

CITY OF DIEPPE

CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2025



**Shape the future
with confidence**

CITY OF DIEPPE

TABLE OF CONTENTS

Year ended December 31, 2025

INDEPENDENT AUDITOR'S REPORT	1
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated statement of operations and accumulated surplus	3
Consolidated statement of financial position	4
Consolidated statement of changes in net debt	5
Consolidated statement of cash flows	6
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	7

INDEPENDENT AUDITOR'S REPORT

To His Worship the Mayor and Members of Council

Opinion

We have audited the consolidated financial statements of the CITY OF DIEPPE and its controlled entities (the City), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations and accumulated surplus, consolidated statement of changes in net debt and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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

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

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

Ernst + Young LLP

Dieppe, Canada
April 13, 2026

Chartered Professional Accountants

CITY OF DIEPPE

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended December 31,	2025 Budget (note 18)	2025 Actual	2024 Actual
REVENUES (note 14)			
Warrant of assessment	\$ 77,256,504	\$ 77,256,504	\$ 71,845,338
Services to other governments			
Other municipalities (note 19)	-	44,274	-
Province of New Brunswick (note 19)	378,000	186,280	176,972
Sale of services (note 19)	15,902,445	16,178,122	15,818,382
Other revenues from own sources (note 19)	1,483,269	3,068,989	2,884,582
Community funding and equalization grant	451,355	451,355	677,032
Adjustment in lieu of taxes	-	2	5
Interest earned	407,169	1,981,806	2,614,964
Contributions from other governments			
towards capital assets	-	15,273,378	10,622,517
Capital assets contributed by developers (note 13)	-	4,926,760	8,835,809
Other contributions	-	3,644,954	2,014,483
Gain on sale of land (note 3)	-	695,924	1,109
	\$ 95,878,742	\$ 123,708,348	\$ 115,491,193
EXPENSES (note 14)			
General government services (note 19)	\$ 11,317,195	\$ 10,912,861	\$ 10,226,652
Protective services (note 19)	20,516,592	21,443,993	17,470,253
Transportation services (note 19)	12,191,743	18,999,712	17,048,287
Environmental health services (note 19)	1,222,258	1,188,501	1,539,184
Economic development services (note 19)	4,585,002	3,774,392	3,350,119
Recreation and cultural services (note 19)	12,672,956	15,404,339	15,319,211
Water supply (note 19)	6,443,529	7,219,385	6,643,030
Sewerage collection and disposal (note 19)	5,005,471	5,913,956	5,746,703
Fiscal services - general (note 19)	1,094,471	1,026,096	1,135,320
Fiscal services - water (note 19)	293,000	272,001	300,672
Fiscal services - sewerage (note 19)	167,000	158,927	179,180
	75,509,217	86,314,163	78,958,611
ANNUAL SURPLUS (notes 15 and 18)	\$ 20,369,525	\$ 37,394,185	\$ 36,532,582
ACCUMULATED SURPLUS, BEGINNING OF YEAR		376,114,284	339,581,702
ACCUMULATED SURPLUS, END OF YEAR		\$ 413,508,469	\$ 376,114,284

The accompanying notes are an integral part of these consolidated financial statements

CITY OF DIEPPE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31,

2025

2024

FINANCIAL ASSETS

Cash and cash equivalents	\$ 6,877,353	\$ 23,451,046
Term deposits (note 4)	20,721,192	19,477,302
Accounts receivable		
General	7,409,827	4,762,172
Sales tax receivable	2,142,884	1,632,423
Governments	16,223,363	10,733,579
	53,374,619	60,056,522

LIABILITIES

Accounts payable and accrued liabilities	15,023,163	10,885,829
Withholding taxes payable	54,476	53,591
Accrued sick leave (note 7)	1,951,660	1,895,908
Deferred revenues	2,483,668	939,510
Security deposits	2,315,742	2,086,675
Long-term debt and capital lease obligations (note 5)	39,879,189	46,532,369
	61,707,898	62,393,882

NET DEBT

(8,333,279) (2,337,360)

NON-FINANCIAL ASSETS

Tangible capital assets (note 13)	619,540,813	565,183,494
Accumulated amortization (note 13)	(203,241,147)	(190,627,384)
	416,299,666	374,556,110
Inventory	39,817	34,189
Land inventory	5,053,596	3,664,740
Prepaid expenses	448,669	196,605
	421,841,748	378,451,644

ACCUMULATED SURPLUS

\$ 413,508,469 \$ 376,114,284

CONTINGENCIES (note 8) AND COMMITMENTS (note 9)

The accompanying notes are an integral part of these consolidated financial statements

APPROVED BY

....., Mayor

....., Clerk or Treasurer

CITY OF DIEPPE

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

Year ended December 31,

	2025 Budget	2025 Actual	2024 Actual
Annual surplus	\$ 20,369,525	\$ 37,394,185	\$ 36,532,582
Acquisitions of tangible capital assets	(52,200,000)	(57,414,554)	(37,305,458)
Proceeds on disposal of tangible capital assets	-	509,228	246,880
Amortization of tangible capital assets	-	15,152,998	14,292,064
Loss on disposal of tangible capital assets	-	8,772	60,502
	(31,830,475)	(4,349,371)	13,826,570
Acquisition of inventory	-	(39,817)	(34,189)
Acquisition of prepaid expenses	-	(448,669)	(196,605)
Consumption of inventory	-	34,189	40,580
Use of prepaid expenses	-	196,605	155,812
Change in land inventory	-	(1,388,856)	(1,177,770)
	-	(1,646,548)	(1,212,172)
Decrease (increase) in net debt	(31,830,475)	(5,995,919)	12,614,398
Net debt, beginning of year	(2,337,360)	(2,337,360)	(14,951,758)
Net debt, end of year	\$ (34,167,835)	\$ (8,333,279)	\$ (2,337,360)

The accompanying notes are an integral part of these consolidated financial statements

