



FINANCE COMMITTEE

Thursday, April 18, 2024

TO BE HELD

IN THE BOARDROOM OF THE SUNSHINE COAST
REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SECHELT, B.C.

AGENDA

CALL TO ORDER 1:30 p.m.

AGENDA

1. Adoption of Agenda Pages 1-2

PRESENTATIONS AND DELEGATIONS

2. Cory Vanderhorst, Regional Assurance Partner of MNP LLP Annex A
Auditors
- Regarding:
- i) Presentation to the Board of Directors pp. 3-14
 - ii) 2023 Audit Findings - Report to the Board of Directors pp. 15-26
 - iii) Draft Independent Auditor's Report pp. 27-28
 - iv) Draft Independent Auditor's Report – Foreshore Leases (Hillside) pp. 29-30
 - v) Audit Management Letter from MNP LLP pp. 31-32
 - vi) 2023 Statement of Financial Information pp. 33-102
(included as part of the 2023 Draft Audited Financial Statements)

REPORTS

3. Sunshine Coast Regional District 2023 Audit Findings Report and Statement of Financial Information Annex B
- i) 2023 Audit Findings - Report to the Board of Directors pp. 103-107
 - ii) Draft Independent Auditor's Report See pp. 15-26
 - iii) Draft Independent Auditor's Report – Foreshore Leases (Hillside) See pp. 27-28
 - iv) Audit Management Letter from MNP LLP See pp. 29-30
 - v) 2023 Statement of Financial Information (included as part of the 2023 Draft Audited Financial Statements) See pp. 31-32
- General Manager, Corporate Services / Chief Financial Officer and Manager, Financial Services*
(Voting – All Directors) See pp. 33-102

- | | |
|---|------------------------|
| 4. Statement of Reserves and Holding Funds as at March 31, 2024
<i>Manager, Budgeting and Grants</i>
(Voting – All Directors) | Annex C
pp. 108-115 |
| 5. Canada Community-Building Fund Update
<i>Manager, Budgeting and Grants</i>
(Voting – Electoral Area Directors) | Annex D
pp. 116-122 |

IN CAMERA

COMMUNICATIONS

NEW BUSINESS

ADJOURNMENT

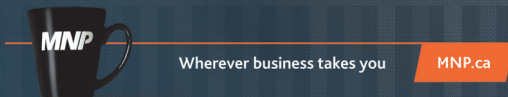


Sunshine Coast Regional District

Presentation to Finance Committee

Presented by Cory Vanderhorst

April 18, 2024



Topics

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

Financial Statement Highlights

Statement of Financial Position

		2023		2022
Cash and investments	\$	74,554,211	\$	62,460,814
Total financial assets	\$	87,433,745	\$	73,882,461
Regional District Debt	\$	24,601,293	\$	23,750,990
Total liabilities	\$	48,029,006	\$	48,601,478
Net financial assets	\$	39,404,739	\$	25,280,983
Tangible capital assets	\$	147,161,539	\$	145,897,275
Accumulated surplus	\$	189,860,192	\$	173,957,931

New for 2023

- Included in total liabilities is a new liability for Asset retirement obligations
 - Total estimate \$12,755,164 includes:
 - \$12,317,051 for landfill remediation
 - \$438,113 for asbestos and septic tank remediation
 - (Prior year – landfill calculated under old accounting standard was \$8,852,093)
- This new liability will be reduced by future spending and adjusted by:
 - Changes in regulations
 - Changes in cost estimates for remediation
 - Inflation

Financial Statement Highlights

Statement of Operations

		2023		2022		Budget
Total revenue	\$	69,803,982	\$	58,854,616	\$	70,224,666
Total expenses	\$	53,901,721	\$	48,921,137	\$	59,778,686
Annual surplus	\$	15,902,261	\$	9,933,479	\$	10,445,980

Financial Statement Highlights

Statement of Cash Flows

		2023		2022
Provided by operations	\$	17,436,057	\$	13,327,855
Used by capital	\$	(6,922,831)	\$	(14,310,501)
Net transferred to investments	\$	(860,211)	\$	(18,225,347)
Financing repayments (net)	\$	1,568,883	\$	7,265,419
Net cash inflow (use)	\$	11,221,898	\$	(11,942,574)

Financial Statement Highlights

Composition of accumulated surplus

		2023		2022
Invested in non-financial assets	\$	133,372,549	\$	132,148,297
Reserves	\$	50,359,397	\$	40,538,022
Capital fund	\$	12,776,607	\$	8,328,779
Current fund	\$	(7,231,295)	\$	(7,533,551)
MFA Debt reserve cash	\$	582,934	\$	476,384
Total accumulated surplus	\$	189,860,192	\$	173,957,931

Draft audit report

- Unqualified opinion
- We will sign the report after:
 - Board approval (anticipated April 25, 2024)

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 18, 2024 (and projected to continue to be independent to date of Board approval of financial statements).

Conclusion

Thank you

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

Presenter: Cory Vanderhorst

MNP



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Sunshine Coast Regional District

2023 Audit Findings

Report to the Board of Directors

December 31, 2023

Cory Vanderhorst, CPA, CA

T: 250.734.4319

E: cory.vanderhorst@mnt.ca

April 18, 2024

Members of the Finance Committee 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, 2023 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 Finance Committee.

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 Board of the Regional District. A draft copy of our proposed Independent Auditor's Report is provided under separate cover.

This report is intended solely for the information and use of the Finance Committee 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 Regional District 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

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Introduction

As auditors, we report to the Board on the results of our examination of the financial statements of Sunshine Coast Regional District (the "Regional District") as at and for the year ended December 31, 2023. The purpose of this Audit Findings Report is to assist you, as members of the Finance Committee, 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 25, 2024.

Unless unforeseen complications arise, our Independent Auditor's Report will provide an unmodified opinion to the Board of the Regional District. A draft copy of our proposed Independent Auditor's Report has been included under separate cover.

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	<p>We previously presented our proposed Audit Service Plan to you on October 5, 2022. Over the course of our audit, the following deviations were made from this plan:</p> <ul style="list-style-type: none"> Materiality was increased from \$2,200,000 to \$3,000,000 based on an increase in the total annual revenues used in the calculation (materiality is currently 4.3% of total annual revenue).
Difficulties Encountered	<p>No significant limitations were placed on the scope or timing of our audit.</p>
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	<p>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.</p>
Matters Arising in Connection With Related Parties	<p>No significant matters arose during the course of our audit in connection with related parties of the Regional District.</p>

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 Finance Committee 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, no significant deficiencies in internal control have come to our attention.</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, 2023 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>
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>

Area	Comments
	Final materiality used for our audit was \$3,000,000 for December 31, 2023 and \$2,200,000 for December 31, 2022.

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, the applicable financial reporting framework and the Regional District's system of internal control (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.

Appendix B - Significant Risk Areas and Responses

Significant Risk Areas and Responses

Significant Risk Area	Response and Conclusion
<p>Asset retirement obligations (ARO)</p> <p>Risk of understatement of Asset retirement obligation due to missing sites/assets or estimation errors</p>	<p>Obtained assessment of ARO liability and discussed completeness of listings with Regional District staff. Ongoing communication throughout the year and into audit period with key Regional District staff to ensure issues identified were dealt with efficiently. Checked calculations for major ARO sites, specifically landfill closure and postclosure, including checking formulas and methodology, and support to engineer reports.</p>

Independence Communication

April 25, 2024

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, 2023 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, 2023 to the date of this letter.

We hereby confirm that MNP is independent with respect to the Regional District within the meaning of the Code of Professional Conduct to the Chartered Professional Accountants of British Columbia as of the date of this letter.

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. 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

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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.



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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, 2023, 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, 2023, 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.

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 25, 2024

Chartered Professional Accountants

Independent Auditor's Report

To the Board of Directors of 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, 2023 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, 2023 is prepared, in all material respects, in accordance with the General Lease Agreement (the "Agreement") dated January 1, 1994 and with the Modification Agreement dated November 1, 2023, 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 Regional 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.
- 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 Statement 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.

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 25, 2024

Chartered Professional Accountants

April 18, 2024

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

Dear Ms. Perreault:

Management letter for the year ended December 31, 2023

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, if we find significant deficiencies we are required to communicate 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.

Authorization and approvals

Observation:

Through discussion, MNP noted that certain Regional District procedures and business processes with respect to employment and compensation, benefits administration, and delegation of authority, are not always aligned with current Bylaws and/or operational policies of the Regional District. It was also noted that several key Bylaws and policies have not been formally updated in several years and have not kept current with changing business practices, business systems, contractual obligations and in some cases, legislative changes. In particular, the District's current Exempt Employment Bylaw has received only one minor amendment since it was first adopted in 2011; the current Delegation Bylaw has not been amended since first adopted in 2017; and the Benefits Administration Policy has not been amended since 2008. As a result, there are often situations where Bylaws or policies require interpretation by Management to arrive at a resolution. Through discussion, it was noted that there are many situations where the approach is to follow 'past practice' because the circumstances are not addressed in a given Bylaw or policy, or because the current practice has deviated at some point from what was originally in place at the time the respective Bylaw or policy was adopted.

Impact:

The absence of clear, comprehensive and up to date Bylaws and policies creates risk for the District. When individual cases arise that are not addressed in an existing Bylaw or policy, management is required to exercise judgement to arrive at a resolution. This approach often creates a precedent, or establishes a new practice, without following any formal review and approval process. This also creates a situation where errors or inconsistencies are more likely, which can subsequently have a negative impact on efficient business operations, employee morale, and can lead to possible claims against the District.

Recommendation:

MNP recommends that Bylaws and policies related to employment and compensation, benefits administration, and delegation of authority be reviewed and updated to bring them into alignment with current business processes and legislation. MNP further recommends that Management be provided with training and clear guidance with respect to the application of Bylaws and policies and delegation of authority, and that procedures be established to address situations where there are gaps in Bylaws and policies that require the application of management judgment to ensure that proper delegation of authority in decision making is adhered to when binding the organization.

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,



MNP LLP

Chartered Professional Accountants



Sunshine Coast Regional District

Statement of Financial Information

For Year Ended December 31, 2023

Sunshine Coast Regional District

Statement of Financial Information Year Ended December 31, 2023

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FINANCIAL SECTION

Audited Financial Statements of

SUNSHINE COAST REGIONAL DISTRICT

For the Years Ended December 31, 2023

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, 2023, 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, 2023, 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.

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 25, 2024

Chartered Professional Accountants

Sunshine Coast Regional District

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control.

The external auditors, MNP LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to staff and management. The Independent Auditors' Report outlines the scope of the audit for the year ended December 31, 2023.

On behalf of the Sunshine Coast Regional District,

Tina Perreault
Chief Financial Officer

April 25, 2024

* 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, 2023 and 2022

	2023	2022 Restated (Note 2)
Financial Assets		
Cash and equivalents	\$ 24,313,930	\$ 13,092,032
Portfolio investments (Note 5)	50,228,993	49,368,782
Accounts receivable (Note 6)	4,789,499	3,722,924
Debt recoverable from member municipalities (Note 12)	7,518,389	7,222,339
Restricted cash: MFA debt reserve fund (Note 15)	582,934	476,384
Total Financial Assets	87,433,745	73,882,461
Liabilities		
Accounts payable and accrued liabilities (Note 7)	5,148,839	7,240,265
Employee future benefits (Note 20)	187,719	131,614
Deferred revenue:		
Development cost charges (Note 8)	2,821,304	2,567,121
Future parks acquisition (Note 9)	1,078,788	907,914
Other (Note 10)	1,435,899	1,584,801
Asset Retirement Obligation (Note 14)	12,755,164	12,418,773
Debt (Note 12)	24,601,293	23,750,990
Total Liabilities	48,029,006	48,601,478
Net Financial Assets	39,404,739	25,280,983
Non-Financial Assets		
Inventory and prepaids	1,388,976	890,938
Land held for resale (Note 16)	1,904,938	1,888,735
Tangible capital assets (Note 13)	147,161,539	145,897,275
Total Non-Financial Assets	150,455,453	148,676,948
Accumulated Surplus (Note 18)	\$189,860,192	\$173,957,931

Contingent liabilities (Note 21)

Tina Perreault
Chief Financial Officer

Leonard Lee
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, 2023 and 2022

	Fiscal Plan 2023 (Note 24)	Actual 2023	Actual 2022 Restated (Note 2)
Revenue			
Grants in lieu of taxes	\$ 97,000	\$ 100,755	\$ 101,713
Tax requisitions	29,334,776	29,334,776	26,262,457
Frontage and parcel taxes	7,104,694	7,327,618	6,184,488
Government transfers (Note 17)	12,874,825	6,342,649	3,377,413
User fees and service charges	17,622,327	18,660,193	16,107,193
Member municipality debt	1,392,768	1,392,761	1,734,195
Investment income	747,313	4,206,819	1,483,117
Contributed tangible capital assets and DCC recognized	6,811	187,361	1,584,276
Other revenue	1,044,152	2,251,050	2,019,764
Total Revenue	70,224,666	69,803,982	58,854,616
Expenses (Note 23)			
General Government	4,265,117	2,821,227	2,573,866
Protective services	4,907,526	5,343,775	4,017,315
Transportation services	7,514,342	7,138,965	6,459,925
Environmental services	8,756,097	7,976,229	7,248,910
Public health services	388,742	332,454	331,734
Planning and development services	3,533,896	2,947,034	2,753,150
Recreation and cultural services	14,151,845	13,908,437	12,988,289
Water utilities	14,143,669	11,507,069	10,189,266
Sewer utilities	724,684	533,770	624,487
Debt charges member municipalities	1,392,768	1,392,761	1,734,195
Total Expenses	59,778,686	53,901,721	48,921,137
Annual Operating Surplus	10,445,980	15,902,261	9,933,479
Accumulated Surplus, beginning of year	173,957,931	173,957,931	164,024,452
Accumulated Surplus, end of year	\$184,403,911	\$189,860,192	\$173,957,931

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

Sunshine Coast Regional District

Statement Of Changes In Net Financial Assets

For the Years Ended December 31, 2023 and 2022

	Fiscal Plan 2023 (Note 24)	Actual 2023	Actual 2022 Restated (Note 2)
Annual operating surplus	\$ 10,445,980	\$ 15,902,261	\$ 9,933,479
Acquisition of tangible capital assets	(45,370,040)	(7,146,337)	(15,319,935)
Amortization of tangible capital assets	4,822,441	5,208,437	5,067,756
Loss (gain) on disposal of tangible capital assets	-	(52,383)	119,535
Proceeds from sale of tangible capital assets	-	69,863	5,474
Write-off of tangible capital assets (Note 13)	-	656,156	-
Change in inventory and prepaids	-	(498,038)	(8,860)
Development of land held for resale	(103,912)	(16,203)	(32,771)
	(30,205,531)	14,123,756	(235,322)
Net financial assets, beginning of year	25,280,983	25,280,983	25,516,305
Net financial assets, end of year	\$ (4,924,548)	\$ 39,404,739	\$ 25,280,983

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, 2023 and 2022

	2023	2022 Restated (Note 2)
Operating Transactions:		
Annual operating surplus	\$ 15,902,261	\$ 9,933,479
Items not involving cash included in annual surplus:		
Amortization of tangible capital assets	5,208,436	5,067,756
Loss (gain) on disposal of tangible capital assets	603,773	119,535
Actuarial adjustment of long-term debt	(689,311)	(677,509)
DCC revenue recognized	(6,811)	(537,689)
Contributed tangible capital assets	(180,550)	(1,046,587)
Change in employee future benefit liability	56,105	59,914
Provision for asset retirement obligations	347,095	338,455
Change in financial assets and liabilities involving cash:		
(Increase) in accounts receivable	(1,066,575)	(1,414,537)
Increase (decrease) in accounts payable and accrued liabilities	(2,091,426)	1,526,709
Increase (decrease) in other deferred revenue	(148,902)	(32,811)
Increase in inventory and prepaids	(498,038)	(8,860)
Net Change in Cash from Operating Transactions	17,436,057	13,327,855
Investing Transaction:		
Net increase in portfolio investments	(860,211)	(18,225,347)
Financing Transactions:		
Debt proceeds	3,076,358	8,514,586
Repayment of debt	(1,832,793)	(1,796,399)
(Increase) Decrease in restricted cash: MFA debt reserve fund	(106,550)	7,835
Collection of DCC and parkland aquisition (deferred revenue)	431,868	539,397
Net Change in Cash from Financing Transactions	1,568,883	7,265,419
Capital Transactions:		
Cash used to acquire tangible capital assets	(6,965,787)	(14,273,348)
Proceeds from sale of tangible capital assets	69,863	5,474
Landfill closure and post-closure costs	(10,704)	(9,856)
Development of land held for resale	(16,203)	(32,771)
Net Change in Cash from Capital Transactions	(6,922,831)	(14,310,501)
Net increase (decrease) in cash and cash equivalents	11,221,898	(11,942,574)
Cash and equivalents, beginning of year	13,092,032	25,034,606
Cash and equivalents, end of year	\$ 24,313,930	\$ 13,092,032

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, 2023 and 2022

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 24.

(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 17.

(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, 2023 and 2022

1. Significant Accounting Policies (Continued)

(f) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring estimates include the liability for employee future benefits, the liability for landfill closure and post-closure costs, asset retirement obligations, and the useful lives of tangible capital assets. Actual results could differ from these estimates.

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

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

(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) Financial instruments:

A contract establishing a financial instrument creates, at its inception, rights and obligations to receive or deliver economic benefits. The financial assets and financial liabilities portray these rights and obligations in the financial statements. The Regional District recognizes a financial instrument when it becomes a party to a financial instrument contract.

