



CORPORATE AND ADMINISTRATIVE SERVICES COMMITTEE

Thursday, April 28, 2022

**Held Electronically and Transmitted via the SCRD Boardroom,
1975 Field Road, Sechelt, B.C.**

AGENDA

CALL TO ORDER 9:30 a.m.

AGENDA

1. Adoption of Agenda

PRESENTATIONS AND DELEGATIONS

2. Cory Vanderhorst, Regional Assurance Partner and Kristy Rowbotham, Client Account Services of MNP LLP Auditors
Regarding:

i) Presentation to the Board of Directors	Annex A
ii) 2021 Audit Findings - Report to the Board of Directors	Pages 1-11
iii) Draft Independent Auditor's Report	pp. 12-22
iv) Draft Independent Auditor's Report – Foreshore Leases (Hillside)	pp. 23-25
v) Audit Management Letter from MNP LLP	pp. 26-27
vi) SCRD 2021 Draft Audited Financial Statements (included as part of the 2021 Statement of Financial Information)	pp. 28-33
vii) 2021 Statement of Financial Information	pp. 34-100

REPORTS

3. Sunshine Coast Regional District 2021 Audit Findings Report and Statement of Financial Information

i) 2021 Audit Findings - Report to the Board of Directors	Annex B
ii) Draft Independent Auditor's Report	pp. 101-106
iii) Draft Independent Auditor's Report – Foreshore Leases (Hillside)	See pp. 12-22
iv) Audit Management Letter from MNP LLP	See pp. 23-25
v) SCRD 2021 Draft Audited Financial Statements (included as part of the 2021 Statement of Financial Information)	See pp. 26-27
vi) 2021 Statement of Financial Information	See pp. 28-33

*General Manager, Corporate Services / Chief Financial Officer
and Manager, Financial Services*

(Voting – All Directors)

4. 2022 Chair's Appointments to Standing Committees
Corporate Officer
(Voting – All Directors) Annex C
pp. 107-112
5. Statement of Reserves and Holding Funds as at March 31, 2022
Budget and Financial Analyst
(Voting – All Directors) Annex D
pp. 113-119
6. Gas Tax Community Works Fund Update
Budget and Financial Analyst
(Voting – Electoral Area Directors) Annex E
pp. 120-123
7. Contracts between \$50,000 and \$100,000 – January 1 to March 31, 2022
Manager, Purchasing and Risk Management
(Voting – All Directors) Annex F
pp. 124-125
8. Director Constituency and Travel Expenses (January-March 2022)
Accounts Payable Technician
(Voting – All Directors) Annex G
pp. 126-127

COMMUNICATIONS

NEW BUSINESS

IN CAMERA

ADJOURNMENT



Sunshine Coast Regional District

Presentation to Board of Directors

Presented by Cory Vanderhorst

April 28, 2022



Wherever business takes you

[MNP.ca](https://mnp.ca)



Topics

- Financial statement highlights
- Draft audit report
- Audit findings report
- Auditor independence

Financial Statement Highlights

Statement of Financial Position

		2021		2020
Cash and investments	\$	56,178,041	\$	45,781,111
Total financial assets	\$	67,900,387	\$	59,091,276
Regional District Debt	\$	10,487,973	\$	12,528,035
Total liabilities	\$	38,550,373	\$	38,476,019
Net financial assets	\$	29,580,950	\$	20,830,357
Tangible capital assets	\$	135,268,595	\$	135,133,165
Accumulated surplus	\$	167,587,587	\$	158,649,858

Financial Statement Highlights

Statement of Operations

		2021		2020		Budget
Total revenue	\$	53,870,007	\$	49,137,683	\$	54,191,671
Total expenses	\$	44,932,278	\$	40,828,978	\$	50,781,341
Annual surplus	\$	8,937,729	\$	8,308,705	\$	3,410,357

Financial Statement Highlights

Statement of Cash Flows

		2021		2020
Provided by operations	\$	17,152,024	\$	11,446,964
Used by capital	\$	(5,835,570)	\$	(3,446,644)
Net transferred to investments	\$	(2,407,357)	\$	(357,624)
Financing repayments (net)	\$	(1,016,524)	\$	(474,446)
Net cash inflow	\$	7,892,573	\$	7,168,250

Financial Statement Highlights

Composition of accumulated surplus

		2021		2020
Invested in non-financial assets	\$	127,518,664	\$	125,291,466
Reserves	\$	38,025,800	\$	30,992,713
Capital fund	\$	5,452,097	\$	6,397,052
Current fund	\$	(3,893,193)	\$	(4,507,494)
MFA Debt reserve cash	\$	484,219	\$	476,121
Total accumulated surplus	\$	167,587,587	\$	158,649,858

Draft audit report

- Unqualified opinion
- We will sign the report after:
 - Board approval

Auditor Findings Report

Auditor responsibilities

- Examining controls in place to ensure accurate reporting of financial results
- Sampling transactions throughout the year to form an audit opinion
- Auditors do NOT look at every transaction to form an audit opinion

We would like to formally acknowledge the excellent cooperation and assistance from management and staff

Auditor Independence

We confirm that MNP LLP is independent with respect to the Sunshine Coast Regional District within the meaning of the Code of Professional Conduct of CPA British Columbia as of April 28, 2022.

Conclusion

Thank you

We would like to take this opportunity to answer any questions you have regarding the matters presented.

Presenter: Cory Vanderhorst

MNP



Wherever business takes you

[MNP.ca](https://mnp.ca)

PRAXITY
Empowering Business Globally

Sunshine Coast Regional District

2021 Audit Findings

Report to the Board of Directors

December 31, 2021

Cory Vanderhorst, CPA, CA
T: (250) 734-4319
E: cory.vanderhorst@mnpc.ca

April 28, 2022

Members of the Board of Directors of the Sunshine Coast Regional District

Dear Sirs/Mesdames:

We are pleased to submit to you this report for discussion of our audit of the financial statements of the Sunshine Coast Regional District (the "Regional District") as at December 31, 2021 and for the year then ended. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Board of Directors.

We have substantially completed our audit of the financial statements of the Regional District which has been carried out in accordance with Canadian generally accepted auditing standards.

Unless unforeseen complications arise, our Independent Auditor's Report will provide an unmodified opinion to the members of the Regional District. A draft copy of our proposed Independent Auditor's Report is attached at the end of this report.

This report is intended solely for the information and use of the Board of Directors and management and should not be distributed to or used by any other parties than these specified parties.

The matters raised in this and other reports that will flow from the audit are only those which have come to our attention arising from or relevant to our audit that we believe need to be brought to your attention. They are not a comprehensive record of all the matters arising, and in particular we cannot be held responsible for reporting all risks in your business or all control weaknesses. This report has been prepared solely for your use and should not be quoted in whole or in part without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose.

We would like to express our appreciation for the excellent cooperation we have received from management and employees with whom we worked.

We appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Sincerely,



MNP LLP

Chartered Professional Accountants

Table of Contents

Introduction.....	1
Engagement Status.....	1
Significant Audit, Accounting and Reporting Matters.....	2
Audit and Reporting Matters.....	2
Auditor's Views of Significant Accounting Practices.....	4
Significant Risk Areas and Responses.....	4
Other Matters.....	4
Management Representations.....	4
Auditor Independence.....	5
Appendix A - MNP Audit Process.....	5

Introduction

As auditors, we report to the members on the results of our examination of the financial statements of the Sunshine Coast Regional District (the "Regional District") as at and for the year ended December 31, 2021. The purpose of this Audit Findings Report is to assist you, as members of the Board of Directors, in your review of the results of our audit. To facilitate in your understanding of our findings, Appendix A to this report summarizes our audit process.

Our report will discuss the status of our engagement, as well as communicate to you significant audit, accounting and reporting matters arising from our procedures.

We hope that this report is of assistance to you, and we look forward to discussing our findings and answering your questions.

Engagement Status

We have substantially completed our audit of the financial statements of the Regional District and are prepared to sign our Independent Auditor's Report subsequent to completion of the following procedures:

- The Board of Directors' review and approval of the financial statements.

Independent Auditor's Report

We expect to have the above procedures completed and to release our Independent Auditor's Report on April 28, 2022.

Unless unforeseen complications arise, our Independent Auditor's Report will provide an unmodified opinion to the members of the Regional District. A draft copy of our proposed Independent Auditor's Report has been included with this report.

Significant Audit, Accounting and Reporting Matters

Audit and Reporting Matters

The following significant matters arose during the course of audit that we wish to bring to your attention.

Area	Comments
Changes from Audit Service Plan	There were no deviations from the Audit Service Plan previously presented to you.
Final Materiality	<p>Materiality is a concept used to assess the significance of misstatements or omissions that are identified during the audit and is used to determine the level of audit testing that is carried out. The scope of our audit work is tailored to reflect the relative size of operations of the Regional District, and is affected by our assessment of materiality and audit risk.</p> <p>Final materiality used for our audit was \$2,000,000 for December 31, 2021.</p>
Difficulties Encountered	No significant limitations were placed on the scope or timing of our audit.
Identified or Suspected Fraud	<p>Due to the inherent limitations of an audit and the nature of fraud, including attempts at concealment through forgery or collusion, an audit conducted in accordance with Canadian generally accepted auditing standards cannot be relied upon to detect fraud.</p> <p>While our audit cannot be relied upon to detect all instances of fraud, no incidents of fraud, or suspected fraud, came to our attention in the course of our audit.</p>
Identified or Suspected Non-Compliance with Laws And Regulations	Nothing has come to our attention that would suggest any non-compliance with laws and regulations that would have a material effect on the financial statements.
Matters Arising in Connection With Related Parties	No significant matters arose during the course of our audit in connection with related parties of the Regional District.

Area	Comments
Significant Deficiencies in Internal Control	<p>Our audit process focuses on understanding the controls utilized in management's reporting systems, including for estimates, to the extent necessary to identify overall and specific financial reporting risks. This risk assessment allows us to concentrate our audit procedures on high risk areas and, where possible, place reliance on controls within the financial reporting system to reduce the extent of our testing.</p> <p>It is important to note that our assessment was not, nor was it intended to be, sufficient to comment or conclude on the sufficiency of internal controls.</p> <p>We are required under Canadian generally accepted auditing standards to communicate all significant deficiencies identified during an audit to the Board of Directors on a timely basis. However, we may not be aware of all significant deficiencies that do, in fact, exist.</p> <p>While our review of controls was not sufficient to express an opinion as to their effectiveness or efficiency, we have detected items for comment in internal controls, which will be presented after completion of audit.</p>
Going Concern	<p>No events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern.</p>
Matters Arising from Discussions With Management	<p>We would like to formally acknowledge the cooperation and assistance we received from the management and staff of the Regional District.</p> <p>There were no significant matters discussed, or subject to correspondence, with management that in our judgment need be brought to your attention.</p>
Significant Differences	<p>No significant differences were proposed to management with respect to the December 31, 2021 financial statements.</p>
Other Information	<p>Pursuant to our responsibilities under Canadian generally accepted auditing standards, we have reviewed other financial and non-financial information included in documents containing the financial statements and our Independent Auditor's Report thereon. We review these documents for the purpose of ensuring their content does not contradict information derived from our audit procedures.</p>

Auditor's Views of Significant Accounting Practices

The application of Canadian public sector accounting standards allows and requires the Regional District to make accounting estimates and judgments regarding accounting policies and financial statement disclosures.

As auditors, we are uniquely positioned to provide open and objective feedback regarding your Regional District's accounting practices, and have noted the following items during the course of our audit that we wish to bring to your attention.

Area	Comments
Accounting Policies	The accounting policies used by the Regional District are appropriate and have been consistently applied.
Financial Statement Disclosures	The disclosures made in the notes to the financial statements appear clear, neutral and consistent with our understanding of the entity and the amounts presented in the financial statements.

Other Matters

Management Representations

We have requested certain written representations from management, which represent a confirmation of certain oral representations given to us during the course of our audit. This letter, provided by management, has been included as additional material to this report.

Appendix A - MNP Audit Process

Our audit was carried out in accordance with Canadian generally accepted auditing standards, and included a review of all significant accounting and management reporting systems, with each material year end balance, key transaction and other events considered significant to the financial statements considered separately.

Our audit process focused on understanding the controls utilized in management's reporting systems to the extent necessary to identify overall and specific financial reporting risks. This risk assessment enabled us to concentrate our audit procedures on the areas where differences were most likely to arise. Our assessment was not, nor was it intended to be, sufficient to conclude on the effectiveness or efficiency of internal controls.

During the course of our audit, we have:

- Examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessed the accounting principles used and significant estimates made by management;
- Obtained an understanding of the Regional District and its environment, including management's internal controls (regardless of whether we relied on them for the purpose of the audit), sufficient to identify and assess the risks of material misstatement of the financial statements and to design and perform audit procedures;
- Reviewed and assessed those accounting systems deemed necessary to support our audit opinion;
- Evaluated the overall financial statement presentation;
- Performed a subsequent events review with management;
- Reviewed and assessed the status of contingencies, commitments and guarantees; and
- Reviewed and assessed exposure to environmental liabilities.

We have obtained written representations from management, included as additional materials following this report, in order to confirm oral representations given to us and reduce the possibility of misunderstanding. Specifically, we have obtained written confirmation of significant representations provided on matters that are:

- Directly related to items that are material, either individually or in the aggregate, to the financial statements;
- Not directly related to items that are material to the financial statements, but are significant, either individually or in the aggregate, to the engagement; and
- Matters relevant to management judgments or estimates that are material, either individually or in the aggregate, to the financial statements.

Independence Communication

April 28, 2022

Board of Directors
Sunshine Coast Regional District
1975 Field Road
Sechelt, BC V7Z 0A8

Dear Sirs/Mesdames:

We have been engaged to audit the financial statements of Sunshine Coast Regional District (the "Regional District") as at December 31, 2021 and for the year then ended.

CAS 260 *Communication With Those Charged With Governance* requires that we communicate with you matters that are significant to our engagement. One such matter is relationships between the Regional District and its related entities or persons in financial reporting oversight roles at the Regional District and MNP LLP and any affiliates ("MNP") that, in our professional judgment, may reasonably be thought to bear on our independence. In determining which relationships to report, the Standard requires us to consider relevant rules and related interpretations prescribed by the appropriate professional accounting body and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client or a related entity;
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client or a related entity;
- (d) Economic dependence on a client; and
- (e) Provision of non-assurance services in addition to the audit engagement.

We are not aware of any relationship between the Regional District and MNP that, in our professional judgment, may reasonably be thought to bear on our independence, which have occurred from January 1, 2021 to April 28, 2022.

We hereby confirm that MNP is independent with respect to the Regional District within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia as of April 28, 2022.

This report is intended solely for the use of Board of Directors, management and others within the Regional District and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter as well as other matters that may be of interest to you at our meeting on April 28, 2022. We will be prepared to answer any questions you may have regarding our independence as well as other matters.

Sincerely,



MNP LLP
Chartered Professional Accountants

MADE ^{IN} CANADA

And proud of it!

At MNP we're proud to be the national accounting, consulting and tax firm that is 100% Made in Canada.

Our history defines who we are and our approach to business. Being a Canadian firm has helped shape our values, our collaborative approach, and the way we work with our clients, engaging them every step of the way.

We have a unique perspective. Our decisions are made here – decisions that drive Canadian business and help us all achieve success — and we know the impact that our choices have on the cities and towns we call home.

Throughout our six decades of work, we've seen our communities are more than just a place we do business in. They're a place where our families live, play, and thrive, and we work to make them the best places they can be.

Being 100% Canadian is something we wear proudly. This country provides us with great opportunities, and we're here to help our clients seize the opportunities so we can create a brighter future for the generations to come.



Wherever business takes you

MNP.ca



Wherever business takes you

[MNP.ca](https://mnp.ca)

Independent Auditor's Report

To the Board of Directors of the Sunshine Coast Regional District:

Opinion

We have audited the financial statements of the Sunshine Coast Regional District (the "Regional District"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2021, and the results of its operations, changes 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

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 Matter

The financial statements for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on April 22, 2021.

Supplementary Information

The supplementary information contained in the Schedules to the financial statements have been presented for purposes of additional analysis and are unaudited. We do not express an opinion on the Schedules because our examination did not extend to the detailed information therein.

Other Information

Management is responsible for the other information, consisting of an 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 do 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 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 28, 2022

Chartered Professional Accountants

DRAFT - For Discussion Purposes Only

Independent Auditor's Report

To the Board of Directors of the Sunshine Coast Regional District:

Opinion

We have audited the Statement of Foreshore Leases of Sunshine Coast Regional District the ("Regional District") for the year ended December 31, 2021 and note to the Statement, including a summary of significant accounting policies (together "the Statement").

In our opinion, the accompanying Statement for the year ended December 31, 2021 is prepared, in all material respects, in accordance with the General Lease Agreement (the "Agreement") dated January 1, 1994 between the Province of British Columbia, represented by the Minister of Lands, Parks and Housing, and the Regional District.

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 Statement 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 Statement 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the Statement, which describes the basis of accounting. The Statement is prepared to assist the District to meet the reporting requirements of the Agreement referred to above. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the Statement, in accordance with the basis of accounting described in Note 1 to the Statement; this includes determining that the basis of accounting is an acceptable basis for the preparation of the Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.

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 Statement, 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, if any, and related disclosures made by management.

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 28, 2022

Chartered Professional Accountants

April 28, 2022

Tina Perreault
Sunshine Coast Regional District
1975 Field Road
Sechelt, BC V7Z 0A8

Dear Ms. Perreault:

Management letter for the year ended December 31, 2021

We have recently completed our audit of Sunshine Coast Regional District in accordance with Canadian auditing standards ("CAS"). The objective of our audit was to express an opinion on the financial statements, which have been prepared in accordance with Canadian public sector accounting standards. Included in our audit was the consideration of internal control relevant to the preparation and fair presentation of the financial statements. This consideration of internal control was for the purpose of designing audit procedures that were appropriate in the circumstances. It was not for the purpose of expressing an opinion on the effectiveness of internal control or for identifying all significant control deficiencies that might exist.

An audit is not specifically designed to identify all matters that may be of interest to management in discharging its responsibilities, however, during the course of our audit, we did identify some areas for improvement that we are bringing to your attention with this letter. It is our responsibility to communicate any significant deficiencies identified to those charged with governance. A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

Expense Claim Reimbursements

Observation:

MNP observed a discrepancy between an Expense Report and the actual amount reimbursed.
An expense claim reviewed during audit testing had a reimbursement total of \$134.16, but only \$104.57 was reimbursed to the individual.

Recommendation:

MNP recommends that Expense Forms are prepared and reimbursed in a timely manner. Payment (i.e., cheques or EFT) should be compared to the Expense Form before being released.

Management's response:

Management notes that the discrepancy was due to a keying error and has confirmed that the discrepancy was not paid out on a subsequent claim. The outstanding amount will be processed and paid. Procedures have been modified to ensure the keyed in total is verified against the Expense Form total when entered and to compare payments to the expense form before being released.

Purchase Order (PO) Allocation in Unit 4 ERP

Observation:

MNP notes that in the purchasing process, there is opportunity for Purchase Order information to be altered without the proper approvals. This may result in misallocation of expenses when the actual invoices are processed.

During testing of expenditures, MNP noted an item where the allocation between tangible capital assets and repairs expenses did not agree to the original PO allocation. Subsequent investigation determined that the allocation of capital vs. expense for this project had been altered after the original purchase requisition.

Impact:

The potential impact is that expenditures may be misclassified between expense accounts, or possibly between tangible capital assets and expenses.

Recommendation:

MNP recommends that changes to Purchase Orders or allocations between accounts are reviewed and approved before being entered in the Unit 4 ERP.

Management's response:

The ability to alter Purchase Order information is restricted to specific roles within the organization and controls are in place to ensure proper approvals are obtained before making any alterations outside of specific parameters. This particular instance was deemed to be a unique circumstance whereby the set parameters did not contemplate the scenario at hand. Parameters will be reviewed and updated to reduce the likelihood of this scenario re-occurring in the future and additional system based controls will be explored.

3 Way Match in Unit 4 ERP

Observation:

MNP noted that the Regional District's processes allow for the possibility to post an invoice in Unit 4 ERP without a 3 Way Match being made related to the goods purchased.

MNP noted in expense testing that an invoice had been posted without verification that the goods had been received (known as 3 Way Match – Purchase Order to Invoice to Receiving).

Impact:

The potential impact is for expenses to be recorded where goods or services are not actually received by the Regional District.

Recommendation:

MNP recommends that the Regional District implement a review process in which invoices are matched to goods receipts before being processed for payment.

Management's response:

This control had previously been identified by Management as an area of concern and preliminary work to scope potential system improvements was completed in 2021. Through that process, it was determined that a comprehensive review of the entire Procure to Pay business process in Unit ERP was warranted to ensure the system is functioning as intended. The item was included on the Finance Service plan for 2022 as part of our continuous improvement initiatives but is complex and will require coordination with the Information Technology and Purchasing divisions and may be subject to resource constraints in light of other corporate priorities. In the interim, Management will review options to enhance or modify this specific control (3 Way Match) given it is a key component of the payment process.

Volunteer Fire Fighter Honorarium**Observation:**

Through discussions with management, MNP identified that there are no formal policies and procedures related to paying volunteer fire fighter honorariums.

Impact:

MNP notes the possible impact of over or under paying volunteer firefighters for work performed (or not performed in the case of possible overpayments).

Recommendation:

MNP recommends that the Regional District engage in discussions with the Volunteer Fire Departments around the consistency of information being provided to the Finance department, and the appropriate control procedures and policies around remuneration - including, but not limited to, controls over timesheets and other tracking information, reviews and approvals by the appropriate individuals, and timeliness of information provided to the Regional District.

Management's response:

SCRD recognizes the importance of controls over time and compensation. In 2022 two projects are planned to be initiated to address the observed needs: (1) procurement and implementation of new Fire Department Software that will enhance current record keeping of training and incident responses and enable continued Management oversight thereof; and (2) a review, involving external expertise, of honoraria for all SCR D Fire Departments that will enable the development of a formal policy. These projects are expected to be completed in 2023.

