick
March 18, 2024

Sussex**Consolidated Statement of Operations**

Year Ended December 31, 2023

	<u>2023</u> <u>Budget</u>	<u>2023</u> <u>Actual</u>
Revenue		
Warrant of Assessment	\$ 7,632,434	\$ 7,632,434
Community Funding and Equalization (Unconditional Grant)	483,612	483,612
Conditional Transfers and Grants - Provincial and Federal	-	3,052,390
Payment in Lieu of Taxes	11,137	11,137
Sale of Services	2,092,384	2,350,280
Services Provided to Other Governments	485,920	484,845
Other Revenues from Own Sources	139,325	226,588
Interest	-	364,544
Gain on Disposal of Tangible Capital Assets	-	10,166
Other Transfers	310,000	398,043
	<u>11,154,812</u>	<u>15,014,039</u>
Expenditures		
General Government Services	1,268,179	1,097,573
Protective Services	2,837,518	2,700,254
Transportation Services	3,181,711	4,172,718
Environmental Health Services	705,027	739,476
Environmental Development Services	574,938	610,177
Recreational and Cultural Services	1,680,099	1,734,260
Fiscal Services	122,780	135,334
Water System	853,691	824,484
Sewer System	1,134,406	975,979
Loss on Disposal of Tangible Capital Assets	-	7,139
	<u>12,358,349</u>	<u>12,997,394</u>
Annual Surplus (Deficit) (Notes 21, 22, and 24)	\$ (1,203,537)	\$ 2,016,645
Accumulated Surplus, Beginning of Year (Note 2)	<u>39,752,280</u>	<u>40,605,678</u>
Accumulated Surplus, End of Year	<u>\$ 38,548,743</u>	<u>\$ 42,622,323</u>

See accompanying notes to the consolidated financial statements

Sussex

Consolidated Statement of Financial Position

As at December 31, 2023

	<u>2023</u>
Financial Assets	
Cash and Cash Equivalents	\$ 5,875,894
Receivables (Note 5)	2,281,046
Investments (Notes 6 and 13)	<u>19,295</u>
	<u>8,176,235</u>
Liabilities	
Payables and Accruals (Note 7)	3,016,160
Deferred Revenue (Note 8)	311,664
Long Term Debt (Note 9)	1,918,000
Asset Retirement Obligation (Note 16)	<u>1,650,000</u>
	<u>6,895,824</u>
NET ASSETS	<u>1,280,411</u>
Non-Financial Assets	
Tangible Capital Assets (Note 20)	82,003,802
Accumulated Amortization (Note 20)	<u>(40,802,452)</u>
	41,201,350
Inventory of Supplies	107,011
Prepaid Expenses	<u>33,551</u>
	<u>41,341,912</u>
ACCUMULATED SURPLUS	<u>\$ 42,622,323</u>

CONTINGENCIES - NOTE 10
SUBSEQUENT EVENT - NOTE 19

M. [Signature] MAYOR

[Signature] CLERK



See accompanying notes to the consolidated financial statements

Sussex**Consolidated Statement of Change in Net Assets**Year Ended December 31, 2023

	<u>2023</u>
	<u>Actual</u>
Annual Surplus	\$ 2,016,645
Acquisition of Tangible Capital Assets (Note 3)	(4,380,652)
Tangible Capital Assets paid with Community Building Fund	(371,971)
Tangible Capital Assets paid with ACOA	(222,091)
Tangible Capital Assets paid with Government of Canada	(191,378)
Tangible Capital Assets paid with Regional Development Corporation	(796,927)
Tangible Capital Assets paid with NB Power	(17,646)
Tangible Assets paid by Donations	-
Amortization of Tangible Capital Assets	1,789,620
Disposal of Tangible Capital Assets	7,139
Proceeds on disposal of Tangible Capital Assets	(10,166)
	<u>(2,177,427)</u>
Change in Inventory of Supplies	(43,582)
Change in Prepaid Expenses	28,606
	<u>(14,976)</u>
Increase/(Decrease) in Net Assets	(2,192,403)
Net Assets, Beginning of Year (Note 2)	<u>3,472,814</u>
Net Assets, End of Year	<u>\$ 1,280,411</u>

See accompanying notes to the consolidated financial statements

Sussex**Consolidated Statement of Cash Flow**Year Ended December 31, 2023

	<u>2023</u>
Increase (Decrease) in Cash and Cash Equivalents	
Operating	
Annual Surplus	\$ 2,016,645
Non-Cash Items	
Amortization of Tangible Capital Assets	1,789,620
Loss on disposal of Tangible Capital Assets	7,139
	<u>3,813,404</u>
Change in Working Capital	
Receivables	(1,060,835)
Prepays	28,606
Payables and Accruals	1,741,112
Deferred Revenue	(373,727)
Inventories of Supplies	(43,582)
	<u>291,574</u>
	<u>4,104,978</u>
Capital	
Acquisition of Tangible Capital Assets (Note 16)	(2,730,652)
Assets paid by Community Building Fund	(371,971)
Assets paid by Government of Canada	(191,378)
Assets paid by ACOA	(222,091)
Assets paid by Regional Development Corporation	(796,927)
Assets paid by NB Power	(17,646)
Proceeds on disposal of Tangible Capital Assets	(10,166)
	<u>(4,340,831)</u>
Financing	
Proceeds of Long Term Debt	430,000
Repayments of Long Term Debt	(359,000)
	<u>71,000</u>
Investing	
Change in Investments	85,053
	<u>85,053</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(79,800)
Cash and Cash Equivalents (Note 3):	
Beginning of Year (Note 2)	<u>5,955,694</u>
End of Year	<u>\$ 5,875,894</u>

See accompanying notes to the consolidated financial statements

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

1. Purpose of the Organization

The Municipality was incorporated as a Municipality by the Province of New Brunswick Local Governance Act effective January 1, 2023. As a Municipality, Sussex is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The Municipality works in partnership, to serve our citizens in an effective, efficient, professional and financially responsible manner.

