TOWN OF WOODSTOCK
NEW BRUNSWICK

Report And Consolidated Financial Statements

For The Year Ended December 31, 2025

INDEX SCHEDULE

NICHOLSON & BEAUMONT
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To His Worship The Mayor and Councillors
Town of Woodstock

Opinion
We have audited the consolidated financial statements of the Town of Woodstock, which comprise the consolidated statement of financial position as at December 31, 2025 and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Woodstock as at December 31, 2025, 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 Auditor's Responsibilities for the Audit of the Consolidated 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 these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the 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 related 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.

Auditor's Responsibilities for the Audit of the Consolidated 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.

continued

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INDEPENDENT AUDITOR'S REPORT (continued)

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 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 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 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.

Nicholson & Beaumont

Chartered Professional Accountants

Woodstock, NB
June 23, 2026

TOWN OF WOODSTOCK
Consolidated Statement of Operations
For The Year Ended December 31, 2025

	Page	2025 Budget $	2025 Actual $	2024 Actual $
Revenue				
Warrant of assessment - property taxes		15,383,151	15,383,150	14,163,161
Community funding and equalization grant		659,613	659,615	740,631
Sale of services	22	1,082,300	1,192,596	1,211,333
Other revenue from own sources	22	382,271	447,603	571,629
Other government transfers				
General fund	22	1,252,214	3,274,303	2,809,071
Water and sewer fund	27	360,334	360,334	703,136
Water and sewer	27	1,987,550	2,065,521	1,857,990
		21,107,433	23,383,122	22,056,951
Expenditure				
General government	23	2,164,755	2,099,372	1,827,396
Protective	24	7,217,429	7,514,458	6,834,820
Transportation	25	2,960,138	2,846,515	2,673,128
Environmental health	25	1,106,100	1,173,900	1,131,667
Environmental development	25	660,394	817,182	706,613
Recreation and cultural	26	4,453,900	4,565,619	4,249,837
Water and sewer	27	2,593,825	2,683,677	2,007,261
		21,156,541	21,700,723	19,430,722
Annual Surplus		(49,108)	1,682,399	2,626,229
Accumulated Surplus, beginning of year		-	43,361,930	40,649,339
Transfer of surplus from LSDs (note 1)		-	-	86,362
Accumulated Surplus, end of year		-	45,044,329	43,361,930

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Consolidated Statement of Financial Position
As At December 31, 2025

	2025 $	2024 $
FINANCIAL ASSETS		
Cash (note 3)	2,839,493	1,235,554
Receivables		
General and utility (note 4)	212,997	150,650
Federal government and its agencies (note 5)	531,540	658,313
Province of New Brunswick (note 6)	60,075	53,112
Investments (note 7)	3,706,249	3,414,641
	7,350,354	5,512,270
LIABILITIES		
Payables and accrued liabilities (note 8)	1,239,110	1,249,650
Deferred revenue (note 9)	173,678	74,190
Deferred government transfers (note 10)	2,535,413	940,384
Long term debt (note 11)	2,988,000	3,468,000
Asset retirement obligation (note 12)	78,443	76,158
Accrued net pension fund (asset) liability (note 13)	(1,251,600)	(1,297,200)
Accrued retirement allowance, sick leave and post-retirement benefits liability (note 14)	3,966,107	3,920,569
	9,729,151	8,431,751
NET DEBT	(2,378,797)	(2,919,481)
NON-FINANCIAL ASSETS		
Tangible capital assets (note 21)		
Cost	88,517,203	85,064,479
Accumulated amortization	(41,171,586)	(38,840,170)
	47,345,617	46,224,309
Prepaid expenses	16,589	477
Supplies inventory	60,920	56,625
	47,423,126	46,281,411
ACCUMULATED SURPLUS	45,044,329	43,361,930

Approved by:

_______________ Mayor

Christine Jewett Clerk

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Consolidated Statement of Changes in Net Debt
For The Year Ended December 31, 2025

	2025 $	2024 $
Annual Surplus	1,682,399	2,626,229
Acquisition of tangible capital assets	(3,952,724)	(1,949,308)
Net proceeds on disposal of tangible capital assets	-	9,100
Amortization of tangible capital assets	2,331,416	2,094,600
Impairment of tangible capital assets	500,000	-
Net gain on sale of tangible capital assets	-	(9,100)
Decrease (Increase) in prepaid expenses	(16,112)	1,813
Decrease (Increase) in supplies inventory	(4,295)	19,911
Transfer of surplus from LSDs	-	86,362
Decrease In Net Debt	540,684	2,879,607
Net Debt, beginning of year	(2,919,481)	(5,799,088)
Net Debt, end of year	(2,378,797)	(2,919,481)

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Consolidated Statement of Cash Flows
For The Year Ended December 31, 2025

