



STATEMENT OF FINANCIAL INFORMATION for the year ending December 31, 2022

MANAGEMENT REPORT

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

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

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through its standing committee structure. Directors on these committees review the current year-to-date financial statements for each service on a quarterly basis.

The external auditors, MNP LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the regional district's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to all members of the Regional District's financial staff and consult with them intermittently throughout the year. They also have the authority to meet with the elected officials as required, though this has not typically been deemed necessary.

Submitted by

Linda Greenan, CPA, CMA

Manager of Financial Services / Officer responsible for financial administration under the *Local Government Act*

Prepared pursuant to Financial Information Regulation, Schedule 1, section 9
FIR (9) (1)

Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: qathet Regional District Contact Name: Linda Greenan

Fiscal Year End: December 31, 2022 Phone Number: (604) 485-2260

Date Submitted: _____ E-mail: lgreenan@qathet.ca

For the Ministry:

Ministry Name: _____ Reviewer: _____

Date Received: _____ Deficiencies: Yes ☐ No ☐

Date Reviewed: _____ Deficiencies Addressed: Yes ☐ No ☐

Approved (SFO): _____ Further Action Taken: _____

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in FIR Section 6
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in FIR Section 7
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	<ul style="list-style-type: none"> A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and Show changes in equity and surplus or deficit due to operations 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
Operational Statement					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> a Statement of Income or Statement of Revenue and Expenditures, and a Statement of Changes in Financial Position 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
3 (2) 3 (3)	<ul style="list-style-type: none"> The Statement of Changes in Financial Position may be omitted if it provides no additional information The omission must be explained in the notes 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	included in audited financial statements
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Debts					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4 (3) 4 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information The omission must be explained in a note to the schedule 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (3) 5 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and the range of equivalent months' compensation for them (see Guidance Package for suggested format)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The qathet Regional District did not enter into any severance agreements in 2022.
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Approval of Financial Information					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

2022 SCHEDULE OF GUARANTEES AND INDEMNITY AGREEMENTS

FIR 1 (1) (d)

qathet REGIONAL DISTRICT

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

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

2022 SCHEDULE OF DEBTS

FIR 4 (1) (a)

qathet REGIONAL DISTRICT

SCHEDULE OF DEBTS

Information on debts for this organization are included in Notes 4 and 5 to the Financial Statements.

**MFA DEBENTURE DEBT
2022 PAYMENTS**

FIR 4 (1) (a)

RD BYLAW	MFA ISSUE #	PREDICTED DUE DATE	PURPOSE	AMOUNT BORROWED	RATE	PAYMENT DATE	PRINCIPAL	INTEREST	TOTAL SEMI- ANNUAL	TOTAL ANNUAL
MUNICIPAL MEMBER DEBT										
383	92	Apr-2030	REC COMPLEX	500,000	0.91%	6-Apr 6-Oct	15,432.71	2,275.00 2,275.00	17,707.71 2,275.00	19,982.71
383	93	Apr-2025	ROADS REHAB.	1,000,000	1.09%	6-Apr 6-Oct	58,275.17	6,175.32 4,689.30	64,450.49 4,689.30	69,139.79
424	106	Oct-2034	MILLENIUM PARK	1,430,000	2.25%	13-Apr 13-Oct	34,337.11	16,087.50 16,087.50	16,087.50 50,424.61	66,512.11
424	117	Oct-2041	NORTH HARBOUR	6,000,000	1.47%	12-Apr 12-Oct	121,793.26	44,100.00 44,100.00	44,100.00 165,893.26	209,993.26
507	137	Apr-2046	NEW LIBRARY	3,500,000	2.60%	19-Apr 19-Oct	67,799.66	45,500.00 45,500.00	113,299.66 45,500.00	158,799.66
556	150	Apr-2050	LIQUID WASTE TREATMENT	10,000,000	1.99%	9-Apr 9-Oct	246,499.22	99,500.00 99,500.00	345,999.22 99,500.00	445,499.22
569	156	Sep-2051	LIQUID WASTE TREATMENT	5,000,000	2.58%	27-Mar 27-Sep	118,496.71	64,500.00 64,500.00	64,500.00 182,996.71	247,496.71
578	158	Sep-2052	LIQUID WASTE TREATMENT	5,000,000	4.09%	23-Mar 23-Sep				
TOTAL CITY				32,430,000			662,634	554,790	1,217,423	1,217,423
ELECTORAL AREA DEBT										
371	81	Apr-2024	NS RECREATION	70,000	5.50%	24-Apr 23-Oct	2,116.98	1,925.00 1,925.00	4,041.98 1,925.00	5,966.98
417	110	Apr-2030	MYRTLE WATER	72,056	1.28%	8-Apr 8-Oct	2,648.90	461.16 461.16	3,110.06 461.16	3,571.22
444	116	Apr-2026	LUND SEWER	25,000	1.47%	4-Apr 4-Oct	1,342.03	183.75 183.75	1,525.78 183.75	1,709.53
417	121	Oct-2032	MYRTLE WATER	9,566	2.90%	4-Apr 4-Oct	6,030.40 -	277.42 -	6,307.82 -	6,307.82
446	121	Oct-2042	NORTHSIDE FIRE	544,000	2.90%	4-Apr 4-Oct	9,699.57	7,888.00 7,888.00	7,888.00 17,587.57	25,475.57
417	124	Apr-2033	MYRTLE WATER	2,629	3.15%	8-Apr 8-Oct	88.29	41.41 41.41	129.70 41.41	171.11
446	124	Oct-2042	NORTHSIDE FIRE	62,860	3.15%	10-Apr 10-Oct	1,120.80	990.05 990.05	2,110.85 990.05	3,100.90
446	127	Oct-2044	NORTHSIDE FIRE	42,732	3.30%	7-Apr 10-Oct	761.92	705.08 705.08	1,467.00 705.08	2,172.08
527	146	Sep-2038	TEXADA HEALTH	202,910	3.20%	19-Mar 19-Sep	7,551.44	3,246.56 3,246.56	3,246.56 10,798.00	14,044.56
574	157	Apr-2052	NORTHSIDE FIRE	753,153	3.36%	8-Apr 8-Oct		- 12,652.97	- 12,652.97	12,652.97
TOTAL ELECTORAL AREAS				1,784,906			31,360.33	43,812.41	75,172.74	75,172.74
TOTAL DEBT PAYMENTS				34,214,906			693,994.17	598,602.03	1,292,596.20	1,292,596.20

2022 SCHEDULE OF LONG-TERM DEBENTURE DEBT

FIR 4 (1) (a)
FIR 4 (2)

