



qathet
REGIONAL DISTRICT

BRITISH COLUMBIA

Financial Statements

For the year ended December 31, 2024





qathet REGIONAL DISTRICT

Financial Statements for the year ending December 31, 2024

Management's Responsibility for the Financial Statements

Independent Auditor's Report

Financial Statements

Statement of Financial Position	1
Statement of Operations	2
Statements of Changes in Net Financial Assets (Net Debt)	3
Statement of Cash Flows	4
Summary of Function Balances and Accumulated Surplus	5
Notes to Financial Statements	6

Schedules

Schedule I - Tangible Capital Assets Continuity	21
Schedule II - Asset Retirement Obligation Continuity	22
Schedule III - Segment Disclosure for year ended 2024	23
Schedule IV - Segment Disclosure for year ended 2023	24



qathet REGIONAL DISTRICT

Management's Responsibility for the Financial Statements

The accompanying financial statements of the qathet Regional District have been prepared in accordance with the Canadian public sector accounting standards and are outlined under significant accounting policies in the notes to the financial statements. Management is responsible for the integrity and objectivity of these statements as well as the supplementary schedules. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management maintains a system of internal controls to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. Management also maintains a program of proper business compliance. These systems are regularly monitored and evaluated by management.

The Board of Directors is responsible for reviewing and approving the financial statements and for ensuring that management fulfils its responsibility for financial reporting and internal control.

The financial statements have been audited by MNP LLP, independent external auditors appointed by the qathet Regional District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the qathet Regional District's financial statements.

Chief Administrative Officer

Chief Financial Officer

To the Board of Directors of the qathet Regional District:

Opinion

We have audited the financial statements of qathet Regional District (the "Regional District"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net financial assets, summary of function balances and accumulated surplus and cash flows for the year then ended, and notes to the financial statements, including Schedules I to IV, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2024, and the results of its operations net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information, comprising the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Regional District'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 Regional District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Regional District'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 Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Regional District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Nanaimo, British Columbia

April 29, 2025

MNP LLP


Chartered Professional Accountants

qathet Regional District
Statement of Financial Position
As at December 31, 2024


	2024	2023 (Note 22)
Financial Assets		
Cash and short-term investments (Note 4)	\$ 24,030,369	\$ 24,779,442
Receivable from member municipality (Notes 7 & 8)	31,578,313	32,569,684
Accounts receivable	1,976,878	1,789,215
Total Financial Assets	57,585,560	59,138,340
Liabilities		
Accounts payable (Note 20)	1,982,451	3,341,683
Due to qathet Regional Hospital District (Notes 4 & 21)	9,083,376	7,677,481
Development cost charges	10,587	10,071
Deferred revenue	231,100	331,657
Long-term debt (Note 7)		
Member municipality	31,578,313	32,569,684
Regional District	6,779,181	6,938,495
Equipment financing and short term debt (Notes 5 & 6)	7,915,446	6,447,034
Asset retirement obligation (Note 9, Schedule II)	1,549,389	1,519,015
Total Liabilities	59,129,843	58,835,120
Net Financial Assets (Net Debt)	(1,544,284)	303,220
Non-Financial Assets		
Tangible capital assets (Schedule I)	45,376,030	39,360,058
Prepaid expenses	341,775	369,627
Total Non-Financial Assets	45,717,805	39,729,685
Accumulated surplus (Note 15)	\$ 44,173,521	\$ 40,032,905

Commitments (Note 12)
Contingent liabilities (Note 13)

Approved on behalf of the Board:



Chair



Chief Financial Officer

qathet Regional District
Statement of Operations
For the year ended December 31, 2024

	2024 Budget (Note 19)	2024 Actual	2023 Actual
Revenue			
Taxation levies	\$ 11,989,820	\$ 11,988,416	\$ 10,088,130
Parcel tax	461,062	461,062	290,965
Grants	5,040,235	2,683,471	4,533,568
Waste management tipping fees	1,700,455	1,716,399	1,600,588
Park fees	252,400	240,112	222,361
Water and sewer user fees	191,780	193,742	172,633
Interest revenue	285,587	739,620	776,210
Other revenue	491,383	796,593	1,362,939
Gain (loss) on disposal of tangible capital assets	-	(7,852)	-
Gain from actuarial adjustment on debenture debt	-	12,336	10,662
	<u>20,412,722</u>	<u>18,823,899</u>	<u>19,174,685</u>
Expenses (Note 23)			
General government services	4,001,245	2,903,098	2,304,899
Development services	846,039	545,592	745,473
Solid waste management and recycling	4,556,641	4,439,632	3,194,882
Other services	881,357	822,224	832,120
Parks and recreation services	2,388,286	2,281,780	2,233,306
Protective services	3,189,705	3,003,336	2,714,610
Public health and welfare services	120,463	142,694	131,295
Transportation services	229,429	202,501	214,733
Water services	159,768	156,319	155,301
Sewer services	194,406	186,106	259,294
	<u>16,567,339</u>	<u>14,683,283</u>	<u>12,785,911</u>
Annual Surplus	3,845,383	4,140,616	6,388,774
Accumulated surplus, beginning of year	40,032,905	40,032,905	33,644,131
Accumulated surplus, end of year (Note 15)	<u>\$ 43,878,288</u>	<u>\$ 44,173,521</u>	<u>\$ 40,032,905</u>

qathet Regional District
Statement of Changes in Net Financial Assets (Net Debt)
For the year ended December 31, 2024

