

Regional District of Central
Kootenay
Financial Statements
For the year ended December 31, 2024

Regional District of Central Kootenay
Financial Statements
For the year ended December 31, 2024

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Regional District of Central Kootenay (the "Regional District") are the responsibility of management and have been approved by the Board of Directors of the Regional District.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Regional District of Central Kootenay maintains systems of internal accounting and administrative controls of reasonable quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Regional District's assets are appropriately accounted for and adequately safeguarded.

The Regional District of Central Kootenay is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board of Directors review the Regional District's financial statements and recommend their approval. The Board of Directors meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Board of Directors take this information into consideration when approving the financial statements for issuance to the taxpayers. The Board of Directors also appoint the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the taxpayers. BDO Canada LLP has full access to the Board and management.

Signed by:

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Chief Financial Officer

Independent Auditor's Report

To the Members of the Board of Director of the Regional District of Central Kootenay

Opinion

We have audited the financial statements of the Regional District of Central Kootenay (the "Regional District"), which comprise the statement of financial position as at December 31, 2024, and the statement of change in net debt, statement of operations, and statement of 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, 2024, and its results of its changes in net debt, operations, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matters

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedules 1 and 2 on pages 32 and 33 of these financial statements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

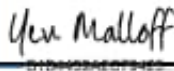
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants

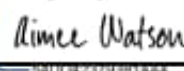
Kamloops, British Columbia
April 17, 2025

Regional District of Central Kootenay Statement of Financial Position

As at December 31	2024	2023
Financial assets		
Cash (Note 3)	\$43,334,630	\$ 37,643,326
Temporary investments (Note 3)	23,397,749	22,558,690
Accounts receivable	5,627,140	3,234,508
Due from member municipalities (Note 5)	16,619,355	18,221,267
Due from member municipalities - accrued interest	194,018	187,305
	<u>89,172,892</u>	<u>81,845,096</u>
Liabilities		
Accounts payable and accrued liabilities	7,542,051	5,217,320
MFA short term financing (Note 7)	4,125,700	4,324,110
Asset retirement obligation liability (Note 6)	30,451,420	29,140,182
HB Mines- contaminated site liability (Note 15)	3,659,627	4,364,018
Nelson transfer station-contaminated site liability (Note 16)	740,000	740,000
Debenture debt MFA (Note 7)	46,806,795	48,542,297
Equipment financing loans (Note 8)	2,180,252	2,215,955
Deferred revenue (Note 9)	3,620,333	2,593,816
	<u>99,126,178</u>	<u>97,137,698</u>
Net debt	<u>(9,953,286)</u>	<u>(15,292,602)</u>
Non-financial assets		
Tangible capital assets (Note 10)	125,333,290	123,415,955
Prepaid expenses	568,284	229,284
	<u>125,901,574</u>	<u>123,645,239</u>
Accumulated surplus (Note 13)	<u>\$115,948,288</u>	<u>\$ 108,352,637</u>

Signed by:


Chief
Financial
Officer

Signed by:


Chair
of the
Board

Regional District of Central Kootenay
Statement of Operations

For the year ended December 31	Financial Plan (Note 18)	2024	2023
Revenue			
Taxation - net	\$42,953,589	\$42,953,626	\$ 40,064,924
User fees, sales and rentals	13,927,230	14,718,197	12,903,298
Government grants and transfers	7,372,876	6,761,456	10,457,794
Gas tax grant - Community Works	1,291,221	1,550,730	1,475,734
Committed funding - Columbia Basin Trust	134,736	1,511,271	1,514,922
Interest income	1,259,962	1,445,927	1,387,405
Interest earnings - capital funds	-	901,019	841,751
Interest earnings - reserve funds	-	922,680	633,432
Rental revenue	1,095,845	1,235,245	1,150,416
Permit fees	953,000	1,614	852,135
Cost recoveries and contract revenue	1,704,179	4,518,767	2,460,120
Sale of materials	51,736	62,184	71,824
Gain on disposal of equipment	185,494	26,628	12,186
	<u>70,929,868</u>	<u>76,609,344</u>	<u>73,825,941</u>
Expenses			
General government	13,219,898	12,623,230	10,957,445
Protective services	9,155,702	10,471,885	8,338,698
Transportation services	2,970,529	3,216,158	2,201,361
Recreation, parks, and culture	20,026,805	20,893,773	19,627,504
Waste disposal and resource recovery	12,579,074	11,653,946	12,517,267
Water, utilities, and lighting	2,715,439	3,921,885	3,898,586
Planning, development, and sustainability	2,361,730	2,068,211	1,468,153
Grants	516,251	3,397,386	3,054,619
Economic development	815,990	767,219	692,799
	<u>64,361,418</u>	<u>69,013,693</u>	<u>62,756,432</u>
Annual surplus	6,568,450	7,595,651	11,069,509
Accumulated surplus, beginning of year	108,352,637	108,352,637	97,283,128
Accumulated surplus, end of year	<u>\$114,921,087</u>	<u>\$115,948,288</u>	<u>\$108,352,637</u>

The accompanying notes are an integral part of these financial statements.

Regional District of Central Kootenay
Statement of Change in Net Debt

For the year ended December 31	Financial Plan (Note 18)	2024	2023
Annual surplus	\$ 6,568,450	\$ 7,595,651	\$ 11,069,509
Acquisition of tangible capital assets including works-in-progress	(21,125,328)	(8,971,540)	(9,635,107)
Amortization of tangible capital assets including leases	-	7,054,205	7,026,742
	(14,556,878)	5,678,316	8,461,144
Increase (decrease) in prepaid expense	-	(339,000)	55,319
Net change in net debt	(14,556,878)	5,339,316	8,516,463
Net debt, beginning of year	(15,292,602)	(15,292,602)	(23,809,065)
Net debt, end of year	\$(29,849,480)	\$(9,953,286)	\$ (15,292,602)

