

# **BEAURIVAGE**

Consolidated Financial Statements

December 31, 2025

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## **INDEPENDENT AUDITOR'S REPORT**

To His Worship the Mayor and Members of Council

### **Opinion**

We have audited the accompanying consolidated financial statements of Beaurivage, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Beaurivage as at December 31, 2025, and the results of its consolidated 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 village 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.

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

Management is responsible for the preparation and fair presentation of the 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 Municipality'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 Village or to cease operations, or has no realistic alternative but to do so.

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



**Bourque  
Richard  
Boutot** P.C. INC.

CHARTERED PROFESSIONAL ACCOUNTANTS | COMPTABLES PROFESSIONNELS AGRÉÉS

### **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.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the appendix of this auditor's report. This description, which is located on page 3, forms part of our auditor's report.

The budget figures are presented for comparison purposes. They have been prepared and approved by the Municipal Council. These figures have not been audited or reviewed.

*Bourque Richard Boutot*

Chartered Professional Accountants

Dieppe, NB

April 21, 2026

443 boul. Adélarde-Savoie Blvd.,  
Dieppe, NB, E1A 0N7

t • (506) 857-2290

f • (506) 857-8468

[www.brbcpa.ca](http://www.brbcpa.ca)

## **APPENDIX TO INDEPENDENT AUDITOR'S REPORT**

### **Description of the Auditor's Responsibilities for the Audit of the 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 Village'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 Village'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 Village 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Village to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

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**BEAURIVAGE**Consolidated Statement of Operations  
Year ended December 31

	<b>2025 Budget (Unaudited) (Note 18)</b>	<b>2025 Actual</b>	2024 Actual
<b>REVENUES</b>			
Property tax warrant	\$ 5,746,780	\$ 5,746,780	\$ 5,121,753
Unconditional grant	139,077	139,077	166,146
Services provided to other governments	229,077	229,071	147,635
Sale of services, fines and other fees	980,231	1,169,030	965,555
Other government transfers	-	756,418	3,949,521
Water and sewer user fees	951,850	982,512	924,125
Interest	8,500	8,422	9,301
Other	35,000	157,194	259,616
Gain on disposal of tangible capital assets	-	-	20,479
	<u>8,090,515</u>	<u>9,188,504</u>	11,564,131
<b>EXPENDITURES</b>			
General government services	1,427,996	1,432,455	1,341,486
Protective services	1,708,673	1,689,419	1,618,626
Transportation services	1,360,870	1,378,284	1,257,295
Environmental health services	582,651	590,620	628,159
Environmental development services	575,056	516,093	536,131
Recreational and cultural services	2,130,612	2,177,949	1,771,987
Water and sewer	1,252,984	1,209,015	1,181,826
	<u>9,038,842</u>	<u>8,993,835</u>	8,335,510
Annual surplus (deficit) (note 16)	<u>\$ (948,327)</u>	194,669	3,228,621
Accumulated surplus, beginning of year		<u>24,826,111</u>	21,597,490
Accumulated surplus, end of year		<u>\$ 25,020,780</u>	<u>\$ 24,826,111</u>

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**BEAURIVAGE**Consolidated Statement of Financial Position  
December 31**2025****2024**

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**FINANCIAL ASSETS**

Cash (note 3)	\$	<b>626,908</b>	\$	645,640
Receivables				
General		<b>1,612,002</b>		567,896
Federal government and its agencies (note 4)		<b>171,905</b>		261,314
Province of New Brunswick (note 5)		<b>201,093</b>		494,900
Post employment benefits receivable (note 10)		<b>142,200</b>		72,400
	\$	<b>2,754,108</b>	\$	<b>2,042,150</b>

**LIABILITIES**

Bank loan (note 6)	\$	<b>2,748,415</b>	\$	1,326,927
Payables and accruals		<b>865,237</b>		685,665
Deferred revenue (note 7)		<b>297,179</b>		254,975
Long term debt (note 8)		<b>3,009,221</b>		3,212,907
Accrued sick leave (note 9)		<b>144,815</b>		115,053
Due to related organizations		<b>142,932</b>		104,845
		<b>7,207,799</b>		5,700,372
<b>NET DEBT</b>		<b>(4,453,691)</b>		<b>(3,658,222)</b>

**NON-FINANCIAL ASSETS**

Tangible capital assets (note 14)		<b>55,584,789</b>		53,060,342
Accumulated amortization (note 14)		<b>26,114,953</b>		24,580,644
		<b>29,469,836</b>		28,479,698
Prepaid expenses		<b>4,635</b>		4,635
		<b>29,474,471</b>		28,484,333
<b>ACCUMULATED SURPLUS</b>	\$	<b>25,020,780</b>	\$	24,826,111