RD BY LAW #	MFA ISSUE #	PROJECTED MATURITY DATE	PURPOSE	ORIGINAL AMOUNT	RATE	OUTSTANDING AMOUNT
MUNICIPAL MEMBER DEBT						
383	92	Apr-2030	REC COMPLEX	500,000	0.91%	214,700.35
383	93	Apr-2025	ROADS REHAB.	1,000,000	1.38%	186,103.90
424	106	Oct-2034	MILLENIUM PARK	1,430,000	2.25%	866,046.36
424	117	Oct-2041	NORTH HARBOUR	6,000,000	1.47%	4,568,163.10
507	137	Apr-2046	LIBRARY	3,500,000	2.60%	3,074,101.90
556	150	Apr-2050	LIQUID WASTE TREATMENT	10,000,000	1.99%	9,547,323.63
569	156	Sep-2051	LIQUID WASTE TREATMENT	5,000,000	2.58%	4,915,078.63
578	158	Sep-2052	LIQUID WASTE TREATMENT	5,000,000	2.58%	5,055,926.80
SUBTOTAL MUNICIPAL				32,430,000		28,427,444.67
ELECTORAL AREA DEBT						
371	81	Apr-2024	NORTHSIDE REC	70,000	5.50%	10,444.31
446	121	Oct-2042	NORTHSIDE FIRE	544,000	2.90%	427,545.94
446	124	Apr-2043	NORTHSIDE FIRE	62,860	3.15%	50,998.80
446	127	Apr-2044	NORTHSIDE FIRE	42,732	3.30%	35,711.50
527	146	Sep-2038	TEXADA HEALTH	202,910	3.20%	171,317.60
574	157	Apr-2052	NORTHSIDE FIRE	753,153	3.36%	753,153.00
SUBTOTAL ELECTORAL AREA DEBT				1,675,655		1,449,171.15
417	110	Apr-2030	MYRTLE WATER	72,056	1.28%	35,544.25
417	121	Oct-2032	MYRTLE WATER	9,566	2.90%	-
417	124	Apr-2033	MYRTLE WATER	2,629	3.15%	1,694.66
SUBTOTAL MYRTLE WATER				84,251		37,238.91
444	116	Apr-2026	LUND SEWER	25,000	1.47%	8,143.33
SUBTOTAL LUND SEWER				25,000		8,143.33
SUBTOTAL ELECTORAL AREA				1,784,906		1,494,553.39
TOTAL				34,214,906		29,921,998.06

2022 DEBTS COVERED BY SINKING FUNDS OR RESERVES

FIR 4 (1) (b)

qathet REGIONAL DISTRICT

DEBTS COVERED BY SINKING FUNDS OR RESERVES

2022 SCHEDULE OF LONG-TERM DEBT COVERED BY RESERVES

FIR 4 (1) (b)

RD BY LAW#	MFA ISSUE #	PROJECTED MATURITY DATE	PURPOSE	RESERVES		
				CASH	DEMAND NOTE	ENDING BALANCE
MUNICIPAL MEMBER DEBT						
383	92	Apr-30	REC COMPLEX REHAB	8,512.24	12,377.99	20,890.23
383	93	Apr-25	ROAD REHAB	17,122.23	29,450.49	46,572.72
424	106	Oct-34	MILLENIUM PARK	20,384.27	32,398.06	52,782.33
424	117	Oct-41	NORTH HARBOUR	80,444.46	90,990.30	171,434.76
507	137	Apr-46	LIBRARY	40,479.93	44,399.83	84,879.76
556	150	Apr-50	LIQUID WASTE TREATMENT	105,484.53	122,749.61	228,234.14
569	156	Sep-51	LIQUID WASTE TREATMENT	51,372.30	73,748.36	125,120.66
578	158	Sep-52	LIQUID WASTE TREATMENT	50,000.00	100,678.33	150,678.33
SUBTOTAL				373,799.96	506,792.97	880,592.93
ELECTORAL AREA DEBT						
371	81	Apr-24	NORTHSIDE REC	1,244.32	2,283.49	3,527.81
446	121	Oct-42	NORTHSIDE FIRE	7,058.94	7,297.79	14,356.73
446	124	Apr-43	NORTHSIDE FIRE	803.17	921.85	1,725.02
446	127	Apr-44	NORTHSIDE FIRE	520.73	658.72	1,179.45
527	146	Sep-38	TEXADA HEALTH	2,219.68	4,993.18	7,212.86
547	157	Apr-52	NORTHSIDE FIRE	7,531.53	13,698.97	21,230.50
SUBTOTAL ELECTORAL AREAS				19,378.37	29,854.00	49,232.37
417	110	Apr-30	MYRTLE WATER	1,013.91	2,110.59	3,124.50
417	121	Oct-32	MYRTLE WATER	-	-	-
417	124	Apr-33	MYRTLE WATER	33.56	59.27	92.83
SUBTOTAL MYRTLE WATER				1,047.47	2,169.86	3,217.33
444	116	Apr-26	LUND SEWER	340.16	899.27	1,239.43
SUBTOTAL LUND SEWER				340.16	899.27	1,239.43
SUBTOTAL ELECTORAL AREA				20,766.00	32,923.13	53,689.13
TOTAL				394,565.96	539,716.10	934,282.06

2022 SCHEDULE OF REMUNERATION AND EXPENSES

FIR 6 (2) (a)

1. Elected Officials - Members of the Board of Directors

Name	Position	Remuneration ¹	Expenses ²
Adamson, Lyn	Alt. Member, Board (Area A)	\$ -	\$ 11.23
Belyea, Ted	Alt. Member, Board (Area B)	-	67.37
Brabazon, Patrick	Board Chair (Area A)	30,902.41	610.31
Brander, Clayton	Board Chair (Area C)	25,195.79	7,007.48
Cran, Gregory	Alt. Member, Board (Area A)	-	56.14
Doubt, George	Member, Board (Municipal)	16,056.00	67.37
Elliott, Cindy	Member, Board (Municipal)	2,676.00	67.37
Fall, Andrew	Member, Board (Area E)	25,857.92	3,282.67
Garside, Shelley	Alt. Member, Board (Area E)	-	67.37
Gisborne, Mark	Member, Board (Area B)	21,981.96	3,749.66
Hackett, John	Alt. Member, Board (Tla'amin)	-	67.37
Hollo, Teresa	Alt. Member, Board (Area D)	134.00	67.37
Leishman, Carole Ann	Member, Board (Municipal)	14,452.00	56.14
Lennox, Jason	Member, Board (Area A)	3,663.66	11.23
Luaifoa, Losa	Member, Board (Tla'amin)	-	67.37
McCormick, Sandra	Member, Board (Area D)	24,045.96	1,456.94
Palm, Jim	Alt. Member, Board (Municipal)	-	67.37
Southcott, Robert	Alt. Member, Board (Municipal)	-	67.37
Williams, Carlos	Alt. Member, Board (Area C)	-	67.37
Total Elected Officials - Members of the Board of Directors		\$ 164,965.70	\$ 16,915.44