CITY OF DIEPPE**CONSOLIDATED STATEMENT OF CASH FLOWS**

Year ended December 31,

2025**2024****OPERATING ACTIVITIES**

Annual surplus	\$ 37,394,185	\$ 36,532,582
Items not affecting cash and cash equivalents:		
Loss on disposal of tangible capital assets	8,772	60,502
Amortization of tangible capital assets	15,152,998	14,292,064
Capital assets contributed by developers	(4,926,760)	(8,835,809)
Recovery of land stock values	(674,403)	-
	46,954,792	42,049,339
Net change in non-cash working capital items:		
Accounts receivable	(8,647,900)	(9,471,594)
Accounts payable and accrued liabilities, withholding taxes payable	4,138,219	6,605,984
Inventory, land inventory and prepaid expenses	(972,145)	(1,212,172)
Deferred revenues, security deposits and other liability items	1,828,977	1,402,968
	43,301,943	39,374,525

CAPITAL ACTIVITIES

Acquisitions of tangible capital assets net of contributions from developers	(52,487,794)	(28,469,649)
Proceeds on disposal of tangible capital assets	509,228	246,880
	(51,978,566)	(28,222,769)

INVESTING ACTIVITIES

Acquisitions of term deposits	(15,536,566)	(7,912,178)
Proceeds on disposal of term deposits	14,292,676	-
	(1,243,890)	(7,912,178)

FINANCING ACTIVITIES

Additional financing received	-	1,118,000
Repayment of long-term debt and capital lease obligations	(6,653,180)	(6,976,731)
	(6,653,180)	(5,858,731)

NET DECREASE IN CASH AND CASH EQUIVALENTS**(16,573,693)** (2,619,153)**CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR****23,451,046** 26,070,199**CASH AND CASH EQUIVALENTS, END OF YEAR****\$ 6,877,353** \$ 23,451,046

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

1. STATUTES OF INCORPORATION AND PURPOSE OF THE ENTITY

The City of Dieppe (the "City") was incorporated as a town by the *Municipalities Act* of the Province of New Brunswick on January 1, 1952 and was approved for status as a city effective January 1, 2003 by an amendment of New Brunswick Regulation 85-6 under the *Municipalities Act*. As a municipality, the City is exempt from income taxes under section 149(1)(c) of the *Income Tax Act* (Canada). The City has the following vision statement: "The City of Dieppe's strong Acadian pride is reflected in its hospitality. It is a great place in which to live and raise a family thanks to its careful development and concern for the environment."

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City are based on management's representations made in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of CPA Canada.

The focus of consolidated financial statements prepared in accordance with Canadian public sector accounting standards ("PSAS") is on the financial position of the City and the changes thereto. The consolidated statement of financial position includes all of the assets and liabilities of the City.

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

Government reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, changes in net debt and cash flows of the reporting entity. The reporting entity consists of all organizations and enterprises accountable for the administration of the affairs and resources of the City and which are owned or controlled by the City.

The following entities are included in the consolidated financial statements:

- City of Dieppe
- Expansion Dieppe Inc.
- Gestion 1604 Inc.

Interdepartmental and organizational transactions and balances are eliminated.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Budget

The budget figures contained in these consolidated financial statements were approved by Council on November 25, 2024, and by the Minister of Local Government on December 17, 2024.

Revenue recognition

Grant, tax revenue and contribution revenues are recognized when the transfer is authorized and all eligibility criteria are met, except when, and to the extent that, the transfer creates an obligation meeting the definition of a liability.

Revenues received for which performance obligations have not been met are recognized as deferred revenues.

Capital contributions received from a third party, such as a contribution from another government to assist with the construction or purchase of a capital asset owned by the City, are recognized as revenue on purchase or during the construction of the related capital asset.

Service revenues are recorded using the accrual basis of accounting. According to this method, revenues are recognized when a good is transferred or a service rendered, they can be measured and ultimate collection is reasonably assured.

Use of estimates

The preparation of the consolidated financial statements in compliance with PSAS requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are recorded in income in the period in which they become known. Actual results may differ from those estimates. The City's significant estimates relates to the useful life of tangible capital assets and the accrued sick leave liability.

Financial instruments

The City's financial instruments are initially recorded at fair value and subsequently at amortized cost.

Cash and cash equivalents

Cash and cash equivalents in the consolidated statement of cash flows include cash, bank balances and bank overdraft, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Assets under capital lease are included with the tangible capital assets and are recorded at cost, which represents the present value of minimum lease payments under the contract at initial recognition, net of accumulated amortization. The cost of tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

<u>Asset type</u>	<u>Years</u>
Land improvements	10 to 25
Machinery and equipment	3 to 30
Vehicles	5 to 25
Buildings	10 to 60
Transportation network ("transportation")	10 to 65
Water and wastewater networks ("water and sewerage")	10 to 100

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

Capital assets contributed by developers are recorded at fair value at the date of receipt and are recorded as revenue in the year they are transferred by the developers to the City.

Impairment

Tangible capital assets are reviewed for impairment whenever events or changes in circumstances indicate that the tangible capital asset no longer contributes to the City's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value. Impairment is assessed by comparing the carrying amount to the estimate of the value of the asset's remaining service potential to the City. Any impairment results in a write-down of the asset and a charge to operations during the year. An impairment loss is not reversed if the value of the long-term asset subsequently increases.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Segmented information

The City is a diversified municipal government that provides a wide range of services to its residents. For management reporting purposes, the City'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 the following departments:

General government services

This department is responsible for the overall governance and financial administration of the City. 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, building inspection and other protective measures.

Transportation services

This department is responsible for common services, road and street maintenance, traffic services and other transportation-related functions.

Environmental health services

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

Economic development services

This department is responsible for zoning, economic 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 swimming pools, arenas, parks and playgrounds and other recreational and cultural facilities.