Financial instruments consist of cash and cash equivalents, accounts receivable, portfolio investments, bank overdraft, accounts payable and accrued liabilities, long term debt and other liabilities. Portfolio 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

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method. Transaction costs are incremental costs directly attributable to the acquisition or issue of a financial asset or a financial liability.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

1. Significant Accounting Policies (Continued)

(h) Financial instruments: (Continued)

All financial assets except derivatives are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

(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 16) 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 20).

(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 11). 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.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

1. Significant Accounting Policies (Continued)

(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.

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, 2023.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

1. Significant Accounting Policies (Continued)

(q) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the Regional District to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

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

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

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

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

2. Adoption of New Accounting Policy:

(a) Asset Retirement Obligation:

Effective December 31, 2023, the Regional District adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 Asset Retirement Obligations. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements.

Previously, the Regional District recorded the provision for site rehabilitation in accordance with PS 3270 Solid Waste Landfill Closure and Post-Closure Liability, which requires recognition of a liability for closure and post-closure care as the site capacity is used and is equal to the proportion of the estimated total expenditure required for closure and post-closure care. Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 25.

Pursuant to the recommendations, the change was applied using a modified retroactive application approach and prior periods have been restated. As such, at January 1, 2023 the Regional District removed any liability for an asset retirement obligation and associated asset retirement cost from the statement of financial position and recognized:

- a. A liability for any existing asset retirement obligations, adjusted for accumulated accretion to date;
- b. An asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets;
- c. Accumulated amortization on the capitalized asset retirement cost; and
- d. An adjustment to opening accumulated surplus.

The effect of the change on the prior period is to increase liabilities by \$3,566,680, increase the associated tangible capital assets by \$446,113, decrease expenses by \$442,568, and decrease opening accumulated surplus by \$3,120,567.

(b) Financial instruments:

Effective December 31, 2023, the Regional District adopted the provisions of the public sector accounting standard "PS3450 Financial Instruments" which includes recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives. The new standard is applied prospectively, and prior periods have not been restated.

Except for portfolio investments in equity instruments quoted in an active market that are recorded at fair value, all financial assets and liabilities are recorded at cost or amortized cost and the associated transaction costs are added to the carrying value of these investments upon initial recognition and amortized using the effective interest rate method.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations. There are no measurement gains or losses during the periods presented; therefore, no statement of remeasurement gains or losses is included in these financial statements.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

3. Change in Prior Year Presentation:

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

4. 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, \$35,624 (2022 - \$39,334) 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.

5. Portfolio Investments:

	2023	2022
Municipal Finance Authority ¹	\$ 9,850,698	\$ 9,359,029
Raymond James ²	2,000,000	13,985,516
Blue Shore Financial ³	3,103,667	6,441,260
Sunshine Coast Credit Union ⁴	2,060,171	1,006,193
Canaccord Genuity ⁵	8,076,457	11,491,093
Canadian Western Bank ⁶	4,500,000	3,085,691
Bank of Montreal ⁷	20,638,000	4,000,000
	\$ 50,228,993	\$ 49,368,782

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 2023 was 5.05% (2022 - (-3.09%)). These investments are for restricted funds, including reserves and development cost charges.

² Investments with Raymond James consist of money market securities at interest rates of 3.82% to maturity in 2024, recorded at cost.

³ Investments with Blue Shore Financial consist of money market securities at interest rates of 5.75% to maturity in 2028, recorded at cost.

⁴ Investments with Sunshine Coast Credit Union consist of money market securities at interest rates ranging from 5.15% to 5.35% to maturity in 2025, recorded at cost.

⁵ Investments with Cannaccord Genuity consist of money market securities at interest rates ranging from 6.05% to 6.30% to maturity in 2026, recorded at cost.

⁶ Investments with Canadian Western Bank consist of money market securities at interest rates ranging from 5.00% to 6.03% to maturity in 2025, recorded at cost.

⁷ Investments with Bank of Montreal consist of money market securities at interest rates ranging from 5.17% to 6.23% to maturity in 2027, recorded at cost.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

6. Accounts Receivable:

	2023	2022
Trade accounts receivable	\$ 2,561,422	\$ 2,026,641
Taxes receivable	919,898	933,824
Interest receivable	1,268,868	731,701
Other accounts receivable	39,311	30,758
	\$ 4,789,499	\$ 3,722,924

7. Accounts Payable and Accrued Liabilities:

	2023	2022
Trade accounts payable	\$ 1,849,187	\$ 3,262,095
Holdbacks payable	83,736	840,104
Other	1,383,977	484,209
Accrued trade payables	969,476	1,761,481
Accrued wages and benefits	805,886	840,882
Taxes payable	56,577	51,494
	\$ 5,148,839	\$ 7,240,265

8. 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, 2022	Restricted Inflows	Revenue Recognized	December 31, 2023
Development Cost Charges	\$ 2,567,121	\$ 260,994	\$ (6,811)	\$ 2,821,304

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

9. 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, 2022	Restricted Inflows	Revenue Recognized	December 31, 2023
Future Parks Acquisition	\$ 907,914	\$ 170,874	\$ -	\$ 1,078,788

10. 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, 2022	Restricted Inflows	Revenue Recognized	December 31, 2023
Halfmoon Bay Community Association	\$ 387,420	\$ (336,899)	\$ -	\$ 50,521
Grant Funding	826,585	710,672	(385,668)	1,151,589
Other	370,796	524,531	(661,538)	233,789
	\$ 1,584,801	\$ 898,304	\$ (1,047,206)	\$ 1,435,899

11. 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, 2023, the balance of funds held in trust was \$262,222 (2022 - \$240,324). Contributions to the fund during the year totalled \$21,898 (2022 - \$9,388) and NIL (2022 - NIL) was withdrawn.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

12. Debt:

Loan Authorization Bylaw	Purpose	Maturing	Interest Rate	2023	2022
MFA Loan Debt					
550	Comm. Recreation Facilities	2025	4.77 %	2,342,372	3,462,642
544	Water Treatment Plant	2025	0.91 %	432,659	639,585
557	Field Rd. Admin Building	2026	4.88 %	602,787	788,461
550	Comm. Recreation Facilities	2026	4.88 %	415,580	543,590
556	Fleet Maint. Bldg. Expansion	2026	4.88 %	83,108	108,707
547	Egmont VFD	2026	4.88 %	20,419	26,709
594	Pender Harbour Pool	2029	2.25 %	333,707	382,082
676	S. Pender Water Treatment	2034	3.00 %	836,195	895,813
617	N. Pender Water Initiatives	2035	3.00 %	240,000	260,000
619	S. Pender Water Initiatives	2035	3.00 %	360,000	390,000
707	Square Bay Waste Wtr. Plant	2039	2.66 %	236,405	247,792
725	Church Road Well Field	2053	4.15 %	9,000,000	6,198,333
Various	Debt issued for member municipalities	2025 to 2043	2.25% to 4.97%	7,518,389	7,222,339
				22,421,621	21,166,053
Liability Under Agreement					
MFA	Equipment Financing Loans		5.61 %	966,186	985,059
MFA	Septic Field Replacements		5.61 %	6,200	13,000
MFA	Vaucroft Dock Capital Works		5.61 %	90,000	180,000
MFA	Sechelt Landfill Remediation		5.61 %	1,117,286	1,406,878
				\$ 24,601,293	\$ 23,750,990

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

12. Debt: (Continued)

Future principal repayments on existing debt:

	Member Municipality	Regional District	Total
2024	\$ 1,264,914	\$ 2,753,788	\$ 4,018,702
2025	914,111	2,724,007	3,638,118
2026	562,998	1,303,999	1,866,997
2027	582,960	716,184	1,299,144
2028	557,683	420,686	978,369
Thereafter	3,635,723	9,164,240	12,799,963
	\$ 7,518,389	\$ 17,082,904	\$ 24,601,293

Interest paid on debt:

During the year, gross interest paid or payable on debt was \$2,174,366 (2022 - \$1,821,990). Of this, \$329,417, (2022 - \$437,078) was recovered from member municipalities and \$1,844,949 (2022 - \$1,384,912) was charged to Regional District operations.

Approved debt:

The Regional District has the following authorized, but un-issued debt as at December 31, 2023. The bylaws expire five years from the date of adoption.

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, 2023.

Bylaw No. 741 - Community Recreation Facilities Roof Renewal Project \$3,456,200

Bylaw No. 741 authorizing borrowing of up to \$3,456,200 for the Community Recreation Facilities Roof Renewal Project was adopted by the Board on July 27, 2023. The maximum term for which borrowing can be issued under this Bylaw is 10 years. There has been no debt issued under this Bylaw as of December 31, 2023.

Bylaw No. 742 - Halfmoon Bay Fire Rescue 1 Apparatus Replacement Project \$623,200

Bylaw No. 742 authorizing borrowing of up to \$623,200 for the Halfmoon Bay Fire Rescue 1 Apparatus Replacement Project was adopted by the Board on July 27, 2023. The maximum term for which borrowing can be issued under this Bylaw is 10 years. There has been no debt issued under this Bylaw as of December 31, 2023.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

13. Tangible Capital Assets:

During the year, tangible capital assets contributed to the Regional District, totalled \$180,550 (2022 - \$1,046,587) 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 2023 disposal of work in progress is \$656,156 which was written off in the year after a review determined that the associated expenditures were not capital in nature. This amount included \$580,824 for water distribution infrastructure work which was deemed to be repairs and maintenance, \$111,427 for preliminary design work on bike path projects that have been indefinitely postponed or abandoned, and \$7,293 for minor capital work that did not meet capitalization thresholds.

	Land	Land Improvements	Buildings	Furniture, Fixtures & Equipment	Technology Equipment	Machinery & Equipment
Cost, beginning of year	\$ 22,377,969	\$ 1,619,070	\$ 33,923,910	\$ 3,142,091	\$ 3,894,562	\$ 9,683,307
Additions	-	-	280,922	75,737	90,082	691,050
Disposals	-	-	-	(5,728)	-	(78,465)
Cost, end of year	22,377,969	1,619,070	34,204,832	3,212,100	3,984,644	10,295,892
Accumulated amortization, beginning of year	-	1,171,179	13,285,678	2,464,361	3,465,329	5,645,706
Amortization	-	39,617	882,846	185,195	185,273	631,470
Disposals	-	-	-	(5,728)	-	(64,485)
Accumulated amortization, end of year	-	1,210,796	14,168,524	2,643,828	3,650,602	6,212,691
Net carrying amount, end of year	\$ 22,377,969	\$ 408,274	\$ 20,036,308	\$ 568,272	\$ 334,042	\$ 4,083,201

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

						2023	2022
	Sewer Treatment Infrastructure	Water Supply Infrastructure	Water Distribution Infrastructure	Leasehold Improvements	Work in Progress		Restated (Note 2)
\$8,003,692	\$3,741,487	\$27,052,525	\$79,683,333	\$16,220,807	\$15,750,920	\$225,093,673	\$210,052,157
764,049	-	5,902,208	8,334,000	-	2,848,231	18,986,279	15,652,486
(287,866)	-	-	-	-	(12,496,099)	(12,868,158)	(610,970)
8,479,875	3,741,487	32,954,733	88,017,333	16,220,807	6,103,052	231,211,794	225,093,673
5,129,443	1,014,192	13,246,016	24,777,298	8,997,196	-	79,196,398	74,282,052
384,175	105,226	884,807	1,386,570	523,257	-	5,208,436	5,067,756
(284,366)	-	-	-	-	-	(354,579)	(153,410)
5,229,252	1,119,418	14,130,823	26,163,868	9,520,453	-	84,050,255	79,196,398
\$3,250,623	\$2,622,069	\$18,823,910	\$61,853,465	\$ 6,700,354	\$ 6,103,052	\$147,161,539	\$145,897,275

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

14. Asset Retirement Obligation

The Regional District is responsible for post closure monitoring on two landfills, with the Sechelt landfill still in operations with an anticipated closure of 2030. The District is also responsible for the removal and disposal of asbestos at district owned buildings, and other environmentally hazardous materials such as fuel tanks. The Regional District recognizes a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of the tangible capital asset. The asset retirement cost is amortized on a straight-line basis over the useful life of the tangible capital asset.

Assumptions used in the calculations are reviewed annually. The obligation has been measured at current cost as the timing of future cash flows cannot be reasonably determined. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

	2023	2022
Balance, beginning of year	\$ 12,418,773	\$ 12,090,174
Liabilities settled	(10,704)	(9,856)
Accretion	347,095	338,455
Balance, end of year	\$ 12,755,164	\$ 12,418,773

15. 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.

	2023	2022
Cash Deposits:		
Restricted cash: MFA debt reserve fund	\$ 582,934	\$ 476,384
Cash deposits - Member Municipalities	230,209	208,668
Demand Notes:		
Demand notes - Regional District	1,053,641	871,145
Demand notes - Member Municipalities	\$ 618,704	\$ 570,674

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

16. Land Held for Resale:

Included in the Reserve Fund portion of Accumulated Surplus (Note 18) is a balance of \$1,085,038 (2022 - \$1,006,874) 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 2023 and 2022, the Regional District did not sell any of the Hillside lots.

The assets of the Hillside Development Project are as follows:

	2023	2022
Land held for resale	\$ 1,904,938	\$ 1,888,735
Protected lands-not for sale ¹	1,109,877	1,109,877
	\$ 3,014,815	\$ 2,998,612

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

17. Government Transfers:

	2023	2023	2022
	Fiscal Plan	Actual	Actual
Operating transfers			
Federal	\$ -	\$ 2,347	\$ 2,193
Provincial	3,547,819	2,820,151	2,526,261
	3,547,819	2,822,498	2,528,454
Capital transfers			
Federal	647,050	725,390	695,085
Provincial	8,679,956	2,794,761	153,874
	9,327,006	3,520,151	848,959
	\$12,874,825	\$ 6,342,649	\$ 3,377,413

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

18. Accumulated Surplus:

	2023	2022
		Restated (Note 2)
Fund Balances:		
Current Fund ¹	\$ (7,231,295)	\$ (7,533,551)
Capital Fund ²	12,776,607	8,328,779
Reserve funds	50,359,397	40,538,022
Debt reserve funds	582,934	476,384
Financial Equity	56,487,643	41,809,634
Investment in Non-Financial Assets (Note 19)	133,372,549	132,148,297
Accumulated Surplus, end of year	\$ 189,860,192	\$ 173,957,931

¹ Current fund includes future liabilities such as employee future benefits (Note 20) and asset retirement obligations (Note 14) contributing to the negative position.

² Includes \$9,671,991 (2022 - \$8,619,688) advanced from the Gas Tax Community Works Fund.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

19. 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.

	2023	2022 Restated (Note 2)
Investment in Non-Financial Assets, beginning of year	\$ 132,148,297	\$ 128,020,174
Add:		
Acquisition of tangible capital assets	7,146,337	15,319,935
Change in inventory and prepaids	498,038	8,860
Development of land held for resale	16,203	32,771
Repayment of debt	2,522,104	2,473,908
Accumulated amortization removed on sale of tangible capital assets	354,579	153,410
	10,537,261	17,988,884
Deduct:		
Issuance of debt and other obligations to finance capital additions	3,076,357	8,514,586
Costs of tangible capital assets sold or written off	1,028,216	278,419
Amortization of tangible capital assets	5,208,436	5,067,756
	9,313,009	13,860,761
Investment in Non-financial Assets, end of year	\$ 133,372,549	\$ 132,148,297

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

20. Employee Future Benefits:

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 is calculated by Management on an annual basis.

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

	2023	2022
Discount rates	2.50 %	2.50 %
Expected wage and salary increases	2.50 %	2.50 %

21. Contingent Liabilities:

(a) Pension Plan:

The Regional District and its employees contribute to the Municipal Pension Plan, a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2022, the Plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

The most recent valuation for the Municipal Pension Plan as of December 31, 2021 indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2024

The Sunshine Coast Regional District paid \$1,588,240 (2022 - \$1,432,963) for employer contributions while employees contributed \$1,455,135 (2022 - \$1,310,032) to the plan in fiscal 2023.

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.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

21. Contingent Liabilities: (Continued)

(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.

(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.

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

22. 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 of 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 2023 is \$4,684,855 (2022 - \$4,167,888) which is 59% (2022 – 57%) of total operating expenses for this service line and 56% (2022 – 58%) 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.

23. Expense by Object:

	2023 Fiscal Plan	2023 Actual	2022 Actual Restated (Note 2)
Operating Expenses:			
Salaries, wages and benefits	\$26,591,031	\$24,701,195	\$22,671,021
Operating goods and services	25,355,836	20,521,769	17,943,719
Debt charges - interest	1,616,610	1,473,787	1,384,911
Debt charges member municipalities	1,392,768	1,392,761	1,734,195
Amortization of tangible capital assets	4,822,441	5,208,436	5,067,756
Loss (Gain) on disposal of tangible capital assets	-	(52,383)	119,535
Write-off of tangible capital assets	-	656,156	-
Total Operating Expenses	\$59,778,686	\$53,901,721	\$48,921,137

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

24. Fiscal Plan:

Fiscal plan amounts included in the financial statements represent the original Sunshine Coast Regional District Financial Plan Bylaw No. 740 adopted by the Regional District Board on March 20, 2023.

Financial Plan Bylaw No. 740 was subsequently amended by the Board on July 27, 2023 and again on December 14, 2023 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:

	2023	2023
	Original Fiscal Plan	Amended Fiscal Plan
Budgeted surplus per bylaw:	\$ -	\$ -
Addback:		
Capital expenditures	45,370,040	47,212,445
Less:		
Amortization	4,822,441	4,822,441
Landfill Closure & Post Closure Expenditures	(2,500,000)	(2,500,000)
Development for Land Held for Resale	(103,912)	(103,912)
Proceeds from debt	19,637,383	19,654,708
Debt principal repayment	(2,901,558)	(2,901,558)
Transfer (to)/from reserves	11,881,004	13,029,582
Transfer (to)/from appropriated surplus	10,046	174,575
Transfer (to)/from other funds	2,418,885	2,772,151
Prior year surplus/(deficit)	59,771	59,771
Budgeted transfers (to)/from accumulated surplus	1,600,000	1,600,000
Budgeted Surplus per PSAS	\$ 10,445,980	\$ 10,604,687

Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

25. 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.