FIR 6 (2) (b) & (c)

2. Other Employees

Name	Position	Remuneration ¹	Expenses ²
Employees with remuneration exceeding \$75,000:			
Devereaux, Patrick	Manager of Operations	\$ 113,318.25	\$ 1,536.61
Greenan, Linda	Manager of Financial Services	127,535.06	1,859.08
Jones, Michelle	Manager of Administrative Services	127,391.43	1,446.27
Keil, Regan H	Parks and Properties Supervisor	82,118.83	2,741.09
Kouwenhoven, Jason	Assistant Manager of Financial Services	87,910.44	4,911.68
Radke, Allan H	Chief Administrative Officer	165,431.52	7,983.12
Roddan, Laura K	Manager of Planning Services	112,157.60	1,878.33
Schmeister, Nancy	Manager of Technical Services	100,762.28	1,388.42
Thoms, William Ryan	Manager of Emergency Services	105,177.93	4,275.91
Consolidated total of other employees with remuneration of \$75,000 or less		1,505,058.24	101,278.58
Total: Other Employees		\$ 2,526,861.58	\$ 129,299.09

FIR 6 (2) (d)

3. Reconciliation

Total Remuneration Elected Officials - Members of the Board of Directors	\$ 164,965.70
Total Remuneration Other Employees	2,526,861.58
Subtotal	2,691,827.28
Total Personnel Costs per Statement of Revenue and Expenditure	2,787,425.00
Variance (note 3)	\$ (95,597.72)

Notes

1. Remuneration includes the sum of gross salary plus the value of taxable benefits.

2. Expenses includes costs such as mileage to meetings, conference, professional accreditation, and membership fees. These expenses "... are not limited to expenses that are generally perceived as prerequisites or bestowing personal benefit, and may include expenditures required for employees to perform their job functions".

3. The schedule of remuneration reflects actual payments made during 2022 and therefore differs significantly from the expenses recorded in the financial statements which are reported on an accrual basis and include all wages and benefits accruing to staff.

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)

2022 SCHEDULE OF REMUNERATION AND EXPENSES

FIR 6 (8)

qathet REGIONAL DISTRICT

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between qathet Regional Distict and a non-unionized employees during fiscal year 2022.

☐ Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

2022 SCHEDULE OF PAYMENTS FOR THE PROVISION OF GOODS AND SERVICES

FIR 7 (1) (a)

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

1. **Alphabetical list of suppliers who received aggregate payments exceeding \$25,000**

Supplier Name	Amount Paid
Aaron Service and Supply	\$ 31,233.98
Aero Geometrics Ltd.	56,974.00
Albert, Marc	62,658.87
Andersen, Christopher	91,800.00
Aon Reed Stenhouse Inc.	227,562.00
Augusta Recyclers Inc.	302,692.07
Barr Plastics Inc	72,049.22
BC Hydro	202,278.40
BC Transit	156,737.67
Benefits by Design Inc.	47,371.47
Blackman Support Services Ltd.	90,935.38
Canada Revenue Agency	736,406.15
City of Powell River	251,560.79
City Transfer	599,617.20
Clirico	59,115.00
Container West Manufacturing Ltd.	155,715.00
Ebbwater Consulting	135,056.12
Finn Bay Marine Group - SIWT	51,083.75
Fyfe Holdings Ltd - Fyfe Well & Water Service	35,332.50
Graham Farstad Associates Ltd.	25,583.25
Herold Engineering	166,837.28
Heron Bay Boat Works	60,910.30
Jessie MacDonald DBA J. Macdonald Consulting	27,775.57
Let's Talk Trash	164,695.03
Mettler-Toledo Inc	71,719.91
Minister of Finance	58,024.34
MKM Projects Ltd	1,957,039.71
MNP LLP	32,871.04
Municipal Insurance Association of BC	44,512.53
Municipal Pension Plan	315,328.37
NAC Constructors Ltd	31,484.25
North Island 911 Corporation	224,492.00
Pacific Blue Cross	114,980.70
Persephone Consulting Ltd.	69,463.86
Powell River Peak	32,364.55
Red Dragon Machining	25,060.98
Regional Disposal Company - 4178	696,419.27
Revolution Pump Service Ltd.	29,386.82
Ricoh Canada Inc.	25,153.46
Robertson, Courtney	26,420.60
Rona Powell River	41,257.85
Salish Sea Industrial Services	341,964.64
Suncorp Valuations	45,465.00
Sunshine Coast Fuels Ltd.	37,743.82
Sunshine Disposal & Recycling	413,973.99
Telus Communications Inc	87,538.04
Termuende, Shelley	37,673.25
Tetra Tech Canada Inc.	113,061.98
The Green Waste Company C/O Daniel Buckland	129,937.50
The Integrity Group	41,034.00
Vancouver Coastal Health	1,444,535.25
WFR Wholesale Fire & Rescue Ltd.	26,345.88
WorkSafe BC	103,750.87
Young Anderson Barristers and Solicitors	157,289.15
Total aggregate amount paid to suppliers over \$25,000	\$ 10,588,274.61

2022 SCHEDULE OF PAYMENTS FOR THE PROVISION OF GOODS AND SERVICES

FIR 7 (1) (b)

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

	\$ 1,703,158.96
--	------------------------

FIR 7 (2) (b)

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

Alphabetical list of contributions exceeding \$25,000

Grant Recipient	
Kelly Creek Community School Association	\$ 53,298.00
LIFT Community Services of qathet Society	52,250.00
Powell River Search and Rescue Society	66,000.00
Consolidated total of grants exceeding \$25,000	\$ 171,548.00

Contribution Recipient	
City of Powell River - Sub-Regional Recreation	\$ 177,000.00
Lasqueti Island Last Resort Society	45,975.44
Powell River Educational Services Society (PRESS)	45,873.00
Powell River Public Library	523,079.20
qathet Museum and Archives Society	210,000.00
The BC Society for the Prevention of Cruelty to Animals	88,675.00
Vancouver Island Regional Library	28,314.00
Consolidated total of contributions exceeding \$25,000	\$ 1,118,916.64

Consolidated total of grants and contributions exceeding \$25,000	\$ 1,290,464.64
--	------------------------

FIR 7 (1) (c)

4. Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$ 10,588,274.61
Consolidated total of payments of \$25,000 or less paid to suppliers	1,703,158.96
Consolidated total of all grants and contributions exceeding \$25,000	1,290,464.64
Total	13,581,898.21
Total per 2022 Statement of Revenue and Expenditure	11,089,958.00
Variance (note 1)	\$ 2,491,940.21

Notes

1. The schedule of payments reflects actual payments made in 2021 and therefore differs significantly from the expenses recorded in the financial statements which are reported on an accrual basis resulting in timing differences and recognition of non-cash expenses. Furthermore, there are disbursements on this report which are not considered expenditures for financial statement purposes including payments made to other taxing authorities, employee payroll deductions and investment in capital assets.

