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# Service New Brunswick

## ANNUAL REPORT

**2021-2022**

**Service New Brunswick**  
**ANNUAL REPORT 2021-2022**

Province of New Brunswick  
PO 6000, Fredericton NB, E3B 5H1, Canada

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

ISBN: 978-1-4605-3317-8

ISBN: 978-1-4605-3318-5

ISSN: 2371-2864 (Bilingual Print Edition)

ISSN: (PDF: English Edition)

12463 | 2022.11 | Printed in New Brunswick

# Transmittal letters

**FROM THE MINISTER TO THE LIEUTENANT-GOVERNOR  
THE HONOURABLE BRENDA MURPHY  
LIEUTENANT-GOVERNOR OF NEW BRUNSWICK**

May it please your Honour:

It is my privilege to submit the annual report of Service New Brunswick, for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Honourable Jill Green  
Minister

**FROM THE BOARD OF DIRECTORS TO THE MINISTER  
THE HONOURABLE JILL GREEN  
MINISTER OF SERVICE NEW BRUNSWICK**

Dear Minister Green:

I am pleased to be able to present the annual report describing operations of Service New Brunswick for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Karen O. Taylor  
Board Chair



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# Minister's message


It is a privilege to serve as the Minister of Service New Brunswick and I look forward to working with our customers, stakeholders and employees to bring growth and innovation to our organization.

The fiscal year 2021-2022 has been a challenging but significant year for Service New Brunswick.

Our organization played a crucial role in supporting government's pandemic response while continuing to deliver critical services to New Brunswickers. Service New Brunswick was responsible for procuring and storing Personal Protective Equipment (PPE) for the health care sector, operating the information and vaccination line, equipping staff to work remotely, developing dashboards for decision makers and deploying technology to support the COVID-19 response, to name a few.

As part of our ongoing effort to improve services to our clients and reduce wait times, we introduced a queue management system in 18 of our service centres that allow customers to be added to a remote queue using their mobile device. We also moved many new services online to enable our customers to complete transactions safely and conveniently from home, including the written test for motorcycles, mopeds, and scooters.

From October 18 to 24, 2021, our Strategic Procurement branch hosted the first virtual Atlantic Provinces Reverse Trade Show (APRTS). The show was a huge success, with over 500 attendees. The APRTS is integral to our NB First Procurement Strategy and Action Plan that aims to support our local businesses and help them successfully sell goods, services, and construction services to government. As of March 31, 2022, 88% of goods and services and construction procurement were awarded to New Brunswick suppliers resulting in roughly \$100 million more in spending kept within the province. This is an increase of 9% over the previous year.



We also completed the four recommendations stemming from the Review of Rental Housing Landscape in New Brunswick report directed to the Residential Tenancies Tribunal. They include an enhanced phone system, a modernized website, more accessible information and tools for tenants and landlords, and new protections for tenants. These improvements are part of a province-wide approach in addressing the complex issue of safe, affordable and quality rental units in our province.

The achievements mentioned above are only a few impactful initiatives that highlighted the past year. We have an incredibly hard-working Service New Brunswick team and I look forward to working with them in providing excellence in service delivery for our customers.



The Honourable Jill Green  
Minister of Service New Brunswick



# Chief Executive Officer's message

On behalf of the management and staff at Service New Brunswick (SNB), it is my privilege to present our 2021-2022 Annual Report. This report provides a summary of the activities of each division within fiscal year 2021-2022, along with audited financial statements for the corporation.

While our province continued to feel the effects of the COVID-19 during this fiscal year, our staff met continued pandemic demands with unflagging diligence. We procured items related to pandemic needs, increased technology options for our hospital system, and improved online service options to meet customer expectations.

In spite of this increased workload, as well as the daily demand on their time, our SNB employees were able to move our organization toward the future. This year we began the development of a new five-year Strategic Plan. This will be the second plan for our corporation since it was formally established in 2015. Through extensive consultation with our stakeholders and partners, we are developing the key priorities that will support our vision of "Excellence in Service Delivery." The new Strategic Plan will be released in the 2022-2023 fiscal year.

I would like to take this opportunity to thank the more than 2,400 employees of Service New Brunswick for their dedication to our organization over the last year. It is a privilege to lead this dedicated, hard-working team.

A handwritten signature in black ink, appearing to read 'Alan Roy'. The signature is fluid and stylized, with a long horizontal stroke extending to the left.

Alan Roy  
Chief Executive Officer  
Service New Brunswick

# Highlights

## THE FOLLOWING IS A LIST OF PARTICULAR ACHIEVEMENTS FOR THE ORGANIZATION DURING THE 2021-2022 FISCAL YEAR:

- The Strategic Services team led the development process for the SNB 2022-2027 Strategic Plan. The team procured an external consulting firm to undertake consultation sessions with stakeholders, customers, partners, the public, and staff. The team then worked with SNB's Executive Management Team (EMT) to craft the Strategic Plan that received Board of Directors approval in December 2021.
- Strategic Procurement, along with customer organizations, identified procurement savings opportunities of more than \$3.2M in 2021-2022. These included soft (negotiated price discounts and cost increase avoidance) and hard (year-over-year price reductions) savings.
- Strategic Procurement continued to implement actions from the New Brunswick First Procurement Strategy. In October of 2021-2022, it hosted the first ever virtual Atlantic Provinces Reverse Trade Show. More than 800 suppliers visited the online platform throughout the week-long event, with more than 500 participating during the "live day."
- In April 2021, Horizon Health Network received NB Power's 2020 Energy Efficiency Excellence - Legacy Award, in recognition of its long-standing commitment and contribution to energy efficiency in New Brunswick. This is the result of collaboration between Horizon, the Department of Transportation and Infrastructure, and Service New Brunswick's Energy Management Branch.
- Accounts Payable introduced making payments via e-transfer, using email, and processed in excess of 19,000 payments with a value of approx. \$2.2M.
- Accounts Payable Services assisted the Department of Tourism, Heritage and Culture's Explore NB program and evaluated more than 25,000 applications.
- Accounts Payable Services assisted in the implementation of the accounts payable module of government's new financial system.
- Technology Services continued to play an instrumental role in the pandemic response by supporting the technical set-up and operations of screening and vaccination clinics, and deploying IT solutions for vaccination, testing and test kit pick-up self-scheduling.



- The Land Registry Unit modernized components of PLANET, the system that supports land registration and property mapping. This system modernization included the Real Property Information browser used by clients to search Land Registry records and its Geographic Information System that is used in-house to update the property mapping geodatabase.
- The Land Information Infrastructure Secretariat and Digital Services created a business entity web tool in collaboration with Canada Innovation, Science and Economic Development for SNB's Corporate Affairs Branch.
- Staff continued to support COVID-19-related gBiz initiatives, most notably the online COVID-19 test request form for the Department of Health.





# Governance of the corporation

Service New Brunswick's Board of Directors endorses the principle that sound corporate governance practices are essential for the proper functioning of the corporation and for enhancing the interest of its sole shareholder, the Government of New Brunswick.

The board discharges its responsibilities directly and through committees in accordance with the *Service New Brunswick Act*, Service New Brunswick's bylaws, and the Board of Directors' Governance Manual. The board holds at least five scheduled meetings each year, with unscheduled meetings held as required.

## BOARD COMMITTEES

The Board of Directors is responsible for the overall administration of the business and affairs of Service New Brunswick and all decisions and actions of the board are to be based generally on sound business practices. The Board of Directors is also responsible for the governance and functioning of the following two committees:

- Audit and Finance Committee, which has responsibility for reviewing and recommending finance and audit related items; and
- Governance and Human Resources Committee, which has responsibility for reviewing relevant governance and human resource items.

These committees do not act or make decisions on behalf of the board unless specifically mandated to do so.

## BOARD OF DIRECTORS

NAME	ROLE	BOARD MEETING ATTENDANCE	COMMITTEE MEMBERSHIP	COMMITTEE MEETING ATTENDANCE
Dr. France Desrosiers <sup>1</sup>	Director	5/5	Governance & HR	1/2
Louise Duguay	Director	6/6	Audit & Finance	4/5
Doug Gaudett <sup>2</sup>	Director	6/6	Audit & Finance	5/5
Jane Kindred	Director	5/6	Governance & HR	4/4
Cathy LaRochelle	Director	6/6	Audit & Finance	4/5
Marcel Lavoie	Director	6/6	Governance & HR	3/4
Garth Lawson	Director	6/6	Audit & Finance	4/5
Cade Libby	Director	2/6	Governance & HR	3/4
John MacGillivray	Director	6/6	Governance & HR	4/4
Karen McGrath <sup>3</sup>	Director	1/2	Governance & HR	0/1
Donald Moore <sup>4</sup>	Director	6/6	Governance & HR	4/4
Alan Roy	Chief Executive Officer	6/6	Audit & Finance Governance & HR	5/5 4/4
Karen O. Taylor	Board Chair and Director	6/6	Audit & Finance Governance & HR	5/5 4/4

<sup>1</sup> Dr. France Desrosiers was appointed to the Governance & HR Committee on November 1, 2021.

<sup>2</sup> Doug Gaudett is the Audit & Finance Committee Chair.

<sup>3</sup> Karen McGrath resigned as a director on August 25, 2021.

<sup>4</sup> Donald E. Moore is the Governance & HR Committee Chair.



# Government priorities

## DELIVERING FOR NEW BRUNSWICKERS - ONE TEAM ONE GNB

*One Team One GNB* is our vision as an organization and a collaborative approach to how we operate. It is our path forward, and it represents a civil service that is working collectively across departments, professions, and sectors. Together, we are learning, growing and adapting, and discovering new and innovative ways of doing business. It is enabling us to achieve the outcomes needed for New Brunswickers, and we are working more efficiently and effectively than ever before.

As One Team One GNB, we are improving the way government departments:

- communicate with one another
- work side-by-side on important projects, and
- drive focus and accountability.

## STRATEGY AND OPERATIONS MANAGEMENT

Service New Brunswick (SNB) uses a Formal Management system built on leading business practices to develop, communicate, and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with our government's roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

## GOVERNMENT PRIORITIES

Our vision for 2021-2022 is a vibrant and sustainable New Brunswick. To make progress towards this vision, we must focus on our government's priorities:

- Energize private sector
- Vibrant and sustainable communities
- Affordable, responsive, and high-performing government
- Dependable public health care
- World-class education, and
- Environment.

# Performance measures

This section contains selected measures from the corporation's balanced scorecard.

## EXCELLENCE IN SERVICE DELIVERY

ENHANCE VALUE TO CUSTOMERS	MEASURE
Meet and exceed customer expectations	Internal customer satisfaction index External customer satisfaction index
GROW THE BUSINESS	MEASURE
Expand the business model	Number of new or expanded services
OPTIMIZE AND INNOVATE	MEASURE
Increase the agility and efficiency of our processes and how we deliver our services	# process improvement projects completed
FOSTER AN ENGAGED, HIGH PERFORMING TEAM	MEASURE
Recognize employee excellence	Employee Net Promoter Score
Improve health and safety	Average number of paid sick days used
AFFORDABLE, RESPONSIVE, AND HIGH-PERFORMING GOVERNMENT	MEASURE
Efficient and effective budget operations	Expense budget variance
	Balanced Statement of Operations
One Team One GNB	% of ERP milestones met

# Enhance value to customers

## OBJECTIVE OF THE MEASURE

Meet and exceed customer expectations

## MEASURE

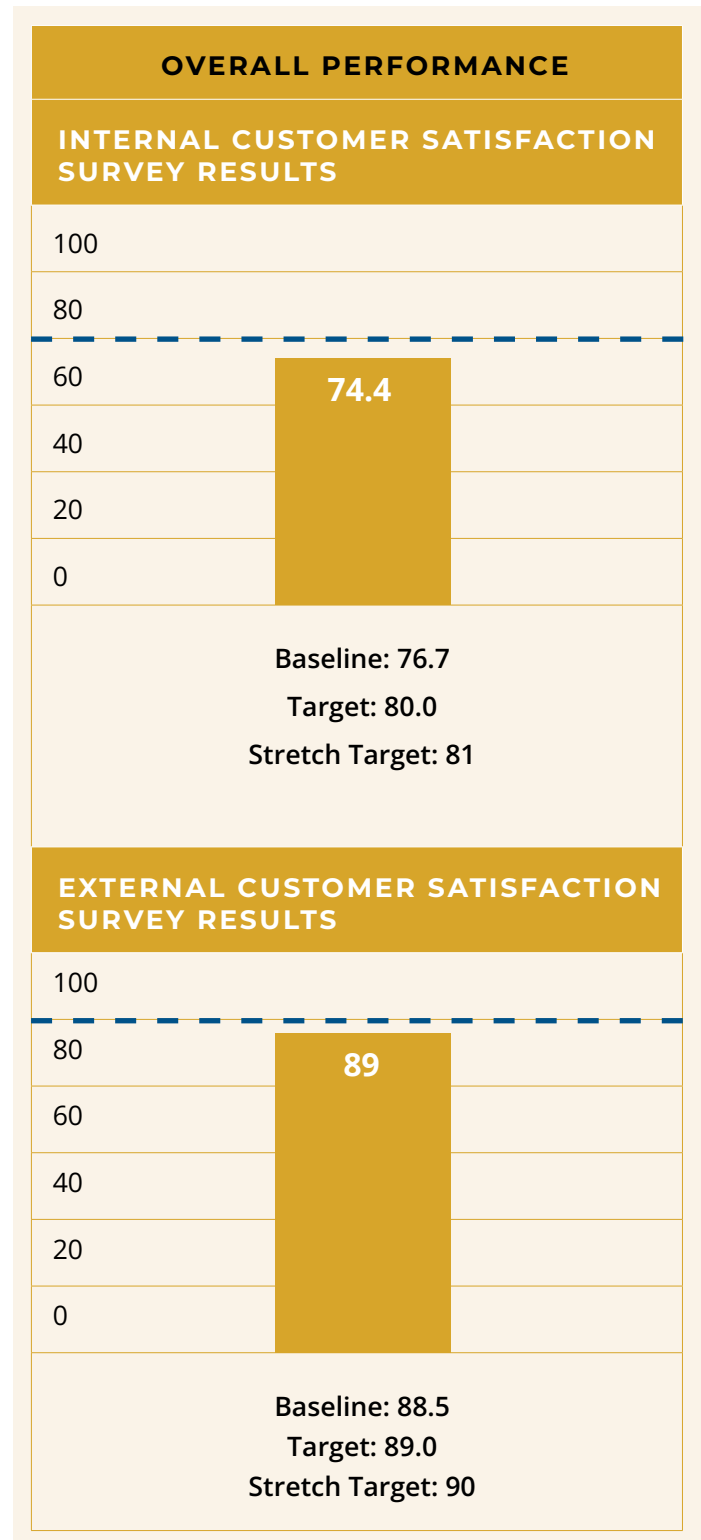
Internal customer satisfaction index  
External customer satisfaction index

