

# 2023 ANNUAL REPORT

**The Corporation of the  
District of Summerland,  
British Columbia, Canada**  
Year Ending December 31, 2023





The Corporation of the District of Summerland  
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[www.summerland.ca](http://www.summerland.ca)

## 2023 Annual Report

For the fiscal period ending December 31, 2023

The Corporation of the District of Summerland 2023 Annual Report has been prepared by the Corporate Services and Financial Services departments pursuant to section 98 of the Community Charter.



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Government Finance Officers Association

# Canadian Award for Financial Reporting

Presented to

The Corporation of the District of Summerland  
British Columbia

For its Annual  
Financial Report  
for the Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

# Mayor's Message

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The Annual Report is an opportunity to highlight the good work undertaken by the District of Summerland throughout the past year and mark the progress made on Council's strategic priorities.

Council's priorities are grouped under four overarching sections:

- To protect and enhance core infrastructure and essential services
- To provide good governance
- To provide an adaptable and affordable community
- To enhance our quality of life

Each section has a series of actions with timeframes for starting and finishing each project.

The first priority in enhancing our infrastructure is to repave more roads. In 2023, we completed roadworks on Giants Head Road, Jubilee Road West, Dale Meadows Road, and Victoria Road South. Besides paving, these projects included work on water mains, drainage, sidewalks and bike paths.

The roadwork was guided by a Roads and Water Integrated Asset Management Plan that was completed in 2023 and for which the District of Summerland received a Community Excellence Award in the Asset Management from the Union of British Columbia Municipalities (UBCM).

Another important infrastructure project was the completion of an organics processing facility which, through the curbside collection of food scraps, allows us to extend the life of the landfill, reduce greenhouse gas emissions, and produce high quality compost for the community.

In 2023, Summerland also started generating some of its own electricity with the highly anticipated opening of the Summerland Energy Centre, a 412kW solar array and 1MW battery energy storage system built by local contractors. In recognition of the facility, the District of Summerland received a Climate & Energy Action Award from the Community Energy Association, the second time in three years we have received this honour.



# Mayor's Message

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Our leadership in local climate action was further acknowledged when Earth Day Canada appointed the District of Summerland as its 2023 spokesperson for the Mobilizing Municipalities Campaign in recognition of the community's longstanding celebration of Earth Day.

On Earth Day (April 22, 2023), we launched a free fare pilot program for Summerland residents on BC Transit's Route 30 to Penticton. Besides reducing energy consumption and carbon emissions, the pilot program made it possible for anyone to take the bus regardless of means ensures all residents have access essential services.

Also in line with the Council priority to build an adaptable and affordable community, we have maintained a strong focus on providing more housing. Last year, 59 new residential housing units were added to the local housing supply, with developers taking advantage of streamlined approvals and improvements to the building permit process.