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Sunshine Coast Regional District

Notes To The Financial Statements

For the Years Ended December 31, 2023 and 2022

25. Segmented Reporting: (Continued)

	Current Fund Services	Water Utilities Fund Services	Sewer Utilities Fund Services	Actual 2023
Revenue				
Grants in lieu of taxes	\$ 100,755	\$ -	\$ -	\$ 100,755
Tax requisitions	29,334,776	-	-	29,334,776
Frontage and parcel taxes	1,746,904	5,348,946	231,768	7,327,618
Government transfers	5,828,656	487,143	26,850	6,342,649
User fees and service charges	8,276,213	9,848,978	535,002	18,660,193
Member municipality debt	1,392,761	-	-	1,392,761
Investment income	3,124,762	996,572	85,485	4,206,819
Contributed assets and DCC recognized	-	187,361	-	187,361
Other revenue	1,877,528	373,522	-	2,251,050
Total Revenue	51,682,355	17,242,522	879,105	69,803,982
Expenses				
Administration	4,812,650	1,292,501	49,294	6,154,445
Wages and benefits	20,840,872	3,708,221	152,102	24,701,195
Operating	19,680,050	3,211,407	209,779	23,101,236
Debt charges - interest	1,151,712	313,380	8,694	1,473,786
Internal recoveries	(8,715,308)	(18,603)	-	(8,733,911)
Debt charges member municipalities	1,392,761	-	-	1,392,761
Amortization of tangible capital assets	2,660,510	2,434,025	113,901	5,208,436
Loss (Gain) on disposal of tangible capital assets	(37,626)	(14,757)	-	(52,383)
Write-off of tangible capital assets	75,261	580,895	-	656,156
Total Expenses	41,860,882	11,507,069	533,770	53,901,721
Annual Surplus	\$ 9,821,473	\$ 5,735,453	\$ 345,335	\$ 15,902,261

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.

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, 2023 and 2022

	2023	2022
General Fund		
General Government Services:		
Administration	\$ -	\$ -
Finance	-	-
Admin Office Building Maintenance	-	-
Human Resources	-	-
Information Services	-	-
Feasibility Studies	-	156
SCRHD Administration	32,023	34,000
Grants in Aid	9,944	19,326
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	(37,087)	-
Animal Control	2,364	2,320
Transportation Services:		
Public Transit	-	-
Maintenance Facility	48,610	4,603
Regional Street Lighting	9,462	6,829
Local Street Lighting	(94)	825
Ports Services	-	-
Environmental Services:		
Regional Solid Waste	-	-
Refuse Collection	-	-
Public Health Services:		
Cemetery	-	-
Pender Harbour Health Clinic	-	-
Planning and Development Services:		
Regional Planning	-	-
Rural Planning	-	-
Geographic Information Services	-	-
House numbering	-	-
Heritage	-	-
Building Inspection Services	-	-
Economic Development	7,992	15,252
Sub-total Carried Forward (next page)	73,214	83,311

Sunshine Coast Regional District

Statement of Current Fund (unaudited)

Schedule 1

For the Years Ended December 31, 2023 and 2022

	2023	2022
General Fund (Continued)		
Sub-total Brought Forward (previous page)	73,214	83,311
Recreation and Cultural Services:		
Pender Harbour Pool	-	-
School facilities - Joint Use	-	(23,541)
Gibsons and Area Library	-	-
Museum Service	-	-
Halfmoon Bay & Roberts Creek Library Service	1	2
Community Recreation Facilities Service	-	-
Community Parks	-	-
Bicycle and Walking Paths	-	-
Regional Recreation Programs	-	-
Dakota Ridge Recreation Service	-	-
Total General Fund	73,215	59,772
Water Fund		
Regional Water Services	-	-
Sewer Fund		
Local Sewer Plants	-	-
Total Surplus (Deficit)	73,215	59,772
Current Fund		
General Fund Surplus (Deficit)	73,215	59,772
Inventory and Prepays	(1,388,976)	(890,938)
Sunshine Coast Regional District	87,737	87,737
Appropriated Surplus	1,041,577	1,056,238
Unfunded Post Employment Future Benefits	85,892	107,365
Unfunded Asset Retirement Obligation	(7,130,740)	(7,953,725)
General Current Fund	(7,231,295)	(7,533,551)
Water Fund Surplus	-	-
Sewer Fund Surplus	-	-
Total Current Fund	\$ (7,231,295)	\$ (7,533,551)

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, 2023 and 2022

	General Revenue Fund	Water utilities	Sewer utilities
Revenue			
Grants in lieu of taxes	\$ 100,755	\$ -	\$ -
Tax requisitions	29,334,776	-	-
Frontage and parcel taxes	1,746,904	5,348,946	231,768
Government transfers	5,828,656	487,143	26,850
User fees and service charges	8,276,213	9,848,978	535,002
Member municipality debt	1,392,761	-	-
Investment income	3,124,762	996,572	85,485
Contributed assets and DCC recognized	-	187,361	-
Other revenue	1,877,528	373,522	-
Total Revenue	51,682,355	17,242,522	879,105
Expenses			
Administration	4,812,650	1,292,501	49,294
Wages and benefits	20,840,872	3,708,221	152,102
Operating	19,680,050	3,211,407	209,779
Debt charges - interest	1,151,712	313,380	8,694
Internal recoveries	(8,715,308)	(18,603)	-
Debt charges member municipalities	1,392,761	-	-
Amortization of tangible capital assets	2,660,510	2,434,025	113,901
Loss (gain) on disposal of tangible capital assets	(37,626)	(14,757)	-
Write-off of tangible capital assets	75,261	580,895	-
Total Expenses	41,860,882	11,507,069	533,770
Annual Operating Surplus (Deficit)	9,821,473	5,735,453	345,335
Add: Proceeds from sale of assets	51,607	18,256	-
Add: Proceeds from debt	274,691	2,801,667	-
Less: Debt principle repayment	(2,075,882)	(420,007)	(26,215)
Less: Acquisition of tangible capital assets	(2,015,368)	(5,049,757)	(81,212)
Less: Change in Land held for resale	(16,203)	-	-
Increase (Decrease) in Financial Equity	6,040,318	3,085,612	237,908
Transfer (to)/from reserves	(4,799,410)	(4,670,104)	(351,863)
Transfer (to)/from appropriated surplus	(2,325,706)	(387,286)	-
Transfer (to)/from unfunded liability	(802,035)	375	148
Transfer (to)/from unfunded amortization	2,660,510	2,434,025	113,901
Transfer (to)/from unfunded loss on asset	37,635	566,138	-
Transfer (to)/from other funds	(804,924)	(1,021,705)	(94)
Interfund transfers	7,055	(7,055)	-
Surplus (deficit) from prior year	59,772	-	-
Total Surplus (Deficit) for the year	\$ 73,215	\$ -	\$ -

Actual 2023	Budget 2023	Actual 2022
\$ 100,755	\$ 97,000	\$ 101,713
29,334,776	29,334,776	26,262,457
7,327,618	7,104,694	6,184,488
6,342,649	12,874,825	3,377,413
18,660,193	17,622,327	16,107,193
1,392,761	1,392,768	1,734,195
4,206,819	747,313	1,483,117
187,361	6,811	1,584,276
2,251,050	1,044,152	2,019,764
69,803,982	70,224,666	58,854,616
6,154,445	6,154,445	5,516,117
24,701,195	26,591,031	22,671,021
23,101,236	27,522,068	20,352,957
1,473,786	1,616,610	1,384,911
(8,733,911)	(8,320,677)	(7,925,355)
1,392,761	1,392,768	1,734,195
5,208,436	4,822,441	5,067,756
(52,383)	-	119,535
656,156	-	-
53,901,721	59,778,686	48,921,137
15,902,261	10,445,980	9,933,479
69,863	-	5,474
3,076,358	19,637,383	8,514,586
(2,522,104)	(2,901,558)	(2,473,908)
(7,146,337)	(45,370,040)	(15,319,935)
(16,203)	(103,912)	(32,771)
9,363,838	(18,292,147)	626,925
(9,821,377)	11,881,004	(2,512,222)
(2,712,992)	664,564	46,427
(801,512)	(900,000)	(654,461)
5,208,436	4,822,441	5,067,756
603,773	-	119,535
(1,826,723)	1,783,217	(2,850,610)
-	(18,850)	-
59,772	59,771	216,422
\$ 73,215	\$ -	\$ 59,772

Sunshine Coast Regional District

General Revenue Fund

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 3

For the Years Ended December 31, 2023 and 2022

	General Government Schedule 4	Protective services Schedule 5	Transportation services Schedule 6
Revenue			
Grants in lieu of taxes	\$ 100,309	\$ -	\$ -
Tax requisitions	2,182,975	4,760,937	4,288,853
Frontage and parcel taxes	-	-	-
Government transfers	3,239,471	372,083	1,930,831
User fees and service charges	-	40,809	891,606
Member municipality debt	1,392,761	-	-
Investment income	1,301,493	234,458	161,353
Contributed assets and DCC recognized	-	-	-
Other revenue	114,777	830,767	31,142
Total Revenue	8,331,786	6,239,054	7,303,785
Expenses			
Administration	816,047	499,610	714,721
Wages and benefits	5,798,456	2,053,711	4,059,437
Operating	1,971,010	2,223,971	4,337,414
Debt charges - interest	144,057	40,272	19,862
Internal recoveries	(6,194,983)	-	(2,187,801)
Debt charges member municipalities	1,392,761	-	-
Amortization of tangible capital assets	286,639	531,212	188,039
Loss (gain) on disposal of tangible capital assets	-	(5,000)	-
Write-down of tangible capital assets	-	-	7,293
Total Expenses	4,213,987	5,343,776	7,138,965
Annual Operating Surplus (Deficit)	4,117,799	895,278	164,820
Add: Proceeds from sale of assets	-	5,000	-
Add: Proceeds from debt	-	175,900	-
Less: Debt principle repayment	(185,676)	(142,323)	(115,599)
Less: Acquisition of tangible capital assets	(270,730)	(477,992)	(352,664)
Less: Change in Land held for resale	-	-	-
Increase (Decrease) in Financial Equity	3,661,393	455,863	(303,443)
Transfer (to)/from reserves	(527,298)	(938,146)	32,151
Transfer (to)/from appropriated surplus	(2,271,312)	(22,609)	(48,786)
Transfer (to)/from unfunded liability	21,473	2,284	4,175
Transfer (to)/from unfunded amortization	286,639	531,212	188,039
Transfer (to)/from unfunded loss on asset	-	(5,000)	7,293
Transfer (to)/from other funds	(1,138,918)	(61,131)	158,291
Interfund transfers	(43,492)	484	8,001
Surplus/(deficit) from prior year	53,482	2,320	12,257
Total Surplus (Deficit) for the year	\$ 41,967	\$ (34,723)	\$ 57,978

Environmental services Schedule 7	Public health services Schedule 8	Planning and development services Schedule 9	Recreation and cultural services Schedule 10	Actual 2023	Budget 2023	Actual 2022
\$ -	\$ -	\$ 445	\$ 1	\$ 100,755	\$ 97,000	\$ 101,713
4,846,479	315,748	1,545,466	11,394,318	29,334,776	29,334,776	26,262,457
-	-	-	1,746,904	1,746,904	1,746,592	1,748,715
-	-	224,155	62,116	5,828,656	6,128,500	3,302,589
3,989,141	59,283	1,380,145	1,915,229	8,276,213	7,910,465	7,658,314
-	-	-	-	1,392,761	1,392,768	1,734,195
338,702	24,943	170,035	893,778	3,124,762	653,599	1,230,437
-	-	-	-	-	-	163,993
603,911	-	246,567	50,364	1,877,528	978,352	1,065,474
9,778,233	399,974	3,566,813	16,062,710	51,682,355	48,242,052	43,267,887
777,848	29,531	415,877	1,559,016	4,812,650	4,812,650	4,327,985
1,358,550	40,715	2,227,320	5,302,683	20,840,872	21,369,407	18,523,102
5,691,167	258,064	618,785	4,579,639	19,680,050	21,800,480	17,432,453
-	-	-	947,521	1,151,712	1,173,733	1,187,717
-	-	(332,524)	-	(8,715,308)	(8,320,677)	(7,892,953)
-	-	-	-	1,392,761	1,392,768	1,734,195
148,664	4,144	22,126	1,479,686	2,660,510	2,681,972	2,725,401
-	-	(4,550)	(28,076)	(37,626)	-	69,483
-	-	-	67,968	75,261	-	-
7,976,229	332,454	2,947,034	13,908,437	41,860,882	44,910,333	38,107,383
1,802,004	67,520	619,779	2,154,273	9,821,473	3,331,719	5,160,504
-	-	4,550	42,057	51,607	-	3,623
29,633	-	-	69,158	274,691	10,380,425	2,316,253
(319,225)	-	-	(1,313,059)	(2,075,882)	(2,256,288)	(2,030,010)
(32,548)	(200)	(57,601)	(823,633)	(2,015,368)	(19,122,033)	(2,185,750)
-	-	(16,203)	-	(16,203)	(103,912)	(32,771)
1,479,864	67,320	550,525	128,796	6,040,318	(7,770,089)	3,231,849
(804,578)	(71,464)	(572,179)	(1,917,896)	(4,799,410)	4,861,293	(2,595,484)
-	-	(3,997)	20,998	(2,325,706)	622,215	88,776
(833,290)	-	-	3,323	(802,035)	(900,000)	(654,970)
148,664	4,144	22,126	1,479,686	2,660,510	2,681,972	2,725,401
-	-	(4,550)	39,892	37,635	-	69,483
9,898	-	-	226,936	(804,924)	406,500	(3,011,552)
(558)	-	815	41,805	7,055	38,338	(10,153)
-	-	15,252	(23,539)	59,772	59,771	216,422
\$ -	\$ -	\$ 7,992	\$ 1	\$ 73,215	\$ -	\$ 59,772

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, 2023 and 2022

	Administration	Finance	Admin Office Building Maintenance	Human Resources	Information Services
Revenue					
Grants in lieu of taxes	\$ 100,309	\$ -	\$ -	\$ -	\$ -
Tax requisitions	1,823,122	-	-	-	-
Government transfers	3,239,471	-	-	-	-
User fees and service charges	-	-	-	-	-
Member municipality debt	-	-	-	-	-
Investment income	1,079,668	37,070	119,522	19,961	40,209
Other revenue	55,641	856	-	22,656	-
Total Revenue	6,298,211	37,926	119,522	42,617	40,209
Expenses					
Administration	766,834	-	14,494	-	-
Wages and benefits	2,166,238	1,709,690	338,286	697,236	740,101
Operating	665,555	157,014	277,786	127,866	500,556
Debt charges - interest	-	-	144,057	-	-
Internal recoveries	(1,046,315)	(1,980,149)	(929,230)	(766,029)	(1,473,260)
Debt charges member municipalities	-	-	-	-	-
Amortization of tangible capital assets	14,526	9,921	104,144	-	158,048
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-
Total Expenses	2,566,838	(103,524)	(50,463)	59,073	(74,555)
Annual Operating Surplus (Deficit)	3,731,373	141,450	169,985	(16,456)	114,764
Less: Debt principle repayment	-	-	(185,676)	-	-
Less: Acquisition of tangible capital assets	(70,455)	-	(56,105)	-	(144,170)
Increase (Decrease) in Financial Equity	3,660,918	141,450	(71,796)	(16,456)	(29,406)
Transfer (to)/from reserves	(120,810)	(151,317)	(21,283)	16,532	(221,481)
Transfer (to)/from appropriated surplus	(2,438,389)	-	35,919	-	90,416
Transfer (to)/from unfunded liability	21,473	-	-	-	-
Transfer (to)/from unfunded amortization	14,526	9,921	104,144	-	158,048
Transfer (to)/from unfunded loss on asset	-	-	-	-	-
Transfer (to)/from other funds	(1,137,417)	-	(1,501)	-	-
Interfund transfers	(301)	(54)	(45,483)	(76)	2,423
Surplus/(deficit) from prior year	-	-	-	-	-
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -	\$ -

Feasibility Studies	Grants in Aid	SCRHD Administration	UBCM	Fiscal Services	Actual 2023	Budget 2023	Actual 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,309	\$ 97,000	\$ 101,229
(33,797)	200,541	-	193,109	-	2,182,975	2,182,974	2,051,462
-	-	-	-	-	3,239,471	1,349,050	1,047,167
-	-	-	-	-	-	-	2,600
-	-	-	-	1,392,761	1,392,761	1,392,768	1,734,195
-	177	-	4,886	-	1,301,493	144,542	446,063
-	-	35,624	-	-	114,777	44,030	193,345
(33,797)	200,718	35,624	197,995	1,392,761	8,331,786	5,210,364	5,576,061
4,600	13,433	8,125	8,561	-	816,047	816,047	764,621
-	3,654	23,892	119,359	-	5,798,456	6,128,013	5,199,291
-	192,836	5,584	43,813	-	1,971,010	2,800,450	1,648,234
-	-	-	-	-	144,057	144,058	144,332
-	-	-	-	-	(6,194,983)	(6,176,429)	(5,583,195)
-	-	-	-	1,392,761	1,392,761	1,392,768	1,734,195
-	-	-	-	-	286,639	552,978	332,565
-	-	-	-	-	-	-	68,015
4,600	209,923	37,601	171,733	1,392,761	4,213,987	5,657,885	4,308,058
(38,397)	(9,205)	(1,977)	26,262	-	4,117,799	(447,521)	1,268,003
-	-	-	-	-	(185,676)	(185,676)	(210,509)
-	-	-	-	-	(270,730)	(317,322)	(281,462)
(38,397)	(9,205)	(1,977)	26,262	-	3,661,393	(950,519)	776,032
(2,500)	(177)	-	(26,262)	-	(527,298)	628,158	(464,850)
40,742	-	-	-	-	(2,271,312)	364,011	42,248
-	-	-	-	-	21,473	-	21,473
-	-	-	-	-	286,639	552,978	332,565
-	-	-	-	-	-	-	68,015
-	-	-	-	-	(1,138,918)	647,050	778,502
(1)	-	-	-	-	(43,492)	(1,059)	5,935
156	19,326	34,000	-	-	53,482	53,481	50,566
\$ -	\$ 9,944	\$ 32,023	\$ -	\$ -	\$ 41,967	\$ -	\$ 53,482

