2023
Hampton
Annual Report

Prepared: June 11, 2024

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

MESSAGE FROM THE MAYOR

2023 has been a historic year for the town of Hampton! As a result of the Provincial Local Governance Reform initiative, on January 1, 2023, Hampton saw its boundaries grow by over 11 times and the population over double with 9,326 residents. Two new Councillors were added to Hampton representing the newly formed Wards 1 (former Local Service District of Hampton) and Ward 3 (portions of former Local Service Districts of Upham, Norton and Kingston). This brought about significant change to the town's organizational structure and overall delivery of services complementing all our residents.

Hampton also marked 2023 with completing the final architectural plans for our new Multipurpose Recreation Facility. Many years of planning with representatives of our neighbouring Local Service Districts has this 28-million-dollar state of the art facility scheduled to break ground in early 2024. We take pride in the fact that this new facility is very timely, being the first major infrastructure project for the new entity of Hampton, bringing together the residents of the former Town of Hampton (Ward 2) with residents of newly formed Wards 1 and 3. This facility will be a gathering place for all of our citizens as it is positioned centrally in Hampton's Business Park on William Bell Drive.

Our dedicated Council, staff and extensive volunteer base in Hampton, along with our abundance of amenities, make this community an ideal location to live, work and play. We will continue to work together to move our community forward in 2024 and beyond. It's our Nature!

Mayor Robert Doucet

COMMUNITY PROFILE

Shaped by water, alive with culture, and full of entrepreneurial spirit – Hampton is a community that inspires great living. Located in the center of Southern New Brunswick, this community on the Kennebecasis River offers the best of small-town living, with easy access to three major city centres (35 km to Saint John, 110 km to Fredericton and 115 km to Moncton). Local Government Reform in 2023 saw the community grow substantially (see Appendix A). There has also been strong population growth from immigration and intra-provincial migration. From 2016 to 2021, Hampton's growth rate surpassed that of other neighbouring municipalities, with a 4% increase. The community is serviced by five schools, a local Chamber of Commerce representing 130 member businesses, several medical professionals, and a huge variety of community groups and service organizations.

Town Departments include Administration; Finance and Human Resources; Protective Services; Public Works and Utilities; Leisure Services and Facilities; Planning, Engineering and Development; and Economic Development and Tourism. These departments and their deliverables are shaped by the Hampton Municipal Plan (By-law No. HAM-2023-15), adopted in December 2023. This plan is the principle guiding policy document for Hampton and is the result of extensive public and stakeholder engagement, best practice review, and contextual analysis. It enables Council and Staff to make sound and representative decisions affecting development and growth for the next ten years.

Please visit our town website at www.hampton.ca to access details on your town Council, staff contacts, council meeting agendas and minutes, financial information, as well as information on residential services, business, tourism and recreation.

Copies of our audited financial statements are available on the town website. Hampton's 2023 audited financial statements are also included as Appendix B of this report.

HAMPTON COUNCIL

Hampton Council is comprised of a mayor and six councillors, elected every four years. The current council was elected in November 2022 as part of the Local Governance Reform process.

Mayor Robert Doucet
Committees:
Mayor Doucet is an ex officio member of all committees but he regularly serves on the fo1lowing committees:
Health Care Committee
Human Resource Committee
Finance Committee
Protective Services: RCMP
Contact Information:
Email: mayor.doucet@hampton.ca
Tel: (506) 832-6065

Deputy Mayor Jeremy Salgado
Committees:
Finance Committee
Leisure Services Advisory Committee
Canada Day Committee
Contact Information:
Email: deputymayor.salgado@hampton.ca
Tel: (506) 832-6065

Councillor Todd Beach
Committees:
Finance Committee
Protective Services: Fire-Rescue
Economic Development and Tourism Advisory Committee
Town Liaison:
Hampton Area Chamber of Commerce Board of Directors
Contact Information:
Email: councillor.beach@hampton.ca
Tel: (506) 832-6065

Councillor Karin Boye
Committees:
Finance Committee
Environment Advisory Committee
Hampton Emergency Measures Organization
Contact Information:
Email: councillor.boye@hampton.ca
Tel: (506) 832-6065

Councillor Ken Chorley
Committees:
Finance Committee
Joint Health and Safety Committee
Public Works Advisory and Utilities Committee
Town Liaison:
Hampton John Peters Humphrey Foundation Board of Directors
Contact Information:
Email: councillor.chorley@hampton.ca

Tel: (506) 832-6065
Councillor Kim Tompkins
Committees:
Finance Committee
Human Resources Committee
Planning Advisory Committee
Protective Services: RCMP
Contact Information:
Email: councillor.tompkins@hampton.ca
Tel: (506) 832-6065

Councillor Sheree Trecartin
Committees:
Finance Committee
Age-Friendly Community Committee
Town Liaison:
Hampton Seniors Resource Centre Board of Directors
Contact Information:
Email: councillor.trecartin@hampton.ca
Tel: (506) 832-6065

REMUNERATION OF COUNCIL

The Mayor and Council each receive an honorarium and expenses for travelling on Town business outside of Hampton, as authorized by By-law HAM-2022-04.

In 2023, the payments totaled $133,584.74 and are detailed in Table l below:

Table 1

2023 Council Honorariums and Expenses:

Name	Honorarium	Travel Expenses
Mayor Robert Doucet	$35,000	$989.87
Deputy Mayor Jeremy Salgado	$20,000	$387.83
Councillor Todd Beach	$15,000	$568.04
Councillor Karin Boye	$15,000	$387.83
Councillor Ken Chorley	$15,000	$475.51
Councillor Kim Tompkins	$15,000	$387.83
Councillor Sheree Trecartin	$15,000	$387.83

COUNCIL MEETINGS

Council meetings are held in the Council Chambers of Town Hall located at 648 Main Street. All regular and special council meetings are open to the public. The regular council meetings are held on the second Tuesday of each month. Closed meetings are held immediately preceding regular meetings of Council. Items discussed in Closed Session fall under what is permitted in accordance with section 68(1) of the Local Governance Act. Special council meetings are held when there are matters that Council determines cannot wait until a regular meeting. Details of types of meetings and attendance are detailed below in Table 2.

Table 2

2023 Council Meeting Dates and Attendance:

Date	Type	Mayor Doucet	Deputy Mayor Salgado	Councillor Beach	Councillor Boye	Councillor Chorley	Councillor Tompkins	Councillor Trecartin
Jan 10	Regular	Present	Present	Present	Present	Present	Present	Present
Jan 30	Special	Present	Present	Present	Present	Present	Present	Present
Feb 14	Regular	Present	Present	Present	Present	Present	Present	Present
Mar 14	Regular	Present	Present	Present	Present	Present	Present	Present
Mar 29	Special	Present	Present	Present	Present	Present	Present	Present
Apr 11	Regular	Present	Present	Present	Present	Present	Present	Present
Apr 18	Special	Present	Present	Present	Present	Present	Present	Present
May 9	Regular	Present	Present	Present	Present	Present	Present	Present
May 17	Special	Present	Present	Present	Present	Present	Present	Present
Jun 13	Regular	Present	Present	Present	Present	Present	Present	Present
Jul 11	Regular	Present	Present	Present	Present	Present	Present	Present
Jul 25	Special	Present	Present	Present	Present	Present	Present	Present
Aug 8	Regular	Present	Present	Present	Present	Present	Present	Present
Aug 31	Special	Present	Present	Present	Present	Present	Present	Present
Sep 12	Regular	Present	Present	Present	Present	Present	Present	Present
Sep 20	Special	Present	Present	Present	Present	Present	Present	Present
Oct 10	Regular	Present	Present	Present	Present	Present	Present	Present
Oct 24	Special	Present	Present	Present	Present	Present	Present	Present
Nov 7	Regular	Present	Present	Present	Present	Present	Present	Present
Nov 14	Special	Present	Present	Present	Present	Present	Present	Present
Nov 21	Special	Present	Present	Present	Present	Present	Present	Present
Dec 12	Regular	Present	Present	Present	Present	Present	Present	Present
Dec 19	Special	Present	Present	Present	Present	Present	Present	Present

PROPERTY TAX RATE AND USER CHARGES

The tax base for Hampton in 2023 was $903,466,590.00 and the residential property tax rate was $1.28 per $100 of assessment in Taxing Authority 443.00 (former Hampton subunit), $0.6622 per $100 of assessment in Taxing Authority 443.01 (Norton subunit), $0.8606 per $100 of assessment in Taxing Authority 443.02 (Upham subunit), $0.6835 per $100 of assessment in Taxing Authority 443.03 (Fairmont subunit) and $0.7859 per $100 of assessment in Taxing Authority 443.04 (Nauwigewauk subunit).

