



SUNSHINE COAST REGIONAL DISTRICT



REGULAR BOARD MEETING TO BE HELD
IN THE BOARDROOM OF THE SUNSHINE COAST
REGIONAL DISTRICT OFFICES AT 1975 FIELD ROAD, SECHELT, B.C.

THURSDAY, JANUARY 25, 2024

AMENDED AGENDA

CALL TO ORDER 1:00 p.m.

AGENDA

1. Adoption of agenda

MINUTES

2. Special Board meeting minutes of January 8, 2024 Annex A
Pages 4 - 5
3. Regular Board meeting minutes of January 11, 2024 Annex B
pp 6 - 10

BUSINESS ARISING FROM MINUTES AND UNFINISHED BUSINESS

PRESENTATIONS AND DELEGATIONS

4. Kalwij Water Dynamics Inc. (KWD) Annex C
pp 11 - 25
Regarding: Groundwater Investigation Phase 5
- 4a **⇒ADD** Sunshine Coast Regional Economic Development pp 25a – 25cc
Organization (SCREDO)
Regarding: 2024 Work Plan

REPORTS

5. Committee of the Whole recommendation Nos. 1 and 3 - 12 of Annex D
pp 26 - 30
January 11, 2024
Recommendation No. 2 previously adopted
6. Electoral Area Services Committee recommendation Nos. 1 – 4 of Annex E
pp 31 - 33
January 18, 2024
7. 2024 AVICC Resolutions – Corporate Officer Annex F
pp 34 - 35
8. Notice on Title – Chief Building Official Annex G
pp 36 - 38

COMMUNICATIONS

NOTICE OF MOTION

9. Climate Emergency Declaration

WHEREAS, as per section 185 (d) of the *Local Government Act*, the purposes of a Regional District include “fostering the current and future economic, social and environmental well-being of its community”;

AND WHEREAS each decade since the 1980s has been warmer than the previous one, with 2023 deemed the hottest year on record, showing a clear trajectory of increase in global warming;

AND WHEREAS the impacts of a warming climate on the Sunshine Coast -- including drought, sea level rise, wildfire risk, severe storms and extreme precipitation -- are significant and increasing in frequency, and affect the financial, physical and mental health of our residents;

AND WHEREAS the March 2023 report from the Intergovernmental Panel on Climate Change (IPCC) finds that it is necessary to limit global warming to 1.5 degrees Celsius to secure a livable future for all, and that, to do so, GHG emissions need to be cut by 43% below 2019 levels by 2030, 60% below 2019 levels by 2035, and reach a zero CO2 emissions target by 2050;

AND WHEREAS urgent, meaningful and just climate action is needed from all levels of government in order to foster a healthy, equitable and livable future for current residents and the next seven generations;

AND WHEREAS the SCRD’s draft Community Climate Action Plan (CCAP) was presented to the Board in 2023 but has yet to be adopted;

THEREFORE BE IT RESOLVED:

THAT the Sunshine Coast Regional District officially declare a climate emergency for the purpose of formalizing and deepening our commitment to protecting our community, ecosystems and economy from global warming;

AND THAT the board continue to develop policy and demonstrate leadership that directs meaningful action on this Climate Emergency Declaration;

AND THAT staff bring the Community Climate Action Plan back for review and consideration of adoption at a future Special Board Meeting, and provide the board with a list of actions that can be

started in 2024;

AND BE IT FURTHER RESOLVED THAT this Special Meeting be scheduled no later than end of Q2 2024.

BYLAWS

10. *Sunshine Coast Regional District Security Issuing Bylaw No. 763, 2024 – receipt of staff report* Annex H
pp 39 - 45
- first, second, third reading and adoption
(Voting – All Directors – weighted vote: A-2, B-2, D-2, E-2, F-2, Sechelt -6, Gibsons-3, sNGD-1)

DIRECTORS' REPORTS

NEW BUSINESS

IN CAMERA

THAT the public be excluded from attendance at the meeting in accordance with Section 90 (1) (a) of the *Community Charter* – “personal information about an identifiable individual who holds or is being considered for a position. [...]”