	2025 $	2024 $
Operating		
Annual surplus	1,682,399	2,626,229
Amortization expense	2,331,416	2,094,600
Impairment of tangible capital assets	500,000	-
Accounts receivable	57,463	(89,499)
Payables and accruals	(10,540)	(739,127)
Deferred revenue	99,488	22,713
Deferred government transfers	1,595,029	(176,717)
Change in accrued pension, retirement benefits liabilities	91,138	106,080
Prepaid expenses	(16,112)	1,813
Supplies inventory	(4,295)	19,911
Gain on sale of tangible capital assets	-	(9,100)
Accretion of asset retirement obligation	2,285	2,210
Transfer of surplus from LSDs	-	86,362
	6,328,271	3,945,475
Capital transactions		
Acquisition of tangible capital assets	(3,952,724)	(1,949,308)
Proceeds on sale of tangible capital assets	-	9,100
	(3,952,724)	(1,940,208)
Financing transactions		
Long-term debt - issued	-	1,844,000
Long-term debt retirement	(480,000)	(323,000)
	(480,000)	1,521,000
Investing transactions		
Investments	(291,608)	(1,855,446)
Increase in cash	1,603,939	1,670,821
Cash (net short term financing), beginning of year	1,235,554	(435,267)
Cash (net short term financing), end of year	2,839,493	1,235,554

The notes to financial statements are an integral part of this statement.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

1. Purpose of the organization

The Municipality was incorporated as a Town by the Province of New Brunswick Municipalities Act on May 1, 1856. As a municipality, the Town is exempt from income tax under section 149(1)(c) of the Canadian Income Tax Act. Due to municipal reform mandated by the province of New Brunswick, on January 1, 2023, neighbouring Local Service Districts (LSDs) were amalgamated with the Town.

2. Summary of significant accounting policies

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

The Municipality adopted Public Sector Accounting Standards (PSAS) as of January 1, 2011.

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

Interdepartmental and organizational transactions and balances are eliminated.

Budget

The budget figures contained in these financial statements were approved by Council on December 17, 2024 and the Minister of Local Government on December 18, 2024.

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 expenses are incurred. Other revenue is recorded when it is earned. Donations are recognized as revenue in the year received. Contributed services are recorded as revenue when the fair value can be reasonably estimated and the service would have been purchased otherwise. Property tax revenue is recorded in period for which the tax is levied.

Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

2. Summary of significant accounting policies (continued)

Financial instruments

The Town's financial instruments consist of cash, short-term investments, accounts receivable, due from the Province of New Brunswick, due from Federal Government, payables and accruals, short term financing and long-term debt. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

The Town is subject to credit risk through accounts receivable. The Town minimizes credit risk through ongoing credit management.

Cash and cash equivalents

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

Tangible capital assets

Effective January 1, 2011, The Town adopted the provisions of PSA section 3150 Tangible Capital Assets. Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

Asset type	Years
Land improvements	10-25 years
Buildings	40 years
Vehicles	5 years
Machinery and equipment	5-15 years
Heavy equipment	10-15 years
Computer / communication equipment	5-10 years
Furniture / fixtures	5-10 years
Roads surface	15-20 years
Roads base	30 years
Storm sewer	40-60 years
Sidewalks / curbs	15 years
Parking lot surface	20 years
Parking lot base	30 years
Lighting / traffic lights	10-15 years
Water / sanitary sewer networks	40-60 years
Water / wastewater treatment facilities	5-100 years

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

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

2. Summary of significant accounting policies (continued)

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.

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

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

Water and Wastewater Systems
This department is responsible for the provision of water and sewer services including the maintenance and operation of the underground networks, treatment plants, reservoirs and lagoons.

Inventory of supplies

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

Post retirement benefits

The Town recognizes its obligations under post retirement benefit plans and the related costs, net of plan assets. The Town has a pension plan as documented in Note 13 and sick leave, retirement allowance and other post retirement benefits as documented in Note 14.

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

	2025 $	2024 $
3. Cash		
Cash - restricted (CCBF)	651,047	585,495
Cash - restricted (Police)	1,539,334	-
Cash - unrestricted	649,112	650,059
	2,839,493	1,235,554
4. Receivables - general and utilities		
General operating	121,082	64,156
Water and sewer accounts	91,915	86,494
	212,997	150,650
5. Due from Federal government and its agencies		
Canada Community-Building Fund	345,033	331,232
Federation of Canadian Municipalities	-	138,300
Canada Revenue Agency (HST refund)	186,507	188,781
	531,540	658,313
6. Due from Province of New Brunswick		
Department of Justice and Public Safety	2,415	-
Department of Transportation and Infrastructure	16,816	-
Regional Development Corporation	40,844	53,112
	60,075	53,112
7. Investments		
Reserves (note 24)	3,706,249	3,414,641

The reserves consists of funds internally restricted by Council for designated projects and consist of short term deposits with maturity dates of twelve months or less. Interest rate prime less 1.8% floating.

	2025 $	2024 $
8. Payables		
Accounts payable	1,004,376	905,567
Payroll remittances payable	136,005	83,321
Accrued liabilities		
Payroll	96,729	258,762
	1,237,110	1,247,650

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

9. Deferred Revenue

Monies received for fitness centre memberships and other programs are recorded as revenue in the year for which the memberships and programs are applicable. Amounts for membership periods that have not expired are recorded as deferred revenue on the statement of financial position.