Prepared under the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2.



qathet REGIONAL DISTRICT

2022 Financial Statements



qathet REGIONAL DISTRICT

Financial Statements for the year ending December 31, 2022

Management's Responsibility for the Financial Statements

Independent Auditor's Report

Financial Statements

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qathet REGIONAL DISTRICT

Management's Responsibility for the Financial Statements

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

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

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

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

Chief Administrative Officer

Chief Financial Officer

To the Board of Directors of the qathet Regional District:

Opinion

We have audited the financial statements of qathet Regional District (the "Regional District"), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including Schedules I to III, summary of function balances and accumulated surplus and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2022, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Regional District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Nanaimo, British Columbia

April 26, 2023

MNP LLP

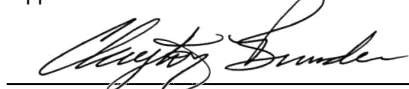
Chartered Professional Accountants

qathet Regional District
Statement of Financial Position
As at December 31, 2022

	2022	2021
Financial Assets		
Cash and short-term investments (Note 3)	\$ 19,926,092	\$ 17,904,589
Receivable from member municipality (Note 5)	28,427,445	24,126,269
Accounts receivable	1,224,051	711,321
Total Financial Assets	<u>49,577,588</u>	<u>42,742,179</u>
Liabilities		
Accounts payable (Note 17)	2,049,760	1,133,192
Due to Powell River Regional Hospital District (Notes 3 & 18)	6,675,045	6,214,596
Development cost charges	9,600	9,482
Deferred revenue	158,432	190,705
Capital financing and short term debt (Note 4)	2,367,773	1,881,411
Long-term debt (Note 5)	29,921,998	24,909,063
Landfill closure and post closure liability (Note 6)	224,917	408,668
Total Liabilities	<u>41,407,525</u>	<u>34,747,117</u>
Net Financial Assets	<u>8,170,063</u>	<u>7,995,062</u>
Non-Financial Assets		
Tangible capital assets (Schedule I)	25,074,480	21,955,212
Prepaid expenses	399,588	193,251
Total Non-Financial Assets	<u>25,474,068</u>	<u>22,148,463</u>
Accumulated surplus (Note 13)	<u>\$ 33,644,131</u>	<u>\$ 30,143,525</u>

Commitments (Note 10)
Contingent Liabilities (Note 11)

Approved on behalf of the Board:

 Chair

 Chief Financial Officer

qathet Regional District
Statement of Operations
For the year ended December 31, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
Revenue			
Taxation levies	\$ 9,023,207	\$ 9,023,208	\$ 8,280,496
Parcel tax	290,965	290,965	288,905
Grants	4,145,517	2,248,346	2,299,388
Waste Management Tipping fees	1,485,000	1,582,570	1,539,662
Sales of Services - Cemetery	104,926	114,875	109,663
Park Fees	241,900	225,045	233,400
Water and Sewer User Fees	162,090	167,851	158,417
Interest and Other Revenue	459,439	915,524	500,441
Gain (loss) on disposal of tangible capital assets	-	12,147	1,964
Gain from Actuarial Adjustment on Debenture Debt	-	10,033	8,787
	<u>15,913,044</u>	<u>14,590,564</u>	<u>13,421,123</u>
Expenses (Note 20)			
General Government Services	2,711,410	2,159,203	1,737,109
Development Services	831,861	696,771	577,571
Solid Waste Management and Recycling	2,849,032	2,469,303	2,899,268
Other Services	1,107,024	1,074,024	780,314
Parks and Recreation Services	1,954,289	1,936,767	1,793,033
Protective Services	2,220,284	2,128,762	2,112,415
Public Health and Welfare Services	123,112	126,200	118,823
Transportation Services	216,268	184,374	154,304
Water Services	153,682	124,662	143,003
Sewer Services	249,478	189,892	181,728
	<u>12,416,440</u>	<u>11,089,958</u>	<u>10,497,568</u>
Annual Surplus	3,496,604	3,500,606	2,923,555
Accumulated surplus, beginning of year	30,143,525	30,143,525	27,219,970
Accumulated surplus, end of year (Note 13)	<u>\$ 33,640,129</u>	<u>\$ 33,644,131</u>	<u>\$ 30,143,525</u>

qathet Regional District
Statement of Changes in Net Financial Assets
For the year ended December 31, 2022

	2022 Budget (Note 16)	2022 Actual	2021 Actual
Annual Surplus	\$ 3,496,604	\$ 3,500,606	\$ 2,923,555
Acquisition of tangible capital assets	(14,341,874)	(4,037,229)	(2,281,010)
Amortization of tangible capital assets	-	916,108	794,527
Proceeds from sale of tangible capital assets	-	14,000	1,964
Gain (loss) on disposal of tangible capital assets	-	(12,147)	(1,964)
Change in prepaid expenses	-	(206,337)	(36,784)
Change in net financial assets	(10,845,270)	175,001	1,400,288
Net financial assets, beginning of year	7,995,062	7,995,062	6,594,774
Net financial assets, end of year	<u>\$ (2,850,208)</u>	<u>\$ 8,170,063</u>	<u>\$ 7,995,062</u>

qathet Regional District
Statement of Cash Flows
For the year ended December 31, 2022

	2022	2021
Cash provided (used in)		
Operating Transactions		
Annual surplus	\$ 3,500,606	\$ 2,923,555
Items not involving cash		
Amortization of tangible capital assets	916,108	794,527
Gain (loss) on disposal of tangible capital assets	(12,147)	(1,964)
Gain from actuarial adjustment on debenture debt	(10,033)	(8,787)
Landfill closure and post closure costs	(183,751)	205,779
Changes in balances		
Accounts receivable	(512,730)	1,633,240
Prepaid expenses	(206,337)	(36,785)
Accounts payable	916,568	(1,632,202)
Deferred revenue	(32,273)	(63,737)
	<u>4,376,011</u>	<u>3,813,626</u>
Capital Transactions		
Proceeds from sale of tangible capital assets	14,000	1,964
Acquisition of tangible capital assets	(4,037,229)	(2,281,010)
	<u>(4,023,229)</u>	<u>(2,279,046)</u>
Financing Transactions		
Debt proceeds	1,410,695	741,888
Change in due to Powell River Regional Hospital District	460,449	618,865
Development cost charges	118	23
Repayment of long-term debt, leases and short-term borrowing	(202,541)	(235,964)
	<u>1,668,721</u>	<u>1,124,812</u>
Increase in cash and short-term investments during the year	<u>2,021,503</u>	<u>2,659,392</u>
Cash and short-term investments, beginning of year	<u>17,904,589</u>	<u>15,245,197</u>
Cash and short-term investments, end of year (Note 3)	<u><u>\$ 19,926,092</u></u>	<u><u>\$ 17,904,589</u></u>

qathet Regional District
Summary of Function Balances and Accumulated Surplus
For the year ended December 31, 2022