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, 2023 and 2022

	Gibsons and District Fire Protection	Roberts Creek Fire Protection	Halfmoon Bay Fire Protection	Egmont Fire Department
Revenue				
Tax requisitions	\$ 1,502,075	\$ 788,256	\$ 825,448	\$ 222,712
Government transfers	29,413	30,000	25,160	14,634
User fees and service charges	-	-	375	-
Investment income	54,504	33,336	47,825	21,159
Other revenue	522,944	172,397	115,547	-
Total Revenue	2,108,936	1,023,989	1,014,355	258,505
Expenses				
Administration	139,336	80,589	60,626	22,266
Wages and benefits	688,090	269,179	263,539	81,665
Operating	827,598	372,529	321,615	89,931
Debt charges - interest	16,485	7,611	11,296	4,880
Amortization of tangible capital assets	208,023	116,852	103,127	14,414
Loss (gain) on disposal of tangible capital assets	-	-	(5,000)	-
Total Expenses	1,879,532	846,760	755,203	213,156
Annual Operating Surplus (Deficit)				
	229,404	177,229	259,152	45,349
Add: Proceeds from sale of assets	-	-	5,000	-
Add: Proceeds from debt	-	-	175,900	-
Less: Debt principle repayment	(65,330)	(30,165)	(40,538)	(6,290)
Less: Acquisition of tangible capital assets	(146,678)	(15,754)	(288,914)	-
Increase (Decrease) in Financial Equity	17,396	131,310	110,600	39,059
Transfer (to)/from reserves	(242,792)	(240,162)	(142,558)	(51,422)
Transfer (to)/from appropriated surplus	-	-	-	-
Transfer (to)/from unfunded liability	2,284	-	-	-
Transfer (to)/from unfunded amortization	208,023	116,852	103,127	14,414
Transfer (to)/from unfunded loss on asset	-	-	(5,000)	-
Transfer (to)/from other funds	(5,089)	-	66,169	(51)
Interfund transfers	10,000	(8,000)	-	(2,000)
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 2023	Budget 2023	Actual 2022
\$ -	\$ 465,032	\$ 429,633	\$ 476,095	\$ 51,686	\$ 4,760,937	\$ 4,760,938	\$ 4,634,803
-	-	-	272,876	-	372,083	303,649	71,347
245	2,490	8,100	-	29,599	40,809	33,351	37,788
702	12,316	49,628	3,131	11,857	234,458	2,932	36,804
-	-	15,000	4,879	-	830,767	5,400	87,242
947	479,838	502,361	756,981	93,142	6,239,054	5,106,270	4,867,984
303	62,121	38,500	78,624	17,245	499,610	499,610	445,536
-	317,452	22,047	384,204	27,535	2,053,711	1,979,693	1,639,150
64	63,665	278,837	253,328	16,404	2,223,971	2,005,853	1,453,814
-	-	-	-	-	40,272	46,899	20,276
-	6,439	71,100	11,257	-	531,212	375,471	458,691
-	-	-	-	-	(5,000)	-	(150)
367	449,677	410,484	727,413	61,184	5,343,776	4,907,526	4,017,317
580	30,161	91,877	29,568	31,958	895,278	198,744	850,667
-	-	-	-	-	5,000	-	150
-	-	-	-	-	175,900	1,384,100	753,055
-	-	-	-	-	(142,323)	(178,998)	(177,307)
-	-	(26,646)	-	-	(477,992)	(2,308,365)	(1,213,976)
580	30,161	65,231	29,568	31,958	455,863	(904,519)	212,589
(580)	(37,084)	(113,722)	(77,912)	(31,914)	(938,146)	550,039	(66,023)
-	-	(22,609)	-	-	(22,609)	-	(2,650)
-	-	-	-	-	2,284	-	2,223
-	6,439	71,100	11,257	-	531,212	375,471	458,691
-	-	-	-	-	(5,000)	-	(150)
-	-	-	-	-	(61,131)	23,811	(558,657)
-	484	-	-	-	484	500	(1,367)
-	-	-	-	2,320	2,320	2,320	(42,337)
\$ -	\$ -	\$ -	\$ (37,087)	\$ 2,364	\$ (34,723)	\$ -	\$ 2,319

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, 2023 and 2022

	Public Transit	Maintenance Facility	Regional Street Lighting
Revenue			
Tax requisitions	\$ 3,389,470	\$ -	\$ 42,908
Government transfers	1,916,712	14,119	-
User fees and service charges	891,606	-	-
Investment income	49,707	24,798	-
Contributed assets and DCC recognized	-	-	-
Other revenue	13,383	7,130	-
Total Revenue	6,260,878	46,047	42,908
Expenses			
Administration	597,509	65,554	3,869
Wages and benefits	3,216,379	736,344	1,813
Operating	2,618,420	1,365,389	34,593
Debt charges - interest	-	19,862	-
Internal recoveries	-	(2,187,801)	-
Amortization of tangible capital assets	21,198	39,817	-
Loss (gain) on disposal of tangible capital assets	-	-	-
Write-down of tangible capital assets	3,647	3,646	-
Total Expenses	6,457,153	42,811	40,275
Annual Operating Surplus (Deficit)	(196,275)	3,236	2,633
Add: Proceeds from sale of assets	-	-	-
Add: Proceeds from debt	-	-	-
Less: Debt principle repayment	-	(25,599)	-
Less: Acquisition of tangible capital assets	(10,039)	(173,618)	-
Increase (Decrease) in Financial Equity	(206,314)	(195,981)	2,633
Transfer (to)/from reserves	234,737	21,366	-
Transfer (to)/from appropriated surplus	(48,786)	-	-
Transfer (to)/from unfunded liability	2,088	2,087	-
Transfer (to)/from unfunded amortization	21,198	39,817	-
Transfer (to)/from other funds	-	158,291	-
Transfer to/ (from) unfunded loss on asset	(3,647)	(3,646)	-
Interfund transfers	(6,570)	14,781	-
Surplus/(deficit) from prior year	-	4,603	6,829
Total Surplus (Deficit) for the year	\$ -	\$ 48,610	\$ 9,462

Local Street Lighting	Ports Services	Actual 2023	Budget 2023	Actual 2022
\$ 11,417	\$ 845,058	\$ 4,288,853	\$ 4,288,853	\$ 3,936,747
-	-	1,930,831	2,339,120	2,121,192
-	-	891,606	668,512	744,643
-	86,848	161,353	11,932	32,884
-	-	-	-	33,593
-	10,629	31,142	13,769	16,934
11,417	942,535	7,303,785	7,322,186	6,885,993
759	47,030	714,721	714,721	636,650
-	104,901	4,059,437	3,935,921	3,636,634
11,577	307,435	4,337,414	4,501,294	3,971,038
-	-	19,862	24,346	25,147
-	-	(2,187,801)	(1,811,874)	(1,993,503)
-	127,024	188,039	149,934	184,091
-	-	-	-	(132)
-	-	7,293	-	-
12,336	586,390	7,138,965	7,514,342	6,459,925
(919)	356,145	164,820	(192,156)	426,068
-	-	-	-	2,698
-	-	-	162,000	-
-	(90,000)	(115,599)	(132,486)	(114,615)
-	(169,007)	(352,664)	(912,367)	(40,961)
(919)	97,138	(303,443)	(1,075,009)	273,190
-	(223,952)	32,151	866,769	(456,288)
-	-	(48,786)	-	-
-	-	4,175	-	4,065
-	127,024	188,039	149,934	184,091
-	-	158,291	-	(145)
-	-	(7,293)	-	132
-	(210)	8,001	46,048	4,619
825	-	12,257	12,258	2,857
\$ (94)	\$ -	\$ 57,978	\$ -	\$ 12,257

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, 2023 and 2022

	Regional Solid Waste	Refuse Collection	Actual 2023	Actual 2022
Revenue				
Tax requisitions	\$ 4,846,479	\$ -	\$ 4,846,479	\$ 3,593,433
User fees and service charges	2,751,288	1,237,853	3,989,141	4,080,884
Investment income	326,456	12,246	338,702	113,678
Other revenue	603,911	-	603,911	524,782
Total Revenue	8,528,134	1,250,099	9,778,233	8,312,777
Expenses				
Administration	673,861	103,987	777,848	702,480
Wages and benefits	1,346,136	12,414	1,358,550	1,265,373
Operating	4,669,742	1,021,425	5,691,167	5,102,544
Debt charges - interest	-	-	-	28,415
Amortization of tangible capital assets	138,980	9,684	148,664	148,349
Loss (gain) on disposal of tangible capital assets	-	-	-	1,750
Total Expenses	6,828,719	1,147,510	7,976,229	7,248,911
Annual Operating Surplus (Deficit)	1,699,415	102,589	1,802,004	1,063,866
Add: Proceeds from sale of assets	-	-	-	775
Add: Proceeds from debt	29,633	-	29,633	1,563,198
Less: Debt principle repayment	(319,225)	-	(319,225)	(156,320)
Less: Acquisition of tangible capital assets	(32,548)	-	(32,548)	(85,838)
Increase (Decrease) in Financial Equity	1,377,275	102,589	1,479,864	2,385,681
Transfer (to)/from reserves	(692,305)	(112,273)	(804,578)	(375,017)
Transfer (to)/from unfunded liability	(833,290)	-	(833,290)	(685,967)
Transfer (to)/from unfunded amortization	138,980	9,684	148,664	148,349
Transfer (to)/from unfunded loss on asset	-	-	-	1,750
Transfer (to)/from other funds	9,898	-	9,898	(1,650,394)
Interfund transfers	(558)	-	(558)	(19,948)
Surplus/(deficit) from prior year	-	-	-	195,546
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -

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, 2023 and 2022

	Cemetery	Pender Harbour Health Clinic	Actual 2023	Actual 2022
Revenue				
Tax requisitions	\$ 137,137	\$ 178,611	\$ 315,748	\$ 280,936
User fees and service charges	59,283	-	59,283	65,952
Investment income	22,303	2,640	24,943	3,854
Total Revenue	218,723	181,251	399,974	350,742
Expenses				
Administration	20,960	8,571	29,531	24,434
Wages and benefits	40,715	-	40,715	48,596
Operating	55,298	202,766	258,064	254,559
Amortization of tangible capital assets	4,144	-	4,144	4,144
Total Expenses	121,117	211,337	332,454	331,733
Annual Operating Surplus (Deficit)	97,606	(30,086)	67,520	19,009
Less: Acquisition of tangible capital assets	(200)	-	(200)	-
Increase (Decrease) in Financial Equity	97,406	(30,086)	67,320	19,009
Transfer (to)/from reserves	(101,550)	30,086	(71,464)	(23,063)
Transfer (to)/from unfunded amortization	4,144	-	4,144	4,144
Surplus/(deficit) from prior year	-	-	-	(90)
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -

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, 2023 and 2022

	Regional Planning	Rural Planning	Geographic Information Services
Revenue			
Grants in lieu of taxes	\$ 3	\$ -	\$ -
Tax requisitions	206,885	1,258,389	-
Government transfers	-	224,155	-
User fees and service charges	-	239,940	17,706
Investment income	8,502	14,490	15,016
Other revenue	77,718	9,750	-
Total Revenue	293,108	1,746,724	32,722
Expenses			
Administration	41,590	196,866	-
Wages and benefits	115,018	1,120,355	269,959
Operating	91,755	260,554	54,789
Internal recoveries	-	-	(332,374)
Amortization of tangible capital assets	-	-	11,487
Loss (gain) on disposal of tangible capital assets	-	-	-
Total Expenses	248,363	1,577,775	3,861
Annual Operating Surplus (Deficit)	44,745	168,949	28,861
Add: Proceeds from sale of assets	-	-	-
Less: Acquisition of tangible capital assets	-	-	-
Less: Net change in land held for resale	-	-	-
Increase (Decrease) in Financial Equity	44,745	168,949	28,861
Transfer (to)/from reserves	(44,745)	(166,813)	(40,348)
Transfer (to)/from appropriated surplus	-	(3,997)	-
Transfer (to)/from unfunded amortization	-	-	11,487
Transfer (to)/from unfunded loss on asset	-	-	-
Interfund transfers	-	1,861	-
Surplus/(deficit) from prior year	-	-	-
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -

House numbering	Building Inspection Services	Economic Development	Hillside	Actual 2023	Budget 2023	Actual 2022
\$ -	\$ -	\$ 442	\$ -	\$ 445	\$ -	\$ 482
-	8,586	71,606	-	1,545,466	1,545,466	1,599,842
-	-	-	-	224,155	203,050	-
30,900	1,091,599	-	-	1,380,145	1,104,870	1,081,207
7,797	72,242	-	51,988	170,035	-	28,622
-	2,760	-	156,339	246,567	267,074	209,634
38,697	1,175,187	72,048	208,327	3,566,813	3,120,460	2,919,787
5,547	152,105	13,857	5,912	415,877	415,877	406,411
17,167	677,967	451	26,403	2,227,320	2,276,337	1,888,746
537	64,505	65,000	81,645	618,785	1,138,211	746,971
-	(150)	-	-	(332,524)	(332,374)	(316,255)
-	10,639	-	-	22,126	35,845	27,278
-	(4,550)	-	-	(4,550)	-	-
23,251	900,516	79,308	113,960	2,947,034	3,533,896	2,753,151
15,446	274,671	(7,260)	94,367	619,779	(413,436)	166,636
-	4,550	-	-	4,550	-	-
-	(57,601)	-	-	(57,601)	(60,000)	-
-	-	-	(16,203)	(16,203)	(103,912)	(32,771)
15,446	221,620	(7,260)	78,164	550,525	(577,348)	133,865
(15,446)	(226,663)	-	(78,164)	(572,179)	526,752	(157,817)
-	-	-	-	(3,997)	-	(1,854)
-	10,639	-	-	22,126	35,845	27,278
-	(4,550)	-	-	(4,550)	-	-
-	(1,046)	-	-	815	(500)	3,902
-	-	15,252	-	15,252	15,251	9,878
\$ -	\$ -	\$ 7,992	\$ -	\$ 7,992	\$ -	\$ 15,252

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, 2023 and 2022

	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	\$ -	\$ -	\$ -	\$ -	\$ 1
Tax requisitions	610,918	71,996	839,687	172,848	389,158
Frontage and parcel taxes	48,530	-	-	-	-
Government transfers	-	-	-	-	-
User fees and service charges	71,942	-	-	-	-
Investment income	51,074	373	14,871	-	-
Contributed assets and DCC recognized	-	-	-	-	-
Other revenue	761	-	-	-	-
Total Revenue	783,225	72,369	854,558	172,848	389,159
Expenses					
Administration	69,586	564	48,446	10,698	22,528
Wages and benefits	400,946	3,046	5,142	-	-
Operating	125,759	18,513	831,016	162,150	281,690
Debt charges - interest	19,466	-	-	-	-
Amortization of tangible capital assets	102,240	-	52,182	-	-
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-
Write-down of tangible capital assets	-	-	-	-	-
Total Expenses	717,997	22,123	936,786	172,848	304,218
Annual Operating Surplus (Deficit)	65,228	50,246	(82,228)	-	84,941
Add: Proceeds from sale of assets	-	-	-	-	-
Add: Proceeds from debt	-	-	-	-	-
Less: Debt principle repayment	(48,375)	-	-	-	-
Less: Acquisition of tangible capital assets	(10,572)	-	-	-	-
Increase (Decrease) in Financial Equity	6,281	50,246	(82,228)	-	84,941
Transfer (to)/from reserves	(108,433)	(26,705)	(54,896)	-	-
Transfer (to)/from appropriated surplus	-	-	-	-	-
Transfer (to)/from unfunded liability	-	-	-	-	-
Transfer (to)/from unfunded amortization	102,240	-	52,182	-	-
Transfer to/ (from) unfunded loss on asset	-	-	-	-	-
Transfer (to)/from other funds	(388)	-	-	-	-
Interfund transfers	300	-	84,942	-	(84,942)
Surplus/(deficit) from prior year	-	(23,541)	-	-	2
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -	\$ -	\$ 1