Regional District of Central Kootenay
Statement of Cash Flows

For the year ended December 31	2024	2023
Operating transactions		
Annual surplus	\$ 7,595,651	\$ 11,069,509
Items not involving cash		
Amortization	7,054,205	7,026,742
Accretion	1,311,238	1,258,553
Actuarial adjustment on debt	(887,436)	(828,087)
Changes in non-cash operating balances		
Accounts receivable	(2,392,632)	(490,563)
Other receivables	-	4,535
Accounts payable and accrued liabilities	2,324,732	661,542
Asset retirement obligation liability	-	(89,253)
Contaminated site liability	(704,391)	401,356
Deferred revenue	1,026,517	278,595
Prepaid expenses and deposits	(339,002)	55,319
	<u>14,988,882</u>	<u>19,348,248</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(8,971,540)</u>	<u>(9,635,107)</u>
Investing transaction		
Purchase of short-term investments	<u>(839,059)</u>	<u>(4,587,985)</u>
Financing transactions		
Temporary borrowing proceeds	3,007,676	187,000
Equipment finance loan proceeds	520,000	1,148,866
Repayment of principal on temporary borrowing	(976,381)	(893,904)
Repayment of principal debt on equipment financing loans	(555,703)	(636,481)
Repayment of long-term debt	<u>(1,482,571)</u>	<u>(1,225,279)</u>
	<u>513,021</u>	<u>(1,419,798)</u>
Net increase in cash	5,691,304	3,705,358
Cash, beginning of year	<u>37,643,326</u>	<u>33,937,968</u>
Cash, end of year	<u>\$43,334,630</u>	<u>\$ 37,643,326</u>

Regional District of Central Kootenay

Notes to the Financial Statements

December 31, 2024

1. Significant Accounting Policies

Basis of Presentation The financial statements reflect all revenues, expenditures, assets and liabilities of the Regional District. The statements have been prepared in accordance with Canadian public sector accounting standards (PSAS), as established by the Public Sector Accounting Board (PSAB).

These statements include accounts of all the funds of the Regional District of Central Kootenay. Inter-fund transactions and balances have been eliminated. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due.

Revenue Recognition Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts.

Revenues from transactions with performance obligations are recognized when (at a point in time) or as (over a period of time) the Regional District satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

The Regional District recognizes revenue from users of the water, sewer, solid waste disposal, and rentals of Regional District property services on a straight-line basis over the period of time that the relevant performance obligations are satisfied by the Regional District.

The Regional District recognizes revenue from administrative services, building permits, development permits, sales of goods and other licenses and permits at the point in time that the Regional District has performed the related performance obligations and control of the related benefits has passed to the payors.

Revenue from transactions without performance obligation is recognized at realizable value when the Regional District has the authority to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event that gives rise to the economic resources.

The Regional District recognizes revenue from tax penalties and interest, parking ticket fines, and other revenue without associated performance obligations at the realizable value at the point in time when the Regional District is authorized to collect these revenues.

Government Transfers	Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.
Contaminated sites	Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up, and a reasonable estimate can be made.
Use of Estimates	The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include the useful life of tangible capital assets for amortization, asset retirement obligations, contaminated site costs, and the provision for any contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

1. Significant Accounting Policies (continued)

Tangible Capital
Assets

Tangible capital assets, comprised of capital assets and capital works in progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributed to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees, and site and preparation costs. Amortization is recorded on a straight line basis over the estimated useful life of the asset. Donated tangible assets are reported at fair value at the time of donation. Estimated useful lives are as follows:

Building and building components	20 to 40 years
Engineering structures (including land improvements)	5 to 60 years
Paving	15 to 40 years
Operating and office equipment	5 to 20 years
Leasehold improvements	term of the lease

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Regional District's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded at their fair value on the date of contribution, except in unusual circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value.

Regional District of Central Kootenay

Notes to the Financial Statements

December 31, 2024

1. Significant Accounting Policies (continued)

Financial Instruments

Cash and equity instruments quoted in an active market are measured at fair value (hierarchy level one - quoted market prices). All other financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position

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.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

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

For portfolio measurements measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

1. Significant Accounting Policies (continued)

Retirement Benefits
and Other Employee
Benefit Plans

The Regional District's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred. The costs of other pensions and other retirement benefits that accumulate over the period of service provided by employees are actuarially determined using the projected benefit method prorated on services based on management's best estimate of retirement age, inflation rates, investment returns, wage and salary escalation, insurance and health care costs trends, employee turnover and discount rates. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

Asset Retirement
Obligation

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; 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 liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

Reserve Funds

Reserves represent amounts set aside for specific or future expenditures. Statutory reserves require the passing of a by-law to be established.

Regional District of Central Kootenay Notes to the Financial Statements

December 31, 2024

2. Change in Accounting Policy

Effective January 1, 2024, the Regional District adopted new Public Sector Accounting Handbook Standard PS 3400 - Revenue. As a result of the adoption, the presentation of the financial statements has changed from the prior year. The standard provides guidance on accounting for certain types of revenue transactions. For transactions with performance obligations, revenue should be recognized when (or as) the Regional District satisfies a performance obligation by providing the promised goods or services to taxpayer. This change in accounting policy has been applied prospectively with no restatement of prior periods.

3. Cash and Temporary Investments

	2024	2023
Reserve funds and temporary investments (Note 14)	\$46,606,279	\$ 43,779,341
Deferred funds (Note 9)	3,620,333	2,593,816
Funded landfill closure & post closure liability	4,199,830	4,199,830
Unrestricted cash and temporary investments	12,305,936	9,629,029
	\$66,732,378	\$ 60,202,016

Cash and temporary investments are comprised as follows:

	2024	2023
Cash	\$43,334,630	\$ 37,643,326
Guaranteed Investment Certificates	12,211,156	12,025,000
MFA Money Market Funds	4,634,739	4,422,028
Pooled Investment Funds	6,551,853	6,111,662
	\$66,732,378	\$ 60,202,016

The market value of the Municipal Finance Authority ("MFA") money market fund is \$4,634,739 (2023 - \$4,422,028), and the market value of pooled investment funds is \$4,854,881 (2023 - \$4,610,062).

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

3. Cash and Temporary Investments (continued)

	2024	2023
Manulife bank GIC bearing interest of 1.4% and matures on June 16, 2025	\$ 1,000,000	\$ 1,000,000
National bank of Canada GIC bearing interest of 5.35% and matures on August 11, 2025	1,000,000	1,000,000
CIBC bank GIC bearing interest of 1.4% and matures on June 16, 2026	1,000,000	1,000,000
Manulife bank GIC bearing interest of 2.15% and matures on December 9, 2026	1,000,000	1,000,000
CIBC trust GIC bearing interest of 4.4% and matures on June 17, 2027	1,000,000	1,000,000
CIBC bank GIC bearing interest of 4.1% and matures on February 10, 2028	1,000,000	1,000,000
CIBC trust GIC bearing interest of 4.3% and matures on January 2, 2029	1,000,000	1,000,000
CIBC bank GIC bearing interest of 4.2% and matures on June 25, 2029	1,000,000	1,000,000
CIBC bank GIC bearing interest of 4.75% and matures on March 27, 2025	4,211,156	4,025,000
	<u>\$ 12,211,156</u>	<u>\$ 12,025,000</u>

4. Credit Facility

The Regional District has a credit facility agreement with a financial institution which provides for a total commitment of \$5,000,000. At December 31, 2024, the Regional District had drawn an amount of \$Nil (2023 - \$Nil) on this agreement.