## DESCRIPTION OF MEASURE

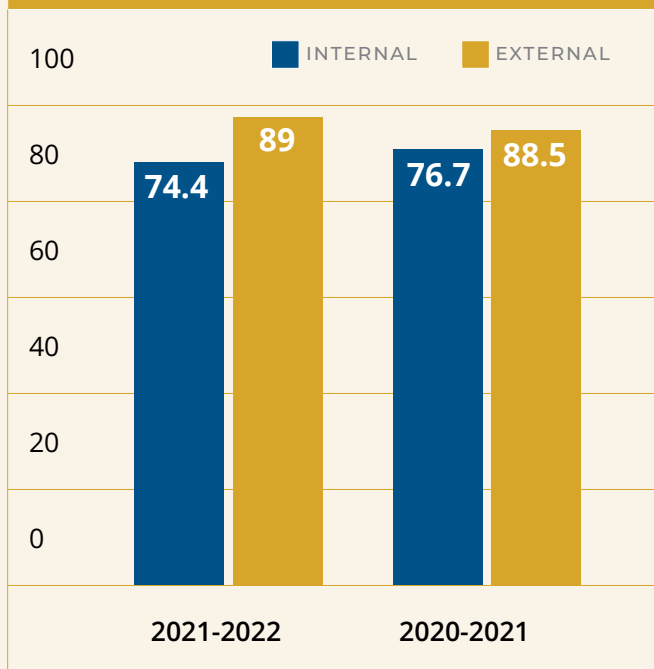
SNB has a methodology to measure customer satisfaction: the customer satisfaction index. SNB conducted separate customer satisfaction surveys with both internal customers and external customers in 2021-2022. In these surveys, SNB measures customer satisfaction with an index of 11 questions.

These measures indicate the level of satisfaction of all SNB customers with services that they have received. SNB conducts its annual survey using various outreach mediums (email, paper copy, online, telephone) to the customer groups. Survey questions are aligned with six key drivers of customer satisfaction: timeliness, issue resolution, staff interaction, service design, positive outcome and channel functionality.<sup>1</sup> The 2021 survey saw 4,229 responses from internal customers, which are GNB employees in Parts 1 and 3, and 1,783 responses from external customers which are New Brunswick residents and businesses.

<sup>1</sup>Institute for Citizen-Centered Services



## CUSTOMER SATISFACTION SURVEY RESULTS



The results show that customer satisfaction for internal SNB customers decreased slightly while that of external customers had a slight increase, meeting its target. Fluctuation by three to four points year to year is not unusual when measuring customer satisfaction. Satisfaction is subjective, and many variables can impact the results.

Nonetheless, results for the staff interactions driver (staff are helpful, knowledgeable, and courteous) continue to be the highest driver for both internal and external customers. When compared to scores from other Canadian public sector organizations,\* SNB's results for external customers continue to score very well, while there is still opportunity to explore improvements with our internal customers.

*\*Benchmarking provided by the Institute for Citizen- Centered Services (ICCS).*

## WHY DO WE MEASURE THIS?

Measuring customer satisfaction provides insight into customers' experience when receiving SNB services. The survey is an opportunity for customers to communicate their needs and expectations, and for SNB to continue to improve in response to feedback received.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

In an effort to improve customer satisfaction, survey results – including verbatim comments received from customers – were shared with SNB leaders and their staff by service area and by driver of satisfaction, to better understand where improvements can be made. As a result, several initiatives were undertaken to improve customer satisfaction including shifting services online and undertaking Lean Six Sigma projects to improve SNB processes

# Grow the business

## OBJECTIVE OF THE MEASURE

Expand the business model

## MEASURE

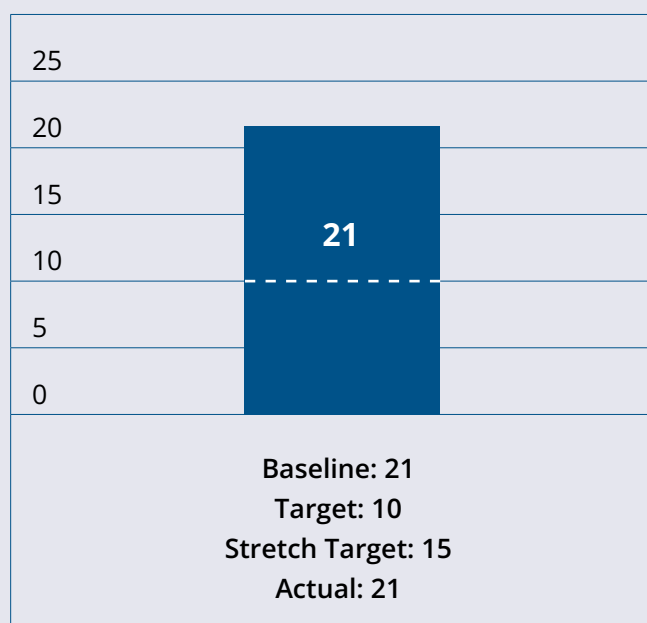
Number of new or expanded services

## DESCRIPTION OF MEASURE

The success is measured in terms of the additional sustainable revenue streams arising from new or expanded service offerings and new customers, which is expressed in terms of new or updated Service Agreements.

## OVERALL PERFORMANCE

SNB added 21 new or expanded services in 2021-2022



## WHY DO WE MEASURE THIS?

Continuing to expand services is an important part of SNB's key strategic theme to Grow the business.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

SNB has supported Part 1 departments, the regional health authorities (RHAs), partners and customers during the pandemic and that has resulted in a significant growth in offered services. SNB added a number of new products and services on behalf of the municipalities, Departments of Health, Justice and Public Safety, Education and Early Childhood Development, and Tourism, Heritage and Culture.



# Optimize and innovate

## OBJECTIVE OF THE MEASURE

Increase the agility and efficiency of our processes and how we deliver our services

## MEASURE

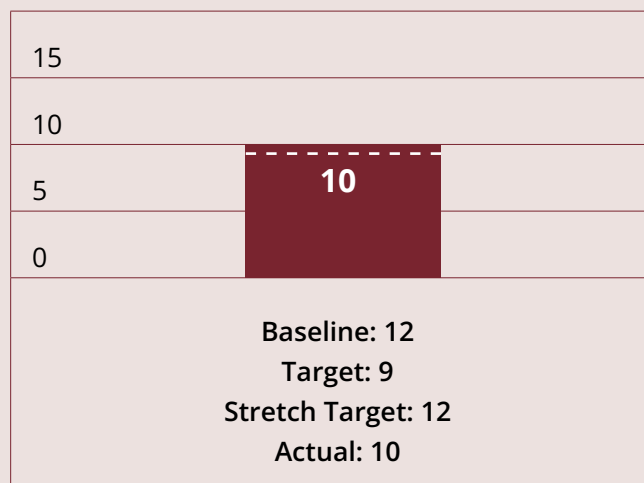
Number of process improvement projects completed

## DESCRIPTION OF MEASURE

The number of process improvement projects completed is a cumulative measure. This measure quantifies the number of chartered process improvement projects completed using Lean Six Sigma methodology and tools (DMAIC or DMADV) by the Continuous Improvement team Black Belts and Green Belts throughout the organization.

## OVERALL PERFORMANCE

Despite reduced resources, SNB's Continuous Improvement still successfully completed 10 projects in 2021-2022, exceeding its target.



## WHY DO WE MEASURE THIS?

To ensure that SNB's processes are efficient, SNB measures the number of processes that are reviewed and improved during key projects in the year. Processes are identified by the business areas for improvement and chartered into Lean Six Sigma projects that are prioritized by SNB's Executive Management team. Prioritized projects are assigned to the corporation's Black Belts and Green Belts and this measure tracks the number of projects that are finalized in the year. Projects are larger in nature, complex and often involve multi-unit teams across the organization.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The 10 projects completed in 2021-2022 improved both internal processes and external customer-facing processes. Examples of projects include improving Service Desk ticket volumes for Technology Services, duplicate and incorrect payment processing for Accounts Payable, standardizing Residential Tax Credit processes, and improving the Residential Requests for Reviews process for Property Assessment Services.

# Foster an engaged, high performing team

## OBJECTIVE OF THE MEASURE

Recognize employee excellence

## MEASURE

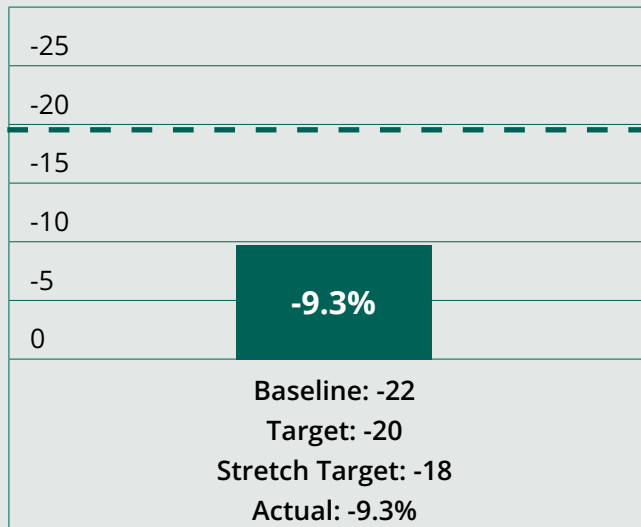
Employee Net Promoter Score

## DESCRIPTION OF MEASURE

Employee Net Promoter is a process for measuring employee engagement and experience through the government-wide employee experience survey. The score is based on responses to the question, “I feel comfortable referring a friend / family member to Service New Brunswick for employment.” The formula is the number of Promoters (those that answer “Strongly Agree” to question) minus the number of Detractors (those that answer “Disagree”, “Strongly Disagree” or “Neutral” to the question).

## OVERALL PERFORMANCE

In 2021-2022, SNB’s Net Promoter Score was -9.3% compared to -22% in 2020-2021, considerably exceeding the stretch target of -18%.



## WHY DO WE MEASURE THIS?

At SNB, our experiences at work directly impact our ability to deliver excellence in service delivery for our customers. Identifying areas in which we can improve our workplace culture is important. SNB employees participate in an annual employee experience survey that measures employee workplace satisfaction, health, safety, and wellbeing. Focusing on increasing the Employee Net Promoter Score increases our realization of a workplace where we can all be proud, productive, and professional.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

Service New Brunswick uses the results of the Employee Net Promoter score in addition to additional responses from the survey to identify opportunities to improve the employee experience across SNB. The focus on employee engagement and experience by the corporation has allowed for the development of actionable improvements which has had a significant impact on the results in 2021-2022.

## OBJECTIVE OF THE MEASURE

Improve safety and wellness

## MEASURE

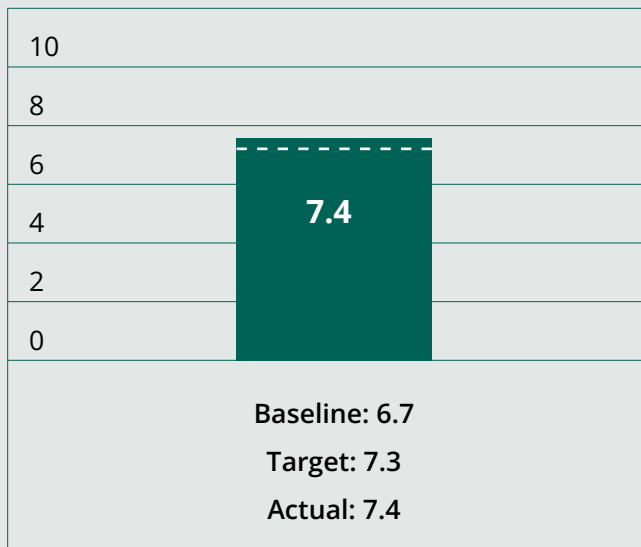
Average number of paid sick days used

## DESCRIPTION OF MEASURE

SNB has seen reductions in sick leave usage since it first appeared on the balanced scorecard in 2012 and SNB continues to monitor sick leave to ensure sustainability and re-introduce improvement initiatives if needed. This is a cumulative measure.

## OVERALL PERFORMANCE

In 2021-2022, SNB's average number of sick days was 7.4 sick days/employee (cumulative measure) compared to 6.7 in 2020-21, which is just slightly above the target of 7.3.



## WHY DO WE MEASURE THIS?

Measuring paid sick days helps to ensure that SNB provides tools and continues to develop a wellbeing culture that supports work/life balance.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The increase in sick leave is due, in part, to a combination of efforts related to absenteeism management by SNB leaders and measures implemented to mitigate the spread of COVID-19.

# Affordable, responsive, and high-performing government

## OBJECTIVE OF THE MEASURE

Efficient and effective budget operations

## MEASURE

Expense budget variance

## DESCRIPTION OF MEASURE

The expense budget variance measures the total projected expenditure in dollars against the total dollars budgeted. For SNB the measure is calculated using the approved forecast compared to approved budget for Q1, Q2 and Q3. For Q4, it used the actual results for the fiscal year compared to approved budget.