Commitments (note 13)

APPROVED BY

  
\_\_\_\_\_, Mayor

  
\_\_\_\_\_, Treasurer

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**BEAURIVAGE**Consolidated Statement of Change in Net Debt  
Year ended December 31, 2025

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Annual surplus	\$	194,669	\$	3,228,621
Acquisition of tangible capital assets		(2,524,447)		(4,807,771)
Proceeds on disposal of tangible capital assets		-		20,479
Amortization of tangible capital assets		1,534,309		1,372,991
Gain on sale of tangible capital assets		-		(20,479)
		<u>(795,469)</u>		<u>(206,159)</u>
Acquisition of prepaid expenses		-		(36)
Increase in net debt		(795,469)		(206,195)
Net debt, beginning of the year		<u>(3,658,222)</u>		<u>(3,452,027)</u>
Net debt, end of the year	\$	<u>(4,453,691)</u>	\$	<u>(3,658,222)</u>

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**BEAURIVAGE**Consolidated Statement of Cash Flows  
Year ended December 31, 2025

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Increase (decrease) in cash and cash equivalents

**Operating transactions**

Annual surplus	\$	194,669	\$	3,228,621
Gain on disposal of tangible capital assets		-		(20,479)
Amortization of tangible capital assets		1,534,309		1,372,991
Receivable - General		(1,044,106)		(43,670)
Receivable - Federal Government and its agencies		89,409		(113,857)
Receivable - Province of New Brunswick		293,807		406,430
Payables and accruals		179,572		276,155
Deferred revenue		42,204		(418,511)
Accrued sick leave		29,762		9,433
Post employment benefits payable		(69,800)		(108,300)
Acquisition of prepaid expenses		-		(36)
Due to related organizations		38,087		(73,281)
		<u>1,287,913</u>		<u>4,515,496</u>

**Capital transactions**

Acquisition of tangible capital assets		(2,524,447)		(4,807,771)
Proceeds on sale of tangible capital assets		-		20,479
		<u>(2,524,447)</u>		<u>(4,787,292)</u>

**Financing transactions**

Bank loan		1,421,488		1,121,151
Long-term debt		(203,686)		(321,364)
		<u>1,217,802</u>		<u>799,787</u>

Net increase (decrease) in cash and cash equivalents (18,732) 527,991

## Cash and cash equivalents

Beginning of year		<u>645,640</u>		<u>117,649</u>
End of year	\$	<u>626,908</u>	\$	<u>645,640</u>

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**BEURIVAGE**

Notes to the Consolidated Financial Statements  
December 31, 2025

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**1. Purpose of the organization**

Beaurivage was incorporated as a town by the Province of New Brunswick *Municipalities Act* on January 1, 2023. As a Municipality, Beaurivage is exempt from income tax under section 149(1)(c) of the *Canadian Income Tax Act*.

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**2. Summary of significant accounting policies**

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

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:

**Reporting entity**

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt 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 Council on November 27, 2024 and the Minister of Local Government on December 18, 2024.

**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 assets and 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.

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**BEAURIVAGE**

Notes to the Consolidated Financial Statements  
December 31, 2025

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

The Municipality's financial instruments consist of cash, accounts receivable, due from the Province of New Brunswick, due from the Federal Government, due from own funds, bank loan, payables and accruals and long-term debt. Unless otherwise noted, it is management's opinion that the Municipality is not exposed to significant interest, currency or credit 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 accounts receivable. 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.

**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:

<b>Asset type</b>	<b>Years</b>
Land improvements	5-25 years
Buildings	40 years
Vehicles	3-5 years
Machinery and equipment	5-15 years
Heavy equipment	10-15 years
Computer hardware & software & communication equipment	3-5 years
Furniture & fixtures	3-5 years
Road surface	5-15 years
Road grade	10-30 years
Bridges	30-50 years
Marine structures	25-30 years
Lighting / traffic lights	10-15 years
Water and wastewater networks	15-100 years
Dams and water structures	25-50 years
Leasehold improvements	Over the term of the lease

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

**Segmented information**

Beaurivage 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:

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**BEAURIVAGE**

Notes to the Consolidated Financial Statements  
December 31, 2025

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

Recreation and cultural services

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

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, treatment plants, reservoirs and lagoons.

**Post employment benefits**

The Municipality recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Municipality has a sick leave benefit as documented in Note 9 and a long-term service award and pension plan as documented in Note 10.