10. Deferred Government Transfers

Funding received as part of the Canada Community-Building Fund (CCBF) program and other government funded programs are recorded as revenue in the year during which related expenditures are incurred. Funds that have not been spent are recorded as deferred government transfers on the consolidated statement of financial position. These amounts are restricted to fund pre-approved projects that relate to the program objectives and cannot be used for other projects.

11. Long Term Debt

NB Municipal Finance Corporation

Debenture #	O.I.C. #	Issued	Interest Rate	Due Date	2025 $	2024 $
General Capital Fund						
AYR Motor Centre, Library and Theatre						
BJ31	13-0053	2013	1.25-4.15%	Nov 20, 2028	483,000	632,000
BU26	13-0053	2018	2.55-3.4%	Dec 21, 2028	158,000	207,000
AYR Motor Centre, Retrofit						
FCM16593	19-0028	2024	4.54%	Mar 15, 2034	1,695,000	1,844,000
Protective/Transportation						
BY28	20-0031	2020	0.5-1.1%	Nov 26, 2025	-	38,000
BZ23	20-0044	2021	0.3-1.35%	June 17, 2026	59,000	117,000
					2,395,000	2,838,000
Water & Sewer Capital Fund						
Well House						
CC 16	18-0040	2022	3.953-4.709%	Dec 5, 2037	593,000	630,000
					2,988,000	3,468,000

Approximate principal payments required during the next five years:

	General $	Water/Sewer $
2026	421,000	39,000
2027	377,000	41,000
2028	392,000	42,000
2029	179,000	44,000
2030	187,000	46,000

12. Asset Retirement Obligation

In accordance with PS 3280 (Asset Retirement Obligations) effective April 1, 2022, the Town recognizes a liability for legal obligations associated with the retirement of tangible capital assets. The obligations include the estimated disposal costs of regulated materials such as asbestos. The liability is based on management's best estimates and includes a discount rate factor of 3% applied to costs.

	2025 $	2024 $
Asset retirement obligations, beginning of year	76,158	73,948
Accretion expense	2,285	2,210
Asset retirement obligations, end of year	78,443	76,158

13. Pension Plan Asset/Liability

The Town of Woodstock provides pension benefits to employees of the Town in accordance with the New Brunswick Pension Benefits Act and Town By-Law A-7. The Plan is administered by a Pension Committee representing Town Council, management and unionized employees. It is a contributory defined benefit pension plan covering all eligible employees whereby contributions are made by the employees and the Town. A separate pension fund is maintained and fund assets are held by Canadian Western Trust (effective March 1, 2016) as custodian with investment management of the fund provided by Telus Health Ltd. (effective March 1, 2023).

Actuarial valuations for funding purposes are performed annually (triennially to December 31, 2007) by Telus Health in accordance with the standards prescribed under the New Brunswick Pension Benefits Act. The Superintendent of Pensions granted an exemption from funding on a solvency basis in 2009, effective December 31, 2007. A going concern actuarial valuation of the plan was not required for 2023 due to the improved position of the plan and December 31, 2022 was the last valuation date for funding purposes.

Actuarial valuations for accounting purposes are required triennially in accordance with Public Sector Accounting Standards. The Town's actuary performed an actuarial valuation to determine the position of the plan for accounting purposes as at December 31, 2023. Pension fund assets are valued at market values and the actuarial cost method was used to value the plan.

Results of the actuary's valuation are as follows: (page 13)

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

13. Pension Plan Asset/Liability (continued)

	2025 $	2024 $
Plan Assets, January 1	19,234,800	18,264,700
Contributions - Town	540,500	507,300
Contributions - employees	540,500	507,200
Benefit payments	(1,185,000)	(1,430,000)
Expected earnings on market-related value	978,300	948,000
Actuarial experience gain/(loss) during period	73,700	437,600
Plan Assets, December 31	20,182,800	19,234,800
Accrued benefit obligation, January 1	19,705,900	18,859,700
Current service cost	973,300	857,100
Benefit payments	(1,185,000)	(1,430,000)
Interest on accrued benefit obligation	999,600	975,100
Net actuarial experience loss	315,100	444,000
Accrued benefit obligation, December 31	20,808,900	19,705,900
Unamortized actuarial (gains) losses, January 1	1,768,300	1,904,000
Amortization of actuarial gains/(losses)	(132,000)	(142,100)
Actuarial (gain) loss at end of period	241,400	6,400
Unamortized actuarial loss (gain), December 31	1,877,700	1,768,300
Net pension fund liability comprised of:		
Accrued benefit obligation	20,808,900	19,705,900
Less plan assets	(20,182,800)	(19,234,800)
Actuarial deficit	626,100	471,100
Unamortized experience gain (losses)	(1,877,700)	(1,768,300)
Net pension fund (asset) liability	(1,251,600)	(1,297,200)
Town portion of Plan expenses		
Current-period benefit cost	436,100	356,200
Amortization of actuarial losses	132,000	142,100
Interest on accrued benefit obligation	999,600	975,100
Expected return on assets	(978,300)	(948,000)
Pension benefit expense (per actuarial calculations)	589,400	525,400
Pension benefit expense (per statement of operations)		
Town's contributions during year	540,500	507,300
Pension liability adjustment	45,600	11,800
	586,100	519,100