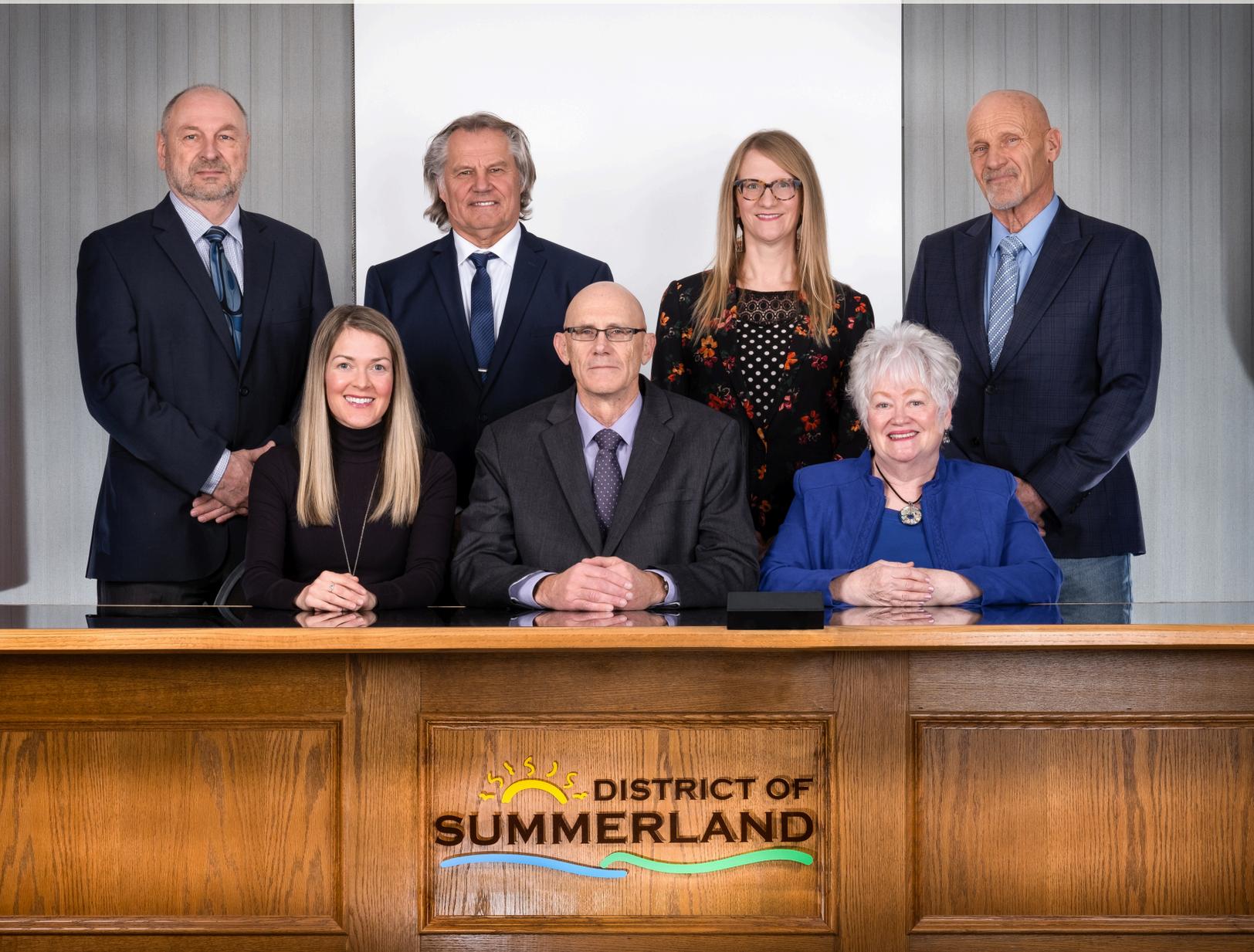
Finally, 2023 will be remembered for the referendum on a proposed recreation centre. With 58% opposed, voters made it clear now is not the right time for a new facility. It was heartening to see so many residents attend the open houses, information sessions and tours to learn more, weigh the pro's and con's, and ultimately cast their ballot. The important thing wasn't how any one person voted, but how the community came together to engage in the democratic process. In 2024 and beyond, Council will discuss next steps and keep the community engaged as we work together to determine Summerland's future recreation needs.

Doug Holmes,  
Mayor



# 2022-2026 District Council

Back row, left to right: Councillors Richard Barkwill, Doug Patan, Adrienne Betts, Martin Van Alphen  
Front row, left to right: Deputy Mayor Erin Trainer, Mayor Doug Holmes, Councillor Janet Peake



1906

Year the District of Summerland was incorporated

12,042

Number of residents (2021 Census) who make Summerland home

74.04

Square km of homes, orchards, mountains & lakes

# 2023 STRATEGIC PRIORITY PROJECTS &

## INITIATIVES

Infrastructure Investment	Good Governance	Community Resiliency	Alternative Energy	Active Lifestyles	Downtown Vibrancy
Asset Management	Process Improvement	Affordable / Supportive Housing Opportunities & Partnerships	Solar & Battery Project (G)	Community Health & Wellness Centre	Downtown Plan
Capital Plan / Priorities Road and water main 10yr plan	Penticton Indian Band Relationship / Priorities	Chamber of Commerce – Industry Engagement / 5yr Plan	Climate Action Plan Implementation	Parks & Recreation Master Plan Implementation	Arts & Culture Centre renovations (G)
Giants Head Road – road and water system	Bylaw Updates	Cultural Plan Implementation	Community Energy Strategy	Arena Assessment	Main Street Outdoor Patio Design Guidelines
Voltage Conversion Project (G)	Short Term Vacation Rentals	South Okanagan Agricultural Food Hub		Memorial Park Playground	Downtown infrastructure
Road Condition Assessment	Tax Base / Agricultural Land Assessment	Community Conversation Eco-Village Development			
Eneas Creek Strategy					
Isintok dam upgrades					
Trout Creek Flume (G)					
Organics Processing Facility (G)					
Watershed Management					
Perpetual Slide					
Deer Ridge Sewer					