5. Due From Member Municipalities

The Regional District of Central Kootenay borrows funds from the Municipal Finance Authority on behalf of its member municipalities. The amounts due from the municipalities is their portion of the debenture debt outstanding.

Regional District of Central Kootenay
Notes to Financial Statements

December 31, 2024

6. Asset Retirement Obligation

The Regional District's asset retirement obligation consists of the following obligations:

a) Asbestos abatement obligation

The Regional District owns buildings that contain asbestos, which various regulations require specific considerations upon removal and disposal. The Regional District recognized an obligation relating to the removal and disposal of the asbestos in these buildings. The buildings have estimated useful lives of 35-80 years from the date of completion of construction, of which various numbers of years remain. Estimated costs of \$642,000 have been discounted to the present value using a discount rate of 4.50% per annum (2023 - 4.50%).

b) Landfill closure and post-closure costs

The Regional District records a liability for Landfill Closure and Post Closure costs based on the presently known obligations that will be incurred over multiple closure dates and monitoring periods as various phases of the landfill are completed. The closure of the landfills is expected to occur in various years with the latest closure currently expected to be in 2085. Monitoring of the landfill will be required for 25 years after final closure. Estimated costs of \$55,272,487 have been discounted to the present value using a discount rate of 4.50% per annum (2023 - 4.50%).

c) Well decommissioning obligation

The Regional District has water wells which require decommissioning at the end of their useful lives under the Water Sustainability Act. The Regional District recognized an obligation relating to the decommissioning of the wells. The wells have an estimated useful life of 60 years, of which various numbers of years remain ranging from 3 to 60. Estimated costs of \$135,000 have been discounted to the present value using a discount rate of 4.50% per annum (2023 - 4.50%).

Regional District of Central Kootenay
Notes to Financial Statements

December 31, 2024

6. Asset Retirement Obligation (continued)

Changes in the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	Asbestos remediation	Landfill closure and monitoring	Well decommissioning	2023
Opening balance	\$ 382,769	\$ 28,692,730	\$ 64,683	\$ 29,140,182
Accretion	17,225	1,291,173	2,840	1,311,238
Closing balance	\$ 399,994	\$ 29,983,903	\$ 67,523	\$ 30,451,420

Asset Retirement Obligation	Asbestos remediation	Landfill closure and monitoring	Well decommissioning	2023
Opening balance	\$ 423,702	\$ 27,482,250	\$ 61,898	\$ 27,967,850
Retirement expense	(60,000)	(26,221)	-	(86,221)
Accretion	19,067	1,236,701	2,785	1,258,553
Closing balance	\$ 382,769	\$ 28,692,730	\$ 64,683	\$ 29,140,182

The asset retirement liability has been estimated using a net present value technique using the assumptions as described above. The related asset retirement costs are being amortized on a straight-line basis over the remaining useful lives of the assets.

Significant estimates and assumptions are made in determining the asset retirement costs as there are numerous factors that will affect the amount ultimately payable. Those uncertainties may result in future actual expenditures that are different than the amounts currently recorded. At each reporting date, as more information and experience is obtained as it relates to these asset retirement obligations, the estimates of the timing, the undiscounted cash flows and the discount rates may change. Adjustments to these factors are accounted for as an adjustment to the asset retirement obligation and the related tangible capital asset in the current period on a prospective basis.

Regional District of Central Kootenay
Notes to Financial Statements

December 31, 2024

7. Municipal Finance Authority Financing

MFA Debenture Debt principal is reported net of sinking fund balances, and interest expense is reported net of sinking fund earnings. Included in the debenture debt is debt that the District has incurred on behalf of its member municipalities.

	2024	2023
Amounts due from member municipalities (Note 4)	\$ 16,619,355	\$ 18,221,267
Amounts owing by the Regional District, maturing between 2029 and 2030, with interest rates between 2.25% and 4.30%)	30,187,440	30,321,030
Debenture debt outstanding in Canadian funds	\$ 46,806,795	\$ 48,542,297

The debenture debt and short term financing bears various interest rates set at the time of borrowing and adjusted on the 10th anniversary if applicable; debt has varying maturity dates. The Regional District's short term financing amount is \$4,125,700 (2023 - \$4,324,110) with interest rates between 3.4% and 5.61%.

The estimated principal payments required until maturity, on the Regional District's portion of debenture debt, are as follows:

2025	\$ 1,225,250
2026	1,086,357
2027	1,025,883
2028	1,025,883
2029	1,025,883
Thereafter and actuarial earnings	41,417,539
	\$ 46,806,795

8. Equipment Financing Loans - Municipal Finance Authority

Equipment financing is repayable to Municipal Finance Authority and bears interest at 4.81% per annum and mature in periods 2025 to 2029

The Regional District's cash payments for interest in 2024 were \$104,055 (2023 - \$68,816).

The estimated principal payments required until maturity, on the equipment financing debt, are as follows:

2025	\$ 742,454
2026	623,487
2027	387,913
2028	320,124
2029	106,274
	\$ 2,180,252

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

9. Deferred Revenue

Included in deferred revenue are amounts relating to grant funding for the coming year:

	2023	Collected	Recognized	2024
Recreation Centres	\$ 1,098,055	\$ 2,768,545	\$ (2,741,416)	\$ 1,125,184
Columbia Basin Trust	225,073	1,515,940	(1,511,271)	229,742
CBT - Organics Curbside	181,920	-	-	181,920
West Creston Fire Protection Society	90,000	-	-	90,000
Province of BC - Connectivity	16,345	-	(16,345)	-
Cottonwood - Trans Canada Risk Tolerance Policy - CEPF	28,800	-	-	28,800
	65,000	-	-	65,000
Age-friendly Communities Grant	-	19,813	-	19,813
Indigenous Engagement	-	40,000	-	40,000
CBT - Wildfire preparedness	-	184,937	-	184,937
UBCM Complete Communities	-	98,857	-	98,857
Watershed Security Fund 2024	-	142,285	-	142,285
Creston Valley Flood Management Partnership	102,812	-	-	102,812
IAFBC - Utilities	37,500	-	(37,500)	-
UBCM - Fire Training	73,497	-	(73,497)	-
IAFBC - Agricultural	211,034	-	-	211,034
Lightship GIS/FNEES - CBT	82,850	-	(82,850)	-
Other	15,836	-	-	15,836
	<u>\$ 2,228,722</u>	<u>\$ 4,770,377</u>	<u>\$ (4,462,879)</u>	<u>\$ 2,536,220</u>