Significant management assumptions used in the actuarial valuation for the Pension Plan are:

Discount rate	5.10% per year
Inflation rate	2.00% per year
Salary scale	3.00% per year
Average retirement age	Varies by age/employment category
Estimated average remaining service life (EARSL)	13.4 years

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

14. Retirement allowance, sick leave and post-retirement benefits liability

The Town provides a retirement allowance/sick leave retirement benefit for the Police and Non-bargaining groups employees having continuous service of five years or more who retire due to disability, death, age or being laid off, a benefit of two days' pay for each full year of service (up to a maximum of 50 days) or the remainder of the employee's accrued sick leave, whichever is greater. After 20 years of service, the employee will be paid the retirement allowance after terminating employment for any reason. Sick leave accrues at a rate of 1.5 days per month up to a maximum of 85 days.

A retirement allowance/sick leave retirement benefit is provided for the CUPE group employees having continuous service of five years or more who retire due to disability, death or age, a benefit of two days' pay for each full year service (up to a maximum of 50 days) and 37.5% of the employee's accumulated sick leave. A CUPE employee accrues sick leave at a rate of 1.25 days per month up to a maximum of 200 days. After 20 years of service, the employee will be paid the retirement allowance after terminating employment for any reason. For all employees, the retirement allowance/sick leave retirement benefit is paid at the employee's regular rate of pay at retirement.

Post retirement life insurance benefits provide life insurance for an amount equal to twice the salary at retirement until age 65, and coverage of $5,000 from age 65 until age 70. This benefit is 100% paid by the Town.

Post retirement health care benefit provides continued health care coverage to retired employees who participated in the Health Care Plan for at least 15 years prior to retirement. Coverage is provided until the earliest of age 65 or death for retired CUPE and Police employees, and until death for retired members of the Non-bargaining group. Employees who participated for fewer than 5 years at retirement do not receive any health care coverage. Employees who participated in the Health Care Plan for a period of 5 to 15 years prior to retirement receive pro-rated coverage.

Actuarial valuations of the benefits were performed by Telus Health in accordance with Public Sector 3250 Accounting Standards (triennially) as at the measurement date of December 31, 2025.

	2025 $	2024 $
Accrued benefit liability January 1	4,558,800	4,434,000
Current service cost	229,000	219,700
Interest on obligation	144,000	130,200
Benefit payments	(322,200)	(63,500)
Amortization of (gains)/ losses	(298,900)	(161,600)
Accrued benefit liability December 31	4,310,700	4,558,800
Restricted cash for retirement benefits	344,593	638,231
Net accrued benefit liability	3,966,107	3,920,569
Allocation of accrued benefits		
Retirement allowance/sick leave	1,338,400	1,636,600
Post retirement life insurance	208,700	207,100
Post retirement health insurance	2,763,600	2,715,100
	4,310,700	4,558,800

14. Retirement allowance, sick leave and post-retirement benefits liability (continued)

	2025 $	2024 $
Town portion of benefit expenses		
Current-period benefit cost	229,000	219,700
Interest cost	144,000	130,200
Amortization of losses	(298,900)	(161,600)
Retirement benefits expense	74,100	188,300

Significant assumptions used in the actuarial valuation for the Post-employment Benefits are:

Discount rate	4.47% per year
Salary scale/Medical inflation	3%/5% per year
Average retirement age	Varies by age/employment category
Demographic	Same as for pension plan actuarial valuations at December 31, 2022
Actuarial cost method	Projected unit credit prorated on service
Estimated average remaining service life (EARSL)	
Retirement allowance/sick leave	13.4 years
Post-retirement health care/life insurance	13.8 years

15. Short-term borrowings compliance

As prescribed in the Municipalities Act, borrowing to finance General Fund operations is limited to 4% of the Municipality's operating budget. Borrowing to finance Utility Fund operations is limited to 50% of the operating budget for the year. The Municipality has complied with these restrictions.

Inter-fund borrowing

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

16. Water and Sewer Fund Surplus/Deficit

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

	2025 $	2024 $
2025 Surplus (Deficit) (note 23)	33,401	-
2024 Surplus (Deficit)	(77,843)	(77,843)
2023 Surplus (Deficit)	-	(24,502)
	(44,442)	(102,345)

17. Water cost transfer

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

18. Funds held in trust

Funds administered by the Town for the benefit of external parties are not included in the consolidated financial statements. The amount administered in 2025 was $nil (2024$nil).