Hampton provides sanitary sewer disposal services on a user charge basis to Ward 2. The residential user fee in 2023 was $200.

Hampton provides water service on a user charge basis to a small portion of the Ward 2 on a water system. The residential user fee in 2023 was $160.

GRANTS FOR TOURISM PURPOSES

Grants for Tourism Purposes Total Expenditures: $0

GRANTS FOR SOCIAL OR ENVIRONMENTAL PURPOSES

One of the purposes of a local government, as stated in the Local Governance Act is to foster the economic, social and environmental well-being of its community.

In 2023, Hampton provided grants totaling $500 or more to as outlined below in Table 3.

Table 3: 2023 Grants for Social or Environmental Purposes

Recipient of the grant	**Type of grant**	**Amount of grant ($ or In-Kind)**	**Terms and conditions**	**Purpose of grant and benefit to Hampton in making the grant**
Kennebecasis Watershed Restoration	Donation	$2,500	Annually	Operational
Hampton Community Centre	Donation	$3,500	Annually	Operational
Help the Cops Help the Kids	Donation	$1,226	Annually	Operational
KV Crime Stoppers	Donation	$1,000	Annually	Operational
Hampton High Theatre	Donation	$1,000	Annually	Capital Repairs
Central Kings Recreation Centre	Donation	$27,200	Annually	Operational
Nauwigewauk Recreation Centre	Donation	$10,000	Annually	Operational

ECONOMIC DEVELOPMENT ASSISTANCE AND GRANTS

In 2023, Hampton provided economic development assistance and/or grants totaling $500 or more to as outlined below in Table 4.

Table 4: 2023 Economic Development Assistance and Grants

Recipient of the grant	Type of grant	Amount of grant ($ or In-Kind)	Terms and conditions	Purpose of grant and benefit to Hampton in making the grant
Village Hair Design	Grant	$3,729	One-time	Storefront Improvement
Amy Wheatly & Assoc.	Grant	$4,760	One-time	Storefront Improvement
690287NB Ltd.	Grant	$5,000	One-time	Storefront Improvement
Lutz Parish Gerrish	Grant	$5,000	One-time	Storefront Improvement
Floyd's Store Ltd.	Grant	$5,000	One-time	Storefront Improvement

ECONOMIC DEVELOPMENT ACTIVITES AND PROGRAMS

Types of activities and programs, and the purpose of the activities or programs and the benefit to the local government in providing the activities and programs are outlined below in Table 5.

Table 5: 2023 Economic Development Activities and Programs

Type of activities and programs	Purpose of the activities and programs or the benefit to Hampton in providing activities and programs
Storefront Improvement Program	This grant program offers local businesses 50% of costs (up to $5000) to enhance or renovate their storefront. In the past three years this economic investment has had significant impact to the business landscape in Hampton with 15 applications approved and completed. The partnership has realized a vast improvement in the Main Street appearance and in business traffic for participating businesses.
Residential Development Assistance Policy	Policy to encourage residential development within Hampton; considers assistance for developers constructing a residential development within town limits that extends municipal infrastructure (ie. road, sewer) for the addition of a minimum of 10 new dwellings or dwelling units to a max of 30 dwellings or dwelling units per phase. Assistance is not considered for extension of laterals to lots on existing streets within the town. Note: Minimum of ten new units/phase to a maximum of 30 new units/phase 1. Single Family $ 3000.00 / unit (min. 30 m road frontage) 2. Small Lot Single Family $ 1500.00 / unit (min. 15 m road frontage) 3. Semi Detached $ 1500.00 / unit (min. 30 m road frontage) 4. Terrace Dwellings $ 1000.00 / unit (min. 30 m road frontage) • Maximum of 6 units which would be max. 48 m road frontage 5. Apartment Buildings $ 1000.00 / unit (min. 54 m road frontage)
Hampton Area Chamber of Commerce partnership	Partner with the Chamber to deliver programming and events that promote local businesses. Events and activities included: - Chamber Insurance info session - Business Supports session with ONB / CBDC / WorkNB to explore programs, training and employment supports for local businesses - Member Golf Tournament - Small Business Week campaign and Awards Night - Shop the Town holiday promotion

Attract New Businesses	Create and Maintain business profile data and documents to support new business inquiries / investment inquiries Developer readiness programs with Envision Saint John Presentations to real estate sector Market-readiness assessments Regular check-ins with landowners / developers
Retain & Support Local Businesses	New town boundaries support and guidance during Local Government Reform, including introduction of By-law Information (Accommodation Levy, Plastic Bag, Transient Trader, Noise By-law) Facilitated business introductions to ACOA, ONB, WorkNB, EnvisionSJ and CBDC Participation and final support for Hampton Food & Beverage Tours (9 businesses) Business promotion through Saint John FAM Tour / City Market pop-up, ExploreNB Street Team, Canadian National Jr Girls Golf Championship at Hampton Golf Club
Promote economic vitality & cultural amenities	Established Lighthouse River Centre as cultural hub with Library / 3 author readings, Youth Theatre Station drama productions and workshops, FishNB Day events, and Brilliant Labs Robotics workshop Visitor Information Centre: gift shop converted to a local artisan boutique to provide homefront to storefront stepping stone for area artisans; the town also took on the management of the Hampton Market at Town Square to drive positive economic impact to area retailers and restaurants on Friday evenings Cultural Events with local partners: Osprey Adventures & First Nations Storytellers paddle, Canada Day activities; Canada Day Market Fall Fest (Witches on the Water with Food Basket & Osprey Adventures), Winter Wonderland
Collaboration with Community Partners	Participate in regional initiatives to enhance local business profile and/or identify opportunities for local economic impact: Regional Transportation Committee SJ Port Authority Community Liaison Committee Quilt Barn Tour Lower River Passage Stonehammer UNESCO Geopark

SERVICES

Local Government budgets and services are established in accordance with a standardized classification system. In 2023, Hampton Council adopted a general operating budget of $10,460,763. Actual expenditures for the year were $10,486,378 and the non-tax revenues were slightly lower than expected, resulting in a deficit of $25,615.

Hampton has a utility operating budget for wastewater disposal services. The approved budget was $410,050. The actual expenditures were $408,862. Which generated a surplus of $1,188.

GENERAL GOVERNMENT SERVICES

General Government Total Expenditures: $1,936,923

This category includes overall governance and administration of Hampton. This includes Council functions, general management, legal matters, liability insurance, as well as civic relations.

PROTECTIVE SERVICES

Protective Services Total Expenditures: $3,358,595

Protective Services include policing (RCMP), fire protection, emergency measures, animal control and other protective measures.

Policing services are provided through a contract with the RCMP. Wards 1 and 3 total cost for policing was $1,090,453. Ward 2 policing cost was $1,353,070.

Hampton and Nauwigewauk Fire-Rescue Departments provides fire protection services to the greater Hampton area and portions of the neighbouring regional service commissions. The fire department consists of two fire chiefs and 64 volunteer firefighters from within the service area. Our cost in 2023 was $2,605,752. The local service districts contribute $118,097.

Hampton and Nauwigewauk departments have, among other equipment, one ladder truck, 4 fire pumpers, 5 fire tankers, 5 trucks, two off-road vehicles and two boats. Other than the newest fire truck and the tanker, and one lease, all capital assets are fully paid for, and ongoing maintenance is included in the cost of the service.