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<b>3. Cash</b>	<b>2025</b>	<b>2024</b>
Cash - restricted (note 17)	\$ 288,403	\$ 287,669
Cash - unrestricted	338,505	357,971
	<b>\$ 626,908</b>	<b>\$ 645,640</b>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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<b>4. Due from Federal government and its agencies</b>	<b>2025</b>	<b>2024</b>
Canada Revenue Agency (HST refund)	<b>\$ 171,905</b>	<b>\$ 261,314</b>

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<b>5. Due from Province of New Brunswick</b>	<b>2025</b>	<b>2024</b>
Canada Community-Building Fund (CCBF)	<b>\$ 191,174</b>	<b>\$ 177,192</b>
Regional Development Corporation	<b>9,919</b>	<b>317,708</b>
	<b>\$ 201,093</b>	<b>\$ 494,900</b>

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**6. Bank loan**

The Municipality has a line of credit with a total authorized amount of \$436,000, bearing interest at the prime rate and renewable annually. Repayment is guaranteed by compliance with 4% of the total budget.

The Municipality has a line of credit with a total authorized amount of \$3,227,000, bearing interest at the prime rate and renewable annually. The Municipality has ministerial authorizations for short-term borrowings of \$3,227,000, DC no. 20-0037.

The Municipality has a line of credit with a total authorized amount of \$4,800,000, bearing interest at the prime rate and renewable annually. The Municipality has ministerial authorizations for short-term borrowings of \$4,800,000, DC no. 24-0071.

The Municipality has a line of credit with a total authorized amount of \$450,000, bearing interest at the prime rate and renewable annually. The Municipality has ministerial authorizations for short-term borrowings of \$450,000, DC no. 20-0072.

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<b>7. Deferred revenue</b>	<b>2025</b>	<b>2024</b>
Canada Community-Building Fund (CCBF)	<b>\$ 272,866</b>	<b>\$ 245,308</b>
Water and sewer user fees	<b>6,313</b>	<b>3,667</b>
Rental and other	<b>18,000</b>	<b>6,000</b>
	<b>\$ 297,179</b>	<b>\$ 254,975</b>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**8. Long-term debt****2025****2024**New Brunswick Municipal Financing Corporation

Debentures:

**General**

BW27-2019, 1.95% to 2.95%, due in 2039, OIC #17-0105	\$	<b>813,000</b>	\$	846,000
BI46-2013, 1.35%-4.00%, due in 2033, OIC # 11-0105&12-0004		<b>304,000</b>		355,000
BL41-2014, 1.20%-3.70%, due in 2034, OIC # 11-0105, 12-0049&13-0017		<b>44,000</b>		50,000
CA36-2021, 0.855%-2.762%, due in 2036, OIC # 19-0017		<b>201,000</b>		217,000
CH9-2025, 2.85%-3.369%, due in 2030, DC no 23-0062		<b>92,000</b>		-

**Water and waste water**

BQ16-2017, 1.20%-3.30%, due in 2032, OIC # 14-0053		<b>47,000</b>		53,000
BM15-2015, 0.95%-2.80%, due in 2025, OIC # 03-0007		-		32,000
BP19 -2016, 1.20%-3.80%, due in 2036, OIC # 09-0027		<b>201,000</b>		216,000
BU19-2018, 2.55%-3.55%, due in 2033, OIC # 17-0049		<b>87,000</b>		96,000
B045-2016, 1.45%-2.90%, due in 2026, OIC # 15-0074		<b>35,000</b>		70,000
BZ37-2021, 0.30%-2.95%, due in 2041, OIC # 17-0091		<b>804,000</b>		828,000

Other**General**

Loan, original amount \$1,200,000, repayable in annual instalments of \$84,433 including interest calculated at a rate of 3.50%, maturing 2030

		<b>381,221</b>		449,907
	<b>\$</b>	<b>3,009,221</b>	<b>\$</b>	<b>3,212,907</b>

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:

2026 -	\$	287,091
2027 -	\$	261,579
2028 -	\$	267,154
2029 -	\$	244,819
2030 -	\$	251,578

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**9. Accrued sick leave**

The Municipality provides sick leave that accumulates at 1.25 days per month for full-time employees. All employees can accumulate a maximum of 120 sick leave days. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave. The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The unfunded liability was \$144,815 on December 31, 2025.

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**BEAURIVAGE**

Notes to the Consolidated Financial Statements  
December 31, 2025

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**10. Post employment benefits payable**

The Municipality and its employees participate in the New Brunswick Municipal Employees Pension Plan (NB MEPP). The NB MEPP is a multiple-employer defined benefit pension plan administered by a board elected by the members under the provisions of the Municipalities Act of New Brunswick. The NB MEPP provides pensions based on length of service and best average earnings.

Actuarial valuations for funding purposes are performed either annually or triennially depending on the financial position of the NB MEPP (currently annually). In turn, the actuarial valuations for accounting purposes are based on these figures (with adjustments). The most recent actuarial valuation was prepared as at December 31, 2023 and resulted in an overall NB MEPP accrued benefit obligation of \$158,648,800 based on the accounting basis.