19. Fire department fundraising

The members of Hose Company # 1 Inc. operate a lottery fund account to raise funds for the acquisition of equipment and accessories to assist in the of work the Woodstock Volunteer Fire Department. These financial statements do not include the Lottery Fund account as it is not controlled or administered by the Town. The amounts recorded as fire department fundraising revenue includes only the amounts received by the Town from Hose Company # 1 Inc. for fire equipment purchases.

20. Tangible capital asset impairment

The Town's Second Water Source Project was determined to be unsuitable for its intended purpose of providing potable water. Following engineering assessments and evaluation of potential alternative uses for the project's assets, management concluded that the assets had experienced a permanent reduction in service potential. As a result, during 2025 the Town recognized an estimated impairment loss of $500,000 related to Water and Sewer infrastructure assets. The carrying amount of the affected assets was reduced accordingly and the impairment expense has been recorded in Water and Sewer expense in the Statement of Operations.

21. Schedule of Tangible Capital Assets

	Land	Land improve-ments	Buildings	Vehicles	Machinery and equipment	Infrastructure			Small equipment	Assets under Construction	2025 Total	2024 Total
						Roads and streets	Treatment facilities	Water & sewer				
	$	$	$	$	$	$	$	$	$	$	$	$
COST												
Balance, beginning of year	3,703,028	2,180,954	27,969,467	2,054,191	3,093,572	21,709,025	10,822,195	10,684,920	2,416,716	430,411	85,064,479	83,254,133
Add:												
Additions during the year	584,067	43,061	858,388	68,853	462,037	605,480	38,406	-	38,374	1,254,058	3,952,724	1,949,308
Transfer completed construction	-	-	225,662	-	-	-	204,290	-	-	(429,952)	-	-
Less:												
Disposals during year	-	-	-	-	-	-	-	-	-	-	-	(138,962)
Impairment of assets (note 20)	-	-	-	-	-	-	(500,000)	-	-	-	(500,000)	-
BALANCE, END OF YEAR	4,287,095	2,224,015	29,053,517	2,123,044	3,555,609	22,314,505	10,564,891	10,684,920	2,455,090	1,254,517	88,517,203	85,064,479
ACCUMULATED AMORTIZATION												
Balance, beginning of year	-	1,171,439	11,013,614	888,472	2,303,812	14,152,448	2,161,734	5,392,026	1,756,625	-	38,840,170	36,884,532
Add:												
Amortization during year	-	84,096	708,715	239,282	126,316	569,037	207,872	288,919	107,179	-	2,331,416	2,094,600
Less:												
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-	-	-	(138,962)
BALANCE, END OF YEAR	-	1,255,535	11,722,329	1,127,754	2,430,128	14,721,485	2,369,606	5,680,945	1,863,804	-	41,171,586	38,840,170
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	4,287,095	968,480	17,331,188	995,290	1,125,481	7,593,020	8,195,285	5,003,975	591,286	1,254,517	47,345,617	46,224,309
Consists of:												
General Fund Assets	4,128,581	968,480	17,174,102	912,515	903,625	7,593,020	-	-	591,286	388,903	32,660,512	31,657,223
Water & Sewer Fund Assets	158,514	-	157,086	82,775	221,856	-	8,195,285	5,003,975	-	865,614	14,685,105	14,567,086
	4,287,095	968,480	17,331,188	995,290	1,125,481	7,593,020	8,195,285	5,003,975	591,286	1,254,517	47,345,617	46,224,309

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

22. Schedule of Segment Disclosure

	General $	Protective $	Transportation $	Environmental Health $	Environmental Development $	Recreation and Culture $	Water and Sewer $	2025 Consolidated $	2024 Consolidated $
Revenue									
Property tax warrant	1,388,575	6,870,461	2,485,462	1,067,463	632,668	2,938,521	-	15,383,150	14,163,161
Equalization grant	59,542	294,598	106,574	45,772	27,128	126,001	-	659,615	740,631
Sale of services	-	-	-	-	-	1,192,596	-	1,192,596	1,211,333
Water and sewer fees	-	-	-	-	-	-	2,025,916	2,025,916	1,780,163
Government transfers	45,144	2,136,159	684,226	-	155,245	253,529	360,334	3,634,637	2,338,972
Other	263,360	121,430	-	-	-	62,813	39,605	487,208	649,456
	1,756,621	9,422,648	3,276,262	1,113,235	815,041	4,573,460	2,425,855	23,383,122	20,883,716
Expenses									
Salaries and benefits	1,010,173	4,492,958	1,009,379	-	373,873	2,105,435	680,930	9,672,748	9,012,742
Pension/benefits liability adjustment	8,898	46,293	10,149	-	2,740	16,236	6,822	91,138	106,080
Goods and services	806,648	2,673,642	1,083,187	1,173,900	435,880	1,558,439	926,104	8,657,800	6,739,263
Amortization	68,475	237,956	704,683	-	4,689	772,926	542,687	2,331,416	2,094,600
Interest	3,639	482	1,037	-	-	112,583	27,134	144,875	132,901
Other	201,539	63,127	38,080	-	-	-	500,000	802,746	171,901
	2,099,372	7,514,458	2,846,515	1,173,900	817,182	4,565,619	2,683,677	21,700,723	18,257,487
	(342,751)	1,908,190	429,747	(60,665)	(2,141)	7,841	(257,822)	1,682,399	2,626,229