In 2023, animal control was done on a contract basis for Ward 2 at a cost of $14,155. Wards 1 and 3 at a cost of $11,947.

2023 expenditures for emergency measures were $9,362.

TRANSPORTATION SERVICES

Transportation Total Expenditures: $1,773,849

This category consists of common services; summer and winter road and street maintenance, street lighting, traffic services, parking and other transportation related functions. Roads in Hampton include provincial and municipal roads. The Town has contracts with the Provincial Department of Transportation and Infrastructure (DTI) for maintenance of specific roads within Ward 2. DTI remains responsible for road repair and maintenance within Wards 1 and 3.

ENVIRONMENTAL HEALTH SERVICES – GENERAL FUND

Environmental Health Services Total Expenditures: $951,851.

This category includes expenditures related to solid waste collection and disposal. Hampton collects residential solid waste generated by Ward 2 residents, including recycling at our blue bin depot, and disposing of it at Crane Mountain Landfill. The tipping fee (cost per tonne) for disposal of residential waste is $123. The tipping fee (cost per tonne) for disposal of compostable is $40.

In Wards 1 and 3, Hampton has a contract with the Province of New Brunswick for the collection and disposal of solid waste and recycling. The annual cost in 2023 was $460,545.

ENVIRONMENTAL DEVELOPMENT SERVICES

Environmental Development Services Total Expenditures: $1,048,439.

Environmental development services in Hampton include the costs for land use planning and community development.

RECREATION AND CULTURAL SERVICES

Recreation and Cultural Services Total Expenditures: $1,843,143.

This category includes the expense for the operation and maintenance of the Hampton Community Centre and Pool ($1,132,087), Hampton Lighthouse River Centre ($74,332), Playgrounds, Parks, Fields and Trails ($631,810), and the Hampton Visitor Information Centre ($23,108).

In 2023, 41 summer students were hired. 4 were hired under the Provincial SEED Program, and 7 were hired under the Canada Student Jobs program.

Hampton is also an active member of the Hampton Regional Facilities Inc.

FISCAL SERVICES

Fiscal Services Total Expenditures: $761,185.

This category includes interest on short and long-term loans, principal repayment of long-term debt and funding of the prior year's deficits and transfers to reserve funds for future expenditures.

Long Term Debt (outstanding) as of December 31st, 2023

Hampton

NB Municipal Borrowing Board
LTD Payments Schedule
December 31-2023

Department	ORIGINAL LOAN	TERM	2022 LOAN BALANCE	PRINCIPAL PAYMENT 2023	2023 LOAN BALANCE	INTEREST PAID 2023
GENERAL FUND						
Fire Ladder Truck	$ 1,225,000	15	$ 999,000	$ 74,800	$ 914,000	$ 23,979
Court House Upgrades	$ 175,000	20		$ 10,200		$ 3,270
	$ 1,400,000			$ 85,000		$ 27,249
Transportation (SWR)	$ 250,000					
SNB # 1	$ 494,000					
	$ 744,000		$ 95,000	$ 18,000	$ 77,000	$ 3,216
SNB #2	$ 295,000	10	$ 33,000	$ 33,000	$ -	$ 1,221
Designated Highway	$ 346,000	10	$ 220,000	$ 34,000	$ 186,000	$ 7,021
Town Hall Upgrades	$ 575,000	20	$ 493,000	$ 23,000	$ 470,000	$ 19,260
Transportation - Plow Truck	$ 300,000	15	$ 248,000	$ 18,000	$ 230,000	$ 6,063
Fire Tanker (Refinanced)	$ 157,000	5	$ 95,000	$ 31,000	$ 64,000	$ 1,098
Solid Waste Removal Truck	$ 345,000	10				
Fire Truck	$ 1,058,000	15			$ 1,400,000	
Nawigewauk Fire Hall	$ 66,123	20	$ 45,124	$ 3,000	$ 42,124	$ 1,598
Nawigewauk Fire Hall	$ 230,265	20	$ 173,000	$ 10,000	$ 163,000	$ 5,707
Nawigewauk Fire Hall	$ 322,511	20	$ 255,000	$ 14,000	$ 241,000	$ 7,750
Nawigewauk Fire Hall	$ 335,000	20	$ 284,000	$ 14,000	$ 270,000	$ 9,967
UTLITIES FUND						
MRIF - Lagoon (Utilities) Refinanced Nov 23 2017	$ 156,000	10	$ 83,000	$ 16,000	$ 67,000	$ 2,244
Utility- Dutchpoint Upgrades	$ 410,000	20	$ 347,000	$ 17,000	$ 330,000	$ 12,022
TOTAL DEBT			$ 3,370,124	$ 316,000	$ 4,454,124	$ - $ 104,415

PUBLIC HEALTH SERVICES

Public Health Services Total Expenditures: $ 0

WASTEWATER UTILITY OPERATING BUDGET

Wastewater Utility Total Expenditures: $357,079.

The wastewater disposal system has 1357 users. The system includes 39,500 meters of piping, 3 lift stations and a two (2) pond lagoon system. The outflow of the lagoon is tested to ensure it is operating

in accordance with applicable provincial and federal standards.

Expenditures include the cost of administration, personnel, collection, treatment and disposal.

CAPITAL PROJECTS

Information on capital projects undertaken with the year and on multiyear capital planning and the performance measures established by the corporation and the progress made with respect to those measures.

