Doane Grant Thornton

Financial Statements

Codiac Regional Policing Authority

December 31, 2024

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Doane Grant Thornton

Independent auditor's report

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To Board of Directors of Codiac Regional Policing Authority

Opinion

We have audited the financial statements of Codiac Regional Policing Authority ("the Authority"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, changes in net debt and cash flow for the year then ended, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Codiac Regional Policing Authority as at December 31, 2024, and its results of operations, its changes in its net debt, and its 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 Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter – Supplementary Information

Our audit was conducted for the purposes of forming an opinion on the financial statements taken as a whole. The Supplementary Schedules on pages 13-14 are presented for purposes of additional information and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied only to the extent necessary to express an opinion in the audit of the financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 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 Authority'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 Authority'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 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 Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Moncton, Canada

June 19, 2025

Chartered Professional Accountants

Codiac Regional Policing Authority
Statement of Financial Position

December 31	2024	2023
Financial assets		
Cash and cash equivalents	**$ 13,661,150**	$ 13,519,763
Municipal receivable from Town of Riverview	**-**	1,044,540
Municipal receivable from City of Dieppe	**1,981,957**	-
Other receivables	**21,477**	916
	15,664,584	14,565,219
Financial liabilities		
Payables and accruals (Note 3)	**15,425,611**	14,448,902
Long term debt (Note 5)	**301,567**	402,696
	15,727,178	14,851,598
Net surplus (debt)	**(62,594)**	(286,379)
Non-financial assets		
Tangible capital assets (Note 4)	**3,868,400**	2,944,593
Accumulated surplus	**$ 3,805,806**	$ 2,658,214

Commitments (Note 8)
Contingencies (Note 9)

On behalf of the Board

Director

Director

See accompanying notes and schedule to the financial statements.

Codiac Regional Policing Authority
Statements of Operations and Accumulated Surplus

Year Ended December 31 **2024** 2023

	Budget	**Actual**	Actual
Revenues			
Contributions (Note 1(c), Note 6)	$ 45,655,372	**$ 45,655,423**	$ 45,072,637
Province of New Brunswick - 911	808,821	**800,459**	787,355
Federal contract - Dept of Fisheries & Oceans	312,000	**312,810**	293,357
Dispatch Revenue (Note 1(d), Note 6)	950,000	**900,205**	749,995
Other revenues	356,300	**619,604**	451,128
Interest	65,000	**63,965**	91,325
	48,147,493	**48,352,466**	47,445,797
Expenditures			
Administration	279,601	**248,227**	230,990
Amortization	951,808	**951,808**	835,674
Board expense	115,500	**33,995**	32,819
Commissionaires / custody of prisoners	709,876	**786,703**	641,453
Facilities - Moncton	1,039,800	**1,039,800**	1,039,800
-795 Main Street	140,000	**104,507**	90,280
- Dieppe	89,543	**89,497**	114,087
Interest expense (Federal Loan- Radio)	2,634	**4,443**	4,443
Professional, auxillary costs & communication fees	778,000	**923,350**	182,827
Equipment Rental – Vehicle	27,611	**22,750**	19,930
VERSATERM	250,000	**55,285**	45,882
RCMP contract costs (Note 7)	35,425,243	**33,591,123**	35,516,463
Provincial contract service level agreements	1,688,720	**1,446,143**	1,165,393
Salaries and benefits - Dispatch	3,557,327	**3,400,193**	3,079,194
- Clerical Support	4,967,443	**4,507,050**	4,302,393
	50,023,106	**47,204,874**	47,301,628
Surplus (deficit) for the year	$ (1,875,613)	**$ 1,147,592**	$ 144,169
Surplus, beginning of year		**$ 2,658,214**	$ 2,514,045
Surplus, end of year		**$ 3,805,806**	$ 2,658,214

See accompanying notes and schedule to the financial statements.

Codiac Regional Policing Authority
Statement of Change in Net Surplus (Debt)

Year Ended December 31	2024	2023
Annual surplus	**$ 1,147,592**	$ 144,169
Acquisition of tangible capital assets	**(1,875,615)**	(1,610,411)
Amortization of tangible capital assets	**951,808**	835,674
	(923,807)	(774,737)
Increase (decrease) in net assets for the year	**223,785**	(630,568)
Net surplus (debt), beginning of year	**$ (286,379)**	$ 344,189
Net surplus (debt), end of year	**$ (62,594)**	$ (286,379)

See accompanying notes and schedule to the financial statements.