Financial Plan Amendments

Observation:

Through discussion with management and Board representatives, MNP was informed that the Regional District's financial plan was amended multiple times throughout the year.

Impact:

MNP notes that multiple financial plan amendments can reduce the accountability to the public of budget versus actual comparisons, and can impact completion of projects (for example, if cost increases result in the financial plan amendment process taking place and delaying staff ability to complete the work).

Recommendation:

MNP recommends that the Regional District perform a review of policies and procedures around budgeting, financial plan amendments, project management and purchasing authorities and thresholds, with the goal of balancing efficiency, internal controls, risk management and public accountability.

Management's response:

As part of the 2022-2026 Financial Plan de-brief, the Board approved the development of a Financial Plan Policy to be brought forward for consideration in 2022. One of the items to be addressed in the Policy will be the criteria and parameters for Financial Plan Bylaw amendments.

Prior year auditor observation #1

Observation:

The prior year auditor in their management letter noted that the District's Human Resources Policy had not been updated since 2008. A recommendation was made to update policies on employee benefits and compensation to reflect current practices and provide clarity on areas frequently requiring management to exercise judgment. A further recommendation was made to integrate, where practicable, key elements of the updated policies and processes into the Unit 4 ERP.

Management's response:

Management are aware and acknowledge the importance of addressing HR policies in a timely manner. Interim measures are in place and management continues to work towards an implementation plan to resolve the issues as time and resources allow. As an example, the draft Benefit Policy still remains in progress and is a top priority.

Prior year auditor observation #2

Observation:

The prior year auditor in their management letter noted that the flow of information between departments (for example, from planning and development to finance) lacked structure and that this could result in key information indirectly impacting the Regional District's financial statements through a lack of timeliness or accuracy. A recommendation was made to strengthen policies and procedures, and to perform an internal review of the key inputs to estimates such as contributed tangible capital assets, to develop an internal set of criteria that could facilitate improved information flow.

Management's response:

Management commented last year that the establishment of clearly defined processes and policies with respect to contributed tangible capital assets will be developed in conjunction with the Regional Growth Strategy. Until that time, existing processes will be strengthened.

Existing processes were strengthened for 2021 by adding additional internal reviews between Finance and Infrastructure Services Management and Staff to ensure completeness and accuracy with respect to contributed tangible capital assets. This involved independent internal reviews by both divisions and subsequent conversations and meetings to validate the information and address any anomalies or questions from either side.

Prior year auditor observation #3

Observation:

The prior year auditor noted the potential impact of upcoming audit standard PS 3280 Asset Retirement Obligations (ARO) and recommended that management continue planning for implementation, including assessing whether the Regional District has sufficient internal resources to execute the plan.

Impact:

MNP discussed the implementation of the new ARO standard with the finance leadership team and notes that the team has made progress with implementation plans, including cataloguing and beginning to investigate various sites and assets that have been identified as having the potential for an ARO liability.

Management's response:

Management is actively working on its implementation plan for the new ARO standard and has made considerable progress in 2021 and 2022. It is anticipated that initial review of the new standard will be ready for the auditors input as part of the 2022 interim audit in Q4.

We have discussed the matters in this letter with Tina Perreault and Brad Wing and received their comments thereon.

We would like to express our appreciation for the co-operation and assistance we have received during the course of our audit from Tina, Brad and the finance staff.

We would be pleased to discuss with you further any matters mentioned in this letter at your convenience. This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to any third party who uses this communication.

Sincerely,

A handwritten signature in black ink that reads "MNP LLP". The letters are stylized and cursive.

MNP LLP

Chartered Professional Accountants



Sunshine Coast Regional District

Statement of Financial Information

For Year Ended December 31, 2021

Sunshine Coast Regional District

Statement of Financial Information Year Ended December 31, 2021

Table of Contents

Description	Page
2021 Financial Section	
Independent Auditor's Report	Fir Schedule 1 Section 9(3)
Management Report	Page 1-26
Financial Statements and Notes	Page 27-50
Supplemental Financial Information Schedules	
Schedule of Guarantee and Indemnity Agreements	
Nil Report - 1 page	Fir Schedule 1 Section (5)
Schedule of Remuneration and Expenses	
Director and Employee - 3 pages	Fir Schedule 1 Section (6)
Statement of Severance Agreements	
Report - 1 page	Fir Schedule 1 Section 6 (7)
Schedule of Payments to Suppliers of Goods and Services	
Individual Accounts Over \$25,000 & Summary - 3 pages	Fir Schedule 1 Section (7)
Statement of Financial Information Approval	
Report - 1 page	Fir Schedule 1 Section 9(2)

FINANCIAL SECTION

Audited Financial Statements of

SUNSHINE COAST REGIONAL DISTRICT

For the Years Ended December 31, 2021 and 2020

Independent Auditor's Report

To the Board of Directors of the Sunshine Coast Regional District:

Opinion

We have audited the financial statements of the Sunshine Coast Regional District (the "Regional District"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2021, and the results of its operations, changes 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

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 Matter

The financial statements for the year ended December 31, 2020 were audited by another auditor who expressed an unmodified opinion on those statements on April 22, 2021.

Supplementary Information

The supplementary information contained in the Schedules to the financial statements have been presented for purposes of additional analysis and are unaudited. We do not express an opinion on the Schedules because our examination did not extend to the detailed information therein.

Other Information

Management is responsible for the other information, consisting of an 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 do 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 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 28, 2022

Chartered Professional Accountants

DRAFT - For Discussion Purposes Only

Sunshine Coast Regional District

MANAGEMENT REPORT

This statement is provided to clarify and outline the roles and responsibilities of the management team, the elected Board of Directors and the independent auditors in relation to the preparation and review of the Sunshine Coast Regional District's annual financial results.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Regional Board of Directors is composed entirely of Directors who are neither management nor employees of the Regional District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for delegating the authority for approval of the consolidated financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management. The Board is also responsible for recommending the appointment of the Regional District's external auditors. The external auditors have full and free access to the Board and management to discuss their audit findings.

MNP LLP, an independent firm of Chartered Professional Accountants, has been appointed by the Regional Board of Directors to audit the consolidated financial statements and report to them.

Tina Perreault
Chief Financial Officer
April 28, 2022

* For municipalities, the officer assigned responsibility for financial administration signs

* Prepared pursuant to Financial Information Regulation, Schedule 1, section 9

Sunshine Coast Regional District

Statement Of Financial Position

December 31, 2021 and 2020

	2021	2020
Financial Assets		
Cash and equivalents	\$ 25,034,606	\$ 17,142,033
Portfolio investments (Note 4)	31,143,435	28,736,078
Accounts receivable (Note 5)	2,308,387	2,142,608
Debt recoverable from member municipalities (Note 12)	8,929,740	10,594,436
Restricted cash: MFA debt reserve fund (Note 14)	484,219	476,121
Total Financial Assets	67,900,387	59,091,276
Liabilities		
Accounts payable and accrued liabilities (Note 6)	5,713,556	4,073,853
Employee future benefits (Note 19)	71,700	150,200
Deferred revenue:		
Development cost charges (Note 7)	2,634,234	2,400,014
Future parks acquisition (Note 8)	839,093	660,497
Other (Note 9)	1,617,612	581,254
Provision for landfill closure and post-closure (Note 11)	8,025,529	7,272,630
Debt (Note 12)	19,417,713	23,122,471
Total Financial Liabilities	38,319,437	38,260,919
Net Financial Assets	29,580,950	20,830,357
Non-Financial Assets		
Inventory and prepaids	882,078	846,939
Land held for resale (Note 15)	1,855,964	1,839,397
Tangible capital assets (Note 13)	135,268,595	135,133,165
Total Non-Financial Assets	138,006,637	137,819,501
Accumulated Surplus (Note 17)	\$167,587,587	\$158,649,858

Contingent liabilities (Note 20)

Tina Perreault
Chief Financial Officer

Darnelda Siegers
Chair

The accompanying section "Notes to Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional District

Statement Of Operations

For the Years Ended December 31, 2021 and 2020

	Fiscal Plan 2021 (Note 23)	Actual 2021	Actual 2020
Revenue			
Grants in lieu of taxes	\$ 72,000	\$ 98,254	\$ 93,104
Tax requisitions	24,491,625	24,449,190	21,168,637
Frontage and parcel taxes	5,915,513	5,914,944	5,634,590
Government transfers (Note 16)	5,446,603	4,227,696	3,609,225
User fees and service charges	14,181,926	14,532,891	12,731,226
Member municipality debt	1,828,505	1,781,711	1,858,381
Investment income	676,824	930,404	1,836,081
Contributed tangible capital assets	544,500	240,555	1,274,069
Other revenue	1,034,175	1,694,362	932,370
Total Revenue	54,191,671	53,870,007	49,137,683
Expenses (Note 22)			
General government	3,308,241	1,826,782	1,712,840
Protective services	3,787,991	3,376,128	3,111,493
Transportation services	6,398,266	5,863,292	5,403,566
Environmental services	7,214,543	7,378,608	6,684,153
Public health services	374,760	336,377	278,783
Planning and development services	2,518,096	2,337,949	2,077,042
Recreation and cultural services	12,789,003	12,091,045	11,020,772
Water utilities	11,891,745	9,454,307	8,205,295
Sewer utilities	670,164	513,792	463,807
Debt charges member municipalities	1,828,505	1,781,711	1,858,381
Unfunded post-employment benefits (recovery)	-	(27,713)	12,846
Total Expenses	50,781,314	44,932,278	40,828,978
Annual Operating Surplus	3,410,357	8,937,729	8,308,705
Accumulated Surplus, beginning of year	158,649,858	158,649,858	150,341,153
Accumulated Surplus, end of year	\$162,060,215	\$167,587,587	\$158,649,858

The accompanying section "Notes to Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional District

Statement Of Change In Net Financial Assets

For the Years Ended December 31, 2021 and 2020

	Fiscal Plan 2021 (Note 23)	Actual 2021	Actual 2020
Annual operating surplus	\$ 3,410,357	\$ 8,937,729	\$ 8,308,705
Acquisition of tangible capital assets	(34,986,425)	(6,059,558)	(4,822,592)
Amortization of tangible capital assets	4,822,441	5,105,188	5,019,268
Loss on disposal of tangible capital assets	-	210,903	9,009
Proceeds from sale of tangible capital assets	-	-	5,592
Write-off of tangible capital assets	-	608,037	-
Change in inventory and prepaids	-	(35,139)	(55,579)
Development of land held for resale	(43,001)	(16,567)	96,287
	(26,796,628)	8,750,593	8,560,690
Net financial assets, beginning of year	20,830,357	20,830,357	12,269,667
Net financial assets, end of year	\$ (5,966,271)	\$ 29,580,950	\$ 20,830,357

The accompanying section "Notes to Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional District

Statement Of Cash Flows

For the Years Ended December 31, 2021 and 2020

	2021	2020
Operating Transactions:		
Annual operating surplus	\$ 8,937,729	\$ 8,308,705
Items not involving cash included in annual surplus:		
Amortization of tangible capital assets	5,105,188	5,019,268
Loss on disposal of tangible capital assets	210,903	9,009
Write-off of tangible capital assets	608,037	-
Actuarial adjustment of long-term debt	(618,820)	(625,874)
Contributed tangible capital assets	(240,555)	(1,274,069)
Change in employee future benefit liability	(78,500)	5,700
Provision for landfill closure and post-closure costs	752,899	384,124
Change in financial assets and liabilities involving cash:		
(Increase) Decrease in accounts receivable	(165,779)	569,644
Increase (decrease) in accounts payable and accrued liabilities	1,639,703	(751,436)
Increase (decrease) in other deferred revenue	1,036,358	(142,528)
Increase in inventory and prepaids	(35,139)	(55,579)
Net Change in Cash from Operating Transactions	17,152,024	11,446,964
Investing Transaction:		
Net increase in portfolio investments	(2,407,357)	(357,624)
Financing Transactions:		
Debt proceeds	138,630	687,716
Repayment of debt	(1,559,872)	(1,438,789)
Increase in restricted cash: MFA debt reserve fund	(8,098)	(9,600)
Collection of DCC and parkland acquisition (deferred revenue)	412,816	286,227
Net Change in Cash from Financing Transactions	(1,016,524)	(474,446)
Capital Transactions:		
Cash used to acquire tangible capital assets	(5,819,003)	(3,548,523)
Proceeds from sale of tangible capital assets	-	5,592
Development of land held for resale	(16,567)	96,287
Net Change in Cash from Capital Transactions	(5,835,570)	(3,446,644)
Net increase in cash and cash equivalents	7,892,573	7,168,250
Cash and equivalents, beginning of year	17,142,033	9,973,783
Cash and equivalents, end of year	\$ 25,034,606	\$ 17,142,033

The accompanying section "Notes to Financial Statements" form an integral part of these financial statements.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

1. Significant Accounting Policies

The preparation of the Financial Statements is the responsibility of the management of the Sunshine Coast Regional District. The accounting policies used within these statements conform to Canadian Public Sector Accounting Standards ("PSAS"). They have been prepared in accordance with current recommendations issued by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Reporting entity and consolidation:

The Financial Statements combine the activities of the various funds of the reporting entity - Sunshine Coast Regional District (the "Regional District"). Interfund transactions and fund balances have been eliminated for reporting purposes. There are no other organizations under the control of the Regional District Board that meet the criteria for inclusion and consolidation in these statements.

(b) Fiscal plan:

The fiscal plan is part of the statutory five-year financial plan adopted by the Regional District Board and reflects the anticipated revenues and expenditures for a given year. The fiscal plan is prepared on a basis consistent with that used to report the actual results achieved. See Note 23.

(c) Government transfers:

Government transfers are recognized as revenue when authorized and eligibility criteria have been met unless, the transfer contains stipulations that create a liability. If the transfer contains stipulations that create a liability, the related revenue is recognized over the period that the liability is extinguished. See Note 16.

(d) Revenue recognition:

Sources of revenue are recorded on an accrual basis and recognized in the period in which they are earned. Unearned revenue in the current period is reported on the Statement of Financial Position as deferred revenue.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. The Regional District requisitions each Municipality and Electoral Area for their portion of each service in which they participate. Taxes are collected on behalf of the Regional District by the Municipalities and the Province (for Electoral Areas) and must be paid to the Regional District by August 1 of each year.

(e) Expense recognition:

Operating expenses are recognized on an accrual basis in the period in which they are incurred.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

1. Significant Accounting Policies (Continued)

(f) Use of estimates:

Estimates are required to determine the liability for employee future benefits, the liability for landfill closure and post-closure costs, and the useful lives of tangible capital assets. Actual results could differ from these estimates.

(g) Cash and equivalents:

Cash consists of cash on hand, cash in transit, and cash on deposit. Cash equivalents are short-term investments with an original maturity of three months or less, made to obtain a return on a temporary basis, and are carried at cost.

(h) Portfolio investments:

Investments include both Municipal Finance Authority of British Columbia (MFA) pooled investments, by which market-based unit values are allocated amongst the participants in the investment pool, and other long-term investments in securities, including money market investments, which are carried at cost, but written down when there has been a permanent decline in value.

(i) Deferred revenues:

Deferred revenues are those which are received in advance of the expenses to which they are associated and those which are received in advance of the service being provided. They will be recognized as revenue in future years when they can be matched against expenses for the related service or capital projects.

(j) Hillside Development Project land costs:

The cost of Hillside Development Project Land Held for Resale (Note 15) is comprised of acquisition costs and development costs, including interest on borrowing and other direct costs. The cost of land sold, excluding development costs, is prorated to each parcel of land on an acreage basis. Development costs are allocated as incurred evenly across remaining saleable parcels of land as they are incurred. Undeveloped land and water space leases owned by the Regional District are recorded at historical cost.

(k) Service severance pay:

Service severance pay to full-time employees hired prior to 1994 with over 20 years of continuous municipal service in British Columbia is payable upon retirement from their employment with the Regional District. The liability for such payments has been accrued and included in employee future benefits liability as set out in (Note 19).

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

1. Significant Accounting Policies (Continued)

(l) Trusts under administration:

Public Sector Accounting Standards require that trusts administered by a government should be excluded from the government reporting entity. The Regional District administers a cemetery perpetual care fund which meets the definition of a trust under the *Cremation, Interment and Funeral Services Act* (Note 10). The Regional District does not have any other accounts that meet the definition of a trust.

(m) 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.

(n) Inventory:

Inventories are valued at the lower of cost and net realizable value and are classified as non-financial assets.

(o) Tangible capital assets:

Tangible capital assets are a special class of non-financial assets and are recorded at cost less accumulated amortization and classified based on their functional use. Cost includes the capital expenditures, excluding interest, 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 market value at the time of the donation, with the 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 service. Amortization is unfunded.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

1. Significant Accounting Policies (Continued)

(o) Tangible capital assets: (Continued)

Estimated useful lives of tangible capital assets are as follows:

Land Improvements	15 to 50 years
Buildings	10 to 50 years
Furniture, Fixtures & Equipment	4 to 40 years
Technology Equipment	4 to 5 years
Machinery & Equipment	4 to 20 years
Vehicles	6 to 15 years
Sewer Treatment Infrastructure	20 to 50 years
Water Supply Infrastructure	5 to 100 years
Water Distribution Infrastructure	20 to 100 years
Leasehold Improvements	10 to 40 years
Work in Progress	not amortized until the assets are available for use

(p) Liability for Contaminated Sites:

The Regional District recognizes a liability for the costs to remediate a contaminated site 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. There were no such sites that had contamination in excess of environmental standards as at December 31, 2021.

2. Change in Prior Year Presentation:

During the year, a restatement of prior year comparatives was required to conform to current year presentation.

3. Related Party Transactions:

The Sunshine Coast Regional Hospital District is related to the Sunshine Coast Regional District since the same individuals are members of the Board of Directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the Sunshine Coast Regional District are the corresponding officers and employees of the Hospital District. Each of the Regional District and the Hospital District are separate legal entities as defined by separate Letters Patent and authorized by separate legislation. During the year the Hospital District purchased, at cost, \$34,215 (2020 - \$27,914) of administrative support services from the Sunshine Coast Regional District. These transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

4. Portfolio Investments:

	2021	2020
Municipal Finance Authority ¹	\$ 14,827,257	\$ 14,951,991
Raymond James	-	2,005,400
Blue Shore Financial ²	4,312,721	3,000,028
Sunshine Coast Credit Union ³	10,003,457	6,778,659
Canaccord Genuity ⁴	2,000,000	2,000,000
	\$ 31,143,435	\$ 28,736,078

¹ Municipal Finance Authority investments are pooled investment funds by which municipalities in B.C. can access high-quality investments, while maintaining a high degree of security and liquidity. Interest rates are variable. The average yield in 2021 was -0.90% (2020 - 5.94%). These investments are for restricted funds, including reserves and development cost charges.

² Investments with Blue Shore Financial consist of money market securities at interest rates of 1.30% to maturity in 2022, recorded at cost.

³ Investments with Sunshine Coast Credit Union consist of money market securities at interest rates ranging from 1.10% to 1.40% to maturity in 2022, recorded at cost.

⁴ Investments with Cannaccord Genuity consist of money market securities at interest rates of 1.00% to maturity in 2022, recorded at cost.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

5. Accounts Receivable:

	2021	2020
Trade accounts receivable	\$ 1,450,499	\$ 1,063,391
Taxes receivable	678,024	832,179
Interest receivable	134,848	231,969
Other accounts receivable	45,016	15,069
	\$ 2,308,387	\$ 2,142,608

6. Accounts Payable and Accrued Liabilities:

	2021	2020
Trade accounts payable	\$ 2,531,743	\$ 2,024,341
Holdbacks payable	142,930	15,685
Other	792,204	503,422
Accrued trade payables	1,454,563	554,138
Accrued wages and benefits	741,621	905,664
Taxes payable	50,495	70,603
	\$ 5,713,556	\$ 4,073,853

7. Development Cost Charges:

Development cost charges represent funds collected from developers for the sole purpose of funding the capital cost of providing, altering or expanding water facilities in order to serve directly or indirectly, the development for which the charges are imposed. The development cost charges are restricted for the purpose of capital improvements to the water system and will be recognized as revenue in future periods when qualifying capital projects are undertaken.

	December 31, 2020	Restricted Inflows	Revenue Recognized	December 31, 2021
Development Cost Charges	\$ 2,400,014	\$ 234,220	\$ -	\$ 2,634,234

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

8. Future Parks Acquisition:

Under Section 510 of the Local Government Act, developers are required to provide parkland or pay an amount equivalent to the market value of the parkland when subdividing. The payments received are recorded as deferred revenue and the use of these funds is restricted to the acquisition of park lands. The revenue will be recognized in future periods when additional parkland is acquired.

	December 31, 2020	Restricted Inflows	Revenue Recognized	December 31, 2021
Future Parks Acquisition	\$ 660,497	\$ 178,596	\$ -	\$ 839,093

9. Deferred Revenue - Other:

The Halfmoon Bay Community Association is restricted based on the provisions of a Memorandum of Understanding. The Other amounts have been designated by the Regional District at the time of collection to be used for the provision of a specific service or capital project in future periods.

	December 31, 2020	Restricted Inflows	Revenue Recognized	December 31, 2021
Halfmoon Bay Community Association	\$ 338,872	\$ 33,720	\$ -	\$ 372,592
Grant Funding	-	1,048,943	(138,487)	910,456
Other	242,382	653,723	(561,541)	334,564
	\$ 581,254	\$ 1,736,386	\$ (700,028)	\$ 1,617,612

10. Cemetery Care Fund

The Regional District operates the Seaview Cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act. The trust fund assets and liabilities are not included in the financial statements. At December 31, 2021, the balance of funds held in trust was \$230,936 (2020 - \$215,100). Contributions to the fund during the year totalled \$15,836 (2020 - \$24,881) and NIL (2020 - NIL) was withdrawn.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

11. Provision for Landfill Future Closure and Post-Closure Care Costs:

The Regional District is responsible for the closure and post-closure care costs at the Sechelt and Pender Harbour landfill sites. The total estimated liability for these costs as of December 31, 2021 is \$8,025,529 (2020 - \$7,272,630) which represents the recognized portion of the estimated total future costs.