SCREDO

**SUNSHINE COAST REGIONAL
ECONOMIC DEVELOPMENT
ORGANIZATION**

DRAFT Strategic Plan 2024-2026

Land Acknowledgement

SCREDO acknowledges that our work takes place on the traditional, ancestral and unceded land of the shíshálh and Sk̓wxwú7mesh people.

We recognize and respect the shíshálh and Sk̓wxwú7mesh people as traditional stewards of this land and the enduring relationship that has existed between them and their traditional territory since time immemorial.

About this Strategic Plan

Initiated in November 2023, this first draft of SCREDO's Strategic Plan was prepared by the Board for discussion with funding agencies and other community groups. It sets out our organization's purpose, vision and strategic priorities for the benefit of the Sunshine Coast.

The purpose of the strategic plan is to outline SCREDO's direction and identify three overarching priorities for the next two years, which will lay a path towards our vision of a sustainable, thriving and diverse regional economy that is aligned with community values, expands opportunities for all residents and improves overall community wellbeing.

This strategic plan will ensure meaningful and measurable progress towards long-term impact. It will also supplement and work in conjunction with other government reporting processes such as the annual work plan and progress reports.

Our Approach

SCREDO excels at enabling the growth of other organizations, fostering a strong local economy, and empowering community partners.

SCREDO aligns its goals to local governments' strategic plans, reports on its activities, and articulates its value to the community.

We enhance economic capacity through collaborative, sustainable initiatives.

We are truthful, inclusive, transparent, and democratic.

We respect the importance of diversity and are accountable to our funders and the public.

Who We Are

SCREDO, the Sunshine Coast Regional Economic Development Organization, performs economic development functions on behalf of four local governments.

Economy

SCREDO is a pivotal organization serving as the primary point of contact for economic growth and investment inquiries on the Sunshine Coast of British Columbia.

Development

Working with many community partners since 2017, SCREDO provides a variety of programs to enhance economic activity and develop business support infrastructure on the Sunshine Coast. We undertake collaborative and sustainable initiatives to serve the business community.

Champions of Economic Development

SCREDO promotes the Sunshine Coast's business climate advantage, quality of life, year-round access and workforce. We publish monthly and quarterly newsletters and timely email notifications about emerging issues

Our Government Liaisons

District of Sechelt - Adam Shephard
Sunshine Coast Regional District - Donna McMahon
Town of Gibsons - Silas White
shíshálh Nation - vacant

Our Board of Directors

Aaron Joe	John Sutherland
Bruce Thompson	Micki McCartney
Darnelda Siegers	Mike Price
Gaetan Royer	