The Municipality will also facilitate orderly and responsible development while working to maintain and enhance the high quality of the Community.

2. Amalgamation

On January 1, 2023 there was an amalgamation of the Town of Sussex, the Village of Sussex Corner, and with certain unincorporated areas contiguous to Sussex, which resulted in the following opening balances for the Municipality:

ASSETS

Financial Assets

Cash and Cash Equivalents	\$	5,955,694
Receivables		1,220,211
Investments		104,348
		<u>7,280,253</u>

Liabilities

Payables and Accruals		1,275,048
Deferred Revenue		685,391
Long Term Debt		1,847,000
		<u>3,807,439</u>

NET ASSETS

Non-Financial Assets

Tangible Capital Assets		76,150,079
Accumulated Amortization		(39,142,801)
		<u>37,007,278</u>
Inventory of Supplies		63,429
Prepaid Expenses		62,157
		<u>37,132,864</u>

ACCUMULATED SURPLUS

\$ 40,605,678

3. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of Sussex are the representations of management prepared in accordance with Canadian public sector accounting standards. These consolidated financial statements include the additional disclosure requirements by the Department of Local Government of New Brunswick.

The focus of PSA financial statements is on the financial position of the Municipality and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the Municipality.

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

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

Reporting entity

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

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by the Transition Facilitator (appointed by the Minister) on December 22, 2022 and the Minister of Local Government on January 9, 2023.

Revenue recognition

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

Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates. Areas requiring the greatest degree of estimation include valuation of donated assets, estimate of useful life of tangible capital assets, assessment of contingent liabilities, asset retirement obligations, and allowance for doubtful accounts.

Financial instruments

The Municipality's financial instruments consist of cash and cash equivalents, investments, receivables, payables and accruals, funds held and long term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant market or liquidity risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Municipality is subject to credit risk through receivables. The Municipality minimizes credit risk through ongoing credit management.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

Inventory of supplies

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

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

3. Summary of Significant Accounting Policies (continued)

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

<u>Asset type</u>	<u>Years</u>
Land improvements	5-25 years
Buildings	20-60 years
Vehicles	5-25 years
Machinery and equipment	5-25 years
Heavy equipment	10-15 years
Road surface	15-20 years
Road grade	25-40 years
Lighting and traffic lights	15 years
Water and wastewater networks	15-100 years
Dams and water structures	10-60 years
Leasehold improvements	Over term of the lease

Assets under construction are not amortized until the asset is available for productive use.

Contributed tangible capital assets

The Municipality records all tangible capital assets contributed by an external party at fair value on the earlier of the date received or the date of transfer of risk and responsibility. There were no tangible capital assets contributed in 2023.

Asset Retirement Obligations

The Municipality records a liability for asset retirement costs when there is a legal obligation to incur retirement costs for a tangible capital asset. The liability is based on information available at the financial statement date and is based on costs directly attributable to asset retirement activities, and reviewed annually. Any revisions are accounted for in the period in which the revisions are made.

Segmented information

The Municipality is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Municipality's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments as follows:

GENERAL GOVERNMENT SERVICES

This department is responsible for the overall governance and financial administration of the Municipality. This includes Council functions, general and financial management, legal matters and compliance with legislation as well as civic relations.

PROTECTIVE SERVICES

This department is responsible for the provision of policing services, fire protection, emergency measures, animal control and protective measures.

TRANSPORTATION SERVICES

This department is responsible for common services, roads and streets maintenance, street lighting, traffic services, parking and other transportation related functions.

ENVIRONMENTAL HEALTH SERVICES

This department is responsible for the provision of waste collection and disposal.

ENVIRONMENTAL DEVELOPMENT SERVICES

This department is responsible for planning and zoning, community development, tourism and other municipal development and promotion services.

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

3. Summary of Significant Accounting Policies *(continued)*

RECREATIONAL AND CULTURAL SERVICES

This department is responsible for the maintenance and operation of recreational and cultural facilities, including the arena, parks and playgrounds and other recreational and cultural facilities.

FISCAL SERVICES

Includes debt charges, banking service charges, bad debt expense, adjustments for payment in lieu of taxes, discounts and transfers to reserve funds.

WATER AND WASTEWATER SYSTEMS

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

4. Post Employment Benefits

The Municipality recognizes its obligations under post employment plans and the related net costs. The Municipality's sick leave benefits do not carry forward from year to year nor have long term service benefit awards. The Municipality has a defined contribution pension plan that during the year, the Municipality contributed \$189,122. Employees are not eligible for any long term service awards.