2023 Capital Projects

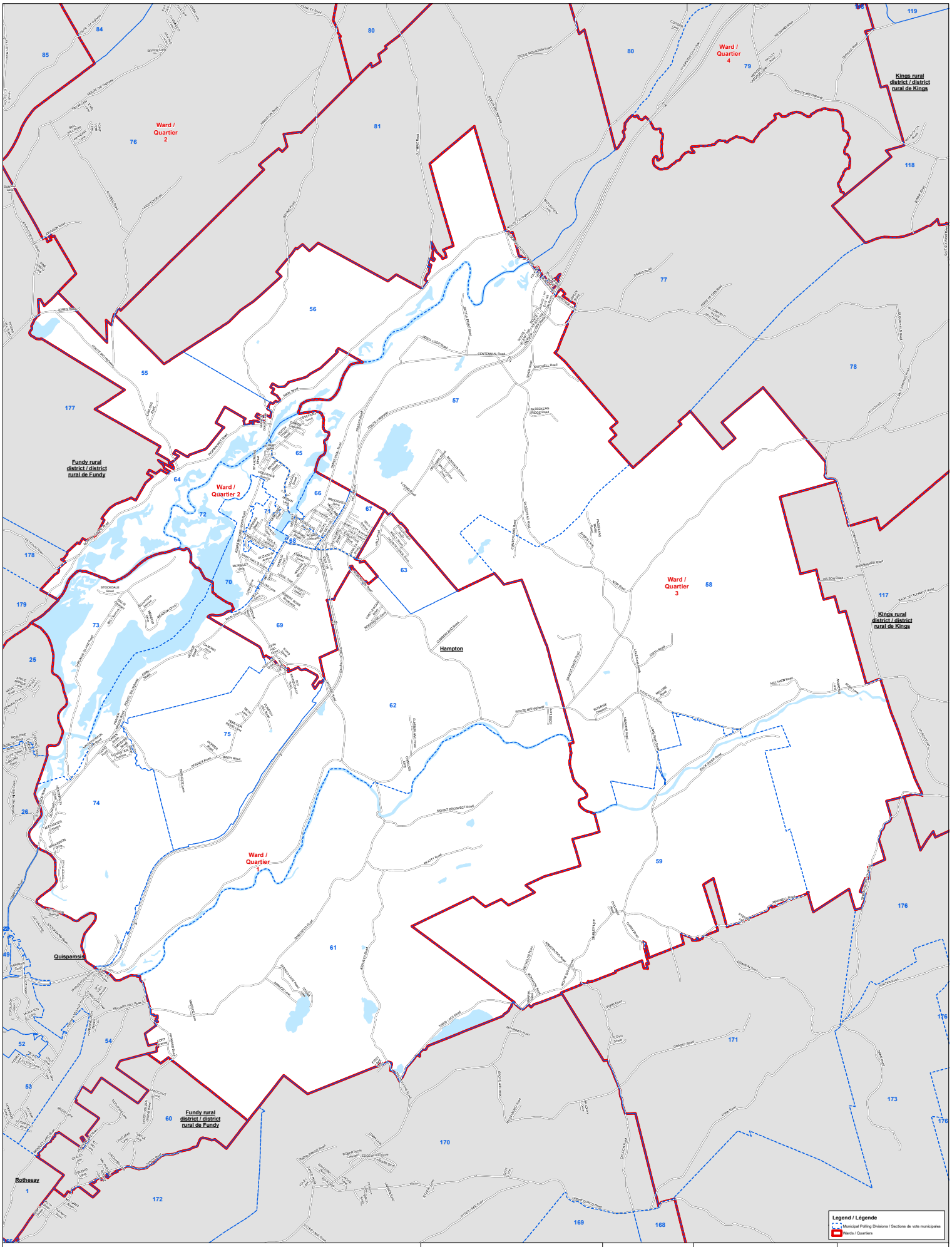
General Government	Comments
Purchase of town vehicle (SUV)	Vehicle purchased to assist with Council and Staff travels, both local and out of province
Installation of EV Charger	Project completed in conjunction with NB Power & Add Energy grant funding.
Jail Building	
Renovation- Planning & Development Office Space	Project continued into 2024, updating building to accommodate the Planning Department offices and conference room.
Transportation	
Street Improvements- Various Locations	
CN Crossing Upgrades	Project delayed to 2024
Purchase of Asphalt Recycler	Cost savings measure to recycle asphalt and ability to complete road repairs in house.
Hampton Fire Rescue	
Purchase of New Pierce Tanker	Purchased as replacement asset as per replacement schedule
Nauwigewauk Fire Department	
Purchase of SCBA Cylinders	Additional units and upgrades required.
Leisure Services Department	
Purchase of new Department Truck	Vehicle purchased to assist with Council and Staff travels, both local and out of province
Arena	
Multi-purpose Facility	Land preparation and sewer infrastructure- groundbreaking scheduled for spring 2024
Pool	
Purchase/ Installation of Slide	Replaced aged diving board with a new slide.
Parks Department	
Purchase of Mower attachment for Steiner Tractor	
Garage Expansion	Creation of heated workspace for repairs to be conducted in house and equipment storage
Solid Waste Removal	
Purchase of Waste Receptacles (Due to Reform)	Additional bins required, due to reform
Purchase of New Solid Waste Truck	Purchased as replacement asset as per replacement schedule
Planning & Development Department	
Municipal Plan	Mandated update (10 years)
GIS Management	New program to include expanded town boundaries (Reform)

HAMPTON

It's our nature!

APPENDIX A

Hampton Local Governance Structure Map



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2022 Local Government and Rural District Advisory Committee Elections
Élections des gouvernements locaux et des comités consultatifs des districts ruraux 2022

Print Date : 08/19/2022
Imprimé le : 19/08/2022

ÉLECTIONSNB

Hampton

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HAMPTON

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APPENDIX B

Audited Financial Statements

HAMPTON

FINANCIAL STATEMENTS

DECEMBER 31, 2023

HAMPTON
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teed saunders doyle | chartered professional accountants & advisors

HAMPTON

DECEMBER 31, 2023

CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statement of Operations	3
Statement of Financial Position	4
Statement of Changes in Net Debt	5
Statement of Cash Flows	6
Notes to Financial Statements	7

INDEPENDENT AUDITORS' REPORT

To His Worship The Mayor and Members of Council
Hampton, New Brunswick

Opinion

We have audited the financial statements of the Hampton (the "Town"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net debt and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2023, and the results of its operations 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Town 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 those 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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.

(*continues*)

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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 Town'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 Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Town 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 communicated 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.

Teed Saunders Doyle

CHARTERED PROFESSIONAL ACCOUNTANTS

Saint John, NB
March 12, 2024

HAMPTON

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023 Under (Over)	2023 Budget (Note 19)	2023 Actual	2022 Actual
REVENUE				
Property tax warrant	$ -	$ 9,223,259	$ 9,223,259	$ 5,290,646
Services provided to other governments (Note 20)	(31,602)	315,970	347,572	428,687
Sale of services, fines and other fees (Note 20)	(7,061)	704,116	711,177	662,916
Unconditional grant	-	66,760	66,760	36,775
Other government transfers	(710,800)	43,068	753,868	738,058
Water and sewer user fees	(10,929)	405,985	416,914	424,927
Interest	(125,525)	6,600	132,125	57,794
	(885,917)	10,765,758	11,651,675	7,639,803
EXPENDITURE (Note 20)				
General government services	(40,615)	1,896,308	1,936,923	1,382,351
Protective services	170,400	3,528,995	3,358,595	1,611,619
Transportation services	(49,298)	1,724,551	1,773,849	1,757,597
Environmental health services	(49,103)	902,748	951,851	430,488
Environmental development services	210,247	1,258,686	1,048,439	733,302
Recreation and cultural services	31,976	1,875,119	1,843,143	1,389,364
Water and sewer services	145,564	502,643	357,079	402,678
	419,171	11,689,050	11,269,879	7,707,399
ANNUAL SURPLUS (DEFICIT) FOR THE YEAR (Note 17)	$ (1,305,088)	(923,292)	381,796	(67,596)
ACCUMULATED SURPLUS - BEGINNING OF YEAR		-	20,221,310	20,288,906
ACCUMULATED SURPLUS - END OF YEAR		$ (923,292)	$ 20,603,106	$ 20,221,310

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HAMPTON

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash and cash equivalents (Note 4)	$ 3,059,151	$ 2,176,088
Accounts receivable		
General	121,315	140,898
Federal Government and its agencies (Note 5)	550,515	186,692
Province of New Brunswick (Note 6)	53,003	154,103
Investments (Note 7)	293,969	439,905
	$ 4,077,953	$ 3,097,686
LIABILITIES		
Accounts payable and accrued liabilities	$ 1,901,653	$ 604,053
Deferred revenue (Note 8)	133,137	125,009
Long term debt (Note 9)	4,454,124	2,613,000
Accrued sick leave (Note 10)	129,900	125,600
Post employment benefits payable (Note 11)	88,363	132,035
	6,707,177	3,599,697
NET DEBT	(2,629,224)	(502,011)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 15)	51,713,593	47,734,134
Accumulated amortization (Note 15)	(28,546,968)	(27,013,607)
	23,166,625	20,720,527
Prepaids	62,548	771
Inventory	3,157	2,023
	23,232,330	20,723,321
ACCUMULATED SURPLUS	$ 20,603,106	$ 20,221,310

CONTINGENT LIABILITY (Note 12)

APPROVED BY:

_____ Mayor

_____ Treasurer

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HAMPTON

STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2023

	2023	2022
Annual surplus (deficit)	$ 381,796	$ (67,596)
Acquisition of tangible capital assets	(3,979,459)	(1,298,289)
Amortization of tangible capital assets	1,533,361	1,497,559
Acquisition of inventories	(3,157)	(2,023)
Acquisition of prepaid assets	(62,548)	(771)
Consumption of inventories	2,023	2,321
Use of prepaid assets	771	-
Decrease (increase) in net debt	(2,127,213)	131,201
Net debt - beginning of year	(502,011)	(633,212)
Net debt - end of year	$ (2,629,224)	$ (502,011)

APPROVED BY:

_____ Mayor

_____ Treasurer

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HAMPTON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
OPERATING TRANSACTIONS		
Annual surplus (deficit)	$ 381,796	$ (67,596)
Amortization of tangible capital assets	1,533,361	1,497,559
Receivable - General	19,583	(25,663)
Receivable - Federal Government and its agencies	(363,823)	(96,622)
Receivable - Province of New Brunswick	101,100	169,019
Accounts payable and accrued liabilities	1,297,600	5,846
Deferred revenue	8,128	(79,639)
Accrued sick leave	4,300	-
Post employment benefits payable	(43,672)	(128,104)
Change in prepaid expenses/inventory	(62,911)	(473)
	2,875,462	1,274,327
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(3,979,459)	(1,298,289)
FINANCING TRANSACTIONS		
Long term debt	1,841,124	(343,000)
INVESTING TRANSACTION		
Decrease in investments	145,936	78,338
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	883,063	(288,624)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,176,088	2,464,712
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 3,059,151	$ 2,176,088

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1. PURPOSE OF THE ORGANIZATION

The Town of Hampton (the "Town") was incorporated as a Village by the Province of New Brunswick Municipalities Act on November 9, 1966 and was approved for status as a Town effective November 9, 1991 by an amendment of New Brunswick Regulation 85-6 (Hampton) under the Municipalities Act. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. The Town has the following vision statement: "The Town of Hampton, is to work in partnership, to serve our customers in an effective, efficient, professional and financially responsible manner. The Town will also facilitate orderly and responsible development while working with our customers to maintain and enhance the high quality of life in our community."