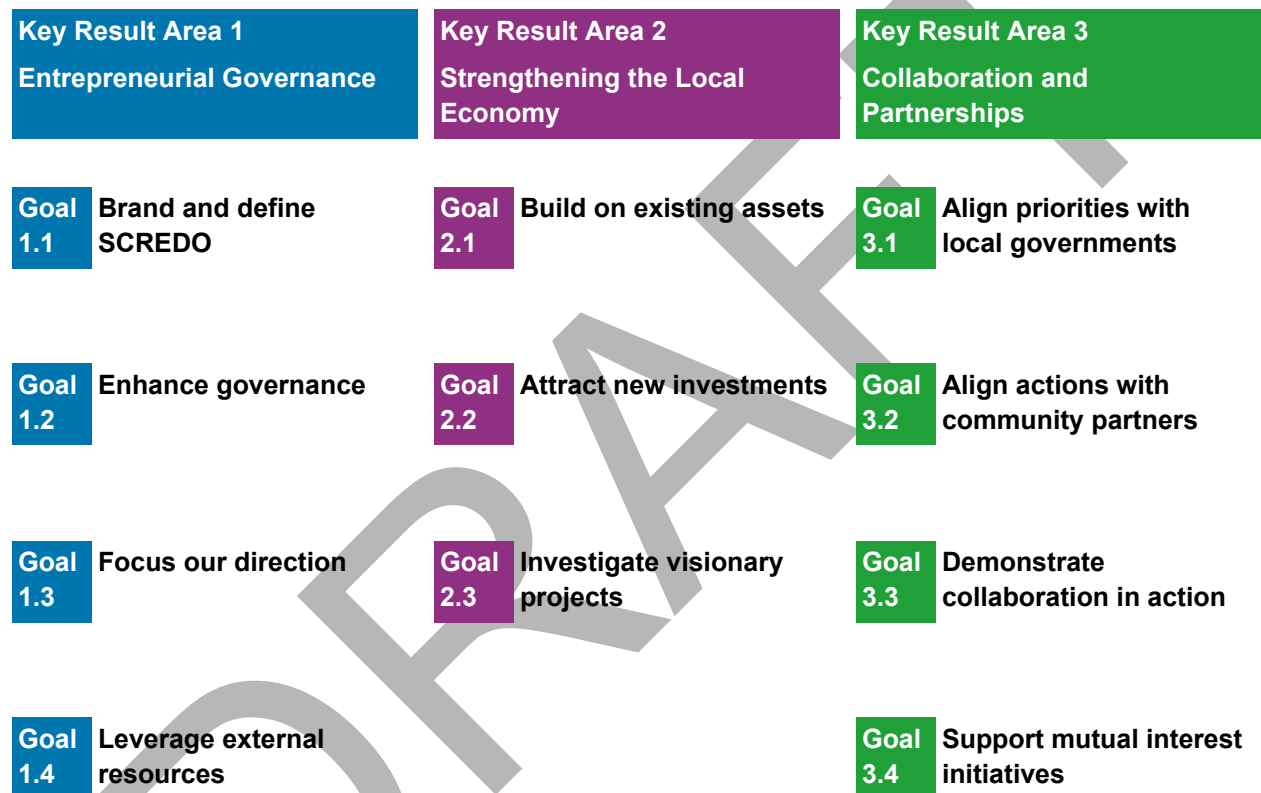
Our Staff

Colin Stansfield, Executive Director
Yarrow Drtina, Small Business Programs Manager

Our Key Result Areas and Strategic Goals

The strategic plan lays out three Key Result Areas, eleven Strategic Goals and a corresponding set of actions and results for each goal to be implemented from 2023 to 2026.

The Key Result Areas and Strategic Goals identified by the Board of Directors for January 2024 through December 2025 are:



Key Result Area 1: Entrepreneurial Governance

Goal 1.1 - Brand and define SCREDO

Actions:

- Write and communicate our story
- Be recognized as a professional business consultancy
- First stop for investors

Goal 1.2 - Improve governance

Actions:

- Improve relationships with funders
- Revisit Service Agreement
- Adopt clear policies and processes
- Recruit staff to meet Board's goals

Goal 1.3 - Focus our direction

Actions:

- Focus on economic growth
- Focus on innovation
- Host networking opportunities
- Set-up task forces that are disbanded when job is done
- Explore more social enterprise

Goal 1.4 - SCREDO self-care and growth

Actions:

- Secure non-tax funding sources
- Identify and apply for suitable grants

Key Result Area 2: Strengthen the local economy

Goal 2.1 - Build on existing business assets

Actions:

- Fill vacant commercial space
- Foster re-investment in storefronts
- Improve commercial leasability
- Promote social impact purchasing
- Encourage government local procurement
- Enhance Keep it Coastal
- Partner with Shop Local BC
- Promote Living Wage benefits

Goal 2.2 - Attract new investments

Actions:

- Develop marketing plan and budget
- Market employment land inventory
- Organize targeted investor events
- Host major investor event in 2025
- Build economic indicators tool
- Publish annual report card
- Publish quarterly State of the Coast

Goal 2.3 - Investigate visionary projects

Actions:

- Host ideation session with Funders
- Set-up Task Force to explore ideas
- Engage the community in validating ideas

Key Result Area 3: Collaboration and partnerships

Goal 3.1 - Align priorities with local governments

Actions:

- shíshálh Nation
- Town of Gibsons
- District of Sechelt
- Sunshine Coast Regional District
- Skwxwú7mesh Nation

Goal 3.2 - Align actions with community partners

Actions:

- School District
- Capilano University
- Coastal Health Authority
- Foundations
- Sunshine Coast Chamber
- Downtown Business Associations
- Sunshine Coast Tourism

Goal 3.3 - Demonstrate collaboration in action

Actions:

- Foster reconciliation initiatives
- Host business improvement forums
- Monitor and maintain goal alignment among business advocacy groups
- Energize coastal business sectors
 - Home-based innovators
 - Arts and culture enterprises
 - Hospitality industry
 - Young entrepreneurs
 - Industrial sector
 - Airport and harbour businesses
- Avoid duplication
- Reinforce each other's roles