	2024 Budget (Note 19)	2024 Actual	2023 Actual
Annual Surplus	\$ 3,845,383	\$ 4,140,616	\$ 6,388,774
Acquisition of tangible capital assets	(8,467,703)	(6,965,056)	(14,080,945)
Recognition of asset retirement obligations	-	-	(1,306,734)
Amortization of tangible capital assets	-	970,313	1,102,101
Accretion of asset retirement obligations	-	(29,081)	-
Gain (loss) on disposal of tangible capital assets	-	7,852	-
Change in prepaid expenses	-	27,852	29,961
Change in net financial assets (net debt)	(4,622,320)	(1,847,504)	(7,866,843)
Net financial assets (net debt) , beginning of year	303,220	303,220	8,170,063
Net financial assets (net debt), end of year	\$ (4,319,100)	\$ (1,544,284)	\$ 303,220

qathet Regional District
Statement of Cash Flows
For the year ended December 31, 2024

	2024	2023
Cash provided (used in)		
Operating Transactions		
Annual surplus	\$ 4,140,616	\$ 6,388,774
Landfill closure and post closure recoveries (costs)	1,292	(12,635)
Items not involving cash		
Amortization of tangible capital assets	970,313	1,102,101
Gain on disposal of tangible capital assets	7,852	-
Gain from actuarial adjustment on debenture debt	(12,336)	(10,662)
Changes in balances		
Accounts receivable	(187,663)	(565,163)
Prepaid expenses	27,852	29,961
Accounts payable	(1,359,231)	1,291,922
Deferred revenue	(100,557)	173,225
	<u>3,488,138</u>	<u>8,397,523</u>
Capital Transactions		
Acquisition of tangible capital assets	(6,965,056)	(14,080,945)
	<u>(6,965,056)</u>	<u>(14,080,945)</u>
Financing Transactions		
Debt proceeds	1,702,833	9,627,737
Change in due to qathet Regional Hospital District	1,405,895	1,002,436
Development cost charges	515	471
Repayment of long-term debt, leases and short-term borrowing	(381,398)	(93,872)
	<u>2,727,845</u>	<u>10,536,772</u>
Increase (decrease) in cash and short-term investments during the year	<u>(749,073)</u>	<u>4,853,350</u>
Cash and short-term investments, beginning of year	<u>24,779,442</u>	<u>19,926,092</u>
Cash and short-term investments, end of year (Note 4)	<u>\$ 24,030,369</u>	<u>\$ 24,779,442</u>

qathet Regional District
Summary of Function Balances and Accumulated Surplus
For the year ended December 31, 2024

	2024	2023
Function Balances		
Administration and general	\$ 314,784	\$ 379,395
Planning	40,000	5,506
Waste management	(466,842)	35,000
Cemetery operations	30,000	42,038
Malaspina fire protection area	45,000	34,970
Lasqueti fire protection area	149,092	47,200
Savary fire protection area	40,000	-
Northside fire protection	30,000	(2,534)
Texada recreation commission	-	18,080
Texada airport	57,000	50,000
House numbering	7,235	10,862
Recreation program	94	1,019
Rural paratransit	33,068	56,917
Emergency program area C & D	50	49
Electoral area feasibility study	20,000	-
Library services	-	4,113
Lasqueti Island library services	1	2
Lasqueti Island marine ramp	-	27
Northside recreation	55,000	8,230
Emergency preparedness service	(18,602)	9,769
Septage sludge disposal	1	(6)
Economic development	3,845	21,436
Water fund - Myrtle pond	29,783	20,000
Sewer fund - Lund sewer	20,000	20,220
Regional animal shelter	-	(1)
Development service	14,525	6,830
Social planning	31,864	99,622
Lasqueti health center	-	29
Total function balances	453,654	898,562
Waste management reserve (Note 15)	-	604,975
Reserve for future expenditure (Note 15)	8,222,279	7,461,152
Statutory reserve fund (Note 15)	6,152,001	6,400,422
Equity in tangible capital assets (Note 14)	29,345,587	24,667,795
Accumulated surplus (Note 15)	\$ 44,173,521	\$ 40,032,905

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

1 Summary of Significant Accounting Policies

qathet Regional District ("the Regional District") is a local government in the Province of British Columbia. The Regional District prepares its financial statements in accordance with Canadian public sector standards using guidelines developed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants.

Following is a summary of the significant accounting policies of the Regional District:

a) Cash and Short Term Investments

Cash and cash equivalents are carried at cost and have a maturity period of less than twelve months.

b) Revenue Recognition

Property tax revenues in the form of local government requisitions are recognized in the year they are levied. Interest and operating grants are recognized as earned. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable. Revenue from transactions with performance obligations are recognized when (or as) the performance obligation is satisfied. User fees, transit, tipping fees and hangar lease fees are recognized as revenue at the time the services or products are provided, and when collection is reasonably assured in accordance with rates set in various fees and charges bylaws and agreements. Other revenues are recorded when earned.

Taxation

Property taxes in the form of local government requisitions are recognized as revenue in the year they are levied.

Development Cost Charges

Development cost charges are recognized as revenue in the year the capital project for which they were collected is undertaken.

b) Revenue Recognition (continued)

Government Transfers

Government transfers, are recognized as revenue in the financial statements 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. Transfers are recognized as deferred revenue if the transfer stipulations give rise to a liability. The transfer revenue is recognized in the statement of operations as the stipulated liabilities are settled.