On January 1, 2023 the Local Service Districts of Norton, Nauwigewauk, Upham and Kingston were amalgamated with the Town as part of the Provincial Government's municipal reform. The Town received a building along with the associated debt (See Note 9). The tax base of the Town increased to $903,466,590 (2022 - $413,331,750).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The focus of Public Sector Accounting Standards ("PSAS") financial statements is on the financial position of the Town and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Town.

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

Reporting Entity

The 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 Town and which are owned or controlled by the Town. The Town does not have any organizations and enterprises that requires consolidation.

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on December 22, 2022 and the Minister of Local Government on January 10, 2023.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments with actively traded markets are reported at fair value, with any unrealized gains losses reported in annual surplus (deficit). All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and balances with banks. Bank borrowings are considered to be financing activities.

Revenue Recognition

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 expenditures are incurred.

Other revenue is recorded when it is earned.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards 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 financial statements and the reported amount of revenues and expenditures 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.

Examples of significant estimates include:
- the allowance for doubtful accounts;
- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the recoverability of tangible capital assets;
- accrued sick leave; and
- post employment benefits liability.

Capital Reserves

The use of the Capital Reserve Funds is restricted to capital expenditures. The intention is to use these funds for future expenditures and reduce future borrowing requirements.

Operating Reserves

The use of these funds is restricted to payment of operating expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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, less any residual value when applicable, is amortized on a straight-line basis over the estimated useful lives as follows:

Asset Type	Estimated Useful Life
Land improvements	5-25 years
Buildings	25-40 years
Vehicles	3-5 years
Machinery and equipment	5-10 years
Heavy equipment	10-15 years
Computer hardware, software and communication equipment	3-5 years
Furniture and fixtures	3-5 years
Road surface	5-20 years
Road grade	10-30 years
Lighting and traffic lights	10-15 years
Water and wastewater networks	15-100 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

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

General Government Services
This department is responsible for the overall governance and financial administration of the Town. 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Segmented Information (cont'd)

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 Sewer Services
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.

The Town has documented a schedule of segmented disclosure in Note 16.

Post Employment Benefits

The Town recognizes its obligations under post employment benefit plans and the related costs, net of plan assets. The Town has a sick leave benefit as documented in Note 10 and a long term service award and pension plan as documented in Note 11.

3. FINANCIAL INSTRUMENTS

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of December 31, 2023:

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from its accounts receivable. The Town minimizes credit risk through ongoing credit management.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, accounts payable and accrued liabilities and other obligations.

Currency Risk

Currency risk is the risk to the Town's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Town is not exposed to foreign currency risk as it does not hold foreign currencies.

3. FINANCIAL INSTRUMENTS (cont'd)

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Town manages exposure through its normal operating and financing activities. The Town is not exposed to interest rate risk as its long term debt does not have a variable interest rate.

4. CASH

	2023	2022
Unrestricted	$ 1,895,965	$ 898,297
Restricted - reserve funds (Note 18)	1,163,186	1,277,791
	$ 3,059,151	$ 2,176,088

5. DUE FROM FEDERAL GOVERNMENT AND ITS AGENCIES

	2023	2022
Canada Revenue Agency HST refund	$ 144,856	$ 127,322
Federation of Canadian Municipalities	-	17,500
Atlantic Canada Opportunities Agency	-	41,870
Canada Community Building Fund	405,659	-
	$ 550,515	$ 186,692

6. DUE FROM PROVINCE OF NEW BRUNSWICK

	2023	2022
Province of New Brunswick	$ 44,403	$ 104,228
Regional Development Corporation	8,600	49,875
	$ 53,003	$ 154,103

7. INVESTMENTS

The investments consist of guaranteed investment certificates with maturity dates ranging from August 22, 2024 to November 30, 2024 and interest rates ranging from 4.43% to 5.50%. The investments are restricted for capital and operating reserve use (Note 18).

8. DEFERRED REVENUE

Deferred revenue consists of January 2024 rental revenue received in December 2023, funds received in advance for future projects and maintenance and gas tax funds to be used for future capital projects.

9. LONG TERM DEBT

	Balance January 1, 2023	Issued during year	Redeemed during year	Balance December 31, 2023
New Brunswick Municipal Financing Corporation				
Debentures:				
BQ14 1.2% - 3.55%, due 2037, OIC # 14-0024 & #15-0096	$ 999,000	$ -	$ 85,000	$ 914,000
BU15 2.55% - 3.4%, due 2028, OIC # 18-0018	220,000	-	34,000	186,000
BU16 2.55% - 3.7%, due 2038, OIC # 16-0015	347,000	-	17,000	330,000
FCM13138 4.0%, due 2038, OIC # 14-0024	493,000	-	23,000	470,000
CE11 4.511% - 5.245%, due 2038, OIC # 23-0014	-	1,400,000	-	1,400,000
BR15 1.65% - 2.9%, due 2027, OIC # 07-0020	83,000	-	16,000	67,000
BH21 1.35% - 3.55%, due 2027, OIC # 02-0038, 02-0061 & 11-0113	95,000	-	18,000	77,000
BJ16 1.25% - 3.70%, due 2023, OIC # 02-0061	33,000	-	33,000	-
BW23 1.95 - 2.8%, due 2034, OIC # 19-0015	248,000	-	18,000	230,000
BX13 0.9% - 1.5%, due 2025, OIC # 09-0013	95,000	-	31,000	64,000
H06-2015 3.00% - 3.90%, due 2035	-	45,124	3,000	42,124
H06-2015-16 2.92% - 3.75%, due 2036	-	173,000	10,000	163,000
H06-2016-17 2.72% - 3.55%, due 2037	-	255,000	14,000	241,000
H06-2017-2018 3.36% - 3.70%, due 2038	-	284,000	14,000	270,000
	$ 2,613,000	$ 2,157,124	$ 316,000	$ 4,454,124

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

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

2024	$ 364,000
2025	378,000
2026	355,000
2027	366,000
2028	343,000

10. ACCRUED SICK LEAVE

The Town provides sick leave that accumulates at 10 hours per month for full-time non-administrative employees; and at 9.375 hours per month for full-time administrative employees. All employees can accumulate a maximum of 1,800 sick leave hours. An employee can take a leave with pay for an amount of time equal to the accumulated sick leave.

An actuarial valuation was performed on the 34 employee plan in accordance with PSA 3255 as at December 31, 2022. The actuarial method used was the Projected Unit Credit pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Town's best estimates.

The following summarizes the major assumptions in the valuation:

- annual salary increase is 3%;
- the discount rate used to determine the accrued benefit obligations is 4.52%;
- retirement age is 60; and
- estimated net excess utilization of rate of sick leave varies with age.

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

The unfunded liability was $125,600 on December 31, 2022; and $129,900 on December 31, 2023.