5. Receivables

The receivables in the consolidated statement of financial position consist of the following:

	<u>2023</u>
General Operating Fund	
- Arena Ice User Accounts	\$ 70,390
- HST Rebate	283,556
- Province of NB - Designated Highways	952,371
- Regional Development Corporation	143,646
- Atlantic Canada Opportunities Agency	51,212
- Federal Government	222,752
- Other	44,605
	<u>1,768,532</u>
Water & Sewerage Operating Fund	
- Water and Sewer Accounts	215,272
- HST Rebate	141,338
- Regional Development Corporation	132,948
- Federal Government	22,956
	<u>512,514</u>
	<u>\$ 2,281,046</u>

6. Investments

The investments consist of a guaranteed investment certificate with a maturity date of January 11, 2025, bearing interest at 3.00% per annum, and a Nova Scotia Power Debenture, due February 26, 2031, with an interest rate of 11%.

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

7. Payables and Accruals

The payables and accruals include the following remittances due to the Federal or Provincial governments and agencies:

	<u>2023</u>
Receiver General (Payroll Liabilities)	\$ 5,978
WorkSafe NB	1,719
	<u>\$ 7,697</u>

8. Deferred Revenue

Deferred revenue consists of 1/2 of the October 1st flat rate water and sewerage billing which covers the period October 1st to March 31st of the following year.

9. Long Term DebtNew Brunswick Municipal Financing Corporation

Debentures:

	<u>2023</u>
BK18 1.15%-3.45%, due 2024, MO#13-0019	\$ 6,000
BT21 2.10%-3.45%, due 2028, MO#17-0094	65,000
BT22 2.10%-3.45%, due 2028, MO#17-0016	57,000
BV24 2.05%-2.85%, due 2029, MO#15-0024	220,000
BX26 0.90%-2.05%, due 2030, MO#18-0053 and 19-0078	701,000
BX27 0.90%-2.05%, due 2030, MO#19-0033	28,000
BY45 0.50%-1.80%, due 2030, MO#10-0037	141,000
CB17 3.01%-4.08%, due 2032, MO#21-0026	270,000
CD16 4.05%-5.12%, due 2033, MO#21-0026 and 22-0029	430,000
	<u>\$ 1,918,000</u>

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

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

2024	\$	246,000
2025	\$	244,000
2026	\$	249,000
2027	\$	254,000
2028	\$	261,000

During the year, interest in the amount of \$50,895 was paid by the Municipality relating to the above noted debentures.

10. Contingencies

In the normal course of operations, the Municipality becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at December 31, 2023 cannot be predicted with certainty, it is the opinion of management and Council that resolution of these matters will not have a material adverse effect as the Municipality maintains insurance coverage in amounts considered appropriate.

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

11. Short-Term Borrowings Compliance**Interim borrowing for capital**

The Municipality where possible interim finances capital projects through interfund deposits. The Municipal policy has been to combine all monies into one bank account. A motion of Council dated January 16, 2023, set the interfund debt at 4.45% effective January 1, 2023.

The Municipality has remaining outstanding ministerial authority for short term borrowings as follows:

Water and Sewer Capital Fund M.O. #23-0029	\$	350,000
General Capital Fund M.O. #21-0026	\$	60,000
General Capital Fund M.O. #23-0029	\$	918,000

Operating borrowing

As prescribed in the Local Governance Act, borrowing to finance General Fund operations is limited to 4% of the municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. In 2023, the Municipality has complied with the restrictions of both the General Fund and the Utility Fund Operations.

Interfund borrowing

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

12. Water Cost Transfer

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

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

13. Trust Funds

The O'Connell trust is a restricted fund, the balance and income from which is stipulated to be spent on events for the children of the Municipality.

		<u>2023</u>
SUSSEX		
O'CONNELL TRUST		
As at December 31, 2023		
		<u>2023</u>
ASSETS		
Cash		\$ 1,755
Investments		14,295
		<u>\$ 16,050</u>
EQUITY		
<i>Restricted Surplus</i>		
Balance, Beginning of Year		\$ 15,749
Interest Earned		301
Expenditures		-
Balance, End of Year		<u>\$ 16,050</u>

The NB Ranger's trust is a restricted fund, the balance and income from which is stipulated to be used to maintain the monument at the 8th Hussars Sports Centre. If accumulated interest should exceed \$5,000, scholarships may be established.

		<u>2023</u>
SUSSEX		
NB RANGER'S TRUST		
As at December 31, 2023		
		<u>2023</u>
ASSETS		
Cash		\$ 11,562
Investments		5,000
		<u>\$ 16,562</u>
EQUITY		
<i>Restricted Surplus</i>		
Balance, Beginning of Year		\$ 16,389
Interest Earned		1,173
Expenditures		(1,000)
Balance, End of Year		<u>\$ 16,562</u>

		<u>2023</u>
<u>O'Connell Trust</u>		
Toronto Dominion Bank, 3.00%, maturing January 2025		<u>\$ 14,295</u>
<u>NB Ranger's Trust</u>		
Nova Scotia Power Debenture, 11%, maturing February 2031		<u>\$ 5,000</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

14. Federal and Provincial Funding

Transfers received from Federal and Provincial Governments included in Operating Fund revenue:

	<u>2023</u>
Community Building Fund (formerly Gas Tax)	\$ 759,856

In 2023, grants were received from the following organizations and are included in the General Operating Fund:

	<u>2023</u>
PNB Designated Highways - Leonard Drive	\$ 952,371
PNB Student Seed Grant	3,463
Regional Development Corporation Community Investment Fund	9,989
Regional Development Corporation Community Development Fund	7,315
Regional Development Corporation Trout Creek Pedestrian Bridge	219,536
Regional Development Corporation Stewart Ave Wastewater Pumping Station	565,587
Atlantic Canada Opportunities Agency Trout Creek Pedestrian Bridge	222,091
NB Power Electric Charging Stations	17,646
Government of Canada	245,708
Government of Canada National Disaster Mitigation Program	32,063
Government of Canada Canada Day Grant	8,500
Government of Canada Students Canada Summer Jobs	8,266
	<u>\$ 2,292,535</u>

15. Cash Donations Received from Individuals and Organizations

	<u>2023</u>
Memorial Program	\$ 225
Sussex Downtown Business Association	10,842
Sussex & District Chamber of Commerce	19,564
Sussex Area Community Foundation	3,500
Rotary Club of Sussex	50,000
	<u>\$ 84,131</u>

16. Asset Retirement Obligation

The Municipality has an asset retirement obligation arising from the Wastewater Treatment System. The estimated cost to fully decommission the facility, including its components, is \$1,650,000. The facility is expected to remain in use for thirty years from the time of recognition, January 1, 2023. The cost has been amortized on a straight-line basis over the remaining useful life of the system.

	<u>2023</u>
Estimated Decommissioning Cost	\$ 1,650,000
Amortization during year	55,000
Balance, end of year	<u>\$ 1,595,000</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

17. Water and Sewerage Operating Fund Surplus (Deficit)

The Local Governance Act requires the Water and Sewerage Fund surplus or deficit amounts to be absorbed into one or more of three operating budgets, commencing with the second following year. The balance of the surplus at the end of the year consists of:

	<u>2023</u>
2023 Surplus	\$ 389
2022 Surplus	118,335
2021 Surplus	51,516
	<u>\$ 170,240</u>

18. Corresponding Figures

The consolidated financial statements have not been prepared on a corresponding basis because corresponding information is not available, as this is a new entity comprised of the former Town of Sussex, former Village of Sussex Corner, and certain unincorporated areas contiguous to Sussex (see note 2).

19. Subsequent Event

On February 29, 2024 significant flooding occurred within the Municipality as a result of a weather event. Management cannot estimate the cost of the damages but anticipates receiving insurance proceeds and disaster financial assistance funding to cover the loss.

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

20. Schedule of Tangible Capital Assets

	General Fund						Water and Sewer Fund					2023 Total
	Land	Land Improvements	Facilities	Engineering Structures	Machinery and Equipment	Fleet	Land	Facilities	Engineering Structures	Machinery and Equipment	Fleet	
Cost												
Balance, beginning of year	\$ 1,070,218	\$ 1,836,805	\$ 7,322,776	\$ 31,702,042	\$ 1,230,844	\$ 4,887,955	\$ 61,515	\$ 352,330	\$ 26,779,069	\$ 601,569	\$ 304,956	\$ 76,150,079
Add:												
Net additions during the year	-	-	272,420	900,104	118,409	558,706	-	-	3,876,791	202,792	61,609	\$ 5,990,831
Disposals during the year	-	-	-	-	10,944	41,503	-	-	84,861	-	-	\$ 137,108
Balance, End of Year	1,070,218	1,836,805	7,595,196	32,602,146	1,338,309	5,405,158	61,515	352,330	30,571,199	804,361	366,565	\$ 82,003,802
Accumulated Amortization												
Balance, beginning of year	-	861,046	3,574,879	18,662,477	737,951	2,785,366	-	165,332	11,703,395	396,735	255,600	\$ 39,142,801
Add:												
Amortization during the year	-	76,810	190,292	787,188	42,756	249,452	-	8,106	409,344	16,104	9,568	\$ 1,789,620
Less:												
Accumulated amortization on disposals during the year	-	-	-	-	10,944	41,503	-	-	77,522	-	-	\$ 129,969
Balance, End of Year	-	937,856	3,765,171	19,449,665	769,763	2,993,335	-	173,438	12,035,217	412,839	265,168	\$ 40,802,452
Net Book Value of Tangible Capital Assets	\$ 1,070,218	\$ 898,949	\$ 3,830,025	\$ 13,152,481	\$ 568,546	\$ 2,411,823	\$ 61,515	\$ 178,892	\$ 18,535,982	\$ 391,522	\$ 101,397	\$ 41,201,350
Consists of:												
General Fund Assets	\$ 1,070,218	\$ 898,949	\$ 3,830,025	\$ 13,152,481	\$ 568,546	\$ 2,411,823	-	-	-	-	-	\$ 21,932,042
Water and Sewer Fund Assets	-	-	-	-	-	-	61,515	178,892	18,535,982	391,522	101,397	\$ 19,269,308
	\$ 1,070,218	\$ 898,949	\$ 3,830,025	\$ 13,152,481	\$ 568,546	\$ 2,411,823	\$ 61,515	\$ 178,892	\$ 18,535,982	\$ 391,522	\$ 101,397	\$ 41,201,350