# Strategic Priorities

## 2022–2026



### Our Vision

Growing Tomorrow's Community Today

### Our Strategic Focus (2022 – 2026).

1. To Protect and Enhance Core Infrastructure and Essential Services
2. To Provide Good Governance
3. To Build an Adaptable Community
4. To Enhance Our Quality of Life

### How We Will Service Each Other & Our Citizens

Integrity (Honesty)

Respect

Accountability

Leadership & Collaboration

Creativity

Transparency

# 2023 Council Advisory Committees

---

## **Advisory Planning Commission**

Reviews land use planning applications that require amendments to the Official Community Plan and Zoning Bylaw with recommendations included in the staff report to Council.

## **Agricultural Advisory Committee**

Advises Council on ALR applications, OCP and zoning applications affecting lands in the ALR, and on sustainable agricultural land use from a multiple bottom line (i.e. cultural, economic, environmental, and social) perspective.

## **Community Climate Action Advisory Committee**

Supports Council in achieving the District's community-wide greenhouse gas (GHG) emission reduction targets and accompanying objectives related to Climate Action, as identified in the Official Community Plan.

## **Development Process Improvement Advisory Committee**

Provides advice and assistance to Council and staff to review and update bylaws, processes and procedures as they relate to planning, development and construction in the community.

## **Parks & Recreation Advisory Committee**

Provides a local perspective and advice to Council and staff on the provision of parks and recreation services, programs, and facilities in Summerland with consideration of the District of Summerland Parks & Recreation Master Plan.

# Message from the Chief Administrative Officer

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2023 was a year of progress and poignance. Staff made great strides on Council's priorities such as paving more roads while commissioning our new Organics Facility and Solar and Battery Storage Facility. At the same time, it was a devastating wildfire season with regional impacts. I was proud when staff rose to the occasion and provided special access/programs in our facilities for our residents and the travelling public to get out of the smoke.

The workload was heavy in 2023. Unanticipated provincial legislative maneuvers resulted in a rework of other timelines and priorities. Bill 44 and Bill 35 introduced a tectonic shift in the way local governments regulate housing and short term rentals, triggering bylaw and Official Community Plan amendments we are still processing into the 2024 year. At the same time, once again, we saw a record year for Freedom of Information requests which tied up staff time and budget resources in order to fulfil our legislative duties in that regard.

A very successful referendum was held with the community on the proposal for a new Recreation Centre to be built near the arena. Great material and public engagement resulted a solid turnout and a clear decision from a well-informed community.

A special highlight for the year was when Council funded a rebuild of the much-beloved Summerland pier which had to be dismantled due to safety concerns. Thanks to good planning and preparation in 2023, residents will be leaping off the the pier again in 2024, with new features being added thanks to the generous support of Rotary.

Graham Statt  
Chief Administrative Officer



## Code of Ethics

*Our role in the organization defines what we do each day - this Code of Ethics defines how we will work. What we do each day may differ, but how we do it is consistent through our pride of service and values.*

### TRANSPARENCY

*We take personal responsibility for our actions and will speak the truth with honesty and openness in our communication and professional advice.*

### RESPECT

*We build relationships from a place of mutual respect, holding equality and diversity in high regard while doing our part to provide a high level of service to the community.*

### HONESTY

*We will maintain honourable conduct and welcome feedback from others regarding our work while showing leadership and acting positively in our roles.*

### STEWARDSHIP

*We will use public time, resources, and equipment responsibly and efficiently, while also considering the sustainability of the natural environment in our choices and actions.*

### CREATIVITY

*We use imagination and ingenuity as we work through problems and opportunities as a team.*

### Our Values in Action

*My effort will be to collaborate with others and to pursue innovative solutions, together.*

*I will uphold all policies, regulations, and procedures regarding the safety of my workplace.*

*I will take personal action to be safe while making known to my supervisor any unsafe condition or action that would put my colleagues or myself at risk.*