The actuarial valuation for accounting purposes was based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions used reflect management's best estimates. The following summarizes the major assumptions in the valuation as at December 31, 2024:

- the expected inflation rate is 2.1%
- the discount rate used to determine the accrued benefit obligation is 6.05%
- the expected rate of return on assets is 6.05%
- retirement age varies by age and employment category
- estimated average remaining service life (EARSL) is 14.0 years.

The actuarial valuation prepared as at December 31, 2023 indicated that the market value of net assets available for the accumulated plan benefits were less than the present value of these benefits. The pension plan has been granted a solvency deficiency exemption by the Province of New Brunswick. On a going concern valuation basis, the actuarial valuation indicated a deficit of \$9,496,000, a change of \$2,732,600 from the December 31, 2022 deficit of \$12,228,600. Based on the assumptions as at December 31, 2023, the actuary expected the level of employer and employee contributions to be sufficient to fund the current service cost and going concern special payments, as required by the Pension Benefits Act.

As at December 31, 2023, the NB MEPP provides benefits for 332 retirees. Total benefit payments to retirees and terminating employees during 2025 are estimated to be approximately \$5,705,700 (actual 2024, \$8,265,100) in totality for the NB MEPP.

Employees make contributions using rates that vary by earnings level and employment category, with an overall average contribution rate of approximately 7.93%. Each municipality contributes an amount that equals their employees contribution amounts. Pension fund assets are invested in short term securities, bonds, canadian equities, real estate, infrastructure and foreign equities. Combined employees and municipalities contributions for 2025 are estimated to be approximately \$10,714,400 (actual 2024, \$10,407,800 in totality for the NB MEPP).

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**BEURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**10. Post employment benefits payable (continued)**

The following summarizes the NB MEPP data as it relates to Beaurivage:

- The average age of the 17 active employees covered by the NB MEPP is 46.3 (December 31, 2023)
- Benefit Payments were \$137,500 in 2024 and were estimated to be \$122,800 in 2025
- Combined Contributions were \$155,200 in 2024 and were estimated to be \$159,800 in 2025

In addition to determining the position of the NB MEPP as it relates to the Beaurivage as at December 31, 2023 and December 31, 2024, NB MEPP's actuary performed an extrapolation of the December 31, 2024 accounting valuation to determine the estimated position as at December 31, 2025. The extrapolation assumes assumptions used as at December 31, 2025 remain unchanged from December 31, 2024. The extrapolation also assumes assets return 6.05% net of all fees and expenses. If experience is different than assumed, amounts will be adjusted to reflect actual experience. Results of the extrapolation are as follows:

	2024	Estimated 2025
<b>Accrued benefit liability (asset)</b>		
Accrued benefit liability at beginning of period	\$ (14,400)	\$ (105,000)
Pension expense for the year	(13,000)	42,700
Less Employer contributions	(77,600)	(79,900)
	<hr/>	<hr/>
Accrued benefit liability/(asset) at end of period	\$ (105,000)	\$ (142,200)

In summary, the accrued benefit liability as it relates to Beaurivage is estimated to be \$(142,200) as at December 31, 2024. This compares to \$(14,400) as at January 1, 2023 and \$(105,000) as at December 31, 2024. This amount is included in the post employment benefits payable on the consolidated statement of financial position.

The financial position as it relates to the accrued benefit liability is shown as follows and illustrates the unamortized amounts being recognized in pension expense over time:

	2024	Estimated 2025
<b>Reconciliation of funded status at end of period</b>		
Accrued benefit obligation	\$ 1,915,700	\$ 2,008,700
Plan assets	1,792,000	1,938,500
	<hr/>	<hr/>
Plan deficit / (surplus)	123,700	70,200
Unamortized experience losses / (gains)	228,700	212,400
	<hr/>	<hr/>
Accrued benefit liability/(asset) at end of period	\$ (105,000)	\$ (142,200)

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**10. Post employment benefits payable (continued)**

The following illustrates the reconciliation of accrued benefit obligation from the beginning of period to the end of period:

	2024	Estimated 2025
<b>Reconciliation of accrued benefit obligation</b>		
Accrued benefit obligation at beginning of period	\$ 1,746,400	\$ 1,915,700
Current service cost	48,400	100,600
Benefit payments	(137,500)	(122,800)
Interest for period	103,000	115,200
Experience loss / (gain) during period	155,400	-
	<hr/>	<hr/>
Accrued benefit obligation at end of period	\$ 1,915,700	\$ 2,008,700

The following illustrates the reconciliation of plan assets from the beginning of period to the end of period:

	2024	Estimated 2025
<b>Reconciliation of plan assets</b>		
Plan assets at beginning of period	\$ 1,607,000	\$ 1,792,000
Employer contributions	77,600	79,900
Employee contributions	77,600	79,900
Benefit payments	(137,500)	(122,800)
Return on plan assets during period	167,600	109,500
	<hr/>	<hr/>
Plan assets at end of period	\$ 1,792,300	\$ 1,938,500

Total expenses related to pensions include the following components:

	2024	Estimated 2025
<b>Pension expense</b>		
Employer current service cost	\$ (29,200)	\$ 20,700
Interest on accrued benefit obligation	103,000	115,200
Expected return on assets	(97,800)	(109,500)
Amortization of unrecognized balances		
Experience loss / (gain)	11,000	16,300
	<hr/>	<hr/>
Total amortization	11,000	16,300
	<hr/>	<hr/>
Pension expense	\$ (13,000)	\$ 42,700

The pension expense is included in the statement of operations.

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**11. Short-term borrowings compliance****Interim borrowing for capital**

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

General Capital Fund, DC-24-0071	\$	4,800,000
General Capital Fund, DC-24-0072	\$	450,000
General Capital Fund, DC-25-0047	\$	2,594,636
General Capital Fund, DC-25-0072	\$	292,000
Water & Sewer Capital Fund, DC 20-0037	\$	3,227,000

The Municipality holds outstanding ministerial orders as follows:

General Capital Fund, DC-24-0071	\$	4,800,000
General Capital Fund, DC-24-0072	\$	450,000
General Capital Fund, DC-25-0047	\$	219,000
General Capital Fund, DC-25-0072	\$	292,000
Water & Sewer Capital Fund, DC 20-0037	\$	243,000

**Operating borrowing**

As prescribed in the *Municipalities 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 2025, the Municipality has complied with these restrictions.

**Inter-fund borrowing**

The Municipal Financial Reporting Manual requires that short-term inter-fund borrowings be repaid in next the year unless the borrowing is for a capital project. The amounts payable between funds are not in compliance with the requirements.

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**12. Water and Sewer Fund Surplus/Deficit**

The Municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budgets commencing with the second next ensuing year. The balance of the surplus/deficit at the end of the year consists of:

	<u>2025</u>	<u>2024</u>
2025 Deficit	\$ (14,160)	\$ -
2024 Surplus	12,657	12,657
2023 Surplus	-	66,453
	<u>\$ (1,503)</u>	<u>\$ 79,110</u>

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**13. Commitments**

The Municipality is committed to a contract for snow removal. The annual minimum payments are the following:

2026 - \$	359,531
2027 - \$	374,480

**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025**14. Schedule of Tangible Capital Assets**

	Land Land improvements	Buildings and leasehold improvements	Vehicles	Machinery and equipment	Roads and street	Infrastructure Treatment facilities	Water and sewer	Assets under construction	2025 Total	2024 Total	
<b>COST</b>											
Balance, beginning of year	\$ 523,186	\$ 7,083,996	\$ 16,095,085	\$ 886,112	\$ 6,416,430	\$ 6,097,143	\$ 1,914,278	\$ 10,691,349	\$ 3,352,763	\$ 53,060,342	\$ 48,252,571
Transferred balance	-	-	-	-	-	-	-	-	-	-	-
Add: Net additions during the year	-	100,250	581,772	8,864	396,276	-	3,224,649	181,680	(1,969,044)	2,524,447	4,807,771
Balance, end of year	523,186	7,184,246	16,676,857	894,976	6,812,706	6,097,143	5,138,927	10,873,029	1,383,719	55,584,789	53,060,342
<b>ACCUMULATED AMORTIZATION</b>											
Balance, beginning of year	-	3,598,474	4,265,134	558,765	4,285,782	4,556,248	1,021,696	6,294,545	-	24,580,644	23,207,653
Transferred balance	-	-	-	-	-	-	-	-	-	-	-
Add : Amortization during the year	-	194,790	589,324	69,119	307,586	119,003	82,965	171,522	-	1,534,309	1,372,991
Less :Accumulated amortization on disposal	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	3,793,264	4,854,458	627,884	4,593,368	4,675,251	1,104,661	6,466,067	-	26,114,953	24,580,644
<b>NET BOOK VALUE OF TANGIBLE CAPITAL</b>	<b>\$ 523,186</b>	<b>\$ 3,390,982</b>	<b>\$ 11,822,399</b>	<b>\$ 267,092</b>	<b>\$ 2,219,338</b>	<b>\$ 1,421,892</b>	<b>\$ 4,034,266</b>	<b>\$ 4,406,962</b>	<b>\$ 1,383,719</b>	<b>\$ 29,469,836</b>	<b>\$ 28,479,698</b>
Consists of :											
General Fund Assets	\$ 356,781	\$ 1,301,598	\$ 11,822,399	\$ 267,092	\$ 1,917,022	\$ 1,421,892	\$ -	\$ 171,518	\$ 1,383,719	\$ 18,642,021	\$ 17,834,030
Water & Sewer Fund Assets	166,405	2,089,384	-	-	302,316	-	4,034,266	4,235,444	-	10,827,815	10,645,668
	\$ 523,186	\$ 3,390,982	\$ 11,822,399	\$ 267,092	\$ 2,219,338	\$ 1,421,892	\$ 4,034,266	\$ 4,406,962	\$ 1,383,719	\$ 29,469,836	\$ 28,479,698