## OVERALL PERFORMANCE

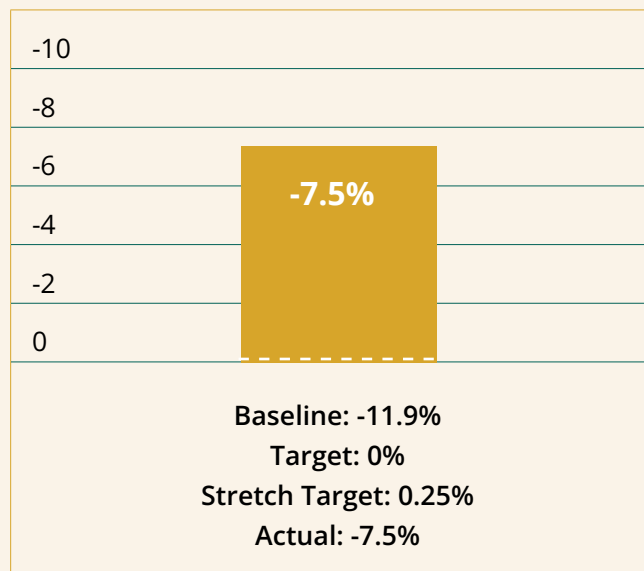
The expense budget variance in 2021-2022 was -7.5% which is an improvement from last year's -11.9% but is considered off track.

## WHY DO WE MEASURE THIS?

This indicator measures the effectiveness of SNB in managing its expenditures within its approved budget.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

SNB experienced an increase in COVID-19 expenses in several divisions. Technology Services had additional expenses for net new products and services that were offset by revenue. SNB also saw increased costs in the Health Services division related to laundry operations which was mostly offset by underspending in the operational areas of other divisions, including Technology Services.



## OBJECTIVE OF THE MEASURE

Efficient and effective budget operations

## MEASURE

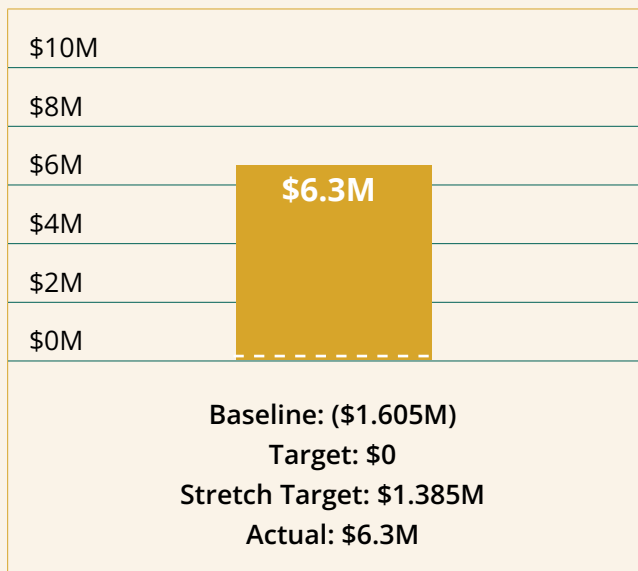
Balanced Statement of Operations

## DESCRIPTION OF MEASURE

This measure is populated using the forecasted revenues and expenditures for Q1, Q2 and Q3. For Q4, it used the actual results for the fiscal year. The target would be \$0, meaning that the corporation has a balanced forecast or actual results. Stretch is calculated at 0.5% of budgeted expenses for the fiscal year (\$1.385M).

## OVERALL PERFORMANCE

SNB had a surplus of \$6.3M in 2021-2022 compared to a deficit of (\$1.605M) due to increased COVID-19 expenditures. The results for this year exceeded the stretch target due to increased revenues in Registry Services and products and services.



## WHY DO WE MEASURE THIS?

This measures whether SNB is managing the revenue and expenses for the fiscal year with a goal of achieving a balanced statement of operations, meaning that the corporation was successful in saving on expenses or exceeded revenue targets for the year.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

SNB prepares a quarterly forecast to ensure it is efficiently and effectively managing its budget operations. Both expenses and revenues are tracked, reviewed, and reported quarterly by managers in all business areas. The intent is to identify any unforeseen expenditures or increased revenues to ensure that SNB achieves balanced statement of operations by the end of the fiscal.

## OBJECTIVE OF THE MEASURE

One Team One GNB

## MEASURE

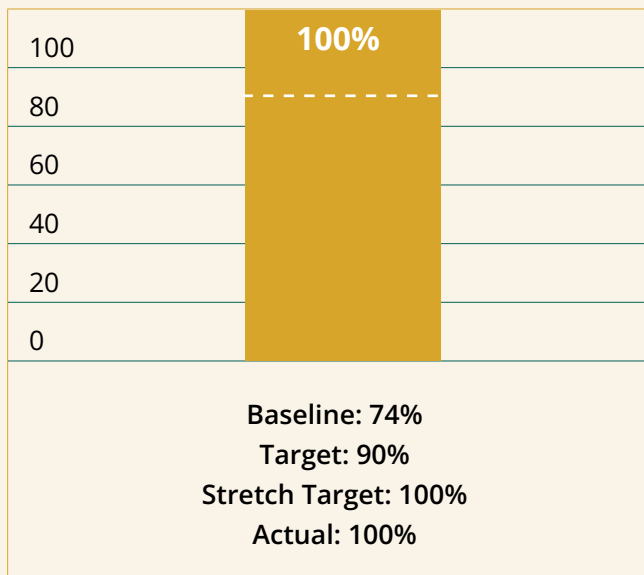
% of Enterprise Resource Planning (ERP) milestones met

## DESCRIPTION OF MEASURE

Yearly action plans for the ERP initiative are developed. Upon approval of all action plans, the elements of this initiative are assigned a due date by quarter. The status of the actions plans is reported quarterly to drive completion rates of milestones against the plan.

## OVERALL PERFORMANCE

The ERP project met 100% of its milestones in 2021-2022, meeting its stretch target which is an increase from 74% in 2020-2021.



## WHY DO WE MEASURE THIS?

The ERP initiative is long-term in nature and is projected to take four to six years to fully implement. It is essential that milestones and action plans are tracked to ensure the successful delivery of this critical initiative for government.

## WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The ERP project team develops action plans that are reviewed regularly by both the Steering Committee and senior government to keep the initiative on track to meet its timelines and successful deployment to government.

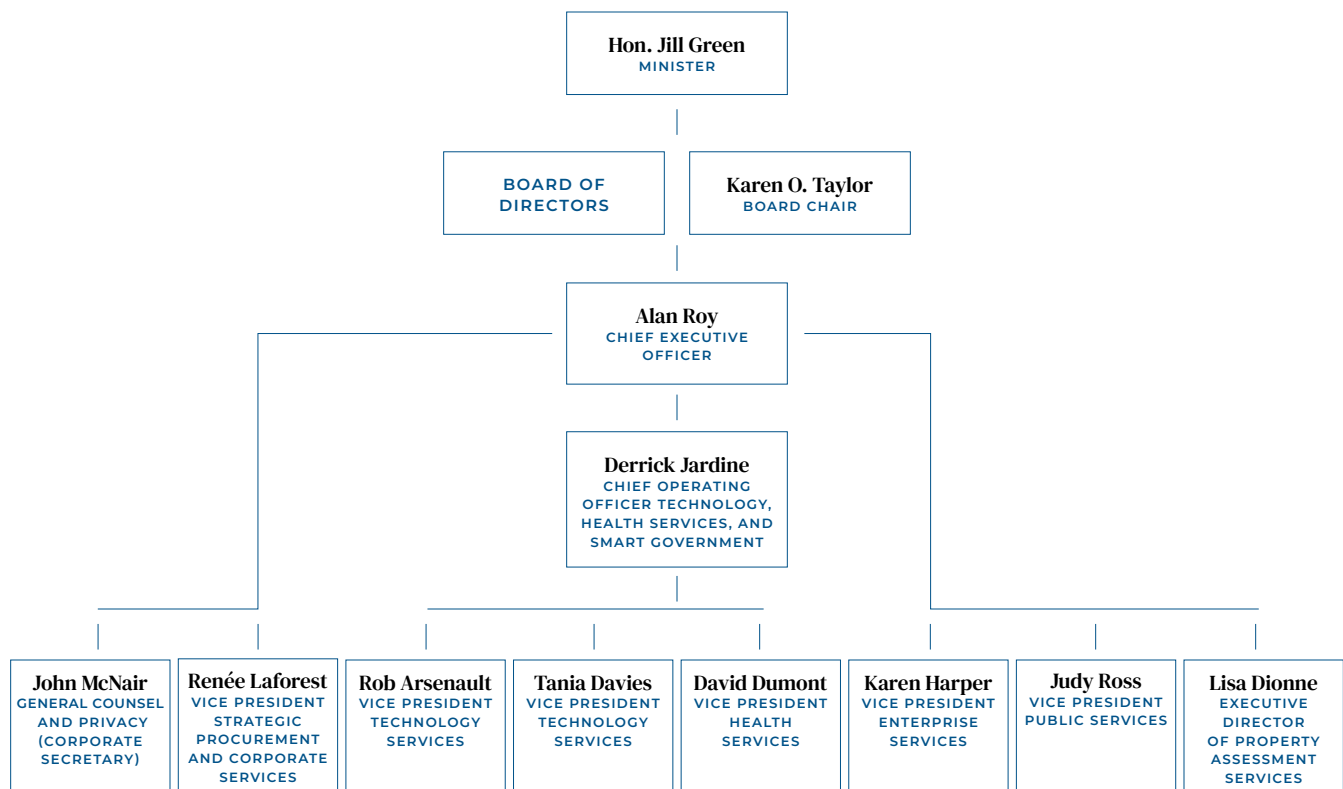
# Overview of organizational operations

Service New Brunswick is a Part 1 Crown corporation created to deliver shared services for the Government of New Brunswick with the express purpose of standardizing services and reducing costs. The *Service New Brunswick Act* provides the context for the activities of the corporation. Our mission is to provide high-quality, innovative services for customers with a focus on value for all New Brunswickers.

SNB fulfils its mission by delivering high-quality services, standardizing processes, and products, adopting best practices, and leveraging greater economies of scale in the procurement of goods and services. SNB’s operations are funded through a combination of regulated fees for registry services, payments from GNB and municipalities, grants that GNB provides to deliver service on its behalf, and sales of products and services.

SNB employed more than 2,400 people and had a budget of more than \$277M in 2021-2022.

## HIGH LEVEL ORGANIZATIONAL CHART





# Division overview and highlights

## CORPORATE SERVICES

### Human Resources

The Human Resources branch is responsible for recruitment; employee relations; wellness, health and safety; employee experience; learning and development; as well as the coordination of a variety of employee programs.

### Strategy and Organizational Performance

The Strategy and Organizational Performance (SOP) branch is responsible for corporate performance reporting and leads the strategic planning process. This includes developing strategic initiatives, annual action plans and performance metrics using the balanced scorecard methodology. The branch also administers continuous improvement efforts designed to increase efficiency and improve customer benefits using Lean Six Sigma methodologies.

SOP oversees aspects of SNB's customer relationship management (customers and business partners) from a corporate perspective. It is responsible for formulating business development strategies, which includes evaluating and supporting opportunities for growth, and developing and monitoring service agreements.

SOP is responsible for SNB's day-to-day internal communication needs, including maintenance of the employee intranet, websites, and reports that provide information and services to employees, managers, and business partners.

It leads the advancement of the corporation's legislation, privacy, and corporate policies, and administers the Right to Information and Protection of Privacy Act and responses to Right to Information requests. Staff are also responsible for the corporation's records management, risk management, data integration processes and operational reporting.

Finally, SOP administers survey services, change management and measurement of service delivery performance and customer satisfaction.





## Finance and Administration

The Finance Branch provides financial and operational reporting and analysis; internal controls; accounting for receivables, payables, and assets; coordination of external audits; and the preparation of financial statements.

The branch provides budgeting, ordinary and capital expenditure management, and coordination of the budget and forecast process with the Finance and Treasury Board. It is also responsible for facilities management services, including lease administration, office relocation and renovations, and it fulfills organizational administrative requirements.

## Internal Audit

The Audit Services Unit conducts internal compliance reviews with respect to cash management at SNB's service centres, performs IT security reviews, and audits automobile dealerships enrolled in the Online Dealer program. The unit also conducts investigations as required.

*Highlight:* The Strategic Services team led the development process for the SNB 2022-2027 Strategic Plan. The team procured an external consulting firm, to undertake a number of consultation sessions with stakeholders, customers, partners, the public and SNB staff. In addition, the team supported the SNB Executive Management Team (EMT) as it met with the executive leadership teams of 11 Part 1 departments and the two regional health authorities. The team gathered the feedback and worked with EMT to craft the Strategic Plan which received Board of Directors approval in December 2021.

## STRATEGIC PROCUREMENT

SNB is responsible for delivering procurement services for Part 1 (GNB departments), Part 2 (school districts) and Part 3 (Regional Health Authorities). The division also provides support to the wider GNB entities such as municipalities, NB Power, community colleges and universities.

### Strategic Sourcing

Strategic Sourcing's role is to maximize competition to achieve the best value for money while ensuring that all suppliers who wish to compete for government contracts have a fair and open opportunity to do so. Competitive quotes or formal bids are solicited for goods and services except in specific circumstances which are exempt from the normal process by legislation.