Water and sewerage 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventory

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

Land inventory

Land inventory is valued at the lower of cost and fair market value. Cost is determined using the specific cost method for the land that consists of a single lot and using the average cost method for the other properties. Any decrease in value is recorded as an expense in the economic development services department in the year incurred. When the circumstances which previously justified a decrease in value no longer exist or if there are clear indications of an increase in fair value, the provision is reversed up to the initial provision recorded.

Post-employment benefits

The City offers a sick leave benefit plan, as described in note 7. It recognizes a liability, determined by an actuarial valuation, and an expense for compensated absences in the period in which employees render services to the City in return for the benefits, which accumulate. The actuarial cost method used is the projected benefit method prorated on services.

The City also provides a defined contribution pension plan to its employees. Pension costs related to current services are charged to expenses in the period during which contributions are due by the employer.

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

3. GAIN ON SALE OF LAND	2025	2024
Sale of land	\$ 1,208,750	\$ 3,225
Cost of land sold	(512,826)	(2,116)
	\$ 695,924	\$ 1,109

4. TERM DEPOSITS

The term deposits bear interest at 3.80%, 3.95% 4.05% and 5.25% (2024 - 5.25%, 5.20% and 5.40%), maturing in January 2027, January 2028, January 2029 and February 2026 (2024 - February 2026, June 2025 and February 2025), respectively.

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

5. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS	2025	2024
Capital lease obligations		
Lease contract for a fire truck with a net book value of \$733,087, repayable in monthly instalments of \$12,149 including interest calculated at the rate of 3.19%, maturing in February 2027, with a purchase option of \$1 at maturity.	\$ 157,937	\$ 303,724
Lease contract for a fire truck with a net book value of \$302,026, repayable in monthly instalments of \$5,206 including interest calculated at the rate of 3.19%, maturing in July 2027, with a purchase option of \$1 at maturity.	93,709	156,193
Interest included in instalments	(5,225)	(16,518)
	<u>246,421</u>	<u>443,399</u>
Loans		
Loan, guaranteed by the City Hall land and building having a net book value of \$3,852,975, repayable in monthly instalments of \$72,689 including interest calculated at the rate of 5.62%, maturing in October 2031.	<u>4,329,768</u>	<u>4,939,970</u>
To carry forward	<u>\$ 4,576,189</u>	<u>\$ 5,383,369</u>

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

5. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS (continued)	2025	2024
Carried forward	\$ 4,576,189	\$ 5,383,369
Debentures		
1. Debenture, 0.50% to 2.30%, portion due in 2035 and 2040.	4,240,000	5,064,000
2. Debenture, 3.95% to 4.85%, due in 2032.	463,000	519,000
3. Debenture, 0.86% to 2.38%, due in 2031.	1,690,000	1,954,000
4. Debenture, 1.35% to 3.80%, renewable in 2032, due in 2037.	4,308,000	4,771,000
5. Debenture, 1.25% to 4.40%, portion due in 2028 and 2033.	1,607,000	1,823,000
6. Debenture, 0.95% to 3.50%, portion due in 2030 and 2035.	3,376,000	3,895,000
7. Debenture, 1.05% to 3.65%, due in 2030.	1,061,000	1,668,000
8. Debenture, 1.20% to 3.80%, portion due in 2031 and 2036.	3,658,000	4,676,000
9. Debenture, 1.65% to 3.20%, portion due in 2027 and 2032.	5,798,000	6,823,000
10. Debenture, 2.10% to 3.60%, due in 2033.	356,000	394,000
11. Debenture, 3.36% to 3.96%, due in 2034	1,022,000	1,118,000
12. Debenture, 1.95% to 2.95%, portion due in 2029, 2034 and 2039.	7,724,000	8,444,000
Total	\$ 39,879,189	\$ 46,532,369

Approval of the Municipal Capital Borrowing Board has been obtained for the City Hall loan, capital lease contracts and the debentures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

5. LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS (continued)

Long-term debt principal repayments and minimum capital lease payments for the next five years are estimated as follows, assuming the debt is renewed as planned:

	Debt	Capital leases
2026	- \$ 5,701,392	\$ 208,259
2027	- \$ 5,173,612	\$ 43,384
2028	- \$ 4,829,979	\$ 0
2029	- \$ 4,903,616	\$ 0
2030	- \$ 4,953,654	\$ 0
Thereafter	- \$ 14,070,515	\$ 0

6. SHORT-TERM BORROWINGS

Operating borrowing

The City has two authorized lines of credit in the amount of \$8,025,494 and \$1,500,000, bearing interest at the prime rate and renewable annually. The line of credit of \$8,025,494 is secured by the Province of New Brunswick; the line of credit of \$1,500,000 is secured by land inventory with a total book value of \$391,395.

As prescribed in the *Local Governance Act*, borrowings to finance the General Fund's operations are limited to 4% of the City's operating budget. Borrowings to finance the Water and Sewerage Fund's operations are limited to 50% of the operating budget for the year. In 2025, the City has complied with these restrictions.

Interfund borrowing

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

7. EMPLOYEE FUTURE BENEFITS

Accrued sick leave

The City provides sick leave that accumulates at the rate of eight hours per month for full-time non-administrative employees and seven hours per month for full-time administrative employees. All employees can take a leave with pay for a maximum of five consecutive days and a maximum of 12 days per year.

An actuarial valuation was performed in accordance with PSAS. The actuarial method used was the projected benefit method prorated on services. The valuation was based on a number of assumptions about future events, such as interest rates, employee salaries and turnover and retirement. The assumptions used reflect the City's best estimates. The most recent actuarial valuation was performed in 2023.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 2.50% (2024 - 2.50%);
- discount rate used to determine the accrued benefit obligation is 4.5% (2024 - 4.5%);
- retirement age is 62 (2024 - 62); and
- estimated net utilization rate of sick leave is 60.00% (2024 - 60.00%).

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenues as they come due.