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**15. Schedule of Segment Disclosure**

	General	Protective	Transportation	Environmental health	Environmental development	Recreation and cultural	Water and Sewer	2025 Consolidated	2024 Consolidated
<b>Revenues</b>									
Property tax warrant	\$ 1,054,010	\$ 1,261,180	\$ 1,004,465	\$ 430,058	\$ 424,452	\$ 1,572,615	\$ -	\$ 5,746,780	\$ 5,121,753
Unconditional grant	25,507	30,522	24,309	10,408	10,272	38,059	-	139,077	166,146
Services provided to other governments	-	10,940	40,397	-	-	177,734	-	229,071	147,635
Sale of service, fines and other fees	47,709	350	-	-	353,109	767,862	-	1,169,030	965,555
Other government transfers	22,713	-	297,622	-	-	-	436,083	756,418	3,949,521
Water and sewer user fees	-	-	-	-	-	-	982,512	982,512	924,125
Interest	2,803	-	-	-	-	-	5,619	8,422	9,301
Other	157,194	-	-	-	-	-	-	157,194	280,095
	<u>1,309,936</u>	<u>1,302,992</u>	<u>1,366,793</u>	<u>440,466</u>	<u>787,833</u>	<u>2,556,270</u>	<u>1,424,214</u>	<u>9,188,504</u>	<u>11,564,131</u>
<b>Expenses</b>									
Salaries and benefits	770,848	74,255	210,086	-	177,229	693,669	64,755	1,990,842	1,766,547
Goods and services	577,654	1,410,331	954,104	589,981	288,067	783,880	711,066	5,315,083	5,035,504
Amortization	34,986	175,965	213,506	639	47,893	663,640	397,682	1,534,311	1,372,990
Interest	43,000	28,868	-	-	-	24,879	35,512	132,259	105,408
Other	5,967	-	588	-	2,904	11,881	-	21,340	55,061
	<u>1,432,455</u>	<u>1,689,419</u>	<u>1,378,284</u>	<u>590,620</u>	<u>516,093</u>	<u>2,177,949</u>	<u>1,209,015</u>	<u>8,993,835</u>	<u>8,335,510</u>
Surplus (deficit) for the year	<u>\$ (122,519)</u>	<u>\$ (386,427)</u>	<u>\$ (11,491)</u>	<u>\$ (150,154)</u>	<u>\$ 271,740</u>	<u>\$ 378,321</u>	<u>\$ 215,199</u>	<u>\$ 194,669</u>	<u>\$ 3,228,621</u>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**16. Reconciliation of Annual Surplus**

	General Operating Fund	General Capital Fund	Water & Sewer Operating Fund	Water & Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water & Sewer Operating Fund	Water & Sewer Capital Reserve Fund	Total
<b>2025 annual surplus (deficit)</b>	\$ 775,135	\$ (796,125)	\$ 176,524	\$ 38,402	\$ 344	\$ 116	\$ 14	\$ 259	\$ 194,669
<b>Adjustments to annual surplus (deficit) for funding requirements</b>									
Second previous year's surplus	(266,749)	-	66,453	-	-	-	-	-	(200,296)
Transfers between funds									
Transfer from general operating fund to general capital fund	(531,462)	531,462	-	-	-	-	-	-	-
Transfer from water and sewer operating fund to water and sewer capital fund	-	-	(143,747)	143,747	-	-	-	-	-
Long-term debt principal repayment	(174,687)	174,687	-	-	-	-	-	-	-
Long-term debt principal repayment	-	-	(121,000)	121,000	-	-	-	-	-
Provision for sick leave accrual	22,153	-	7,610	-	-	-	-	-	29,763
Amortization expense	-	1,136,629	-	397,682	-	-	-	-	1,534,311
Change in amount recorded under PSA for defined benefit liability	(69,800)	-	-	-	-	-	-	-	(69,800)
Total adjustments to 2025 annual surplus (deficit)	(1,020,545)	1,842,778	(190,684)	662,429	-	-	-	-	1,293,978
<b>2025 annual fund surplus</b>	\$ (245,410)	\$ 1,046,653	\$ (14,160)	\$ 700,831	\$ 344	\$ 116	\$ 14	\$ 259	\$ 1,488,647