### Procurement Enablement

The Procurement Enablement branch provides the policies, systems, and frameworks to support the procurement teams and the wider GNB community. Procurement Enablement helps support the daily operations of the Procurement Specialists by providing documentation and support for policies and regulations. The Central Tendering office is responsible for receiving and logging bids for goods and services tenders on behalf of Strategic Procurement. The Procurement Enablement team works to ensure the entire procurement process functions efficiently and effectively for customers and suppliers.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Purchase Order value*	\$1,614,330,730	\$1,288,778,198	\$325,552,532
Number of Purchase Orders*	4,616	4,893	(277)
Number of Tenders/RFPs	1,059	1,103	(44)

\*Includes Purchase Order Amendments

### *Highlights:*

- Strategic Procurement, along with customer organizations, identified procurement savings opportunities of more than \$3.2M in 2021-2022. These included soft savings (negotiated price discounts and cost increase avoidance) and hard savings (year-over-year price reductions).
- In 2021-22, 88% of procurement was awarded to NB Suppliers, exceeding the target of 80%. Bids from NB suppliers represented 79% of all bids received, which also met the target.
- GNB used all 10 Regional Economic Development exemptions to award contracts to New Brunswick suppliers in non-urban areas of the province. This results in roughly \$90M more in spending remaining in the province.
- Strategic Procurement continued to implement actions from the New Brunswick First Procurement Strategy and Action Plan:
  - » In October of 2021-22, it hosted the first ever virtual Atlantic Provinces Reverse Trade Show. More than 800 suppliers visited the online platform throughout the weeklong event, with more than 500 participating during the “live day.”
  - » A bill for the consolidation of the *Crown Construction Contracts Act* and the *Procurement Act* was voted and passed in the legislature in December 2021.
  - » Five staff from the construction tendering unit of the Department of Transportation and Infrastructure transferred to Strategic Procurement, a critical step in the consolidation of government procurement under one organization.
- In December 2021, Strategic Procurement completed and launched a Green Procurement Policy for GNB as part of the Climate Change Action Plan.
- Strategic Procurement developed and launched a Contract Management Framework for GNB, to assist its clients in Part 1 and 2 in more effectively managing their contracts.



## HEALTH SERVICES

### Clinical Engineering

Health care professionals use a wide array of diagnostic and therapeutic medical equipment in their day-to-day work. This equipment can be complex and costly. The Clinical Engineering branch works with clinicians and health care administrators to plan for and evaluate new and existing health care technologies. Responsibilities include inspecting and maintaining equipment, and ensuring the technology complies with all applicable regulations.

The Clinical Engineering branch helps determine when equipment has reached end-of-life status and plays a role in the decommissioning process. The service also supports investigations of incidents related to medical equipment and participates actively in the training and education of technical and medical personnel regarding its use.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Work orders*	60,862	62,366	(1,504)
Preventative maintenance service orders received**	20,745	20,101	644
Equipment alerts requiring action***	1,324	1,630	(306)

Net new equipment inventory (incoming equipment – obsolete equipment) increased by 2,089 devices.

\* The decrease in work orders is attributed to loss of technologist time from the COVID-19 pandemic as well as vacant positions that required recruitment. Clinical Engineering is experiencing increased recruitment challenges in attracting new hires in a very competitive resource pool that resulted in extended duration of unfilled positions.

\*\* Preventative Maintenance support hours increased by 5.39% (+ 1,263 hours) and incoming inspections (safety and compliance) on new equipment decreased by 10.24% (- 605 hours). Annual fluctuations in Preventative Maintenance Support are directly dependent on the quantity of new equipment purchases, past equipment purchases, aging equipment, and expiring equipment warranties.

\*\*\* The number of alerts handled varies from year to year as they are dependent on the quantity of equipment in service and the details of the published alert.

## Supply Chain

On a day-to-day basis, a wide variety of equipment, supplies and services are used in the delivery of healthcare to New Brunswickers. The Supply Chain branch supports healthcare professionals by ensuring the right goods and services are available at the right time and place. It is responsible for the purchasing, storage, delivery, and distribution of all equipment, supplies, and services for the healthcare system throughout New Brunswick. The Supply Chain branch includes purchasing, inventory management/ stores, shipping and receiving, distribution, logistics, print shops, and mail rooms.

Due to the COVID-19 pandemic, supply shortages continued to be an important issue during the past year. Supply Chain was again put to the task of tracking down product substitutes, sourcing supplies from non-traditional suppliers, and played a big role in the inventory management of the provincial Personal Protective Equipment (PPE) stockpile required to support the New Brunswick Health System during these difficult times.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Purchase orders*	140,616	139,672	944
Dollar value of purchase orders*	\$282,277,581	\$295,180,638	(12,903,057)
# Purchase order lines received by shipping & receiving departments	501,552	509,220	(7,668)
Avg. monthly inventory turnover	0.70	0.68	.02
Avg. monthly main inventory value**	\$9,346,095	\$9,966,194	(\$620,099)
# Warehouse line items picked for distribution	2,386,564	2,384,735	1,829

\*The table above excludes dollar value and number of purchase orders processed by Strategic Procurement Health. Data is reported under the Strategic Procurement Division of SNB.

\*\*The higher than normal value and the low monthly turnover of inventory is due to the sourcing of significant amounts of protective personal equipment (PPE) and cleaning supplies to battle the pandemic.



## Laundry and linen services

Laundry and linen services provide complete service, from pick-up of soiled linen to delivery of clean items throughout New Brunswick's many health care facilities and nursing homes. Overall, this year's throughput of the operation marked a slight bounce back closer to pre-pandemic levels with a gain of more than 500,000 lbs.

In response to the pandemic, this year was very similar to the previous one. Laundry services continued to respond to multiple customers and non-customer requests in support to manage local outbreaks. The operation has seen record numbers in demand for products related to the pandemic response such as isolation gowns and healthcare worker uniforms.

In early fall 2021, the Edmundston Laundry refurbishment was completed, and its operation resumed. Immediately after, the Campbellton Laundry entered into its final phase of its refurbishment. After a few delays due to the pandemic, the majority of the project was completed at the end of year. The remaining portions of the project will be completed in spring of 2022.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Pounds of laundry processed (lbs.)	21,683,841	21,094,143	589,698
Number of customers	79	81	(2)



## Energy Management

The Energy Management unit is responsible for leading and coordinating the Government of New Brunswick Energy Management Strategy. This service incorporates energy efficiency and conservation into everyday operational practices while maintaining or improving thermal comfort and indoor air quality for its patrons (patients, students, public service employees). The unit uses a continuous improvement approach which is instrumental in optimizing energy use, an essential solution to climate change challenges. Staff work directly with the Regional Health Authorities, laundry operations, school districts and other Government department facility managers and teams.

In response to the Climate Change Action Plan, SNB continued to implement the government-wide energy management and reporting system to ensure all departments are accountable for energy consumption and corresponding greenhouse gas emissions. The system, ENERGY STAR® Portfolio Manager, allows for energy benchmarking and information to be visible. Energy benchmarking is the first critical step in managing a building's energy performance by reducing energy consumption and demand, resulting in a reduction of greenhouse gas emissions. Energy consumption data for Government-owned facilities, including but not limited to schools, healthcare facilities, community colleges, garages and offices, is maintained in the system.

Work is nearing completion on dashboards to communicate to departments their greenhouse emissions and other energy related data by Department and Part of Government. There was a "soft" launch in the Fall which included training to various departments to allow for feedback and testing. Funded by the Climate Change Fund (CCF). This will assist GNB to report its overall greenhouse gas (GHG) emissions and reductions annually.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Number of sites entered into ENERGY STAR Portfolio Manager <sup>1</sup>	826	540	286
ENERGY STAR certified buildings	5	4	1
Actual cost avoidance <sup>2,3</sup>	\$3.6M	\$4.5M	(0.9\$M)
Greenhouse gas emissions reduction (etonnnes) <sup>2,3</sup>	10,400	13,800	(3,400)

<sup>1</sup> NRCan's ENERGY STAR Portfolio Manager is a free, simple to use, web-based benchmarking tool that allows users to understand how their building's energy performance measures against similar buildings

<sup>2</sup> Cost avoidance is a combination of \$1.2M for health and \$1.5M for schools. Negative change is a result of schools' return to in class learning as well as increased energy to meet COVID-19 ventilation needs at schools and hospitals. Subsequent to the 2019 refurbishment, Saint John Laundry cost avoidance is \$800,000.

<sup>3</sup> Adjustments to baselines were also made for healthcare facilities thus another contributor for decreased avoidances.

## Highlights

- In April 2021, Horizon Health Network received NB Power's 2020 Energy Efficiency Excellence - Legacy Award, in recognition of its long-standing commitment and contribution to energy efficiency in New Brunswick. This is the result of collaboration between Horizon, the Department of Transportation and Infrastructure and Service New Brunswick's Energy Management Branch.
- Energy Management released its first Annual Report.
- Energy management and efficiency upgrades in provincially owned buildings resulted in more than 10,400 equivalent tonnes of greenhouse emission reduction.





## ENTERPRISE SERVICES

### Accounts Payable

The Accounts Payable branch manages the delivery of standard payables as well as transactions associated with numerous Client and Case Management Systems used to deliver programs for client departments.

The unit is responsible for transactional services as well as administration of the purchase-card and iExpense processes, supplier maintenance, payment processing, and delivering services in accordance with Key Performance Indicators (KPIs) established as part of service agreements.

The team provides end-user guidance, publishes procedural documentation, and offers general process support to client.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Account payable transactions processed (in excess of)	600,000	500,000	100,000

### Central Collections Services

The Central Collections Services branch manages debt owed to GNB by collecting on overdue property tax and student loan accounts.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Total collected on property tax accounts in arrears	\$124.7M	\$98M	\$26.7M
Total collected on Student Loan Accounts in default	\$6.0M	\$1.8M *	\$4.2M

\*A decision was made to suspend repayment and interest for a 6-month period due to the COVID-19 pandemic.



## Translation Bureau

The Translation Bureau provides written translation; simultaneous interpretation for conferences, seminars, and other gatherings; consecutive interpretation for court proceedings and administrative tribunal hearings; and other linguistic services. The work performed by the branch helps departments and agencies meet GNB's obligations under the *Official Languages Act* as well as Subsection 16(2) of the *Canadian Charter of Rights and Freedoms*.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Translation requests processed by employees	16,853 requests 6.0 M words	14,503 requests 6.7 M words	2,350 requests (0.7 M words)
Translation requests processed externally	3,103 requests 7.1 M words	3,284 requests 7.1 M words	(181 requests) 0.0 M words
Days of simultaneous and/or consecutive interpretation provided by employees	1,446 days	1,177 days	269 days
Days of simultaneous and/or consecutive interpretation provided externally	1,307 days	692 days	615 days

## Payroll and Benefits Services

On behalf of GNB, Payroll and Benefits Services is accountable for ensuring Part 1 and Part 4 (NB Legal Aid Services Commission) civil servants and contingent workers receive timely payments and benefits as per established key performance indicators.

The branch maintains employee records, leave data, and reporting for accounting and regulatory compliance with acts, regulations, policies, collective agreements, and procedures. Payroll and Benefits Services also supports Part 4 (New Brunswick Community College, Collège communautaire du N.-B., and NB Legal Aid Services Commission) in regulatory, accounting and compliance activities.

There are four payroll systems used to process payroll for permanent, term, seasonal, casual, temporary term and personal service contract employees, and students. Additionally, the branch supports the data entry for Part 2 school district payrolls, school district student testing, and the moose and deer count on behalf of the Department of Natural Resources and Energy Development.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Transactions processed	211,402	136,088	75,314



## Managed Print and Distribution

The Managed Print and Distribution branch is composed of three different units.

Printing Services provides highspeed digital printing and finishing services for black and white and colour print requests. The unit also maintains a list of prequalified print vendors and acquires external print services for specialty and large quantity print jobs. This year, the unit began providing print service for the Dr. Everett Chalmers Regional Hospital (DECH). This change made it possible for the hospital to repurpose the space that previously housed its own print shop.

The Postal Services unit provides centralized mail and delivery services to GNB customers from its main processing facility in Fredericton. Regional interoffice mail services are also provided throughout the province.

Print Optimization Services centrally manages a contract that provides efficient multi-functioning printing devices throughout government. Services include Parts 1, 2, 3 and 4 of GNB.

The Managed Print and Distribution branch also provides an employee/agent identification card service and administers GNB's surplus assets.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
<b>Printing Services (volume)</b>			
Internal print jobs	916	910	6
Third-party print jobs	194	231	(37)
DECH Print Jobs	4,838	5,666	(828)
<b>Postal Services</b>			
Pieces metered	5,040,038	5,175,786	(135,748)
Pieces shipped	23,364	22,962	402
<b>Print Optimization Services</b>			
Device count	6,659	6,406	253
Impressions	268,962,095	246,493,648	22,468,447

*Highlights:*

- Print Optimization Services implemented new print devices as part of a new contract across all Parts of GNB. The implementation was completed in December 2020 and is now in what is called a steady state or post-project state.
- Accounts Payable assisted the Department of Tourism, Heritage and Culture's Explore NB program and evaluated more than 25,000 applications.
- Accounts Payable Services assisted in the implementation of the accounts payable module of governments' new financial system.
- Accounts Payable introduced making payments via e-transfer, using email, and processed in excess of 19,000 payments with a value of approx. \$2.2M.



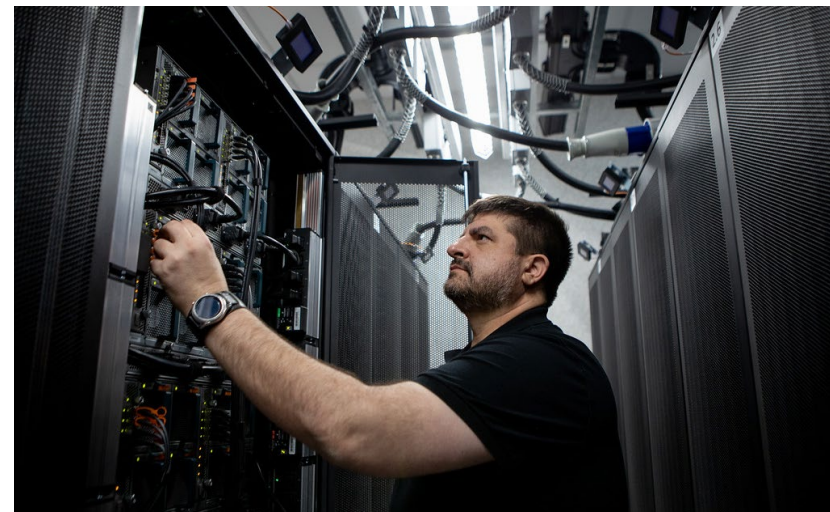
## TECHNOLOGY SERVICES

Technology is a core element in improving the delivery of services to the public and an important aid in the productivity of government workers. SNB Technology Services is accountable for the effective and efficient delivery of Information Technology (IT) services across the Government of New Brunswick and deploying new technology solutions to support the provincial government's priorities.