The liability and obligation for accrued sick days are as follow:

	2025	2024
Balance at beginning of year	\$ 1,895,908	\$ 1,840,777
Benefit cost	157,117	149,436
Interest for period	77,563	70,689
Benefit payment	(31,217)	(71,722)
Changes in actuarial assumptions	-	3,858
Others	(147,711)	(97,130)
Balance at end of year	\$ 1,951,660	\$ 1,895,908

Pension plan

During the year, the City contributed \$1,846,634 (2024 - \$1,628,909) to the pension plan. The City's contributions range from 5.00% to 11.50% (2024 - 4.50% to 11.50%) of the employees' earnings, depending on the category of the employee.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

8. CONTINGENCIES

In the normal course of operations, the City is involved in various claims or proceedings. Legal counsel is of the opinion that neither the possible outcome nor the amount of any possible settlement can be foreseen at this time. Therefore, no provision has been recorded in the consolidated financial statements.

9. COMMITMENTS

The City has committed to buy its water from the City of Moncton until 2032. The City of Moncton bills monthly based on the quantity in cubic metres of water used by the City as per the water meters and based on the annual rate per cubic metre of water used calculated annually by the City of Moncton (note 19).

The City has also committed to purchase its water and treatment of wastewater services from the Greater Moncton Wastewater Commission. The Greater Moncton Wastewater Commission bills quarterly based on the number of residential units and unit equivalents at the meter and using a fixed rate per unit calculated annually (note 19).

The City has also committed to share 90% of the operating costs of the Codiac Regional Police Service with the City of Moncton and the Town of Riverview until 2032. Under this commitment, municipal police services are provided by the Royal Canadian Mounted Police ("RCMP") (note 19).

10. FINANCIAL INSTRUMENTS

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to this risk on its line of credit due to the variable interest rate.

Liquidity risk is the risk that the City will encounter difficulty in honouring commitments related to financial liabilities. The City is exposed to this risk mainly through its accounts payable and accrued liabilities, its amounts due to other governments and its long-term debt. The preparation of the annual budget is sufficient to mitigate this risk.

Credit risk is the risk that one party to a financial asset will cause a financial loss for the other party by failing to discharge an obligation. The City's credit risk is mainly related to its accounts receivable, cash and term deposits.

Management believes that the City is not exposed to any other significant risks arising from its financial instruments.

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

11. WATER DISTRIBUTION COSTS

Water distribution costs for fire protection charged by the City are within the maximum allowable by Regulation 81-195 under the *Local Governance Act* based on the applicable percentage of water system expenditures for the population.

12. WATER AND SEWERAGE OPERATING FUND SURPLUS / (DEFICIT)

The *Local Governance Act* requires Water and Sewerage Fund surplus/(deficit) amounts to be absorbed into either the second ensuing year or allocated among the four operating budgets commencing with the second ensuing year. The City chose to allocate the 2019 deficit over four operating budgets starting in 2021; the other year's surplus/(deficit) are included in the second ensuing year. The surplus at the end of the year is as follows:

	2025	2024
2025 surplus	\$ 472,814	\$ -
2024 surplus	252,594	252,594
2023 surplus	-	293,935
	<hr/>	
	\$ 725,408	\$ 546,529

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

13. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land improvements	Machinery and equipment	Vehicles	Buildings	Transportation	Water and sewerage	Work in progress	Total 2025	Total 2024
COST										
Balance, beginning of year	\$ 31,544,814	\$ 28,398,818	\$ 6,900,483	\$ 16,788,456	\$ 98,481,772	\$ 220,410,812	\$ 149,638,886	\$ 13,019,453	\$ 565,183,494	\$ 530,452,174
Add:										
Acquisitions during the year	1,595,120	2,102,363	631,488	4,190,494	6,889,812	18,301,503	8,544,308	-	42,255,088	27,586,208
Disposals during the year	-	(88,870)	-	(1,435,099)	-	(1,342,818)	(190,448)	-	(3,057,235)	(2,574,138)
Net change in work in progress	-	-	-	-	-	-	-	15,159,466	15,159,466	9,719,250
Balance, end of year	33,139,934	30,412,311	7,531,971	19,543,851	105,371,584	237,369,497	157,992,746	28,178,919	619,540,813	565,183,494
ACCUMULATED AMORTIZATION										
Balance, beginning of year	-	11,050,052	4,352,624	8,051,772	43,284,428	84,506,373	39,382,135	-	190,627,384	178,602,076
Add:										
Amortization for the year	-	1,404,240	385,546	1,443,977	3,649,446	6,435,891	1,833,898	-	15,152,998	14,292,064
Accumulated amortization of disposals	-	(88,871)	-	(1,310,004)	-	(985,902)	(154,458)	-	(2,539,235)	(2,266,756)
Balance, end of year	-	12,365,421	4,738,170	8,185,745	46,933,874	89,956,362	41,061,575	-	203,241,147	190,627,384
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS										
	\$ 33,139,934	\$ 18,046,890	\$ 2,793,801	\$ 11,358,106	\$ 58,437,710	\$ 147,413,135	\$ 116,931,171	\$ 28,178,919	\$ 416,299,666	\$ 374,556,110

As at December 31, 2025, the City's leased tangible capital assets were composed of vehicles with a cost of \$1,799,641 (2024 - \$1,799,641) and accumulated amortization of \$758,528 (2024 - \$647,480). Fully amortized tangible capital assets with a total cost of \$28,161,874 (2024 - \$23,556,211) are included in land improvements, machinery and equipment, vehicles, buildings, transportation and water and sewerage, as they are still in service.