Codiac Regional Policing Authority
Statement of Cash Flows

Year Ended December 31	**2024**	2023
Increase in cash and cash equivalents		
Operating		
Surplus	**$ 1,147,592**	$ 144,169
Amortization	**951,808**	835,674
	2,099,400	979,843
Changes in non-cash working capital		
Receivables-Town of Riverview	**1,044,540**	(54,737)
Receivables-City of Dieppe	**(1,981,957**)	-
Other receivables	**(20,561)**	14,655
Payables and accruals	**976,709**	762,152
	2,118,131	1,701,913
Investing		
Purchase of tangible capital assets	**(1,875,615)**	(1,610,411)
Financing		
Repayment of loan	**(101,129)**	(104,736)
Net increase (decrease) in cash and cash equivalents	**141,387**	(13,234)
Cash and equivalents, beginning of year	**13,519,763**	13,532,997
Cash and equivalents, end of year	**$ 13,661,150**	$ 13,519,763

See accompanying notes and schedule to the financial statements.

1. Nature of operations

(a) Organization

Codiac Regional Policing Authority (the "Authority") was established effective January 1, 2001 as a permanent authority. The Authority is to administer the Regional Police Service Agreement between the Government of Canada and the Authority within the *Police Act* and Policing Standards of the Province of New Brunswick for the municipalities of Moncton, Riverview and Dieppe.

(b) Terms of agreement

The Regional Police Service Agreement initially came into force on January 18, 1998 and a modification of this agreement was made April 1, 2012 and shall continue in force until March 31, 2032. The major change in the new agreement was that the CRPA will only pay 90% of the costs of providing and maintaining the police service as long as the Codiac region has a population of 15,000 or more. The agreement provides for a renewal period upon terms that are agreed to by the parties. The agreement may also be terminated on March 31 in any given year by either party with twenty-four month notice.

(c) Cost sharing

The current agreement operating policing services in the Greater Moncton Area were pooled in the Regional Policing Authority. The costs were then recovered from Moncton, Riverview and Dieppe based on a pro-rata cost sharing formula. For years subsequent to 2010 mutually agreed upon cost sharing percentages based on tax assessment, population, and calls for service were used. The cost sharing percentages by year are as follows:

	Moncton	Riverview	Dieppe	Total
2010	74.50	11.70	13.80	100%
2011	73.32	11.86	14.82	100%
2012	71.61	12.09	16.30	100%
2013	69.48	12.13	18.39	100%
2014	70.10	11.72	18.18	100%
2015	69.90	11.71	18.39	100%
2016	70.03	11.68	18.29	100%
2017	70.01	11.70	18.29	100%
2018	70.29	11.42	18.29	100%
2019	70.17	11.40	18.43	100%
2020	70.31	11.16	18.53	100%
2021	70.61	10.99	18.40	100%
2023	70.74	10.93	18.33	100%
2024	**71.08**	**10.63**	**18.29**	**100%**

(d) Dispatch revenue

The costs related to dispatch services are recovered from Moncton, Riverview and Dieppe based on the same cost sharing formula included in (c).

2. Summary of significant accounting policies

The financial statements of the Authority are prepared in accordance with the Canadian public sector accounting standards for Government not-for-profit Organizations. Significant aspects of the accounting policies adopted by the Authority are as follows:

(a) Cash and cash equivalents

The company's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and highly liquid temporary investments usually with a maturity period of three months or less from the date of acquisition. Term deposits that the Authority cannot use for current transactions because they are pledged as security are excluded from cash and cash equivalents.

(b) Revenue recognition

Contribution revenue is recorded as earned in accordance with the cost sharing formula described in Note 1(c, d). Revenue from the Province of New Brunswick and other revenues are recorded when the service has been provided and collection is reasonably assured. Other revenues consist of criminal record checks, custody of prisoners, and other miscellaneous revenues. Interest revenue is recorded on a monthly basis as earned.

(c) Tangible capital assets

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

Leaseholds	5 years
Vehicles	5 years
Kits	6 years
Equipment	8 years
Telecommunication	10 years
Computer equipment	5 years
Furniture	10 years

(d) Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for whom expenses are not yet incurred are included in deferred revenue. Government transfers consist of contributions and the 911 Public Safety Answering Point (PSAP) operating cost contributions for service.

(e) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

2. Summary of significant accounting policies (continued)

(f) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates include the useful lives of tangible capital assets.