23. Reconciliation of Annual Surplus

	General Operating Fund $	Water & Sewer Operating Fund $	General Capital Fund $	Water & Sewer Capital Fund $	General Reserve Funds $	Water & Sewer Reserve Funds $	Total $
2025 annual surplus (deficit)	2,863,347	389,907	(998,324)	(682,353)	75,198	34,624	1,682,399
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus (deficit)	(101,303)	(24,502)	-	-	-	-	(125,805)
Transfers between funds							
Water & sewer to general	(188,004)	188,004	-	-	-	-	-
General to capital fund	(1,402,797)	-	1,402,797	-	-	-	-
Water & sewer to capital fund	-	(389,830)	-	389,830	-	-	-
Water & sewer to reserve	-	(185,000)	-	-	-	185,000	-
Long-term debt principal repayment	(443,000)	(37,000)	443,000	37,000	-	-	-
Deferred revenue - water and sewer	-	85,000	-	-	-	-	85,000
Accretion of asset retirement obligation	-	-	2,285	-	-	-	2,285
Amortization expense	-	-	1,788,729	542,687	-	-	2,331,416
Impairment of tangible capital assets	-	-	-	500,000	-	-	500,000
Provision for post-retirement benefits and sick leave	84,316	6,822	-	-	-	-	91,138
Total adjustments to 2025 surplus (deficit)	(2,050,788)	(356,506)	3,636,811	1,469,517	-	185,000	2,884,034
2025 annual surplus (deficit) per PNB requirements	812,559	33,401	2,638,487	787,164	75,198	219,624	4,566,433

TOWN OF WOODSTOCK
Notes To Consolidated Financial Statements
For The Year Ended December 31, 2025

24. Statement of Reserves

	General Operating Reserve $	General Capital Reserve $	Water and Sewer Operating Reserve $	Water and Sewer Capital Reserve $	2025 Total $	2024 Total $
Assets						
Investments	825,741	1,595,362	63,018	1,222,128	3,706,249	3,414,641
Accumulated Surplus	825,741	1,595,362	63,018	1,222,128	3,706,249	3,414,641
Revenue						
Transfers	-	-	-	185,000	185,000	1,773,236
Interest	2,165	73,033	1,983	32,641	109,822	85,418
	2,165	73,033	1,983	217,641	294,822	1,858,654
Annual Surplus (Deficit)	2,165	73,033	1,983	217,641	294,822	1,858,654

COUNCIL RESOLUTION TO TRANSFER FUNDS FOR YEAR ENDING DECEMBER 31, 2025

DECEMBER 16, 2025

#-2025-0299 To transfer $85,000 from the Utility Operating fund to the Utility Capital Reserve.
Councilor Goodridge, Deputy Mayor Rogers. **Carried.**

DECEMBER 23, 2025

#-2025-310 To transfer $100,000 from the Utility Operating funds to the Utility Capital Reserve.
Councillor McCartney, Deputy Mayor Rogers. **Carried.**

MAYOR CLERK

25. Operating Budget to PSA Budget

	Operating Budget General $	Operating Budget Water & Sewer $	Capital revenue/ Amortization TCA $	Pension/ Retirement Benefits $	Transfers $	Total $
Revenue						
Property tax warrant and federal grant	15,383,151	-	-	-	-	15,383,151
Services provided to other government	105,000	-	-	-	-	105,000
Sales of services and other fees	1,179,400	-	-	-	-	1,179,400
Community funding and equalization grant	659,613	-	-	-	-	659,613
Other revenue from own sources	225,200	-	87,621	-	-	312,821
Other transfers	414,496	188,004	1,065,402	-	(188,004)	1,479,898
Water and sewer user fees	-	1,987,550	-	-	-	1,987,550
	17,966,860	2,175,554	1,153,023	-	(188,004)	21,107,433
Expenditures						
General government services	2,040,522	-	68,475	8,899	46,859	2,164,755
Protective services	7,120,702	-	237,956	46,293	(187,522)	7,217,429
Transportation services	2,244,269	-	704,683	10,149	1,037	2,960,138
Environmental health services	1,106,100	-	-	-	-	1,106,100
Environmental development services	652,965	-	4,689	2,740	-	660,394
Recreational and cultural services	3,594,014	-	772,926	16,236	70,724	4,453,900
Transfer of tangible capital asset to						
Fiscal services						
Long-term debt repayments	443,000	37,000	-	-	(480,000)	-
Interest - General Fund	119,102	-	-	-	(119,102)	-
Interest - Water and Sewer Fund	-	27,134	-	-	(27,134)	-
Transfer from General Operating Fund to General Capital Fund	544,883	-	-	-	(544,883)	-
Deficit of second previous year	101,303	24,502	-	-	(125,805)	-
Transfer from Water and Sewer Operating Fund to Water and Sewer Capital Fund	-	69,736	-	-	(69,736)	-
Transfer from Water and Sewer Operating						
Water and Sewer	-	2,017,182	542,687	6,822	27,134	2,593,825
	17,966,860	2,175,554	2,331,416	91,139	(1,408,428)	21,156,541
Surplus (Deficit)	-	-	(1,178,393)	(91,139)	1,220,424	(49,108)