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**17. Statement of Reserves**

	General Operating Reserve	General Capital Reserve	Water & Sewer Operating Reserve	Water & Sewer Capital Reserve	2025 Total	2024 Total
<b>Assets</b>						
Cash	\$ 37,135	\$ 45,621	\$ 6,157	\$ -	\$ 88,913	\$ 88,179
Accounts receivable (payable)	98,031	-	-	101,459	199,490	199,490
<b>Accumulated Surplus</b>	<u>\$ 135,166</u>	<u>\$ 45,621</u>	<u>\$ 6,157</u>	<u>\$ 101,459</u>	<u>\$ 288,403</u>	<u>\$ 287,669</u>
<b>Revenue</b>						
Interest	\$ 344	\$ 116	\$ 14	\$ 259	\$ 733	\$ 969
<b>Annual Surplus (deficit)</b>	<u>\$ 344</u>	<u>\$ 116</u>	<u>\$ 14</u>	<u>\$ 259</u>	<u>\$ 733</u>	<u>\$ 969</u>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**18. Operating Budget to PSA Budget**

	Operating Budget General	Operating Budget Water & Sewer	Amortization TCA	Transfers	Total
<b>Revenue</b>					
Property tax warrant	\$ 5,746,780	\$ -	\$ -	\$ -	\$ 5,746,780
Unconditional grant	139,077	-	-	-	139,077
Services provided to other governments	229,077	-	-	-	229,077
Sales of services, fines and other fees	980,231	-	-	-	980,231
Other transfers	35,000	-	-	-	35,000
Water and sewer user fees	-	951,850	-	-	951,850
Interest	500	8,000	-	-	8,500
Surplus of second previous year	-	66,453	-	(66,453)	-
	<u>7,130,665</u>	<u>1,026,303</u>	<u>-</u>	<u>(66,453)</u>	<u>8,090,515</u>
<b>Expenditures</b>					
General government services	1,380,409	-	34,986	12,601	1,427,996
Protective services	1,505,304	-	175,965	27,404	1,708,673
Transportation services	1,147,364	-	213,506	-	1,360,870
Environmental health services	582,012	-	639	-	582,651
Environmental development services	527,163	-	47,893	-	575,056
Recreational and cultural services	1,442,000	-	663,640	24,972	2,130,612
Fiscal services					
Long-term debt repayments	174,687	121,000	-	(295,687)	-
Interest	64,977	41,060	-	(106,037)	-
- Transfer from the General Operating Fund to the General Capital Fund	40,000	-	-	(40,000)	-
- Transfer from the Water and Wastewater Operating Fund to the Water and Wastewater Reserve Fund	-	50,000	-	(50,000)	-
Water and wastewater	-	814,243	397,681	41,060	1,252,984
Deficit of second previous year	266,749	-	-	(266,749)	-
	<u>7,130,665</u>	<u>1,026,303</u>	<u>1,534,310</u>	<u>(652,436)</u>	<u>9,038,842</u>
Surplus (deficit)	\$ -	\$ -	\$ (1,534,310)	\$ 585,983	\$ (948,327)