When the Regional District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.

The most significant government transfers relate to the Community Works Fund. These funds are recognized as revenue in the year the funds are received.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

c) Accrued Employee Benefits

Based on obligations as determined by collective agreement and Board policy, employee benefit accruals, which includes allowance for vacation entitlement, banked time and sick day accruals, are recorded in the year in which they are earned.

d) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the contribution, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use.

Estimate useful lives of tangible capital assets are as follows:

Land improvements	10 to 50 years
Parks infrastructure	35 years
Buildings	20 to 50 years
Machinery and equipment	5 to 35 years
Vehicles	10 to 30 years
Water systems	10 to 80 years
Sewer systems	10 to 80 years
Structures (docks and sheds)	40 to 50 years
Asset Retirement Obligations	28 years

e) Interest on Debt

Interest on debt of the Regional District is recorded on the accrual basis.

f) Financial Instruments

The Regional District recognizes its financial instruments when the Regional District becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

At initial recognition, the Regional District may irrevocably elect to subsequently measure any financial instrument at fair value. The Regional District has made such an election during the year.

The Regional District subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

f) Financial Instruments (continued)

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net measurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

The Regional District has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses).

g) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

h) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards 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 results could differ from management's best estimates as additional information becomes available in the future. Areas requiring the greatest degree of estimation include useful life of tangible capital assets and asset retirement obligations.

A liability for asset retirement obligations reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

i) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible asset (or component thereof) at the financial statement date when there is a legal obligation for the Regional District to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

i) Asset Retirement Obligations (continued)

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the Regional District reviews the carrying amount of the liability. The Regional District recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Regional District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

j) Contaminated Sites

The Regional District is required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the standard including sites no longer in productive use and sites for which the Regional District accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation, therefore no liability exists at December 31, 2024.

2 Change in Accounting Policies

PS3400 - Revenue

On January 1, 2024, the Regional District adopted the Public Sector Accounting Board's (PSAB) new accounting standard PS3400, Revenue. Under the new accounting standard, there are two types of revenue transactions being exchange and non-exchange. If the transaction creates one or more performance obligations, it is an exchange transaction. If no performance obligations exist, it is a non-exchange transaction. There was no material impact on the financial statements from the adoption of this new accounting standard.

PSG-8 - Purchased Intangibles

Effective January 1, 2024 the Regional District adopted Public Sector Guideline (PSG-8), Purchased Intangibles. PSG-8 defines purchased intangibles as identifiable non-monetary economic resources without physical substance acquired through and arm's length exchange transaction between knowledgeable, willing parties who are under no compulsion to act. Management assessed the impact of PSG-8 and found that at present no such items meet the criteria to be recognized as a purchased intangible.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

3 Municipal Finance Authority Reserve Deposits and Demand Notes

The Regional District issues its debt instruments through the Municipal Finance Authority of BC. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority of BC as a debt reserve fund and totals \$78,335 (2023 - \$76,982). The Regional District also executes demand notes in connection with each debenture totaling \$163,797 (2023 - \$166,080) whereby the Regional District may be required to loan certain amounts to the Municipal Finance Authority of BC. All amounts related to the reserve deposits and demand notes are disclosed here and not recorded elsewhere in these financial statements.

4 Cash and Short-Term Investments

	2024	2023
Cash accounts (4.80%)	\$ 3,327,776	\$ 7,688,332
MFA - Bond Fund	3,320,614	3,166,048
MFA - Money Market	14,103,945	6,632,063
Savings Institutions	3,103,309	7,163,288
Other Cash held	174,724	129,711
	24,030,369	24,779,442
Less:		
Portion held for qathet Regional Hospital District	(9,083,376)	(7,677,481)
Cash and short-term investments	\$ 14,946,993	\$ 17,101,961

5 Equipment Financing

The total equipment financing outstanding with the Municipal Finance Authority of British Columbia as at December 31, 2024 was \$715,446 (\$769,867 - 2023).

The qathet Regional District has entered into equipment financing loans for the following:

- 1) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced October 27, 2016 for the purchase of a Malaspina Volunteer Fire service fire truck. The debt was refinanced for a further five years on November 1, 2021. The remaining obligation will be repaid with monthly loan payments in the amount of \$3,863 including interest at a daily varying rate. The balance of the loan at December 31, 2024, which is included in equipment financing, is \$178,276 (2023 - \$214,217). Loan to expire October 31, 2026.

- 2) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced December 21, 2018 for the initial payment on the purchase of two apparatus for the Malaspina Volunteer Fire service. The debt was refinanced for a further five years on January 1, 2024. The remaining obligation will be repaid with monthly loan payments in the amount of \$1,813 including interest at a daily varying rate. The balance of the loan at December 31, 2024, which is included in equipment financing, is \$209,529 (2023 - \$219,989). Loan to expire December 31, 2028.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

5 Equipment Financing (continued)

- 3) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced December 31, 2019 for the balance of the purchase of two fire apparatus for the Malaspina Volunteer Fire service. The loan will be refinanced on January 1, 2025. The remaining obligation will be repaid with monthly loan payments in the amount of \$2,465 including interest at a daily varying rate. The balance of the loan at December 31, 2024, which is included in equipment financing, is \$327,642 (2023 - \$335,662). Loan to expire December 31, 2029.