Goal 3.4 - Support mutual interest initiatives

Actions:

- Purpose-built rental housing
- Purpose-built worker housing
- Regional economic development plan

Success Indicators

Qualitative

- SCREDO data is relied on by Funders
- Funders seek to use SCREDO
- Funders adopt SCREDO's regional economic plan
- Investors support visionary projects that advance community objectives
- *Invest in the Sunshine Coast* is broadly seen as necessary
- The Coast accepts growth and change

Quantitative

- Newsletter readership
- Growth in self-generated revenue
- Business space vacancies
- Job space growth
- Labour participation rate
- shíshálh Nation jobs
- Flow-through non-local funds
- Missing middle housing growth
- Industrial tax base ratio



SCREDO

**SUNSHINE COAST REGIONAL
ECONOMIC DEVELOPMENT
ORGANIZATION**

DRAFT Work Plan 2024

Acknowledgement

SCREDO acknowledges that our work takes place on the traditional, ancestral and unceded land of the shíshálh and Sk̓wx̓wú7mesh people.

We recognize and respect the shíshálh and Sk̓wx̓wú7mesh people as traditional stewards of this land and the enduring relationship that has existed between them and their traditional territory since time immemorial.

About this Work Plan

The 2024 Work Plan has been developed to advance the Key Result Areas and Strategic Goals identified in SCREDO's Strategic Plan 2024-2026. The Work Plan is aspirational in its intent and presented in its draft form as an invitation for feedback from local governments.

The scale and scope of operations, program and projects included in the Work Plan are consistent with the mandate and 2024 financial contributions defined in the Service Agreement between SCREDO and its government funders.

In some cases, programs and projects may be expanded if SCREDO is able to secure additional funding through grants, special project funding or partner contributions. Staff capacity to deliver expanded projects will be achieved through program- or project-specific contracts.

Overview

\$624,500 Budget

- 40% (\$249,000) on Society operations including staff, communications, governance enhancement, and general and administrative expenses.
- 60% (\$375,500) on Programs and Projects

\$626,708 Revenue

- 57% (\$356,708) from Service Agreement contributions
- 14% (\$90,000) from special project funding
- 22% (\$135,000) from grant funding
- 7% (\$45,000) from earned income

Significant focus areas:

- Investment Attraction
- Society Governance
- Regional Economic Development

Society Operations

\$249,000

Wages & Benefits

\$192,500

- Renewal of Executive Director's contract with updated responsibilities and performance outcomes
- Renewal of Small Business Programs Manager's contract with refocused responsibilities centered around communications, engagement and special projects
- New contract for bookkeeping and administrative support

Strategic plan alignment:

- Goal 1.2 - Improve Governance, "Recruit staff to meet Board's goals"

Communications

\$25,000

- Facilitated exercise to confirm for SCREDO value proposition, principles, positioning, and target audiences
- Development of keystone website and associated collateral
- Communications strategy to support promotional activities, storytelling and public engagement, annual reporting, and economic indicators

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, "Write and communicate our story"

Policy & Process

\$1,500

- Annual subscription to First Reference's Not for Profit Policy Pro

Strategic plan alignment:

- Goal 1.2 - Improve Governance, "Adopt clear policies and processes"

Governance Training

\$5,000

- Lifecycle Assessment contract to determine priority areas for capacity building across programs, management, governance, business model, and systems
- Based on assessment outcome and subject to availability of additional funding, opportunity to include tailored training sessions and explore potential for collaborative workshops with community partners

Strategic plan alignment:

- Goal 1.4 - SCREDO self-care and growth

General & Administrative

\$25,000

- Core operating and administrative expenses including accounting, insurance, office supplies, memberships, software and travel

Programs

\$183,000

Keep it Coastal

\$52,500

Procurement

\$50,000

- External contract to review underlying issues related to low tender participation on local government projects and to make recommendations for improved private sector participation with a focus on supporting local vendors

Strategic plan alignment:

- Goal 2.1 - Build on existing business assets, “Enhance Keep it Coastal”, “Promote social impact purchasing”, “Encourage government local procurement”