Community Recreation Facilities Service	Community Parks	Bicycle and Walking Paths	Dakota Ridge Recreation Service	Regional Recreation Programs	Egmont/Pender Harbour Library Service	Actual 2023	Actual 2022
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ 2
6,287,766	2,493,848	74,194	205,468	189,574	58,861	11,394,318	10,165,234
1,698,374	-	-	-	-	-	1,746,904	1,748,715
-	62,116	-	-	-	-	62,116	62,883
1,779,758	34,656	-	28,873	-	-	1,915,229	1,645,240
710,700	72,839	22,137	17,360	4,424	-	893,778	568,532
-	-	-	-	-	-	-	130,400
31,961	17,642	-	-	-	-	50,364	33,537
10,508,559	2,681,101	96,331	251,701	193,998	58,861	16,062,710	14,354,543
1,062,198	290,239	14,258	26,715	10,372	3,412	1,559,016	1,347,853
3,788,617	1,041,954	14,873	46,261	1,844	-	5,302,683	4,845,312
1,965,535	856,027	743	116,117	166,640	55,449	4,579,639	4,255,294
924,661	3,394	-	-	-	-	947,521	969,547
1,044,941	188,474	85,609	6,240	-	-	1,479,686	1,570,283
-	(28,776)	-	700	-	-	(28,076)	-
-	-	67,968	-	-	-	67,968	-
8,785,952	2,351,312	183,451	196,033	178,856	58,861	13,908,437	12,988,289
1,722,607	329,789	(87,120)	55,668	15,142	-	2,154,273	1,366,254
-	41,757	-	300	-	-	42,057	-
-	69,158	-	-	-	-	69,158	-
(1,248,280)	(16,404)	-	-	-	-	(1,313,059)	(1,371,259)
(589,914)	(163,788)	(24,932)	(34,427)	-	-	(823,633)	(563,513)
(115,587)	260,512	(112,052)	21,541	15,142	-	128,796	(568,518)
(1,194,245)	(439,260)	(50,734)	(28,481)	(15,142)	-	(1,917,896)	(1,052,426)
8,960	12,038	-	-	-	-	20,998	51,032
-	3,323	-	-	-	-	3,323	3,236
1,044,941	188,474	85,609	6,240	-	-	1,479,686	1,570,283
-	(28,776)	67,968	700	-	-	39,892	-
256,531	(38,416)	9,209	-	-	-	226,936	(23,854)
(600)	42,105	-	-	-	-	41,805	(3,294)
-	-	-	-	-	-	(23,539)	2
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1	\$ (23,539)

Sunshine Coast Regional District

Water Utility

Summary Statement of Revenue, Expenses and Transfers (unaudited)

Schedule 11

For the Years Ended December 31, 2023 and 2022

	Actual 2023	Budget 2023	Actual 2022
Revenue			
Frontage and parcel taxes	\$ 5,348,946	\$ 5,126,181	\$ 4,239,464
Government transfers	487,143	6,000,000	52,150
User fees and service charges	9,848,978	9,164,680	8,014,872
Investment income	996,572	92,748	238,202
Contributed assets and DCC recognized	187,361	6,811	1,420,283
Other revenue	373,522	65,800	930,290
Total Revenue	17,242,522	20,456,220	14,895,261
Expenses			
Administration	1,292,501	1,292,501	1,143,321
Wages and benefits	3,708,221	4,980,745	3,914,212
Operating	3,211,407	5,360,089	2,693,088
Debt charges - interest	313,380	432,583	188,675
Internal recoveries	(18,603)	-	(32,402)
Amortization of tangible capital assets	2,434,025	2,077,751	2,232,321
Loss (gain) on disposal of tangible capital assets	(14,757)	-	149
Write-off of tangible capital assets	580,895	-	49,903
Total Expenses	11,507,069	14,143,669	10,189,267
Annual Operating Surplus (Deficit)	5,735,453	6,312,551	4,705,994
Add: Proceeds from sale of assets	18,256	-	1,851
Add: Proceeds from debt	2,801,667	9,057,367	6,198,333
Less: Debt principle repayment	(420,007)	(612,314)	(417,481)
Less: Acquisition of tangible capital assets	(5,049,757)	(24,981,146)	(13,065,634)
Increase (Decrease) in Financial Equity	3,085,612	(10,223,542)	(2,576,937)
Transfer (to)/from reserves	(4,670,104)	6,927,226	161,651
Transfer (to)/from appropriated surplus	(387,286)	42,349	(42,349)
Transfer (to)/from unfunded liability	375	-	(365)
Transfer (to)/from unfunded loss on asset	2,434,025	2,077,751	2,232,321
Transfer (to)/from unfunded amortization	566,138	-	50,052
Transfer (to)/from other funds	(1,021,705)	1,233,404	164,744
Interfund transfers	(7,055)	(57,188)	10,153
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, 2023 and 2022

	Actual 2023	Budget 2023	Actual 2022
Revenue			
Frontage and parcel taxes	\$ 231,768	\$ 231,921	\$ 196,309
Government transfers	26,850	746,325	22,674
User fees and service charges	535,002	547,182	434,007
Investment income	85,485	966	14,478
Other revenue	-	-	24,000
Total Revenue	879,105	1,526,394	691,468
Expenses			
Administration	49,294	49,294	44,811
Wages and benefits	152,102	240,879	233,707
Operating	209,779	361,499	227,415
Debt charges - interest	8,694	10,294	8,519
Amortization of tangible capital assets	113,901	62,718	110,035
Total Expenses	533,770	724,684	624,487
Annual Operating Surplus (Deficit)	345,335	801,710	66,981
Add: Proceeds from debt	-	199,591	-
Less: Debt principle repayment	(26,215)	(32,956)	(26,417)
Less: Acquisition of tangible capital assets	(81,212)	(1,266,861)	(68,551)
Increase (Decrease) Financial Equity	237,908	(298,516)	(27,987)
Transfer (to)/from reserves	(351,863)	92,485	(78,389)
Transfer (to)/from unfunded liability	(148)	-	(143)
Transfer (to)/from unfunded amortization	113,901	62,718	110,035
Transfer to/(from) other funds	(94)	143,313	(3,802)
Total Surplus (Deficit) for the year	\$ -	\$ -	\$ -

Sunshine Coast Regional District

General Capital Fund - Hillside Development Project
Summary Statement of Development Costs (unaudited)
Schedule 13
For the Years Ended December 31, 2023 and 2022

	Actual 2023	Budget 2023	Actual 2022
Expenditures			
Administration	\$ 5,912	\$ 5,912	\$ 8,054
Wages and benefits	9,593	-	8,862
Contracted services	698	98,000	15,855
Total Development Costs	\$ 16,203	\$ 103,912	\$ 32,771

Draft

Sunshine Coast Regional District

Statement of Changes in Reserve Fund Balances (unaudited)

Schedule 14

For the Years Ended December 31, 2023 and 2022

Bylaw	Purpose	Balance, Beginning of Year	Contributions / Transfers	Investment Earnings	Balance, End of Year
General Government					
	General Administration Capital	\$ 45,858	\$ -	\$ 2,363	\$ 48,221
	General Government Operating	844,703	60,722	36,340	941,765
496	Administration Building	465,280	54,529	24,409	544,218
648	Finance	785,351	114,246	37,070	936,667
648	Human Resources	407,070	(36,493)	19,962	390,539
504/648	Information Services	790,409	181,272	40,209	1,011,890
648	Area D Grant in Aid	3,427	-	177	3,604
648	Electoral Area Services	88,869	21,376	4,886	115,131
648	Corporate Sustainability	131,867	(6,975)	6,796	131,688
648	Regional Sustainability	103,086	16,583	4,980	124,649
	Area B Feasibility Studies	-	-	-	-
	Area D Feasibility Studies	-	2,500	-	2,500
649/677	Bylaw Enforcement	238,950	24,768	12,315	276,033
	Halfmoon Bay Smoke Control	1,651	29	56	1,736
650	Roberts Creek Smoke Control	13,074	(151)	645	13,568
489/497	Gibsons Fire Protection Capital	793,684	339,184	43,606	1,176,474
678	Gibsons Fire Protection Operating	270,406	(150,896)	10,898	130,408
490	Roberts Creek Fire Protection	580,355	206,825	33,337	820,517
491	Halfmoon Bay Fire Protection	960,850	94,734	47,824	1,103,408
601	Egmont Fire Protection	354,790	33,246	18,176	406,212
492	911 Telephone	927,037	64,203	49,519	1,040,759
493	SC Emergency Planning	50,310	74,781	3,132	128,223
651/680	Animal Control	230,067	20,057	11,858	261,982
529/652	Sunshine Coast Transit	1,112,889	(284,444)	49,707	878,152
486/607	Ports	1,536,502	137,104	86,847	1,760,453
563	Maintenance Facility	247,949	(34,026)	12,660	226,583
	Building Maintenance	137,187	(64,726)	7,071	79,532
653	Regional Solid Waste Operating	983,657	680,576	49,600	1,713,833
670	Zero Waste Operating	350,661	(55,192)	17,321	312,790
654	Refuse Collection Operating	237,599	100,027	12,245	349,871
515	Pender Harbour Health Clinic	49,113	(32,726)	2,640	19,027
655	Cemetery Operating	425,116	79,247	22,302	526,665
681	Regional Planning	164,971	36,242	8,503	209,716
656/657	Rural Planning	203,588	156,320	10,493	370,401
504/648	Property Information & Mapping	285,000	25,332	15,017	325,349
	House Numbering	151,275	7,649	7,797	166,721
495	Building Inspection	1,424,691	154,421	72,243	1,651,355
715	Hillside - Operating	1,006,874	26,176	51,988	1,085,038
590/609	Community Recreation Facilities	3,924,031	968,692	225,553	5,118,276
494/660	Pender Harbour Pool	606,731	77,070	31,363	715,164
	School Facilities - Joint Use	7,241	26,332	373	33,946
609	Gibsons Library	267,378	40,024	14,872	322,274
533/662	Community Parks	1,029,211	377,515	61,745	1,468,471
683	Bicycle & Walking Paths	304,033	19,718	15,888	339,639
	Area A Bicycle & Walking Paths	121,260	8,878	6,250	136,388
	Regional Recreation Programs	85,842	10,718	4,424	100,984
	Dakota Ridge	339,383	11,121	17,360	367,864
Total General Reserve Funds		23,089,276	3,586,588	1,212,820	27,888,684

Sunshine Coast Regional District

Statement of Changes in Reserve Fund Balances (unaudited)

Schedule 14

For the Years Ended December 31, 2023 and 2022

Bylaw	Purpose	Balance, Beginning of Year	Contributions / Transfers	Investment Earnings	Balance, End of Year
Water Revenue					
488	Regional Water Capital	9,279,594	2,141,467	524,676	11,945,737
	Regional Water Operating	3,520,854	874,840	185,435	4,581,129
498	Regional Water Land	18,838	-	970	19,808
589	North Pender Water Capital	595,902	218,741	35,927	850,570
	North Pender Water Operating	529,491	170,148	27,153	726,792
	South Pender Water Capital	1,065,957	283,684	61,153	1,410,794
	South Pender Water Operating	877,487	101,861	44,048	1,023,396
Total Water Reserve Funds		15,888,123	3,790,741	879,362	20,558,226
Sewer Revenue					
512/608	Greaves Road	13,349	3,429	744	17,522
512	Sunnyside	43,762	7,786	2,416	53,964
	Jolly Roger	77,851	20,040	4,183	102,074
512/608	Secret Cove	62,153	14,485	3,377	80,015
	Lee Bay	619,815	46,874	32,848	699,537
512	Sqaure Bay	76,562	34,183	4,521	115,266
	Langdale	73,802	30,018	4,272	108,092
512/608	Canoe Road	12,633	3,493	697	16,823
608	Merrill Crescent	21,652	7,324	1,330	30,306
512/608	Curran Road	106,392	22,623	5,935	134,950
512/608	Roberts Creek Co-housing	24,762	27,878	1,442	54,082
608	Lily Lake Village	53,896	(8,265)	2,685	48,316
512/608	Woodcreek Park	227,324	24,344	12,140	263,808
668/669	Painted Boat	85,769	15,409	4,668	105,846
728	Sakinaw Ridge	60,901	17,818	3,167	81,886
Total Sewer Reserve Funds		1,560,623	267,439	84,425	1,912,487
Total Reserve Funds		\$ 40,538,022	\$ 7,644,768	\$ 2,176,607	\$ 50,359,397

Sunshine Coast Regional District

Annual Report on COVID Safe Restart Grant Spending (unaudited)

Schedule 15

For the Years Ended December 31, 2023 and 2022

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 2023	Actual 2022
COVID Safe Restart Grant		
Balance, beginning of year	\$ 443,816	\$ 676,620
Provincial COVID Safe Restart Grant funds received	-	-
Total Grant Funds Available	443,816	676,620
Less: Funds Spent		
Expansion of Digital Online Collaboration Software & Hardware	60,622	126,805
Hybrid Meeting Solutions and Board Room Modifications	94,423	5,350
Administration Building Workspace Modifications	35,919	57,559
Temporary Parks Backfill	15,180	43,090
Water Management Planning	8,960	-
Balance, end of year	\$228,712	\$ 443,816

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 in 2020 and 2021.

Unspent funding totaling \$228,712 as at December 31, 2023 (2022 – \$443,816) has been segregated within the Current Fund as an appropriated surplus to be allocated to projects in the Financial Plan 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	\$ 762,000

Total funding allocations by service category include funds already spent from 2020-2023 and amounts allocated to fund various projects in the 2024-2028 Financial Plan. These amounts represent the total funding received of \$762,000.

Sunshine Coast Regional District

Annual Report on Growing Communities Fund Grant Spending (unaudited)

Schedule 16

For the Years Ended December 31, 2023 and 2022

This annual report on Growing Communities Fund grant spending is a requirement of the Province of British Columbia and will be provided annually until the grant funds are fully spent.

	Actual 2023	Actual 2022
Growing Communities Fund Grant		
Balance, beginning of year	\$ -	\$ -
Provincial Growing Communities Fund grant funds received	2,221,000	-
Total Grant Funds Available	2,221,000	-
Less: Funds Spent		
N/A	-	-
Balance, end of year	\$ 2,221,000	\$ -

The Growing Communities Fund is classified as an unconditional Provincial capital government transfer (Note 14) with revenue recognized on the Statement of Operations in the period in which the funds were received in 2023.

Unspent funding totaling \$2,221,000 as at December 31, 2023 (2022 – \$NIL) has been segregated within the Capital Fund as an appropriated surplus to be allocated to projects in the Financial Plan at the discretion of the Regional District Board of Directors.

Growing Communities Fund Grant Funding Allocation by Service Category	
Environmental Services	\$ 585,000
Recreation & Cultural Services	62,957
Unallocated	1,573,043
Total Growing Communities Fund Grant Received	\$ 2,221,000

Total funding allocations by service category include amounts allocated to fund various projects in the 2024-2028 Financial Plan and the residual balance of \$1,573,043 for allocation to future projects. These amounts represent the total funding received of \$2,221,000.

**Sunshine Coast Regional District
2023
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
2023
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
Alexander, Christine	ALTERNATE DIRECTOR	\$ 1,757	\$ -
Backs, Kelly	DIRECTOR	39,358	10,603
Dix, Landon	ALTERNATE DIRECTOR	1,757	-
Gabias, Justine	DIRECTOR	39,359	7,357
Hardy, Mary Louise	ALTERNATE DIRECTOR	150	-
Henderson, John	ALTERNATE DIRECTOR	10,515	-
Inkster, Darren	DIRECTOR	19,589	1,057
Lee, Leonard	CHAIR	65,213	20,228
Lumley, Stafford	ALTERNATE DIRECTOR	2,320	-
McLauchlan, Dianne	ALTERNATE DIRECTOR	436	-
McMahon, Donna	DIRECTOR	42,509	6,860
Rowe, Brenda	ALTERNATE DIRECTOR	2,165	-
Shepherd, Adam	ALTERNATE DIRECTOR	155	-
St. Clair, Ashley	ALTERNATE DIRECTOR	1,757	-
Stamford, Kate-Louise	DIRECTOR	38,861	6,147
Toth, Alton	VICE CHAIR	29,649	1,759
White, Silas	DIRECTOR	30,390	6,313
Winn, Ian	ALTERNATE DIRECTOR	2,601	-
Woods, Candace	ALTERNATE DIRECTOR	1,889	-
sNGD Representatives	DIRECTOR/ALTERNATE DIRECTOR	26,494	66
Total elected officials, and members of the Board of Directors			
A.		\$ 356,924	\$ 60,390

**Sunshine Coast Regional District
2023
Schedule of Remuneration and Expenses**

2. Employees

NAME	POSITION	REMUNERATION	EXPENSES
Abbott, Codi	Utility Operations Superintendent	\$ 141,605	\$ 2,054
Agnew, Jesse	Facility Maintenance Coordinator	75,995	3,012
Andrews, Sheldon	Mechanic	82,339	425
Armitage, Christine	Executive Coordinator	95,291	599
Armitage, Stephen	Program Coordinator, Fitness & Community Recreation	76,333	4,498
Bloemhard, Ananda	Transit Driver - Conventional	76,647	448
Buckley, Aidan	Manager, Communications and Engagement	123,926	20
Burggraf, Rachel	Senior Accountant	82,668	1,000
Burkell, Gordon	Utility Technician II	109,407	1,050
Clark, Julie	Senior Planner	105,763	4,756
Clarkson, Kevin	Manager, Parks Services	74,962	217
Cloutier, Melanie	Facility Services Assistant Coordinator	89,051	3,102
Copes, Nicholas	Planner II	92,736	1,003
Cottrell, Hugh	Facility Services Supervisor	82,515	413
Cropp, Valerie	Manager, Purchasing and Risk Management	148,352	1,534
Crosthwaite, Raymond	Heavy Equipment Operator	76,091	875
Donn, Graeme	Manager, Recreation Services	132,952	5,636
Doran, Jeff	Mechanic	86,872	967
Doyle, Kyle	Manager, Asset Management	139,252	575
Eaton, Glenn	Senior Utility Operator	99,861	1,450
Edbrooke, Mia	Manager, Strategic Initiatives	130,364	708
Ellis, Shane	Transit Driver - Conventional	78,188	442
Feniak, Linden	Utility Operator II	83,659	2,721
Flatt, Dann	Parks Operations Coordinator	87,590	649
Frymel, Bart	Business Systems Analyst	75,363	932
Gagnon, Shelley	General Manager, Community Services	174,113	6
Godau, Logan	Utility Technician I	95,054	1,446
Gray, Ashley	Wastewater Coordinator	96,348	1,692
Green, Robert	SCADA Coordinator	100,455	2,535
Grohs, Gary	Utility Operator II	88,978	808
Hall, Ian	General Manager, Planning and Development	184,467	8,662
Hemstalk, Dan	Utilities Coordinator	108,082	798
Higgins, Patrick	Fire Chief, RCVFD	122,227	11,142
Hill, Jennifer	Manager, Legislative Services	115,311	2,160
Howlett, Nicole	Health and Safety Coordinator	103,114	2,828
Hughes, Lionel	Building Official 2	77,628	1,235
Hughes, Nancy	Emergency Management Coordinator	107,615	89
Humphries, Christopher	Planner II	93,121	4,504
Huntington, Carolyn Jessica	Manager, Parks Services	90,320	2,858
Jackson, Jonathan	Manager, Planning and Development	136,133	4,568
Joseph, Darren	Asset Management Coordinator	82,063	-
Kennett, Brian	Chief Building Official	121,793	3,586
Kidwai, Ahmad	Manager, Transit and Fleet	151,165	3,053
Kirkpatrick, Krista	Senior Bylaw Officer	86,453	528
Koper, Kelly	Capital Projects Coordinator, Community Services	77,808	1,026
Lanegraff, Stephen	Bylaw Officer II	78,241	3,235
Lovelace, Sherry	Information and Privacy Coordinator	99,366	1,049
McIntosh, Brian	Utility Technician II	109,404	1,986
McKinley, Dean	Chief Administrative Officer	251,387	12,204
Michael, Robert	Fire Chief, GDVFD	153,012	7,748