The reported liability is based on estimates and assumptions with respect to events extending over the remaining life and post-closure period for each site. The liability and annual expense is calculated based on the ratio of usage to total capacity and the discounted estimated future cash flows associated with closure and post-closure activities. Post closure care costs are expected to continue for 30 years following the year of closure at both the Pender Harbour and Sechelt Landfill sites as per Ministry of Environment Criteria issued in 2016.

The Sechelt landfill site is expected to reach its capacity in mid-2025. The remaining liability to be recognized for the Sechelt landfill site is estimated to be \$681,022 (2020 - \$847,292) based on the remaining capacity of 72,700 cubic meters, which is 8.27% (2020 - 11.06%) of the total capacity.

The Pender Harbour landfill site reached its capacity and was converted to a transfer station in 2015. There is no remaining liability to be recognized for this site.

The Regional District has set aside funding for future landfill closure and post-closure care costs. The balance of this funding as at December 31, 2021 is \$3,460,514 (2020 - \$2,606,443) resulting in a current funding shortfall of \$4,565,015 (2020 - \$4,666,187). A phased closure of the Sechelt Landfill is expected to occur in 2022 at an estimated cost of \$2,730,389.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

12. Debt:

Loan Authorization Bylaw	Purpose	Maturing	Interest Rate	2021	2020
MFA Loan Debt					
584	Parks Master Plan	2022	2.25 %	105,629	207,195
550	Comm. Recreation Facilities	2025	4.77 %	4,550,282	5,606,244
544	Water Treatment Plant	2025	0.91 %	840,483	1,035,529
557	Field Rd. Admin Building	2026	4.88 %	966,995	1,138,662
550	Comm. Recreation Facilities	2026	4.88 %	666,676	785,029
556	Fleet Maint. Bldg. Expansion	2026	4.88 %	133,322	156,990
547	Egmont VFD	2026	4.88 %	32,757	38,573
594	Pender Harbour Pool	2029	2.25 %	428,596	473,322
676	S. Pender Water Treatment	2034	3.00 %	953,138	1,008,259
617	N. Pender Water Initiatives	2035	3.00 %	280,000	300,000
619	S. Pender Water Initiatives	2035	3.00 %	420,000	450,000
707	Square Bay Waste Wtr. Plant	2039	2.66 %	258,847	269,580
Various	Debt issued for member municipalities	2021 to 2038	1.75% to 4.85%	8,929,740	10,594,436
				18,566,465	22,063,819
Liability Under Agreement					
MFA	Equipment Financing Loans		0.96 %	561,448	672,052
MFA	Septic Field Replacements		0.96 %	270,000	360,000
MFA	Vaucroft Dock Capital Works		0.96 %	19,800	26,600
				\$ 19,417,713	\$ 23,122,471

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

12. Debt: (Continued)

Future principal repayments on existing debt:

2022	\$ 3,931,228
2023	3,262,967
2024	3,308,061
2025	2,894,552
2026	1,102,276
Thereafter	4,918,629
	<hr/>
	\$ 19,417,713

Interest paid on debt:

During the year, gross interest paid or payable on debt was \$1,735,152 (2020 - \$1,819,234). Of this, \$491,908 (2020 - \$544,090) was recovered from member municipalities and \$1,243,244 (2020 - \$1,275,144) was charged to Regional District operations.

Approved debt:

The Regional District has the following authorized, but un-issued debt as at December 31, 2021. The bylaws expire five years from the date of adoption.

Bylaw No. 725 - Church Road Well Field Project **\$9,000,000**

Bylaw No. 725 authorizing borrowing of up to \$9,000,000 for the design and construction of the Church Road Well Field Project was adopted by the Board on July 23, 2020. The maximum term for which borrowing can be issued under this Bylaw is 30 years. There has been no debt issued under this Bylaw as of December 31, 2021.

Bylaw No. 730 - Water Meter Installations Project **\$7,250,000**

Bylaw No. 730 authorizing borrowing of up to \$7,250,000 for the installation of water meters was adopted by the Board on July 8, 2021. The maximum term for which borrowing can be issued under this Bylaw is 15 years. There has been no debt issued under this Bylaw as of December 31, 2021.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

13. Tangible Capital Assets:

During the year, tangible capital assets contributed to the Regional District, totaled \$240,555 (2020 - \$1,274,069) consisting of Water Distribution Infrastructure. Revenue was recognized and the assets capitalized at their fair market value at the time of receipt.

Included in the 2021 disposal of Work in Progress is \$608,037 which was written off in the year due to the indefinite postponement of the raw water reservoir storage capacity project.

	Land	Land Improvements	Buildings	Furniture, Fixtures & Equipment	Technology Equipment	Machinery & Equipment
Cost, beginning of year	\$ 22,247,569	\$ 1,561,420	\$ 33,846,596	\$ 3,125,420	\$ 3,612,656	\$ 9,198,717
Additions	-	57,650	154,502	71,583	62,514	784,581
Disposals	-	-	(167,765)	(142,869)	(9,281)	(720,485)
Cost, end of year	22,247,569	1,619,070	33,833,333	3,054,134	3,665,889	9,262,813
Accumulated amortization, beginning of year	-	1,083,228	11,609,535	2,255,692	2,831,023	4,956,182
Amortization	-	46,842	875,815	170,407	409,698	623,226
Disposals	-	-	(105,354)	(142,869)	(9,281)	(628,665)
Accumulated amortization, end of year	-	1,130,070	12,379,996	2,283,230	3,231,440	4,950,743
Net carrying amount, end of year	\$ 22,247,569	\$ 489,000	\$ 21,453,337	\$ 770,904	\$ 434,449	\$ 4,312,070

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

						2021	2020
Vehicles	Sewer Treatment Infrastructure	Water Supply Infrastructure	Water Distribution Infrastructure	Leasehold Improvements	Work in Progress		
\$6,762,426	\$3,640,568	\$26,419,499	\$77,502,396	\$11,608,263	\$2,973,008	\$202,498,538	\$197,775,285
398,456	23,583	516,755	910,221	1,526,425	1,921,980	6,428,250	6,092,132
(14,760)	-	-	(21,491)	(172,319)	(976,729)	(2,225,699)	(1,368,879)
7,146,122	3,664,151	26,936,254	78,391,126	12,962,369	3,918,259	206,701,089	202,498,538
4,587,036	812,357	11,697,583	22,168,536	5,364,201	-	67,365,373	62,430,843
276,803	100,475	761,843	1,310,696	529,383	-	5,105,188	5,019,268
(14,760)	-	-	(21,491)	(115,647)	-	(1,038,067)	(84,738)
4,849,079	912,832	12,459,426	23,457,741	5,777,937	-	71,432,494	67,365,373
\$2,297,043	\$2,751,319	\$14,476,828	\$54,933,385	\$7,184,432	\$3,918,259	\$135,268,595	\$135,133,165

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

14. Debt Reserve Fund:

The Municipal Finance Authority (MFA) provides long term capital financing for Regional Districts and their Member Municipalities. As protection against loan default, the MFA is required to establish a debt reserve fund into which Regional Districts and Member Municipalities contribute amounts set out in each respective loan agreement. Cash deposits (including investment earnings) are an obligation of the MFA to the Regional District. Demand notes are contingent on the MFA calling the outstanding notes in the event of a loan default. Cash deposits of Member Municipalities are not recorded in these financial statements.

	2021	2020
Cash Deposits:		
Restricted cash: MFA debt reserve fund	\$ 484,219	\$ 476,121
Cash deposits - Member Municipalities	323,087	317,684
Demand Notes:		
Demand notes - Regional District	919,022	919,022
Demand notes - Member Municipalities	\$ 799,772	\$ 799,772

15. Land Held for Resale:

Included in the Reserve Fund portion of Accumulated Surplus (Note 17) is a balance of \$963,975 (2020 - \$904,662) which represents the surplus of funding for the development of the Hillside Industrial Park. This surplus consists of the net proceeds from the sale of lots in the Hillside Development Park and operating surpluses, net of any development costs incurred. In 2021 and 2020, the Regional District did not sell any of the Hillside lots.

The assets of the Hillside Development Project are as follows:

	2021	2020
Land held for resale	\$ 1,855,964	\$ 1,839,397
Protected lands-not for sale ¹	1,109,877	1,109,877
	\$ 2,965,841	\$ 2,949,274

¹ Includes demonstration forest, interpretation area, parklands and protected habitat areas. These assets are included as tangible capital assets (Note 13).

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

16. Government Transfers:

	2021	2021	2020
	Fiscal Plan	Actual	Actual
Operating transfers			
Federal	\$ -	\$ 9,328	\$ -
Provincial	2,649,101	2,696,833	2,919,470
Other	111,810	36,532	-
	2,760,911	2,742,693	2,919,470
Capital transfers			
Federal	647,050	1,359,907	664,822
Provincial	2,038,642	125,096	24,933
	2,685,692	1,485,003	689,755
	\$ 5,446,603	\$ 4,227,696	\$ 3,609,225

17. Accumulated Surplus:

	2021	2020
Fund Balances:		
Current Fund ¹	\$ (3,893,193)	\$ (4,507,494)
Capital Fund ²	5,452,097	6,397,052
Reserve funds	38,025,800	30,992,713
Debt reserve funds	484,219	476,121
Financial Equity	40,068,923	33,358,392
Investment in Non-Financial Assets (Note 18)	127,518,664	125,291,466
Accumulated Surplus, end of year	\$ 167,587,587	\$ 158,649,858

¹ Current fund includes future liabilities such as employee future benefits (Note 19) and unfunded post-closure landfill liabilities (Note 11) contributing to the negative position.

² Includes \$7,915,914 (2020 - \$6,625,282) advanced from the Gas Tax Community Works Fund.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

18. Investment in Non-financial Assets:

The investment in Non-financial Assets represents the Regional District's equity in the non-financial assets it holds. The value is calculated as the book value of all non-financial assets minus the outstanding debt associated with purchasing those assets. Member municipality debt is excluded from the calculation.

	2021	2020
Investment in Non-Financial Assets, beginning of year	\$ 125,291,466	\$ 124,166,504
Add:		
Acquisition of tangible capital assets	6,059,558	4,822,592
Change in inventory and prepaids	35,139	55,579
Development of land held for resale	16,567	(96,287)
Repayment of debt	2,178,692	2,064,663
Accumulated amortization removed on sale of tangible capital assets	1,038,067	84,738
	9,328,023	6,931,285
Deduct:		
Issuance of debt and other obligations to finance capital additions	138,630	687,716
Costs of tangible capital assets sold or written off	1,857,007	99,339
Amortization of tangible capital assets	5,105,188	5,019,268
	7,100,825	5,806,323
Investment in Non-financial Assets, end of year	\$ 127,518,664	\$ 125,291,466

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

19. Employee Future Benefits:

Sick Pay

The Regional District provides paid sick leave to qualifying employees. This benefit of one day of sick leave per month accrues to a maximum of 18 days, but is not vested. When the maximum accumulated sick leave was introduced, employees with more than 18 days in their sick-leave bank were grandfathered. These employees maintained their existing sick-leave bank balance at the time this change was introduced. However, their sick-leave bank will not accrue any additional sick leave days until the bank drops below the 18-day maximum. The amount recorded for this benefit is based on an actuarial evaluation prepared by an independent firm and reviewed on a periodic basis. The date of the last actuarial evaluation was as of December 31, 2019 with results extrapolated to December 31, 2021.

Retirement Pay

Regular employees who were hired on or before January 1, 1994 and retire under the provisions of the Municipal Pension Plan are entitled to two weeks pay for each full year of service over 20 years as a retirement benefit. In all instances, the rate of pay used in the calculation of the retirement benefit shall be the rate of pay applicable on the last day worked. The amount recorded for this benefit in 2021 is based on an actuarial evaluation prepared by an independent firm and reviewed on a periodic basis. The date of the last actuarial evaluation was as of December 31, 2019 with results extrapolated to December 31, 2021.

The significant actuarial assumptions adopted in measuring the Regional District's accrued benefit liability are as follows:

	2021	2020
Discount rates	2.50 %	2.00 %
Expected future inflation rates	2.50 %	2.50 %
Expected wage and salary increases	2.50 %	2.50 %

Accrued Benefit Obligation as at December 31, 2021

	2021	2020
Beginning benefit obligation	\$ 277,100	\$ 334,000
Current service cost	11,700	12,200
Interest on accrued benefit obligation	5,400	8,400
Actuarial loss (gain)	(112,000)	(37,500)
Benefits paid during the year	39,100	(40,000)
Ending benefit obligation	221,300	277,100
Less: Unamortized net actuarial gain	(149,600)	(126,900)
Accrued Benefit Liability	\$ 71,700	\$ 150,200

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

20. Contingent Liabilities:

(a) Pension Plan:

The Regional District and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteesd 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 provided are based on a formula. As at December 31, 2020, the Plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Sunshine Coast Regional District paid \$1,341,753 (2020 - \$1,234,363) for employer contributions while employees contributed \$1,181,881 (2020 - \$1,087,023) to the plan in fiscal 2021.

The next valuation will be as at December 31, 2021 with results available in 2022.

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 the individual employers participating in the plan.

(b) Reciprocal insurance exchange agreement:

The Regional District is a subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Regional District is assessed a premium and a specific deductible for its claims, based on population. The obligation of the Regional District with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint-and-several. The Regional District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

20. Contingent Liabilities: (Continued)

(c) Third party claims:

Various lawsuits and claims are pending by and against the Regional District. It is the opinion of management that the amount of settlement from these claims cannot be reasonably estimated, nor can the likelihood of their outcomes be known at this time. The final determination of these claims is not expected to materially affect the financial position of the Regional District. Any ultimate settlements will be recorded in the year the settlement occurs.

21. Contractual Obligations:

The Regional District has entered into various agreements and contracts for the provision of services that extend beyond the current year. These agreements and contracts are consistent with the financial position and usual operations of the Regional District and do not involve a high degree of speculative risk or include obligations to make expenditures that are abnormal in relation to the financial position and usual operations of the Regional District.

Agreements and contracts for the provision Environmental Services constitute the majority of these commitments including but not limited to Sechelt Landfill maintenance, Pender Harbour Transfer Station operations, landfill engineering services, curbside garbage and food waste pickup, recycling depot operations, green waste collection, hauling and processing and other diversion materials hauling and processing such as wood waste, metal and drywall.

The value of contracted services included in Environmental Services expenses on the Statement of Operations for 2021 is \$4,122,897 (2020 - \$3,936,325) which is 56% (2020 - 59%) of total operating expenses for this service line and 63% (2020 - 64%) of the total contracted services operating expense for the Regional District. This level of expenditure is expected to continue for a considerable period into the future.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

22. Expense by Object:

	2021 Fiscal Plan	2021 Actual	2020 Actual
Operating Expenses:			
Salaries, wages and benefits	\$22,000,108	\$19,698,366	\$17,578,226
Operating goods and services	20,559,073	16,284,829	15,088,950
Debt charges - interest	1,571,187	1,243,244	1,275,144
Debt charges member municipalities	1,828,505	1,781,711	1,858,381
Amortization of tangible capital assets	4,822,441	5,105,188	5,019,268
Loss on disposal of tangible capital assets	-	210,903	9,009
Write-off of tangible capital assets	-	608,037	-
Total Operating Expenses	\$50,781,314	\$44,932,278	\$40,828,978

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

23. Fiscal Plan:

Fiscal plan amounts included in the financial statements represent the original Financial Plan Bylaw No. 731 adopted by the Regional District Board on March 25, 2021.

Financial Plan Bylaw No. 731 was subsequently amended by the Board on July 22, 2021 and again on December 9, 2021 to reflect amendments authorized by the Board throughout the year. These amendments are not reflected in the fiscal plan amounts presented in these Financial Statements.

The original Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current revenues. The reconciliation between the operating surplus and overall surplus/deficit per the fiscal plan is as follows:

	2021
	Fiscal Plan
Budgeted surplus per bylaw:	\$ -
Addback:	
Capital expenditures	34,986,425
Less:	
Amortization	4,822,441
Proceeds from debt	18,836,065
Debt principal repayment	(2,481,606)
Transfer (to)/from reserves	9,111,473
Transfer (to)/from appropriated surplus	(361,272)
Transfer (to)/from other funds	158,934
Prior year surplus/(deficit)	(178,435)
Budgeted transfers (to)/from accumulated surplus	1,668,468
Budgeted Surplus per PSAS	\$ 3,410,357

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

24. Segmented Reporting:

A segment is a distinguishable activity or group of activities for which financial information is separately reported on. For the purpose of preparing these PSAS compliant financial statements, the basis for segment disclosures is the major regional district funding categories. The segments are as follows:

Current Fund Services

Includes services responsible for the overall direction, monitoring and support to all functions of the Regional District. Additional services provided include Protective Services, Transportation Services, Environmental Services, Public Health Services, Planning and Development Services, and Recreation and Cultural Services.

Water Utilities Fund Services

Provide water services to residents in the Electoral Areas and member municipalities throughout the Sunshine Coast, including North Pender Harbour Water Service, South Pender Harbour Water Service and Regional Water Service. Water is also provided for fire protection, industrial use and irrigation purposes.

Sewer Utilities Fund Services

Provide 15 specific community package treatment plant and septic disposal systems.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2021 and 2020

24. Segmented Reporting: (Continued)

	Current Fund Services	Water Utilities Fund Services	Sewer Utilities Fund Services	Actual 2021
Revenue				
Grants in lieu of taxes	\$ 98,254	\$ -	\$ -	\$ 98,254
Tax requisitions	24,449,190	-	-	24,449,190
Frontage and parcel taxes	1,747,286	4,013,810	153,848	5,914,944
Government transfers	4,153,700	61,996	12,000	4,227,696
User fees and service charges	7,098,806	7,021,363	412,722	14,532,891
Member municipality debt	1,781,711	-	-	1,781,711
Investment income	769,769	152,762	7,872	930,403
Contributed assets	-	240,555	-	240,555
Other revenue	1,190,365	481,175	22,823	1,694,363
Total Revenue	41,289,081	11,971,661	609,265	53,870,007
Expenses				
Administration	4,188,597	1,124,412	47,477	5,360,486
Wages and benefits	16,431,514	3,131,186	135,666	19,698,366
Operating	15,679,244	2,329,270	213,692	18,222,206
Debt charges - interest	1,142,178	93,238	7,828	1,243,244
Internal recoveries	(7,265,538)	(32,325)	-	(7,297,863)
Debt charges member municipalities	1,781,711	-	-	1,781,711
Amortization of tangible capital assets	2,782,432	2,213,628	109,128	5,105,188
Loss on disposal of tangible capital assets	210,903	-	-	210,903
Write-off of tangible capital assets	13,138	594,899	-	608,037
Total Expenses	34,964,179	9,454,308	513,791	44,932,278
Annual Operating Surplus	\$ 6,324,902	\$ 2,517,353	\$ 95,474	\$ 8,937,729

Under the *Local Government Act* of British Columbia (the "Act"), all regional district services are separate and distinct, and must be funded as such. The major funding categories which are disclosed as segments above are comprised of numerous individual services. In order to satisfy the requirements of the Act, management tracks revenues, expenditures and fund balances for each service. Financial reporting on each individual service is included in the Regional District's annual report as supplementary schedules, but is not part of these audited financial statements. Readers are cautioned that these supplementary schedules are unaudited.

25. Global Uncertainty and the COVID-19 Pandemic

There is much uncertainty in the world and the pandemic is still a consideration. These global issues have far reaching implications to our local economy and our organization, such as disruption in supply chains, sharp rise in commodity prices, a rise in inflation and interest rates. Monitoring the impact these have to the Regional District will be a focus of the upcoming year.

The following schedules have been prepared as supplementary information and are not audited or covered by the Independent Auditor's Report.