The Regional District has performance obligations related to the transactions entered into, which have not been satisfied as at December 31, 2024. The amount of revenue that will be recognized in future periods once performance obligations are satisfied are as follows:

	2023	Collected	Recognized	2024
Building Permits	\$ -	\$ 1,496,427	\$ (847,666)	\$ 648,761
Development Services	292,168	233,103	(168,212)	357,059
Deposit	72,926	30,988	(25,620)	78,294
Other	-	-	-	-
	<u>\$ 365,094</u>	<u>\$ 1,760,518</u>	<u>\$ (1,041,498)</u>	<u>\$ 1,084,113</u>

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

10. Tangible Capital Assets

	Land	Building & building components	Vehicles (including land improvements)	Engineering Structures (including land improvements)	Paving	Operating & office equipment	Bus Shelters	Work in progress	2024 Total	2023 Total
Cost, beginning of year	\$ 15,828,418	\$ 86,543,826	\$ 17,181,729	\$ 65,943,756	\$ 2,633,681	\$ 18,244,436	\$ 817,554	\$ 9,776,744	\$ 216,970,144	\$ 207,377,373
Additions	-	2,176,819	1,376,952	3,150,656	222,181	1,525,747	-	519,185	8,971,540	9,635,105
Disposals	-	-	(525,907)	-	-	(2,413)	-	-	(528,320)	(42,334)
Cost, end of year	15,828,418	88,720,645	18,032,774	69,094,412	2,855,862	19,767,770	817,554	10,295,929	225,413,364	216,970,144
Accumulated amortization, beginning of year	-	48,282,038	11,057,356	22,654,625	787,386	10,437,487	335,297	-	93,554,189	86,569,783
Amortization	-	3,056,845	875,082	1,895,898	74,554	1,110,948	40,878	-	7,054,205	7,026,742
Disposals	-	-	(525,907)	-	-	(2,413)	-	-	(528,320)	(42,336)
Accumulated amortization, end of year	-	51,338,883	11,406,531	24,550,523	861,940	11,546,022	376,175	-	100,080,074	93,554,189
Net carrying amount, end of year	\$ 15,828,418	\$ 37,381,762	\$ 6,626,243	\$ 44,543,889	\$ 1,993,922	\$ 8,221,748	\$ 441,379	\$ 10,295,929	\$ 125,333,290	\$ 123,415,955

Included in tangible capital assets are \$10,293,722 in work in progress (2023 - \$ 9,776,744) that is not being amortized as the related assets are not ready for use.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

11. Debt Reserve Funds - Municipal Finance Authority

The District and its member municipalities issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture borrowings is withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature. Upon maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Regional District or the Municipality. The proceeds from these discharges will be credited to income in the year they are received. These amounts are not included in the Regional District's financial statements. The details of the cash deposits and demand note requirements at year end are as follows:

	Cash Deposits	Demand Note Requirement	2024	2023
Balance, beginning of year	\$ 1,234,521	\$ 2,025,757	\$ 3,260,278	\$ 3,430,872
Add: Interest earnings	66,071	66,825	132,896	37,794
Deduct: Payouts on debt retirement	-	-	-	(208,388)
Balance, end of year	1,300,592	2,092,582	3,393,174	3,260,278
Member municipalities portion	488,807	789,033	1,277,840	1,261,392
Regional District's portion	811,785	1,303,549	2,115,334	1,998,886
	\$ 1,300,592	\$ 2,092,582	\$ 3,393,174	\$ 3,260,278

Regional District of Central Kootenay Notes to the Financial Statements

December 31, 2024

12. Municipal Pension Plan

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

Every three years an actuarial valuation is performed to assess the financial position of the plan and the 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 actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Regional District of Central Kootenay paid \$1,383,864 (2023 - \$1,197,107) for employer contributions to the plan in fiscal year 2024.

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

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

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

13. Accumulated Surplus

The Regional District segregates its accumulated surplus in the following categories:

	2024	2023
Unrestricted	\$ 10,953,531	\$ 7,158,618
Restricted (Note 14)	46,606,279	43,779,341
Equity in tangible capital assets	58,388,478	57,414,678
	\$ 115,948,288	\$ 108,352,637

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by bylaw or Board resolution for specific purposes.

14. Restricted Reserve Funds

The District has several reserve funds held for specific purposes. The changes in these funds were as follows:

	2024	2023
Fund Balance, beginning of year	\$ 43,779,341	\$ 37,168,475
Add: Interest Earnings	1,613,224	1,408,709
Contributions to reserves	9,918,839	11,464,123
Transfers out of reserves	(8,705,125)	(6,261,966)
Fund balance, end of year	\$ 46,606,279	\$ 43,779,341

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

15. Liability for Contaminated Site - HB Mines

The Regional District, as the current property owner, has responsibility for the remediation and post-remediation monitoring and maintenance costs of a contaminated site (HB mine tailings dam) in accordance with the BC Environmental Management Act. The property is a contaminated site on the provincial contaminated site registry. Contaminated sites are a result of contamination being introduced to air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. The accrual as at December 31, 2024 represents management's best estimate at the financial statement date and has been quantified by an environmental consultant. The District concluded the remediation project in 2022 and thus the remaining accrual is for post-remediation monitoring and maintenance costs.

Remediation and post-remediation monitoring period in years	100
Projected year of final post remediation monitoring costs	2123
Discount rate	3.0%
Total undiscounted remediation and post-remediation costs	9,204,360

	2024	2023
Post remediation liability	<u>\$ 3,659,627</u>	<u>\$ 4,364,018</u>

16. Liability for Nelson Transfer Station Closure

The Regional District is responsible for the closure of the Nelson transfer station to industrial land standards in accordance with the landfill legislation with the Ministry of Environment. The property is a contaminated site on the provincial contaminated site registry. The accrual as at December 31, 2024 represents managements best estimate at the financial statement date. The amount has been estimated by a environmental scientist. A more detailed analysis of costs will be performed in 2024. The Regional District plans to commence the project in 2024. The total remediation liability in 2024 was \$740,000 (2023 - 740,000).

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

17. Commitments

In the normal course of business, the Regional District enters into commitments for both capital and operational expenses, for periods ranging from one to five years. These commitments have been budgeted for within the appropriate annual budgets approved by the Board of Directors.