During the year, land improvements assets of \$ 30,000 \$ (2024 - \$0), transportation assets of \$1,570,793 (2024 - \$2,905,992) and water and sewerage assets of \$3,325,967 (2024 - \$5,929,817) were received as contributions from developers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

14. SCHEDULE OF SEGMENT INFORMATION

	General government	Protective	Transportation	Environmental health	Economic development	Recreation and cultural	Water and sewerage	2025 Consolidated	2024 Consolidated
Revenues									
Warrant of assessment	\$ 11,729,969	\$ 21,411,225	\$ 25,325,365	\$ 1,106,835	\$ 4,438,178	\$ 13,244,932	\$ -	\$ 77,256,504	\$ 71,845,338
Services to other governments	-	44,274	186,280	-	-	-	-	230,554	176,972
Sale of services	-	-	-	-	-	2,266,401	13,911,721	16,178,122	15,818,382
Community funding and equalization grant	68,529	125,091	147,959	6,466	25,929	77,381	-	451,355	677,032
Interest earned	291,021	531,213	628,323	27,461	110,111	328,607	65,070	1,981,806	2,614,964
Developer contributions	-	-	1,600,793	-	-	-	3,325,967	4,926,760	8,835,809
Contributions from other governments towards capital assets	-	-	9,798,663	-	101,038	1,437,356	3,936,321	15,273,378	10,622,517
Other	109,475	1,725,770	236,356	10,330	1,566,395	2,156,788	1,604,755	7,409,869	4,900,179
	12,198,994	23,837,573	37,923,739	1,151,092	6,241,651	19,511,465	22,843,834	123,708,348	115,491,193
Expenses									
Salaries and benefits	4,232,219	8,141,258	4,589,544	-	1,923,354	6,889,137	3,960,254	29,735,766	27,090,911
Goods and services	4,948,449	12,650,873	6,406,763	1,188,501	1,835,837	4,576,873	7,138,356	38,745,652	35,017,907
Amortization	620,079	663,562	7,828,168	-	15,201	4,010,248	2,015,740	15,152,998	14,292,064
Interest	258,567	80,619	476,101	-	-	210,809	430,928	1,457,024	1,615,172
Other	1,112,114	(11,700)	175,237	-	-	(71,919)	18,991	1,222,723	942,557
	11,171,428	21,524,612	19,475,813	1,188,501	3,774,392	15,615,148	13,564,269	86,314,163	78,958,611
Annual surplus (deficit)	\$ 1,027,566	\$ 2,312,961	\$ 18,447,926	(\$ 37,409)	\$ 2,467,259	\$ 3,896,317	\$ 9,279,565	\$ 37,394,185	\$ 36,532,582

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

15. RECONCILIATION OF ANNUAL SURPLUS

	General Operating	General Capital	Water and Sewerage Operating	Water and Sewerage Capital	Reserve Funds	Total
2025 annual fund surplus (deficit)	\$ 424,130	\$ 41,269,869	\$ 472,814	\$ 10,423,875	\$ (4,876,192)	\$ 47,714,496
Adjustments to annual surplus (deficit)						
Previous years' surplus	(390,874)	-	(293,935)	-	-	(684,809)
Elimination of interfund transfers						
General operating fund reserve	266,000	-	-	-	(266,000)	-
General capital fund reserve	6,800,000	(13,134,000)	-	-	6,334,000	-
Capital expenses	10,115,408	(10,115,408)	1,080,799	(1,080,799)	-	-
Water and sewerage capital fund reserve	-	-	1,461,000	(2,045,000)	584,000	-
Long-term debt principal repayment	4,700,227	(4,700,227)	1,757,000	(1,757,000)	-	-
Internal revenue elimination	2,000,000	-	(2,000,000)	-	-	-
Amortization of tangible capital assets	-	(13,122,057)	-	(2,015,740)	-	(15,137,797)
Capital assets contributed by developers	-	1,600,793	-	3,325,967	-	4,926,760
Expenses reclassified as tangible capital assets	196,978	-	-	-	-	196,978
Fees in lieu of land for public purposes, recorded as deferred revenues	-	-	-	-	(54,280)	(54,280)
Sponsorship agreement for a capital project	-	50,000	-	-	-	50,000
Gain (loss) on disposal of tangible capital assets	-	(495,975)	-	14,410	-	(481,565)
Annual surplus (deficit) from other consolidated entities	943,429	(15,201)	(63,826)	-	-	864,402
Total adjustments to 2025 annual surplus (deficit)	24,631,168	(39,932,075)	1,941,038	(3,558,162)	6,597,720	(10,320,311)
2025 annual surplus under PSAS	\$ 25,055,298	\$ 1,337,794	\$ 2,413,852	\$ 6,865,713	\$ 1,721,528	\$ 37,394,185

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

16. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water and Sewerage Operating Reserve	Water and Sewerage Capital Reserve	Land for public purposes	Total 2025	Total 2024
Assets and accumulated surplus	\$ 3,943,572	\$ 29,937,192	\$ 756,197	\$ 5,617,443	\$ 459,879	\$ 40,714,283	\$ 45,590,475
Revenues							
Interest	135,854	1,334,423	28,250	207,794	15,207	1,721,528	2,057,741
Transfer from the general operating fund	411,000	6,800,000	-	-	-	7,211,000	9,318,000
Transfer from the water and sewerage operating fund	-	-	-	1,461,000	-	1,461,000	1,200,000
Transfer from general capital fund	-	90,000	-	-	-	90,000	-
Transfer from the water and sewerage capital fund	-	-	-	59,000	-	59,000	145,000
Fees in lieu of land for public purposes	-	-	-	-	54,280	54,280	24,822
	546,854	8,224,423	28,250	1,727,794	69,487	10,596,808	12,745,563
Expenses							
Transfer to the general operating fund	145,000	-	-	-	-	145,000	110,000
Transfer to the general capital fund	-	13,224,000	-	-	-	13,224,000	3,681,000
Transfer to the water and sewerage capital fund	-	-	-	2,104,000	-	2,104,000	1,399,000
	145,000	13,224,000	-	2,104,000	-	15,473,000	5,190,000
Annual surplus (deficit)	\$ 401,854	\$ (4,999,577)	\$ 28,250	\$ (376,206)	\$ 69,487	\$ (4,876,192)	\$ 7,555,563

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

17. STATEMENT OF RESERVES (continued)

Council Resolutions regarding transfer to and from reserves:

Resolution on January 27, 2025, Municipal Council - Closed meeting

THAT Council direct staff to proceed with the Toponymy Advisory Committee's recommendation with regards to the selection of candidates for the Women Trailblazers Project, as outlined in the table attached to the memorandum dated January 14, 2025, and authorize a budget transfer in the amount of \$30,000 from the General Operating Reserve Fund to the General Operating Budget – Signage – City.