Sussex

Notes to the Consolidated Financial Statements

As at December 31, 2023

21. Schedule of Segmented Disclosures

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2023 Consolidated
Revenues								
Property Tax Warrant	\$ 791,078	\$ 1,770,017	\$ 1,984,721	\$ 439,789	\$ 358,641	\$ 1,048,030	\$ 1,240,157	\$ 7,632,434
Services Provided to Other Governments	-	432,456	52,389	-	-	-	-	484,845
Sale of Services, Fines and Other Fees	28,440	-	-	-	-	397,179	-	425,619
Community Funding and Equalization	50,125	112,153	125,757	27,866	22,724	66,406	78,580	483,612
Other Government Transfers	317,525	710,454	796,633	176,524	143,952	420,661	497,777	3,063,527
Water and Sewer User Fees	-	-	-	-	-	-	1,924,661	1,924,661
Interest	37,784	84,541	94,795	21,005	17,130	50,057	59,234	364,544
Other	65,795	147,214	165,071	36,578	29,829	87,166	103,145	634,797
	<u>1,290,747</u>	<u>3,256,835</u>	<u>3,219,367</u>	<u>701,762</u>	<u>572,275</u>	<u>2,069,500</u>	<u>3,903,554</u>	<u>15,014,039</u>
Expenses								
Salaries and Benefits	707,654	492,237	946,895	27,540	133,620	661,334	882,927	3,852,207
Goods and Services	757,107	1,694,007	1,899,491	420,903	343,240	1,003,024	1,186,900	7,304,672
Amortization	28,323	140,980	947,879	-	22,088	207,228	443,122	1,789,620
Interest	179	10,907	34,225	-	-	2,549	3,035	50,895
	<u>1,493,263</u>	<u>2,338,131</u>	<u>3,828,489</u>	<u>448,443</u>	<u>498,949</u>	<u>1,874,135</u>	<u>2,515,985</u>	<u>12,997,394</u>
(Deficit) Surplus for the Year	<u>\$ (202,516)</u>	<u>\$ 918,704</u>	<u>\$ (609,122)</u>	<u>\$ 253,319</u>	<u>\$ 73,326</u>	<u>\$ 195,364</u>	<u>\$ 1,387,568</u>	<u>\$ 2,016,645</u>

Sussex
Notes to the Consolidated Financial Statements
Year Ended December 31, 2023

22. Reconciliation of Annual Surplus

	General Operating Fund	General Capital Fund	Water and Sewerage Operating Fund	Water and Sewerage Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water and Sewerage Operating Reserve Fund	Water and Sewerage Capital Reserve Fund	Land Public Purpose Reserve	Library Capital Reserve	O'Connell Trust	NB Ranger's Trust	Total
2023 Annual surplus (deficit) (PSAB)	\$ 2,458,943	\$ (1,346,498)	\$ 1,112,662	\$ (450,261)	\$ 17,342	\$ 52,917	\$ 3,666	\$ 162,571	\$ 3,488	\$ 1,341	\$ 301	\$ 173	\$ 2,016,645
Adjustments of annual surplus (deficit) for funding requirements													
Second previous year's surplus	(36,212)	-	51,516	-	-	-	-	-	-	-	-	-	15,304
Transfers between funds													
Water cost transfer	(159,600)	-	159,600	-	-	-	-	-	-	-	-	-	-
Office wages charged to Utility Fund	(235,200)	-	235,200	-	-	-	-	-	-	-	-	-	-
Transfer to Reserve Funds from General Operating Fund	(113,089)	-	-	-	(46,034)	159,123	-	-	-	-	-	-	-
Transfer to Reserve Funds from Water and Sewer Operating Fund	-	-	634,603	-	-	-	-	(634,603)	-	-	-	-	-
Capital Expenditures from General Operating Fund	(1,584,639)	1,584,639	-	-	-	-	-	-	-	-	-	-	-
Capital from Water and Sewer Operating Fund	-	-	(2,161,192)	2,161,192	-	-	-	-	-	-	-	-	-
Long term debt principal repayment	(327,000)	327,000	(32,000)	32,000	-	-	-	-	-	-	-	-	-
Amortization expense	-	1,346,498	-	443,122	-	-	-	-	-	-	-	-	1,789,620
Total adjustments to 2023 annual surplus (deficit) (PSAB)	(2,458,740)	1,258,137	(1,112,773)	2,636,314	(46,034)	159,123	-	(634,603)	-	-	-	-	1,904,924
2023 Annual fund surplus (deficit) (funding)	\$ 3,203	\$ 1,911,633	\$ 389	\$ 2,186,053	\$ 128,692	\$ 212,040	\$ 3,666	\$ (472,032)	\$ 3,488	\$ 1,341	\$ 301	\$ 173	\$ 3,821,569

Sussex

Notes to the Consolidated Financial Statements

As at December 31, 2023

23. Statement of Reserves

	General Operating Reserves	General Capital Reserves	Library Capital Reserve	Water and Sewer Operating Reserves	Water and Sewer Capital Reserves	Land for Public Purpose Reserves	2023 Total
Assets							
Cash	\$ 385,409	\$ 1,558,307	\$ 30,628	\$ 98,406	\$ 3,260,848	\$ 84,173	\$ 5,417,771
Accumulated Surplus	\$ 385,409	\$ 1,558,307	\$ 30,628	\$ 98,406	\$ 3,260,848	\$ 84,173	\$ 5,417,771

Revenue

Transfers from Water and Sewer, General Operating Funds and Other	\$ (46,034)	\$ 159,123	\$ -	\$ -	\$ (634,603)	\$ -	\$ (521,514)
Interest	17,342	52,917	1,341	3,666	162,571	3,488	241,325
Annual Surplus	\$ (28,692)	\$ 212,040	\$ 1,341	\$ 3,666	\$ (472,032)	\$ 3,488	\$ (280,189)

Reserve Funds


The General Operating Reserve Fund and the Water and Sewerage Operating Reserve Fund are in compliance with the requirement that they shall not exceed 5% of the total expenditure that was budgeted for the previous fiscal year.