*Being part of an inclusive workplace means I will do my part to respectfully listen to ideas and perspectives that may not align with my own and be kind and welcoming to others around me.*

*I invite those with whom I work most closely to keep me accountable to this Code of Ethics, and promise to do the same for them, in the appropriate setting and in a respectful manner.*

Transparency – Respect – Honesty – Stewardship – Creativity

**Mayor & Council**

**Chief Administrative Officer**



**RCMP**

- Community Policing
- Community Safety
- Enforcement

**Community Services**

- Recreation Programs
- Arena
- Parks Planning
- Community Development
- Community Engagement
- Communications
- Landscaping

**Utilities**

- Electrical
- Water
- Wastewater
- Watershed Protection & Planning
- Regulatory Assurance for Utilities

**Corporate Services**

- Legislative Services • Council Agenda Management
- Contract / Leases Administration / Risk / Procurement

**Fire**

- Fire Department
- Emergency Management
- Fire Inspection

**Development Services**

- Building
- Planning
- Facilitating Development
- Business Licencing
- Bylaw Services & Compliance
- Building Inspection
- Sustainability

**Works & Infrastructure**

- Linear Infrastructure
- Fleet & Equipment
- Asset Management
- Sanitary Landfill
- Facility Stewardship
- Eng./Capital Works

**Finance**

- Budget
- Accounting
- Payroll & Benefits
- Information Technology
- GIS

**Human Resources**

- Performance Management
- Employee & Labour Relations
- Recruitment & Retention
- Compensation
- Orientation & training

# Financial Services

## 2023 Year in review

### Overview

- Operational and Capital Budgeting
- Financial Reporting
- Grant Administration
- Payroll
- Property Taxation
- Annual Agricultural Water Billing
- Monthly Seasonal Water Service Billing
- Monthly Utility and Receivable Billing
- Invoice Processing and Payment
- Dog Licensing



### Accomplishments

- Staff Recruitment
- Public Sector Accounting Board – Asset Retirement Obligations Standard Implementation
- Timesheet Entry Implementation
- Loan Authorization Bylaws
- Annual Budgeting
- Financial Reporting

### 2024 Priorities

- Loan Authorization Bylaws
- Local Service Areas
- Latecomer Agreements
- Sewer Parcel Tax Implementation
- Seasonal Water Service Billing Implementation
- Fees and Charges Review
- Staffing Transition and Recruitment

7,340

Vendor invoices  
processed

76,978

Invoices Issued

6,751

Property Tax Notices  
Issued



# Corporate Services

2023 Year in review

## Overview



- Coordination of Council Meetings and Agendas
- Statutory Role of Corporate Officer
- Legislative Services
- Elections Management
- Records Management
- Claims/Risk Management
- Freedom of Information Requests
- Contracts/Lease Management
- Procurement
- Social Media/Communications

## Accomplishments

- 2023 Recreation Centre Referendum
- 50 Media Releases issued
- Council Committee review and refresh
- Council Procedure Bylaw Update
- Over \$17.2M in contracts awarded via procurement processes

## 2024 Priorities

- Prairie Valley Road Alternate Approval Process
- Primary Clarifier Alternate Approval Process
- Initiation of a Privacy Program
- Local Area Service - Deer Ridge
- Council Remuneration Review



78

Meetings of Council /  
Public Hearings

74

Freedom of Information  
Requests Received

50

Procurements  
Managed

# Community Services

2023 Year in review

## Our Vision

Enriching the community in parks, recreation and culture by providing inclusive, innovative, sustainable facilities, programs and services while fostering community partnerships and progressive planning for current and future needs.

## What We Do

- Recreation Facilities, Programs & Services
- Parks Administration & Maintenance
- Parks & Trails Planning Projects
- Community Development
- Arts, Culture and Heritage



**12,734**

Registered Recreation  
Members\*

**2,538**

Red Cross Swim Lesson  
registrations

**1,816**

Recreation program  
registrations

\*Number of active clients in the Recreation Department Database since 2017; does not include drop-in users