Sunshine Coast Regional District

Statement of Current Fund (unaudited)

Schedule 1

For the Years Ended December 31, 2021 and 2020

	2021	2020
General Fund		
General Government Services:		
Administration	\$ -	\$ -
Finance	-	-
General Office Building Maintenance	-	-
Human Resources	-	-
Information Services	-	-
Feasibility Studies	-	4,448
SCRHD Administration	27,991	30,183
Grants in Aid	22,575	44,622
UBCM	-	-
Protective Services:		
Bylaw Enforcement	-	-
Smoke Control	-	-
Fire Protection:		
Gibsons and District Fire Protection	-	-
Roberts Creek Fire Protection	-	-
Halfmoon Bay Fire Protection	-	-
Egmont Fire Department	-	-
Emergency Telephone - 911	-	-
Sunshine Coast Emergency Planning	(44,623)	(36,596)
Animal Control	2,286	2,268
Transportation Services:		
Public Transit	-	-
Maintenance Facility	-	-
Regional Street Lighting	(1,132)	2,259
Local Street Lighting	3,989	97
Ports Services	-	-
Environmental Services:		
Regional Solid Waste	195,546	(93,595)
Refuse Collection	-	-
Public Health Services:		
Cemetery	-	-
Pender Harbour Health Clinic	(90)	(45)
Planning and Development Services:		
Regional Planning	-	-
Rural Planning	-	-
Geographic Information Services	-	-
House numbering	-	-
Heritage	-	-
Building Inspection Services	-	-
Economic Development	9,878	29,219
Sub-total Carried Forward (next page)	216,420	(17,140)

Sunshine Coast Regional District

Statement of Current Fund (unaudited)

Schedule 1

For the Years Ended December 31, 2021 and 2020

	2021	2020
General Fund (Continued)		
Sub-total Brought Forward (previous page)	216,420	(17,140)
Recreation and Cultural Services:		
Pender Harbour Pool	-	-
School facilities - Joint Use	-	-
Gibsons and Area Library	-	-
Museum Service	-	-
Halfmoon Bay & Roberts Creek Library Service	2	2
Community Recreation Facilities Service	-	-
Community Parks	-	-
Bicycle and Walking Paths	-	-
Regional Recreation Programs	-	-
Dakota Ridge Recreation Service	-	-
Total General Fund	216,422	(17,138)
Water Fund		
Regional Water Services	-	-
Sewer Fund		
Local Sewer Plants	-	-
Total Surplus (Deficit)	216,422	(17,138)
Current Fund		
General Fund Surplus (Deficit)	216,422	(17,138)
Inventory and prepaids	(882,078)	(846,939)
Other	87,737	87,737
Appropriated surplus	1,120,902	833,908
Unfunded Post Employment Future Benefits	128,838	101,125
Unfunded Landfill Closure	(4,565,014)	(4,666,187)
General Current Fund	(3,893,193)	(4,507,494)
Water Fund Surplus	-	-
Sewer Fund Surplus	-	-
Total Current Fund	\$ (3,893,193)	\$ (4,507,494)

Sunshine Coast Regional District

General Revenue, Water Utility and Sewer Funds

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 2

For the Years Ended December 31, 2021 and 2020

	General Revenue Fund	Water utilities	Sewer utilities
Revenue			
Grants in lieu of taxes	\$ 98,254	\$ -	\$ -
Tax requisitions	24,449,190	-	-
Frontage and parcel taxes	1,747,286	4,013,809	153,849
Government transfers	4,153,700	61,996	12,000
User fees and service charges	7,098,806	7,021,363	412,722
Member municipality debt	1,781,711	-	-
Investment income	769,770	152,762	7,872
Contributed assets	-	240,555	-
Other revenue	1,190,364	481,175	22,823
Total Revenue	41,289,081	11,971,660	609,266
Expenses			
Administration	4,188,597	1,124,412	47,477
Wages and benefits	16,459,227	3,131,186	135,666
Operating	15,679,244	2,329,269	213,693
Debt charges - interest	1,142,178	93,238	7,828
Internal recoveries	(7,265,538)	(32,325)	-
Debt charges member municipalities	1,781,711	-	-
Amortization of tangible capital assets	2,782,432	2,213,628	109,128
Loss (gain) on disposal of tangible capital assets	210,903	-	-
Write-off of tangible capital assets	13,138	594,899	-
Total Expenses	34,991,892	9,454,307	513,792
Annual Operating Surplus (Deficit)	6,297,189	2,517,353	95,474
Add: Proceeds from sale of assets	-	-	-
Add: Proceeds from debt	-	138,630	-
Less: Debt principle repayment	(1,746,511)	(405,752)	(26,427)
Less: Acquisition of tangible capital assets	(3,186,938)	(2,795,024)	(77,596)
Less: Change in Land held for resale	(16,567)	-	-
Increase (Decrease) in Financial Equity	1,347,173	(544,793)	(8,549)
Transfer (to)/from reserves	(4,425,684)	(2,481,218)	(126,186)
Transfer (to)/from appropriated surplus	(349,073)	-	-
Transfer (to)/from unfunded liability	(101,173)	-	-
Transfer (to)/from unfunded amortization	2,782,432	2,213,628	109,128
Transfer (to)/from unfunded loss on asset	224,041	594,899	-
Transfer (to)/from other funds	750,899	222,429	25,607
Interfund transfers	4,945	(4,945)	-
Surplus (deficit) from prior year	(17,138)	-	-
Total Surplus (Deficit) for the year	\$ 216,422	\$ -	\$ -

Other	Actual 2021	Budget 2021	Actual 2020
\$ -	\$ 98,254	\$ 72,000	\$ 93,104
-	24,449,190	24,491,625	21,168,637
-	5,914,944	5,915,513	5,634,590
-	4,227,696	5,446,603	3,609,225
-	14,532,891	14,181,926	12,731,226
-	1,781,711	1,828,505	1,858,381
-	930,404	676,824	1,836,081
-	240,555	544,500	1,274,069
-	1,694,362	1,034,175	932,370
-	53,870,007	54,191,671	49,137,683
-	5,360,486	5,360,486	4,671,656
(27,713)	19,698,366	22,000,108	17,578,226
-	18,222,206	22,397,881	16,834,544
-	1,243,244	1,571,187	1,275,144
-	(7,297,863)	(7,199,294)	(6,417,250)
-	1,781,711	1,828,505	1,858,381
-	5,105,188	4,822,441	5,019,268
-	210,903	-	9,009
-	608,037	-	-
(27,713)	44,932,278	50,781,314	40,828,978
27,713	8,937,729	3,410,357	8,308,705
-	-	-	5,592
-	138,630	18,836,065	687,716
-	(2,178,690)	(2,481,606)	(2,064,662)
-	(6,059,558)	(34,986,425)	(4,822,592)
-	(16,567)	(43,001)	96,287
27,713	821,544	(15,264,610)	2,211,046
-	(7,033,088)	9,111,473	(5,463,203)
-	(349,073)	(361,272)	(782,577)
(27,713)	(128,886)	1,700,000	(337,707)
-	5,105,188	4,822,441	5,019,268
-	818,940	24,769	9,009
-	998,935	158,934	(627,285)
-	-	(13,300)	-
-	(17,138)	(178,435)	(45,689)
\$ -	\$ 216,422	\$ -	\$ (17,138)

Sunshine Coast Regional District

General Revenue Fund

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 3

For the Years Ended December 31, 2021 and 2020

	General government Schedule 4	Protective services Schedule 5	Transportation services Schedule 6
Revenue			
Grants in lieu of taxes	\$ 97,803	\$ -	\$ -
Tax requisitions	1,905,918	3,850,323	3,708,537
Frontage and parcel taxes	-	-	-
Government transfers	1,840,509	139,918	2,103,937
User fees and service charges	-	33,543	599,004
Member municipality debt	1,781,711	-	-
Investment income	165,734	20,279	20,155
Contributed assets	-	-	-
Other revenue	163,287	324,824	20,979
Total Revenue	5,954,962	4,368,887	6,452,612
Expenses			
Administration	746,448	426,751	610,662
Wages and benefits	4,593,855	1,165,167	3,299,797
Operating	1,215,526	1,392,926	3,305,294
Debt charges - interest	144,632	5,906	19,862
Internal recoveries	(5,361,339)	-	(1,591,717)
Debt charges member municipalities	1,781,711	-	-
Amortization of tangible capital assets	487,660	384,740	219,394
Loss (gain) on disposal of tangible capital assets	-	638	-
Write-down of tangible capital assets	-	-	-
Total Expenses	3,608,493	3,376,128	5,863,292
Annual Operating Surplus (Deficit)	2,346,469	992,759	589,320
Add: Proceeds from sale of assets	-	-	-
Add: Proceeds from debt	-	-	-
Less: Debt principle repayment	(227,821)	(75,999)	(113,668)
Less: Acquisition of tangible capital assets	(56,339)	(765,544)	(109,611)
Less: Change in Land held for resale	-	-	-
Increase (Decrease) in Financial Equity	2,062,309	151,216	366,041
Transfer (to)/from reserves	(806,975)	(1,126,735)	(587,038)
Transfer (to)/from appropriated surplus	(411,713)	-	-
Transfer (to)/from unfunded liability	-	-	-
Transfer (to)/from unfunded amortization	487,660	384,740	219,394
Transfer (to)/from unfunded loss on asset	-	638	-
Transfer (to)/from other funds	(1,360,696)	582,406	(109)
Interfund transfers	728	(274)	2,213
Surplus/(deficit) from prior year	79,253	(34,328)	2,356
Total Surplus (Deficit) for the year	\$ 50,566	\$ (42,337)	\$ 2,857

Environmental services Schedule 7	Public health services Schedule 8	Planning and development services Schedule 9	Recreation and cultural services Schedule 10	Actual 2021	Budget 2021	Actual 2020
\$ -	\$ -	\$ 449	\$ 2	\$ 98,254	\$ 72,000	\$ 93,104
3,668,016	268,383	1,350,029	9,697,984	24,449,190	24,491,625	21,168,637
-	-	-	1,747,286	1,747,286	1,746,592	1,678,220
-	-	-	69,336	4,153,700	5,434,225	3,609,103
4,041,343	99,140	1,221,400	1,104,376	7,098,806	6,706,235	6,279,076
-	-	-	-	1,781,711	1,828,505	1,858,381
57,775	2,290	14,820	488,717	769,770	600,139	1,318,505
-	-	-	-	-	-	179,974
481,689	35	166,746	32,804	1,190,364	968,375	820,523
8,248,823	369,848	2,753,444	13,140,505	41,289,081	41,847,696	37,005,523
660,781	26,114	413,054	1,304,787	4,188,597	4,188,597	3,713,667
1,283,778	60,701	1,723,592	4,332,337	16,459,227	17,819,528	14,855,374
5,275,042	246,364	481,853	3,762,239	15,679,244	17,729,086	14,208,059
-	-	-	971,778	1,142,178	1,171,011	1,149,723
-	-	(312,482)	-	(7,265,538)	(7,199,294)	(6,400,398)
-	-	-	-	1,781,711	1,828,505	1,858,381
62,381	3,198	31,932	1,593,127	2,782,432	2,681,972	2,763,091
96,626	-	-	113,639	210,903	-	(867)
-	-	-	13,138	13,138	-	-
7,378,608	336,377	2,337,949	12,091,045	34,991,892	38,219,405	32,147,030
870,215	33,471	415,495	1,049,460	6,297,189	3,628,291	4,858,493
-	-	-	-	-	-	5,462
-	-	-	-	-	2,878,065	450,000
-	-	-	(1,329,023)	(1,746,511)	(1,973,178)	(1,698,284)
(1,590,125)	(18,920)	(44,713)	(601,686)	(3,186,938)	(12,061,235)	(1,787,853)
-	-	(16,567)	-	(16,567)	(43,001)	96,287
(719,910)	14,551	354,215	(881,249)	1,347,173	(7,571,058)	1,924,105
(571,521)	(17,794)	(408,523)	(907,098)	(4,425,684)	3,649,376	(2,429,745)
-	-	-	62,640	(349,073)	(361,272)	(782,577)
(101,173)	-	-	-	(101,173)	1,700,000	(350,553)
62,381	3,198	31,932	1,593,127	2,782,432	2,681,972	2,763,091
96,626	-	-	126,777	224,041	-	(867)
1,522,757	-	-	6,541	750,899	80,817	(1,106,136)
(19)	-	3,035	(738)	4,945	(1,400)	7,834
(93,595)	(45)	29,219	2	(17,138)	(178,435)	(42,291)
\$ 195,546	\$ (90)	\$ 9,878	\$ 2	\$ 216,422	\$ -	\$ (17,138)

Sunshine Coast Regional District

General Revenue Fund - General Government Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 4

For the Years Ended December 31, 2021 and 2020

	Administration	Finance	General Office Building Maintenance	Human Resources	Information Services
Revenue					
Grants in lieu of taxes	\$ 97,803	\$ -	\$ -	\$ -	\$ -
Tax requisitions	1,610,869	-	-	-	-
Government transfers	1,840,509	-	-	-	-
User fees and service charges	-	-	-	-	-
Member municipality debt	-	-	-	-	-
Investment income	82,369	3,158	75,640	1,207	2,177
Other revenue	46,757	100	-	8,185	2,213
Total Revenue	3,678,307	3,258	75,640	9,392	4,390
Expenses					
Administration	703,885	-	10,367	-	-
Wages and benefits	1,682,932	1,362,261	282,793	565,545	633,063
Operating	296,469	169,838	207,400	73,430	225,022
Debt charges - interest	-	-	144,185	-	447
Internal recoveries	(964,958)	(1,692,147)	(800,053)	(725,929)	(1,178,252)
Debt charges member municipalities	-	-	-	-	-
Amortization of tangible capital assets	15,720	206,925	102,170	29,671	133,174
Total Expenses	1,734,048	46,877	(53,138)	(57,283)	(186,546)
Annual Operating Surplus (Deficit)	1,944,259	(43,619)	128,778	66,675	190,936
Add: Proceeds from debt	-	-	-	-	-
Less: Debt principle repayment	-	-	(180,431)	-	(47,390)
Less: Acquisition of tangible capital assets	-	-	(92)	-	(56,247)
Increase (Decrease) in Financial Equity	1,944,259	(43,619)	(51,745)	66,675	87,299
Transfer (to)/from reserves	(229,972)	(163,298)	(49,620)	(96,225)	(221,598)
Transfer (to)/from appropriated surplus	(370,018)	-	92	-	78
Transfer (to)/from unfunded amortization	15,720	206,925	102,170	29,671	133,174
Transfer (to)/from other funds	(1,359,906)	-	(790)	-	-
Interfund transfers	(83)	(8)	(107)	(121)	1,047
Surplus/(deficit) from prior year	-	-	-	-	-
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -	\$ -

Feasibility Studies	Grants in Aid	SCRHD Administration	UBCM	Fiscal Services	Actual 2021	Budget 2021	Actual 2020
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,803	\$ 72,000	\$ 91,469
37,417	169,766	-	87,866	-	1,905,918	1,920,975	1,486,320
-	-	-	-	-	1,840,509	985,860	1,425,017
-	-	-	-	-	-	-	2,506
-	-	-	-	1,781,711	1,781,711	1,828,505	1,858,381
315	19	-	849	-	165,734	130,534	389,359
71,817	-	34,215	-	-	163,287	42,621	74,309
109,549	169,785	34,215	88,715	1,781,711	5,954,962	4,980,495	5,327,361
-	13,586	12,918	5,692	-	746,448	746,448	614,412
21,085	3,120	18,809	24,247	-	4,593,855	4,921,134	3,987,997
50,732	175,107	4,680	12,848	-	1,215,526	2,382,888	1,131,255
-	-	-	-	-	144,632	144,816	146,217
-	-	-	-	-	(5,361,339)	(5,440,023)	(4,680,705)
-	-	-	-	1,781,711	1,781,711	1,828,505	1,858,381
-	-	-	-	-	487,660	552,978	513,667
71,817	191,813	36,407	42,787	1,781,711	3,608,493	5,136,746	3,571,224
37,732	(22,028)	(2,192)	45,928	-	2,346,469	(156,251)	1,756,137
-	-	-	-	-	-	25,000	-
-	-	-	-	-	(227,821)	(227,678)	(232,014)
-	-	-	-	-	(56,339)	(397,934)	(175,092)
37,732	(22,028)	(2,192)	45,928	-	2,062,309	(756,863)	1,349,031
(315)	(19)	-	(45,928)	-	(806,975)	485,822	(316,048)
(41,865)	-	-	-	-	(411,713)	(418,915)	(812,577)
-	-	-	-	-	487,660	552,978	513,667
-	-	-	-	-	(1,360,696)	(37,934)	703,690
-	-	-	-	-	728	27,575	(973)
4,448	44,622	30,183	-	-	79,253	71,469	49,843
\$ -	\$ 22,575	\$ 27,991	\$ -	\$ -	\$ 50,566	\$ -	\$ 79,253

Sunshine Coast Regional District

General Revenue Fund - Protective Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 5

For the Years Ended December 31, 2021 and 2020

	Gibsons and District Fire Protection	Roberts Creek Fire Protection	Halfmoon Bay Fire Protection	Egmont Fire Department
Revenue				
Grants in lieu of taxes	\$ -	\$ -	\$ -	\$ -
Tax requisitions	1,334,364	618,146	670,730	165,134
Government transfers	23,571	6,602	-	27,961
User fees and service charges	-	2,400	300	-
Investment income	2,790	3,496	3,208	3,681
Other revenue	159,723	138,780	1,428	-
Total Revenue	1,520,448	769,424	675,666	196,776
Expenses				
Administration	119,405	64,585	52,781	13,282
Wages and benefits	413,611	159,962	160,849	35,361
Operating	494,082	257,144	194,121	51,103
Debt charges - interest	1,026	-	-	4,880
Amortization of tangible capital assets	171,144	79,359	43,645	14,287
Loss (gain) on disposal of tangible capital assets	638	-	-	-
Total Expenses	1,199,906	561,050	451,396	118,913
Annual Operating Surplus (Deficit)	320,542	208,374	224,270	77,863
Add: Proceeds from debt	-	-	-	-
Less: Debt principle repayment	(70,184)	-	-	(5,815)
Less: Acquisition of tangible capital assets	(398,456)	(257,882)	-	(31,653)
Increase (Decrease) in Financial Equity	(148,098)	(49,508)	224,270	40,395
Transfer (to)/from reserves	(422,140)	(213,828)	(267,915)	(54,655)
Transfer (to)/from appropriated surplus	-	-	-	-
Transfer (to)/from unfunded amortization	171,144	79,359	43,645	14,287
Transfer (to)/from unfunded loss on asset	638	-	-	-
Transfer (to)/from other funds	(398,456)	(183,977)	-	(27)
Interfund transfers	-	-	-	-
Surplus/(deficit) from prior year	-	-	-	-
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -

Smoke Control	Bylaw Enforcement	Emergency Telephone - 911	Sunshine Coast Emergency Planning	Animal Control	Actual 2021	Budget 2021	Actual 2020
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 188
-	293,655	405,002	315,679	47,613	3,850,323	3,877,701	3,124,840
-	-	-	81,784	-	139,918	203,501	48,561
-	1,295	-	-	29,548	33,543	33,351	30,871
83	932	4,523	441	1,125	20,279	2,458	106,685
-	-	16,250	8,379	264	324,824	5,880	185,456
83	295,882	425,775	406,283	78,550	4,368,887	4,122,891	3,496,601
305	47,928	37,686	75,369	15,410	426,751	426,751	336,638
391	129,296	41,242	190,320	34,135	1,165,167	1,441,874	1,147,382
110	19,660	222,604	138,236	15,866	1,392,926	1,530,533	1,243,863
-	-	-	-	-	5,906	13,362	8,039
-	-	67,536	8,769	-	384,740	375,471	375,536
-	-	-	-	-	638	-	34
806	196,884	369,068	412,694	65,411	3,376,128	3,787,991	3,111,492
(723)	98,998	56,707	(6,411)	13,139	992,759	334,900	385,109
-	-	-	-	-	-	820,789	-
-	-	-	-	-	(75,999)	(140,833)	(73,643)
-	-	(62,585)	(14,968)	-	(765,544)	(2,528,456)	(334,286)
(723)	98,998	(5,878)	(21,379)	13,139	151,216	(1,513,600)	(22,820)
723	(98,948)	(61,658)	4,654	(12,968)	(1,126,735)	1,175,312	(420,427)
-	-	-	-	-	-	-	30,000
-	-	67,536	8,769	-	384,740	375,471	375,536
-	-	-	-	-	638	-	34
-	-	-	-	-	582,406	-	(33)
-	(50)	-	(71)	(153)	(274)	(2,855)	1,096
-	-	-	(36,596)	2,268	(34,328)	(34,328)	2,286
\$ -	\$ -	\$ -	\$ (44,623)	\$ 2,286	\$ (42,337)	\$ -	\$ (34,328)

Sunshine Coast Regional District

General Revenue Fund - Transportation Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 6

For the Years Ended December 31, 2021 and 2020

	Public Transit	Maintenance Facility	Regional Street Lighting
Revenue			
Tax requisitions	\$ 2,866,647	\$ -	\$ 36,216
Government transfers	2,103,937	-	-
User fees and service charges	597,921	-	-
Investment income	4,797	11,487	-
Other revenue	9,088	7,808	-
Total Revenue	5,582,390	19,295	36,216
Expenses			
Administration	538,949	33,598	2,533
Wages and benefits	2,700,693	577,868	398
Operating	2,098,815	958,090	36,676
Debt charges - interest	-	19,862	-
Internal recoveries	-	(1,591,717)	-
Amortization of tangible capital assets	17,126	37,274	-
Total Expenses	5,355,583	34,975	39,607
Annual Operating Surplus (Deficit)	226,807	(15,680)	(3,391)
Add: Proceeds from debt	-	-	-
Less: Debt principle repayment	-	(23,668)	-
Less: Acquisition of tangible capital assets	-	-	-
Increase (Decrease) in Financial Equity	226,807	(39,348)	(3,391)
Transfer (to)/from reserves	(246,824)	2,861	-
Transfer (to)/from unfunded amortization	17,126	37,274	-
Transfer (to)/from other funds	-	(109)	-
Interfund transfers	2,891	(678)	-
Surplus/(deficit) from prior year	-	-	2,259
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ (1,132)

Local Street Lighting	Ports Services	Actual 2021	Budget 2021	Actual 2020
\$ 14,745	\$ 790,929	\$ 3,708,537	\$ 3,708,537	\$ 3,623,563
-	-	2,103,937	2,231,222	2,135,525
-	1,083	599,004	476,612	525,050
-	3,871	20,155	10,001	48,138
-	4,083	20,979	15,376	174,093
14,745	799,966	6,452,612	6,441,748	6,506,369
696	34,886	610,662	610,662	565,203
-	20,838	3,299,797	3,523,698	3,057,894
10,157	201,556	3,305,294	3,536,412	3,033,074
-	-	19,862	28,110	23,328
-	-	(1,591,717)	(1,450,550)	(1,443,791)
-	164,994	219,394	149,934	167,858
10,853	422,274	5,863,292	6,398,266	5,403,566
3,892	377,692	589,320	43,482	1,102,803
-	-	-	-	450,000
-	(90,000)	(113,668)	(113,669)	(112,758)
-	(109,611)	(109,611)	(130,038)	(404,975)
3,892	178,081	366,041	(200,225)	1,035,070
-	(343,075)	(587,038)	46,235	(672,444)
-	164,994	219,394	149,934	167,858
-	-	(109)	-	(450,129)
-	-	2,213	1,700	8,742
97	-	2,356	2,356	(86,741)
\$ 3,989	\$ -	\$ 2,857	\$ -	\$ 2,356

Sunshine Coast Regional District

General Revenue Fund - Environmental Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 7