Technology Services provides leadership, expertise, and services across all aspects of IT including:

- Supporting more than 38,600 GNB/RHA employees and other stakeholders;
- Managing more than 28,000 computing devices which consist of desktops, laptops, and tablets;
- Operating and supporting the government IT infrastructure (data centres, email, provincial IT networks) and application solutions used across government departments, healthcare sector and education sector;
- Developing technology plans and strategies; and
- Running a collaborative enterprise cyber security management program.

STATISTICS AT A GLANCE	2021-2022	2020-2021	CHANGE
Service Desk tickets	288,984	302,664	(13,680)
Service Desk calls answered	134,038	191,941	(57,093)
Managed computing devices	26,882	28,184	(1,302)
Number of email accounts	41,302	39,021	2,281
Sites connected to GNB network	892	867	25



### *Highlights:*

- Technology Services continued to play an instrumental role in the pandemic response by supporting the technical set-up and operations of screening and vaccination clinics and deploying IT solutions for vaccination, testing and test kit pick-up self-scheduling.
- Technology Services also contributed to the modernization of several healthcare solutions to improve patient information safety and accuracy. One example was a new solution that now allows the Regional Health Authorities to send electronic appointment notifications to their patients.
- A new online portal was deployed for parents to allow online enrolment of children in early learning and childcare facilities. Additionally, Wi-Fi was improved in more than 275 schools around the province to support e-learning.
- IT solutions were deployed or modernized to support GNB operations and increase online service access for citizens. Examples included: the expansion of the Explore NB tourism rebate program to reimburse tourists from Atlantic Canada; launch of a new Canada Housing Benefit online application; mobile ticketing so customers may use smartphones to reserve a place in line at SNB Service Centres.
- The technology platform used by SNB Teleservices and a number of GNB Departments was modernized to enable secure virtual payment transactions processing. This solution supported more than 350,000 transactions and processed 1.5 million citizens' contacts with the government.
- Technology Services provided technical expertise for the first implementation phase of the new Enterprise Resource Planning software solution. This transformation initiative will improve how human resources, payroll, financial and procurement services are delivered within GNB.
- Many important initiatives have been undertaken during the year to strengthen GNB networks and application access security. These actions protect the government network and confidential information from being compromised and maintain the availability of business-critical systems used across the government.

## Land Information Infrastructure Secretariat

SNB is the lead agency for coordination of geomatics and base mapping in New Brunswick. The activities of the Land Information Infrastructure Secretariat include:

- managing an interagency governance framework to facilitate collaboration on geomatics across GNB;
- developing and operating the GeoNB infrastructure, which allows for discovery, access, storage, and dissemination of geographic data and related applications on behalf of partners; and
- consolidating some arcGIS hosted maps to improve efficiency.

STATISTICS AT A GLANCE (VOLUME)	2021-2022	2020-2021	CHANGE
GeoNB hosted datasets	81	70	11
GeoNB hosted applications	26	23	3
GeoNB map services	86	57	29
GeoNB visits	262,008	238,558	23,450
Maps hosted on ArcGIS Online	112	121	(9)
LiDAR products	9	6	3
Outreach / Education sessions	3	1	2



## Digital Services

Digital Services supports various online service platforms such as gBiz, Fish and Wildlife e-Licensing, Lobbyist Registry and BizPal, as well as Open Data NB, an online portal that allows citizens to access hundreds of data sets with continuous updates.

### *Highlights:*

- A business entity web tool was created with collaboration from Canada Innovation, Science and Economic Development for SNB's Corporate Affairs Branch.
- Staff continued to support COVID-19 related gBiz initiatives, most notably the Online COVID-19 Test request form for the Department of Health.
- The branch created seven public service videos for display in SNB service centres.
- In collaboration with the National BizPal office, the branch supported the launch of a new Business Entity tool for SNB's Corporate Affairs branch.



## PUBLIC SERVICES

### Customer Care

SNB is the gateway for the public to a number of government services offered through a multichannel service delivery network. Customer convenience is a key factor in service delivery. To meet New Brunswickers' expectations, SNB offers three channels of delivery: in person, through a network of 33 service centres; over the telephone (TeleServices) at 1-888-762-8600; and online at [www.snb.ca](http://www.snb.ca).

STATISTICS AT A GLANCE SERVICE DELIVERY TRANSACTIONS			
Volume by partner	2021-2022	2020-2021*	Change
<b>Government partners:</b> Provincial (all government departments); federal (Pleasure Craft Licensing*); municipalities	3,268,713	2,922,442	346,271
<b>SNB:</b> Property Assessment Services, Corporate Registry, Personal Property Registry, Land Registry, Residential Tenancies Tribunal, Vital Statistics, and SNB products	2,674,639	2,411,497	263,142
<b>Other partners:</b> Payment taking for NB Power, Regional Health Authorities, WorkSafeNB, and others	234,689	200,255	34,434
<b>Total transactions</b>	<b>6,178,041</b>	<b>5,534,194</b>	<b>643,847</b>

\*Certain transaction counts from prior year's report have been adjusted in this report as a result of:

- Corrections to the way Motor Vehicle transactions from MVAD are treated (certain PLUs are excluded because they are auto-generated rather than representing a distinct and discrete unit of work representative of "a transaction,").
- The inclusion of Pleasure Craft License Renewal Notices.
- Recycle NB transactions being moved from the "Government Partners" category to the "Other Partners" category.

A range of services are delivered on behalf of various departments and agencies including the federal government. SNB also accepts payments on behalf of 64 municipalities.

Services include:

- motor vehicle – driver's licences, registration, placards for disabled persons;
- recreation – hunting and fishing licenses, trail permits for all-terrain vehicles and snowmobiles;
- government forms – Medicare, lottery registration, Elections NB;
- federal government – pleasure craft licensing; and
- municipalities – water and sewage payments, parking ticket payments.

*Highlights:*

- The COVID-19 vaccination scheduling and My-Health support telephone lines operated throughout the year to support the province's COVID-19 efforts. Service centres and driver's license testing frequently adjusted delivery models and safety protocols to ensure alignment with the mandatory order.
- New Moneris PIN pads and receipt printers were implemented in 225 workstations in SNB's 33 Service Centres, resulting in faster and more accurate payment processing, and cash handling were upgraded to reduce cash deposit timelines and address staff safety concerns.
- Mobile ticketing was implemented in 18 Service Centres which allows clients to leave the Service Centre waiting room until they receive a text message advising them to return to the Service Centre when it is their turn to be served.
- Customers calling Teleservices to complete transactions can now enter their credit card number via their phone's keypad versus sharing it with a Teleservices agent. This upgrade is more secure, reduces errors, and makes the client feel more comfortable using the service.



## Residential Tenancies Tribunal

The Residential Tenancies Tribunal provides an alternative dispute resolution service outside of the traditional court process.

Residential Tenancies Officers are appointed to carry out duties prescribed by the *Residential Tenancies Act*. The activities include holding in trust all security deposits paid by tenants pursuant to a residential tenancy lease; investigating and resolving disputes and complaints by mediation, when possible, or adjudication; enforcing the *Residential Tenancies Act*; and providing information about residential tenancies.

STATISTICS AT A GLANCE	2021-2022*	2020-2021	CHANGE
Security deposits accepted*	19,310	18,532	778
Net value of security deposits*	\$40.9M	\$36.4M	\$4.5M
Security deposits returned*	13,850	13,565	285
Applications for assistance or disputed claims received**	5,364	4,454	910

\*Some arcGIS hosted maps were consolidated to improve efficiency.

\*\*As of May 26, 2022

### Highlights:

The following four recommendations of the *Premier's Review of the NB Rental Landscape* were completed:

- Access and assistance with tenancy matters was improved through a revamped phone service that ensures “one call resolution.”
- The Residential Tenancies Tribunal website was re-designed to improve ease of use and enhance information on rights, responsibilities, and statutory obligations.
- Numerous information sessions were held with stakeholder groups and information pamphlets with distributed to help ensure renters and vulnerable groups understand their rights.
- The *Residential Tenancies Act* and accompanying procedures were updated to better meet the changing needs of tenants and landlords by limiting rent increases to once a year; providing better protections against unreasonable rent increases; and reducing red tape for landlords.

## Registries

Condominium properties are administered through the *Condominium Property Act*, which sets out the rules for developing, operating, and managing them in New Brunswick. This area provides approval for condominium corporations and the registration of associated documents and plans. It also accepts information on reserve funds, financial statements, insurance, and directors filed by these corporations.

The Corporate Registry administers incorporation and regulation of New Brunswick-based business corporations and non-profit companies as well as registering partnerships and business names, and extra-provincial corporations. The registry maintains publicly available, up-to-date information on business and non-profit corporations and unincorporated business entities. Internet users can access information on past and existing businesses and non-profit companies through the registry.

The Land Registry maintains records dating back to the original Crown land grants and are available for public scrutiny. The Land Registry also operates the provincial land registration office where legal plans and documents such as deeds, mortgages and wills relating to the ownership of real property can be registered. The Land Registry unit maintains the PLANET system, which allows land-based transactions through a comprehensive, integrated, online source of land registration, property mapping and real property information. The unit also maintains a province-wide Global Positioning System (GPS)-based survey network that includes a series of continuously operating active control stations, which provides observations to users via the SNB website.

The Personal Property Registry maintains a province-wide registry service where users can serve public notice of their security interests, judgments, and other claims affecting personal property, such as automobiles, recreational vehicles, furniture, and business inventory. It also offers individuals and businesses the opportunity to determine if there is a registered security interest on a personal property by providing the means to search the Personal Property Registry, primarily through the Atlantic Canada Online portal and SNB's Lien Check service.

Vital Statistics is responsible for registering, maintaining, and disseminating birth, death, stillbirth, and marriage data (also known as "vital events"). Vital Statistics can search records, issue certificates of a vital event, distribute marriage licenses, approve, and register changes of name, and maintain an index of marriage officiants and churches/religions authorized to solemnize marriages in New Brunswick.

## STATISTICS AT A GLANCE

REGISTRIES ACTIVITIES	2021-2022	2020-2021	CHANGE
<b>Condominiums</b>			
New corporations	2	2	0
New units approved	58	26	32
<b>Corporate Registry</b>			
Incorporations	3,270	2,759	511
Registrations	4,163	3,723	440
Annual return	45,105	40,558	4,547
Certificate of Status/ certified copies	4,914	4,345	569
<b>Land Registry</b>			
Registrations	110,291	93,171	17,120
Searches	44,211	37,047	7,164
Certificates of Registered Ownership sold	47,425	37,769	9,656
<b>Personal Property Registry</b>			
Registrations	161,832	150,027	11,805
Searches	90,618	73,422	17,196
<b>Vital Statistics</b>			
Certificates issued (all types)	25,739	20,575	5,164
Change of name processed	401	288	113
Vital events registered	16,513	17,639	(1,126)

### *Highlights:*

- The Corporate Registry legislation modernization led to updated legislation for limited liability partnerships and saw the introduction of legislation to improve corporate transparency by having information on beneficial owners made available to investigative bodies.
- The Land Registry continued experiencing higher than normal volume of registrations and searches due to the increased activity in the real estate market. The volumes of registrations were approximately 30% more than volumes experienced prior to COVID-19 in 2019-2020.

## **Property Assessment Services**

SNB is responsible for the valuation and classification of all real property in New Brunswick. Property Assessment is a vital component in the processes of real property taxation.

*The Assessment Act* states that all property in the province is to be assessed at its real and true (market) value as of January 1 of the year for which the assessment is determined. Individual property assessments are then compiled to produce municipal and provincial assessment bases.

These bases are shared with the Department of Environment and Local Government, which produces the tax bases for each municipality, and rural district.

Individual property assessments are also provided to the Department of Finance and Treasury Board. These are then used, along with municipal and provincial property tax rates, to produce an annual property tax notice (bill).

Property assessors are responsible for maintaining an inventory of all real property information as well as administering many property tax-related benefits programs. On November 23, 2017, the Auditor General of New Brunswick released a public report, *Service New Brunswick Residential Property Assessment – Special Examination*. The report included 25 recommendations, of which 22 were directed at SNB. SNB agreed with all recommendations and executed an action plan to address the outstanding issues. The Auditor General performed a follow-up audit in 2021 and reported six of the SNB recommendations were not implemented. Four of these relate to limited system functionality.

In December 2021, the Policy and Priorities Board, Treasury Board and SNB Board of Directors approved Service New Brunswick's request to replace Property Assessment Services' current Computer Assisted Mass Appraisal System and authorized Service New Brunswick to issue an associated Request for Proposal. A request for proposal for a new system was released on February 1, 2022, with a response date of April 1, 2022.

## PROPERTY ASSESSMENT STATISTICS

Tax year	Number of properties	Assessment Base (Billion \$)	Request for Review*	Per cent of property accounts	Appeals (Assessment Board)
2021	472,098	67.2	5,368	1.1	90
2020	471,082	67.2	5,941	1.3	192
2019	469,948	66.1	5,439	1.1	118
2018	468,744	64.4	3,956	0.8	127
2017	467,602	62.8	18,568	4.0	375

\* Figures from 2021 onward include online inquiries which may not result in a formal request for review.





# Summary of staffing activity

NUMBER OF SNB EMPLOYEES		
EMPLOYEE TYPE	2021-2022	2020-2021
Permanent	1,911	1,916
Temporary	90	91
Casuals	452	448
TOTAL	2,453	2,455

Permanent employees include all permanent full-time and part-time employees. Temporary employees are employees in various types of temporary positions, including Personal Service Contract positions and ministerial/constituency office staff. Casuals include full-time, part-time, hourly and on-call employees, as well as students.