	2022	2021
Function Balances		
Administration and general	\$ 354,331	\$ 357,698
Planning	-	-
Waste management	35,000	(29,473)
Cemetery operations	50,000	50,000
Lasqueti fire protection area	32,000	32,000
Northside fire protection	(1,049)	(2,042)
Emergency telephone (911) services	20,858	8,232
Texada recreation commission	23,179	28,000
Texada airport	50,000	52,118
House numbering	8,891	(10,892)
Recreation program	1,427	1,500
Rural paratransit	45,253	42,487
Emergency program area C & D	14	4
Library services	4,153	3,403
Lasqueti Island library services	2	(2)
Savary Island public marine transportation facilities	(90)	-
Texada Island public marine transportation facilities	-	(2,416)
Northside recreation	(7,217)	-
Economic development	15,333	15,270
Water fund - Myrtle pond	20,000	20,000
Sewer fund - Lund sewer	20,000	20,000
Regional animal shelter	(1)	(1)
Development service	10,055	3,249
Social planning	54,103	74,599
Lasqueti health center	29	-
Total function balances	736,272	663,735
Waste management reserve (Note 13)	715,482	1,159,650
Reserve for future expenditure (Note 13)	5,312,858	4,495,306
Statutory reserve fund (Note 13)	5,667,365	4,533,827
Equity in tangible capital assets (Note 12)	21,212,154	19,291,007
Accumulated surplus (Note 13)	<u>\$ 33,644,131</u>	<u>\$ 30,143,525</u>

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022**

1 Summary of Significant Accounting Policies

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

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

a) Cash and Short-Term Investments

Cash and short-term investments are carried at cost and have a maturity period of less than three months.

b) Revenue Recognition

Revenues are recognized in the period in which transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Interest and operating grants are recognized as earned. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable. User fees, transit fares, airport hangar lease fees, water and sewer user fees, camping, parking and tipping fees are recognized as revenue on an accrual basis according to rates set in various fees and charges bylaws.

Revenue related to fees of services received in advance of the fee being earned or when the service is performed is deferred and recognized when the fee is earned or the service performed.

Taxation

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

Development Cost Charges

Receipts which are restricted by the legislation of senior government are reported as Development Cost Charges liability at the time they are received. When qualifying expenditures are incurred, Development Cost Charges are brought into revenue as Development revenue.

Cemetery Operations

Revenue from the sale of reserved plots is considered revenue in the year received. Any refunds which may be applied for in the future will be considered an operating expenditure of that year.

Government Transfers

Government transfers, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue if the transfer stipulations give rise to a liability. The transfer revenue is recognized in the statement of operations as the stipulated liabilities are settled.

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

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

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

c) Accrued Employee Benefits

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

d) Tangible Capital Assets

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

Estimate useful lives of tangible capital assets are as follows:

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

Assets under construction are not amortized until the asset is put into use

e) Landfill and Post Closure Liability

The Lasqueti Island landfill closure was completed in 2021. The post closure liability is based on estimated cost of post closure activities of the Lasqueti Island solid waste landfill. Any changes in estimate are recorded prospectively.

f) Interest on Debt

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

g) Financial Instruments

The Regional District's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable, short-term and long-term debt, capital financing and due to the Powell River Regional Hospital District. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

h) Non-Financial Assets

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

i) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported results could differ from management's best estimates as additional information becomes available in the future. Areas requiring the greatest degree of estimation include useful life of tangible capital assets and the provision for landfill closures.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

2 Municipal Finance Authority Reserve Deposits and Demand Notes

The Regional District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund and totals \$20,766 (\$13,067 - 2021). The Regional District also executes demand notes in connection with each debenture totaling \$32,923 (\$19,428 - 2021) whereby the Regional District may be required to loan certain amounts to the Municipal Finance Authority. Debt reserve funds are also held on behalf of the City of Powell River and total \$880,593 (\$722,840 - 2021). All amounts related to the reserve deposits and demand notes are disclosed here and not recorded elsewhere in these financial statements.

3 Cash and Short-Term Investments

	2022	2021
Cash accounts (0.87%)	\$ 3,005,480	\$ 1,016,770
MFA - Bond Fund	3,012,998	3,146,448
MFA - Money Market	3,089,772	7,012,041
Savings Institutions	10,626,812	6,475,606
Other Cash held	191,030	253,724
	<u>19,926,092</u>	<u>17,904,589</u>
Less:		
Portion held for Powell River Regional Hospital District	(6,675,045)	(6,214,596)
Cash and short-term investments	<u>\$ 13,251,047</u>	<u>\$ 11,689,993</u>

4 Capital Financing and Short Term Debt

The total equipment financing outstanding with the Municipal Finance Authority of British Columbia as at December 31, 2022 was \$818,343 (\$889,049 - 2021).

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

- 1) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced October 27, 2016 for the purchase of a Malaspina Volunteer Fire service fire truck. The debt was refinanced for a further five years on November 1, 2021. The remaining obligation will be repaid with monthly loan payments in the amount of \$3,863 including interest at a daily varying rate. The balance of the loan at December 31, 2022, which is included in equipment financing, is \$248,371 (\$288,634 - 2021). Loan to expire October 31, 2026.
- 2) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced December 21, 2018 for the initial payment on the purchase of two apparatus for the Malaspina Volunteer Fire service. The remaining obligation will be repaid with monthly loan payments in the amount of \$1,519 including interest at a daily varying rate. The balance of the loan at December 31, 2022, which is included in equipment financing, is \$226,491 (\$239,375 - 2021). Loan to expire December 31, 2023.
- 3) A five year equipment loan agreement with the Municipal Finance Authority of British Columbia which commenced December 31, 2019 for the balance of the purchase of two fire apparatus for the Malaspina Volunteer Fire service. The remaining obligation will be repaid with monthly loan payments in the amount of \$2,139 including interest at a daily varying rate. The balance of the loan at December 31, 2022, which is included in equipment financing, is \$343,481 (\$361,051 - 2021). Loan to expire December 31, 2024.

The daily varying interest rate on the financing at December 31, 2022 was 4.77% (0.96% - 2021).