For the Years Ended December 31, 2021 and 2020

	Regional Solid Waste	Refuse Collection	Actual 2021	Actual 2020
Revenue				
Tax requisitions	\$ 3,668,016	\$ -	\$ 3,668,016	\$ 2,775,569
User fees and service charges	2,881,116	1,160,227	4,041,343	3,915,242
Investment income	57,254	521	57,775	82,301
Other revenue	481,689	-	481,689	241,787
Total Revenue	7,088,075	1,160,748	8,248,823	7,014,899
Expenses				
Administration	565,998	94,783	660,781	517,523
Wages and benefits	1,233,408	50,370	1,283,778	1,147,304
Operating	4,300,565	974,477	5,275,042	4,965,761
Amortization of tangible capital assets	52,697	9,684	62,381	53,504
Loss (gain) on disposal of tangible capital assets	96,626	-	96,626	60
Total Expenses	6,249,294	1,129,314	7,378,608	6,684,152
Annual Operating Surplus (Deficit)	838,781	31,434	870,215	330,747
Add: Proceeds from sale of assets	-	-	-	501
Less: Acquisition of tangible capital assets	(1,590,125)	-	(1,590,125)	(193,670)
Increase (Decrease) in Financial Equity	(751,344)	31,434	(719,910)	137,578
Transfer (to)/from reserves	(530,403)	(41,118)	(571,521)	11,403
Transfer (to)/from unfunded liability	(101,173)	-	(101,173)	(350,553)
Transfer (to)/from unfunded amortization	52,697	9,684	62,381	53,504
Transfer (to)/from unfunded loss on asset	96,626	-	96,626	60
Transfer (to)/from other funds	1,522,757	-	1,522,757	54,593
Interfund transfers	(19)	-	(19)	(180)
Surplus/(deficit) from prior year	(93,595)	-	(93,595)	-
Total Surplus (Deficit) for the year	\$ 195,546	\$ -	\$ 195,546	\$ (93,595)

Sunshine Coast Regional District

General Revenue Fund - Public Health Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 8

For the Years Ended December 31, 2021 and 2020

	Cemetery	Pender Harbour Health Clinic	Actual 2021	Actual 2020
Revenue				
Tax requisitions	\$ 104,956	\$ 163,427	\$ 268,383	\$ 218,683
User fees and service charges	99,140	-	99,140	70,658
Investment income	2,045	245	2,290	14,779
Other revenue	35	-	35	1,906
Total Revenue	206,176	163,672	369,848	306,026
Expenses				
Administration	17,682	8,432	26,114	23,461
Wages and benefits	60,701	-	60,701	46,083
Operating	76,324	170,040	246,364	206,041
Amortization of tangible capital assets	3,198	-	3,198	3,198
Total Expenses	157,905	178,472	336,377	278,783
Annual Operating Surplus (Deficit)	48,271	(14,800)	33,471	27,243
Less: Acquisition of tangible capital assets	(18,920)	-	(18,920)	-
Increase (Decrease) in Financial Equity	29,351	(14,800)	14,551	27,243
Transfer (to)/from reserves	(32,549)	14,755	(17,794)	(30,486)
Transfer (to)/from unfunded amortization	3,198	-	3,198	3,198
Surplus/(deficit) from prior year	-	(45)	(45)	-
Total Surplus (Deficit) for the year	\$ -	\$ (90)	\$ (90)	\$ (45)

Sunshine Coast Regional District

General Revenue Fund - Planning and Development Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 9

For the Years Ended December 31, 2021 and 2020

	Regional Planning	Rural Planning	Geographic Information Services	Heritage
Revenue				
Grants in lieu of taxes	\$ -	\$ 2	\$ -	\$ -
Tax requisitions	177,050	940,190	-	-
User fees and service charges	(250)	94,485	31,703	-
Investment income	703	626	1,257	-
Other revenue	1,204	300	5,500	-
Total Revenue	178,707	1,035,603	38,460	-
Expenses				
Administration	37,353	207,959	-	-
Wages and benefits	85,167	769,684	242,181	-
Operating	16,594	44,809	51,409	-
Internal recoveries	-	-	(308,721)	-
Amortization of tangible capital assets	-	964	16,112	-
Loss (gain) on disposal of tangible capital assets	-	-	-	-
Total Expenses	139,114	1,023,416	981	-
Annual Operating Surplus (Deficit)	39,593	12,187	37,479	-
Add: Proceeds from sale of assets	-	-	-	-
Less: Acquisition of tangible capital assets	-	-	(44,713)	-
Less: Net change in land held for resale	-	-	-	-
Increase (Decrease) in Financial Equity	39,593	12,187	(7,234)	-
Transfer (to)/from reserves	(39,593)	(16,911)	(17,634)	-
Transfer (to)/from unfunded amortization	-	964	16,112	-
Transfer (to)/from unfunded loss on asset	-	-	-	-
Interfund transfers	-	3,760	8,756	-
Surplus/(deficit) from prior year	-	-	-	-
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -

House numbering	Building Inspection Services	Economic Development	Hillside	Actual 2021	Budget 2021	Actual 2020
\$ -	\$ -	\$ 447	\$ -	\$ 449	\$ -	\$ 1,243
-	40	232,749	-	1,350,029	1,350,029	1,206,631
54,725	1,040,737	-	-	1,221,400	956,066	1,040,666
602	6,573	-	5,060	14,821	-	55,608
-	3,402	-	156,339	166,745	156,939	2,640
55,327	1,050,752	233,196	161,399	2,753,444	2,463,034	2,306,788
5,441	142,668	14,092	5,541	413,054	413,054	378,309
14,964	611,030	566	-	1,723,592	1,757,804	1,583,348
1,028	50,156	237,879	79,978	481,853	620,114	356,319
-	(3,761)	-	-	(312,482)	(308,721)	(275,902)
-	14,856	-	-	31,932	35,845	35,018
-	-	-	-	-	-	(50)
21,433	814,949	252,537	85,519	2,337,949	2,518,096	2,077,042
33,894	235,803	(19,341)	75,880	415,495	(55,062)	229,746
-	-	-	-	-	-	50
-	-	-	-	(44,713)	(60,000)	(44,637)
-	-	-	(16,567)	(16,567)	(43,001)	96,287
33,894	235,803	(19,341)	59,313	354,215	(158,063)	281,446
(24,951)	(250,121)	-	(59,313)	(408,523)	116,108	(315,951)
-	14,856	-	-	31,932	35,845	35,018
-	-	-	-	-	-	(50)
(8,943)	(538)	-	-	3,035	(23,110)	1,506
-	-	29,219	-	29,219	29,220	27,250
\$ -	\$ -	\$ 9,878	\$ -	\$ 9,878	\$ -	\$ 29,219

Sunshine Coast Regional District

General Revenue Fund - Recreation and Cultural Services

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 10

For the Years Ended December 31, 2021 and 2020

	Pender Harbour Pool	School facilities - Joint Use	Gibsons and Area Library	Museum Service	Halfmoon Bay & Roberts Creek Library Service
Revenue					
Grants in lieu of taxes	\$ -	\$ -	\$ -	\$ -	\$ 2
Tax requisitions	576,433	2,975	750,669	153,544	353,843
Frontage and parcel taxes	48,547	-	-	-	-
Government transfers	-	-	-	-	-
User fees and service charges	66,770	-	-	-	-
Investment income	17,761	41	755	-	-
Contributed assets	-	-	-	-	-
Other revenue	4,606	-	-	-	-
Total Revenue	714,117	3,016	751,424	153,544	353,845
Expenses					
Administration	62,391	1,200	48,386	9,444	22,433
Wages and benefits	311,462	750	4,805	-	-
Operating	92,727	1,211	701,774	144,100	253,411
Debt charges - interest	19,465	-	-	-	-
Amortization of tangible capital assets	102,612	-	52,182	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-
Write-down of tangible capital assets	-	-	-	-	-
Total Expenses	588,657	3,161	807,147	153,544	275,844
Annual Operating Surplus (Deficit)	125,460	(145)	(55,723)	-	78,001
Add: Proceeds from sale of assets	-	-	-	-	-
Less: Debt principle repayment	(44,725)	-	-	-	-
Less: Acquisition of tangible capital assets	(5,563)	-	-	-	-
Increase (Decrease) in Financial Equity	75,172	(145)	(55,723)	-	78,001
Transfer (to)/from reserves	(177,580)	145	(74,460)	-	-
Transfer (to)/from appropriated surplus	-	-	-	-	-
Transfer (to)/from unfunded amortization	102,612	-	52,182	-	-
Transfer to/ (from) unfunded loss on asset	-	-	-	-	-
Transfer (to)/from other funds	(204)	-	-	-	-
Interfund transfers	-	-	78,001	-	(78,001)
Surplus/(deficit) from prior year	-	-	-	-	2
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -	\$ 2

Community Recreation Facilities Service	Community Parks	Bicycle and Walking Paths	Dakota Ridge Recreation Service	Regional Recreation Programs	Egmont/Pender Harbour Library Service	Actual 2021	Actual 2020
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 204
5,509,756	1,886,276	60,161	200,378	151,121	52,828	9,697,984	8,733,031
1,698,739	-	-	-	-	-	1,747,286	1,678,220
29,837	39,499	-	-	-	-	69,336	-
944,083	35,598	-	57,925	-	-	1,104,376	694,083
421,610	44,700	1,968	1,666	216	-	488,717	621,635
-	-	-	-	-	-	-	179,974
3,300	18,628	-	6,270	-	-	32,804	140,332
8,607,325	2,024,701	62,129	266,239	151,337	52,828	13,140,505	12,047,479
868,505	233,390	13,443	29,446	12,574	3,575	1,304,787	1,278,121
3,129,544	801,488	7,460	75,377	1,451	-	4,332,337	3,885,366
1,634,066	663,273	2,274	130,540	89,610	49,253	3,762,239	3,271,746
924,662	27,651	-	-	-	-	971,778	972,139
1,072,808	213,603	105,956	45,966	-	-	1,593,127	1,614,310
76,443	37,196	-	-	-	-	113,639	(911)
13,138	-	-	-	-	-	13,138	-
7,719,166	1,976,601	129,133	281,329	103,635	52,828	12,091,045	11,020,771
888,159	48,100	(67,004)	(15,090)	47,702	-	1,049,460	1,026,708
-	-	-	-	-	-	-	4,911
(1,174,314)	(109,984)	-	-	-	-	(1,329,023)	(1,279,869)
(556,225)	(39,898)	-	-	-	-	(601,686)	(635,193)
(842,380)	(101,782)	(67,004)	(15,090)	47,702	-	(881,249)	(883,443)
(371,993)	(165,680)	(38,952)	(30,876)	(47,702)	-	(907,098)	(685,792)
55,302	7,338	-	-	-	-	62,640	-
1,072,808	213,603	105,956	45,966	-	-	1,593,127	1,614,310
89,581	37,196	-	-	-	-	126,777	(911)
(3,318)	10,063	-	-	-	-	6,541	(6,876)
-	(738)	-	-	-	-	(738)	(2,357)
-	-	-	-	-	-	2	(34,929)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2

Sunshine Coast Regional District

Water Utility

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 11

For the Years Ended December 31, 2021 and 2020

	Actual 2021	Budget 2021	Actual 2020
Revenue			
Frontage and parcel taxes	\$ 4,013,809	\$ 4,013,809	\$ 3,845,647
Government transfers	61,996	-	-
User fees and service charges	7,021,363	7,034,433	6,100,268
Investment income	152,762	76,372	469,439
Contributed assets	240,555	544,500	1,094,095
Other revenue	481,175	65,800	111,847
Total Revenue	11,971,660	11,734,914	11,621,296
Expenses			
Administration	1,124,412	1,124,412	928,299
Wages and benefits	3,131,186	3,951,911	2,576,820
Operating	2,329,269	4,346,051	2,435,635
Debt charges - interest	93,238	391,620	117,565
Internal recoveries	(32,325)	-	(16,852)
Amortization of tangible capital assets	2,213,628	2,077,751	2,153,952
Loss (gain) on disposal of tangible capital assets	-	-	9,876
Write-off of tangible capital assets	594,899	-	-
Total Expenses	9,454,307	11,891,745	8,205,295
Annual Operating Surplus (Deficit)	2,517,353	(156,831)	3,416,001
Add: Proceeds from sale of assets	-	-	130
Add: Proceeds from debt	138,630	15,958,000	192,750
Less: Debt principle repayment	(405,752)	(482,032)	(349,158)
Less: Acquisition of tangible capital assets	(2,795,024)	(22,833,901)	(2,900,157)
Increase (Decrease) in Financial Equity	(544,793)	(7,514,764)	359,566
Transfer (to)/from reserves	(2,481,218)	5,418,602	(2,994,469)
Transfer (to)/from unfunded loss on asset	594,899	-	9,876
Transfer (to)/from unfunded amortization	2,213,628	2,077,751	2,153,952
Transfer (to)/from other funds	222,429	30,311	478,909
Interfund transfers	(4,945)	(11,900)	(7,834)
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -

Sunshine Coast Regional District

Sewer Fund

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 12

For the Years Ended December 31, 2021 and 2020

	Actual 2021	Budget 2021	Actual 2020
Revenue			
Frontage and parcel taxes	\$ 153,849	\$ 155,112	\$ 110,723
Government transfers	12,000	12,378	122
User fees and service charges	412,722	441,258	351,882
Investment income	7,872	313	48,137
Other revenue	22,823	-	-
Total Revenue	609,266	609,061	510,864
Expenses			
Administration	47,477	47,477	29,690
Wages and benefits	135,666	228,669	133,186
Operating	213,693	322,744	190,850
Debt charges - interest	7,828	8,556	7,856
Amortization of tangible capital assets	109,128	62,718	102,225
Total Expenses	513,792	670,164	463,807
Annual Operating Surplus (Deficit)	95,474	(61,103)	47,057
Add: Proceeds from debt	-	-	44,966
Less: Debt principle repayment	(26,427)	(26,396)	(17,220)
Less: Acquisition of tangible capital assets	(77,596)	(91,289)	(134,582)
Increase (Decrease) Financial Equity	(8,549)	(178,788)	(59,779)
Transfer (to)/from reserves	(126,186)	43,495	(38,989)
Transfer (to)/from unfunded amortization	109,128	62,718	102,225
Transfer to/ (from) unfunded loss on asset	-	24,769	-
Transfer to/(from) other funds	25,607	47,806	(59)
Surplus/(deficit) from prior year	-	-	(3,398)
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -

Sunshine Coast Regional District

General Capital Fund - Hillside Development Project

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 13

For the Years Ended December 31, 2021 and 2020

	Actual 2021	Budget 2021	Actual 2020
Expenses			
Administration	\$ 5,540	\$ 5,541	\$ 6,488
Wages and benefits	7,843	34,460	3,208
Operating expenditures	3,184	3,000	80,189
Total Development Costs	16,567	43,001	89,885
Less: Operating Revenue			
Water leases	-	-	156,340
Investment income	-	-	29,832
	-	-	186,172
Net development costs	\$ 16,567	\$ 43,001	\$ (96,287)

Sunshine Coast Regional District

Statement of Changes in Reserve Fund Balances (unaudited)

Schedule 14

For the Years Ended December 31, 2021 and 2020

Bylaw	Purpose	Balance, Beginning of Year	Contributions / Transfers	Investment Earnings	Balance, End of Year
General Government					
495/504	General Administration Capital	\$ 45,206	\$ -	\$ 253	\$ 45,459
648	General Government Operating	462,692	192,826	2,584	658,102
496	Administration Building	329,916	45,372	1,844	377,132
648	Finance	564,641	160,141	3,157	727,939
648	Human Resources	216,104	95,019	1,207	312,330
504/648	Information Services	410,560	219,420	2,177	632,157
648	Area D Grant in Aid	3,378	-	19	3,397
648	Electoral Area Services	151,953	45,079	849	197,881
648	Corporate Sustainability	119,074	5,336	666	125,076
648	Regional Sustainability	87,106	27,835	471	115,412
	Area B Feasibility Studies	28,182	-	158	28,340
	Area D Feasibility Studies	28,182	-	158	28,340
649/677	Bylaw Enforcement	166,662	98,016	932	265,610
	Halfmoon Bay Smoke Control	2,580	(655)	13	1,938
650	Roberts Creek Smoke Control	13,193	(152)	71	13,112
489/497	Gibsons Fire Protection Capital	423,678	197,321	2,352	623,351
678	Gibsons Fire Protection Operating	78,284	222,028	438	300,750
490	Roberts Creek Fire Protection	627,064	210,333	3,496	840,893
491	Halfmoon Bay Fire Protection	573,958	264,707	3,208	841,873
601	Egmont Fire Protection	217,484	53,459	1,196	272,139
492	911 Telephone	845,091	57,136	4,523	906,750
493	SC Emergency Planning	79,118	(5,096)	442	74,464
651/680	Animal Control	201,304	11,842	1,126	214,272
529/652	Sunshine Coast Transit	857,722	242,027	4,797	1,104,546
486/607	Ports	745,992	339,204	3,870	1,089,066
563	Maintenance Facility	250,302	(4,240)	1,379	247,441
	Building Maintenance	84,290	1,931	471	86,692
653	Regional Solid Waste Operating	198,222	465,169	1,254	664,645
670	Zero Waste Operating	312,711	62,072	1,908	376,691
654	Refuse Collection Operating	114,445	40,597	521	155,563
515	Pender Harbour Health Clinic	58,428	(15,000)	244	43,672
655	Cemetery Operating	374,944	30,504	2,046	407,494
681	Regional Planning	127,678	38,889	703	167,270
656/657	Rural Planning	112,278	16,285	626	129,189
504/648	Property Information & Mapping	242,190	16,377	1,257	259,824
	House Numbering	107,576	24,350	601	132,527
495	Building Inspection	1,175,675	243,549	6,573	1,425,797
715	Hillside - Operating	904,662	54,253	5,060	963,975
590/609	Community Recreation Facilities	2,877,251	356,587	15,407	3,249,245
494/660	Pender Harbour Pool	336,924	175,696	1,884	514,504
	School Facilities - Joint Use	7,323	(186)	41	7,178
609	Gibsons Library	135,173	73,705	755	209,633
533/662	Community Parks	680,479	161,854	3,826	846,159
683	Bicycle & Walking Paths	254,758	25,550	1,424	281,732
	Area A Bicycle & Walking Paths	97,150	11,434	544	109,128
	Regional Recreation Programs	38,617	47,486	216	86,319
	Dakota Ridge	297,910	29,210	1,666	328,786
Total General Reserve Funds		16,068,110	4,337,270	88,413	20,493,793

Sunshine Coast Regional District

Statement of Changes in Reserve Fund Balances (unaudited)

Schedule 14

For the Years Ended December 31, 2021 and 2020

Bylaw	Purpose	Balance, Beginning of Year	Contributions / Transfers	Investment Earnings	Balance, End of Year
Water Revenue					
488	Regional Water Capital	8,293,135	1,532,979	46,746	9,872,860
	Regional Water Operating	3,282,057	314,410	17,567	3,614,034
498	Regional Water Land	18,570	-	104	18,674
589	North Pender Water Capital	290,316	118,757	1,590	410,663
	North Pender Water Operating	351,781	142,745	1,980	496,506
	South Pender Water Capital	629,130	152,718	3,160	785,008
	South Pender Water Operating	703,566	144,542	3,921	852,029
Total Water Reserve Funds		13,568,555	2,406,151	75,068	16,049,774
Sewer Revenue					
512/608	Greaves Road	14,693	36	82	14,811
512	Sunnyside	33,523	5,278	188	38,989
	Jolly Roger	61,828	11,740	345	73,913
512/608	Secret Cove	46,559	16,096	261	62,916
	Lee Bay	557,759	24,325	3,119	585,203
512	Sqaure Bay	105,002	261	585	105,848
	Langdale	51,875	17,055	290	69,220
512/608	Canoe Road	7,204	3,706	40	10,950
608	Merrill Crescent	3,365	4,883	18	8,266
512/608	Curran Road	74,936	17,672	414	93,022
512/608	Roberts Creek Co-housing	51,147	(25,222)	253	26,178
608	Lily Lake Village	64,696	(9)	361	65,048
512/608	Woodcreek Park	189,151	6,345	1,026	196,522
668/669	Painted Boat	67,958	17,252	380	85,590
728	Sakinaw Ridge	26,352	19,258	147	45,757
Total Sewer Reserve Funds		1,356,048	118,676	7,509	1,482,233
Total Reserve Funds		\$ 30,992,713	\$ 6,862,097	\$ 170,990	\$ 38,025,800

Sunshine Coast Regional District

Annual Report on COVID Safe Restart Grant Spending (unaudited)

Schedule 15

For the Years Ended December 31, 2021 and 2020

This annual report on COVID Safe Restart Grant spending is a requirement of the Province of British Columbia and will be provided annually until the grant funds are fully spent.

	Actual 2021	Actual 2020
COVID Safe Restart Grant		
Balance, beginning of year	\$ 491,000	\$ -
Provincial COVID Safe Restart Grant funds received	241,000	521,000
Total Grant Funds Available	732,000	521,000
Less: Funds Spent		
COVID-19 Emergency Operations Centre	-	30,000
Linear Heat Detection System	55,302	-
Expansion of Digital Online Collaboration Software & Hardware	78	-
Balance, end of year	\$ 676,620	\$ 491,000

COVID Safe Restart Funding is classified as an unconditional Provincial operating government transfer (Note 14) with revenue recognized on the Statement of Operations in the period in which the funds were received.

Unspent funding totaling \$676,620 as at December 31, 2021 has been segregated within the Current Fund as an appropriated surplus to be allocated to services in future years at the discretion of the Regional District Board of Directors.

COVID Safe Restart Grant Funding Allocation by Service Category	
General Government Administration	\$ 551,293
Protective Services	30,000
Recreation & Cultural Services	180,707
Total COVID Safe Restart Funds Received in 2020 & 2021	\$ 762,000

Total funding allocations by service category include funds already spent in 2020 and 2021 and amounts allocated to fund various projects in the 2022-2026 Financial Plan. These amounts represent the total funding received of \$762,000.