STAFFING ACTIVITY WITHIN FISCAL YEAR		
EMPLOYEE TYPE	2021-2022	2020-2021
Permanent	308	286
Temporary	324	377
TOTAL	632	663

Staffing activities include formal competitions, expressions of interest, casual hiring, personal service contracts, secondments, and lateral transfers. Of these, SNB posted 321 competitions, including 166 open (public) competitions and 155 closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, SNB made the following appointments using processes to establish merit other than the competitive process:

APPOINTMENT TYPE	APPOINTMENT DESCRIPTION	SECTION OF THE CIVIL SERVICE ACT	NUMBER
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> <li>• A high degree of expertise and training;</li> <li>• A high degree of technical skill; and</li> <li>• Recognized experts in their field.</li> </ul>	15(1)	1
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training, and advancement opportunities.	16(1)(a)	1
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness, and criticalness.	16(1)(b)	2
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	5
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	6
Regular appointment of students/apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the CEO of Service New Brunswick and no complaints were submitted to the Ombud.

# Summary of legislation and legislative activity

NAME OF LEGISLATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Bill 38 - <i>An Act to Amend the Service New Brunswick Act</i> <a href="#">Bill-38.pdf (legnb.ca)</a>	This Bill received Royal Assent and came into force on June 11, 2021.	Changes were made to allow for staggered terms of appointments to Service New Brunswick's Board of Directors.
Bill 66 – <i>An Act to Amend The Residential Tenancies Act</i> <a href="#">Bill-66.pdf (legnb.ca)</a>	This Bill received Royal Assent and came into force on December 17, 2021.	Amendments were made to <i>The Residential Tenancies Act</i> to remove any barriers to accessing services, limit rent increases to once a year, provide better protection against unreasonable rent increases, and improve landlord access to support in situations involving property damage or illegal activity.
Bill 67 – <i>An Act to Amend the Procurement Act</i> <a href="#">Bill-67.pdf (legnb.ca)</a>	This Bill received Royal Assent on December 17, 2021 but was not yet in effect on March 31, 2022.	Among the action items in the NB First Procurement Strategy and Action Plan is that there be one department responsible for all procurement – Service New Brunswick. It also calls for one piece of legislation that will govern all procurement of goods, services, and construction. The purpose of this bill is to consolidate the <i>Crown Construction Contracts Act</i> with the <i>Procurement Act</i> .
Bill 72 – <i>An Act Respecting the Modernization of Legislation Governing Limited Liability Partnerships</i> <a href="#">Bill-72.pdf (legnb.ca)</a>	These amendments received Third Reading on March 29, 2022 (and came into effect April 1, 2022).	Legislative amendments were made to enable limited liability partnerships to obtain liability insurance. In addition, several additional housekeeping changes were made at the same time.
Bill 95 – <i>An Act to Amend the Business Corporations Act</i> <a href="#">Bill-95.pdf (legnb.ca)</a>	This Bill was introduced on March 29, 2022 and was not yet in effect on March 31, 2022.	Amendments are being proposed to the <i>Business Corporations Act</i> to define a “beneficial owner” and require corporations to keep a register of “beneficial owners”, as a form of corporate transparency.
Bill 96 – <i>An Act to Amend The Residential Tenancies Act</i> <a href="#">Bill-96.pdf (legnb.ca)</a>	This Bill was introduced on March 29, 2022 and was not yet in effect on March 31, 2022.	Amendments to <i>The Residential Tenancies Act</i> are being proposed to establish a rent cap of 3.8% for the 2022 calendar year and prevent landlords from terminating tenancies without cause.

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Bill 100 – <i>An Act Respecting the Appointment Process</i> <a href="#">Bill-100.pdf (legnb.ca)</a>	This Bill was introduced on March 29, 2022 and was not yet in effect on March 31, 2022.	One of the amendments proposed in this bill is to change the appointment process for residential tenancies officers, the Chief Residential Tenancies Officer, and the Deputy Chief Residential Tenancies Officer. Instead of being appointed by the Lieutenant-Governor in Council, these individuals will be appointed by the Minister of Service New Brunswick.
New Brunswick Regulation 82-218, the <i>General Regulation – The Residential Tenancies Act</i> <a href="#">laws.gnb.ca/en/ShowPdf/cr/82-218.pdf</a>	December 17, 2021	This regulation was amended to change the notice period for raising a tenant's rent from two/three months to six months, and to extent the period of time to apply to a residential tenancies officer to review the notice to increase rent from 15 days to 30 days.



# Summary of recommendations from the Office of the Auditor General

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
Matters arising from the Audit of the Financial Statements of Service New Brunswick, 2021/2022	6

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
Matters Arising from our Audit of the Financial Statements of the Province, 2021 – SNB, Payments Processed through the Imaging Process Management System (IPM) <a href="#">Auditor General Report (agnb-vgnb.ca)</a>	4

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
Matters Arising from our Audit of the Financial Statements of the Province, 2021 – SNB, Property Tax Assessment System <a href="#">Auditor General Report (agnb-vgnb.ca)</a>	4

## IMPLEMENTED RECOMMENDATIONS

We again recommend SNB improve the quality control processes to verify the accuracy of property assessment values in advance of next year's assessment cycle.

## ACTIONS TAKEN

SNB continuously enhances its quality control program to improve the accuracy of property assessments using a risk-based approach. In 2021 SNB automated elements of the QC process using existing tools and resources. In 2022, SNB will enhance the review of excluded property information.

The current Computer Assisted Mass Appraisal system does not provide the functionality to perform an automated quality control process. As a result, SNB is required to perform its QC manually until such time that new technology can be introduced.



<p>We recommend SNB proceed as quickly as possible to validate the assessment data of properties assessed using methodologies from the 2017 Fast Track initiative.</p> <p>We recommend SNB develop and implement a re-inspection cycle to ensure all properties in the province are visually re-inspected. We again recommend this information be used when creating annual assessor work plans.</p>	<p>SNB recognizes the importance of validating the assessment data of properties that were assessed using the 2017 methodologies. SNB has enhanced the Data Validation process for efficiency and was able to focus on this initiative in 2021. This will continue in 2022.</p> <p>SNB recognizes the importance of re-inspecting properties. A plan to improve the re-inspection cycle is being developed and will be implemented and monitored once defined. Priority has been placed on achieving progress with these initiatives.</p>
<p>We again recommend SNB review and resolve system access control weaknesses for the property assessment system (EvAN) as soon as possible. These weaknesses relate to user access reviews and managing user access for the EvAN application, database and operating system.</p>	<p>SNB's current Computer Assisted Mass Appraisal system does not provide the functionality to perform reviews of roles using system reporting. SNB has enhanced the existing review process to the extent possible through a manual semi-annual access review of EvAN and is currently developing an access policy.</p> <p>Formal processes will be implemented to address access reviews and managing user access for the database and operating system.</p>
<p>We again recommend SNB strengthen its processes to verify property assessment values by using a risk-based approach to review the work of assessors and assessment staff.</p>	<p>SNB has introduced several enhancements and intends to introduce more to improve the overall control environment. SNB will continue to enhance the review of assessor and assessment staff work with an emphasis on a risk-based approach.</p> <p>SNB performs Quality Assurance activities that include the review of processes and assessor and assessment staff work.</p>

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
<p>Matters Arising from our Audit of the Financial Statements of the Province, 2021 – SNB, Information Technology Infrastructure Audit <a href="#">Auditor General Report (agnb-vgnb.ca)</a></p>	<p>4</p>

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
Matters Arising from our Audit of the Financial Statements of the Province, 2021 – SNB, Payroll and Benefits (HRIS) <a href="https://agnb-vgnb.ca">Auditor General Report (agnb-vgnb.ca)</a>	2

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>We recommend SNB update or replace its existing Business Continuity Plan so that it will be relevant with the new Oracle Fusion payroll application. The Business Continuity Plan should be tested annually to help ensure its adequacy in the event of a disaster.</p> <p>We also recommend SNB review the results of system backups to verify backups are completed successfully.</p>	<p>Business Continuity Plan(s) will be developed for the Oracle Fusion (Fusion) solution. This is a joint effort between the service delivery units, the business units and the ERP Program. The Business Continuity Plan(s) will define how the service delivery units will deliver their services and how the business units will operate during times when the ERP solution Fusion has outages that impact service delivery. The Business Continuity Plan will be reviewed and updated on a yearly cycle.</p> <p>In terms of disaster recovery and/or backup functions for Fusion, many of these tasks fall outside of the control of the Government of New Brunswick (GNB). Fusion is a Software-as-a-Service (SaaS) with Oracle. As part of the terms and conditions of the contract, Oracle’s Operations Center assume responsibility of disaster recovery process and backups. GNB does not play a role in these functions and has no ability to test them.</p>



<p>We recommend SNB regularly evaluate the sampling process used for validating key payroll data (such as commencements, terminations and adjustments) to determine if: the process is appropriate when compared with actual sample results; and the process considers risk-based sampling. We recommend SNB evaluate the sampling process at least semi-annually or when significant changes are made to payroll processes, such as with the implementation of the Oracle Fusion payroll/human resource management application.</p> <p>We recommend SNB document its review of payroll processes and retain evidence of review for audit purposes.</p>	<p>Oracle Fusion will change the way the work is performed and audited. An example of this is the responsibility and accountability for Human Resources to enter information about a commencement or termination. The work then flows to Service New Brunswick Payroll and Benefits Services to transact benefit and payroll items. In the current state of HRIS the process was last updated in February 2020. Items being validated are tracked and specific transactions/ corrections would be found on a 710 report or in e-mail correspondence. A 50% sample of the daily work is to be completed and should an error be found then another transaction is to be reviewed.</p>
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NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
<p>Matter arising from the Audit of the Financials Statements of Service New Brunswick, 2020/2021  <a href="#">Auditor General Report (agnb-vgnb.ca)</a></p>	7

IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
<p>We recommend SNB review, and update as necessary:</p> <ul style="list-style-type: none"> <li>• the useful life estimates of its Tangible Capital Assets;</li> <li>• its classes of Tangible Capital Assets (such as what is included in Major Equipment and if any new classes of Tangible Capital Assets are needed); and</li> <li>• its policies for Tangible Capital Assets.</li> </ul> <p>We recommend this review be performed on a regular basis such as annually.</p>	<p>Management agreed with the recommendation. While some of the findings were isolated incidents SNB has undertaken the following actions to mitigate future risk:</p> <ul style="list-style-type: none"> <li>• completed a review of the TCA accounting process; including useful lives, asset classes, and policies;</li> <li>• further training was provided to asset owners; and</li> <li>• a listing of TCA was provided to asset owners during testing for impairment.</li> </ul>



<p>We again recommend SNB only pay for goods or services when evidence exists to support the goods have been received or the services have been provided. For example, SNB should only pay for goods if proof of receipt is attached to an invoice.</p>	<p>Management agrees that proof of receipt of goods and services needs to be present when authorizing payment. SNB's direction to staff has however included having this proof available for the auditors when requested, as it is not always possible to attach the proof of receipt to the invoice. SNB has reiterated the responsibility of spending approvers in February 2020 and will continue to provide additional communication as well as targeted training to the appropriate parties.</p> <p>SNB Internal Audit has also developed an audit plan to review the spending authority on a sample of paid invoices each quarter. The results of this audit are included in the Internal Audit reporting to the Audit and Finance Committee of the SNB Board.</p>
<p>We recommend SNB investigate and correct any unreconciled cash amounts in its monthly bank reconciliations on a timely basis.</p>	<p>SNB recognizes the importance of bank reconciliations and timely adjustments. SNB made significant improvements to the bank reconciliation process in the past year and will continue to see progress on accuracy and timing as a result. Internal Audit continues its quarterly review and report on bank reconciliations.</p>
<p>We recommend SNB refine and document its processes to identify and calculate contract amounts to be disclosed in its financial statements. We recommend evidence of this work be retained for audit purposes.</p>	<p>SNB instituted a new contract disclosure threshold policy for fiscal 2020-21 and will make improvements to this process moving forward. One of these improvements involved documentation of the process to rectify issues identified.</p>

<p>We again recommend SNB implement a new accounting and payroll system. If SNB expects an extended timeframe for completing this project, and if it is cost effective, SNB should process transactions in one system reducing the risk of duplicate payments, fraud and staff inefficiencies.</p>	<p>Duplicate payments: A quarterly procedure continues to be in place to identify potential duplicates and ensure these instances are rectified. All of the duplicates identified through the audit were also identified through SNB's review. SNB always follows up on duplicate payments and will seek to obtain full recovery, as it has in the past.</p> <p>SNB's work to transfer more payments into one system has provided a major decrease in the duplicate payments identified.</p> <p>Data transfer errors: SNB has initiated a monthly reconciliation process by account to ensure that data has correctly transferred from one system to another and that all transfer errors are identified and corrected. This reconciliation process allows SNB to detect significant errors and these are corrected in the next accounting period. This process is inefficient for staff but allows for a very low risk that an error would remain uncorrected in the financial statements.</p>
<p>We recommend SNB review and resolve the weaknesses in internal control and other areas identified in Appendix A as soon as possible.</p>	<p>Once again this year, SNB will separately review and assess the risks identified in Appendix A. Corrective action will only be taken for items identified as high risk and for which there are no mitigating measures in place. Some of these items will remain until the new Enterprise Resource Planning system is fully operational as they are considered as a low-medium risk to the organization or because there is mitigation in place.</p>
<p>We again recommend SNB have signed service level agreements with all its business partners.</p>	<p>Management accepts the recommendation and continues to work with all business partners to sign new agreements. Regardless, work continues and SNB continues to be paid for all services rendered.</p> <p>An extension was provided for the Regional Health Authorities due to the pandemic.</p> <p>Two of the agreements identified in the finding were signed in 2021.</p>