11. POST EMPLOYMENT BENEFITS PAYABLE

The post employment benefits payable consists of the following:

	2023	2022
Long term service award	$ 280,363	$ 276,835
Pension obligation (asset)	(192,000)	(144,800)
	$ 88,363	$ 132,035

Long Term Service Award

Employees of the Town become eligible for this award after five years of full-time consecutive service. Effective 2012, employees are eligible after ten years of full-time consecutive service. Qualifying employees are entitled to five days of regular pay for each full time year on continuous employment to a maximum of 125 days. The accrued benefit becomes payable in the year an employee ceases working for the Town, either by retirement or leaving in good standing.

The activity for the year is as follows:

	2023	2022
Balance at beginning of year	$ 276,835	$ 296,139
Add: Awards accrued	30,339	-
Less: Awards paid out	(26,811)	(19,304)
Balance at end of year	$ 280,363	$ 276,835

11. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

Pension Obligation

The Town and its employees participate in the New Brunswick Municipal Employees Pension Plan (NBMEPP). The NBMEPP 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 NBMEPP 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, 2021 and resulted in an overall NB MEPP accrued benefit obligation of $140,299,800 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, 2022:

- the expected inflation rate is 2.10% (prior 2.10%);
- the discount rate used to determine the accrued benefit obligation is 6.15% (prior 5.70%) ;
- the expected rate of return on assets is 6.15% (prior 5.70%);
- retirement age varies by age and employment category; and
- estimated average remaining service life (EARSL) is 14.0 years (prior 14.0 years).

The actuarial valuation prepared as at December 31, 2021 indicated that the present value of the accumulated plan benefits were less than the market value of the net assets available for 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 plan surplus of $1,294,100, a change of $2,127,600 from the December 31, 2020 deficit of $833,500. Based on the assumptions as at December 31, 2021, 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 allowed by the Pension Benefits Act.

As at December 31, 2021, the NBMEPP provides benefits for 310 retirees. Total benefits payments to retirees and terminating employees during 2023 are estimated to be approximately $5,210,400 (actual 2022, $6,836,300) 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 7.95%. Each municipality contributes an amount that equals their employees contributions amounts. Pension fund assets are invested in short term securities, bonds, Canadian equities and foreign equities. Combined employees and municipalities contributions for 2023 are estimated to be approximately $7,978,000 (actual 2022, $7,988,500) in totality for the NB MEPP.

The following summarizes the NB MEPP data as it relates to the Town of Hampton:

- The average age of the 30 active employees covered by the NBMEPP is 46.9 (as at Dec. 31, 2021);
- Benefit payments were $114,600 in 2022 and were estimated to be $110,800 in 2023; and
- Combined contributions were $259,400 in 2022 and were estimated to be $267,200 in 2023.

11. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

In addition to determining the position of the NB MEPP as it relates to the Town of Hampton as at December 31, 2021 and December 31, 2022, NB MEPP's actuary performed an extrapolation of the December 31, 2022 accounting valuation to determine the estimated position as at December 31, 2023. The extrapolation assumes assumptions used as at December 31, 2023 remain unchanged from December 31, 2022. The extrapolation also assumes assets return 6.15% 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:

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Accrued Benefit Asset		
Accrued benefit asset at beginning of period	$ (162,500)	$ (80,300)
Pension expense for the year	104,100	47,500
Employer contributions	(133,600)	(129,700)
Accrued benefit asset at end of period	$ (192,000)	$ (162,500)

In summary, the accrued benefit asset as it related to the Town of Hampton is estimated to be $(192,000) as at December 31, 2022. This compares to $(80,300) as at January 1, 2022 and $(162,500) as at December 31, 2022. This amount is included in the post employment benefits payable on the 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:

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Funded Status at End of Period		
Accrued benefit obligation	$ 4,125,400	$ 3,818,100
Plan assets	(3,834,300)	(3,460,300)
Plan surplus	291,100	357,800
Unamortized experience losses	(483,100)	(520,300)
Accrued benefit asset at end of period	$ (192,000)	$ (162,500)

11. POST EMPLOYMENT BENEFITS PAYABLE (cont'd)

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

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Accrued Benefit Obligation		
Accrued benefit obligation at beginning of period	$ 3,818,100	$ 3,718,700
Current service cost	181,100	167,100
Benefits payments	(110,800)	(114,600)
Interest for period	237,000	213,500
Experience gain during period	-	(166,600)
Accrued benefit obligation at end of period	$ 4,125,400	$ 3,818,100

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

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Reconciliation of Plan Assets		
Plan assets at beginning of period	$ 3,460,300	$ 3,664,200
Employer contributions	133,600	129,700
Employee contributions	133,600	129,700
Benefit payments	(110,800)	(114,600)
Return on plan assets during period	217,600	(348,700)
Plan assets at end of period	$ 3,834,300	$ 3,460,300

Total expense related to pensions include the following components:

	Estimated Jan 1, 2023 to Dec 31, 2023	Jan 1, 2022 to Dec 31, 2022
Pension Expense		
Employer current service cost	$ 47,500	$ 37,400
Interest on accrued benefit obligation	237,000	213,500
Expected return on assets	(217,600)	(213,000)
Amortization of unrecognized balances		
Experience loss	37,200	9,600
Pension expense	$ 104,100	$ 47,500

The pension expense is included in the statement of operations.

12. CONTINGENT LIABILITY

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

13. SHORT TERM BORROWING

Operating Borrowing

As prescribed in the Municipalities Act, borrowing to finance General Operating Fund operations is limited to 4% of the Municipality's budget. Borrowing to finance Water and Sewer Fund operations is limited to 50% of the operating budget for the year. In 2023, the Town has complied with these restrictions.

Inter-fund Borrowing

The Municipal Financing Reporting Manual requires that short term inter-fund borrowings be repaid in the next year unless the borrowing is for a capital project. The amounts payable between Funds are in compliance with the requirements.

14. WATER AND SEWER FUND SURPLUS (DEFICIT)

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

	2023	2022
2023 Surplus	$ 1,583	$ -
2022 Surplus	8,501	8,501
2021 Surplus	-	65
	$ 10,084	$ 8,566

TOWN OF HAMPTON

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

15. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	Land	Land Improvements	Buildings and Leasehold Improvements	Vehicles	Machinery and Equipment	Infrastructure: Roads and Streets	Infrastructure: Treatment Facilities	Infrastructure: Water and Sewer	Heavy Equipment	Communications Equipment	Furniture and Equipment	2023 Total	2022 Total
COST													
Balance - beginning of year	$ 1,291,173	$ 2,047,716	$ 8,830,735	$ 637,096	$ 423,526	$ 19,433,127	$ 7,731,809	$ 1,071,372	$ 5,558,244	$ 671,485	$ 37,851	$ 47,734,134	$ 46,435,845
Add: Net additions during the year	-	13,056	1,460,796	95,092	322,887	404,838	-	113,354	1,495,890	73,546	-	3,979,459	1,298,289
Less: Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance - end of year	1,291,173	2,060,772	10,291,531	732,188	746,413	19,837,965	7,731,809	1,184,726	7,054,134	745,031	37,851	51,713,593	47,734,134
ACCUMULATED AMORTIZATION													
Balance - beginning of year	-	1,196,083	4,593,130	595,016	374,580	12,580,130	3,340,828	213,698	3,573,272	543,385	3,485	27,013,607	25,516,048
Add: Amortization during the year	-	108,638	199,455	26,703	35,204	624,180	121,944	29,867	326,832	53,568	6,970	1,533,361	1,497,559
Less: Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance - end of year	-	1,304,721	4,792,585	621,719	409,784	13,204,310	3,462,772	243,565	3,900,104	596,953	10,455	28,546,968	27,013,607
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	$ 1,291,173	$ 756,051	$ 5,498,946	$ 110,469	$ 336,629	$ 6,633,655	$ 4,269,037	$ 941,161	$ 3,154,030	$ 148,078	$ 27,396	$ 23,166,625	$ 20,720,527
Consists of:													
General Fund Assets	$ 1,277,856	$ 756,051	$ 5,463,401	$ 110,469	$ 323,595	$ 6,633,655	$ -	$ -	$ 3,154,030	$ 148,078	$ 27,396	$ 17,894,531	$ 15,403,409
Water & Sewer Fund Assets	13,317	-	35,545	-	13,034	-	4,269,037	941,161	-	-	-	5,272,094	5,317,118
	$ 1,291,173	$ 756,051	$ 5,498,946	$ 110,469	$ 336,629	$ 6,633,655	$ 4,269,037	$ 941,161	$ 3,154,030	$ 148,078	27,396	$ 23,166,625	$ 20,720,527