**Sunshine Coast Regional District
2023
Schedule of Remuneration and Expenses**

2. Employees (Cont.)

NAME	POSITION	REMUNERATION	EXPENSES
Misiurak, Stephen	Manager, Capital Projects	\$ 142,180	\$ 3,931
Nelson, David	Manager, Information Services	154,555	2,476
Oakford, Jason	Utility Technician I	77,245	416
O'Donohue, Adrienne	Assistant Manager, Recreation Services	105,136	4,076
O'Rourke, Matthew	Assistant Manager, Utility Engineering	107,981	5,621
Ozanne, Bradley	Utility Operator II	76,525	1,194
Parker, Gerald	Senior Manager, Human Resources	173,297	4,967
Perpet, Cyril	Site Supervisor, Sechelt Landfill	84,510	76
Perreault, Tina	General Manager, Corporate Services	193,044	5,109
Poulton, Tom	Facility and Program Coordinator, Arenas and Sports	75,744	772
Pratt, Jordan	Deputy Fire Chief, GDVFD	112,077	5,830
Rathbone, Anne	Corporate Records Administrator	111,075	737
Raymond, Kody	Deputy Fire Chief, HBVFD	79,837	3,809
Reid, Sherry	Corporate Officer	166,839	2,249
Roberts, Yvette	Executive Assistant	86,750	-
Rosenboom, Remko	General Manager, Infrastructure Services	108,394	1,644
Saugstad, Glenn	Mechanic	99,297	320
Schilling, Vanessa	Purchasing & Risk Officer	93,072	1,344
Sears, Steven	Transportation Superintendent	119,900	1,396
Shay, Raphael	Manager Sustainable Development	120,941	2,179
Shoji, Bryan	Manager, Capital Projects	154,658	2,461
Siao, Yuli	Senior Planner	86,904	382
Smith, Lana	Manager, Financial Planning	95,630	1,520
Sole, Marc	Manager, Solid Waste Services	118,563	-
Starsage, Graham	Water Sustainability Coordinator	76,274	382
Stiven, Diego Rojas	Information Technology Technician	81,559	1,209
Stoker, Lindsay	Human Resources Advisor	125,760	2,208
Street, Tim	Facility Services Coordinator	118,128	1,524
Suveges, Corrina	Solid Waste Operations Superintendent	109,434	252
Taylor, Alexander	Manager, Budgeting and Grants	111,668	3,593
Tran, Nicholas	Utility Technician I	94,509	2,774
Treit, Matthew	Manager, Protective Services	138,339	4,790
van Velzen, Allen	Manager, Facility Services	126,340	1,179
Vassev, Konstantin	Building Official 2	78,109	2,531
Viitanen, Bryce	Business Systems Coordinator	110,175	1,153
Walkey, Amanda	Transportation Superintendent	101,601	1,676
Walkey, Shane	Manager, Utility Services	146,326	2,486
Walton, Emilia	GIS Coordinator	86,285	1,775
Watts, Kim	Recreation Program Coordinator, Aquatics and Fitness	77,686	2,698
White, Richard	Assistant Chief, GDVFD	97,679	6,349
Wiedrick, Barry	Transit Driver - Conventional	78,210	358
Wing, Brad	Manager, Financial Services	129,097	1,171
Wittman, Alana	Planner II	92,584	50
Wood, Rob	Transit Driver - Conventional	77,676	432
Zayshley, Dynie	Fleet Maintenance Coordinator	113,502	780
	Employees with remuneration over \$75,000	\$ 10,266,536	\$ 210,709
Consolidated total of employees with remuneration of \$75,000 or less		10,336,818	138,059
Total: Employees		\$ 20,603,354	\$ 348,768

**Sunshine Coast Regional District
2023
Schedule of Remuneration and Expenses**

3. Reconciliation

Total remuneration - elected officials, and members of the Board of Directors	A.	356,924
Total remuneration - employees	B.	20,603,354
Subtotal	\$	20,960,277
Reconciling Items:		
Increase (decrease) in accrued wages and benefits since December 31, 2022	\$	21,109
Employer contributions for EI, CPP, EHT, MPP and non-taxable benefits		4,559,612
WorkSafe BC premiums		688,524
Salary and wages capitalized as tangible capital assets		(676,159)
Indemnity payments		(287,051)
Other		(565,117)
		3,740,918
Subtotal after reconciling items	\$	24,701,195
Total per Consolidated Financial Statements (Note 23 - Expense by Object)		24,701,195
Variance	\$	-

**Sunshine Coast Regional District
2023
Statement of Severance Agreements**

Financial Information Regulation Schedule 1 Section 6(7)

There was one (1) severance agreement under which payment was commenced between the Sunshine Coast Regional District and its non-unionized employees during fiscal year 2023.

The agreement represented 2 months compensation of salary.

Draft

**Sunshine Coast Regional District
2023
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):	\$ 36,950,959
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Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
Active Network Ltd	\$ 28,973
Airspan Helicopters Ltd	44,121
AJM Disposal Services Ltd	26,490
All-Clear Traffic Control	44,959
Alumichem Canada Inc	201,503
Andrew Curtiss Contracting	42,528
AON Reed Stenhouse Inc	741,880
Arya Engineering Inc	509,855
Associated Engineering (BC) Ltd	135,015
Associated Environmental Consultants Inc.	662,096
Associated Fire Safety Equipment	115,089
BA Blacktop Ltd	178,799
BC - Employer Health Tax	398,545
BC Ferry Services Inc	41,500
BC Hydro	665,840
BC Transit	2,914,426
Brenntag Canada Inc	197,700
British Columbia Minister of Finance	156,070
Brogan Fire & Safety	55,392
Cadence Solutions	135,608
Canadian Mattress Recycling	58,312
Canadian Tire #636	25,063
Capilano Highway Services Co	42,703
Carla Parr-Pearson	25,867
CDW Canada Inc.	229,287
CentralSquare Canada Software Inc	28,237
CHB Services Ltd	444,442
City Transfer Inc	28,414
Clarke Commercial Lawn & Garden	72,794
Cleartech Industries Inc.	103,457
Coast Bin Rentals Ltd.	29,755
Coast Reporter	87,901
Coastal BC Property Maintenance Ltd	119,882
Columbia Fuels	1,000,124
Community Fire Prevention Ltd	286,571
Comox Valley Toyota	59,981
Corporate Electric Limited	28,933
Corporate Express Canada Inc	95,975
Desjardins Financial Security	155,398
District of Sechelt	40,375
Dragons' Den Janitorial Ltd	126,298
E.B. Horsman & Son	30,200
Eastlink	93,921
E-Comm	118,615
Electrogas Monitors Ltd	179,814
Element Materials Technology Canada Inc	40,831
Elphinstone Aggregates Ltd	70,925
eScribe Software Ltd	25,088
ESRI Canada	76,115
Fastrac Backhoe & Trucking Ltd	36,291
Firemedix Fire Academy	30,475
Flocor	53,963
FortisBC-Natural Gas	219,678
Fraser Burrard Diving Ltd	35,700

**Sunshine Coast Regional District
2023
Schedule of Payments To Suppliers of Goods and Services**

Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
Fred Surrige Ltd	76,592
GeoAdvice Engineering Inc	200,123
Gibsons Building Supplies	92,730
Gibsons Disposal Ltd	612,731
Gibsons Tree Service Ltd	25,368
Granicus	45,262
GRIPS	178,208
Hach Sales And Service Canada Lp	43,600
Herold Engineering Ltd	125,974
Hub Fire Engines & Equipment Ltd	271,766
Iconix Waterworks LP	146,353
In Situ Consulting	72,069
Inbo Consulting	31,500
Insight Canada Inc	30,493
Insurance Corporation of British Columbia	118,385
Integrated Sustainability Consultants Ltd.	160,989
InterGroup Consultants Ltd.	40,808
ISL Engineering and Land Services Ltd.	415,997
Island Communications Ltd	29,403
Justice Institute of BC	69,386
K&R Commercial Refrigeration Ltd	121,857
Kalwij Water Dynamics Inc (KWD)	288,198
Keats Island Construction And Services Ltd	123,086
Kimbo Design Inc.	44,209
KN Fall Protection Services Ltd	59,309
KPMG LLP	191,474
Lidstone & Company Law Corporation	96,909
Lordco Auto Parts	125,938
Mark Brown	286,139
Master Care Janitorial and Facility Services Inc	110,649
Maycon Construction Management Ltd.	1,975,540
Mercury Transport Inc	171,778
Metro Vancouver Regional District	65,393
MNP LLP	51,862
Morrison Hershfield Limited	60,660
Municipal Insurance Association of BC	142,248
Municipal Pension Plan	3,032,295
NB Contracting Ltd	210,026
Neptune Technology Group	236,287
Noble British Columbia	37,374
Northwest Hydraulic Consultants Ltd	150,709
Olson Electric Ltd	117,990
Online Enterprises Inc.	132,288
Pacific Blue Cross	1,491,079
Pacific Coast Distribution Ltd	54,999
Pacific Flow Control Ltd.	46,061
Pacific Pumps	33,508
Planetworks Consulting Corporation	37,013
Principle Architecture Inc	36,255
Pristine Parks Ltd	92,798
Ram Mechanical Ltd	126,978
Ramtech Enterprises Ltd	26,310
Receiver General for Canada	5,815,228
Rogers	63,250

**Sunshine Coast Regional District
2023
Schedule of Payments To Suppliers of Goods and Services**

Supplier Name	Aggregate amount paid to supplier exceeding \$25,000
Rollins Machinery Ltd.	39,516
Salish Soils Inc.	1,568,350
SCP Distributors Inc. Canada	28,698
Sechelt Fire Protection District	25,989
Sechelt Truck & Equipment	99,093
shísháhlh Nation	239,687
Sicotte Bulldozing Ltd	881,029
Solution Based Contracting Ltd	123,428
Soundwerks Audio Video Systems Inc	65,285
South Coast Ford Sales	138,677
Sperling Hansen Associates Inc	125,371
Stantec Consulting Ltd	45,797
Star-Tek Industrial Services Ltd.	161,492
Strategic Alliance for Enhanced Resilience Ltd	51,844
Summerhill Fine Homes Inc	126,363
Suncor Energy Products Partnership	45,412
Sunshine Coast Affordable Housing Society	77,560
Sunshine Coast GM	315,490
Telus	55,103
Telus Mobility	48,673
Temp-Pro Refrigeration Ltd.	85,927
The Driving Force Inc	45,919
The Steel Building Company Ltd. DBA Future Buildings	35,800
Town of Gibsons	117,157
Turrís Contractors Inc	38,220
Uline Canada Corporation	25,615
Unifor Local #466	145,044
Unifor National	94,821
Unit4 Business Software	84,980
WASP Manufacturing Ltd	67,593
Waste Management of Canada Corporation	837,453
Weber McCall Electric Ltd.	27,672
Westvac Industrial Ltd.	154,443
WFR Wholesale Fire & Rescue Ltd	26,047
Wolseley Canada Inc	38,878
Work Truck West	53,661
Workers' Compensation Board	669,731
WSP Canada Inc.	51,916
XCG Consultants Ltd	149,934
Xerox Canada Ltd	25,098
YMCA BC	39,702
ZN Projects Ltd	31,283
Total aggregate amount paid to suppliers exceeding \$25,000	\$ 36,950,959

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less: \$ 4,727,767

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

Consolidated total of grants exceeding \$25,000	\$ 2,179,266
Consolidated total of contributions exceeding \$25,000	-
Consolidated total of all grants and contributions exceeding \$25,000	\$ 2,179,266

**Sunshine Coast Regional District
2023
Schedule of Payments To Suppliers of Goods and Services**

4. Reconciliation:

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$	36,950,959
Consolidated total of payments of \$25,000 or less paid to suppliers		4,727,767
Consolidated total of all grants and contributions exceeding \$25,000		2,179,266
Total expenses paid to Directors		57,194
Total expenses paid to Employees		348,769
Subtotal	\$	44,263,955
Reconciling items:		
Payroll	\$	14,008,601
Member municipality debt repayments		1,392,761
Amortization		5,208,436
Capital expenditures		(6,965,787)
Loss on disposal of assets		603,773
GST rebate and input tax credits		(1,081,667)
Change in Inventory and Prepaid Expenses		(498,038)
Change in Accounts Payable and Accrued Liabilities		(3,158,001)
Change in Asset Retirement Obligation		347,095
Other		(219,407)
	\$	9,637,766.00
Subtotal after Reconciling Items	\$	53,901,721
Total per Statement of Revenue and Expenditure (Statement of Operations)		53,901,721
Variance	\$	-

**Sunshine Coast Regional District
2023
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

Leonard Lee
Chair

April 25, 2024

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee – April 18, 2024

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

SUBJECT: SUNSHINE COAST REGIONAL DISTRICT (SCRD) 2023 AUDIT FINDINGS REPORT AND STATEMENT OF FINANCIAL INFORMATION

RECOMMENDATION(S)

(1) THAT the report titled Sunshine Coast Regional District (SCRD) 2023 Audit Findings Report and Statement of Financial Information, and the following documents be received for information:

- **2023 Audit Findings - Report to the Board of Directors**
- **2023 Draft Independent Auditor's Report**
- **2023 Draft Independent Auditor's Report-Foreshore Leases (Hillside)**
- **Audit Management Letter from MNP LLP**
- **2023 Statement of Financial Information (including the SCRD 2023 Draft Audited Financial Statements).**

(2) AND THAT the 2023 Draft Audited Financial Statements and Statement of Financial information be approved as presented.

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 Chief 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 Sunshine Coast Regional District (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. The SOFI is being presented as part of the financial statements.

Subsequent to approval of the financial statements by the SCRD Board, the SCRD must submit the audited financial statements for the preceding year to the Inspector of Municipalities by May 15. The SOFI 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 substantially complete on April 10, 2024. The 2023 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 Changes in Net Financial Assets:** Reports on 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 on 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 2023 Consolidated Statements of Financial Information includes:

1. **2023 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 2023; however, a "NIL" Statement has been provided as required.
2. **2023 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. **2023 Statement of Severance Agreements** – Schedule 1 Section 6 (7) of the *Financial Information Regulations* requires that a list of severance agreements be provided.
 4. **2023 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 received aggregate payments exceeding \$25,000.
 - A consolidation total of all payments to suppliers who received \$25,000 or less.
 5. **2023 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 2023 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 to the Finance Committee on October 19, 2023. In the Auditor's opinion, the financial statements present fairly, in all material respects, the financial position of the SCRD as of December 31, 2023, in accordance with Canadian generally accepted audit standards.

Materiality for the SCRD was set at \$3 million for 2023 and there were no significant differences found with respect to the financial statements.

New Accounting Standards

The SCRD has incorporated the new Public Sector Accounting Board (PSAB) accounting standard to account for asset retirement obligations (ARO) and Financial Instruments. Implementation of these new standards required a re-statement of prior years (See Note 2).

Financial Statements

The 2023 financial statements for the SCRD offer a comprehensive view of its financial health and operational outcomes. There are several key terms included in the financial statements which are important in analyzing the results for 2023:

- ***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 SOFI. 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.

Financial Position Analysis:

The increase in cash and equivalents from \$13,092,032 in 2022 to \$24,313,930 in 2023 is attributable to an increase in reserve funds and appropriated capital surplus available to invest. Most of the additional funds added to the investment pool in 2023 have been placed in high interest savings accounts or GIC's with an original maturity of 90 days or less. These investments are considered cash equivalents as opposed to portfolio investments under Public Sector Accounting Standards.

All told, portfolio and cash equivalent investments increased \$12,368,838 from \$61,909,725 in 2022 to \$74,278,563 in 2023. Concurrently, the Reserve and Capital Fund portion of accumulated surplus increased by \$14,269,203. Pure cash holdings decreased from \$551,000 to \$264,000.

This increase in cash equivalent investments enhances the SCRD's ability to meet short-term cash flow obligations, including capital project expenditures, and invest in immediate priorities as they arise. The growth in investments and a stable level of accounts receivable suggest prudent financial management and effective revenue collection strategies.

The SCRD realized a change to its financial equity with an increase in net financial assets to \$39,404,739 in 2023 from \$25,280,983 in 2022, despite the inclusion of the new liability for Asset Retirement Obligations. This is a positive indication of the financial health of the SCRD and is reflective of the increase in reserve funds available to fund future capital maintenance and replacement plans.

Statement of Operations:

The consolidated annual operating surplus for 2023 was \$15,902,261, up from \$9,933,479 in 2022, also translates to an increase in accumulated surplus to \$189,860,192. This is due in part to higher-than-expected user fees and investment revenue, and lower than expected expenses which are partially attributed to timing differences of project completions (carryforwards).