**SECTION 2 – INCLUDES THE REPORTING PERIODS FOR YEARS THREE, FOUR AND FIVE.**

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS	
	TOTAL	IMPLEMENTED
Matters Arising from our Audit of the Financial Statements of the Province, 2020 – SNB, Payroll and Benefits (HRIS) <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf</a>	3	1
Matters Arising from our Audit of the Financial Statements of the Province, 2020 – SNB, Payments Processed through the Imaging Process Management System (IPM) <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf</a>	4	0
Matters Arising from our Audit of the Financial Statements of the Province, 2020 – SNB, Property Tax Assessment System <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Chap9e.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Chap9e.pdf</a>	5	0
Matters Arising from our Audit of the Financial Statements of the Province, 2020 – SNB, Information Technology Infrastructure Audit <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V3/Agrepe.pdf</a>	6	5
Matters arising from the Audit of the Financials Statements of Service New Brunswick, 2019/2020 <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	6	5
Matters Arising from our Audit of the Financial Statements of the Province, 2019 – SNB, Collection of Overdue Property Tax Accounts <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V1/Chap4e.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V1/Chap4e.pdf</a>	1	1
Matters Arising from our Audit of the Financial Statements of the Province, 2019 – SNB, Payroll and Benefits (HRIS) <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	3	1

Matters Arising from our Audit of the Financial Statements of the Province, 2019 – SNB, Payments Processed through the Imaging Process Management System (IPM) <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	6	2
Matters Arising from our Audit of the Financial Statements of the Province, 2019 – SNB, Information Technology Infrastructure Audit <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	5	5
Matters Arising from our Audit of the Financial Statements of the Province, 2019 – SNB, Property Tax Assessment System <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	4	1
Matters arising from the Audit of the Financials Statements of Service New Brunswick, 2018/2019 <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf</a>	6	5
Special Examination of Property Assessment Services <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V3/Agrepe.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V3/Agrepe.pdf</a>	25	19
Matters Arising from our Audit of the Financial Statements of the Province, 2017 – Payments Processed through the Image Process Management System (IPM) <a href="http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf">http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf</a>	4	2
Department of Social Development: Advisory Services Contract, 2017 – SNB, Strategic Procurement <a href="https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V1/Chap2e.pdf">https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V1/Chap2e.pdf</a>	3	2
Matters Arising from our Audit of the Financial Statements of the Province, 2017 – SNB, Payroll and Benefits (HRIS) <a href="http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf">http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf</a>	3	1



# Summary of Official Languages activities

Service New Brunswick recognizes its obligations under the *Official Languages Act* and is committed to actively offering and providing quality services in both official languages.

Fifteen official complaints were filed under the act in 2021–2022. All the complaints were deemed to be founded or resolved without requiring an investigation.

## INTRODUCTION

During 2021–2022, Service New Brunswick continued to ensure its obligations under the *Official Languages Act* were met throughout the organization. Below are associated activities that were carried out on an ongoing basis during the year in question.

### FOCUS 1

Ensure access to service of equal quality in English and French throughout the province:

- The Annual Customer Satisfaction Survey includes a question for customers to confirm if they received the service in the official language of their choice.

### FOCUS 2

An environment and climate that encourages, for all employees, the use of the official language of their choice in their workplace:

- As part of the annual Performance Review process, all employees are required to review the Language of Service and Language of Work policies and discuss with their managers.
- Training sessions to managers and employees were offered in both official languages.

### FOCUS 3

Ensure that new and revised government programs and policies considered the realities of the province's official language communities:

- Presentations on official languages are part of the orientation for new employees.

### FOCUS 4

Ensure public service employees have a thorough knowledge and understanding of the Official Languages Act, relevant policies, regulations, and the province's obligations with respect to official languages:

- Employees were asked to complete the online modules on Language of Service and Language of Work to build on their knowledge of the *Official Languages Act*.

### CONCLUSION

During 2021-2022, Service New Brunswick continued to apply tools that help employees work in the language of their choice. The organization continues to work toward achievement of the objectives set out in the government-wide Official Languages Action Plan.

# Report on the *Public Interest Disclosure Act*

Service New Brunswick has policies and processes designed to manage public interest disclosures as required by the *Public Interest Disclosure Act*. Service New Brunswick received no claims or disclosures of wrongdoing in the 2021-2022 fiscal year.





# Appendix: Financial Statements


## Service New Brunswick

### Management Report

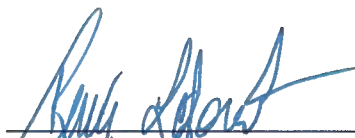
The preparation of financial information is an integral part of management's responsibilities and the accompanying financial statements are the responsibility of the management of the Corporation. This responsibility includes the selection of appropriate accounting policies and making judgments and estimates consistent with Canadian Public Sector Accounting Standards (PSAS).

The Corporation maintains accounting systems and related controls to provide management and the Board of Directors with reasonable assurance that transactions are executed and recorded as authorized, that assets are properly safeguarded and accounted for, and that financial records are reliable for the preparation of financial statements in accordance with PSAS.

It is the responsibility of the Board of Directors to oversee management's performance of its financial reporting responsibilities and to review and approve the financial statements. It is assisted in its responsibilities by the Audit and Finance Committee. This committee reviews and recommends approval of the financial statements, and meets periodically with management and the external auditors concerning internal controls and matters related to financial reporting. Upon the recommendation of the Audit and Finance Committee, these financial statements for the year ended March 31, 2022 are approved by the Board of Directors.



Alan Roy  
Chief Executive Officer



Renée Laforest, CPA, CGA  
Chief Financial Officer

Fredericton, N.B., Canada  
June 29, 2022

## INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Board of Directors of Service New Brunswick

### Report on the Audit of the Financial Statements

#### *Opinion*

I have audited the financial statements of Service New Brunswick (the Entity), which comprise the statement of financial position as at March 31, 2022, and the statements of operations & change in accumulated surplus, change in net financial assets, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and the results of its operations & change in accumulated surplus, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### *Basis for Opinion*

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity 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.

I 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 I identify during my audit.



Janice Leahy, CPA, CA, CIA  
Deputy Auditor General

*Fredericton, New Brunswick, Canada*  
June 29, 2022

# Service New Brunswick

## Statement of Financial Position

As at March 31

	2022	2021
<b>Financial Assets</b>		
Cash and Cash Equivalents	\$ 13,970,669	\$ 13,699,633
Due from Province of New Brunswick	94,998,408	79,704,224
Short-Term Investments	7,000,000	-
Restricted Assets (Note 6)	10,568,182	11,038,474
Accounts Receivable and Advances (Note 7)	22,052,035	20,442,577
Long-Term Investments	-	7,000,000
<b>Total Financial Assets</b>	<b>148,589,294</b>	<b>131,884,908</b>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 8)	\$ 33,742,573	\$ 28,074,549
Partner Liabilities (Note 9)	3,583,284	4,371,810
Deferred Receipts	285,212	284,705
Land Titles Assurance (Note 10)	6,984,898	6,666,664
<b>Total Liabilities</b>	<b>44,595,967</b>	<b>39,397,728</b>
<b>Net Financial Assets</b>	<b>\$103,993,327</b>	<b>\$ 92,487,180</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	\$ 64,163,953	\$ 68,642,066
Inventory	115,538	145,346
Prepaid Expenses	23,345,317	24,052,100
<b>Total Non-Financial Assets</b>	<b>87,624,808</b>	<b>92,839,512</b>
<b>Accumulated Surplus</b>	<b>\$191,618,135</b>	<b>\$ 185,326,692</b>

The accompanying notes are an integral part of these Financial Statements.

Contingent Liabilities (Note 13)

Commitments (Note 14)

Approved on Behalf of the Board

  
 Karen O. Taylor  
 Chair - Board of Directors

  
 Doug Gaudett, CPA, CA  
 Director

# Service New Brunswick

## Statement of Operations & Change in Accumulated Surplus

For the year ended March 31

	Budget Note 3	2022	2021
<b>Revenue</b>			
Government Transfers	\$183,064,425	\$ 195,836,696	\$ 183,624,639
Products and Services	51,983,351	61,678,231	64,218,836
Municipal Services	13,590,669	13,879,514	13,445,795
Registry Services	25,256,850	29,320,635	25,422,363
Rebates and Recoveries	2,709,000	2,755,129	3,542,279
Investment Income	126,000	152,957	328,051
<b>Total Revenue</b>	<b>276,730,295</b>	<b>303,623,162</b>	<b>290,581,963</b>
<b>Expense</b>			
Executive Administration	765,679	583,694	538,755
Finance, Human Resources and Strategy	17,778,515	18,577,787	18,623,684
Strategic Procurement	5,016,323	5,409,979	4,881,210
Technology Services	154,580,193	160,583,730	163,794,362
Health Services	39,579,188	48,142,661	40,972,402
Enterprise Services	25,378,047	26,884,608	28,178,500
Public Services	33,958,850	37,149,260	35,197,064
<b>Total Expense</b>	<b>277,056,795</b>	<b>297,331,719</b>	<b>292,185,977</b>
<b>Surplus (Deficit)</b>	<b>(326,500)</b>	<b>6,291,443</b>	<b>(1,604,014)</b>
<b>Accumulated Surplus, Beginning of Year</b>		<b>185,326,692</b>	<b>186,930,706</b>
<b>Accumulated Surplus, End of Year</b>		<b>\$ 191,618,135</b>	<b>\$ 185,326,692</b>

The accompanying notes are an integral part of these Financial Statements.

# Service New Brunswick

## Statement of Change in Net Financial Assets

For the year ended March 31

	Budget Note 3	2022	2021
<b>Net Financial Assets, Beginning of Year</b>	\$ 92,487,180	\$ 92,487,180	\$101,844,992
Surplus (Deficit)	(326,500)	<b>6,291,443</b>	(1,604,014)
Loss on Disposal of Tangible Capital Assets	-	<b>570,128</b>	1,068,536
Proceeds from Disposal of Tangible Capital Assets	-	<b>15,368</b>	150
Acquisition of Tangible Capital Assets (Note 11)	(10,478,628)	<b>(4,830,471)</b>	(8,902,953)
Amortization of Tangible Capital Assets	10,664,377	<b>8,723,088</b>	9,041,064
Net Changes in Prepaid Expenses	-	<b>706,783</b>	(9,055,937)
Net Changes in Inventory	-	<b>29,808</b>	95,342
<b>Increase (Decrease) in Net Financial Assets</b>	<b>(140,751)</b>	<b>11,506,147</b>	<b>(9,357,812)</b>
<b>Net Financial Assets, End of Year</b>	<b>\$ 92,346,429</b>	<b>\$103,993,327</b>	<b>\$ 92,487,180</b>

The accompanying notes are an integral part of these Financial Statements.

# Service New Brunswick

## Statement of Cash Flows

For the year ended March 31

	2022	2021
<b>Cash and Cash Equivalents Generated by (used in):</b>		
<b>Operating Transactions</b>		
Surplus (Deficit)	\$ 6,291,443	\$ (1,604,014)
Amortization of Tangible Capital Assets	8,723,088	9,041,064
Loss on Disposal of Tangible Capital Assets	570,128	1,068,536
Accounts Receivable and Advances (Note 7)	(1,609,458)	2,926,585
Due from Province of New Brunswick	(15,294,184)	3,935,207
Accounts Payable and Accrued Liabilities (Note 8)	5,668,024	(2,506,326)
Prepaid Expenses	706,783	(9,055,937)
Land Titles Assurance (Note 10)	318,234	236,666
Partner Liabilities (Note 9)	(788,526)	2,789,321
Deferred Receipts	507	(2,342)
Inventory	29,808	95,342
Restricted Assets (Note 6)	470,292	(3,025,987)
	<b>5,086,139</b>	<b>3,898,115</b>
<b>Capital Transactions</b>		
Acquisition of Tangible Capital Assets (Note 11)	(4,830,471)	(8,902,953)
Proceeds from Disposal of Tangible Capital Assets	15,368	150
	<b>(4,815,103)</b>	<b>(8,902,803)</b>
<b>Investing Transactions</b>		
Investments Redeemed	-	12,000,000
	-	12,000,000
<b>Increase in Cash and Cash Equivalents</b>	<b>271,036</b>	<b>6,995,312</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>13,699,633</b>	<b>6,704,321</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>\$ 13,970,669</b>	<b>\$ 13,699,633</b>

The accompanying notes are an integral part of these Financial Statements.

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### 1. Description of Operations

Service New Brunswick (hereafter referred to as “the Corporation”) is a non-taxable Crown Corporation established under the *Service New Brunswick Act* (hereafter referred to as “the Act”) which was proclaimed and came into force October 1, 2015.

The Corporation has no share capital and the Act does not provide for this. However, the Act does stipulate that any profits may be appropriated by the Crown at the discretion of the Minister of Finance. The Corporation is not subject to any externally imposed capital requirements and has the ability to borrow funds when necessary.

The Corporation was formed as a result of the restructuring of the former common services organizations, the New Brunswick Internal Services Agency, Service New Brunswick, the Department of Government Services and FacilicorpNB into one common services organization Service New Brunswick. Its mission is providing high quality, innovative public services for customers with a focus on value for all New Brunswickers.

### 2. Summary of Significant Accounting Policies

#### *General*

These financial statements are prepared by management using the Corporation's accounting policies stated below, which are in accordance with Canadian public sector accounting standards (PSAS) as issued by the Public Sector Accounting Board.

#### *Cash and Cash Equivalents*

The Corporation considers cash balances with banks, net of overdrafts, as cash and cash equivalents. The cash balance of Restricted Assets (Note 6) is held by the Province on behalf of the Corporation.

#### *Due from Province of New Brunswick*

Represents the net amount of Province of New Brunswick (“the Province”) funds used by the Corporation in the course of its operations. The amount is payable to the Corporation on demand and is not interest bearing. It does not include all amounts owing to or receivable from the Province (Note 5).

#### *Investments*

The Corporation holds investments in the form of short-term and long-term Guaranteed Investment Certificates of varying interest rates. Short-term investments mature within the subsequent fiscal year while long-term investments are held to a maximum of five years.



# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### *Note 2 (Continued)*

#### *Asset Classification*

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not to be consumed in the normal course of operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but instead are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include prepaid expenses, inventory and tangible capital assets.