**Sunshine Coast Regional District
2021
Schedule of Guarantee and Indemnity Agreements**

Financial Information Regulation Schedule 1 Section (5)

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation

DRAFT

**Sunshine Coast Regional District
2021**

Schedule of Remuneration and Expenses

Financial Information Regulation Schedule 1 Section (6)

1. Elected Officials, and Members of the Board of Directors

NAME	POSITION	REMUNERATION	EXPENSES
Beamish, William	DIRECTOR/ALTERNATE DIRECTOR	\$ 23,111	\$ -
Bekei, Marianna	ALTERNATE DIRECTOR	1,563	-
Berry, Camilla	ALTERNATE DIRECTOR	2,142	75
Croal, David	ALTERNATE DIRECTOR/DIRECTOR	5,138	-
Hiltz, Mark	DIRECTOR	29,326	753
Howard, Timothy	ALTERNATE DIRECTOR	1,818	-
Hulls, Linsey	ALTERNATE DIRECTOR	1,563	-
Lee, Leonard	DIRECTOR	29,722	2,348
Lewis, Jason	ALTERNATE DIRECTOR	876	-
McKiernan, Lucinda	ALTERNATE DIRECTOR	686	-
McLean, Matthew	ALTERNATE DIRECTOR	2,218	-
McMahon, Donna	VICE CHAIR/DIRECTOR	34,105	1,177
Pratt, Lori	CHAIR/DIRECTOR	48,999	1,213
Rowe, Brenda	ALTERNATE DIRECTOR	1,963	-
Siegers, Darnelda	CHAIR/DIRECTOR	34,148	-
Tize, Andreas	DIRECTOR	29,505	3,523
Toth, Alton	VICE CHAIR/DIRECTOR	34,777	570
SIGD Representatives	DIRECTOR/ALTERNATE DIRECTOR	15,869	-
Total elected officials, and members of the Board of Directors			
A.		\$ 297,529	\$ 9,658

**Sunshine Coast Regional District
2021
Schedule of Remuneration and Expenses**

2. Employees

NAME	POSITION	REMUNERATION	EXPENSES
Abbott, Codi	Utility Operations Superintendent	\$ 135,060	\$ 1,339
Adams, Samuel	Parks Planning Coordinator	79,949	352
Boutilier, Kristopher	Senior Information Technology Coordinator	89,138	597
Buckley, Aidan	Manager, Communications and Engagement	105,254	5,924
Burkell, Gordon	Utility Technician I	95,664	1,355
Clark, Julie	Planner I/Senior Planner	96,318	575
Clarkson, Kevin	Parks Superintendent	103,697	750
Cooper, Robyn	Manager, Solid Waste Services	125,388	2,083
Cottrell, Hugh	Facility Services Supervisor	76,807	432
Crosthwaite, Raymond	Heavy Equipment Operator	78,834	699
Cropp, Valerie	Manager, Purchasing and Risk Management	131,815	2,096
Daley, Ryan	Fire Chief, HMBVFD	111,414	1,924
Donn, Graeme	Manager, Recreation Services	120,990	2,989
Doyle, Kyle	Manager, Asset Management	109,815	1,548
Eaton, James	Utility Technician II	83,914	2,357
Edbrooke, Mia	Manager, Strategic Initiatives	105,194	6,041
Ellis, Shane	Transit Driver	77,672	454
Flatt, Dann	Parks Operations Coordinator	81,019	761
Gagnon, Shelley	GM, Community Services	89,754	23,940
Godau, Logan	Utility Technician I	82,757	1,049
Grohs, Gary	Utility Technician II	88,955	1,907
Hall, Ian	GM, Planning and Development	170,778	1,595
Hemstalk, Dan	Utilities Coordinator	101,616	913
Higgins, Patrick	Fire Chief, RCVFD	114,043	1,334
Hill, Jennifer	Deputy Corporate Officer	104,025	1,200
Hincks, Tracy	Executive Assistant	85,628	8
Hunter, Ron	Utility Technician II	76,739	374
Kennett, Brian	Senior Building Official	80,385	3,939
Knowles, Jason	Senior Building Official	78,313	1,965
Lussin, Emily	Water Technician Coordinator	100,643	2,537
McIntosh, Brian	Utility Technician II	87,939	1,368
McKinley, Dean	Chief Administrative Officer	211,509	1,329
McNaughton, Brian	Transit Driver	75,815	438
Michael, Robert	Fire Chief, GDVFD	143,670	11,844
Misiurak, Stephen	Manager, Capital Projects	132,853	2,006
Nelson, David	Manager, Information Technology and GIS	142,870	1,703
O'Donohue, Adrienne	Assistant Manager, Recreation Services	92,010	2,048
Pady, David	Manager, Planning and Development	109,244	1,868
Parker, Gerald	Senior Manager, Human Resources	182,519	1,451
Perpet, Cyril	Site Supervisor, Sechelt Landfill	83,403	-
Perreault, Tina	GM, Corporate Services	183,586	3,586

**Sunshine Coast Regional District
2021
Schedule of Remuneration and Expenses**

2. Employees (Cont.)

NAME	POSITION	REMUNERATION	EXPENSES
Rathbone, Anne	Corporate Records Administrator	\$ 83,167	\$ 705
Reid, Sherry	Corporate Officer	143,044	1,353
Robinson, Ken	Manager, Facility Services and Parks	124,478	175
Rosenboom, Remko	GM, Infrastructure Services	166,546	2,918
Rutley, Trevor	Capital Projects Coordinator	76,551	700
Sapach, Dale	SCADA Coordinator	81,239	406
Sears, Steven	Transportation Superintendent	113,251	995
Shay, Raphael	Manager, Sustainable Development	80,146	258
Siao, Yuli	Senior Planner	103,849	1,497
Stoker, Lindsay	Human Resources Advisor	119,500	525
Street, Timothy	Facility Maintenance Technician	77,519	357
Suveges, Corrina	Superintendent Solid Waste Operations	88,965	150
Taylor, Alexander	Budget and Financial Analyst	78,201	1,991
Treit, Matthew	Manager, Protective Services	125,267	1,539
van Velzen, Allen	Facility Services Coordinator	128,051	960
van Strepen, Sean	Utility Technician II	79,504	104
Viitanen, Bryce	Senior Systems Analyst	90,750	1,121
Walkey, Amanda	Transportation Coordinator	85,334	-
Walton, James	Manager, Transit and Fleet	117,747	1,113
Walkey, Shane	Manager, Utility Services	142,241	647
Whittleton, Allen	Chief Building Official	118,783	1,942
Wilson, Eleri	Facility Services Assistant Coordinator	81,708	1,190
Wing, Bradley	Manager, Financial Services	116,196	910
Zayshley, Dynie	Fleet Maintenance Supervisor	82,537	310
Employees with remuneration over \$75,000		\$ 6,931,571	\$ 122,543
Consolidated total of employees with remuneration of \$75,000 or less		9,183,716	76,891
Total: Employees B.		\$ 16,115,288	\$ 199,434

3. Reconciliation

Total remuneration - elected officials, and members of the Board of Directors	A.	297,529
Total remuneration - employees	B.	16,115,288
Subtotal (Balanced to T4's, T4A's)	\$	16,412,817
Reconciling Items:		
2021 Wages, benefits and leave accruals	\$	(970,074)
2022 Wages, benefits and leave accruals		920,768
Employer contributions for EI, CPP, MSP, MPP and non-taxable benefits		3,708,771
WorkSafe BC premiums		254,160
Wages capitalized as tangible capital assets		(364,240)
Other adjustments such as post-employment benefits, WID amounts		(263,866)
		3,285,519
Subtotal after reconciling items	\$	19,698,336
Total per Consolidated Financial Statements (Note 20 - Expense by Object)		19,698,336
Variance	\$	(0)

**Sunshine Coast Regional District
2021
Statement of Severance Agreements**

Financial Information Regulation Schedule 1 Section 6(7)

There was one (1) severance agreement under which payment commenced between the Sunshine Coast Regional District and its non-unionized employees during fiscal year 2021.

The agreement represented 3 months compensation, including salary and benefits.

DRAFT

**Sunshine Coast Regional District
2021
Schedule of Payments To Suppliers of Goods and Services**

Financial Information Regulation Schedule 1 Section (7)

1. Consolidated total paid to suppliers who received aggregate payments exceeding \$25,000 (Detail Follows):	\$ 24,466,508
---	----------------------

Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
----------------------	---

1189815 B.C. Ltd. DBA: K2 Services	25,394
Aeroquest Mapcon	46,949
Airspan Helicopters Ltd	39,704
All-Clear Traffic Control	44,288
Andrew Sheret Limited	302,104
AON Reed Stenhouse Inc	478,538
Arya Engineering Inc	172,008
Associated Engineering (BC) Ltd	89,133
Associated Environmental Consultants Inc.	160,384
Associated Fire Safety Equipment	514,565
BA Blacktop Ltd	102,555
BC - Employer Health Tax	514,581
BC Ferry Services Inc	42,278
BC Hydro	630,535
BDO Canada LLP	49,224
Brenntag Canada Inc	84,097
Canadian Mattress Recycling	70,690
Carla Parr-Pearson	29,069
CentralSquare Canada Software Inc	26,615
Clarke Commercial Lawn & Garden	84,602
Cleartech Industries Inc.	62,416
Coast Reporter	60,306
Coastal BC Property Maintenance Ltd	44,434
Coastal Mountain Excavations Ltd.	304,413
Columbia Fuels	492,229
Corporate Express Canada Inc	56,396
DB Perks & Associates Ltd dba Commercial Aquatic Supplies	216,967
Diamond Head Consulting Ltd	57,808
Dragons' Den Janitorial Ltd	102,938
Eastlink	91,401
E-Comm	94,608
Element Materials Technology Canada Inc	33,874
Elite Fire Protection Ltd.	45,160
Elphinstone Aggregates Ltd	72,066
ESRI Canada	89,320
Fastrac Backhoe & Trucking Ltd	33,329
Finning Canada	144,287
Flocor	53,642
FortisBC-Natural Gas	132,790
Fraser Valley Refrigeration Ltd	106,562
Fred Surridge Ltd	63,705
Gibsons Building Supplies	75,613
Gibsons Disposal Ltd	549,133
GRIPS	161,319
Guillevin International Co.	46,666
Hach Sales And Service Canada Lp	76,392
HLC Holdings Inc	85,885
ICLEI-Canada	42,000
In Situ Consulting	37,360
Indian Isle Construction (1982) Ltd	255,871
Insight Canada Inc	51,331

**Sunshine Coast Regional District
2021
Schedule of Payments To Suppliers of Goods and Services**

Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
Insurance Corporation of British Columbia	98,537
Integrated Sustainability Consultants Ltd.	53,004
Island Communications Ltd	37,171
JSJ & Sons Enterprises Ltd.	29,005
Justice Institute of BC	71,456
Kalwij Water Dynamics Inc (KWD)	304,591
Keats Island Construction And Services Ltd	83,083
Kim Scarrow	28,161
Lidstone & Company Law Corporation	29,079
Lordco Auto Parts	45,262
Mearl's Machine Works Ltd	86,173
Mercury Transport Inc	131,695
Metro Vancouver Regional District	54,516
Michael or Donna Dunn	42,782
Minister of Finance	109,435
Minister of Finance	29,906
Municipal Insurance Association of BC	121,871
Municipal Pension Plan	2,510,300
NB Contracting Ltd	311,553
New West Gypsum Recycling (BC) Inc.	35,424
Novota Engineering Ltd	29,479
Oakcreek Golf & Turf LP	50,364
Olson Electric Ltd	71,730
Open Text Corporation	93,457
Pacific Blue Cross	1,147,698
Pacific Coast Distribution Ltd	63,252
Pacific Flow Control Ltd.	27,188
Pacific Ropes Contracting Ltd.	54,865
Park Derochie Inc	88,994
Parkland Refining (BC) Ltd.	183,665
Planetworks Consulting Corporation	61,335
Principle Architecture Inc	28,508
Receiver General For Canada	4,685,881
Reonix Automation Inc	26,440
Rocky Mountain Phoenix	39,161
Salish Soils Inc.	1,256,538
Sandale Utility Products	87,550
Sandy Scofield	26,565
Sasco Contractors Ltd	139,662
Sechelt Indian Band	98,508
Sechelt Truck & Equipment	25,734
Sicotte Bulldozing Ltd	466,308
Softchoice Corporation	97,839
Solution Based Contracting Ltd	42,315
Star-Tek Industrial Services Ltd.	190,768
Stonecroft Ventures Inc	33,090
Summerhill Fine Homes Inc	285,169
Summit Earthworks Inc	817,774
Telus	50,175
Telus Mobility	68,800
Temp-Pro Refrigeration Ltd.	75,379
Tetra Tech Canada Inc.	91,736
Town of Gibsons	147,584
Tricom Building Maintenance Ltd	100,189
Unifor Local #466	117,300

**Sunshine Coast Regional District
2021
Schedule of Payments To Suppliers of Goods and Services**

Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
Unifor National	79,709
Unit4 Business Software	73,472
Univar Canada Ltd	113,518
Waste Management of Canada Corporation	933,882
Waterhouse Environmental Services Corporation	186,960
Wharf Tire & Mechanical	35,351
Wolseley Canada Inc	58,766
Workers' Compensation Board	337,108
WSP Canada Inc.	76,403
XCG Consultants Ltd	214,701
Xerox Canada Ltd	25,098
Total aggregate amount paid to suppliers exceeding \$25,000	\$ 24,466,508

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less: **\$ 3,648,789**

3. Total of payments to suppliers for grants and contributions exceeding \$25,000:

Consolidated total of grants exceeding \$25,000	\$ 2,490,787
Consolidated total of contributions exceeding \$25,000	-
Consolidated total of all grants and contributions exceeding \$25,000	\$ 2,490,787

4. Reconciliation:

Accounts Payable Year to Date Paid:	\$ 30,815,281
Total of aggregate payments exceeding \$25,000 paid to suppliers	24,466,508
Consolidated total of payments of \$25,000 or less paid to suppliers	3,648,789
Consolidated total of all grants and contributions exceeding \$25,000	2,490,787
Total expenses paid to Directors (see detail on schedule of remuneration and expense)	9,763
Total expenses paid to Employees (see detail on schedule of remuneration and expense)	199,434
Balanced to Accounts Payable Year to Date Paid Report	\$ 30,815,281
Reconciling items*	See Note Below
Total per Statement of Revenue and Expenditure (Statement of Operations)	44,932,278
Variance*	\$ (14,116,997)

***Reconciliation/Variance Notes**

The Sunshine Coast Regional District attests to the accuracy of the figures presented. A reconciliation between the schedules to the Statement of Financial Information (the schedule showing payments made to vendors for the provision of goods or services) and the Consolidated Statement of Financial Activities (operational statement) is not possible, as the following transactions are not included on both statements:

- *Remuneration paid to Directors and Employees
- *GST/HST rebate and input tax credits
- *Bank charges and interest
- *Transfers
- *Capital expenditures
- *Inventory
- *Prepaid accounts
- *Accruals

**Sunshine Coast Regional District
2021
Statement of Financial Information Approval**

Financial Information Regulation Schedule 1 Section (9)

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

Tina Perreault
Chief Financial Officer

Darnelda Siegers
Chair

April 28, 2022

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Service Committee – April 28, 2022

AUTHOR: Tina Perreault, General Manager, Corporate Services / Chief Financial Officer
Brad Wing, Manager, Financial Services

SUBJECT: SUNSHINE COAST REGIONAL DISTRICT (SCRD) 2021 AUDIT FINDINGS REPORT AND STATEMENT OF FINANCIAL INFORMATION

RECOMMENDATION(S)

THAT the report titled Sunshine Coast Regional District (SCRD) 2021 Audit Findings Report and Statement of Financial Information, and the following documents be received:

- **2021 Audit Findings - Report to the Board of Directors**
- **2021 Draft Independent Audit's Report**
- **Draft Independent Audit Report-Foreshore Leases (Hillside)**
- **Audit Management Letter from MNP LLP**
- **2021 Statement of Financial Information (including the SCRD 2021 Draft Audited Financial Statements);**

AND THAT the 2021 Draft Audited Financial Statements and Statement of Financial information be approved as presented;

AND FURTHER THAT this recommendation be forwarded to the Board Meeting on April 28, 2022.

BACKGROUND

In accordance with the Local Government Act and Community Charter, local governments are required to prepare financial statements each calendar year. These are the responsibility of the Financial Officer and are presented to the Board of Directors for approval. The financial statements must be in accordance with Generally Accepted Accounting Principles and Canadian Public Sector Accounting Standards, and independently audited by a qualified external auditor.

The SCRD must also hold a public meeting for the purpose of presenting the Statement of Financial Information (SOFI) for the preceding calendar year. The information must be available for public inspection either electronically or in person. This year, the SOFI is being presented as part of the financial statements.

Subsequent to approval of the financial statements by the SCRD Board, the Regional District must submit the audited financial statements for the preceding year to the Inspector of Municipalities by May 15. The Statement of Financial Information and the Annual Report will be submitted before the June 30 deadline.

The SCRD must also conduct a detailed audit of the foreshore leases it holds for Hillside as one of the conditions of the head lease with the Province. This information is submitted to the Province annually after the Audit has been approved.

The financial statements are subject to examination by an Independent Auditor appointed by the Board, which for the SCRD is MNP LLP. The Independent Auditor is required to report to the Board on the annual financial statements and on any other matters deemed pertinent. The date on which the financial statements are approved by the Board will become the financial statement date and the date of the Independent Auditor's Report.

The audit was complete on April 15, 2022. The 2021 Consolidated Financial Statements begin with a report from the external auditor, MNP LLP. The purpose of the Independent Auditor's Report is to express an opinion on the financial statements, accounting policies and any other relevant information related to the financial audit.

The SCRD's Financial Statements are comprised of the following:

- **The Statement of Financial Position:** Provides information on the financial position of the SCRD including Financial Assets, Liabilities, Net Financial Assets, Non-Financial Assets and Accumulated Surplus.
- **The Statement of Change in Net Financial Assets:** Reports the change in Net Financial Position.
- **The Statement of Operations:** Reports the extent to which expenses are offset by revenues, the annual surplus and the change in accumulated surplus.
- **The Statement of Cash Flows:** Reports the net change in cash resources and how the SCRD financed its activities throughout the year.
- **Notes to the Financial Statements:** This includes Significant Accounting Policies for the SCRD and provides more detailed information for the items within the Statements of Financial Position, Statement of Change in Net Assets, and Statement of Operations.
- **Supporting Schedules:** Includes more detailed information on the various restricted funds (Current, General, Water, Sewer, Revenue, and Reserve Funds) and services established through legislation for the SCRD. These schedules are not included in the scope of the audit.

In addition to the required statements listed above, the 2021 Consolidated Statements of Financial Information includes:

1. **2021 Schedule of Guarantee and Indemnity Agreements** – Schedule 1 Section 5 of the *Financial Information Regulations* requires that a list of guarantee and indemnity agreements be provided. The SCRD had no such agreements in 2021; however, a "NIL" Statement has been provided as required.
2. **2021 Schedule of Remuneration and Expenses** – Schedule 1 Section 6 of the *Financial Information Regulations* provides:
 - Total remuneration and expenses for each elected official and member of the Board of Directors.

- Each employee whose total remuneration exceeds \$75,000 and the total expenses for each employee.
 - A consolidated total for employees whose remuneration is \$75,000 or less.
3. **2021 Statement of Severance Agreements** – Schedule 1 Section 6 (7) of the *Financial Information Regulations* requires that a list of severance agreements be provided. The SCRD had one agreement for 2021.
4. **2021 Schedule of Payments to Suppliers of Goods and Services** – Schedule 1 Section 7 of the *Financial Information Regulations* provides:
- All suppliers of goods and services who received aggregate payments exceeding \$25,000.
 - A consolidation total of all payments to suppliers who received \$25,000 or less.
5. **2021 Statement of Financial Information Approval** – Schedule 1 Section 9 of the *Financial Information Regulations* provides approval for the Statement of Financial Information as required. This will be signed once Board approval is received.

The purpose of this report is to receive the Auditor report for information, approve the 2021 Financial Statements and Statement of Financial Information as presented.

DISCUSSION

Audit Findings

The Audit Findings report provides the results of MNP's audit, and further discusses areas of focus identified in the [Audit Planning Report presented at CAS on November 25, 2021](#). In the Auditor's opinion, the financial statements present fairly, in all material respects, the financial position of the Sunshine Coast Regional District as at December 31, 2021, in accordance with Canadian generally accepted audit standards.

Materiality for the SCRD was set for \$2 million for 2021 and there were no significant differences found with respect to the financial statements.

Financial Statements

There are several key terms included in the financial statements which are important in analyzing the results for 2021:

- **Accumulated surplus:** This is a financial performance indicator of the overall health of the organization and represents the net positive resources available in providing current and future services, mostly represented by tangible capital assets. It is the total of all the SCRD's financial and non-financial assets, less the liabilities. It does not represent any cash resources for operations.
- **Annual operating surplus:** This measures the difference between total revenues less expenses, as stated on the *Statement of Financial Operations*. This value also includes non-cash revenue items such as contributed tangible capital assets and does not account for capital expenditures (renewals or investment), debt principle re-payments or

proceeds, and transfers. Therefore, public sector accounting standards cause the reported annual surplus to be higher than actual budgeted operations and does not represent a cash surplus.

Statement of Financial Position and Statement of Change In Net Financial Assets

For 2021, the SCRD realized an increase to its financial health with a positive increase in Net Financial Asset to \$29.58 million (2020-\$20.83 million). This positive change is partially the result of increased financial assets (cash and equivalents and portfolio investments) stemming from the annual operating surplus and decreases in liabilities such as long-term debt. The increase in cash is the result of timing differences with receiving funds to pay for short term obligations and also include short-term investments (less than 90 day terms) for reserve funds. Portfolio investments are managed in alignment with the SCRD's Investment and Financial Sustainability Policy with the objective of aligning funding and service needs.

Regional District long-term debt decreased by \$1.83 million to \$9.6 million and member municipalities debt decreased by \$1.66 to \$8.9 million in 2021. The decrease in member municipality debt is offset by a decrease to financial assets (debt recoverable from member municipalities) and has a net zero effect on annual operating surplus and accumulated surplus. Over the past 10 years, the SCRD has had a downward trend toward debt issuance and its current debt servicing costs (excluding member municipalities) is approximately 4.2% of total revenue. This indicates a lower use of revenue toward debt payment which is an indicator of financial health and allows the SCRD to respond to emerging issues. However, the current Financial Plan shows a steady increase of debt issuance with over \$21.4 million Budgeted for 2021 as capital investment needs for infrastructure such as water sourcing projects, solid waste and general facility and equipment needs are required. Therefore, it is likely that the debt servicing ratio will increase in the coming years and must be within 15% per the SCRD's Debt Management Policy.