Buy Local

\$2500

- Seasonal campaigns to promote consumer support for shopping local and business support for local procurement
- SCREDO's contribution is leveraged against contributions from participating communities province wide and capacity funding from provincial and federal governments for program delivery through LOCO BC

Strategic plan alignment:

- Goal 2.1 - Build on existing business assets, "Enhance Keep it Coastal", "Partner with Shop Local BC"

FUSE

\$65,000

- Continued operation of three FUSE Community Workhub locations: Gibsons, Sechelt and Pender Harbour

Strategic plan alignment:

- Goal 1.3 - Focus our direction, "Explore more social enterprise"
- Goal 1.4 - SCREDO self-care and growth, "Secure non-tax funding sources"
- Goal 3.3 - Demonstrate collaboration in action, "Energize coastal business sectors"

Round-Up

\$17,500

Ecosystem Support

\$12,500

- Continued provision of membership software (GrowthZone) for local chambers of commerce
 - Use of a common membership platform enables shared data collection and ongoing updates of SCREDO's Coast Business Registry
- Partnership contributions for chamber initiatives (ex. People's Choice Awards, Business Excellence Awards, networking events)

Strategic plan alignment:

- Goal 3.2 - Align actions with community partners, "Sunshine Coast Chamber"
- Goal 3.3 - Demonstrate collaboration in action, "Monitor and maintain alignment among business advocacy groups", "Energize coastal business sectors", "Avoid duplication"

Business Engagement

\$2,500

- Annual survey of business sectors

Strategic plan alignment:

- Goal 2.2 - Attract new investments, “Publish quarterly State of the Coast”
- Goal 3.2 - Align actions with community partners, “Sunshine Coast Chamber”, “Downtown Business Associations”, “Sunshine Coast Tourism”
- Goal 3.3 - Demonstrate collaboration in action, “Monitor and maintain goal alignment among business advocacy groups”, “Energize coastal business sectors”, “Avoid duplication”, “Reinforce each other’s roles”

Snapshot Report

\$2,500

- Bi-annual compilation of business and employment statistics

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, “Write and communicate our story”
- Goal 1.3 - Focus our direction, “Focus on economic growth”, “Focus on innovation”
- Goal 2.2 - Attract new investments, “Publish annual report card”, “Publish quarterly State of the Coast”

Invest Sunshine Coast

\$48,000

Marketing Plan & Advertising

\$10,000

- Alignment of investment branding with refreshed SCREDO communications strategy
- Print and social media ad buys to promote investment site

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, “Write and communicate our story”
- Goal 1.3 - Focus our direction, “Focus on economic growth”, “Focus on innovation”
- Goal 2.2 - Attract new investments, “Develop marketing plan and budget”

Website

\$13,000

- Annual subscription to LocalIntel data visualization tools for investsunshinecoast.ca
- Content creation for regional opportunities page
- Integration of new aggregated listing of vacant commercial retail units pulling available data from local real estate sites

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, “First stop for investors”
- Goal 2.1 - Build on existing business assets, “Fill vacant commercial space”, “Foster re-investment in storefronts”, “Improve commercial leasability”
- Goal 2.2 - Attract new investments, “Market employment land inventory”, “Build economic indicators tool”

Investigate & Instigate

\$25,000

- Creation of new expert working groups in emerging areas for direct investment, ex intelligent and low-carbon transportation solutions or industrial development to support expansion of Sechelt Airport and regional air travel
- Targeted networking events for sector development
- Grant-writing support for early-stage discovery and business scaling; identified funds include BC Manufacturing Jobs Fund, Investing in Canada Infrastructure Program, Rural Economic Diversification and Infrastructure Program, Strategic Innovation Fund, PacifiCan, and CanExport Community Investments

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, “Be recognized as a professional business consultancy”
- Goal 1.3 - Focus our direction, “Focus on economic growth”, “Focus on innovation”, “Host networking opportunities”, “Set-up task forces that are disbanded when the job is done”
- Goal 1.4 - SCREDO self-care and growth, “Identify and apply for suitable grants”
- Goal 2.3 - Investigate visionary projects, “Set-up Task force to explore ideas”, “Engage the public in validating ideas”
- Goal 3.3 - Demonstrate collaboration in action, “Energize coastal business sectors”