#### *Restricted Assets*

Management has amounts Due from Province of New Brunswick equal to the amount of Partner Liabilities (Note 9) and the amount accumulated under Land Titles Assurance (Note 10).

#### *Tangible Capital Assets*

Tangible capital assets are assets owned by the Corporation which have useful lives greater than one year. For practical purposes certain dollar thresholds have been established for each asset. Intangible assets are not recognized in the financial statements.

Tangible capital assets are reported at cost and amortized on a straight-line basis over their estimated useful lives.

In the year of acquisition and disposal, one-half of the annual amortization expense will be recorded.

#### **Thresholds and Amortization Rates**

<b>Class</b>	<b>Cost Thresholds</b>	<b>Amortization Rate</b>
Land	Any	n/a
Buildings	\$ 100,000	40 years
Leasehold Improvements	\$ 100,000	Lease Term
Capital Leases (various classes)	As per related class	Lease Term
Computer Hardware	\$ 100,000	5 years
Computer Software	\$ 100,000	5 years
Motor Vehicles	\$ 15,000	5 – 10 years
Major Equipment	\$ 100,000	5 – 15 years
Databases and Systems	\$ 100,000	5 – 15 years
First Time Equipping of New Buildings	\$ 100,000	5 years
Assets Under Construction	As per related class	n/a

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### *Note 2 (Continued)*

#### *Revenues*

Government transfers are provided by the Province in the form of appropriations, operating and capital grants in accordance with Government's Main Estimates process. Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Deferred government transfer revenue is recognized in the statement of operations & change in accumulated surplus as the liabilities are settled.

Other revenues; including Products and Services, Municipal Services and Registry Services are recognized in the period in which the transactions or events occurred that gave rise to the revenues. Gains are generally recognized when realized. Items not practicably measurable until cash is received would be accounted for at that time.

#### *Deferred Receipts*

Monies received in consideration for the development of Tangible Capital Assets such as systems are initially accounted for as deferred receipts, and recognized as revenue in the period in which the system is completed.

#### *Pension Contributions*

The Corporation has shared risk pension plans in accordance with New Brunswick's *Pension Benefits Act*. Certain employees of the Corporation are entitled to receive benefits under these plans. Employer pension contributions are accounted for by the Province on behalf of the Corporation. The Corporation is not responsible for any unfunded liability nor does it have access to any surplus with respect to its employee pensions.

The Corporation's employer contributions are made by the Province as described below.

#### *Expenses Paid by Other Parties*

The Corporation's employer contributions are made by the Province as described in Note 5.

#### *Inter-entity Transactions*

Inter-entity transactions (transactions between commonly controlled entities) are recorded at the exchange amount when they are undertaken on similar terms and conditions as if the entities were dealing at arm's length. Cost allocations (such as chargebacks) to/from commonly controlled entities are recorded on a gross basis.

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### *Note 2 (Continued)*

#### *Financial Instruments*

Financial assets and liabilities are initially recognized at fair value and their subsequent measurement is dependent on their characteristics, the purpose for which the financial instruments were acquired or issued, and how they are evaluated or managed.

All financial assets and liabilities, not including Deferred Receipts, are subsequently measured at cost or amortized cost. For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

#### *Measurement Uncertainty*

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of the useful lives of tangible capital assets for amortization, allocation of costs, Land Titles Assurance as well as the accrual of certain expenses and service delivery revenues. Actual results could differ from management's estimates as additional information becomes available in the future.

The COVID-19 pandemic was declared in March 2020 and remains on-going. The extent and timing of the continued spread, or mitigation, of the COVID-19 virus remains uncertain. Given this uncertainty, the Corporation cannot reasonably estimate the future impact of the COVID-19 virus on the significant areas requiring the use of management estimates.

#### *Inventory*

Inventory includes paper stock and supplies used in the Print Centre, postage on hand in Postal Services and is recorded at the lower of cost or net realizable value.

#### *Prepaid Expenses*

Prepaid expenses include maintenance and support amounts, in excess of \$10,000, which are charged to expense over the periods expected to benefit from it.

### **3. Budget**

The budget figures included in these financial statements have been derived from management's estimates and approved by the Corporation's Board of Directors.

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### 4. Risk Management

The carrying value of the Corporation's financial instruments are assumed to approximate their fair amounts because of their short term to maturity.

An analysis of significant risk from the Corporation's financial instruments is provided below:

#### a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. Significant accounts receivable balances are due from related entities of the Province (\$15,636,768 as described in Note 5). These balances are considered low risk due to excellent collection history. The Corporation's maximum exposure to credit risk at March 31, 2022 is equal to the accounts receivable balance of \$22,075,503. Credit risk is not disbursed as the majority of the accounts receivable balance consists of amounts due from related entities of the Province and two reputable vendors noted above.

#### b) Liquidity risk

Liquidity risk is the risk of not being able to settle or meet an obligation on time or at a reasonable price. The Corporation manages liquidity risk through its Due From Province of New Brunswick to ensure sufficient cash availability to meet operating and capital requirements.

#### c) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments. The Corporation's management considers exposure to interest rate risk to be insignificant.

#### d) Currency risk

Currency risk arises on financial instruments denominated in a foreign currency. The Corporation is exposed to currency risk on purchases and that are denominated in a currency other than the Corporation's functional currency, primarily in US Dollars (USD). The Corporation's foreign currency transactions are normally settled in the short term, therefore management considers exposure to currency risk to be insignificant.

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### 5. Related Entity Transactions

The Corporation is economically dependent on the Province of New Brunswick. During the fiscal year, the Corporation received funding of \$195,836,696 (\$183,624,639 in 2021) from the Province. These financial statements include transactions with related entities.

The Corporation is related to the Province and all departments, agencies, commissions, and Crown corporations under common control of the Province.

As part of its common services mandate, the Corporation provides services for payroll, payment processing, information technology, procurement, laundry, collections and other administrative support services to the Province and many other entities under common control of the Province.

Transactions with the Province of New Brunswick and entities under common control of the Province are settled on normal trade terms, with the exception of the items noted below:

- The Corporation uses some office space for which rent is paid for by the Province.
- The Province contributes certain other services, such as legal and personnel services pending subsequent transfer to the Corporation.
- The Province records the employer expenses for the following: Pension contributions, Canada Pension Plan contributions, Retirement Allowance payments, Group Life Insurance, and Supplementary Employee Retirement Program on behalf of the Corporation. These expenses along with the Sick Leave Liability Accrual, Worksafe Liability Accrual, and vacation liability are not presented in these financial statements. Under the agreed operating terms of the Corporation, these benefit plan balances are obligations/assets of the Province and are not assumed by the Corporation.
- Items recorded on a net basis such as IT procurement and telephone.

There are no contractual obligations or contingent liabilities with related entities.

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

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### Note 5 (Continued)

The Statement of Financial Position contains the following related entity amounts.

	<u>2022</u>	<u>2021</u>
Due from Province of New Brunswick	\$ 94,998,408	\$ 79,704,224
Accounts Receivable	15,636,768	15,218,242
Accounts Payable and Accrued Liabilities	(1,698,982)	(2,108,980)
Partner Liabilities	(3,124,806)	(3,858,488)
<b>Net Due to the Corporation</b>	<b>\$105,811,388</b>	<b>\$ 88,954,998</b>

The Statement of Operations & Change in Accumulated Surplus contains the following amounts that were received from or paid to the Province of New Brunswick related entities:

	<u>2022</u>	<u>2021</u>
Revenue	\$266,293,773	\$255,595,113
Expense	(3,140,175)	(3,515,833)
<b>Net Revenue</b>	<b>\$263,153,598</b>	<b>\$252,079,280</b>

### 6. Restricted Assets

	<u>2022</u>	<u>2021</u>
Partner Liabilities (Note 9)	\$ 3,583,284	\$ 4,371,810
Land Titles Assurance (Note 10)	6,984,898	6,666,664
	<b>\$ 10,568,182</b>	<b>\$ 11,038,474</b>

### 7. Accounts Receivable and Advances

	<u>2022</u>	<u>2021</u>
Accounts Receivable	\$ 21,325,066	\$ 19,802,851
Advances	685,489	618,739
Accrued Interest	64,948	64,948
Provision for Doubtful Accounts	(23,468)	(43,961)
	<b>\$ 22,052,035</b>	<b>\$ 20,442,577</b>

# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

### 8. Accounts Payable and Accrued Liabilities

	<u>2022</u>	<u>2021</u>
Accounts Payables and Accrued Liabilities	\$ 16,092,192	\$ 20,309,702
Salary and Benefits Payable	17,650,381	7,764,847
	<u>\$ 33,742,573</u>	<u>\$ 28,074,549</u>

### 9. Partner Liabilities

The Corporation collects amounts on behalf of the Province of New Brunswick and other business partners. The following amounts were payable to the Province and other partners at the end of the year.

	<u>2022</u>	<u>2021</u>
Province of New Brunswick	\$ 3,040,317	\$ 3,764,911
Other Partners	542,967	606,899
	<u>\$ 3,583,284</u>	<u>\$ 4,371,810</u>

### 10. Land Titles Assurance

Under the *Land Titles Act*, the Province guarantees title to real property registered under Land Titles. The Corporation has established a charge, based on an actuarial estimate, to cover potential claims pertaining to indemnification pursuant to the *Land Titles Act*. An assurance fee of \$3.00 is charged for each registration in the Land Titles registry:

	<u>2022</u>	<u>2021</u>
Opening Balance	\$ 6,666,664	\$ 6,429,998
Assurance Fees Collected	318,234	264,480
Assurance Claims Paid	-	(27,814)
	<u>\$ 6,984,898</u>	<u>\$ 6,666,664</u>

# Service New Brunswick

Notes to the Financial Statements

For the year ended March 31, 2022

## 11. Tangible Capital Assets

	Computer Hardware and Software	Land and Buildings	Databases and Systems	Motor Vehicles	Major Equipment	Leasehold Improvements	First Time Equipping of Buildings	Assets Under Construction (AUC)	March 31 2022 Total	March 31 2021 Total
Estimated Useful Life (Years)	5 Years	Buildings 40 Years	5 - 15 Years	5 - 10 Years	5 - 15 Years	Lease Term	5 Years			
<b>Cost</b>										
Opening Cost	\$ 24,008,562	\$ 19,633,256	\$ 59,309,024	\$ 549,080	\$ 23,142,520	\$ 14,019,070	\$ 2,945,094	\$ 4,442,148	\$ 148,048,754	\$ 156,328,227
Transferred from AUC	-	1,136,995	-	-	1,814,239	148,767	-	(3,100,001)	-	-
Additions	1,574,526	352,926	-	22,311	531,737	337,699	252,111	1,759,161	4,830,471	8,902,953
Disposals	(1,829,688)	-	-	(41,767)	(786,398)	-	-	-	(2,657,853)	(17,182,426)
<b>Closing Cost</b>	<b>23,753,400</b>	<b>21,123,177</b>	<b>59,309,024</b>	<b>529,624</b>	<b>24,702,098</b>	<b>14,505,536</b>	<b>3,197,205</b>	<b>3,101,308</b>	<b>150,221,372</b>	<b>148,048,754</b>
<b>Accumulated Amortization</b>										
Opening Accumulated Amortization	15,603,108	3,685,158	47,571,933	273,060	4,460,442	5,903,631	1,909,356	-	79,406,688	86,479,364
Disposals	(1,829,688)	-	-	(37,303)	(205,366)	-	-	-	(2,072,357)	(16,113,740)
Amortization Expense	3,214,353	433,291	2,620,218	77,074	1,600,969	521,808	255,375	-	8,723,088	9,041,064
<b>Closing Accumulated Amortization</b>	<b>16,987,773</b>	<b>4,118,449</b>	<b>50,192,151</b>	<b>312,831</b>	<b>5,856,045</b>	<b>6,425,439</b>	<b>2,164,731</b>	<b>-</b>	<b>86,057,419</b>	<b>79,406,688</b>
<b>Net Book Value</b>	<b>\$ 6,765,627</b>	<b>\$ 17,004,728</b>	<b>\$ 9,116,873</b>	<b>\$ 216,793</b>	<b>\$ 18,846,053</b>	<b>\$ 8,080,097</b>	<b>\$ 1,032,474</b>	<b>\$ 3,101,308</b>	<b>\$ 64,163,953</b>	<b>\$ 68,642,066</b>

Assets Under Construction at March 31, 2022 is as follows:

Databases and Systems	\$ 1,371,174
Major Equipment	1,451,516
Computer Hardware & Software	278,618
Buildings	-
<b>Total</b>	<b>\$ 3,101,308</b>



# Service New Brunswick

## Notes to the Financial Statements

For the year ended March 31, 2022

### 12. Expenses by Object

	<u>2022</u>	<u>2021</u>
Personnel Services	<b>\$154,568,501</b>	\$137,913,660
Supplies and Services	<b>133,373,668</b>	143,946,898
Debt and Other Charges	<b>666,462</b>	1,284,355
Amortization	<b>8,723,088</b>	9,041,064
	<b>\$297,331,719</b>	\$292,185,977

### 13. Contingent Liabilities

The Corporation does not carry general liability insurance on the majority of its assets. Any successful liability claims against the Corporation and any replacement of lost or damaged property are generally charged to expense in the year of settlement or replacement.

The Corporation is involved in legal actions which the outcome is not determinable and where management believes there is no material loss. These amounts are not disclosed to prevent adverse effects on the outcome of the litigations.

### 14. Commitments

The Corporation has commitments related to office space and contractual agreements. Minimum payments for these commitments are estimated as follows:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>Thereafter</u>
Office Space	\$6,047,332	\$5,577,821	\$4,721,724	\$3,435,377	\$1,442,782	\$5,157,921
Contractual Agreements	34,906,894	18,236,257	11,212,956	8,146,429	2,619,233	5,780,446
<b>Total</b>	<b>\$40,954,226</b>	<b>\$23,814,078</b>	<b>\$15,934,680</b>	<b>\$11,581,806</b>	<b>\$4,062,015</b>	<b>\$10,938,367</b>

The Corporation enters into other contractual arrangements on a regular basis in its normal course of operations.