TOWN OF WOODSTOCK
Supplementary Schedule Of Revenue Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
Sale of Services			
AYR Motor Centre			
Swimming pool	148,000	142,387	168,491
Arena	249,000	238,416	234,749
Fitness centre	120,000	179,138	160,692
Field house	115,000	130,839	153,874
Concessions, events and other	96,250	107,127	133,975
	728,250	797,907	851,781
Other recreation programs and activities			
Summer and youth programs	36,050	51,068	25,128
Daycare and after school	257,000	286,436	269,961
Adult programs and other grants	61,000	57,185	64,463
	354,050	394,689	359,552
	1,082,300	1,192,596	1,211,333
Other Revenue From Own Sources			
Licenses and permits	112,500	119,876	194,462
Police programs and other services	9,000	11,215	10,926
Recreation fundraising and donations	7,700	27,595	24,116
Interest	100,000	112,113	110,481
Fire department fundraising (note 18)	52,403	86,374	167,090
Fire and other services	34,500	23,841	20,072
Miscellaneous	22,500	23,205	22,229
Donations - parks and fields	35,218	35,218	5,000
Gain on disposal of tangible capital assets	-	-	9,100
Transfers from other agencies - property tax	8,450	8,165	8,153
	382,271	447,602	571,629
Other Government Transfers			
Employment programs	150,000	217,947	201,050
Canada Community-Building Fund	605,480	605,480	410,663
PNB - Contributed policing services (note 2)	-	1,619,064	1,173,235
AMC Retrofit grant - FCM	-	-	276,585
AMC Retrofit grant - NB Power	-	-	143,849
PNB - Designated Highways	60,000	72,684	68,601
PNB - Fire	3,000	7,243	4,011
PNB - Police	259,150	355,082	327,195
PNB - Outreach project	74,996	127,788	30,376
PNB - Other	-	39,134	45,863
Worksafe NB rebate	-	53,943	127,643
Regional Development Corporation	-	76,350	-
Regional Development Corporation - capital projects	99,588	99,588	-
	1,252,214	3,274,303	2,809,071

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
General Government			
Legislative			
Mayor	59,457	59,465	59,824
Councillors	148,500	148,501	148,501
	207,957	207,966	208,325
Administrative and other			
Office salaries and benefits	993,834	800,086	748,458
Pension/benefits liability adjustment	8,899	8,899	11,148
Office expense and other	178,918	193,282	182,028
Office building	63,440	110,446	63,122
Professional fees	123,000	116,245	140,495
Training and development	7,500	1,905	5,370
	1,375,591	1,230,863	1,150,621
Other general government services			
Conventions and delegations	15,000	15,812	10,184
Research and information	42,000	114,110	40,915
Grants to organizations	150,000	199,634	96,587
	207,000	329,556	147,686
Other charges			
Assessment charge	258,873	258,873	239,086
Interest on long term debt	41,859	-	-
Bank charges and short term interest	5,000	3,639	20,826
Amortization	68,475	68,475	60,852
	374,207	330,987	320,764
	2,164,755	2,099,372	1,827,396

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
Protective			
Police			
Administration personnel	600,441	678,271	552,011
Crime control personnel	2,398,589	2,433,498	2,206,909
Employee benefits	575,454	572,412	525,672
Pension/benefits liability adjustment	40,794	40,794	43,363
Office, insurance and other	215,035	206,156	205,401
Training	43,000	60,563	30,036
Station and building	100,423	123,126	116,781
Automotive equipment	115,600	142,830	133,960
Prisoners	60,000	82,844	52,948
Dispatch service agreement	135,160	130,000	124,000
RCMP service agreement	1,619,064	1,619,064	1,564,314
Interest on long term debt	482	482	733
Amortization	106,373	106,373	112,580
	6,010,415	6,196,413	5,668,708
Fire			
Fire fighting force			
Drivers	492,830	522,930	488,881
Volunteers	100,000	92,940	100,400
Pension/benefits liability adjustment	4,422	4,422	5,118
Fire alarm systems	74,500	78,746	71,321
Training and development	7,500	2,564	3,427
Station, building and insurance	51,673	73,114	51,738
Fighting equipment-trucks and uniforms	53,720	76,491	45,967
New equipment	10,000	1,193	53,781
Service agreements	70,167	70,167	102,698
Amortization	131,583	131,583	97,309
	996,395	1,054,150	1,020,640
Other protection			
By-law enforcement	82,126	82,937	81,809
Pension/benefits liability adjustment - by-law	1,077	1,077	1,260
Animal control	37,360	37,033	21,044
Outreach program	74,996	127,788	30,376
RSC Regional Public Safety Committee Services	15,060	15,060	10,983
	210,619	263,895	145,472
	7,217,429	7,514,458	6,834,820