Projects

\$192,500

Mobile Vending & Livelihood Entrepreneurs

\$40,000*

- Provincially-funded work to develop a sector development strategy for mobile vendors and livelihood entrepreneurs

*100% funded through the Rural Economic Diversification and Infrastructure Program

Strategic plan alignment:

- Goal 1.3 - Focus our direction, "Focus on economic growth"
- Goal 1.4 - SCREDO self-care and growth, "Identify and apply for suitable grants"
- Goal 3.3 - Demonstrate collaboration in action, "Energize coastal business sectors"

Hillside Investment Attraction Analysis

\$80,000*

- Funded work to prepare: baseline status report, desired future state including servicing and subdivision, future amenities and investments, and proposed roles for regional partners; and implementation plan

*100% funded through separate service agreement with SCRD

Strategic plan alignment:

- Goal 1.3 - Focus our direction, "Focus on economic growth", "Focus on innovation"
- Goal 1.4 - SCREDO self-care and growth, "Identify and apply for suitable grants"
- Goal 2.2 - Attract new investments, "Market employment land inventory"
- Goal 2.3 - Investigate visionary projects, "Host ideation session with Funders", "Set-up Task Force to explore ideas"

Regional Economic Development Plan

\$50,000*

- Co-creation of a regional economic development plan based on workshops with funders and key partners and informed by community and public engagement
- New regional plan will support revisiting the current service agreement between local governments and SCREDO
- Project could scale up or down subject to secured sources of external funding; grant opportunities identified through ICET, REDIP and PacifiCan

*currently scoped as 80% funded from external sources

Strategic plan alignment:

- Goal 1.1 - Brand and define SCREDO, “Write and communicate our story”
- Goal 1.3 - Focus our direction, “Focus on economic growth”, “Focus on innovation”
- Goal 1.4 - SCREDO self-care and growth, “Identify and apply for suitable grants”
- Goal 2.3 - Investigate visionary projects, “Host ideation session with Funders”, “Engage community in validating ideas”
- Goal 3.1 - Align priorities with local governments
- Goal 3.2 - Align actions with with community partners
- Goal 3.3 - Demonstrate collaboration in action, “Monitor and maintain alignment among business advocacy groups”, “Energize coastal business sectors”
- Goal 3.4 - Support mutual interest initiatives, “Regional economic development plan”

Regional Indicators

\$17,500

- Development of a community and economic development measurement framework to guide annual reporting

Strategic plan alignment:

- Goal 2.2 - Attract new investments, “Build economic indicators tool”, “Publish annual report card”, “Publish quarterly State of the Coast”

VICEDA - Circular Economy

\$5,000

- Participation in Phase 2 of regional collaboration with VICEDA community partners including seminars, business audits and cluster development
- SCREDO’s contribution is leveraged against contributions from participating communities region-wide and capacity funding from ICET and provincial and federal governments for program delivery through Synergy Foundation

Strategic Plan Alignment:

- Goal 1.3 - Focus our direction, “Focus on innovation”
- Goal 3.3 - Demonstrate collaboration in action, “Energize coastal business sectors”

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION
Financial Statements
Year Ended August 31, 2023

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Index to Financial Statements

Year Ended August 31, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Sunshine Coast Regional Economic Development Organization

I have reviewed the accompanying financial statements of Sunshine Coast Regional Economic Development Organization (the organization) that comprise the statement of financial position as at August 31, 2023, and the statements of revenues and expenditures, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO), 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Sunshine Coast Regional Economic Development Organization as at August 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.



Gibsons, British Columbia
January 17, 2024

Alvarez CPA, Inc
Chartered Professional Accountants


SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Statement of Financial Position

August 31, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 124,645	\$ 166,631
Term deposits	71,277	69,520
Grants receivable (Note 5)	513,888	449,834
Prepaid expenses	15,723	3,406
	725,533	689,391
PROPERTY AND EQUIPMENT (Note 4)	30,353	41,823
	\$ 755,886	\$ 731,214
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 25,503	\$ 36,767
Deferred contributions (Note 3)	93,177	-
Due to related parties (Note 11)	161,232	113,811
	279,912	150,578
NET ASSETS	475,974	580,636
	\$ 755,886	\$ 731,214