Resolution on April 14, 2025, moved by Ernest Thibodeau, seconded by Mélyssa Janin

THAT Council authorize the budget transfer in the amount of \$15,000 from the General Operating Reserve Fund to the General Operating Budget – Expenses – Immigration.

Resolution on May 12, 2025, moved by Paul Gaudet, seconded by Jean-Marc Brideau

THAT Council authorize a budget transfer in the amount of \$100,000 from the Water and Sewer Capital Reserve Fund to the Water and Sewer Capital Budget – Copp Street Reconstruction.

Resolution on May 12, 2025, moved by Lise LeBouthillier, seconded by Jean-Marc Brideau

THAT Council authorize a budget transfer in the amount of \$330,000 from the Water and Sewer Capital Reserve Fund to the Water and Sewer Capital Budget – Water Main Replacement - Grand Pré, Latour, Notre-Dame, Thibodeau.

Resolution on June 23, 2025, moved by Josée Turgeon-Roy, seconded by Mélyssa Janin

THAT That Council authorize a budget transfer in the amount of \$230,000 from the General Capital Reserve Fund to the General Capital Budget – Champlain Street - Mill and Pave (between Aviation Avenue and Lorette Street).

THAT Council authorize a budget transfer in the amount of \$540,000 from the Water and Sewer Capital Reserve Fund to the Water and Sewer Capital Budget – Champlain Street - Mill and Pave (between Aviation Avenue and Lorette Street).

Resolution on September 22, 2025, moved by Lise LeBouthillier, seconded by Jean-Marc Brideau

THAT Council further authorize a budget transfer in the amount of \$100,000 from the General Operating Reserve Fund to the General Operating Budget – Transportation – Salt and Sand for the purchase of road salt from now until December 31, 2025.

Resolutions on December 15, 2025, moved by Lise LeBouthillier, seconded by Jean-Marc Brideau

THAT Council authorize a transfer in the amount of \$411,000 from the General Operating Fund to the General Operating Reserve Fund.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

17. STATEMENT OF RESERVES (continued)

Council Resolutions regarding transfer to and from reserves:

Resolutions on December 15, 2025, moved by Lise LeBouthillier, seconded by Marc Lanteigne

THAT Council authorize a transfer in the amount of \$6,800,000 from the General Operating Fund to the General Capital Reserve Fund.

THAT Council authorize a transfer in the amount of \$12,994,000 from the General Capital Reserve Fund to the General Capital Fund.


THAT Council authorize a transfer in the amount of \$90,000 from the General Capital Fund to the General Capital Reserve Fund.

THAT Council authorize a transfer in the amount of \$1,461,000 from the Water and Wastewater Disposal Operating Fund to the Water and Wastewater Disposal Capital Reserve Fund.

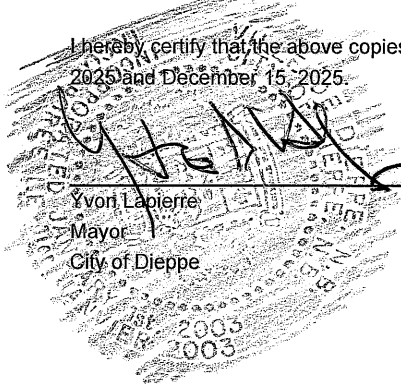
THAT Council authorize a transfer in the amount of \$59,000 from the Water and Wastewater Disposal Capital Fund to the Water and Wastewater Disposal Capital Reserve Fund.

THAT Council authorize a transfer in the amount of \$1,134,000 from the Water and Wastewater Disposal Capital Reserve Fund to the Water and Wastewater Disposal Capital Fund.

I hereby certify that the above copies are true and accurate of the resolutions adopted by the municipal council on January 27, 2025, April 14, 2025, May 12, 2025, June 23, 2025, September 22, 2025 and December 15, 2025.



Yvon Lapierre
Mayor
City of Dieppe



le 27 avril 2026
Date

Municipal Seal

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

17. INFORMATION ON CONTROLLED ENTITIES

	City of Dieppe	Expansion Dieppe Inc.	Gestion 1604 Inc.	2025 Total	2024 Total
Assets	\$ 465,903,605	\$ 4,932,570	\$ 4,380,192	\$ 475,216,367	\$ 438,508,166
Liabilities	55,311,152	2,046,618	4,350,128	61,707,898	62,393,882
Accumulated surplus	410,592,453	2,885,952	30,064	413,508,469	376,114,284
Revenues	120,236,234	3,209,739	262,375	123,708,348	115,491,193
Expenses	83,706,046	2,345,360	262,757	86,314,163	78,958,611
Annual surplus	\$ 36,530,188	\$ 864,379	\$ (382)	\$ 37,394,185	\$ 36,532,582

The entities listed above are included in the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