The daily varying interest rate on the financing at December 31, 2024 was 4.8% (2023 - 5.74%).

Future loan payments on Regional District equipment financing, subject to anticipated refinancing at loan maturities, are as follows:

2025	\$	71,775
2026		73,115
2027		74,375
2028		75,636
2029		53,282
2030 and Beyond		367,262
	<u>\$</u>	<u>715,446</u>

6 Short-Term Debt

On November 24, 2023 the Regional District entered into an agreement with the Municipal Finance Authority of BC (MFA) to borrow \$980,000. This borrowing is projected to be repaid over a period of five (5) years. Interest on the debt is charged at daily varying rates. The MFA's daily varying rate was 4.05% at December 31, 2024 (2023 - 5.61%). The total borrowing outstanding under this agreement at the end of 2024 was \$800,000 (2023 - \$980,000).

On November 27, 2023 the Regional District entered into an agreement to borrow \$6,400,000 from the Municipal Finance Authority of BC (MFA). This borrowing is interim financing and is projected to be converted to long term debt in 2025. Interest on the debt is charged at daily varying rates. The MFA's daily varying rate was 4.05% at December 31, 2024 (2023 - 5.61%).

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

7 Long-Term Debt

Debt of the Regional District	2024	2023
Issued 2004, maturing 2024, 5.50%	\$ -	\$ 5,350
Issued 2010, maturing 2030, 1.28%	27,553	31,617
Issued 2011, maturing 2026, 1.47%	4,212	6,211
Issued 2012, maturing 2042, 3.39%	396,780	412,427
Issued 2013, maturing 2043, 4.52%	47,657	49,404
Issued 2014, maturing 2044, 4.52%	33,584	34,669
Issued 2018, maturing 2038, 3.20%	154,064	162,818
Issued 2022, maturing 2052, 3.36%	718,414	735,998
Issued 2023, maturing 2053, 4.97%	5,396,918	5,500,000
Debt of the qathet Regional District	6,779,181	6,938,494
Debt of the City of Powell River	31,578,313	32,569,684
	\$ 38,357,495	\$ 39,508,179
Future principal repayments on Regional District Debt:		
2025	\$ 159,447	
2026	164,972	
2027	168,519	
2028	174,456	
2029	180,557	
2030 and Beyond	5,931,231	
	\$ 6,779,181	

8 Debt Recoverable from Municipalities

Pursuant to the *Local Government Act*, the Regional District acts as the agency through which its member municipalities borrow funds from the Municipal Finance Authority of BC (MFA). The annual cost of servicing this debt is recovered entirely from the borrowing member municipality. However, in the event of default the Regional District and the other member municipalities are contingently liable to the MFA for this debt.

9 Asset Retirement Obligations

The Regional District ceased taking waste at the Lasqueti Island Landfill and closure of the site was completed in 2021. A technical analysis projects that the landfill will need to be monitored until 2045. Post closure monitoring costs are estimated at \$11,200 per year from 2024 through 2045. Total post closure monitoring costs at December 31, 2024 are estimated at \$315,839 (2023 - \$315,431).

The total liability for post closure care and monitoring presented is based on the present value of the closure and post closure monitoring costs using a discount rate of 3.48%. The discount rate is based on the average change in the Consumer Price Index from 2019 through 2024. As at December 31, 2024 the present value of the post closure monitoring is estimated at \$213,573 (2023 - \$212,281) and this amount has been set aside in reserves for that purpose.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

9 Asset Retirement Obligations (continued)

The Regional District also has a number of assets that contain, or are suspected to contain, hazardous materials and the Regional District is legally required to properly dispose of the assets, or asset components, upon their retirement. The Regional District recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of the assets. The asset retirement cost is amortized on a straight-line basis over the useful life of the assets.

The Regional District estimated the amount of the liability using undiscounted future expenditures estimated to retire the tangible capital assets. The significant assumptions used to determine the best estimate of the liability include:

- Information for each asset with a potential ARO was compiled including: the estimated cost of ARO remediation, the age (or purchase date) of the asset, the useful life for depreciation purposes, the expected ARO obligation year.
- As management does not have plans to retire the assets the undiscounted estimated retirement cost was used.
- Estimates of costs to remediate the assets were derived from publicly available cost estimates, adjusted for the Regional District's location and distance from disposal sites.

10 The North Island 9-1-1 Corporation

The 911 emergency dispatch service is provided by the North Island 9-1-1 Corporation which is owned by the Regional Districts of Comox Valley, Nanaimo, Strathcona, Alberni Clayoquot, Mount Waddington and qathet. The shares in the corporation at December 31, 2024 are held as follows:

Alberni Clayoquot	13.64 shares
Comox Valley	31.26 shares
Mount Waddington	3.53 shares
Nanaimo	24.33 shares
qathet	8.42 shares
Strathcona	18.82 shares

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

11 Pension Plan

The qathet Regional District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as of December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2024, with results available in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

The Regional District paid \$223,219 (2023 - \$215,220) for employer contributions while employees contributed \$206,435 (2023 - \$199,037) to the plan in fiscal 2024.

12 Commitments

The Regional District has the following commitments:

A waste transport service at an estimated cost of \$611,000/year until June 30, 2026.

A waste transport and disposal service at an estimated cost of \$961,000/year until December 31, 2026 with automatic renewal for successive three year periods until cancelled with notice.