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**19. Expense support**

	Budget 2025	Actual 2025	Actual 2024
<b>General government services</b>			
Legislative			
Mayor	\$ 54,848	\$ 53,941	\$ 48,469
Councillors	166,555	153,995	166,306
Other	20,000	18,453	18,503
	<u>241,403</u>	<u>226,389</u>	<u>233,278</u>
General administrative			
Administrative			
Administration	538,218	504,726	481,284
Office building	119,112	135,718	141,541
Legal services	25,000	32,127	4,407
Financial management			
Administration	75,006	78,071	67,427
External audit	15,000	13,031	33,163
Common services			
Civic relations	10,000	14,288	10,671
Training and development	12,500	7,308	10,031
Other general administrative services			
Cost of assessment	98,302	98,302	90,220
Liability insurance	140,368	139,701	47,083
Consultation fees	-	20,596	64,259
Grants for social or environmental purposes	35,000	20,766	23,624
Amortization	34,986	34,986	34,799
Interest	12,601	43,000	9,948
Other	70,500	63,446	89,751
	<u>1,186,593</u>	<u>1,206,066</u>	<u>1,108,208</u>
	<u>\$ 1,427,996</u>	<u>\$ 1,432,455</u>	<u>\$ 1,341,486</u>
<b>Protective services</b>			
Police protection			
Contractual agreement - RCMP	\$ 1,152,884	\$ 1,152,909	\$ 1,113,897
Fire protection			
Administration	75,000	66,295	53,751
Firefighting force	27,000	28,800	26,485
Station and building	53,032	59,723	60,729
Fighting equipment	129,000	119,156	113,388
Training and development	8,000	4,497	11,103
Other			
Emergency measures	4,000	3,587	-
By-law enforcement	-	-	3,129
Animal and pest control	15,074	14,809	11,562
Regional collaboration	8,067	8,067	11,050
Other protective services	33,247	26,743	18,761
Amortization	175,965	175,965	163,388
Interest	27,404	28,868	31,383
	<u>\$ 1,708,673</u>	<u>\$ 1,689,419</u>	<u>\$ 1,618,626</u>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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<b>19. Expense support</b>	<b>Budget 2025</b>	<b>Actual 2025</b>	<b>Actual 2024</b>
<b>Transportation services</b>			
Common services			
Administration	\$ 221,092	\$ 210,085	\$ 214,232
Roads and street			
Summer maintenance	146,000	150,934	115,306
Sidewalks	10,000	1,811	8,263
Culverts and draining ditches	2,500	1,043	-
Storm sewers	20,000	2,086	28,672
Street cleaning and flushing	65,558	42,555	17,542
Snow and ice removal	294,910	345,678	280,475
Street lights	321,136	327,962	324,608
Traffic services			
Street signs	12,000	29,117	15,042
Traffic lane marking	15,000	9,315	12,384
Other			
Regional transport - Contribution to KRSC	14,168	10,364	11,996
Other transportation	25,000	33,828	67,534
Amortization	213,506	213,506	161,241
	<b>\$ 1,360,870</b>	<b>\$ 1,378,284</b>	<b>\$ 1,257,295</b>
<b>Environmental health services</b>			
Solid waste collection - KRSC	\$ 434,487	\$ 434,487	\$ 465,816
Solid waste collection - KRSC	144,847	155,494	161,704
Solid waste collection - Other	2,678	-	-
Amortization	639	639	639
	<b>\$ 582,651</b>	<b>\$ 590,620</b>	<b>\$ 628,159</b>
<b>Environmental development services</b>			
Planning and zoning			
Contribution to KRSC	\$ 131,610	\$ 128,020	\$ 131,494
Land development			
Beautification and rehabilitation	5,000	10,390	298
Community and social development - Contribution to KRSC	7,356	5,834	4,142
Economic development - Contribution to KRSC	6,307	6,307	7,520
Other development services			
Tourism bureau	650	613	585
Jardine Park	276,525	250,748	272,594
Tourism - Contribution to KRSC	6,528	6,528	7,986
Other - Trailer park	2,500	1,634	1,487
Amortization	47,893	47,893	47,526
Other	90,687	58,126	62,499
	<b>\$ 575,056</b>	<b>\$ 516,093</b>	<b>\$ 536,131</b>

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**BEAURIVAGE**Notes to the Consolidated Financial Statements  
December 31, 2025

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**19. Expense support**

	Budget 2025	Actual 2025	Actual 2024
<b>Recreational and cultural services</b>			
Recreation services			
Community centres and halls	\$ 21,450	\$ 31,375	\$ 55,321
Swimming pool - Aqua Kent	320,992	275,778	94,554
Arena - Kent North Center	766,561	861,517	833,491
Contribution to KRSC (curling club)	4,246	4,224	2,830
Parks and playgrounds	260,056	229,331	63,344
Other recreation services			
Gazibo	13,389	25,563	13,887
Summer camps, special events and other	10,000	20,854	29,787
Amortization	663,640	663,640	611,877
Interest	24,972	24,879	25,744
	<u>2,085,306</u>	<u>2,137,161</u>	<u>1,730,835</u>
Cultural services			
Library	30,755	27,150	28,079
Other recreation and cultural services - Contribution to KRSC			
	14,551	13,638	13,073
	<u>\$ 2,130,612</u>	<u>\$ 2,177,949</u>	<u>\$ 1,771,987</u>
<b>Water and wastewater</b>			
Water supply			
Administration and general	\$ 164,790	\$ 80,215	\$ 176,225
Transmission and distribution	160,000	180,833	132,953
Power and pumping	40,000	54,090	47,673
Amortization	271,354	271,354	123,256
Other	11,000	11,841	4,381
Wastewater disposal			
Administration and general	166,790	185,450	209,021
Wastewater collection system	151,248	120,481	88,162
Wastewater lift stations	120,415	142,912	131,558
Amortization	126,327	126,327	230,264
Interest	41,060	35,512	38,333
	<u>\$ 1,252,984</u>	<u>\$ 1,209,015</u>	<u>\$ 1,181,826</u>