Investment in Assets:

The acquisition of tangible capital assets (\$7,146,337) against an amortization expense of \$5,208,437 suggests ongoing investment in infrastructure and assets, vital for maintaining or enhancing service delivery to the community.

Cash Flow:

The statement of cash flows reveals a healthy increase in cash reserves, ensuring the district has ample financial flexibility. The net change in cash of \$11,221,898 is a positive indicator of the SCRD's liquidity status.

Foreshore Leases-Hillside

In accordance with the General Lease Agreement between the Province 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 part of the 2023 review and audit.

Audit Management Letter

While conducting the SCRD’s ‘financial audit’ MNP reviews systems, processes, policies, and internal controls and provides its findings and recommendations for improvement in the form of an audit management letter. The management letter is not a component of the statutory Statement of Financial Information (SOFI) report and is a separate item outside of the audit report as presented by MNP.

STRATEGIC PLAN AND RELATED POLICIES

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

CONCLUSION

In accordance with the *Local Government Act* and *Community Charter*, the Financial Statements of the SCRD for the year ending December 31, 2023, are the responsibility of the Chief Financial Officer and are presented to the Board of Directors for approval.

Staff recommend that the SOFI and Draft Audited Statements for the Year Ended December 31, 2023, as presented by MNP’s Draft Independent Auditor’s Reports, be received and approved as presented, and forwarded to the Board meeting on April 25, 2024 for adoption.

Attachments:

- 2023 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
- 2023 Statement of Financial Information (including the SCRD 2023 Draft Audited Financial Statements)

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

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee – April 18, 2024

AUTHOR: Alex Taylor, Manager, Budgeting and Grants

SUBJECT: STATUS OF RESERVES AND HOLDING FUNDS AS AT MARCH 31, 2024

RECOMMENDATION(S)

THAT the report titled Status of Reserves and Holding Funds as at March 31, 2024 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.

DISCUSSION

As at March 31, 2024 the Regional District has \$43,751,328 of reserve funds, \$5,647,505 of Landfill Closure funds, \$9,360,801 of Community Works Funds, \$4,007,804 of Government Transfers and Amenity Funds, \$3,746,684 of Parkland Acquisition and Development Cost Charges (DCC's) Funds, invested in term deposits, the Municipal Finance Authority (MFA) bond fund, and high interest savings accounts. Combined investments for the above noted funds totaled \$66,514,122.

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

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 to or redemption of the investment as appropriate.

Short term investments of tax requisition funds collected in August 2023 have been fully redeemed as of March 31, 2024.

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 wastewater services are for planned future projects. Capital renewal plans and funding policy levels are set by the Board on an annual basis. For 2024, \$22.9M million is budgeted to be used to fund projects and operations with \$8.5 million to be contributed, netting to \$14.4 million of transfers. This reflects a 33% 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 \$66,514,122 invested in term deposits, the MFA bond fund, high interest savings accounts and individual corporate bond placements as at March 31, 2024 for Reserves, Parkland Acquisition/DCC's, Community Works Funds, Landfill Closure Reserves and Community Benefit and Amenity Contributions. Short term investments of 2023 tax requisition funds have been fully redeemed as of March 31, 2024.

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 Community Works Funds,
- Attachment D - Investments of Community Benefit and Amenity Contributions
- Attachment E- Investments of Parkland Acquisition and Development Costs Charges

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

**Attachment A Investment of Reserve Funds
As at March 31, 2024**

Bylaw	Description	2024 Opening Balance	YTD Interest	2024 Closing Balance	Budgeted Transfers	Unbudgeted Commitments	Uncommitted Balance
General							
504	Administration - Capital	\$ 697.13	\$ 8.35	\$ 705.48	0		697.13
495	Administration - Vehicle Acquisition	47,524.19	569.43	48,093.62	0		47,524.19
648	Administration - Operating	902,208.44	10,809.99	913,018.43	(214,000.00)	(100,000.00)	588,208.44
648	Administration - Operating (Risk Management)	39,556.24	473.95	40,030.19	10,000.00		49,556.24
648	Finance - Operating	757,869.72	9,080.57	766,950.29	(325,000.00)	(150,000.00)	282,869.72
496	Office Building Upgrades - Capital	302,718.83	3,627.09	306,345.92	(161.00)		302,557.83
743	Office Building Upgrades - Operating	241,499.11	2,893.57	244,392.68	(4,500.00)		236,999.11
648	Human Resources - Operating	390,538.93	4,679.32	395,218.25	(52,000.00)	(120,000.00)	218,538.93
	Purchasing & Risk Management-Operating	178,797.77	2,142.30	180,940.07	(108,000.00)		70,797.77
504	Information Services - Capital	643,151.61	7,706.04	650,857.65	(233,162.00)	(409,990)	126,238.71
648	Information Services - Operating	368,738.71	4,418.11	373,156.82	(242,500.00)		126,238.71
648	Area D Grant in Aid - Operating	3,603.67	43.17	3,646.84	0		3,603.67
648	Elections - Operating	115,130.98	1,379.47	116,510.45	14,000.00		129,130.98
648	Corporate Sustainability - Operating	131,688.09	1,577.85	133,265.94	0		131,688.09
648	Regional Sustainability - Operating	124,648.77	1,493.51	126,142.28	(18,928.00)		105,720.77
	Feasibility Studies - Area B	-	-	-	0		-
	Feasibility Studies - Area D	-	-	-	0		-
	Feasibility Studies - Area F	2,500.00	29.96	2,529.96	(2,500.00)		-
649	Bylaw Enforcement - Vehicle Acquisition	30,568.44	366.26	30,934.70	0		30,568.44
677	Bylaw Enforcement - Operating	245,465.04	2,941.09	248,406.13	(35,000.00)		210,465.04
744	Halfmoon Bay Smoke Control - Operating	1,736.12	20.80	1,756.92	(1,196.00)		540.12
650	Roberts Creek Smoke Control - Operating	13,568.31	162.57	13,730.88	(1,192.00)		12,376.31
497	Gibsons and District Fire Protection - Land	46,795.63	560.68	47,356.31	0		46,795.63
489	Gibsons and District Fire Protection - Capital	1,129,678.22	13,535.47	1,143,213.69	(300,133.00)	(829,545)	-
678	Gibsons and District Fire Protection - Operating	130,408.41	1,562.51	131,970.92	(78,854.00)		51,554.41
490	Roberts Creek Fire Protection - Capital	713,487.78	8,548.80	722,036.58	(22,900.00)	(690,588)	-
679	Roberts Creek Fire Protection - Operating	107,029.17	1,282.39	108,311.56	(57,551.00)		49,478.17
491	Halfmoon Bay Fire Protection - Capital	749,596.07	8,981.43	758,577.50	161,693.00	(911,289)	-
745	Halfmoon Bay Fire Protection - Operating	353,811.40	4,239.26	358,050.66	(258,000.00)		95,811.40
601	Egmont Fire Protection - Capital	155,580.62	1,864.12	157,444.74	15,000.00	(170,581)	-
746	Egmont Fire Protection - Operating	250,631.72	3,003.00	253,634.72	(1,500.00)		249,131.72
492	Emergency Telephone 911 - Capital	960,149.55	11,504.22	971,653.77	(480,779.00)		479,370.55
747	Emergency Telephone 911 - Operating	80,609.30	965.84	81,575.14	0		80,609.30
493	Sunshine Coast Emergency Planning - Capital	40,256.19	482.33	40,738.52	0		40,256.19
748	Sunshine Coast Emergency Planning - Operating	87,966.50	1,053.98	89,020.48	(45,000.00)		42,966.50
651	Animal Control - Vehicle Acquisition	61,033.61	731.29	61,764.90	(58,000.00)		3,033.61
680	Animal Control - Operating	200,948.28	2,407.70	203,355.98	(42,000.00)		158,948.28
529	Transit - Capital	213.09	2.55	215.64	0		213.09
652	Transit - Operating	877,939.09	10,519.20	888,458.29	(403,742.00)		474,197.09
563	Fleet Maintenance - Capital	100,654.25	1,206.01	101,860.26	0		100,654.25
749	Fleet Maintenance - Operating	125,978.66	1,509.43	127,488.09	(96,491.00)		29,487.66
750	Building Maintenance - Operating	79,531.94	952.93	80,484.87	(520.00)		79,011.94
486	Ports - Capital	1,603,033.83	19,207.07	1,622,240.90	(302,553.00)	(1,300,481)	-
607	Ports - Operating	157,419.33	1,886.15	159,305.48	18,000.00		175,419.33
653	Regional Solid Waste - Operating	289,531.79	3,469.08	293,000.87	(219,294.00)		70,237.79
670	Zero Waste Initiatives (Eco Fee) - Operating	312,789.94	3,747.76	316,537.70	(107,343.00)		205,446.94
653	Landfill - Operating	1,424,300.93	17,065.54	1,441,366.47	(268,107.00)		1,156,193.93
654	Refuse Collection - Operating	349,871.33	4,192.05	354,063.38	(27,000.00)		322,871.33
655	Cemetery - Operating	526,665.15	6,310.34	532,975.49	(282,664.00)		244,001.15
515	Pender Harbour Health Clinic - Capital	19,027.10	227.98	19,255.08	5,000.00		24,027.10
681	Regional Planning - Operating	209,715.61	2,512.75	212,228.36	0		209,715.61
656	Rural Planning - Vehicle Acquisition	20,106.11	240.90	20,347.01	0		20,106.11
657	Rural Planning - Operating	350,294.97	4,197.14	354,492.11	(337,783.00)		12,511.97
504	Property Information & Mapping - Capital	115,527.85	1,384.22	116,912.07	0		115,527.85
648	Property Information & Mapping - Operating	209,820.69	2,514.00	212,334.69	(60,000.00)		149,820.69
	Civic Addressing - Operating	166,721.03	1,997.61	168,718.64	(15,000.00)		151,721.03
659	Building Inspection - Vehicles Acquisition	6,165.41	73.87	6,239.28	6,000.00		12,165.41
	Building Inspection - Operating	1,644,299.24	19,701.51	1,664,000.75	(28,002.00)		1,616,297.24
715	Hillside - Operating	1,085,037.72	13,000.60	1,098,038.32	(499,039.00)		585,998.72
590	Community Recreation Facilities - Capital	4,012,977.90	48,082.30	4,061,060.20	(1,679,450.00)	(2,333,528)	-
682	Community Recreation Facilities - Operating	1,105,298.44	13,243.35	1,118,541.79	(253,512.00)		851,786.44
494	Pender Harbour Pool - Capital	106,954.72	1,281.50	108,236.22	1,135.00		108,089.72
660	Pender Harbour Pool - Operating	608,209.69	7,287.39	615,497.08	(12,382.00)		595,827.69
	School Facilities - Joint Use - Operating	33,946.06	406.73	34,352.79	0		33,946.06
609	Gibsons & Area Library - Capital	242,649.85	2,907.36	245,557.21	50,000.00		292,649.85
	Gibsons & Area Library - Operating	79,623.80	954.03	80,577.83	0		79,623.80
533	Community Parks - Capital	1,229,985.54	14,737.32	1,244,722.86	(50,934.00)	(1,179,052)	-
662	Community Parks - Operating	238,485.32	2,857.46	241,342.78	(207,503.00)		30,982.32
683	Bicycle and Walking Paths - Operating	339,639.25	4,069.45	343,708.70	(127,324.00)		212,315.25
	Area A - Bicycle and Walking Paths - Operating	136,387.57	1,634.15	138,021.72	0		136,387.57
	Regional Recreation Programs - Operating	100,984.35	1,209.96	102,194.31	0		100,984.35
	Dakota Ridge - Operating	367,863.72	4,407.64	372,271.36	0		367,863.72
Total General Reserve Funds		\$ 27,887,843.82	\$ 334,143.75	\$ 28,221,987.57	\$ (7,280,671.00)	\$ (8,195,053)	\$ 12,412,120.25

**Attachment A Investment of Reserve Funds
As at March 31, 2024**

Bylaw	Description	2024 Opening Balance	YTD Interest	2024 Closing Balance	Budgeted Transfers	Unbudgeted Commitments	Uncommitted Balance
Water Services							
589	North Pender Harbour - Capital	\$ 850,570.03	\$ 10,191.28	\$ 860,761.31	\$ 63,999.00	\$ (914,569)	\$ -
605	North Pender Harbour - Operating	729,011.00	8,734.80	737,745.80	\$ (250,993.00)	\$ -	\$ 478,018.00
602	South Pender Harbour - Capital	1,410,794.05	16,903.71	1,427,697.76	\$ (576,071.00)	\$ (834,723)	\$ -
663	South Pender Harbour - Operating	1,012,493.38	12,131.40	1,024,624.78	\$ (208,224.00)	\$ -	\$ 804,269.38
488	Regional - Capital	11,945,736.33	143,130.24	12,088,866.57	\$ (5,059,105.00)	\$ (6,886,631)	\$ -
498	Regional - Land	19,808.34	237.33	20,045.67	0	\$ -	\$ 19,808.34
664	Regional - Operating	4,567,739.88	54,729.29	4,622,469.17	\$ (928,833.00)	\$ -	\$ 3,638,906.88
Total Water Services Reserves		\$ 20,536,153.01	\$ 246,058.05	\$ 20,782,211.06	\$ (6,959,227.00)	\$ (8,635,923)	\$ 4,941,002.60
Waste Water Plants							
512	Greaves Road - Capital	\$ 8,606.26	\$ 103.12	\$ 8,709.38	\$ 2,872.00	\$ (11,478)	\$ -
608	Greaves Road - Operating	8,915.85	106.82	9,022.67	\$ (2,029.00)	\$ -	\$ 6,886.85
665	Woodcreek Park - Capital	94,539.16	1,132.74	95,671.90	\$ (13,088.00)	\$ (81,451)	\$ -
666	Woodcreek Park - Operating	169,268.40	2,028.12	171,296.52	\$ (79,817.00)	\$ -	\$ 89,451.40
512	Sunnyside - Capital	28,847.04	345.64	29,192.68	\$ 5,394.00	\$ (34,241)	\$ -
608	Sunnyside - Operating	25,116.49	300.94	25,417.43	\$ (8,292.00)	\$ -	\$ 16,824.49
512	Jolly Roger - Capital	52,807.60	632.73	53,440.33	\$ 7,257.00	\$ (60,065)	\$ -
608	Jolly Roger - Operating	49,266.39	590.29	49,856.68	\$ (25,870.00)	\$ -	\$ 23,396.39
512	Secret Cove - Capital	26,394.04	316.25	26,710.29	\$ 11,413.00	\$ (37,807)	\$ -
608	Secret Cove - Operating	53,621.45	642.47	54,263.92	\$ (28,923.00)	\$ -	\$ 24,698.45
512	Lee Bay - Capital	367,631.50	4,404.85	372,036.35	\$ (28,403.00)	\$ (339,229)	\$ -
608	Lee Bay - Operating	331,905.77	3,976.80	335,882.57	\$ (31,913.00)	\$ -	\$ 299,992.77
512	Square Bay - Capital	57,124.79	684.46	57,809.25	\$ 7,758.00	\$ (64,883)	\$ -
608	Square Bay - Operating	58,141.03	696.63	58,837.66	\$ (26,172.00)	\$ -	\$ 31,969.03
512	Langdale - Capital	23,782.49	284.96	24,067.45	\$ 5,618.00	\$ (29,400)	\$ -
608	Langdale - Operating	84,309.78	1,010.18	85,319.96	\$ (36,637.00)	\$ -	\$ 47,672.78
512	Canoe Road - Capital	4,135.83	49.55	4,185.38	\$ 1,493.00	\$ (5,629)	\$ -
608	Canoe Rd - Operating	12,686.76	152.01	12,838.77	\$ (3,815.00)	\$ -	\$ 8,871.76
512	Merrill Crescent - Capital	4,870.39	58.36	4,928.75	\$ 3,736.00	\$ (8,606)	\$ -
608	Merrill Crescent - Operating	25,435.93	304.76	25,740.69	\$ 7,510.00	\$ -	\$ 32,945.93
512	Curran Road - Capital	61,828.56	740.81	62,569.37	\$ 24,861.00	\$ (86,690)	\$ -
608	Curran Road - Operating	73,121.21	876.11	73,997.32	\$ (1,551.00)	\$ -	\$ 71,570.21
512	Roberts Creek Co-Housing - Capital	25,464.13	305.11	25,769.24	\$ 14,388.00	\$ (39,852)	\$ -
608	Roberts Creek Co-Housing - Operating	28,617.58	342.89	28,960.47	\$ (1,659.00)	\$ -	\$ 26,958.58
667	Lily Lake Village - Operating	48,315.91	578.91	48,894.82	\$ (13,870.00)	\$ -	\$ 34,445.91
668	Painted Boat - Capital	26,598.89	318.70	26,917.59	\$ 11,907.00	\$ (38,506)	\$ -
669	Painted Boat - Operating	79,247.26	949.51	80,196.77	\$ (753.00)	\$ -	\$ 78,494.26
N/A	No Bylaw - Sakinaw Ridge - Operating	23,849.11	285.75	24,134.86	\$ -	\$ -	\$ 23,849.11
728	Sakinaw Ridge Capital Reserve	58,036.91	695.38	58,732.29	\$ 717.00	\$ (58,754)	\$ -
Total Waste Water Plants Reserves		\$ 1,912,486.51	\$ 22,914.85	\$ 1,935,401.36	\$ (197,868.00)	\$ (896,591)	\$ 818,027.92
Total Reserve Funds		\$ 50,336,483.34	\$ 603,116.65	\$ 50,939,599.99	\$ (14,437,766.00)	\$ (17,727,567)	\$ 18,171,150.77