A recycling depot operating contract at an estimated cost of \$208,000/year until October 31, 2025 with a guarantee that the cost of transportation shall not exceed exceed a total of \$100,000 per year.

A septage sludge disposal service with payments of \$14,042/year until 2025 with annual cost of living indexing until cancelled with notice.

A contribution to the SPCA of \$100,354/year with annual cost of living indexing until cancelled with notice.

An agreement with an estimated annual cost of \$125,303 for the maintenance and operation of Shelter Point Regional Park until March 31, 2025.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

12 Commitments (continued)

An agreement with an estimated annual cost of \$267,810 toward operation of the Heritage Conservation service with no stated termination date.

An agreement for a funding contribution of approximately \$177,000/year toward operation of the Powell River Recreation Complex with a termination date of December 31, 2023.

An agreement with an estimated cost of \$39,000/year for the collection and transportation of Lasqueti Island's residual waste with an expiry date of December 31, 2025.

An agreement with an estimated cost of \$189,515/year for operation of the paratransit service with an expiry date of March 31, 2025.

An agreement with an estimated cost of \$495,066/year for the provision of a library service with an expiry date of March 31, 2025.

An agreement with an estimated cost of \$240,087 for the provision of 911 services in the qathet region for the year 2025.

An agreement with an estimated cost of \$199,875 for the Community Wildfire Resilience Plan with an expiry date of February 28, 2025.

An agreement with an estimated cost of \$5,669,871 for a design-build contract to be completed by March 31, 2026.

13 Contingent Liabilities

There is a lawsuit pending against the Regional District. It is the opinion of management that the amount of settlement for this claim cannot be reasonably estimated, nor can the likelihood of its outcome be known at this time. The final determination of this claim is not expected to materially affect the financial position of the Regional District. Any ultimate settlement will be recorded in the year the settlement occurs.

14 Equity in Tangible Capital Assets

	2024	2023
Equity in tangible capital assets, beginning of year	\$ 24,667,795	\$ 21,212,154
Tangible capital assets additions	7,995,814	15,453,598
Construction in progress completed	(1,030,758)	(65,919)
Amortization of tangible capital assets	(876,362)	(1,102,101)
Asset retirement obligations recognized	-	(1,306,734)
Amortization of asset retirement obligations	(64,870)	-
Asset retirement accretion	(29,081)	-
Additions funded by debt and equipment financing	(1,702,833)	(9,627,737)
Equipment financing debt proceeds	-	-
Long-term debt payments	159,313	56,059
Short-term debt payments	234,421	48,475
Capital assets disposal	(7,852)	-
Equity in tangible capital assets, end of year	\$ 29,345,587	\$ 24,667,795

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

15 Accumulated Surplus

The Regional District segregates its accumulated surplus into the following categories: function balances, provisions for future expenditure (both capital and operating), equity in tangible capital assets, reserve funds and unspent capital funds.

	2024	2023
Function balances	\$ 453,654	\$ 898,562
Waste Management Reserve	-	604,975
Reserve for future expenditures	8,222,279	7,461,152
Statutory Reserve fund	6,152,001	6,400,422
Equity in Tangible Capital Assets (Note 13)	29,345,587	24,667,795
	\$ 44,173,521	\$ 40,032,905

The equity in tangible capital assets represents amounts already spent and invested in infrastructure and other tangible capital assets.

Statutory Reserve funds represent funds set aside by bylaw or board resolution for specific purposes. Details of reserve funds are shown below:

Represented by:

	2024	2023
Texada Medical Clinic capital reserve	\$ 155,071	\$ 131,966
Malaspina Volunteer Fire capital reserve	405,915	363,816
Malaspina Volunteer Fire capital reserve #2	593,167	456,836
Lasqueti Island Volunteer Fire capital reserve	342,407	344,854
Northside Volunteer Fire capital reserve	519,976	529,237
Savary Island Volunteer Fire capital reserve	686,181	589,162
Lund Sewer capital reserve	166,922	114,401
Texada Recreation Commission capital reserve	301,361	259,192
Community Works Fund reserve (Note 16)	874,562	1,763,376
Feasibility Studies reserve	42,044	39,998
Community Parks Acquisition reserve	793,676	755,047
Myrtle Pond Water System reserve	273,128	281,274
General Administration reserve	151	143
Regional Parks Acquisition reserve	997,439	771,120
	\$ 6,152,001	\$ 6,400,422

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

16 Community Works Fund

The Regional District has transferred the unspent Community Works funds to a reserve and continues to track the unspent amounts in the Fund. The continuity of the fund is presented in the table below:

	2024	2023
Community Works Fund Reserve, opening balance	\$ 1,763,376	\$ 1,844,102
Amount received during the year	406,373	377,206
Interest earned	87,641	95,883
	2,257,389	2,317,191
Less: Amount spent	(1,382,828)	(553,815)
Community Works Fund Reserve, closing balance	\$ 874,562	\$ 1,763,376

17 COVID-19 Safe Restart Grant

The Regional District received a grant of \$424,000 in 2020 and further grant funding of \$117,000 in 2021 under the COVID-19 Safe Restart Grant for Local Governments. Unspent funds have been transferred to a reserve for future expenditure. The continuity of the funding is presented in the table below:

	2024	2023
COVID-19 Safe Restart Grant, opening balance	\$ 12,171	\$ 11,602
Amount received during the year	-	-
Interest earned	623	569
	12,794	12,171
Less: Amount spent	-	-
COVID-19 Safe Restart Grant, closing balance	\$ 12,794	\$ 12,171

18 Growing Communities Fund

The Regional District received a grant of \$1,367,000 in 2023 through the BC Growing Communities Fund for Local Governments. Unspent funds have been transferred to a reserve for future expenditure. The continuity of the funding is presented in the table below:

	2024	2023
Growing Communities Fund, opening balance	\$ 1,423,016	\$ -
Amount received during the year	-	1,367,000
Interest earned	72,805	56,016
	1,495,821	1,423,016
Less: Amount spent	-	-
Growing Communities Fund, closing balance	\$ 1,495,821	\$ 1,423,016

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

19 Budget Figures

Budget Figures represent the Financial Plan Bylaw No. 595, 2024 adopted by the Board on March 28, 2024.