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

4 Capital Financing and Short Term Debt (continued)

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

2023	\$	90,246
2024		90,246
2025		90,246
2026		90,246
2027		90,246
2027 and Beyond		367,113
	\$	<u>818,343</u>

Short-Term Debt

The total short-term financing outstanding with the Municipal Finance Authority of British Columbia as at December 31, 2022 was \$1,549,430 (\$992,363 - 2021). This borrowing is interim financing and is projected to be converted to long term debt in 2023. Interest on the debt is charged at daily varying rates. The full amount borrowed must be repaid within five (5) years.

Future loan payments on short term debt are projected as:

2023	\$	1,549,430
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5 Long-Term Debt

Debt of the Regional District	2022	2021
Issued 2004, maturing 2024, 2.85%	\$ 10,444	\$ 15,297
Issued 2010, maturing 2030, 1.28%	35,544	39,338
Issued 2011, maturing 2026, 1.47%	8,143	10,010
Issued 2012, maturing 2032, 2.90%	0	6,166
Issued 2012, maturing 2042, 3.39%	427,546	441,352
Issued 2013, maturing 2033, 3.15%	1,695	1,815
Issued 2013, maturing 2043, 3.15%	50,999	52,533
Issued 2014, maturing 2044, 3.30%	35,711	36,714
Issued 2018, maturing 2038, 3.20%	171,318	179,569
Issued 2022, maturing 2052, 3.36%	<u>753,153</u>	<u>-</u>
Debt of the qathet Regional District	1,494,553	782,794
Debt of the City of Powell River	<u>28,427,445</u>	<u>24,126,269</u>
	\$ <u>29,921,998</u>	\$ <u>24,909,063</u>

Future principal repayments on Regional District Debt:

2023	\$	70,388
2024		80,027
2025		75,549
2026		75,549
2027		75,145
2028 and Beyond		1,117,894
	\$	<u>1,494,552</u>

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

6 Landfill Closure and Post Closure Liability

In accordance with PS 3270, liabilities with respect to permanently closing and monitoring a landfill are incurred as landfill capacity is used. The Lasqueti Island Landfill ceased taking waste and closure of the site was completed in 2021.

A technical analysis projects that the landfill will need to be monitored until 2045. Post closure monitoring costs are estimated at \$11,200 per year from 2023 through 2045. Total post closure monitoring costs at December 31, 2022 are estimated at \$613,791 (2021 - \$572,028).

The total liability for post closure care and monitoring presented is based on the present value of the closure and post closure monitoring costs using a discount rate of 3.03%. The discount rate is based on the average change in the Consumer Price Index from 2018 through 2022. As at December 31, 2022 the present value of the post closure monitoring is estimated at \$224,917 (2021 - \$408,668) and this amount has been set aside in reserves for that purpose.

7 The North Island 9-1-1 Corporation

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

Alberni Clayoquot	3 shares
Comox Valley	6 shares
Mount Waddington	1 share
Nanaimo	5 shares
qathet	2 shares
Strathcona	4 shares

8 Septage Sludge Disposal

The Regional District has contracted with the City of Powell River in order to allow use of their sewage lagoon for the disposal of septage and sewage sludge generated in electoral area A-D until 2025. The agreement required an up-front payment of \$509,000 in 2005 and contains further commitments of the Regional District as set out in Note 10.

9 Pension Plan

The qathet Regional District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

9 Pension Plan (continued)

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

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

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

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

The Regional District paid \$163,770 (2021 - \$176,981) for employer contributions while employees contributed \$151,457 (2021 - \$156,154) to the plan in fiscal 2022.

10 Commitments

The Regional District has the following commitments:

A waste handling service at an estimated cost of \$283,000/year until June 30, 2023.

A waste transport service at an estimated cost of \$579,000/year until June 30, 2026.

A waste transport and disposal service at an estimated cost of \$750,000/year until December 31, 2023 with automatic renewal for successive three year periods until cancelled with notice.

A recycling depot operating contract at an estimated cost of \$327,000/year until October 31, 2023.

A septage sludge disposal service with payments of \$13,000/year until 2025 with annual cost of living indexing until cancelled with notice.

A contribution to the SPCA of \$94,000/year with annual cost of living indexing until cancelled with notice.

An agreement with an estimated cost of \$96,000 for the maintenance and operation of Shelter Point Regional Park until March 31, 2023.

An agreement with an estimated cost of \$243,000 toward operation of the Heritage Conservation service with no stated termination date.

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

10 Commitments (continued)

An agreement for a funding contribution of approximately \$177,000 toward operation of the Powell River Recreation Complex with no stated termination date.

An agreement with a budgeted cost of \$9.5 million for construction management and construction of the Resource Recovery Centre and Commercial Transfer Station at the historical incineration site on Marine Avenue in Powell River, BC.

An agreement with an estimated cost of \$32,500/year for the collection and transportation of Lasqueti Island's residual waste with an expiry date of January 7, 2023.

An agreement with an estimated cost of \$163,000/year for operation of the paratransit service with an expiry date of March 31, 2023.

An agreement with an estimated cost of 146,000/year for waste education and awareness services.

An agreement with an estimated cost of \$136,000 for engineering services for the Resource Recovery Centre and Commercial Transfer Station at the historical incineration site on Marine Avenue in Powell River, BC.

An agreement with an estimated cost of \$434,000/year for the provision of a library service with no stated termination date.

11 Contingent Liabilities

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

12 Equity in Tangible Capital Assets

	2022	2021
Equity in tangible capital assets, beginning of year	\$ 19,291,007	\$ 18,301,661
Tangible capital assets additions	4,037,229	2,281,010
Amortization of tangible capital assets	(916,108)	(794,527)
Additions funded by debt and equipment financing	(1,410,695)	(741,888)
Long-term debt payments	41,394	34,345
Short-term debt payments	171,180	210,406
Capital assets disposal	(1,853)	-
Equity in tangible capital assets, end of year	<u>\$ 21,212,154</u>	<u>\$ 19,291,007</u>

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

13 Accumulated Surplus

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

	2022	2021
Function balances	\$ 736,272	\$ 663,735
Waste Management Reserve	715,482	1,159,650
Reserve for future expenditures	5,312,858	4,495,306
Statutory Reserve fund	5,667,365	4,533,827
Equity in Tangible Capital Assets (Note 12)	21,212,154	19,291,007
	<u>\$ 33,644,131</u>	<u>\$ 30,143,525</u>

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

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

Represented by:	2022	2021
Texada Medical Clinic capital reserve	\$ 99,044	\$ 71,994
Malaspina Volunteer Fire capital reserve	324,429	297,604
Malaspina Volunteer Fire capital reserve #2	334,321	222,984
Lasqueti Island Volunteer Fire capital reserve	328,423	257,206
Northside Volunteer Fire capital reserve	430,703	464,506
Savary Island Volunteer Fire capital reserve	406,408	259,278
Lund Sewer capital reserve	97,899	97,035
Texada Recreation Commission capital reserve	234,425	221,754
Community Works Fund reserve (Note 14)	1,844,102	1,589,306
Feasibility Studies reserve	38,127	37,657
Community Parks Acquisition reserve	719,730	427,475
Myrtle Pond Water System reserve	252,545	218,360
General Administration reserve	137	135
Regional Parks Acquisition reserve	557,072	368,533
	<u>\$ 5,667,365</u>	<u>\$ 4,533,827</u>