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16. SCHEDULE OF SEGMENT DISCLOSURE

	General	Protective	Transportation	Environmental Health	Environmental Development	Recreation and Culture	Water and Sewer	2023	2022
REVENUE									
Property tax warrant	$ 1,464,661	$ 3,281,634	$ 926,937	$ 779,363	$ 603,198	$ 2,167,466	$ -	$ 9,223,259	$ 5,290,646
Services provided to other governments	-	147,793	199,779	-	-	-	-	347,572	428,687
Sale of services, fines and other fees	377,671	-	-	-	-	333,506	-	711,177	662,916
Unconditional grant	10,602	23,753	6,709	5,641	4,366	15,689	-	66,760	36,775
Other government transfers	726,092	-	-	-	6,199	21,577	-	753,868	738,058
Water and sewer user fees	-	-	-	-	-	-	416,914	416,914	424,927
Interest	132,125	-	-	-	-	-	-	132,125	57,794
	2,711,151	3,453,180	1,133,425	785,004	613,763	2,538,238	416,914	11,651,675	7,639,803
EXPENDITURE									
Salaries and benefits	754,666	279,508	423,835	187,973	484,128	738,691	73,814	2,942,615	2,245,708
Goods and services	989,453	2,841,103	585,520	697,461	517,387	970,809	110,116	6,711,849	3,872,293
Interest	23,064	24,721	12,935	3,113	-	-	14,190	78,023	87,202
Other	3,450	-	-	-	-	-	581	4,031	4,637
Amortization	166,290	213,263	751,559	63,304	46,924	133,643	158,378	1,533,361	1,497,559
	1,936,923	3,358,595	1,773,849	951,851	1,048,439	1,843,143	357,079	11,269,879	7,707,399
Surplus (deficit) for the year	$ 774,228	$ 94,585	$ (640,424)	$ (166,847)	$ (434,676)	$ 695,095	$ 59,835	$ 381,796	$ (67,596)

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TOWN OF HAMPTON

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

17. RECONCILIATION OF ANNUAL SURPLUS

	General Operating Fund	General Capital Fund	Water and Sewer Operating Fund	Water and Sewer Capital Fund	General Operating Reserve Fund	General Capital Reserve Fund	Water and Sewer Operating Reserve Fund	Water and Sewer Capital Reserve Fund	Total
2023 annual surplus (deficit)	$ 1,005,227	$ (708,824)	$ 180,262	$ (158,378)	$ 6,146	$ 53,140	$ 2	$ 4,221	$ 381,796
Adjustments to annual surplus (deficit) for funding requirements									
Second previous year's surplus (deficit)	52,468	-	(32,720)	-	-	-	-	-	19,748
Transfers between funds									
Transfer from general capital reserve fund to general operating fund	300,000	-	-	-	-	(300,000)	-	-	-
Transfer from water and sewer capital reserve fund to general operating fund	24,050	-	-	-	-	-	-	(24,050)	-
Transfer from water and sewer operating reserve fund to general operating fund	-	-	-	-	-	-	-	-	-
Transfer from general operating fund to general capital fund	(1,081,460)	1,081,460	-	-	-	-	-	-	-
Transfer from water and sewer operating fund to water and sewer capital fund	-	-	(113,354)	113,354	-	-	-	-	-
Long term debt principal repayment	(283,000)	283,000	(33,000)	33,000	-	-	-	-	-
Amortization expense	-	1,374,983	-	158,378	-	-	-	-	1,533,361
Change in amount recorded under PSAS for sick leave accrual	4,300	-	-	-	-	-	-	-	4,300
Change in amount recorded under PSAS for defined pension benefit liability	(47,200)	-	-	-	-	-	-	-	(47,200)
Total adjustments to 2023 annual surplus (deficit)	(1,030,842)	2,739,443	(179,074)	304,732	-	(300,000)	-	(24,050)	1,510,209
2023 annual surplus (deficit) for funding requirements	$ (25,615)	$ 2,030,619	$ 1,188	$ 146,354	$ 6,146	$ (246,860)	$ 2	$ (19,829)	$ 1,892,005

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TOWN OF HAMPTON

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023

18. STATEMENT OF RESERVES

	General Operating Reserve	General Capital Reserve	Water and Sewer Operating Reserve	Water and Sewer Capital Reserve	2023 Total	2022 Total
ASSETS						
Cash	$ -	$ 1,030,930	$ 15,062	$ 117,194	$ 1,163,186	$ 1,277,791
Investments	208,055	-	-	85,914	293,969	439,905
	$ 208,055	$ 1,030,930	$ 15,062	$ 203,108	$ 1,457,155	$ 1,717,696
ACCUMULATED SURPLUS	$ 208,055	$ 1,030,930	$ 15,062	$ 203,108	$ 1,457,155	$ 1,717,696
REVENUE (EXPENDITURE)						
Transfers from (to) Utility Operating Fund	-	-	-	(24,050)	(24,050)	(50,000)
Transfer from (to) General Operating Fund	-	(300,000)	-	-	(300,000)	(160,000)
Interest	6,146	53,140	2	4,221	63,509	26,722
ANNUAL SURPLUS (DEFICIT)	$ 6,146	$ (246,860)	$ 2	$ (19,829)	$ (260,541)	$ (183,278)

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18. STATEMENT OF RESERVES (cont'd)

Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Cashable GIC	$ 91,865	5.500%	August 22, 2024
Cashable GIC	95,195	4.980%	August 22, 2024
Cashable GIC	20,732	4.980%	August 22, 2024
Cashable GIC	54,400	4.430%	January 8, 2024
Cashable GIC	13,527	4.750%	November 6, 2024
Cashable GIC	8,960	4.750%	November 30, 2024
Cashable GIC	4,473	4.750%	November 30, 2024
Cashable GIC	4,544	4.750%	November 30, 2024

Council Resolutions regarding transfers to and from reserves:

Moved by Councillor Trecartin and seconded by Deputy Mayor Salgado to Cash GIC #7130321 in the amount of $24,049.57, plus any interest, and deposit funds into the town of Hampton's general operating account, #601940029815.

MOTION CARRIED

Moved by Councillor Beach and seconded by Councillor Boye to transfer $300,000 from Hampton's general capital reserve fund, account #601940012610 to Hampton's operating account, account #601940029815.

MOTION CARRIED

Certified true copy of three motions made at the Regular Council Meetings of November 21, 2023 and December 19, 2023.