18. OPERATING BUDGET RECONCILED TO THE BUDGET PRESENTED IN ACCORDANCE WITH PSAS

	General operating budget	Water and sewerage operating budget	Amortization of tangible capital assets	Internal revenue	Previous years' surplus	Transfers	Consolidated entities' transfers	Total
Revenues								
Warrant of assessment	\$ 77,256,504	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	77,256,504
Services to other governments	378,000	-	-	-	-	-	-	378,000
Sale of services	2,585,206	13,317,239	-	-	-	-	-	15,902,445
Other revenues from own sources	1,483,269	2,000,000	-	(2,000,000)	-	-	-	1,483,269
Community funding and equalization grant	451,355	-	-	-	-	-	-	451,355
Transfers from the reserves to the operating funds	2,086,500	197,000	-	-	-	(2,283,500)	-	-
Interest earned	264,169	143,000	-	-	-	-	-	407,169
Contribution from Expansion Dieppe Inc.	101,123	63,826	-	-	-	-	(164,949)	-
Previous years' surplus	390,874	293,935	-	-	(684,809)	-	-	-
	84,997,000	16,015,000	-	(2,000,000)	(684,809)	(2,283,500)	(164,949)	95,878,742
Expenses								
General government services	11,317,195	-	-	-	-	-	-	11,317,195
Protective services	22,516,592	-	-	(2,000,000)	-	-	-	20,516,592
Transportation services	12,191,743	-	-	-	-	-	-	12,191,743
Environmental health services	1,222,258	-	-	-	-	-	-	1,222,258
Economic development services	4,585,002	-	-	-	-	-	-	4,585,002
Recreational and cultural services	12,672,956	-	-	-	-	-	-	12,672,956
Water supply	-	6,443,529	-	-	-	-	-	6,443,529
Sewerage collection and disposal	-	5,005,471	-	-	-	-	-	5,005,471
Interest on long-term debt	1,094,471	460,000	-	-	-	-	-	1,554,471
Long-term debt payments	4,902,533	1,758,000	-	-	-	(6,660,533)	-	-
Transfers from the operating funds to the capital funds	14,103,250	1,735,000	-	-	-	(15,838,250)	-	-
Transfers from the operating funds to the reserves	391,000	613,000	-	-	-	(1,004,000)	-	-
	84,997,000	16,015,000	-	(2,000,000)	-	(23,502,783)	-	75,509,217
Surplus (deficit)	\$ -	\$ -	\$ -	\$ -	(684,809)\$	21,219,283 \$	(164,949)\$	20,369,525

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN

	2025 Budget	2025 Actual	2024 Actual
Revenues			
<i>Services to other governments</i>			
Other municipalities			
Fire	\$ -	\$ 44,274	\$ -
<hr/>			
Province of New Brunswick			
Roads and streets	\$ 150,000	\$ 159,601	\$ 150,293
Lane marking	27,000	26,679	26,679
Grant société de développement régional	96,000	-	-
Federal grant (APECA and FCM)	105,000	-	-
	<hr/>	<hr/>	<hr/>
	\$ 378,000	\$ 186,280	\$ 176,972
<hr/>			
<i>Sale of services</i>			
Arenas	\$ 1,653,906	\$ 1,452,734	\$ 1,691,806
Aquatic and sports centre	669,000	573,529	606,885
Mobile stage - rental and sponsors	-	2,017	4,020
Programs	188,900	183,874	237,761
Rental of sports fields	73,400	54,247	60,501
Water	6,900,000	7,181,103	6,461,565
Sewerage system	6,183,000	6,420,456	6,402,792
Connections, services and other	154,239	208,187	285,396
Interest earned	80,000	101,975	67,656
	<hr/>	<hr/>	<hr/>
	\$ 15,902,445	\$ 16,178,122	\$ 15,818,382
<hr/>			
<i>Other revenues from own sources</i>			
Building and other permits	\$ 1,122,100	\$ 1,459,873	\$ 1,588,150
Fines			
Municipal by-laws	25,800	18,774	11,280
Other	-	47,297	38,952
Rental - equipment and buildings	216,000	366,018	343,020
Miscellaneous	119,369	1,177,027	903,180
	<hr/>	<hr/>	<hr/>
	\$ 1,483,269	\$ 3,068,989	\$ 2,884,582
<hr/>			

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
Expenses			
<i>General government services</i>			
Legislative			
Mayor	\$ 73,189	\$ 64,506	\$ 61,427
Councillors	265,447	235,962	230,860
Other	60,600	67,864	64,198
	399,236	368,332	356,485
Administrative			
Clerk	451,447	172,280	296,033
Manager	1,631,129	3,164,806	2,676,046
Buildings	792,250	680,827	693,466
Solicitor	150,000	366,062	527,090
Other	3,285,009	2,198,861	2,290,916
	6,309,835	6,582,836	6,483,551
Financial management			
Administration	340,260	254,581	239,011
Accounting	507,661	386,825	330,123
External audit	62,000	66,783	64,523
	909,921	708,189	633,657
Common services			
Cost of assessment	1,087,021	1,087,021	965,269
Collaborative and regional services (CRS)	96,986	-	-
	1,184,007	1,087,021	965,269
To carry forward	8,802,999	8,746,378	8,438,962

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
Carried forward	8,802,999	8,746,378	8,438,962
Other general government services			
Conventions	13,000	13,909	16,128
Public liability insurance	400,000	420,381	390,001
Grant - Capitol Theatre	75,000	75,000	75,000
Grant - other	991,900	1,105,549	692,614
Other	1,034,296	-	441
Amortization of tangible capital assets	-	620,079	613,506
Gain on disposal of tangible capital assets	-	(68,435)	-
	<hr/>	<hr/>	<hr/>
	2,514,196	2,166,483	1,787,690
	<hr/>	<hr/>	<hr/>
	\$ 11,317,195	\$ 10,912,861	\$ 10,226,652
	<hr/>	<hr/>	<hr/>