The financial plan bylaw was prepared on a modified accrual basis while Canadian public sector accounting standards require financial statements to be prepared on a full accrual basis. The financial plan anticipated use of surpluses accumulated in prior years to reduce current year expenditures in excess of current year revenues. In addition, capital acquisitions were recognized as expenditures in the financial plan rather than including amortization expense.

The summary below reconciles the 2024 adopted financial plan to the financial statement budget figures:

	2024
Financial plan bylaw, surplus for the year	\$ -
Less:	
Prior year surplus	(855,213)
Proceeds from new debt	(2,552,833)
Transfers to / from own funds	(1,622,646)
Add:	
Capital expenditures per budget	8,467,703
Repayment of debt	408,371
Adjusted Annual Surplus	\$ 3,845,383

20 Employee Benefit Obligations

qRD employees are allowed up to nine (9) sick days per year. In 2019 the union contract was amended to allow employees to carry over and to bank up to thirty (30) days. The sick days may be used to bridge to weekly indemnity or to top up weekly indemnity to one hundred (100) percent. Sick day accruals will not be paid out at retirement or termination of employment. The amount recorded for this benefit is based on cost at the time the benefit was accrued.

During 2024 the qathet Regional District recorded a liability of \$119,820 (2023 - \$117,565) for employee sick leave. This liability is included in accounts payable on the Statement of Financial Position.

21 qathet Regional Hospital District

The board members of the qathet Regional District sit on the board of the qathet Regional Hospital District. The qathet Regional District and the qathet Regional Hospital District are separate legal entities as defined by separate letters patent and authorized by separate legislation.

During 2024, administrative support services supplied to the qathet Regional Hospital District by the qathet Regional District totalled \$100,000 (2023 - \$100,000).

22 Comparative Figures

The December 31, 2023 balances have been restated to conform with the current year's financial statement presentation.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024**

23 Segmented Information

The qathet Regional District is a diversified local government providing a wide range of services to approximately 20,000 residents, including parks, community halls, fire protection, waste management and water and wastewater services. As a requirement of the *Local Government Act*, separate financial records must be maintained for each service providing detailed allocations of assets and liabilities, revenues and expenses, information concerning reserve funds and other pertinent financial details. For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment and also amounts that are allocated on a reasonable basis.

Segmentation has been determined on a functional basis with consideration to service delivery and departmental accountabilities. The following is a description of the types of services included in each of the main service segments of the regional district's financial statements. A detailed summary of the 2024 revenues and expenses can be found in Schedule III of the accompanying financial statements. Schedule IV contains comparative figures for the year ended December 31, 2023.

General Government

General government is comprised of the member municipality and electoral area governance, general administration which includes legislative services, finance, human resources and information systems, electoral area administration, grants in aid and house numbering services.

Development Services

Provides land use planning services to electoral area A, B, C and D. Processes provincial land use and development referrals to determine whether proposed applications comply with the qathet Regional District bylaws and policies. Provides support for initiatives that enhance economic development and social planning within the region.

Solid Waste Management and Recycling

Solid waste management and recycling is responsible for long term planning and management of solid waste throughout the region. The service provides for waste reduction and education programs and operation of the regional district's transfer stations and recycling centres.

Other Services

Other services provides for feasibility studies, operation and maintenance of two cemeteries (Powell River and Woodland), the Texada Island Airport, Savary Island Marine facilities, the Van Anda dock and Lasqueti Island ramp. The services also provide for contributions toward the animal shelter and the operation and maintenance of a septage disposal facility.

Parks and Recreation

Parks and recreation services provide for the acquisition, development, operation and maintenance of land, buildings, facilities and outdoor spaces to foster recreational activities throughout the region.

Protective services

Protective services provides for the coordination of emergency planning, preparedness, training, response, and recovery for all areas within the region. Services include the operation and maintenance of four volunteer fire departments, provides for road rescue grants, and the 9-1-1 emergency answering service.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2024

23 Segmented Information (continued)

Public Health and Welfare

Supports the function of acquiring, operating and maintaining a medical clinic on Texada Island and provides for a contribution toward operation of a health centre on Lasqueti Island.

Transportation Services

Transportation services include the Rural Paratransit service - an agreement between the regional district and BC Transit Authority.

Water Service

Supports the operation and maintenance of the Myrtle Pond Water system within a subset of Electoral Area B.

Sewer Service

Supports the operation and maintenance of the Lund Sewer system within a subset of Electoral Area A.