The continued trend toward increases to net financial asset (versus net debt) is a key indicator in assessing the financial well-being of the SCRD as it reflects the ability to meet its current financial commitments and its capacity to finance future activities.

Non-financial assets increased slightly in 2021 to \$138.00 million (2020 - \$137.82 million). As stated in the "Notes to the Financial Statements" 1 (m), 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.

The capital program was budgeted at \$34.99 million for 2021 (2020-\$26.54 million) with \$6.06 million expended on capital enhancement and replacement. These projects will continue to completion in 2022 and 2023. The expenditures were primarily financed through reserves, grants, debt, and taxation.

Statement of Operations

The consolidated annual operating surplus (revenues less expenses) was \$8.93 million in 2021 compared to \$8.30 million in 2020. The increase is attributable to higher than expected revenues in some line items such as: Government Transfers due to additional funds received from federal and provincial governments from the Gas Tax-Community Works Fund and a top up of the COVID-19 Re-Start Funding; higher than expected user fees; and contributed assets.

Expenses were also lower than budgeted in: wages and benefits (due to labour shortages); and lower operational expenses partially realized by deferral of projects carried into 2022.

The annual operating surplus of \$8.9 million translates to a corresponding increase in accumulated surplus to \$167.6 million. This figure is reflective of the SCRD's financial assets less its liabilities (net financial assets) plus its non-financial assets.

Details related to each of the services can be found in the appending schedules (Schedule 3-12) which provides a summary of revenues, expenses and transfers.

Other items and financial indicators to highlight for 2021 are as follows:

- Increase in cash and equivalents by \$7.89 million in 2021 is mainly the result of a greater portion of reserve funds being held in a high-interest savings accounts which are liquid placed with the Municipal Finance Authority for anticipated short term requirements and favorable interest rates as compared to other short-term investments.
- The Provision for Landfill Closure and Post Closure (Note 9) increased by \$752,899 to \$8.03 million in 2021 (2020 - \$7.27 million) and the liability remains unfunded by \$4.56 million (2020 - \$4.67). The SCRD approved an incremental increase to fund shortfall by an additional \$125,000 per year (2018-2021) and has approved an addition \$100,000 per year for 2022 onward. The Sechelt landfill site is also expected to reach its capacity in mid-2025 which is consistent with prior year's estimate.
- The SCRD's investment in capital for 2021- \$34.99 million was Budgeted at 6.8x the rate of depreciation (2021 actual amortization \$5.11 million*). This is the amount of capital invested in infrastructure for both new or capital renewal for every dollar the assets depreciate each year.
- Reserve fund balances increased by \$7.03 million (Schedule 14) from \$30.99 million in 2020 to \$38.03 million in 2021. The increase was a result of budgeted contributions to fund future capital projects or expenses which are in line with the Financial Sustainability Policy and Corporate Asset Management Plan as well as transfers to operating/capital reserves from 2020 surpluses and earnings from the investment of reserve funds. Reserve transfers make up 13.85% of the 2021 operating budget (expenses*) and over \$16 million is budgeted to be used for operating and capital projects for 2022.
- Schedule (15) is to comply with the Provincial Governments requirements related to the COVID-19 Safe Restart Grant provided to local governments. An annual report will be provided annually until the grant funds are fully spent.

Foreshore Leases-Hillside

In accordance with the General Lease Agreement between the Province of British Columbia and the SCRD, the foreshore leases require to be audited prior to submission of payment for the 50% portion of the leases. Nothing was concluded as a result of the 2021 review and audit.

Pending Accounting Standards

In March 2018, the Public Sector Accounting Board (PSAB) approved a new accounting standard to account for asset retirement obligations (ARO). An ARO is a legal obligation associated with the retirement of a tangible capital asset and will require public bodies to include decommissioning of an asset, post-retirement operation, maintenance and monitoring. The SCRD currently accounts for similar liability for our landfill closure and post-closure costs, but the scope of the new standard will include all tangible capital assets, asbestos removal or site remediation. The PSAB revised the effective date due to COVID-19 from on or after April 1, 2021 to April 1, 2022 (December 31, 2023 Financial Statements). Staff continue to make progress on the new standard.

Audit Management Letter

In the course of conducting the SCRD's 'financial audit' MNP reviews systems, processes, policies and internal controls. The Management Letter is Appendix D and for 2021, five items have been highlighted, including a review of prior recommendations from BDO Canada LLP. The items, management response and status can be found in the body of the report.

STRATEGIC PLAN AND RELATED POLICIES

The annual financial audit is a statutory requirement for the SCRD.

CONCLUSION

In accordance with the LGA and CC, the Financial Statements of the SCRD for the year ending December 31, 2021 are the responsibility of the Financial Officer and are presented to the Board of Directors for approval.

Staff recommend that the Statement of Financial Information and Draft Audited Statements for the Year Ended December 31, 2021, as presented by MNP's Draft Independent Auditor's Reports, be received and approved as presented, and forwarded to the Board Meeting on April 28, 2022 for adoption.

Attachments:

- 2021 Audit Findings- Report to the Board of Directors
- Draft Independent Audit's Report
- Draft Independent Audit Report-Foreshore Leases (Hillside)
- Audit Management Letter from MNP LLP
- 2021 Statement of Financial Information (including the SCRD 2021 Draft Audited Financial Statements)

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – D. McKinley	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 28, 2022

AUTHOR: Sherry Reid, Corporate Officer

SUBJECT: 2022 CHAIR'S APPOINTMENTS TO STANDING COMMITTEES

RECOMMENDATION(S)

THAT the report titled 2022 Chair's Appointments to Standing Committees be received for information;

AND THAT the list of Chair appointments and newly established standing committees for Committee of the Whole, Electoral Area Services, Board Policy Review and Budget be affirmed;

AND FURTHER THAT the 2022 Board standing committee meeting schedule be updated to reflect appointments to the newly established committees, effective May 6, 2022.

BACKGROUND

Section 218(2) of the *Local Government Act* provides that the Board Chair may establish standing committees and appoint persons to those committees.

DISCUSSION

The SCRD Board Chair has recommended changes to the SCRD standing committee structure.

In particular, a Committee of the Whole (COW) and Electoral Area Services (EAS) committee will be established to replace the current SCRD standing committees (Infrastructure Services, Planning and Development, Community Services and Corporate and Administrative Services committees). In addition, a Board Policy Review Committee and a Budget Committee that will meet from time to time, as required by the Board, will also be established.

COW and EAS will meet monthly in alignment with the current Board and Committee meeting schedule. COW will meet on the second and fourth Thursday, while the EAS committee will meet once monthly on the third Thursday. As such, no changes to the current scheduled meeting times are anticipated. Meetings will occur as follows:

	Current 2022 Meeting Schedule	NEW 2022 Schedule (in effect May 6)
Week 1	No meetings	No meetings
Week 2	9:30 am Infrastructure Services	9:30 am COMMITTEE OF THE WHOLE
Week 3	9:30 am Planning & Development 2:00 pm Community Services	9:30 am ELECTORAL AREA SERVICES
Week 4	9:30 am Corporate & Administrative Services	9:30 am COMMITTEE OF THE WHOLE

The Terms of Reference identifying the purpose, mandate, membership and operation of each newly established standing committee are provided in Attachment A. The Chair has appointed members to each committee as follows:

Committee of the Whole

Co-Chairs Andreas Tize
 Lori Pratt
Co-Vice Chairs Leonard Lee
 Alton Toth
Members All SCRD Directors

Electoral Area Services Committee

Chair Donna McMahon
Vice Chair Mark Hiltz
Members (rural directors only) Leonard Lee
 Lori Pratt
 Andreas Tize

Budget Committee

Chair Darnelda Siegers
Vice Chair Bill Beamish
Members All SCRD Directors

Board Policy Review Committee

Chair TBC
Vice Chair TBC
Members TBC

STRATEGIC PLAN AND RELATED POLICIES

N/A

CONCLUSION

The Chair's appointments have been outlined above. Staff recommend that the Board receive and affirm the appointments.

Attachment:

A – Draft Terms of Reference

Reviewed by:			
Manager		Finance	
GM		Legislative	
CAO	X – D. McKinley	Other	

TERMS OF REFERENCE

Committee of the Whole

1. Purpose

- 1.1 The purpose of the Committee of the Whole is to consider general matters related to Sunshine Coast Regional District (SCRD) services of a regional or sub-regional nature and to make recommendations to the SCRD Board on these matters.

2. Duties/Mandate

- 2.1 The Committee of the Whole is a standing committee of the Board that will consider and make recommendations to the Board on matters that include:

- Administrative Bylaws
- Corporate Strategic Planning
- Audit and Financial Reporting
- Local Government Structure
- Information Technology
- GIS and Civic Addressing
- Gibsons Library
- Legislative Services
- Corporate Communications
- Local Government Elections
- Regional Sustainability Services
- Regional Planning
- Building Inspection Services
- Hillside Development
- School Facilities – Joint Use
- Human Resources
- Administration Building
- Asset Management
- Purchasing and Risk Management
- Bylaw Enforcement/Compliance
- Animal Control
- Gibsons and District Fire Protection
- Sunshine Coast Emergency Planning
- Regional Solid Waste
- Regional Water
- Public Transit
- Regional Recreation Programs
- Community Recreation Facilities
- Museum Service
- Cemetery
- Dakota Ridge Recreation

This list may be amended as the need arises. Matters outside of the mandate of the Committee may be considered as necessary to meet operational requirements.

3. Membership

- 3.1 The Committee of the Whole is comprised of all Directors of the SCRD Board.
- 3.2 The Chair and Vice Chair of the Committee will be appointed annually by the Chair of the Sunshine Coast Regional District.

4. Operations

- 4.1 The Committee of the Whole will meet on the 2nd and 4th Thursday of each month commencing at 9:30 a.m. unless otherwise scheduled by the SCRD Board or the Chair of the Committee.

Approval Date		Resolution No.	
Approval Date		Resolution No.	
Approval Date		Resolution No.	

TERMS OF REFERENCE

Electoral Area Services Committee

1. Purpose

- 1.1 The purpose of the Electoral Area Services Committee is to consider matters related to Sunshine Coast Regional District (SCRD) services that operate in and affect electoral areas only and to make recommendations to the SCRD Board on these matters.

2. Duties/Mandate

- 2.1 The Electoral Area Services Committee is a standing committee of the Board that will consider and make recommendations to the Board on matters that include:

- Rural Planning
- Land Related Environmental Issues
- Heritage Conservation
- Natural Resources Issues
- UBCM/Electoral Area Services
- Halfmoon Bay and Roberts Creek Smoke Control
- Rural Areas Grant-in-Aid
- Economic Development
- Community Parks
- Bicycle and Walking Paths
-
- Street Lighting
- Ports and Docks
- Refuse Collection
- North and South Pender Water
- Waste Water Plants
- Egmont, Halfmoon Bay and Roberts Creek Fire Departments
- Pender Harbour Health Clinic
- Pender Harbour Pool
- Egmont / Pender Harbour Library
- Roberts Creek Library Service
- Halfmoon Bay Library Service

This list may be amended as the need arises. Matters outside of the mandate of the Committee may be considered as necessary to meet operational requirements.

3. Membership

- 3.1 The Electoral Area Services Committee is comprised of rural directors only of the SCRD Board.
- 3.2 The Chair and Vice Chair of the Committee will be appointed annually by the Chair of the Sunshine Coast Regional District.

4. Operations

- 4.1 The Electoral Area Services Committee will meet on the 3rd Thursday of each month commencing at 9:30 a.m. unless otherwise scheduled by the SCRD Board or the Chair of the Committee.

Approval Date		Resolution No.	
Approval Date		Resolution No.	
Approval Date		Resolution No.	

TERMS OF REFERENCE

Board Policy Review Committee

1. Purpose

- 1.1 The purpose of the Board Policy Review Committee is to review policies of the Board of the Sunshine Coast Regional District (SCRD) and to make recommendations to the SCRD Board with respect to the amendment, repeal and/or development of new Board policy.

2. Duties/Mandate

- 2.1 The Board Policy Review Committee is a standing committee of the Board that reviews Board policies to ensure they remain relevant, timely, and provide meaningful guidance by which the Board conducts its business and to also establish parameters within which staff may carry out Board directives.

3. Membership

- 3.1 The Board Policy Review Committee is comprised directors appointed annually by the Chair of the Sunshine Coast Regional District.
- 3.2 The Chair and Vice Chair of the Committee will be appointed annually by the Chair of the Sunshine Coast Regional District.

4. Operations

- 4.1 The Board Policy Review Committee will meet from time to time, as required by the SCRD Board or the Chair of the Committee.

Approval Date		Resolution No.	
Approval Date		Resolution No.	
Approval Date		Resolution No.	

TERMS OF REFERENCE

Budget Committee

1. Purpose

- 1.1 The purpose of the Budget Committee is to consider matters related to the Sunshine Coast Regional District (SCRD) annual budget process and to make recommendations to the SCRD Board on these matters.

2. Duties/Mandate

- 2.1 The Budget Committee is a Standing committee of the Board that will consider and make recommendations to the Board on matters that include:

- Five-Year Financial Planning
- Budget Proposals
- Pre-Budget Planning
- Post-Budget Debrief

This list may be amended as the need arises.

3. Membership

- 3.1 The Budget Committee is comprised of all directors of the SCRD Board.
- 3.2 The Chair and Vice Chair of the Committee will be appointed annually by the Chair of the Sunshine Coast Regional District.

4. Operations

- 4.1 The Budget Committee will meet from time to time, and as required by the SCRD Board or the Chair of the Committee.

Approval Date		Resolution No.	
Approval Date		Resolution No.	
Approval Date		Resolution No.	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 28, 2022

AUTHOR: Alex Taylor, Budget and Financial Analyst

SUBJECT: STATUS OF RESERVES AND HOLDING FUNDS AS AT MARCH 31, 2022

RECOMMENDATION(S)

THAT the report titled Status of Reserves and Holding Funds as at March 31, 2022 be received for information.

BACKGROUND

This purpose of this report is to provide the Committee with information regarding the status of the Sunshine Coast Regional District's (SCRD's) reserve and holding funds, which is provided on a semi-annual basis.

The Sunshine Coast Regional District (SCRD) board adopted the following resolution at the board meeting held on November 4, 2021:

296/21 THAT the report titled Status of Operating and Capital Reserves as at September 30, 2021 be received for information;

AND THAT an additional schedule be included in future, as part of the Status of Operating and Capital Reserves report, related to community benefit and amenity contributions.

Included in this report is an update on the investment of Community Contributions and Amenity Contributions.

DISCUSSION

As at March 31, 2022 the Regional District has \$32,410,703 of reserve funds, \$10,511,524 of Parkland Acquisition, Development Cost Charges (DCC's) and Gas Tax Community Work Funds, \$3,464,784 of Landfill Closure reserve funds invested in term deposits, the Municipal Finance Authority (MFA) bond fund, high interest savings accounts, and individual corporate bond placements. In addition, on April 1, 2022 the SCRD invested \$1,383,918 of Community Benefit and Amenity Contributions in term deposits and the MFA pooled high interest savings account. Combined investments for the above noted funds totaled \$47,770,929.

Detailed balances of Operating and Capital reserves, Landfill Closure Reserves, Parkland Acquisition, DCC's, and Gas Tax Community Works Fund, and Community Benefit and Amenity Contribution accounts are shown in Attachments A through D.

The difference between the amounts set aside in reserve and the amount invested is due to the timing of investment transfers and short term cash flow requirements. These differences will be addressed by either a future subscription or redemption to the investment as appropriate.

Short term investments of tax requisition funds collected in August 2021 have been fully redeemed as of March 31, 2022.

Reserves are a source of funding for future capital and service level needs which are contemplated as part of the overall Financial Planning processes, such as capital renewal funding as part of asset management planning. For example, reserve funds for fire departments, community recreation and the wastewater services are for planned future projects. Capital renewal plans and funding policy levels are set by the Board on an annual basis. For 2022, over \$16 million is budgeted to be used to fund projects with almost \$3 million to be contributed, netting to \$13million of transfers. This reflects an over 35% redemption of the total funds held. Strategies for sustainable funding are part of the ongoing asset management and long-term service planning with water utilities being under way.

STRATEGIC PLAN AND RELATED POLICIES

Investment decisions are guided by the Corporate Investment Policy which states that funds are to be invested in a socially responsible manner that will provide the highest investment return with the maximum security while meeting the cash flow and the statutory requirements of the *Community Charter* and *Local Government Act*.

CONCLUSION

The SCRD had \$47,770,929 invested in term deposits, the MFA bond fund, high interest savings accounts and individual corporate bond placements as at April 1, 2022 for Reserves, Parkland Acquisition, DCC's, Gas Tax Community Works Funds, Landfill Closure Reserves and Community Benefit and Amenity Contributions. Short term investments of 2021 tax requisition funds have been fully redeemed as of March 31, 2022.

Differences between amounts set aside in reserves and amounts invested are due to the timing of investment transfers and short term cash flow requirements.

Attachments:

Attachment A - Investments of Reserves Tables

Attachment B - Investments of Landfill Closure

Attachment C - Investments of Gas Tax, Parkland Acquisition and Development Costs Charges

Attachment D - Investments of Community Benefit and Amenity Contributions

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

Attachment A
Investments of Reserves
As at March 31, 2022

Page 1 of 2

Bylaw	Description	2022 Opening Balance	Transfers	YTD Interest	Closing Balance	Budgeted Transfers	Unallocated / Committed Capital Renewal Funding
General							
504	Administration Capital	\$ 657	\$	\$ (4)	\$ 653	0	657
495	Administration Vehicle Acquisition	44,802		(266)	44,536	0	44,802
648	Administration Operating	620,815		(3,679)	617,136	(196,320)	424,495
648	Administration Operating (Risk Management)	37,290		(221)	37,069	10,000	47,290
648	Finance Operating	727,939		(4,314)	723,625	(169,750)	558,189
496	Office Building Upgrades Capital	250,629		(1,485)	249,144	(5,000)	245,629
	Office Building Upgrades Operating	126,503		(750)	125,754	(5,154)	121,349
648	Human Resources Operating	312,330		(1,851)	310,479	1,250	313,580
504	Information Services Capital	477,996	(84,105)	(2,503)	391,388	(75,838)	402,158
648	Information Services Operating	154,161		(914)	153,248	(5,000)	149,161
648	Area D Grant in Aid Operating	3,397		(20)	3,377	0	3,397
648	Elections Operating	197,881		(1,173)	196,708	(124,292)	73,589
648	Corporate Sustainability Operating	125,076		(741)	124,335	(15,000)	110,076
648	Regional Sustainability Operating	115,412	(24,227)	(586)	90,599	(60,000)	55,412
	Feasibility Studies Area B	28,340	(28,340)	(53)	(53)	(28,262)	78
	Feasibility Studies Area D	28,340	(28,340)	(53)	(53)	(28,262)	78
649	Bylaw Enforcement Vehicle Acquisition	67,543		(400)	67,143	(50,000)	17,543
677	Bylaw Enforcement Operating	198,067		(1,174)	196,893	(274)	197,793
	Halfmoon Bay Smoke Control Operating	1,938		(11)	1,926	(1,085)	853
650	Roberts Creek Smoke Control Operating	13,112		(78)	13,034	(1,084)	12,028
497	Gibsons and District Fire Protection Land	44,115		(261)	43,853	0	44,115
489	Gibsons and District Fire Protection Capital	579,236		(3,433)	575,804	(261,051)	318,185
678	Gibsons and District Fire Protection Operating	300,750		(1,782)	298,968	(42,679)	258,071
490	Roberts Creek Fire Protection Capital	538,171	(65,350)	(2,925)	469,896	(138,650)	399,521
679	Roberts Creek Fire Protection Operating	302,723		(1,794)	300,929	(126,302)	176,421
491	Halfmoon Bay Fire Protection Capital	652,225	(300,000)	(3,865)	348,360	(335,600)	316,625
	Halfmoon Bay Fire Protection Operating	189,647		(1,124)	188,523	(46,400)	143,247
601	Egmont Fire Protection Capital	131,872		(782)	131,090	2,500	134,372
	Egmont Fire Protection Operating	140,267		(831)	139,436	0	140,267
492	Emergency Telephone 911 Capital	849,210	(8,882)	(5,001)	835,326	(412,515)	436,695
	Emergency Telephone 911 Operating	57,540		(341)	57,199	(15,512)	42,028
493	Sunshine Coast Emergency Planning Capital	37,950		(225)	37,725	0	37,950
	Sunshine Coast Emergency Planning Operating	36,514		(216)	36,297	(7,858)	28,656
651	Animal Control Vehicle Acquisition	57,537		(341)	57,196	0	57,537
680	Animal Control Operating	156,735		(929)	155,806	(274)	156,461
529	Transit Capital					0	
652	Transit Operating	1,104,546	(2,337)	(6,536)	1,095,672	(415,139)	689,407
563	Fleet Maintenance Capital	98,659		(585)	98,074	(10,000)	88,659
	Fleet Maintenance Operating	148,782		(882)	147,901	(43,313)	105,469
	Building Maintenance Operating	86,692		(514)	86,178	(1,875)	84,817
486	Ports Capital	949,821		(5,629)	944,192	(304,736)	645,085
607	Ports Operating	139,246		(825)	138,420	(84,600)	54,646
653	Regional Solid Waste Operating	418,399		(2,480)	415,920	(234,010)	184,389
670	Zero Waste Initiatives (Eco Fee) Operating	376,695	(10,171)	(2,170)	364,355	(303,177)	73,518
653	Landfill Operating	246,246	3,785	(1,475)	248,556	(235,649)	10,597
654	Refuse Collection Operating	155,563		(922)	154,641	0	155,563
655	Cemetery Operating	407,494	(11,745)	(2,402)	393,348	(7,000)	400,494
515	Pender Harbour Health Clinic Capital	43,673		(259)	43,414	(32,726)	10,947
681	Regional Planning Operating	167,270	(5,119)	(984)	161,168	(39,460)	127,810
656	Rural Planning Vehicle Acquisition	18,954		(112)	18,842	0	18,954
657	Rural Planning Operating	110,235		(653)	109,581	(19,582)	90,653
504	Property Information & Mapping Capital	79,422		(471)	78,951	15,000	94,422
648	Property Information & Mapping Operating	180,402		(1,069)	179,333		180,402
	Civic Addressing Operating	132,527		(785)	131,742	0	132,527
659	Building Inspection Vehicles Acquisition	31,448		(186)	31,261	6,000	37,448
	Building Inspection Operating	1,394,349		(8,263)	1,386,086	(1,480)	1,392,869
715	Hillside Operating	963,975		(5,713)	958,262	7,984	971,959
590	Community Recreation Facilities Capital	2,338,314	(50,033)	(13,857)	2,274,424	(770,703)	1,567,611
682	Community Recreation Facilities Operating	910,931	(7,628)	(5,389)	897,914	(139,704)	771,227
494	Pender Harbour Pool Capital	63,165		(374)	62,791	10,563	73,728
660	Pender Harbour Pool Operating	451,338	(214)	(2,675)	448,450	(40,179)	411,159
	School Facilities Joint Use Operating	7,178		(43)	7,135	0	7,178
609	Gibsons & Area Library Capital	130,457		(773)	129,684	50,000	180,457
	Gibsons & Area Library Operating	79,176		(469)	78,707	0	79,176
533	Community Parks Capital	607,311		(3,599)	603,712	(177,463)	429,848
662	Community Parks Operating	238,848	(1,645)	(1,409)	235,794	(179,214)	59,634
683	Bicycle and Walking Paths Operating	281,732		(1,670)	280,063	(65,000)	216,732
	Area A Bicycle and Walking Paths Operating	109,128		(647)	108,481	0	109,128
	Regional Recreation Programs Operating	86,319		(512)	85,808	(4,000)	82,319
	Dakota Ridge Operating	328,786		(1,948)	326,837	(55,500)	273,286
Total General Reserve Funds		\$ 20,493,799	\$ (624,350)	\$ (120,403)	\$ 19,749,046	\$ (5,213,375)	\$ 15,280,424