The current year General Fund reserve fund transfers were approved by motion of Council on December 18, 2023 that stated "It was moved by Councilor Brenan, seconded by Councilor Bobbitt that the Town Treasurer be authorized to transfer the budgeted amount of \$40,080 from the former Village of Sussex Corner Operating Reserve to the Sussex 2023 General Operating Fund; that the Town Treasurer be authorized to transfer \$30,954 from the former Village of Sussex Corner Operating Reserve to the Sussex 2023 General Operating Fund; that the Town Treasurer be authorized to transfer \$40,877 from the former Village of Sussex Corner Capital Reserve to the to the Sussex 2023 General Operating Fund; that the Town Treasurer be authorized to transfer \$25,000 from the Sussex 2023 General Operating Fund to establish the new Sussex General Operating Reserve; that the Town Treasurer be authorized to transfer \$200,000 from the Sussex 2023 General Operating Fund to establish the new Sussex General Capital Reserve."

The current year Utility Fund reserve fund transfers were approved by motion of Council on December 18, 2023 that stated "It was moved by Councilor Brenan, seconded by Councilor MacLeod that the Town Treasurer be authorized to transfer \$334,603 from the former Village of Sussex Corner Water and Sewer Capital Reserve to the Sussex 2023 Utility Operating Fund; that the Town Treasurer be authorized to transfer \$300,000 from the former Town of Sussex Water and Sewer Capital Reserve to the to the Sussex 2023 Utility Operating Fund."

I hereby certify that the above are true and exact copies of resolutions adopted at a meeting of Council on the above dates.


 Tara Olesen, Clerk
 Sussex


 Date

MUNICIPAL SEAL

Sussex

Notes to the Consolidated Financial Statements

Year Ended December 31, 2023

24. Operating Budget to PSA Budget

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Controlled Entities	Other	Transfers	Total
Revenue							
Warrant of Assessment	\$ 7,632,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,632,434
Services provided to other Governments	485,920	-	-	-	-	-	485,920
Sale of Services	362,750	1,729,634	-	-	-	-	2,092,384
Other Revenues from Own Sources	130,125	9,200	-	-	-	-	139,325
Community funding and equalization (Unconditional Grant)	483,612	-	-	-	-	-	483,612
Payment in Lieu of Taxes	11,137	-	-	-	-	-	11,137
Other Transfers	525,280	61,000	-	-	-	(276,280)	310,000
Water Supply for Fire Protection	-	159,600	-	-	-	(159,600)	-
Surplus of second previous year	7,256	51,516	-	-	-	(58,772)	-
	9,638,514	2,010,950	-	-	-	(494,652)	11,154,812
Expenditures							
General Government Services	1,239,856	-	28,323	-	-	-	1,268,179
Protective Services	2,856,138	-	140,980	-	-	(159,600)	2,837,518
Transportation Services	2,233,832	-	947,879	-	-	-	3,181,711
Environmental Health Services	705,027	-	-	-	-	-	705,027
Environmental Development Services	552,850	-	22,088	-	-	-	574,938
Recreational and Cultural Services	1,472,871	-	207,226	-	-	-	1,680,099
Fiscal Services	577,940	230,775	-	-	-	-	808,715
- Long term debt repayments	-	-	-	-	-	(359,000)	(359,000)
- Interest	-	-	-	-	-	(84,450)	(84,450)
- Transfer General Operating to General Capital Fund	-	-	-	-	-	(129,285)	(129,285)
- Transfer General Operating Fund to General Reserve Fund	-	-	-	-	-	(200)	(200)
- Transfer Water and Sewer Operating Fund to Water and Sewer Capital Fund	-	-	-	-	-	(72,000)	(72,000)
- Transfer Water and Sewer Operating Fund to Water and Sewer Reserve Fund	-	-	-	-	-	(41,000)	(41,000)
Water System	-	811,850	159,441	-	-	(117,600)	853,691
Sewerage System	-	968,325	283,681	-	-	(117,600)	1,134,406
	9,638,514	2,010,950	1,789,620	-	-	(1,080,735)	12,358,349
Surplus (Deficit)	\$ -	\$ -	\$ (1,789,620)	\$ -	\$ -	\$ 586,083	\$ (1,203,537)