SCHEDULE I

qathet Regional District
Tangible Capital Assets Continuity Schedule
Year Ended December 31, 2024

2024	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in Progress	Machinery & Equipment	Vehicles	Water Systems	Sewer	Structures (Docks and Sheds)	Asset Retirement Obligation	Totals
Cost, beginning of year	\$ 1,893,605	\$ 6,655,796	\$ 202,655	\$ 7,587,528	\$ 17,463,181	\$ 2,710,519	\$ 3,595,056	\$ 1,848,063	\$ 3,075,419	\$ 3,935,667	\$ 1,306,734	\$ 50,364,222
Additions	-	37,327	-	1,355,647	5,665,624	366,501	191,998	297,203	3,554	74,960	-	7,995,814
CIP Completed	-	-	-	-	(1,030,758)	-	-	-	-	-	-	(1,030,758)
Disposals	-	-	-	(15,574)	-	-	-	-	-	-	-	(15,574)
Adjustments	-	-	-	(9,890)	-	-	-	-	-	-	-	(9,890)
Cost, end of year	1,893,605	6,693,123	202,655	8,917,711	22,101,047	3,077,019	3,787,055	2,145,266	3,075,973	4,010,627	1,306,734	57,903,814
Accumulated amortization, beginning of year	-	1,045,421	56,575	2,398,779	-	1,858,668	1,896,189	615,666	1,186,280	1,757,644	188,964	11,004,165
Amortization	-	126,738	6,419	243,175	-	125,542	131,857	48,979	72,549	121,102	64,870	941,232
Disposals	-	-	-	(7,722)	-	-	-	-	-	-	-	(7,722)
Adjustments	-	-	-	(9,890)	-	-	-	-	-	-	-	(9,890)
Accumulated amortization, end of year	-	1,172,159	62,995	2,624,341	-	1,984,210	2,028,046	664,645	1,258,809	1,878,747	253,834	11,927,765
Net carrying amount, end of year	\$ 1,893,605	\$ 5,520,964	\$ 139,660	\$ 6,293,370	\$ 22,101,047	\$ 1,092,809	\$ 1,759,009	\$ 1,480,621	\$ 1,820,164	\$ 2,131,881	\$ 1,052,900	\$ 45,376,030

2023	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in Progress	Machinery & Equipment	Vehicles	Water Systems	Sewer	Structures (Docks and Sheds)	Asset Retirement Obligation	Totals
Cost, beginning of year	\$ 1,893,605	\$ 6,614,863	\$ 130,452	\$ 7,569,525	\$ 3,735,273	\$ 2,493,691	\$ 3,595,056	\$ 1,848,063	\$ 3,070,348	\$ 3,935,667	\$ -	\$ 34,976,543
Additions	-	40,933	72,203	18,003	13,793,827	216,827	-	-	5,071	-	1,306,734	15,453,598
CIP Completed	-	-	-	-	(65,919)	-	-	-	-	-	-	(65,919)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Cost, end of year	1,893,605	6,655,796	202,655	7,587,528	17,463,181	2,710,519	3,595,056	1,848,063	3,075,419	3,935,667	1,306,734	50,364,222
Accumulated amortization, beginning of year	-	920,893	52,192	2,211,554	-	1,633,802	1,774,231	570,172	1,096,239	1,640,981	-	9,902,063
Amortization	-	124,528	4,384	187,225	-	224,866	121,958	45,493	88,021	116,663	188,964	1,102,101
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated amortization, end of year	-	1,045,421	56,575	2,398,779	-	1,858,668	1,896,189	615,666	1,186,280	1,757,644	188,964	11,004,165
Net carrying amount, end of year	\$ 1,893,605	\$ 5,610,376	\$ 146,079	\$ 5,188,749	\$ 17,463,181	\$ 851,851	\$ 1,698,867	\$ 1,232,397	\$ 1,889,159	\$ 2,178,023	\$ 1,117,770	\$ 39,360,058

SCHEDULE II

qathet Regional District
 Asset Retirement Obligation Continuity Schedule
 Year Ended December 31, 2024

	2024	2023
Balance, beginning of year	\$ 1,519,016	\$ 224,917
Liabilities incurred	-	1,306,734
Liabilities settled	-	-
Landfill monitoring in year	(11,443)	(12,635)
Accretion	41,816	-
Change in estimated cash flows	-	-
Balance, end of year	\$ 1,549,389	\$ 1,519,016

SCHEDULE III

qathet Regional District
 Schedule of Segment Disclosure by Service
 Year ended December 31, 2024