3. Payables and accruals	**2024**	2023
RCMP contract	**$ 9,307,089**	$ 8,519,828
Trade payables and accruals	**6,118,522**	5,929,074
	$ 15,425,611	$ 14,448,902

4. Tangible capital assets

	Leasehold Improvements	Vehicles	Kits	Equipment	Tele-communication Equipment	Computer Equipment	Furniture	2024	2023
Cost									
Opening cost	$ 808,768	$ 1,654,389	$ 105,064	$ 1,077,140	$ 1,382,992	$ 430,380	$ 237,291	**$ 5,696,024**	$ 4,553,990
Additions and transfers	21,113	509,156	25,727	398,890	706,062	214,667	-	**1,875,615**	1,610,411
Disposals and transfers	-	(371,902)	-	(57,926)	(38,629)	(29,351)	-	**(497,808)**	(468,377)
Closing cost	**$ 829,881**	**$ 1,791,643**	**$ 130,791**	**$ 1,418,104**	**$ 2,050,425**	**$ 615,696**	**$ 237,291**	**$ 7,073,831**	**$ 5,696,024**
Accumulated amortization									
Opening accumulated amortization	(211,328)	(921,923)	(61,169)	(375,772)	(823,495)	(175,351)	(182,394)	**(2,751,431)**	(2,384,134)
Amortization	(149,360)	(344,603)	(19,655)	(156,134)	(171,670)	(104,607)	(5,779)	**(951,808)**	(835,674)
Disposals	-	371,902	-	57,926	38,629	29,351	-	**497,808**	468,377
Closing accumulated amortization	**(360,688)**	**(894,624)**	**(80,824)**	**(473,980)**	**(956,536)**	**(250,607)**	**(188,173)**	**(3,205,431)**	**(2,751,431)**
Asset net book value	**$ 469,193**	**$ 897,019**	**$ 49,967**	**$ 944,124**	**$ 1,093,889**	**$ 365,089**	**$ 49,118**	**$ 3,868,400**	$ **2,944,593**

5. Long term debt

	2024	2023
Federal Treasury Board loan, 1.35%, due 2027	**$ 301,567**	$ 402,696

During the fiscal 2017, the Authority purchased new communication equipment with the support of the RCMP. The equipment was financed with a 10-year loan from the Federal Treasury Board bearing interest at 1.35% and principal repayments are as follows:

2025-2026	101,130
2027	88,837
2028	10,470

6. Contributions and dispatch revenue

	2024 Budget	2024 Actual	2023 Actual
Contributions			
City of Moncton	$ 32,367,650	**$ 32,367,650**	$ 32,036,054
Town of Riverview	4,835,907	**4,835,907**	4,791,401
City of Dieppe	8,451,816	**8,451,866**	8,245,182
	$ 45,655,373	**$ 45,655,423**	$ 45,072,637
Dispatch revenue			
City of Moncton	$ 531,716	**$ 531,716**	$ 533,069
Town of Riverview	79,442	**79,442**	79,728
City of Dieppe	138,842	**138,839**	137,198
Other juridictions	200,000	**150,208**	-
	$ 950,000	**$ 900,205**	$ 749,995

7. RCMP contract costs

The RCMP billings for the contract costs for policing services for the tri community are based on yearly estimates and are invoiced to the Authority on a quarterly basis. The actual RCMP policing costs are not made known to the Authority until after the RCMP's March 31st year end. As a result, an adjustment to reflect the actual RCMP policing costs is made by the Authority during the second quarter of each year following the year to which it relates. The adjustment relating to the 2023 RCMP year-end came through and was recorded in the Authority's 2023 year-end resulted in an increase to the Authority's RCMP contract costs. In the Authority's 2024 year-end a decrease in expenses of $1,866,212 was recorded which related to RCMP's 2023/24 year-end.

As per the agreement with the RCMP, the Authority is entitled to a 10% reduction in the RCMP operating costs subject to the region meeting a population threshold. For 2024 the reduction has been netted with the expense for the year. On a funding basis, the RCMP have reduced their annual charges by the 10% reduction and the 10% reduction has been passed on to the funding partners.

8. Commitments

The Authority has entered into a lease agreements for premises in Dieppe and Moncton which end in 2027. The lease payments due under the agreements are as follows:

2025	163,000
2026	166,000
2027	77,000

In addition, the Authority leases its primary facility at Main Street in Moncton for $1,039,800 per year (2023 - $1,039,800). This is a month to month lease and is not subject to any specific term.