The total minimum future payments are as follows:

2025	\$ 214,929
2026	214,929
2027	202,016
2028	136,846
	<u>\$ 768,720</u>

18. Financial Plan

The budgeted figures are based on the adopted Five-Year Financial Plan for the year 2024 approved under bylaw 2852 on March 21, 2024.

The Financial Plan Bylaw anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. The Financial Plan was not budgeted in a manner consistent with PSAS, but has been adjusted in the financial statements to conform with PSAS requirements.

	<u>2024</u>
Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Capital expenditures	21,125,328
Long-term debt principal payments	1,509,739
Equipment financing principal repayments	1,099,789
Less:	
Borrowing	(8,211,728)
Proceeds from asset disposal	365,894
Transfers to/from reserves and own funds	(9,320,572)
Financial Plan Bylaw surplus per statement of operations	<u>\$ 6,568,450</u>

Regional District of Central Kootenay

Notes to the Financial Statements

December 31, 2024

19. Contingent Liabilities

The Regional District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible the Regional District, along with other participants, would be required to contribute towards the deficit.

From time to time the Regional District is brought forth as a defendant in various lawsuits. The Regional District reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim against the District would materially affect the financial statements of the District. The Regional District reserves a portion of its operating surplus for future payment of insurance deductibles and payment of claims for which it would not be covered by insurance. The Regional District is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements of the District.

20. Financial instruments

Financial Instrument Risk Management

The Regional District is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the Regional District's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the Regional District's exposure to above risks or the policies, procedures and methods it uses to manage and measure the risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Regional District is exposed to credit risk through its cash, accounts receivable, and portfolio investments. The risk exposure is limited to their carrying amounts at the date of the consolidated statement of financial position.

The Regional District manages its credit risk by the use of credit applications, monitoring accounts receivable aging and balances, holding cash with Schedule 1 Chartered Banks with AA credit Rating or fully insured Credit Union accounts, diversifying investment holdings by maturity and issuer and making investments in accordance with section 183 of the Community Charter and processing borrowing from Member Municipalities by the policies put in place by the Municipal Finance Authority of BC. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash, accounts receivable and investments as outlined in Notes 2, 4 & 10. Accounts receivable arise primarily as a result of resource recovery fees, water utility fees and government receivable. Based on this knowledge, credit risk of cash, accounts receivable and investments are assessed as low.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

20. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Regional District will encounter difficulty in meeting obligations associated with financial liabilities. The Regional District is exposed to liquidity risk through its accounts payable, long-term debt, and investments.

The Regional District manages this risk by maintaining an adequate balance of highly liquid investments, closely monitoring cash flows, having access to temporary borrowing through an annual bylaw and staggering the maturity dates of investments. Also to help manage and measure this risk, the Regional District has in place a planning, budgeting and forecasting process to help determine the funds required to support normal operating activities, capital expenditures, reserve contributions and debt servicing requirements. The Regional District's five-year financial plan is approved by the Board of Directors.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Regional District is exposed to interest rate risk through the value of long-term debt and portfolio investments.

It is management's opinion that the Regional District is not exposed to significant interest rate risk as it manages interest rate risk on its long-term debt by holding all debt through MFA at a fixed rate, with refinancing typically being completed at the ten- or fifteen-year mark. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Note 6 & 7 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are MFA pooled investment funds and GIC's (see note 2). The risk is caused by changes in interest rates. As interest rates rise, the fair value of the MFA pooled investment funds notes decrease and, as interest rates fall, the fair value of these investments increase.

As a result of diversification by security type, only a portion of the overall investment portfolio is exposed to interest rate risk per note 2. To mitigate interest rate risk and market risk on its portfolio investments, the Regional District holds its MFA long term pooled investment funds for 10 years or longer.

21. Comparative Figures

Certain of the comparative figures have been restated to conform with the current year financial statement presentation.

Regional District of Central Kootenay

Notes to the Financial Statements

December 31, 2024

22. Segmented Information

The Regional District of Central Kootenay is a diversified regional district government institution that provides a wide range of over 180 operational and administrative services for its citizens. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General government

General government operations include the functions of governance, general and corporate administration, finance, human resources, information technology, legislative services, and building services.

Protective services

Protective services includes fire protection, fire rescue, 911 services, emergency program management, emergency operations centre management and bylaw enforcement. The mandate of emergency program management is to protect public safety through mitigation, emergency preparedness, emergency response and recovery.

Transportation services

Transportation services includes the rural transit and paratransit services as well as custom transit that carry persons who are unable to access the conventional transit system. This segment also includes funding for airport operations.

Recreation, parks, and culture

Recreation, parks, and culture includes the delivery of recreation programs and services, management of recreation facilities, development & management of parks and the funding of various community organizations including museums, libraries and community centres.

Grants

A multitude of grant programs are managed through the application, board approval, payment, tracking and reporting process. These include discretionary, community development, Community Works and Columbia Basin Trust Resident Directed grant programs.

Waste disposal and resource recovery

Waste disposal and resource recovery services include waste handling facilities (transfer stations and landfills), composting facilities, community recycling depots, materials recovery, transportation of materials and environmental education.

Planning, development, and sustainability

Planning and development includes the administration of zoning, land use and development applications. The department is also involved in the development of long-term community plans which focus on the future vision and objectives of communities within the rural electoral areas of the Regional District. Sustainability includes initiatives to reduce greenhouse gases, increase renewable energy, increase local food production, support water conservation and source water protection, increase active transportation and increase affordable housing.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

22. Segmented Information (continued)

Economic development

This segment includes projects and initiatives with multiple stakeholders to pursue opportunities for economic development, enhance capacity-building for sustainable economic growth and diversification, and create more resilient, prosperous communities across the region.

Water, utilities and lighting

This segment includes the treatment and distribution of potable water as well as providing street lighting for various communities and locations in the region.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

The segmented amounts do not include inter-service transfers, debt proceeds and repayments, capital expenditures and reserve transfers and contributions. Amortization has been added to the segmented amounts.