14 Community Works Fund

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

	2022	2021
Community Works Fund Reserve, opening balance	\$ 1,589,306	\$ 1,076,126
Amount received during the year	361,429	706,571
Interest earned	21,008	3,072
	<u>1,971,743</u>	<u>1,785,769</u>
Less: Amount spent	(127,641)	(196,463)
Community Works Fund Reserve, closing balance	<u>\$ 1,844,102</u>	<u>\$ 1,589,306</u>

qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022

15 COVID-19 Safe Restart Grant

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

	2022	2021
COVID-19 Safe Restart Grant, opening balance	\$ 22,716	\$ 210,099
Amount received during the year	0	117,000
Interest earned	224	314
	<u>22,940</u>	<u>327,413</u>
Eligible costs incurred:		
Emergency Planning and Response		(8,231)
Facility Reopening and Operating Costs	(11,338)	(289,941)
Revenue Shortfalls		(459)
Services for Vulnerable Persons		-
Technology Upgrades		(6,066)
Total eligible costs incurred	<u>(11,338)</u>	<u>(304,697)</u>
COVID-19 Safe Restart Grant, closing balance	<u>\$ 11,602</u>	<u>\$ 22,716</u>

16 Budget Figures

Budget Figures represent the Financial Plan Bylaw No. 576, 2022 adopted by the Board on February 25, 2022.

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

The summary below reconciles the 2022 adopted financial plan to the financial statement budget figures:

	2022
Financial plan bylaw, surplus for the year	\$ -
Less:	
Prior year surplus	(624,760)
Proceeds from new debt	(8,486,265)
Transfers to / from own funds	(2,279,707)
Add:	
Capital expenditures per budget	14,341,874
Repayment of debt	545,462
Adjusted Annual Surplus	<u>\$ 3,496,604</u>

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022**

17 Employee Benefit Obligations

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

During 2022 the qathet Regional District recorded a liability of \$96,155 (2021 - \$86,979) for employee sick leave. This liability is included in accounts payable on the Statement of Financial Position.

18 Powell River Regional Hospital District

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

During 2022, administrative support services supplied to the regional hospital district by the qathet Regional District totalled \$105,000 (2021 - \$100,000).

19 Recent Accounting Pronouncements

PS 3280 Asset Retirement Obligations, issued August 2018, establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets and is effective for the Regional District as of January 1, 2023. A liability will be recognized when, as at the financial reporting date:

- a. There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b. The past transaction or event giving rise to the liability has occurred;
- c. It is expected that future economic benefits will be given up; and
- d. A reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Statement of Operations.

Management is in the process of assessing the impact of adopting this standard on the Regional District's financial results.

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022**

20 Segmented Information

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

Segmentation has been determined on a functional basis with consideration to service delivery and departmental accountabilities. The following is a description of the types of services included in each of the main service segments of the regional district's financial statements. A detailed summary of the 2022 revenues and expenses can be found in Schedule II of the accompanying financial statements. Schedule III contains comparative figures for the year ended December 31, 2021.

General Government

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

Development Services

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

Solid Waste Management and Recycling

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

Other Services

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

Parks and Recreation

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

Protective services

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

Public Health and Welfare

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

**qathet Regional District
Notes to Financial Statements
Year ended December 31, 2022**

20 Segmented Information (continued)

Transportation Services

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

Water Service

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

Sewer Service

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

SCHEDULE I

**qathet Regional District
Tangible Capital Assets Continuity Schedule
Year Ended December 31, 2022**

2022	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in Progress	Machinery & Equipment	Vehicles	Water Systems	Sewer	Structures (Docks and Sheds)	Totals
Cost, beginning of year	\$ 1,983,605	\$ 3,325,150	\$ 130,452	\$ 7,326,880	\$ 3,483,531	\$ 2,280,636	\$ 3,619,763	\$ 1,848,063	\$ 3,030,274	\$ 3,935,667	\$ 30,964,021
Additions	-	3,289,713	-	242,645	3,545,121	213,055	-	-	40,074	-	7,330,608
Disposals	-	-	-	-	(3,293,379)	-	(24,707)	-	-	-	(3,318,086)
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Cost, end of year	1,983,605	6,614,863	130,452	7,569,525	3,735,273	2,493,691	3,595,056	1,848,063	3,070,348	3,935,667	34,976,543
Accumulated amortization, beginning of year	-	798,425	48,215	2,017,981	-	1,411,366	1,671,549	524,679	1,012,276	1,524,318	9,008,809
Amortization	-	122,468	3,977	193,573	-	222,436	125,535	45,493	85,963	116,663	916,108
Disposals	-	-	-	-	-	-	(22,854)	-	-	-	(22,854)
Accumulated amortization, end of year	-	920,893	52,192	2,211,554	-	1,633,802	1,774,230	570,172	1,098,239	1,640,981	9,902,063
Net carrying amount, end of year	\$ 1,983,605	\$ 5,693,970	\$ 78,260	\$ 5,357,971	\$ 3,735,273	\$ 859,889	\$ 1,820,826	\$ 1,277,891	\$ 1,972,109	\$ 2,294,686	\$ 25,074,480

2021	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in Progress	Machinery & Equipment	Vehicles	Water Systems	Sewer	Structures (Docks and Sheds)	Totals
Cost, beginning of year	\$ 1,983,605	\$ 3,166,227	\$ 130,452	\$ 6,092,112	\$ 2,999,857	\$ 2,220,047	\$ 3,524,559	\$ 1,834,656	\$ 2,804,701	\$ 3,930,330	\$ 28,686,546
Additions	-	158,923	-	1,234,768	1,123,646	64,125	95,204	13,407	225,573	5,337	2,920,983
Disposals	-	-	-	-	(639,972)	(3,536)	-	-	-	-	(643,508)
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Cost, end of year	1,983,605	3,325,150	130,452	7,326,880	3,483,531	2,280,636	3,619,763	1,848,063	3,030,274	3,935,667	30,964,021
Accumulated amortization, beginning of year	-	712,173	44,238	1,852,093	-	1,264,668	1,532,523	479,378	924,912	1,407,833	8,217,818
Amortization	-	86,252	3,977	165,888	-	150,234	139,026	45,301	87,364	116,485	794,527
Disposals	-	-	-	-	-	(3,536)	-	-	-	-	(3,536)
Accumulated amortization, end of year	-	798,425	48,215	2,017,981	-	1,411,366	1,671,549	524,679	1,012,276	1,524,318	9,008,809
Net carrying amount, end of year	\$ 1,983,605	\$ 2,526,725	\$ 82,237	\$ 5,308,899	\$ 3,483,531	\$ 869,270	\$ 1,948,214	\$ 1,323,384	\$ 2,017,998	\$ 2,411,349	\$ 21,955,212