Clerk,
Town of Hampton

HAMPTON INCORPORATED 1966 NEW BRUNSWICK

March 12, 2024
Date

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19. OPERATING BUDGET TO PSAS BUDGET

	Operating Budget General	Operating Budget Water and Sewer	Amortization TCA	Transfers	Total
REVENUE					
Property tax warrant	$ 9,223,259	$ -	$ -	$ -	$ 9,223,259
Services provided to other governments	302,826	-	-	13,144	315,970
Sales of services, fines and other fees	786,812	-	-	(82,696)	704,116
Unconditional grant	66,760	-	-	-	66,760
Other government transfers	-	-	-	43,068	43,068
Water and sewer user fees	-	405,985	-	-	405,985
Interest	-	4,000	-	2,600	6,600
Surplus of second previous year	81,106	65	-	(81,171)	-
	10,460,763	410,050	-	(105,055)	10,765,758
EXPENDITURES					
General government services	1,532,779	-	166,290	197,239	1,896,308
Protective services	3,481,484	-	213,263	(165,752)	3,528,995
Transportation services	970,074	-	751,559	2,918	1,724,551
Environmental health services	815,855	-	63,304	23,589	902,748
Environmental development services	631,339	-	46,924	580,423	1,258,686
Recreation and cultural services	2,268,047	-	133,643	(526,571)	1,875,119
Fiscal services					
Long term debt repayments	283,000	33,000	-	(316,000)	-
Interest	101,716	14,714	-	(116,430)	-
Transfer from General Operating Fund to General Capital Fund	334,852	-	-	(334,852)	-
Deficit of second previous year	41,617	32,785	-	(74,402)	-
Water and Sewer	-	329,551	158,378	14,714	502,643
	10,460,763	410,050	1,533,361	(715,124)	11,689,050
Surplus (deficit)	$ -	$ -	$(1,533,361)	$ 610,069	$ (923,292)

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20. REVENUE AND EXPENDITURES SUPPORT

	2023 Under (Over)	2023 Budget	2023 Actual	2022 Actual
REVENUE				
Services other governments				
Fire	$ (29,676)	$ 118,117	$ 147,793	$ 229,419
Transportation	(1,926)	197,853	199,779	199,268
	$ (31,602)	$ 315,970	$ 347,572	$ 428,687
Other own source				
Recreation	$ (28,675)	$ 304,831	$ 333,506	$ 307,148
Building rentals	(24,450)	234,254	258,704	234,255
Permits and fines	(15,936)	103,031	118,967	118,052
Miscellaneous	62,000	62,000	-	61
Inspections and collections	-	-	-	3,400
	$ (7,061)	$ 704,116	$ 711,177	$ 662,916
EXPENDITURE				
General government services				
Legislative				
Mayor	$ -	$ 8,000	$ 8,000	$ 8,000
Councillors	(1,414)	122,000	123,414	57,971
	(1,414)	130,000	131,414	65,971
Administrative				
Administration wages	124,488	777,485	652,997	572,127
Office building	(17,938)	44,110	62,048	30,831
Solicitor	(5,710)	5,000	10,710	-
	100,840	826,595	725,755	602,958
Financial management				
Audit	(493)	7,800	8,293	10,124

20. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Under (Over)	2023 Budget	2023 Actual	2022 Actual
General government services (cont'd)				
Other				
Office expenses	(10,055)	34,680	44,735	72,417
Provincial building	11,944	114,997	103,053	108,326
Court House	(65)	66,350	66,415	80,240
Town Square	(1,947)	-	1,947	2,839
Park and ride	(3,153)	-	3,153	3,298
Information technology	(51,805)	164,555	216,360	73,899
Consulting	(29,304)	-	29,304	-
Regional Service Commission 8	-	57,824	57,824	15,393
Civic relations	6,850	40,000	33,150	1,142
Delegations and training	(2,325)	23,750	26,075	24,605
Public liability insurance	(5,891)	31,350	37,241	29,298
Long term service award	(77,181)	70	77,251	-
Cost of assessment	-	174,062	174,062	82,927
Bank charges	(950)	2,500	3,450	2,929
Interest	21,691	44,755	23,064	30,022
Amortization	-	166,290	166,290	168,286
	(139,548)	931,913	1,071,461	703,298
	$ (40,615)	$ 1,896,308	$ 1,936,923	$ 1,382,351
Protective services				
Hampton fire				
Administration	$ 12,171	$ 210,084	$ 197,913	$ 210,575
Forces	11,700	62,300	50,600	57,624
Dispatch/communications	418	43,041	42,623	38,039
Investigation	1,044	2,500	1,456	649
Water purchased	-	12,700	12,700	12,700
Training	(9,275)	52,000	61,275	55,183
Station	23,946	76,850	52,904	80,166
Equipment	(6,629)	133,350	139,979	130,578
Service to subunits	(7,567)	187,717	195,284	-
Interest	10,880	35,601	24,721	26,418
Debenture discounts	(8,559)	-	8,559	-
Amortization	-	208,403	208,403	183,915
	28,129	1,024,546	996,417	795,847

20. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Under (Over)	2023 Budget	2023 Actual	2022 Actual
Protective services				
Nauwigewauk fire				
Administration	$ 34,638	$ 68,750	$ 34,112	$ 414
Forces	33,270	57,487	24,217	-
Dispatch/communications	260	15,419	15,159	-
Training	20,379	59,500	39,121	-
Station	(1,039)	28,400	29,439	-
Equipment	(23,583)	66,700	90,283	-
Interest	479	25,501	25,022	-
Capital lease payments	38,966	88,474	49,508	-
Amortization	-	4,860	4,860	-
	103,370	415,091	311,721	414
Police				
R. C. M. P.	40,841	2,050,367	2,009,526	786,810
Crossing guard	513	6,000	5,487	4,896
	41,354	2,056,367	2,015,013	791,706
Emergency measures	4,702	14,064	9,362	17,100
Other - Animal control	(7,155)	18,927	26,082	6,552
	$ 170,400	$ 3,528,995	$ 3,358,595	$ 1,611,619
Transportation services				
Common				
Administration	$ (33,172)	$ 450,074	$ 483,246	$ 457,613
General equipment	(9,833)	164,600	174,433	172,828
Work shop	(6,726)	14,000	20,726	15,525
	(49,731)	628,674	678,405	645,966
Street maintenance	16,754	32,000	15,246	43,725
Sidewalks	2,428	2,500	72	-
Culverts and storm sewers	(5,769)	30,000	35,769	35,618
Snow removal	6,412	95,192	88,780	95,835
Street lights	(23,421)	112,000	135,421	115,327
Street signs	5,344	5,800	456	2,975
Traffic lane marking	3,422	40,000	36,578	37,921
Railway crossing	(11,128)	7,500	18,628	8,105
Interest	6,391	19,326	12,935	14,308
Amortization	-	751,559	751,559	757,817
	$ (49,298)	$ 1,724,551	$ 1,773,849	$ 1,757,597

20. REVENUE AND EXPENDITURE SUPPORT (cont'd)

	2023 Under (Over)	2023 Budget	2023 Actual	2022 Actual
Environmental health services				
Collection	$ (42,163)	$ 831,910	$ 874,073	$ 378,194
Brush clean up and recycling	(3,432)	5,500	8,932	5,404
Debenture discounts	(2,429)	-	2,429	-
Interest	(1,079)	2,034	3,113	1,414
Amortization	-	63,304	63,304	45,476
	$ (49,103)	$ 902,748	$ 951,851	$ 430,488
Environmental development services				
Planning and administration	$ 164,497	$ 527,825	$ 363,328	$ 369,746
River Centre	13,025	43,910	30,885	22,541
Economic Development and Tourism	25,812	550,848	525,036	248,324
Community Development	6,913	89,179	82,266	53,628
Amortization	-	46,924	46,924	39,063
	$ 210,247	$ 1,258,686	$ 1,048,439	$ 733,302
Recreation and cultural services				
Administration	$ (36,483)	$ 226,159	$ 262,642	$ 210,467
Pool	12,955	185,724	172,769	142,846
Arena	(438)	404,961	405,399	400,613
Parks	43,795	524,320	480,525	418,689
Tennis	-	-	-	2,376
Trails	(1,116)	-	1,116	21,625
Fields	11,999	12,216	217	11,790
Regional Service Commission	-	329,969	329,969	-
Programs	(2,353)	54,347	56,700	32,455
Libraries	3,617	3,780	163	9,253
Amortization	-	133,643	133,643	139,250
	$ 31,976	$ 1,875,119	$ 1,843,143	$ 1,389,364
Water and sewer services				
Water System				
Administration	$ 20,566	$ 22,825	$ 2,259	$ 3,736
System	32,965	38,215	5,250	14,244
Amortization	-	30,370	30,370	30,370
	53,531	91,410	37,879	48,350
Sewer System				
Administration	51,656	65,925	14,269	9,035
System	37,934	200,086	162,152	195,162
Bank charges	1,919	2,500	581	1,708
Interest	524	14,714	14,190	15,041
Amortization	-	128,008	128,008	133,382
	92,033	411,233	319,200	354,328
	$ 145,564	$ 502,643	$ 357,079	$ 402,678