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

22. Segmented Information (continued)

2024

	General Government	Protective Services	Transportation Services	Recreation, Parks & Culture	Waste Disposal & Resource Recovery	Water, Utilities & Lighting	Planning, Development & Sustainability	Grants	Economic Development	Total
Revenue										
Taxation	\$ 4,619,216	\$ 9,892,666	\$ 2,106,925	\$ 17,656,689	\$ 5,910,061	\$ 611,653	\$ 1,334,070	\$ 165,489	\$ 656,857	\$ 42,953,626
User Fee	10,230	106,753	92,245	2,520,321	7,557,566	4,101,269	79,813	-	-	14,468,197
Government grants and transfers	1,639,888	816,331	324,378	307,031	885,877	321,916	1,088,575	1,309,569	317,891	7,011,456
Gas Tax grant - Community Works	-	-	-	-	-	-	-	1,550,730	-	1,550,730
Committed funding - Columbia Basin Trust	-	-	-	-	-	-	-	1,511,271	-	1,511,271
Interest earnings	775,385	222,803	36,096	250,938	371,542	330,709	953	375,008	5,173	2,368,607
Actuarial earnings	901,019	-	-	-	-	-	-	-	-	901,019
Rental revenue	1,200	36,440	-	1,191,870	-	5,735	-	-	-	1,235,245
Permit Fees	1,614	-	-	-	-	-	-	-	-	1,614
Cost recoveries and contract revenue	1,005,177	1,580,262	1,905	963,824	129,701	620,888	128,787	66,142	22,031	4,518,717
Sale of materials	-	-	-	62,184	50	-	-	-	-	62,234
Gain on disposal of equipment	9,500	17,128	-	-	-	-	-	-	-	26,628
	8,963,229	12,672,383	2,561,549	22,952,857	14,854,797	5,992,170	2,632,198	4,978,209	1,001,952	76,609,344
Expenditures										
Legislative - directors' expenses	1,003,389	704	4,158	11,162	78,868	14,161	17,349	-	202	1,129,993
Administration services	970,927	436,913	2,071	697,217	226,385	122,182	36,036	17,997	3,441	2,513,169
Wages and employees benefits	9,001,548	3,673,054	207	9,468,862	4,496,909	1,264,893	1,310,810	66	135,830	29,352,179
Utilities	36,938	113,996	-	1,195,062	37,872	226,075	8,922	-	5,944	1,624,809
General - operations and maintenance	153,546	267,140	6,008	952,947	1,188,147	238,122	14,571	2,426	25,624	2,848,531
Vehicles - operations and maintenance	85,066	279,488	-	79,261	182,275	47,937	3,776	-	152	677,955
Equipment - operation and maintenance	357,241	250,847	-	140,220	13,251	17,246	-	-	-	778,805
Grants	42,000	190,029	218,635	3,440,116	-	-	123,457	3,376,013	417,308	7,807,558
Services contracted out	525,522	3,753,338	2,936,558	955,489	3,989,599	327,155	553,290	884	178,718	13,220,553
Debt services charges - interest	12,857	281,807	-	968,657	610,683	131,932	-	-	-	2,005,936
Amortization	434,196	1,224,569	48,521	2,984,780	829,957	1,532,182	-	-	-	7,054,205
	12,623,230	10,471,885	3,216,158	20,893,773	11,653,946	3,921,885	2,068,211	3,397,386	767,219	69,013,693
Surplus (deficit)	\$ (3,660,001)	\$ 2,200,498	\$ (654,609)	\$ 2,059,084	\$ 3,200,851	\$ 2,070,285	\$ 563,987	\$ 1,580,823	\$ 234,733	\$ 7,595,651

Regional District of Central Kootenay
Notes to the Financial Statements

December 31, 2024

22. Segmented Information (continued)

2023

	General Government	Protective Services	Transportation Services	Recreation, Parks & Culture	Waste Disposal & Resource Recovery	Water, Utilities & Lighting	Planning, Development & Sustainability	Grants	Economic Development	Total
Revenue										
Taxation	\$ 4,853,947	\$ 8,890,944	\$ 1,997,876	\$ 16,192,852	\$ 5,410,304	\$ 560,321	\$ 1,287,001	\$ 167,489	\$ 704,191	\$40,064,925
User Fee	12,494	108,789	90,440	2,106,069	6,577,984	3,924,008	83,390	-	-	12,903,174
Government grants and transfers	679,054	3,215,837	263,513	1,807,693	2,195,009	607,556	89,506	1,352,798	246,828	10,457,794
Gas Tax Grant - Community Works	-	-	-	-	-	-	-	1,475,734	-	1,475,734
Committed funding - Columbia Basin Trust	-	-	-	-	-	-	-	1,514,922	-	1,514,922
Interest earnings	452,773	153,357	36,971	245,154	466,427	291,428	592	368,202	5,933	2,020,837
Actuarial earnings	841,751	-	-	-	-	-	-	-	-	841,751
Rental revenue	1,200	18,040	-	1,125,765	-	5,411	-	-	-	1,150,416
Permit fees	852,135	-	-	-	-	-	-	-	-	852,135
Cost recoveries and contract revenue	715,379	195,994	32,106	885,388	49,966	311,721	121,590	129,946	18,030	2,460,120
Sale of materials	-	-	-	57,117	14,830	-	-	-	-	71,947
Gain on disposal of equipment	12,186	-	-	-	-	-	-	-	-	12,186
	8,420,919	12,582,961	2,420,906	22,420,038	14,714,520	5,700,445	1,582,079	5,009,091	974,982	73,825,941
Expenditures										
Legislative - directors expenses	975,651	-	3,898	14,128	103,172	14,907	17,028	-	-	1,128,784
Administration services	854,489	375,855	2,758	616,316	186,533	119,236	56,955	11,084	4,645	2,227,871
Wages and employees benefits	7,703,407	2,889,312	1,157	8,560,879	4,071,580	1,184,417	1,085,257	18	119,467	25,615,494
Provision for Landfill closure and post closure costs	-	-	-	-	(303,166)	-	-	-	-	(303,166)
Utilities	40,714	121,097	-	1,014,963	32,314	226,490	4,309	-	-	1,439,887
General - operations and maintenance	158,028	273,271	31,227	1,013,723	2,404,426	320,314	22,878	2,113	30,800	4,256,780
Vehicles - operations and maintenance	63,993	243,997	-	61,466	172,121	36,178	5,848	-	-	583,603
Equipment - operation and maintenance	79,206	331,080	-	193,227	24,912	7,799	252	-	-	636,476
Grants	30,000	191,379	201,775	3,382,420	169,787	7,500	68,801	2,868,729	395,926	7,316,317
Services contracted out	541,926	2,655,744	1,912,025	984,427	4,214,139	308,565	206,825	172,675	141,961	11,138,287
Debt services charges - interest	17,260	115,737	-	805,883	619,848	130,630	-	-	-	1,689,358
Amortization	492,771	1,141,226	48,521	2,980,072	821,601	1,542,550	-	-	-	7,026,741
	10,957,445	8,338,698	2,201,361	19,627,504	12,517,267	3,898,586	1,468,153	3,054,619	692,799	62,756,432
Surplus (deficit)	\$ (2,536,526)	\$ 4,244,263	\$ 219,545	\$ 2,792,534	\$ 2,197,253	\$ 1,801,859	\$ 113,926	\$ 1,954,472	\$ 282,183	\$11,069,509