SCHEDULE II

**qathet Regional District
Schedule of Segment Disclosure by Service
Year ended December 31, 2022**

	General Fund										2022 Actual	2022 Budget (Note 16)
	General Government Services	Development Services	Solid Waste Management & Recycling	Other Services	Parks and Recreation Services	Protective Services	Public Health & Welfare	Transportation Services	Water Services	Sewer Services		
Revenue												
Taxation levies	\$ 2,041,201	\$ 530,818	\$ 1,387,284	\$ 522,346	\$ 1,928,942	\$ 2,303,754	\$ 139,714	\$ 169,149	\$ -	\$ -	\$ 9,023,208	\$ 9,023,207
Parcel tax	-	-	-	190,000	-	-	-	-	48,465	52,500	290,965	290,965
Grants	702,965	142,350	1,142,774	57,454	11,755	176,166	-	4,882	-	10,000	2,248,346	4,145,517
Waste Management Tipping fees	-	-	1,582,570	-	-	-	-	-	-	-	1,582,570	1,485,000
Sales of Services - Cemetery	-	-	-	114,875	-	-	-	-	-	-	114,875	104,926
Park Fees	-	-	-	-	225,045	-	-	-	-	-	225,045	241,900
Water and Sewer User Fees	-	-	-	-	-	-	-	-	77,388	90,463	167,851	162,090
Interest and Other Revenue	120,830	296,911	151,410	33,759	89,279	201,813	1,100	12,118	3,563	4,741	915,524	459,439
Gain (loss) on disposal of tangible capital assets	12,147	-	-	-	-	-	-	-	-	-	12,147	-
Gain from Actuarial Adjustment on Debenture Debt	-	-	-	-	2,735	4,760	700	-	1,313	525	10,033	-
Total Revenue	2,877,143	970,079	4,264,038	918,434	2,257,756	2,686,493	141,514	186,149	130,729	158,229	14,590,564	15,913,044
Expenses												
Personnel costs	1,174,591	230,565	91,484	213,438	411,281	635,922	6,552	6,083	13,960	3,549	2,787,425	3,371,082
Grants	184,223	188,233	-	88,064	894,580	226,063	43,400	155,242	-	-	1,779,805	1,844,791
General goods and services	715,325	261,382	2,480,368	623,299	496,424	878,635	48,945	22,057	63,993	99,846	5,690,275	6,869,052
Debt charges	768	-	6,732	-	3,850	59,950	6,493	-	1,216	470	79,479	312,665
Transfers to other local government	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	84,296	16,591	53,853	149,223	130,632	328,191	20,810	992	45,493	86,027	916,108	-
Landfill closure/post closure allowances	-	-	(163,134)	-	-	-	-	-	-	-	(163,134)	18,850
Total Expenses	2,159,203	696,771	2,469,303	1,074,024	1,936,767	2,128,762	126,200	184,374	124,662	189,892	11,089,958	12,416,440
Annual Surplus (Deficit)	\$ 717,940	\$ 273,308	\$ 1,794,735	\$ (155,590)	\$ 320,989	\$ 557,731	\$ 15,314	\$ 1,775	\$ 6,067	\$ (31,663)	\$ 3,500,606	\$ 3,496,604

SCHEDULE III

**qathet Regional District
Schedule of Segment Disclosure by Service
Year ended December 31, 2021**

	General Fund										2021 Actual	2021 Budget
	General Government Services	Development Services	Solid Waste Management & Recycling	Other Services	Parks and Recreation Services	Protective Services	Public Health & Welfare	Transportation Services	Water Services	Sewer Services		
Revenue												
Taxation levies	\$ 1,839,699	\$ 608,362	\$ 986,726	\$ 498,599	\$ 1,924,994	\$ 2,156,952	\$ 131,683	\$ 133,481	\$ -	\$ -	\$ 8,280,496	\$ 8,281,310
Parcel tax	-	-	-	190,000	-	-	-	-	46,405	52,500	288,905	288,905
Grants	1,038,351	45,873	775,198	81,303	100,010	237,824	-	10,829	10,000	-	2,299,388	5,150,840
Waste Management Tipping fees	-	-	1,539,662	-	-	-	-	-	-	-	1,539,662	1,455,000
Sales of Services - Cemetery	-	-	-	109,663	-	-	-	-	-	-	109,663	105,735
Park Fees	-	-	-	-	233,400	-	-	-	-	-	233,400	176,243
Water and Sewer User Fees	-	-	-	-	-	-	-	-	75,437	82,980	158,417	151,011
Interest and Other Revenue	38,554	26,528	111,953	21,023	67,923	220,966	157	12,596	551	190	500,441	659,777
Gain (loss) on disposal of tangible capital assets	-	-	1,964	-	-	-	-	-	-	-	1,964	-
Gain from Actuarial Adjustment on Debenture Debt	-	-	-	-	2,504	4,131	460	-	1,163	529	8,787	-
Total Revenue	2,916,604	680,763	3,415,503	900,588	2,328,831	2,619,873	132,300	156,906	133,556	136,199	13,421,123	16,268,821
Expenses												
Personnel costs	977,976	231,759	112,958	199,749	391,094	644,648	6,522	7,797	9,221	3,424	2,585,148	3,221,149
Grants	65,565	189,378	-	85,665	885,272	230,663	42,500	124,109	-	-	1,623,152	1,735,157
General goods and services	618,794	142,006	2,415,041	344,779	389,925	947,162	42,498	21,406	87,198	90,159	5,098,968	6,425,190
Debt charges	1,352	-	310	160	3,850	32,121	6,493	-	1,283	717	46,286	145,928
Transfers to other local government	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of tangible capital assets	73,422	14,428	21,473	149,961	122,892	257,821	20,810	992	45,301	87,428	794,528	-
Landfill closure/post closure allowances	-	-	349,486	-	-	-	-	-	-	-	349,486	148,147
Total Expenses	1,737,109	577,571	2,899,268	780,314	1,793,033	2,112,415	118,823	154,304	143,003	181,728	10,497,568	11,675,571
Annual Surplus (Deficit)	\$ 1,179,495	\$ 103,192	\$ 516,235	\$ 120,274	\$ 535,798	\$ 507,458	\$ 13,477	\$ 2,602	\$ (9,447)	\$ (45,529)	\$ 2,923,555	\$ 4,593,250