TOWN OF WOODSTOCK
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
Transportation			
Common services			
Administration	90,680	109,764	91,377
General equipment	358,652	353,762	358,852
Workshop, yards and buildings	68,000	77,791	63,234
	517,332	541,317	513,463
Road transport			
Roads and streets			
Salaries and benefits	969,465	853,844	843,470
Pension/benefits liability adjustment	10,149	10,149	12,663
Maintenance and repairs	207,000	170,160	166,573
Salt, sand and other snow removal	214,000	247,940	171,852
Insurance	19,337	21,570	18,242
	1,419,951	1,303,663	1,212,800
RSC Regional Transportation Services	735	735	1,898
Street lighting - electricity and repairs	254,500	234,409	223,064
Traffic services - street signs	5,000	3,408	6,296
Airport	9,700	19,183	9,407
Taxes and sundry	47,200	38,080	36,482
Interest on long term debt	1,037	1,037	1,684
Amortization	704,683	704,683	668,034
	2,960,138	2,846,515	2,673,128
Environmental Health			
Waste collection and disposal	1,106,100	1,173,900	1,131,667
Environmental Development			
Community planning	144,677	244,087	189,432
Planning and development services	50,000	92,312	48,196
Building inspection	145,820	176,485	196,926
Pension/benefits liability adjustment	1,653	1,653	3,216
Industrial park	9,534	8,724	8,746
RSC Community Development Services	10,617	10,617	22,377
Tourism			
RSC Regional Tourism Promotion Services	49,010	49,010	35,608
Tourism committee	94,794	100,536	91,928
Pension/benefits liability adjustment	1,087	1,087	1,211
Promotion, events and other	136,513	120,624	81,559
Decorative lighting	12,000	7,358	4,854
RSC Regional Economic Development Services	-	-	15,927
Amortization	4,689	4,689	6,633
	660,394	817,182	706,613

TOWN OF WOODSTOCK
General Fund
Supplementary Schedule Of Expenditure Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
Recreation And Cultural			
Recreation			
Administration	516,966	304,134	300,191
Pension/benefits liability adjustment	1,749	1,749	2,119
Parks and playgrounds	337,514	302,574	299,271
Programs and other	91,994	93,088	110,210
Employment programs	-	217,947	201,050
RSC Support and Development Services	8,938	8,938	9,905
	957,161	928,430	922,746
AYR Motor Centre			
Administration	985,228	1,003,395	863,404
Pension/benefits liability adjustment	14,487	14,487	18,009
Electricity	425,000	495,792	400,751
Swimming pool	365,573	410,045	334,798
Arena	390,641	385,023	416,403
Fitness centre	27,500	7,664	17,497
Field house	273,500	261,071	249,643
Concessions and events	31,500	32,442	40,558
	2,513,429	2,609,919	2,341,063
Cultural buildings and facilities			
Community theatre and other	6,000	6,648	4,323
Library	133,660	135,113	121,817
	139,660	141,761	126,140
Other charges			
Interest on long term debt	70,724	112,583	81,005
Amortization	772,926	772,926	778,883
	843,650	885,509	859,888
	4,453,900	4,565,619	4,249,837

TOWN OF WOODSTOCK
Water And Sewer Funds
Supplementary Schedule Of Revenue And Expenditure Accounts
For The Year Ended December 31, 2025

	2025 Budget $	2025 Actual $	2024 Actual $
Revenue			
Sale of water	979,025	1,073,459	873,915
Sewer rates	986,025	911,561	832,647
Connection and services	22,500	40,896	73,601
Interest	-	39,605	77,827
	1,987,550	2,065,521	1,857,990
Other government transfers			
Canada Community-Building Fund	38,812	38,812	610,656
Regional Development Corporation	321,522	321,522	92,480
	360,334	360,334	703,136
Expenditure			
Water supply			
Administration	61,301	72,124	119,596
Transmission and distribution	676,820	532,636	476,047
Pension/benefits liability adjustment	3,716	3,716	3,986
Power and pumping	328,614	265,477	348,270
Billing, collection and other	14,000	17,137	8,663
	1,084,451	891,090	956,562
Sewer collection and disposal			
Administration	66,301	78,062	123,411
Sewer collection system	534,870	364,455	398,754
Pension/benefits liability adjustment	3,106	3,106	3,986
Sewer treatment and disposal	320,276	263,321	236,897
Billing, collection and other	15,000	13,822	13,689
	939,553	722,766	776,737
Administration transfers	-	-	(125,000)
Other charges			
Interest on long term debt	27,134	27,134	28,653
Amortization	542,687	542,687	370,309
Impairment of tangible capital assets (note 20)	-	500,000	-
	569,821	1,069,821	398,962
	2,593,825	2,683,677	2,007,261