Regional District of Central Kootenay
Schedule 1: COVID-19 Safe Restart Grant
(Unaudited)

For the year ended December 31	2024
Balance, beginning of year	\$ 32,297
Interest earnings	<u>1,185</u>
<u>Balance, end of year</u>	<u>\$ 33,482</u>

Regional District of Central Kootenay
Schedule 2: Growing Communities Fund
(Unaudited)

For the year ended December 31	2024
Balance, beginning of year	<u>\$ 2,969,489</u>
Expenses	
Capital expenditures	<u>2,566,083</u>
<u>Balance, end of year</u>	<u>\$ 403,406</u>

The Growing Communities Fund (GCF) provided a one time grant to the Regional District to support local government to deliver infrastructure projects necessary to enable community growth and address infrastructure and amenities demands. Local governments are required to annually report about how GCF grants were spent to ensure transparency regarding the use of those funds. The grant is being carried forward to 2025 to be used for eligible infrastructure projects.

Regional District of Central Kootenay
Schedule 2: Growing Communities Fund
(Unaudited)

<u>For the year ended December 31</u>	<u>2024</u>
Balance, beginning of year	<u>\$ 2,969,489</u>
Expenses	
Capital expenditures	<u>2,566,083</u>
Balance, end of year	<u>\$ 403,406</u>

The Growing Communities Fund (GCF) provided a one time grant to the Regional District to support local government to deliver infrastructure projects necessary to enable community growth and address infrastructure and amenities demands. Local governments are required to annually report about how GCF grants were spent to ensure transparency regarding the use of those funds. The grant is being carried forward to 2025 to be used for eligible infrastructure projects.

Regional District of Central Kootenay
Schedule 3: Reserves
(unaudited)

	2024	2023
RSRV Climate Action - Service 100	553,710	215,653
Office Equipment Reserve - Service 100	2,387	2,302
Projects and Equipment - Service 100	414,660	301,759
Vehicle Replacement - Service 100	657,858	503,639
Contingency, legal, project fund - Service 100	367	354
General Administration Kootenay Boundary Farm Advisor Program Reserve - Service 100	60,915	-
Records conversion Reserve - Service 100	27,417	26,447
Liability Insurance Reserve - Service 100	5,574	5,376
Property Insurance Reserve - Service 100	30,210	29,141
Vehicle Deductible Reserve - Service 100	1,574	1,518
Other projects - Service 100	1,188	1,146
Information Technology Equipment Reserve - Service 100	194,203	176,313
COVID Restart Funds - Service 100	33,482	32,297
General Administration Stabilization - Service 100	252,287	470,862
Election Cost Reserve - Service 101	33,438	17,373
Rural Admin Structure Protection Unit (SPU) Reserve - Service 101	4,658	4,493
GIS Reserve - Service 102	129,870	115,452
Building Rehab Reserve - Service 103	104,008	296,791
Building Legal Reserve - Service 103	53,809	51,905
Planning & Land Use - Service 104	26,926	25,973
Feasibility Studies Reserve - Service 106	125,149	124,160
Kaslo Fire Reserve - Service 280	276,566	266,781
Riondel Fire - Service 128	159,621	114,210
Wynndel Fire - Service 129	460,194	399,709
Canyon Lister Fire Reserve - Service 130	632,130	580,350
Creston Fire Contract - Service 131	52,706	50,841
Blewett Fire Contract Reserve - Service 133	10,695	149
North Shore Fire Reserve - Service 134	1,102,419	213,495
Ymir Fire Reserve - Service 136	413,401	300,544
Tarrys Fire - Service 137	856,314	158,693
Pass Creek Fire - Service 137	17,984	157
Robson Fire Reserve - Service 138	70,329	67,840
New Denver Fire - Service 140	1,067	1,029
Balfour Fire Reserve - Service 141	575,679	460,240
Winlaw Fire Building & Major Equipment - Service 142	798,250	20,338
Passmore Fire Building & Major Equipment - Service 142	130,569	51,520
Slocan Fire Building & Major Equipment - Service 142	135,654	96,473
Crescent Valley Fire Building & Major Equipment - Service 142	105,249	67,144
Subtotal	\$ 8,512,515	\$ 5,252,471

Regional District of Central Kootenay

Schedule 3: Reserves

(unaudited)

	2024		2023	
Carried forward	\$	8,512,515	\$	5,252,471
Beasley Fire - Service 144		397,907		327,088
Blewett Fire - Service 144		177,881		162,898
Ootischenia Fire Reserve - Service 145		196,685		150,434
Yahk-Kingsgate fire Reserve - Service 148		231,714		211,706
Area I and J Jaws Fund - Service 149		41,000		28,396
Jaws of Life - Kaslo - Service 150		735		709
Emergency 911 Capital Reserve Fund - Service 156		128,429		96,556
Emergency Planning - Creston and Areas A, B and C - Service 157		2,327		2,245
Emergency Planning - Salmo and Area G - Service 158		2,327		2,245
Emergency Planning - Nakusp and Area K - Service 159		2,327		2,245
Emergency Planning - Silverton, Slocan, New Denver and Area H - Service 161		2,327		2,245
Emergency Planning - Kaslo and Area D - Service 162		2,327		2,245
Emergency Planning - Areas I and J - Service 163		2,327		2,245
Consolidated Emergency Services - Service A101		22,525		14,852
Riondel Drainage Reserve - Service 165		51,463		37,014
Riondel Street Light Reserve - Service 166		5,973		5,172
Ymir Street Light Reserve - Service 167		21,188		20,438
South Slocan Street Light Reserve - Service 168		10,988		10,297
Brilliant Street Light Reserve - Service 169		25,473		24,484
Robson Street Light Reserve - Service 170		10,320		9,849
Edgewood Street Light Reserve - Service 171		2,168		1,817
Area I (Voykin Subdivision) Street Light Reserve - Service 172		2,381		1,778
Area H (Mt. Sentinel) Street Light Reserve - Service 173		2,423		1,627
Mosquito Control Area D Reserve - Service 184		14,103		13,604
East Waste Reserve - Service 186		342,479		492,136
Refuse East - Stabilization - Service 186		1,263,478		1,147,286
East Refuse Landfill Liability Reserve - Service 186		1,081,890		1,043,613
Central Waste Reserve - Service 187		863,149		449,638
Central Septage Reserve - Service 187		54,368		52,445
Refuse Central - Stabilization - Service 187		4,005		3,863
Refuse West - Stabilization - Service 188		2,480,753		2,135,035
West Waste Reserve - Service 188		3,889,162		3,798,318
West Rural Septage Reserve - Service 190		901,030		778,534
Creston Library - Service 193		554,430		470,964
Library - Kaslo & Defined Area D - Service 194		2,663		2,569
Library - Area J - Service 197		2,289		2,208
Library - Area I - Service 198		2,168		1,817
Parkland Dedication Area B Reserve - Service 201		24,277		23,418
Parkland Dedication Area C Reserve - Service 201		25,248		24,355
Parkland Dedication Area E Reserve - Service 202		49,743		47,983
Parkland - Area G - Service 202		67,243		64,864
Parkland Dedication Area A Reserve - Service 205		283		273
Recreation Area, Def E & F - Service 207		-		21,404
Subtotal	\$	21,478,494	\$	16,945,380