Investments \$ 43,751,328.33
 Accrued Interest \$ 1,020,739.24
 Over/ (Under) Subscribed \$ (6,167,532.42)

Attachment B
Investments of Landfill Closure Reserve
As at March 31, 2024

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
ARO Liability (PHTS)	370,293.86			370,293.86
Landfill Closure (Funded) (PHTS)	\$ -	\$ -		\$ -
Net Unfunded Liability	\$ 370,294			\$ 370,293.86
ARO Liability (SL)	12,004,350			12,004,349.95
Landfill Closure (Funded) (SL)	5,624,425	- \$	83,387.03	5,707,811.75
Net Unfunded Liability	6,379,925			6,296,538
Totals	\$ 6,379,925	\$ -	\$ 83,387	\$ 5,707,812

Investments	\$ 5,647,505
Accrued Interest	109,439
Over/ (Under) Subscribed	\$ 49,133

Attachment C
Investments of Community Works Funds
As at March 31, 2024

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
Gas Tax Community Works Fund				
Area A	\$ 2,029,866	\$ -	\$ 22,621.28	\$ 2,052,487.43
Area B	1,616,478	-	\$ 18,014.39	1,634,492.65
Area D	2,123,069	-	\$ 23,659.96	2,146,729.08
Area E	2,559,769	-	\$ 28,526.64	2,588,295.61
Area F	1,342,808	-	\$ 14,964.56	1,357,772.75
		\$	-	
Totals	\$ 9,671,991	\$ -	\$ 107,787	\$ 9,779,778

Investments	\$ 9,360,801
Accrued Interest	234,994
Over/ (Under) Subscribed	\$ (183,982)

Attachement D
Summary of Government Transfers and Amenity Funds
As at March 31, 2024

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
COVID-19 Safe Restart	259,890	-	3,702	\$ 263,591.81
Box Canyon Hydro Amenities Funds	51,837	-	738	\$ 52,575.13
Res. 411/15 No. 5 - Amenities Contribution to Support Agriculture on the Sunshine Coast	\$ 80,255.11	-	1,143	\$ 81,398.29
Voluntary Community Amenity Contribution to Support Agriculture Initiatives on the Sunshine Coast	9,096	-	130	\$ 9,225.15
Next Generation 911 Funding	22,609	-	322	\$ 22,931.28
Local Government Climate Action Program	501,759	-	7,147	\$ 508,906.34
Local Government Housing Initiative Implementation Funds	\$ -	174,383	1,631	\$ 176,013.56
Bear Creek Hydro Amenity Funds	\$ 289,816	-	4,128	\$ 293,944.73
Narrows Inlet Hydro Amenities (Blue Earth Renewables, Coopers Green Hall)	\$ 12,841	-	183	\$ 13,023.73
Parks Master Plan Funds	\$ 72,510	-	1,033	\$ 73,542.87
Totals	\$ 1,300,613	\$ 174,383	\$ 20,157	\$ 1,495,152.89
Growing Communities fund	\$ 2,312,951	-	\$ 32,110	\$ 2,345,061.51
Church Road Debt Proceeds	\$ 387,286	-	\$ 6,318	\$ 393,604.10
			Investments	\$ 4,007,804
			Accrued Interest	18,831
			Over/ (Under) Subscribed	\$ (207,184)

Attachment E
Investments of Parkland Acquisition and Development Costs Charges
As at March 31, 2024

Description	Opening Balance	Transfers	YTD Interest	Closing Balance
Parkland Acquisition	1,078,788	-	\$ 12,798.54	1,091,586
Development Cost Charges				
North Pender Harbour Water Service	40,908.74	-	\$ 485.34	41,394
South Pender Harbour Water Service	214,642.63	3,000	\$ 2,562.29	220,205
Regional Water Service	2,565,752.64	20,351	\$ 30,477.55	2,616,581
Totals	\$ 3,900,092	\$ 23,351	\$ 46,324	\$ 3,969,766

Investments	\$ 3,746,684
Accrued Interest	136,888
Over/ (Under) Subscribed	\$ (86,194)

SUNSHINE COAST REGIONAL DISTRICT STAFF REPORT

TO: Finance Committee – April 18, 2024

AUTHOR: Alex Taylor, Manager, Budgeting and Grants

SUBJECT: CANADA COMMUNITY-BUILDING FUND-COMMUNITY WORKS FUND UPDATE

RECOMMENDATION(S)

THAT the report titled Canada Community-Building Fund- Community Works Fund Update be received for information.

BACKGROUND

Current Status of Agreement

The Community Works Fund (CWF) is one of three funding streams delivered through the Canada Community-Building Fund (CCBF) in British Columbia. The current CCBF Agreement expired on March 31, 2024 and a renewed agreement has yet to be announced. Included is a letter from the Union of BC Municipalities (UBCM) indicating that the Province of BC, Government of Canada and UBCM have been actively engaged in discussions on a long-term renewal of the CCBF (Attachment B). It is expected that a 10-year agreement will be signed in advance of the first anticipated Community Works Fund payment in July.

Historical Funding & Project Eligibility

Since 2005, the Sunshine Coast Regional District (SCRD) has received \$11,332,975 of Community Works Funds and prior funding was based on the SCR D's electoral areas population (2021 census) with payments typically issued on a semi-annual basis. The funds are allocated to the five electoral areas on a per capita basis as per Board Policy.

Funds must be used toward eligible costs in various infrastructure investment categories. Eligible investments 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.

The purpose of this report is to provide the status of the Community Works Funds budgeted project commitments, year-to-date spending, and uncommitted funds to date.

DISCUSSION

Included in the March 2024 letter from UBCM is the expected 2024 payment totalling \$774,723. This has not been committed to the SCRД and is estimated to be disbursed through two payments should a renewed agreement be reached. A summary of CWF allocations and funding commitments by Electoral Area for 2024 with and without a 2024 contribution is provided in Table 1 and 2 respectively. Additional detailed information is included in Attachment A.

Table 1: Summary of Gas Tax Community Works Funding (Without 2024 Contributions)					
Electoral Area	Unspent Funding as at December 31, 2023	Abandoned Projects	2024 Funding Allocations	2024 Funding Commitments	Uncommitted Funds for Available for 2024
Area A- Egmont/Pender Harbour	\$ 2,029,867	\$ -	\$ -	\$ (1,754,255)	\$ 275,612
Area B - Halfmoon Bay	1,616,478	24,036	-	(649,300)	991,214
Area D - Roberts Creek	2,123,069	24,416	-	(783,226)	1,364,259
Area E - Elphinstone	2,559,769	20,812	-	(379,697)	2,200,884
Area F - West Howe Sound	1,342,808	-	-	(1,334,175)	8,633
Totals	\$ 9,671,991	\$ 69,264	\$ -	\$ (4,900,653)	\$ 4,840,602

Table 2: Summary of Gas Tax Community Works Funding (With 2024 Contributions)					
Electoral Area	Unspent Funding as at December 31, 2023	Abandoned Projects	2024 Funding Allocations	2024 Funding Commitments	Uncommitted Funds for Available for 2024
Area A- Egmont/Pender Harbour	\$ 2,029,867	\$ -	\$ 148,814	\$ (1,754,255)	\$ 424,426
Area B - Halfmoon Bay	1,616,478	24,036	145,386	(649,300)	1,136,600
Area D - Roberts Creek	2,123,069	24,416	172,514	(783,226)	1,536,773
Area E - Elphinstone	2,559,769	20,812	190,143	(379,697)	2,391,027
Area F - West Howe Sound	1,342,808	-	117,866	(1,334,175)	126,499
Totals	\$ 9,671,991	\$ 69,264	\$ 774,723	\$ (4,900,653)	\$ 5,615,325

Unspent Funds

The government recognizes that there is a considerable amount of funds in local government funds that are still unspent. The SCRД made several new funding commitments as part of the 2023 and 2024 Budgets and needs to continue working on a plan to expend the unallocated funds.

Incomplete Projects

There is a total of \$12,186 in incomplete active transportation projects which remain open with 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 2024-2028 Financial Plan.

STRATEGIC PLAN AND RELATED POLICIES

Aligns with Board’s Strategic Focus Areas and aligns with Board’s Asset Management and Financial Sustainability Policies.

CONCLUSION

This report is an update on the status of the Community Works Fund and the associated long-term agreement renewal, including funding commitments, year-to-date spending and uncommitted funds available to be spent on eligible projects. There is \$9,741,255 of CWF available to fund eligible projects in 2024 if a funding payment is not received in 2024 and \$10,515,978 if the projected payment is received. Of this, \$4,900,653 has been committed for projects.

Attachment A: Community Works Funds – Summary of Commitments

Attachment B: UBCM Letter – Update on the Canada Community-Building Fund Renewal

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

Community Works Funds- Summary of Commitments 2024 Funding Year - Without 2024 Funding

		A	B	D	E	F	Total
CWF Funding	Function	<u>Z10159</u>	<u>Z10160</u>	<u>Z10161</u>	<u>Z10162</u>	<u>Z10163</u>	
Funding Available as at December 31, 2023		\$ 2,029,867	\$ 1,616,478	\$ 2,123,069	\$ 2,559,769	\$ 1,342,808	\$ 9,671,991
First Installment (July)		-	-	-	-	-	-
Second Installment (December)		-	-	-	-	-	-
Cancelled/Abandoned Projects			24,036.00	24,416.00	20,812.00		69,264.00
Funding Available for Projects in 2024		\$ 2,029,867	\$ 1,640,514	\$ 2,147,485	\$ 2,580,581	\$ 1,342,808	\$ 9,741,255
2024 Budgeted and Committed Funding							
Area A- Emergency Generator (CF)	365	125,000					125,000
Area A- McNeil Lake Dam Upgrades (CF)	366	68,412					68,412
Area A- Dogwood Reservoir Feasibility (CF)	366	108,000					108,000
Area A- North Pender Harbour Watermain Replacement (CF)	365	763,841					763,841
Area A- South Pender Harbour Watermain Replacement (CF)	366	539,116					539,116
Area A- Merrill Crescent Eletrical Replacement	390	30,233					30,233
Area B - Coopers Green Park - Hall & Parking Design Plans (CF)	650		40,389				40,389
Area B - Coopers Green Park Enhancements (CF)	650		400,125				400,125
Area D- Lower Road retaining wall budget increase (CF)	665			510,094			510,094
Area E- Woodcreek Park-WWTP Collection System Designs (CF)	382				9,502		9,502
Area F- Langdale WWTP Remediation Project (CF)	388					125,468	125,468
Area F- Eastbourne Groundwater supply expansion (CF)	370					753,000	753,000
Area-All- Hopkins Landing Dock Repairs	345		88,316	88,316	88,317	88,317	353,266
Area-All- Gliff Gilker Sports Field Irrigation System	650	24,375	24,375	97,501	24,375	24,374	195,000
Area All- Ports Major Capial Proejects	345		46,095	37,315	107,503	28,587	219,500
Area All- Katherine Lake Road Repairs	650	50,000	50,000	50,000	50,000		200,000
Unbudgeted Commitments							
Area A- Res. 070/22 No. 12 Connected Coast contribution in Principle (Earls Cove/Egmont)		45,278					45,278
Area F- Res. 070/22 No. 12 Connected Coast contribution in Principle (Gambier & Keats Islands)						314,429	314,429
Area E- Res. 039/24 No. 18 Construction Phase of Aquifer 560 Watershed Agreement					100,000		100,000
		\$ 1,754,255	\$ 649,300	\$ 783,226	\$ 379,697	\$ 1,334,175	\$ 4,900,653
Uncommitted CWF Gax Tax Funds for 2024		\$ 275,612	\$ 991,214	\$ 1,364,259	\$ 2,200,884	\$ 8,633	\$ 4,840,602

**Community Works Funds-
Summary of Commitments
2024 Funding Year- With 2024 Funding**

		A	B	D	E	F	Total
CWF Funding	Function	<u>Z10159</u>	<u>Z10160</u>	<u>Z10161</u>	<u>Z10162</u>	<u>Z10163</u>	
Funding Available as at December 31, 2023		\$ 2,029,867	\$ 1,616,478	\$ 2,123,069	\$ 2,559,769	\$ 1,342,808	\$ 9,671,991
First Installment (July)		74,406.94	72,693.07	86,257.22	95,071.46	58,933.05	387,361.74
Second Installment (December)		74,406.94	72,693.07	86,257.22	95,071.46	58,933.05	387,361.74
Cancelled/Abandoned Projects			24,036.00	24,416.00	20,812.00		69,264.00
Funding Available for Projects in 2024		\$ 2,178,680	\$ 1,785,900	\$ 2,320,000	\$ 2,770,724	\$ 1,460,674	\$ 10,515,979
2024 Budgeted and Committed Funding							
Area A- Emergency Generator (CF)	365	125,000					125,000
Area A- McNeil Lake Dam Upgrades (CF)	366	68,412					68,412
Area A- Dogwood Reservoir Feasibility (CF)	366	108,000					108,000
Area A- North Pender Harbour Watermain Replacement (CF)	365	763,841					763,841
Area A- South Pender Harbour Watermain Replacement (CF)	366	539,116					539,116
Area A- Merrill Crescent Eletrical Replacement	390	30,233					30,233
Area B - Coopers Green Park - Hall & Parking Design Plans (CF)	650		40,389				40,389
Area B - Coopers Green Park Enhancements (CF)	650		400,125				400,125
Area D- Lower Road retaining wall budget increase (CF)	665			510,094			510,094
Area E- Woodcreek Park-WWTP Collection System Designs (CF)	382				9,502		9,502
Area F- Langdale WWTP Remediation Project (CF)	388					125,468	125,468
Area F- Eastbourne Groundwater supply expansion (CF)	370					753,000	753,000
Area-All- Hopkins Landing Dock Repairs	345		88,316	88,316	88,317	88,317	353,266
Area-All- Gliff Gilker Sports Field Irrigation System	650	24,375	24,375	97,501	24,375	24,374	195,000
Area All- Ports Major Capial Proejects	345		46,095	37,315	107,503	28,587	219,500
Area All- Katherine Lake Road Repairs	650	50,000	50,000	50,000	50,000		200,000
Unbudgeted Commitments							
Area A- Res. 070/22 No. 12 Connected Coast contribution in Principle (Earls Cove/Egmont)		45,278					45,278
Area F- Res. 070/22 No. 12 Connected Coast contribution in Principle (Gambier & Keats Islands)						314,429	314,429
Area E- Res. 039/24 No. 18 Construction Phase of Aquifer 560 Watershed Agreement					100,000		100,000
		\$ 1,754,255	\$ 649,300	\$ 783,226	\$ 379,697	\$ 1,334,175	\$ 4,900,653
Uncommitted CWF Gax Tax Funds for 2024		\$ 424,425	\$ 1,136,600	\$ 1,536,774	\$ 2,391,027	\$ 126,499	\$ 5,615,326

Attachment B



Date: March 6, 2024
To: CAO's
From: Union of BC Municipalities
RE: Update on the Canada Community-Building Fund Renewal

Dear Dean McKinley,

The current 10-year Canada Community-Building Fund program is set to expire on March 31, 2024. Over the past year, UBCM, the Province and the Government of Canada have been actively engaged in discussions on a long-term renewal of the CCBF. UBCM's goal has been to ensure that local governments in BC continue to receive the funds in a dedicated, flexible and predictable manner and that there be no disruption to the timing of future payments.

Status of negotiation:

In 2023, UBCM conducted a member survey on elements of the current agreement as the basis of our advocacy position for the renewed agreement. The results of that survey indicated broad support for the current model which included the direct allocation Community Works Fund program with a funding floor, the application-based Strategic Priorities Fund, and a pooled public transit fund for Metro Vancouver.

In September 2023, UBCM and the Province formalized a joint advocacy approach to renewal discussions with the Government of Canada noting several key areas of alignment. This advocacy position included:

- A long-term predictable source of funding for local governments
- A flexible and effective funding and programming
- A doubling of the fund
- Removal of the current stacking provision
- A review and increase of the indexing model
- Continue to enhance and improve local government capacity to implement asset management best practices

In the winter, the Government of Canada distributed a CCBF position paper identifying three key areas of focus for a renewed agreement. These include: new reporting conditions for both signatories and recipients; new housing requirements for communities over 30,000; and reporting on housing outputs on a project level.

UBCM and the Province have identified concerns with these proposed reporting and housing conditions. We have communicated these concerns to the Government of Canada both formally and informally throughout the renegotiation process. The continuing discussions remain positive and we anticipate reaching effective and workable solutions.

Next Community Works Fund payment:

Although we do not expect the federal government will commit to doubling the CCBF at this time, we do anticipate that the program will continue at current funding levels with indexing. The expected Community Works Fund payment for the Sunshine Coast Regional District in the 2024/25 reporting year is: \$774,723.48

Please note that any change to this payment amount from last year is the result of incorporating the most current Canada census populations for British Columbia (2021) in the program's allocation formula.

2023 Annual Expenditure Reporting

On April 15, UBCM will be opening the CCBF reporting for the 2023 calendar year. This will be the final report under the 2014-2024 agreement and will include additional reporting to identify and provide timelines for the use of remaining unspent Community Works Funds. The report will also highlight local communications activities and use of signage for active projects. This report will be due June 1, 2024 and will be a pre-condition of future CCBF funding.

Instructions on how to submit your 2023 AER will be provided in advance of April 15.

Next steps:

UBCM, the Province and the Government of Canada continue to have positive discussions on the terms of a renewed long-term agreement. We will continue to raise the above-mentioned concerns and aim to be in a position to have a 10-year Agreement signed in advance of the first expected Community Works Fund payment in July. Until that Agreement is signed, the program will continue to operate under the terms and conditions of the existing CCBF Agreement.

We will continue to provide updates on the progress of CCBF discussions through our online Compass.

Sincerely,



Brant Felker
Manager, Gas Tax Program Services, UBCM

CC: Tina Perreault