ON BEHALF OF THE BOARD


Director

Director

Micki McCartney (Jan 19, 2024 09:15 PST)

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SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Statement of Revenues and Expenditures

Year Ended August 31, 2023

	2023	2022
REVENUES		
Government Funding (Notes 8, 9)	\$ 346,994	\$ 337,543
FUSE revenue	34,778	41,519
Other grants and contributions (Note 7)	53,613	136,779
	435,385	515,841
EXPENSES		
Accounting fees	5,775	5,804
Advertising and promotion	9,645	48,809
Amortization	21,423	20,672
Business taxes, licenses and memberships	17,951	18,330
Insurance	1,406	1,538
Interest and bank charges	504	665
Professional Services	910	16,242
Office	28,206	34,454
Meetings & events	3,703	1,326
Service contracts	175,573	196,449
Regional Partnerships	9,011	-
Rental	71,795	78,472
Telephone	8,592	7,974
Travel	3,144	2,474
Utilities	4,238	3,917
	361,876	437,126
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	73,509	78,715
OTHER INCOME (EXPENSES)		
Interest income	1,758	647
Write-off of uncollectable grant	(179,929)	-
	(178,171)	647
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (104,662)	\$ 79,362

LEASE COMMITMENTS (NOTE 6)

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Statement of Changes in Net Assets

Year Ended August 31, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 580,636	\$ 501,274
DEFICIENCY OF REVENUES OVER EXPENSES	(104,662)	79,362
NET ASSETS - END OF YEAR	\$ 475,974	\$ 580,636

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

**Statement of Cash Flows
Year Ended August 31, 2023**

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	\$ (104,662)	\$ 79,362
Item not affecting cash:		
Amortization of property and equipment	21,423	20,672
	(83,239)	100,034
Changes in non-cash working capital:		
Grants receivable	(64,054)	(107,385)
Accounts payable	(11,265)	(24,205)
Deferred contributions	93,177	-
Prepaid expenses	(12,317)	-
	5,541	(131,590)
Cash flow used by operating activities	(77,698)	(31,556)
INVESTING ACTIVITY		
Purchase of property and equipment	(9,952)	(1,044)
FINANCING ACTIVITY		
Advances from related parties	47,421	56,906
INCREASE (DECREASE) IN CASH FLOW	(40,229)	24,306
Cash - beginning of year	236,151	211,845
CASH - END OF YEAR	\$ 195,922	\$ 236,151
CASH CONSISTS OF:		
Cash	\$ 124,645	\$ 166,631
Term deposits	71,277	69,520
	\$ 195,922	\$ 236,151

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Notes to Financial Statements

Year Ended August 31, 2023

1. PURPOSE OF THE ORGANIZATION

Sunshine Coast Regional Economic Development Organization (the "organization") is a not-for-profit organization in British Columbia. As a not-for-profit organization, it is exempt from the payment of income tax under Subsection 149(1) of the Income Tax Act. The organization was incorporated as a not-for-profit organization on September 8, 2016.

The organization operates to provide in partnership, with various government organizations, the following initiatives in the Sunshine Coast Region:

- a) Programs to support workforce development and education.
- b) A business retention and expansion (BRE) program.
- c) Lobbying on topics of shared regional interest.
- d) Attracting business investment, including entrepreneurial businesses, through regional marketing, information provision and other techniques.
- e) New resident attraction.
- f) Regional information collection and dissemination.
- g) Working collaboratively on key regional facilities and infrastructure.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Revenue recognition

Sunshine Coast Regional Economic Development Organization follows the deferral method of accounting for contributions.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

For all other revenue sources the organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- 1. Services are provided or products delivered to customers
- 2. There is clear evidence that an arrangement exists
- 3. Amounts are fixed or can be determined
- 4. The ability to collect is reasonably assured

(continues)

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Notes to Financial Statements

Year Ended August 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Property and equipment

Property and equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer software	100%	declining balance method
Equipment	20%	declining balance method
Furniture and fixtures	20%	declining balance method
Leasehold improvements	5 years	straight-line method

The organization regularly reviews its property and equipment to eliminate obsolete items. Government grants are treated as a reduction of property and equipment cost.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Cash and cash equivalents

Cash and cash equivalents are made up of cash and term deposits.