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support

	<u>GENERAL</u>	
	<u>2023 BUDGET</u>	<u>2023 ACTUAL</u>
<u>REVENUE</u>		
WARRANT OF ASSESSMENT	\$ 7,632,434	\$ 7,632,434
COMMUNITY FUNDING AND EQUILIZATION GRANT	483,612	483,612
CONDITIONAL GRANT	-	1,980,491
SALE OF SERVICES	362,750	425,619
SERVICES PROVIDED TO OTHER GOVERNMENTS	485,920	484,845
OTHER REVENUE FROM OWN SOURCES	130,125	349,175
OTHER TRANSFERS	525,280	729,736
PAYMENT IN LIEU OF TAXES	11,137	11,137
SURPLUS FROM SECOND PREVIOUS YEAR	7,256	3,868
	<u>9,638,514</u>	<u>12,100,917</u>
<u>EXPENDITURES</u>		
GENERAL GOVERNMENT SERVICES	1,239,856	1,068,250
PROTECTIVE SERVICES	2,856,138	2,770,678
TRANSPORTATION SERVICES	2,233,832	3,224,839
ENVIRONMENTAL HEALTH SERVICES	705,027	739,476
ENVIRONMENTAL DEVELOPMENT SERVICES	552,850	588,089
RECREATION AND CULTURAL SERVICES	1,472,871	1,527,032
FISCAL SERVICES	577,940	2,179,350
	<u>9,638,514</u>	<u>12,097,714</u>
SURPLUS FOR THE YEAR	<u>\$ -</u>	<u>\$ 3,203</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	<u>2023 BUDGET</u>	<u>2023 ACTUAL</u>
<u>SALE OF SERVICES</u>		
SKATING RINK AND ARENA	\$ 304,000	\$ 339,810
BALLFIELD RENTALS	5,000	11,072
GOLDEN JUBILEE HALL	6,000	6,310
SUSSEX MUSEUM AND GALLERY	10,000	10,784
SUSSEX TOURISM AND INTERPRETIVE CENTRE	1,750	1,904
RECREATIONAL PROGRAMS	7,000	11,720
PARKS, FIELDS AND SPECIAL EVENTS	6,000	15,579
RENTAL - COMMERCIAL	23,000	28,440
	<u>\$ 362,750</u>	<u>\$ 425,619</u>
<u>SERVICES PROVIDED TO OTHER GOVERNMENTS</u>		
FIRE	\$ 429,054	\$ 432,456
ROADS AND STREETS	56,866	52,389
	<u>\$ 485,920</u>	<u>\$ 484,845</u>
<u>OTHER REVENUE FROM OWN SOURCES</u>		
LICENCES AND PERMITS	\$ 27,000	\$ 72,248
RETURN ON INVESTMENTS	50,000	121,745
LIBRARY	2,125	-
SHOW CENTRE	11,000	11,099
OTHER	40,000	144,083
	<u>\$ 130,125</u>	<u>\$ 349,175</u>
<u>OTHER TRANSFERS</u>		
TRANSFER FROM RESERVE FUND		
- OPERATING RESERVE FUND	\$ 40,080	\$ 71,034
- CAPITAL RESERVE FUND	-	40,877
DONATIONS	-	84,131
HST REBATE	250,000	298,494
TRANSFER FROM UTILITY FUND	235,200	235,200
	<u>\$ 525,280</u>	<u>\$ 729,736</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	<u>2023</u> <u>BUDGET</u>	<u>2023</u> <u>ACTUAL</u>
<u>GENERAL GOVERNMENT SERVICES</u>		
<u>LEGISLATIVE</u>	\$ 198,150	\$ 185,113
<u>ADMINISTRATIVE</u>		
GENERAL ADMINISTRATION	515,175	459,102
CHIEF ADMINISTRATION OFFICER	172,125	163,996
BUILDING	162,675	124,920
LESS: TRANSFER TO FIRE	(71,200)	(71,200)
LESS: TRANSFER TO WORKS	(45,738)	(45,738)
SOLICITOR	10,000	13,938
	<u>743,037</u>	<u>645,018</u>
<u>FINANCIAL MANAGEMENT</u>		
EXTERNAL AUDIT	<u>15,500</u>	<u>12,769</u>
<u>OTHER</u>		
CONVENTIONS AND DELEGATIONS	8,000	13,902
PUBLIC LIABILITY INSURANCE	33,800	17,107
OTHER	158,494	130,492
ADVERTISING	10,000	7,232
ASSET MANAGEMENT	72,875	56,617
	<u>283,169</u>	<u>225,350</u>
	<u>\$ 1,239,856</u>	<u>\$ 1,068,250</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	<u>2023 BUDGET</u>	<u>2023 ACTUAL</u>
<u>PROTECTIVE SERVICES</u>		
<u>POLICE</u>		
POLICE PROTECTION-RCMP CONTRACT	\$ 1,510,304	\$ 1,510,304
<u>FIRE</u>		
FIRE PROTECTION	966,000	914,072
WATER COST TRANSFER	159,600	159,600
	<u>1,125,600</u>	<u>1,073,672</u>
<u>EMERGENCY MEASURES</u>	<u>42,175</u>	<u>33,571</u>
<u>OTHER</u>		
BUILDING INSPECTION	121,500	88,789
ANIMAL CONTROL	31,825	40,309
CROSSWALK GUARD	11,500	11,946
OTHER	8,659	7,662
PEST CONTROL	4,575	4,425
	<u>178,059</u>	<u>153,131</u>
	<u>\$ 2,856,138</u>	<u>\$ 2,770,678</u>
<u>TRANSPORTATION SERVICES</u>		
<u>ROAD AND STREETS</u>		
	\$ 1,672,292	\$ 2,700,104
<u>STREET LIGHTING</u>	<u>220,000</u>	<u>206,791</u>
<u>TRAFFIC SERVICES</u>		
STREET MAINTENANCE	330,275	309,506
RAILWAY CROSSING SIGNAL	7,015	5,751
	<u>337,290</u>	<u>315,257</u>
<u>OTHER</u>		
LIABILITY INSURANCE	<u>4,250</u>	<u>2,687</u>
	<u>\$ 2,233,832</u>	<u>\$ 3,224,839</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	2023 BUDGET	2023 ACTUAL
<u>ENVIRONMENTAL HEALTH SERVICES</u>		
GARBAGE AND WASTE DISPOSAL	\$ 705,027	\$ 739,476
<u>ENVIRONMENTAL DEVELOPMENT SERVICES</u>		
GENERAL LAND ASSEMBLY	\$ 75,925	\$ 72,411
BEAUTIFICATION AND LAND REHABILITATION	124,825	144,679
COMMUNITY DEVELOPMENT	111,448	166,873
DEVELOPMENT INCENTIVE	59,848	40,473
TREE REMOVAL AND PLANTING	7,500	13,209
SUSSEX TOURISM AND INTERPRETIVE CENTRE	69,650	74,221
TOURISM	29,204	18,413
PUBLIC RECEPTIONS	3,000	-
WEB SITE PROGRAM	18,000	13,440
DECORATIVE LIGHTING	42,175	35,589
BUSINESS CENTRE	9,275	7,773
LIABILITY INSURANCE	2,000	1,008
	<u>\$ 552,850</u>	<u>\$ 588,089</u>
<u>RECREATIONAL AND CULTURAL SERVICES</u>		
ADMINISTRATION	\$ 82,456	\$ 98,951
REGIONAL CONTRIBUTION TO CIVIC CENTRE	102,911	102,911
8TH HUSSARS SPORTS CENTRE	495,860	583,263
PARKS AND PLAYGROUNDS	392,633	379,644
GOLDEN JUBILEE HALL	19,880	21,330
TENNIS BUILDING	6,425	6,758
SUSSEX MUSEUM AND ART GALLERY	32,675	27,474
REGIONAL LIBRARY	76,500	58,842
COMMUNITY SERVICES	263,531	247,859
	<u>\$ 1,472,871</u>	<u>\$ 1,527,032</u>
<u>FISCAL SERVICES</u>		
DEBT CHARGES		
- INTEREST	\$ 67,375	\$ 47,907
- PRINCIPAL	327,000	327,000
- DEBENTURE DISCOUNT	10,000	3,040
- BANK SERVICE CHARGES	4,000	3,486
TRANSFER TO RESERVE FUND	200	225,000
PRIOR YEAR DEFICIT	40,080	40,080
TRANSFER TO GENERAL CAPITAL EXPENDITURES	129,285	1,532,837
	<u>\$ 577,940</u>	<u>\$ 2,179,350</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	<u>WATER AND SEWER</u>	
	<u>2023 BUDGET</u>	<u>2023 ACTUAL</u>
<u>REVENUE</u>		
SALE OF SERVICES	\$ 1,729,634	\$ 1,924,661
OTHER REVENUE FROM OWN SOURCES	168,800	168,924
HST REBATE	60,000	15,418
SURPLUS FROM SECOND PREVIOUS YEAR	51,516	51,516
CONDITIONAL GRANTS	-	1,071,899
TRANSFER FROM RESERVE FUND	1,000	634,603
	<u>2,010,950</u>	<u>3,867,021</u>
<u>EXPENDITURES</u>		
WATER SUPPLY	811,850	782,643
SEWERAGE COLLECTION AND DISPOSAL	968,325	809,898
FISCAL SERVICES	230,775	2,274,091
	<u>2,010,950</u>	<u>3,866,632</u>
SURPLUS FOR THE YEAR	<u>\$ -</u>	<u>\$ 389</u>