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
<i>Protective services</i>			
Police			
RCMP contract and municipal costs (note 9)	\$ 11,132,006	\$ 10,922,335	\$ 8,522,151
Fire			
Administration	966,725	995,228	890,988
Firefighting force	5,922,511	6,359,977	5,097,257
Fire investigation and prevention	9,634	4,973	7,956
Station and building	459,466	430,604	433,464
Firefighting equipment	626,267	695,383	635,375
Training	72,000	65,868	76,262
	<u>8,056,603</u>	<u>8,552,033</u>	<u>7,141,302</u>
Emergency measures			
Supplies	30,450	23,832	46,210
Other			
Building inspection	450,664	469,108	419,603
Application of by-laws	662,825	648,288	505,772
Collaborative and regional services (CRS)	12,352	-	-
Animal protection	60,600	65,443	52,558
Insect control	111,092	111,092	123,288
Amortization of tangible capital assets	-	663,562	647,319
Loss (gain) on disposal of tangible capital assets	-	(11,700)	12,050
	<u>1,297,533</u>	<u>1,945,793</u>	<u>1,760,590</u>
	<u>\$ 20,516,592</u>	<u>\$ 21,443,993</u>	<u>\$ 17,470,253</u>

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
<i>Transportation services</i>			
<i>Common services</i>			
Administration	\$ 982,062	\$ 946,082	\$ 852,151
Training and development	22,225	21,693	22,042
Civil engineering, planning and monitoring	1,175,928	848,700	757,822
General equipment	192,200	187,828	199,775
Workshops and other buildings	1,585,454	1,486,483	1,476,727
Autre	53,220	-	-
	<hr/> 4,011,089	<hr/> 3,490,786	<hr/> 3,308,517
<i>Roads and streets</i>			
Summer maintenance	1,943,060	2,418,255	1,938,741
Sidewalks	228,000	193,970	170,803
Storm sewers and culverts	150,000	124,657	322,206
Snow and ice removal	2,078,715	1,839,461	1,553,593
	<hr/> 4,399,775	<hr/> 4,576,343	<hr/> 3,985,343
Street lighting	<hr/> 720,000	<hr/> 718,747	<hr/> 697,501
<i>Traffic services</i>			
Street signs	58,000	46,497	77,730
Traffic lane marking	110,000	109,286	95,092
Traffic signals	162,000	134,044	156,322
	<hr/> 330,000	<hr/> 289,827	<hr/> 329,144
Public transit	<hr/> 2,712,564	<hr/> 1,920,604	<hr/> 1,492,587
Collaborative and regional services (CRS)	18,315	-	-
Amortization of tangible capital assets	-	7,828,168	7,217,057
Loss on disposal of tangible capital assets	-	175,237	18,138
	<hr/> 18,315	<hr/> 8,003,405	<hr/> 7,235,195
	<hr/> \$ 12,191,743	<hr/> \$ 18,999,712	<hr/> \$ 17,048,287

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
<i>Environmental health services</i>			
Dumps and garbage collection	\$ 1,222,258	\$ 1,188,501	\$ 1,539,184
<i>Economic development services</i>			
Urban planning	\$ -	\$ 180,308	\$ 121,952
Planning and development	1,447,800	1,391,762	1,167,054
General land assembly	185,000	210,641	169,841
Expansion Dieppe Inc.	1,115,184	1,644,263	1,625,038
Sustainable development plan	590,000	256,527	182,629
Beautification and land rehabilitation	119,336	75,690	73,787
Tourism	193,000	-	-
Other	850,897	-	-
Collaborative and regional services (CRS)	83,785	-	-
Amortization of tangible capital assets	-	15,201	9,818
	\$ 4,585,002	\$ 3,774,392	\$ 3,350,119
<i>Recreation and cultural services</i>			
Administration	\$ 1,164,522	\$ 637,810	\$ 668,230
Community centres	1,070,360	490,013	661,384
Aquatic and sports centre	2,397,173	2,463,795	2,336,282
Arenas	3,563,043	3,337,247	3,226,690
Parks and playgrounds	3,690,336	3,849,799	3,885,841
Other recreation facilities	758,523	670,307	707,558
Training and development	13,600	16,606	9,145
Library	600	433	433
Collaborative and regional services (CRS)	14,799	-	-
Amortization of tangible capital assets	-	4,010,248	3,836,372
Gain on disposal of tangible capital assets	-	(71,919)	(12,724)
	\$ 12,672,956	\$ 15,404,339	\$ 15,319,211

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
<i>Water supply</i>			
Administration	\$ 1,023,812	\$ 866,445	\$ 860,882
Legal settlement (note 8)	-	16,701	57,000
Transmission and distribution	2,784,595	2,525,087	2,387,320
Power and pumping	408,122	355,580	399,248
Water purchase (note 9)	2,083,000	2,274,347	1,793,600
Test water source	-	27,213	17,408
Billing and collections	144,000	146,142	143,576
Amortization of tangible capital assets	-	1,007,870	983,996
	\$ 6,443,529	\$ 7,219,385	\$ 6,643,030
<i>Sewerage collection and disposal</i>			
Administration	\$ 492,014	\$ 404,910	\$ 453,477
Legal settlement (note 8)	-	16,701	57,000
Sewerage collection system (note 9)	1,438,809	1,452,168	1,292,853
Sewerage lift stations	66,148	48,336	40,597
Sewerage treatment and disposal	2,866,500	2,866,500	2,736,720
Billing and collections	142,000	131,882	139,022
Amortization of tangible capital assets	-	1,007,870	983,996
Loss (gain) on disposal of tangible capital assets	-	(14,411)	43,038
	\$ 5,005,471	\$ 5,913,956	\$ 5,746,703
<i>Fiscal services - general</i>			
Debt service			
Interest on long-term debt	\$ 821,000	\$ 767,529	\$ 842,785
Loan - City Hall			
Interest on long-term debt	273,471	258,567	292,535
	\$ 1,094,471	\$ 1,026,096	\$ 1,135,320

CITY OF DIEPPE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025

19. REVENUES AND EXPENSES BREAKDOWN (continued)	2025 Budget	2025 Actual	2024 Actual
<hr/>			
<i>Fiscal services - water</i>			
Debt service			
Interest on long-term debt	\$ 293,000	\$ 272,001	\$ 300,672
	<hr/>		
<i>Fiscal services - sewerage</i>			
Debt service			
Interest on long-term debt	\$ 167,000	\$ 158,927	\$ 179,180
	<hr/>		