Attachment A
Investments of Reserves
As at March 31, 2022

Page 2 of 2

Bylaw	Description	2022 Opening Balance	Transfers	YTD Interest	Closing Balance	Budgeted Transfers	Unallocated / Committed Capital Renewal Funding
Water Services							
589	North Pender Harbour Capital	\$ 410,663	\$	\$ (2,434)	\$ 408,230	\$ 80,424	\$ 491,087
605	North Pender Harbour Operating	498,725	(3,859)	(2,940)	491,926	(132,614)	366,111
602	South Pender Harbour Capital	785,008		(4,652)	780,356	(354,210)	430,798
663	South Pender Harbour Operating	849,810	(1,317)	(5,031)	843,462	(151,807)	698,003
488	Regional Capital	9,872,859	(146,575)	(58,494)	9,667,790	(5,352,139)	4,520,720
498	Regional Land	18,674		(111)	18,563	0	18,674
664	Regional Operating	3,614,034	(26,675)	(21,331)	3,566,028	(1,984,796)	1,629,238
Total Water Services Reserves		\$ 16,049,772	\$ (178,426)	\$ (94,992)	\$ 15,776,354	\$ (7,895,142)	\$ 8,154,630
Waste Water Plants							
512	Greaves Road Capital	\$ 3,359	\$	\$ (20)	\$ 3,339	\$ 2,271	\$ 5,630
608	Greaves Road Operating	11,452		(68)	11,384	(7,362)	4,090
665	Woodcreek Park Capital	30,393		(180)	30,213	28,087	58,480
666	Woodcreek Park Operating	166,129		(985)	165,144	(23,827)	142,302
512	Sunnyside Capital	19,857		(118)	19,739	3,193	23,050
608	Sunnyside Operating	19,132		(113)	19,019	(2,841)	16,291
512	Jolly Roger Capital	39,772		(236)	39,537	699	40,471
608	Jolly Roger Operating	34,141		(202)	33,938	(8,099)	26,042
512	Secret Cove Capital	12,540		(74)	12,466	869	13,409
608	Secret Cove Operating	50,375		(299)	50,077	(6,524)	43,851
512	Lee Bay Capital	268,205		(1,589)	266,615	35,601	303,806
608	Lee Bay Operating	316,999	(498)	(1,877)	314,624	(16,119)	300,880
512	Square Bay Capital	46,974		(278)	46,696	1,239	48,213
608	Square Bay Operating	58,874		(349)	58,525	(52,483)	6,391
512	Langdale Capital	764		(5)	760	4,839	5,603
608	Langdale Operating	68,455		(406)	68,050	(46,776)	21,679
512	Canoe Road Capital	3,347		(20)	3,327	107	3,454
608	Canoe Rd Operating	7,558		(45)	7,513	(32)	7,526
512	Merrill Crescent Capital					2,045	2,045
608	Merrill Crescent Operating	8,232		(49)	8,183	3,388	11,620
512	Curran Road Capital	21,193		(126)	21,068	17,153	38,346
608	Curran Road Operating	71,829		(426)	71,404	(2,478)	69,351
512	Roberts Creek Co Housing Capital	270		(2)	268	11,287	11,557
608	Roberts Creek Co Housing Operating	25,908		(154)	25,755	(12,776)	13,132
667	Lily Lake Village Operating	65,048		(385)	64,663	(42,781)	22,267
668	Painted Boat Capital	5,363		(32)	5,331	9,711	15,074
669	Painted Boat Operating	80,227		(475)	79,752	(6,507)	73,720
N/A	No Bylaw Sakinaw Ridge Operating	26,499		(50)	26,449	(4,014)	22,485
728	Sakinaw Ridge Capital Reserve	19,258		(36)	19,221		19,258
Total Waste Water Plants Reserves		\$ 1,482,153	\$ (498)	\$ (8,596)	\$ 1,473,058	\$ (112,130)	\$ 1,370,023
Total Reserve Funds		\$ 38,025,723	\$ (803,274)	\$ (223,990)	\$ 36,998,459	\$ (13,220,647)	\$ 24,805,076
					Investments	\$ 32,410,703	
					Accrued Interest	\$ 102,787	
					Over/ (Under) Subscribed	\$ (4,484,969)	

Attachment B
Investments of Landfill Closure Reserve
As at March 31, 2022

Account	Opening Balances	YTD Interest	Transfers To (From)	Closing Balance
Pender Harbour Landfill Closure Liability	\$ 474,226		-	\$ 474,226
Pender Harbour (Unfunded)	(474,226)	-	-	(474,226)
Net Funded Liability	-			-
Sechelt Landfill Closure Liability	7,551,302		-	7,551,302
Sechelt Landfill (Unfunded)	(4,090,788)	8,296	-	(4,082,492)
Net Funded Liability	3,460,514			3,468,810
				-
Total Landfill Closure Reserve	\$ 3,460,514	8,296	-	\$ 3,468,810

Investments	3,464,784
Accrued Interest	-
Over (Under) Subscribed	(4,026)

Attachment C
Investments of Gas Tax, Parkland Acquisition and Development Costs Charges
As at March 31, 2022

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
Gas Tax Community Works Fund				
Area A	\$ 1,743,111	\$ (6,152)	\$ (14,282)	\$ 1,722,677
Area B	1,280,336		(10,515)	1,269,821
Area D	1,714,891		(14,084)	1,700,807
Area E	2,074,431	(997)	(17,034)	2,056,400
Area F	1,103,146		(9,060)	1,094,086
Parkland Acquisition	839,093		(6,891)	832,202
Development Cost Charges				
North Pender Harbour Water Service	38,676		(318)	38,359
South Pender Harbour Water Service	189,964	6,000	(1,582)	194,381
Regional Water Service	2,405,594	81,245	(19,978)	2,466,861
Totals	\$ 11,389,241	\$ 80,096	\$ (93,744)	\$ 11,375,594

Investments	\$	10,511,524
Accrued Interest		30,997
Over/ (Under) Subscribed	\$	(833,072)

Attachement D
Investments of Community Benefit and Amenity Contributions
As at April 1, 2022

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
Climate Action Revenue Incentive Program	\$ 298,615	\$ (9,336)	\$	\$ 289,279.02
COVID 19 Safe Restart	676,620	(5,185)		\$ 671,434.98
Box Canyon Hydro Amenities Funds	10,000			\$ 10,000.00
Res. 411/15 No. 5 Amenities Contribution to Support Agriculture or	75,000			\$ 75,000.00
Voluntary Community Amenity Contribution to Support Agriculture I	8,500			\$ 8,500.00
Feasibility for Establishment of Community Social Service	20,000			\$ 20,000.00
Donation to SCRD Fire Services		250		\$ 250.00
Bear Creek Hydro Amenity Funds	\$ 217,322			\$ 217,322.27
Narrows Inlet Hydro Amenities (Blue Earth Renewables, Coopers Gre	\$ 10,000			\$ 10,000.00
Parks Master Plan Funds	\$ 67,762			\$ 67,762.06
Totals	\$ 1,383,819	\$ (14,271)	\$ -	\$ 1,369,548.33

Investments	\$ 1,383,918
Accrued Interest	
Over/ (Under) Subscribed	\$ 14,370

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 28, 2022

AUTHOR: Alex Taylor, Budget and Financial Analyst

SUBJECT: GAS TAX COMMUNITY WORKS FUND UPDATE

RECOMMENDATION(S)

THAT the report titled Gas Tax Community Works Fund Update be received for information.

BACKGROUND

The purpose of this financial report is to provide the Committee with an update on the current status of the Community Works Fund (CWF) provided through the Federal Gas Tax Fund in British Columbia (Gas Tax Agreement or GTA) including budgeted project commitments, year to date spending and uncommitted funds available to be spent on eligible projects.

Since 2005, \$10,673,393 has been received from the Gas Tax Fund under the 2005-2015 CWF Agreement and the renewed 2014-2024 CWF Agreement. Funding is based on Regional District rural area population (2021 census) and payments are typically advanced on a semi-annual basis with funds allocated to the five rural areas per the SCRD Board Federal Gas Tax - Community Works Fund Policy. Funds may be used toward eligible costs in various infrastructure investment categories. Eligible investments permitted to be funded from Community Works Funds are those associated with acquiring, planning, designing, constructing or renovating a tangible capital asset; or strengthening the ability of local governments to improve local or regional planning; and asset management.

DISCUSSION

Funding Allocation

CWF are allocated to all local governments in British Columbia based on a per capita funding formula with a funding floor. Consistent with this method, funding received since inception of the CWF has been allocated to each of the five electoral areas based on the most current census data.

Summary of Funding Commitments

Unspent funding received as at December 31, 2021 totaled \$7,915,914. This year's first installment payment totalling \$347,542 is expected to be received in late July. The second installment of \$347,543 is expected to be received in early December bringing the total available funding for eligible projects in 2022 to \$8,610,999. Of this, \$1,849,865 is currently budgeted or committed for projects and \$6,761,134 remains uncommitted.

A summary of CWF allocations and funding commitments by Electoral Area for 2022 is provided in Table 1 below with more detailed information in Attachment A, titled Gas Tax Community Works Fund Summary of Commitments.

Table 1: Summary of Gas Tax Community Works Funding				
Electoral Area	Unspent Funding as at December 31, 2021	2022 Funding Allocations	2022 Funding Commitments	Uncommitted Funds for Available for 2022
Area A- Egmont/Pender Harbour	\$ 1,743,111	\$ 133,516	\$ (1,616,849)	\$ 259,778
Area B - Halfmoon Bay	1,280,336	130,441	(52,920)	1,357,857
Area D - Roberts Creek	1,714,891	154,781	-	1,869,672
Area E - Elphinstone	2,074,431	170,597	(9,502)	2,235,526
Area F - West Howe Sound	1,103,146	105,750	(170,594)	1,038,301

There are past Board resolutions to reserve up to \$300,000 toward the Coopers Green Hall project, however, there is only \$47,274 included in the 2022-2026 Financial Plan. Therefore, Attachment A- Summary of Commitments has been modified accordingly. Further information regarding the Hall project is forthcoming.

Unspent Funds

Staff note that the 10-year Gas Tax Fund agreement is set to expire in March 2024. The government recognizes that there is a considerable amount of funds in local government Gas Tax-Community Works Fund accounts that are still unspent. The SCRD is currently working with UBCM on a plan to expend funds by this time.

Incomplete Projects

There is a total of \$88,918 in incomplete active transportation projects which remain open on the SCRD's Annual Expenditure Report to UBCM. Expenditures to date for these projects have not yet resulted in a tangible capital asset, there is no further direction on the projects, and they were not included in the 2022-2026 Financial Plan. Should these projects remain incomplete at the completion of the current agreement, there is a risk that the funding will be required to be returned.

Planning consideration for the 2023 work-plan and budgeting process are being explored related to active transportation now that there is an understanding with MoTI and UBCM.

STRATEGIC PLAN AND RELATED POLICIES

Gas Tax Community Works Funds are intended for capital purposes and, subject to eligibility requirements, can be considered as a funding strategy in the achieving the Boards Strategic Focus Area of Asset Stewardship.

CONCLUSION

This report is an update on the current status of the CWF (provided through the Federal Gas Tax Fund) including funding commitments, year to date spending and uncommitted funds available to be spent on eligible projects. There is \$8,610,999 of CWF available to fund eligible projects in 2022. Of this, \$1,849,865 has been committed for projects and \$6,761,134 remains uncommitted.

Attachment A: Gas Tax Community Works Funds – Summary of Commitments

Reviewed by:			
Manager		CFO/Finance	X - T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

Gas Tax Community Works Fund Summary of Commitments 2022 Funding Year

		A	B	D	E	F	Total
CWF Funding	Function	<u>Z10159</u>	<u>Z10160</u>	<u>Z10161</u>	<u>Z10162</u>	<u>Z10163</u>	
Balance of 2021 Uncommitted Funds to 2022		\$ 1,425,698	\$ 1,223,602	\$ 1,709,798	\$ 2,058,661	\$ 1,055,244	\$ 7,473,003
2021 Interest Earned		5,564	3,814	5,093	6,267	3,308	24,046
Balance of 2021 Committed Funds to 2022 (Carry Forwards)		311,849	52,920		9,502	44,594	418,865
Funding Available as at December 31, 2021		\$ 1,743,110.67	\$ 1,280,336.36	\$ 1,714,890.89	\$ 2,074,430.55	\$ 1,103,145.52	\$ 7,915,914
2022 Anticipated Funding Allocation (based on 2021 Census data)							
First Installment (July)		66,758.21	65,220.51	77,390.32	85,298.50	52,874.96	347,542.50
Second Installment (December)		66,758.21	65,220.51	77,390.32	85,298.50	52,874.96	347,542.50
Funding Available for Projects in 2022		\$ 1,876,628.09	\$ 1,410,776	\$ 1,869,672	\$ 2,245,028	\$ 1,208,894	\$ 8,610,999
2022 Budgeted and Committed Funding							
Area A- Garden Bay Pump Station – Feasibility Study – Treatment Improvements (CF)	365	20,000					20,000
Area A- Emergency Generator (CF)	365	125,000					125,000
Area A- McNeil Lake Dam Upgrades (CF)	366	38,581					38,581
Area A- Dogwood Reservoir Feasibility (CF)	366	108,000					108,000
Area A- South Pender Harbour Water Treatment Plant - Upgrades - Phase Two (CF)	366	20,268					20,268
Area A- North Pender Harbour Watermain Replacement	365	765,000					765,000
Area A- South Pender Harbour Watermain Replacement	366	540,000					540,000
Area B - Coopers Green Park - Hall & Parking Design Plans (CF)	650		47,274				47,274
Area B- Jolly Rodger WWTP Headworks Replacement (CF)	384		2,661				2,661
Area B- Secret Cove WWTP Headworks Replacement (CF)	385		2,985				2,985
Area B - Coopers Green Hall Replacement (Committed Funds per Res. 209/17 No. 3)	650		Note 1				
Area E- Woodcreek Park-WWTP Collection System Designs (CF)	382				9,502		9,502
Area F- Eastbourne Groundwater Investigation (CF)	370					44,594	44,594
Area F- Langdale WWTP Remediation Project	388					126,000	126,000
		\$ 1,616,849	\$ 52,920	\$ -	\$ 9,502	\$ 170,594	\$ 1,849,865
Uncommitted CWF Gax Tax Funds for 2022		\$ 259,779	\$ 1,357,856	\$ 1,869,672	\$ 2,235,526	\$ 1,038,300	\$ 6,761,134
CWF Funds allocation (per capita basis using 2021 Census data)		19.21%	18.77%	22.27%	24.54%	15.21%	100.00%

Note 1- The board has elected to commit up to \$300,000 towards this project. This expenditure has not been included in the 2022-2026 Financial Plan and as such, there is no authority to expend these funds. This commitment has been excluded from this summary until such time that the expenditure is included in the financial plan.

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 28, 2022

AUTHOR: Valerie Cropp – Manager, Purchasing and Risk Management

SUBJECT: Contracts Between \$50,000 and \$100,000 From January 1 to March 31, 2022

RECOMMENDATION

THAT the report titled Contracts between \$50,000 and \$100,000 from January 1 to March 31, 2022 be received for information.

BACKGROUND

The Sunshine Coast Regional District's (SCRD) Delegation Bylaw No. 710 directs staff to provide the Committee with a quarterly report of all new contracts entered into that fall between \$50,000 and \$100,000.

This report includes vendor, purpose, function, amount and the authoritative budget.

DISCUSSION

A total of 184 contracts/purchase orders were issued during the time period January 1, 2022 to March 31, 2022 with 5 valued between \$50,000 and \$100,000.

	Supplier	Account Code	Awarded	Budget
1.	Waterhouse Environmental Services Corporation	370 – Regional Water	\$97,890.00	Operating
	ISOPAC			
2.	Online Enterprises Inc.	117 - Information Technology	\$95,842.57	Capital
	Microsoft 365 E3 Licenses			
3.	In Situ Consulting	370 – Regional Water	\$84,673.05	Capital
	Archaeological Services - Church Road Construction			
4.	Salish Soils Inc.	352 – Sechelt Landfill	\$67,870.00	Operating
	Supply of Cover Material to the Sechelt Landfill			
5.	Island Communications Ltd	220 – Emergency Telephone	\$67,500.00	Operating
	911 Equipment Preventative Maintenance Services			

STRATEGIC PLAN AND RELATED POLICIES

The disclosure of Contract Awards aligns with the Board's Purchasing Policy and Delegation Bylaw.

CONCLUSION

SCRD Delegation Bylaw No. 710 requires that a report be provided quarterly to Committee on contracts between \$50,000 and \$100,000.

Reviewed by:			
Manager		Finance/CFO	X - T. Perreault
GM		Legislative	
CAO	X – D. McKinley	Other	

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Corporate and Administrative Services Committee – April 28, 2022

AUTHOR: Michelle Goetz, Accounts Payable Technician

SUBJECT: **DIRECTOR CONSTITUENCY AND TRAVEL EXPENSES FOR PERIOD ENDING MARCH 31, 2022**

RECOMMENDATION

THAT the report titled Director Constituency and Travel Expenses for Period Ending March 31, 2022 be received for information.

BACKGROUND

The 2022 Financial Plan for line items Legislative Services Constituency Expenses and UBCM/AVICC Constituency Expenses provide a combined budget of \$20,300. The applicable policy provides a maximum \$2,500 allowance per Director from Legislative Services [110] and an additional \$1,000 for Electoral Area Directors from UBCM/AVICC [130] for the expense of running an elected official office. Based on historical use, the amount budgeted is less than the amount available under the policy.

Travel expenses budgeted within Legislative Services and UBCM/AVICC – Electoral Area Services total \$34,544 for mileage, meals, hotel and other various charges associated with travelling or attending conferences on Sunshine Coast Regional District (SCRD) business, as outlined under the applicable Board policy.

DISCUSSION

The total amount posted to Constituency Expenses for the three month period ending March 31, 2022 is \$3,717 leaving a remaining budget of \$16,583.

The total amount posted to Legislative and UBCM/AVICC Travel Expenses is \$1,446 leaving a remaining budget of \$33,098.

Figures are based on expense reports submitted up to April 8, 2022 for the three month period ended March 31, 2022 and a breakdown by Electoral Area is provided below.

Electoral Area	Constituency Expense	Travel Expense (Excluding GST)
Director Area A	\$ 1,328	\$ 742
Director Area B	269	147
Director Area D	1,400	86
Director Area E	160	193
Director Area F	224	224
Director DOS (2)	336	149
Director TOG	-	-
Director SIGD	-	-
YTD Totals	\$ 3,717	\$ 1,446

STRATEGIC PLAN AND RELATED POLICIES

Applicable Board policies:

- 5-1800-1 - Reimbursement of Travel and Other Expenses
- 5-1800-2 - Constituency Expenses

Proposed amendments to both of the above noted policies were reviewed at the Special Corporate and Administrative Services Committee meeting on September 29, 2021.

Based on the Committee's recommendations, an amended *Reimbursement of Travel and Other Expenses* policy was approved by the Board on October 14, 2021 while the *Constituency Expenses* policy was referred to a future Committee meeting for further consideration (Board resolutions 273/21 No. 4 & 5). Administration is continuing to work on the revised draft Constituency Policy and look to bring it forward for review in late Q2.

CONCLUSION

The 2022 Financial Plan for Constituency Expenses and Travel Expenses provides a total budget of \$54,844. For the period ending March 31, 2022, the total amount posted to Constituency and Electoral Expenses is \$5,163 leaving a remaining budget of \$49,681.

Reviewed by:			
Manager		Finance	X – B. Wing
GM		Legislative	
CAO	X – D. McKinley	Other	