Sussex**Notes to the Consolidated Financial Statements**Year Ended December 31, 2023

25. Revenue and Expenditure Support (continued)

	<u>2023 BUDGET</u>	<u>2023 ACTUAL</u>
<u>SALE OF SERVICES</u>		
WATER AND SEWER RATES	\$ 1,670,150	\$ 1,654,168
SERVICE CHARGES	59,484	270,493
	<u>\$ 1,729,634</u>	<u>\$ 1,924,661</u>
<u>OTHER REVENUE FROM OWN SOURCES</u>		
INTEREST ON INVESTMENTS	\$ 1,200	\$ -
INTEREST ON ACCOUNTS	8,000	4,490
OTHER	-	4,834
WATER SUPPLY FOR FIRE PROTECTION	159,600	159,600
	<u>\$ 168,800</u>	<u>\$ 168,924</u>
<u>WATER SUPPLY</u>		
ADMINISTRATION AND GENERAL	\$ 161,825	\$ 265,567
TRANSMISSION AND DISTRIBUTION	393,400	289,660
POWER AND PUMPING	90,200	69,512
BILLING AND COLLECTION	124,100	126,078
OTHER	42,325	31,826
	<u>\$ 811,850</u>	<u>\$ 782,643</u>
<u>SEWER COLLECTION AND DISPOSAL</u>		
ADMINISTRATION AND GENERAL	\$ 111,550	\$ 75,710
SEWERAGE COLLECTION SYSTEM	293,550	238,383
SEWERAGE LIFT STATION	109,925	75,202
SEWERAGE TREATMENT AND DISPOSAL	323,625	292,802
BILLING AND COLLECTION	125,500	121,640
OTHER	4,175	6,161
	<u>\$ 968,325</u>	<u>\$ 809,898</u>
<u>FISCAL SERVICES</u>		
BAD DEBT	\$ 4,000	\$ -
INTEREST	3,075	2,988
DEBT CHARGES	32,000	32,000
DISCOUNTS	65,000	61,475
BANK SERVICE CHARGE	13,700	16,436
TRANSFER TO GENERAL CAPITAL EXPENDITURES	72,000	2,161,192
TRANSFER TO RESERVE	41,000	-
	<u>\$ 230,775</u>	<u>\$ 2,274,091</u>