Contributed services

The operations of the society depend on the contribution of time by volunteers from various sources. The fair value of donated services cannot be reasonably determined and are therefore not reflected in these financial statements.

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Notes to Financial Statements

Year Ended August 31, 2023

3. DEFERRED CONTRIBUTIONS

During the year the organization received \$96,700 from The Province of BC for Rural Economic Diversification and Infrastructure Program. This program allows the organization to perform the project which is Strengthening Economic Livelihoods on the Sunshine Coast. The deferred contribution is being recognized into revenue at the same basis as the eligible expenses are incurred. During the year the organization incurred \$3,523 of eligible expenses and therefore recognized into revenue \$3,523 during 2023 (2022 - \$0).

	2023	2022
Received during the year	\$ 96,700	\$ -
Recognized into revenue	(3,523)	-
Ending Balance	\$ 93,177	\$ -

4. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Equipment	\$ 9,952	\$ 995	\$ 8,957	\$ -
Furniture and fixtures	16,920	10,923	5,997	7,496
Leasehold improvements	94,640	79,241	15,399	34,327
	\$ 121,512	\$ 91,159	\$ 30,353	\$ 41,823

5. GRANTS RECEIVABLE

	2023	2022
Government Funding Receivable	\$ 693,817	\$ 445,254
Island Coastal Economic Trust	-	4,580
Impairment of Government Funding Receivable	(179,929)	-
	\$ 513,888	\$ 449,834

6. LEASE COMMITMENTS

The organization has long term leases with respect to its FUSE premises. Future minimum lease payments as at August 31, 2023, are as follows:

	Gibsons	Pender Harbour	Sechelt	Total
2024	\$ 20,160	\$ 7,132	\$ 10,080	\$ 37,372
2025	20,160	2,972	-	23,132
	\$ 40,320	\$ 10,104	\$ 10,080	\$ 60,504

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Notes to Financial Statements

Year Ended August 31, 2023

7. OTHER GRANTS AND CONTRIBUTIONS

	2023	2022
Island Coastal Economic Trust	\$ 40,840	\$ 32,060
SCPCA Sponsorships	9,250	1,250
REDIP Grant Funding	3,523	-
BC Chamber of Commerce Shop Local Grant	-	103,469
	-	-
	\$ 53,613	\$ 136,779

8. GOVERNMENT ASSISTANCE

The organization has an agreement whereby, on a calendar year basis, it receives \$346,993 from the Sunshine Coast Regional District (53.31%), the District of Sechelt (30.09%), the Town of Gibsons (13.90%) and the Sechelt Indian Government District (2.70%). The agreement is from 2021 through 2025 the amount of revenue from funders increases each year based on the agreement. This funding is provided on the condition that the funders approve an Annual Work Plan and Budget. During the year the organization recognized \$3,523 into revenue from the Province of BC from Regional Economic Development Program.

9. ECONOMIC DEPENDENCE

During the year, the organization derived 42.48% (2022 - 34.88%) of its total revenue (both grant revenue and all other revenue) from the Sunshine Coast Regional District.

10. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of August 31, 2023.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from its government funders. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Given the size of the government funders the concentration of credit risk is not high.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its amounts owing to related parties and accounts payable.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

SUNSHINE COAST REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION

Notes to Financial Statements

Year Ended August 31, 2023

11. DUE TO RELATED PARTY

	2023	2022
Trippant Communications (executive director proprietorship)	\$ 161,232	\$ 113,811

Trippant Communications is a sole proprietorship providing executive director services to the organization. The nature of the amounts relate to contract fees for services provided as well as expense reimbursements as required. The total amounts for 2023 services are \$113,811 recorded in service contract expenses (2022 - \$113,811) of these expenses \$161,232 is payable at the year-end August 31, 2023. These amounts are measured at the exchange amount agreed upon by both parties.

12. REMUNERATION PAID TO EMPLOYEES AND CONTRACTORS

For the fiscal year, the Organization paid one contractor over \$75,000 for services provided to the Organization. The total paid to the contractor for the year was \$113,811 (2022: one contractor for a total of \$113,811)

13. SUBSEQUENT EVENTS

Subsequent to year-end, the organization passed a board resolution to change the fiscal year end of the organization from August to December, effective December 31, 2023 year end. This will not have a financial impact on the organization.