	General Fund										2024 Actual	2024 Budget (Note 19)	
	General Government Services	Development Services	Solid Waste Management & Recycling	Other Services	Parks and Recreation Services	Protective Services	Public Health & Welfare Services	Transportation Services	Water Services	Sewer Services			
Revenue													
Taxation levies	\$ 2,577,254	\$ 328,660	\$ 3,080,577	\$ 578,384	\$ 2,272,559	\$ 2,859,918	\$ 143,432	\$ 147,452	\$ -	\$ -	\$ 11,988,416	\$ 11,989,820	
Parcel tax	-	-	-	350,000	-	-	-	-	53,312	57,750	461,062	461,062	
Grants	921,659	32,892	914,600	34,539	285,689	481,187	-	12,906	-	-	2,883,471	5,040,235	
Waste Management Tipping fees	-	-	1,716,399	-	-	-	-	-	-	-	1,716,399	1,700,455	
Park Fees	-	-	-	-	240,112	-	-	-	-	-	240,112	252,400	
Water and Sewer User Fees	-	-	-	-	-	-	-	-	90,986	102,757	193,742	191,780	
Interest Revenue	201,531	53,226	55,040	103,974	137,752	155,350	7,804	-	18,313	6,630	739,620	285,587	
Other Revenue	27,003	905	358,071	141,541	176,266	73,704	1,800	17,303	-	-	796,593	491,383	
Gain (loss) on disposal of tangible capital assets	(7,852)	-	-	-	-	-	-	-	-	-	(7,852)	-	
Gain from Actuarial Adjustment on Debenture Debt	-	-	-	-	3,233	5,827	1,203	-	1,415	658	12,335	-	
Total Revenue	3,719,595	415,683	6,124,688	1,208,438	3,115,590	3,575,986	154,239	177,661	164,026	167,795	18,823,899	20,412,722	
Expenses													
Personnel costs	1,625,013	253,678	462,432	220,834	494,958	987,141	7,762	6,360	19,535	3,619	4,081,334	5,691,636	
Grants	252,601	-	-	97,811	1,069,288	267,999	43,529	156,820	-	-	1,888,148	2,071,847	
General goods and services	860,977	279,444	3,314,634	332,238	558,114	1,387,214	55,008	38,229	85,144	109,507	7,020,509	7,888,399	
Debt charges	39,460	-	574,088	-	1,187	87,726	6,493	-	922	368	710,244	875,457	
Transfers to other local government	-	-	-	-	-	-	-	-	-	-	-	-	
Amortization of tangible capital assets	125,046	12,470	75,742	171,341	158,233	273,256	29,902	992	50,717	72,613	970,313	-	
Landfill closure/post closure allowances	-	-	12,735	-	-	-	-	-	-	-	12,735	50,000	
Total Expenses	2,903,098	545,592	4,439,632	822,224	2,281,780	3,003,336	142,694	202,501	156,319	186,106	14,683,283	16,567,339	
Annual Surplus (Deficit)	\$ 816,498	\$ (129,710)	\$ 1,685,055	\$ 386,214	\$ 833,810	\$ 572,650	\$ 11,545	\$ (24,841)	\$ 7,707	\$ (18,312)	\$ 4,140,616	\$ 3,845,383	

SCHEDULE IV

Orthodox Regional District
 Schedule of Segment Disclosure by Service
 Year ended December 31, 2023

	General Fund										2023 Actual	2023 Budget	
	General Government Services	Development Services	Solid Waste Management & Recycling	Other Services	Parks and Recreation Services	Protective Services	Public Health & Welfare	Transportation Services	Water Services	Sewer Services			
Revenue													
Taxation levies	\$ 2,206,305	\$ 565,216	\$ 1,655,524	\$ 554,120	\$ 2,103,317	\$ 2,692,850	\$ 141,388	\$ 169,411	\$ -	\$ -	\$ -	\$ 10,088,130	\$ 10,088,130
Parcel tax	-	-	-	190,000	-	-	-	-	48,465	52,500	-	290,965	290,965
Grants	2,044,044	189,270	1,942,504	45,000	77,684	186,825	-	48,240	-	-	-	4,533,568	5,651,913
Waste Management Tipping fees	-	-	1,600,588	-	-	-	-	-	-	-	-	1,600,588	1,575,515
Sales of Services - Cemetery	-	-	-	116,630	-	-	-	-	-	-	-	116,630	114,616
Park Fees	-	-	-	-	222,361	-	-	-	-	-	-	222,361	247,400
Water and Sewer User Fees	-	-	-	-	-	-	-	-	82,197	90,436	-	174,400	174,400
Interest and Other Revenue	338,619	54,691	1,118,715	99,602	180,670	311,957	5,828	7,754	15,749	5,564	-	1,632,864	1,632,864
Gain (loss) on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain from Actuarial Adjustment on Debt	-	-	-	-	2,978	4,831	948	-	1,315	590	-	10,662	-
Total Revenue	4,588,969	809,177	6,317,332	1,005,351	2,587,010	3,196,463	148,163	225,405	147,726	149,090	19,174,685	19,975,803	19,975,803
Expenses													
Personnel costs	1,480,603	277,080	145,394	233,327	568,779	1,022,129	5,966	3,474	10,404	3,821	-	3,750,976	4,828,713
Grants	165,546	308,503	-	94,140	968,447	245,417	43,500	150,806	-	-	-	1,976,359	2,099,001
General goods and services	559,814	147,420	2,666,283	344,879	550,292	986,438	49,263	59,462	93,096	167,020	-	5,625,966	6,953,225
Debt charges	2,683	-	229,400	-	3,850	89,537	6,493	-	945	368	-	333,275	383,262
Transfers to other local government	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	96,253	12,470	154,572	159,774	141,938	371,088	26,073	992	50,856	88,086	-	1,102,101	-
Landfill closure/post closure allowances	-	-	(2,767)	-	-	-	-	-	-	-	-	(2,767)	-
Total Expenses	2,304,899	745,473	3,194,882	832,120	2,233,306	2,714,610	131,295	214,733	155,301	259,294	12,785,911	14,313,051	14,313,051
Annual Surplus (Deficit)	\$ 2,284,071	\$ 63,704	\$ 3,122,450	\$ 173,231	\$ 353,704	\$ 481,853	\$ 16,868	\$ 10,672	\$ (7,575)	\$ (110,204)	\$ 6,388,774	\$ 5,662,752	\$ 5,662,752