Regional District of Central Kootenay

Schedule 3: Reserves

(unaudited)

	2024	2023
Carried forward	\$ 21,478,494	\$ 16,945,380
Riondel Recreation Facility - Service 209	311,132	182,893
North Shore Hall - Service 211	30,880	25,398
South Slocan School House - Service 214	64,732	62,442
Salmo Valley Youth & Community Services Reserve - Service 218	20,722	10,165
Castlegar Complex - Service 222	121,063	116,780
Sick Leave - Service 222	82,599	79,677
Parkland Dedication Area J Reserve - Service 222	774	746
Creston Recreation Complex - Service 224	1,825,670	1,526,798
Nelson & District Facility - Master Plan - Service 226	26,171	25,245
Nelson Facility Reserve - Service 226	832,640	621,258
Castlegar Aquatic Reserve - Service 227	1,339,589	1,318,600
Krestova Park - Donations Reserve - Service S231	8,190	7,900
Transit Castlegar - Service 237	511,463	575,046
Transit Creston - Service 234	77,017	86,475
Transit Slocan Valley - Service 238	27,757	85,582
Transit North Shore - Service 238	1,319	1,273
Transit Kootwest - Service 239	232,459	406,005
Riondel Water Reserve - Service 241	247,511	324,870
Sanca Park Water Capital Utility - Service 242	112,662	87,744
Lister Water Capital Utility - Service 243	120,445	378,578
Ymir Water Utility - Service 244	129,631	103,040
South Slocan Water Capital Utility - Service 245	98,671	71,098
Macdonald Creek Water Capital Utility - Service 246	288,477	263,828
Lucas Road Water Capital Utility - Service 247	51,088	43,172
Duhamel Creek Water Capital Utility - Service 248	8,380	251,370
Erickson Water Capital Utility - Service 250	2,059,845	1,388,218
Arrow Creek Membrane - Service 251	1,382,031	1,038,443
Arrow Creek Water Capital Utility - Service 251	1,065,901	990,397
Burton Water Utility BC Hydro Reserve - Service 252	416,409	398,392
Edgewood Water Utility BC Hydro Reserve - Service 253	252,112	218,150
Fauquier Water Utility BC Hydro Reserve - Service 254	81,327	76,621
Balfour Water Utility - Service 255	169,652	41,483
West Robson Utility BC Hydro Reserve - Service 256	1,417,112	1,346,157
Def F - Woodland Heights - Service 257	59,179	35,544
Def E - Grandview - Service 258	81,327	75,656
Def D - Woodbury - Service 259	163,309	133,703
Def H - Rosebery - Service 260	101,773	93,695
Regional Parks Fund - Various Services	1,064,455	726,325
Recycling Reserve - East Subregion - Service A116	9,001	8,229
Recycling Reserve - Central Subregion - Service A117	16,763	11,259
Recycling Reserve - West Subregion - Service A118	12,760	7,397
Organics Reserve - East Subregion - Service A119	15,397	9,941
Organics Reserve - Central & West Subregions - Service A120	10,133	12,721
Utilities Construction Crew Reserve - Service A113	73,481	70,882
Subtotal	<u>\$ 36,501,502</u>	<u>\$ 30,284,575</u>

Regional District of Central Kootenay

Schedule 3: Reserves

(unaudited)

	2024	2023
Carried forward	\$ 36,501,502	\$ 30,284,575
GCF Reserve - Asset Management - Service 100	89,174	104,769
GCF Reserve - Groman Depot Expansion - Service A117	129,932	149,689
GCF Reserve - Fire Apparatus x 1 - Service 129	99,959	96,423
GCF Reserve - Fire Apparatus x 1 - Service 130	114,676	110,619
GCF Reserve - Fire Apparatus x 1 - Service 134	157,467	151,896
GCF Reserve - Fire Apparatus x 1 - Service 137	137,660	132,789
GCF Reserve - Fire Hall addition - Service 145	80,247	77,408
GCF Reserve - Septage Receiving Facility - Service 186	105,459	120,902
GCF Reserve - Fleet Hauling Buidling - Service 187	92,158	95,182
GCF Reserve - NAK/ROS TS Upgrades - Service 188	22,827	352,844
GCF Reserve - Accessibility Project - Service 202	38,270	36,916
GCF Reserve - Crawford Bay Park Upgrades - Service 205	27,754	26,772
GCF Reserve - Glacier Creek Park Upgrades - Service 221	102,324	98,704
GCF Reserve - Arena Roof Replacement - Service 222	13,759	212,681
GCF Reserve - Aquatic Center Roof Replacement - Service 224	16,380	253,190
GCF Reserve - Boiler Replacement - Service 226	16,381	253,193
GCF Reserve - Roof Top Unit (HVAC) - Service 227	-	40,512
GCF Reserve - Slocan Schoolhouse Demo / Site Prep - Service 231	16,678	16,088
GCF Reserve - Portable Generator - Service 241	-	18,011
GCF Reserve - Water Line Replacement - Service 243	-	35,509
GCF Reserve - Distribution Upgrades - Service 248	-	88,660
GCF Reserve - Universal Metering - Service 250	-	95,142
GCF Reserve - Water Line Replacement - Service 252	78,977	76,183
GCF Reserve - Standby Generator - Service 253	-	11,261
GCF Reserve - Distribution Upgrades - Service 254	60,748	58,598
GCF Reserve - Distribution Upgrades - Service 255	-	100,022
GCF Reserve - Water Line Replacement - Service 256	90,840	87,626
GCF Reserve - Water Quality Upgrades - Service 259	25,216	52,359
GCF Reserve - Fire Hall Construction - Service 291	162,918	157,154
Community Works Reserve - Service X102	8,424,973	10,383,663
	\$ 46,606,279	\$ 43,779,341