9. Transactions with funding partners

In addition to the contributions received, the Authority conducted the following transactions with the funding partners:

- Interest earned on interfund balance with City of Moncton $63,966 (2023 - $91.325);
- Administration expenses paid to City of Moncton $248,227 (2023 - $230,990);
- Rent expense charged by the City of Moncton $1,039,800 (2023 - $1,039,800);
- Rent expense charged by the City of Dieppe $89,497 (2023 - $114,086)

The transactions with funding partners are measured at the exchange amount agreed to between the funding partners and the Authority.

10. New facility

The Authority has been working with its partners who include the RCMP, the Town of Riverview, City of Dieppe and the City of Moncton to finalize plans for the construction of a new detachment for the policing services covered in the Codiac Region. The formal agreement was finalized in 2021, whereby the three municipalities will cost share based on the annual cost sharing percentages via annual rent calculations supporting the capital cost for the construction of the new detachment and related operating costs.

The tender for construction of the facility was awarded in April 2022 by the City of Moncton and construction has commenced with expected completion to occur in 2025. The total overall budgeted cost of the project amounts to $59,300,000 including all land, design, project management, construction costs, security components and furniture and fixtures.

Codiac Regional Policing Authority
Schedule 1: Schedule of Reconciliation of Annual (Deficit) Surplus
Year Ended December 31, 2024

	Operating	Capital	**Total**
2024 annual surplus (deficit) per PSAS for the year	$ 2,103,843	$(956,251)	**$1,147,592**
Adjustments to 2023 annual funding surplus for PSAS requirements			
Second previous year's surplus (deficit)	2,095,350	-	**2,095,350**
Transfer to capital fund	(1,981,187)	1,981,187	**-**
Acquisition of tangible capital assets	-	(1,875,615)	**(1,875,615)**
Amortization of tangible capital assets	-	951,808	**951,808**
Principal debt repayment	-	(101,129)	**(101,129)**
2024 annual funding surplus	$ 2,218,006	$ -	**$ 2,218,006**

	Operating	Capital	**Total**
2023 annual surplus (deficit) per PSAS for the year	$ 984,287	$ (840,117)	**$ 144,170**
Adjustments to 2023 annual funding deficit for PSAS requirements			
Second previous year's deficit	(1,243,725)	-	**(1,243,725)**
Transfer to capital fund	(1,719,590)	1,719,590	**-**
Acquisition of tangible capital assets	-	(1,610,411)	**(1,610,411)**
Amortization of tangible capital assets	-	835,674	**835,674**
Principal dept repayment	-	(104,736)	**(104,736)**
2023 annual funding deficit	$ (1,979,028)	$ -	**$ (1,979,028)**

Codiac Regional Policing Authority
Schedule 2: Schedule of Operating and Capital Budgets to the PSAB Budget

Year Ended December 31, 2024

	Operating Budget	Adjustments	**PSAB Budget**
Revenues			
Contributions	$ 45,655,372	$ -	**$ 45,655,372**
Federal contract - Department of Fisheries & Oceans	312,000	-	**312,000**
Fire Dispatch Revenue	950,000	-	**950,000**
Other revenues	356,300	-	**356,300**
Province of New Brunswick - 911	808,821	-	**808,821**
Interest	65,000	-	**65,000**
Second previous year surplus	2,095,350	(2,095,350)	**-**
	50,242,843	(2,095,350)	**48,147,493**
Protective Service Expenditures			
Administration	279,601	-	**279,601**
Amortization	-	951,808	**951,808**
Board expense	115,500	-	**115,500**
Commissionaires / custody of prisoners	709,876	-	**709,876**
Equipment Rental – Vehicle	27,611	-	**27,611**
Facilities - Moncton	1,039,800	-	**1,039,800**
- Dieppe	89,543	-	**89,543**
- 795 Main Street	140,000	-	**140,000**
Interest expense (Federal Loan- Radio)	2,634	-	**2,634**
Principal debt repayments	101,129	(101,129)	**-**
Professional, auxillary costs & communication fees	778,000	-	**778,000**
Provincial contract service level level agreements	1,688,720	-	**1,688,720**
RCMP contract costs	36,495,659	(1,070,416)	**35,425,243**
Salaries and benefits			
- Dispatch	3,557,327	-	**3,557,327**
- Clerical Support	4,967,443	-	**4,967,443**
Versaterm	250,000	-	**250,000**
	50,242,843	(219,737)	**50,023,106**
Deficit for the year	$ -	$ (1,875,613)	**$ (1,875,613)**