# Community Services

## 2023 at a Glance

### 2023 Accomplishments

- Recreation Centre Project final phases – GICB grant application, communications, Referendum
- Summerland Rodeo Grounds Master Plan – final draft completed
- Giant’s Head Mountain Trails Project (phases 3 & 4) – design work and tendering
- Permanent dog park installed at Dale Meadows Sports Complex
- Temporary large off-leash dog park set up at Peach Orchard Beach Park
- Pier at Rotary Beach – design options presented, community survey to prioritize enhancements, Rotary fundraising initiated
- New tennis courts constructed at Summerland Secondary School – partnership with School District 67
- Arena Refrigeration Retrofit Project completed – \$127,000 in Fortis rebates received
- Peach Orchard Beach year-round washrooms constructed and Rotary Beach washroom accessibility upgrades
- Living Memorial Park Master Plan completed
- New audio-visual equipment and chairs for George Ryga Arts & Cultural Centre
- New beach cleaner purchased and in use for the season

**AWARD WINNER!**  
Most National  
Lifesaving courses  
and recertifications  
offered in 2023



- Over 60 parks and greenspaces maintained
- 120,000 dog waste bags purchased
- 5000 spring flowering bulbs planted
- 4562 annual flowers planted
- 62 hanging baskets placed
- 90 trees pruned
- 5000+ sprinkler heads maintained
- 64 beach water samples taken
- 115 garbage receptacles emptied weekly

# Community Services

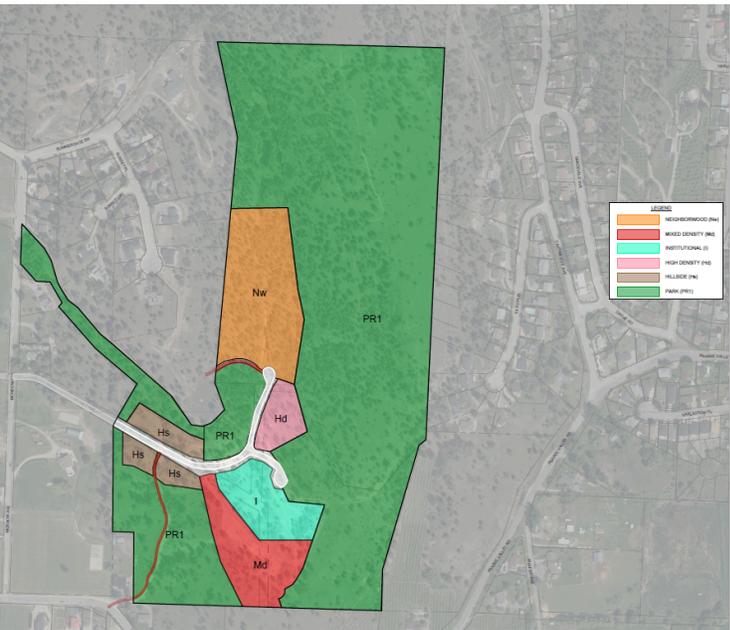
## 2024 Priorities

- Summerland Aquatic & Fitness Centre – roof repairs and maintenance plan
- Giant's Head Mountain Trails Project (phases 3&4) – construction begins
- Summerland Secondary School Tennis Courts – surface painting and grand opening
- Conkle Mountain & Cartwright Mountain Trails Plans
- Pier at Rotary Beach – finalize enhancement plans
- Summerland Rodeo Grounds – operational/lease options review
- Parks & Recreation Fees & Charges Bylaw updates
- Initiate Arena Roof and Fire Suppression projects
- Summerland Arts Council partnership projects – Christmas/winter banners and Peach Orchard Park washroom mural
- Peach Orchard Campground and Pickleball upgrades
- George Ryga Arts & Cultural Centre accessible sidewalk, ramp repairs and automatic doors
- Museum sidewalk repairs
- Downtown garbage receptacle replacements
- Living Memorial Park irrigation upgrades



# Development Services

2023 Year in review



## Accomplishments

### Planning and Development

- Drafted Proposed Zoning for Eco-Village Development
- Initiated Bill 44 - Housing Statutes Implementation (to be completed by June, 2024)
- Procedural changes made to delegate minor variance applications to staff - improved processing time from 6 weeks to 2-3 weeks for variance approvals
- Initiated Downtown Official Community Plan amendments related to Downtown Neighbourhood Action Plan
- Initiated Land Acquisition and Disposition Strategy process (grant project)
- Multiple large-scale rezoning/development applications

5

Subdivisions

31

Variances

5

Rezoning

9

Developments  
Permits

# Development Services

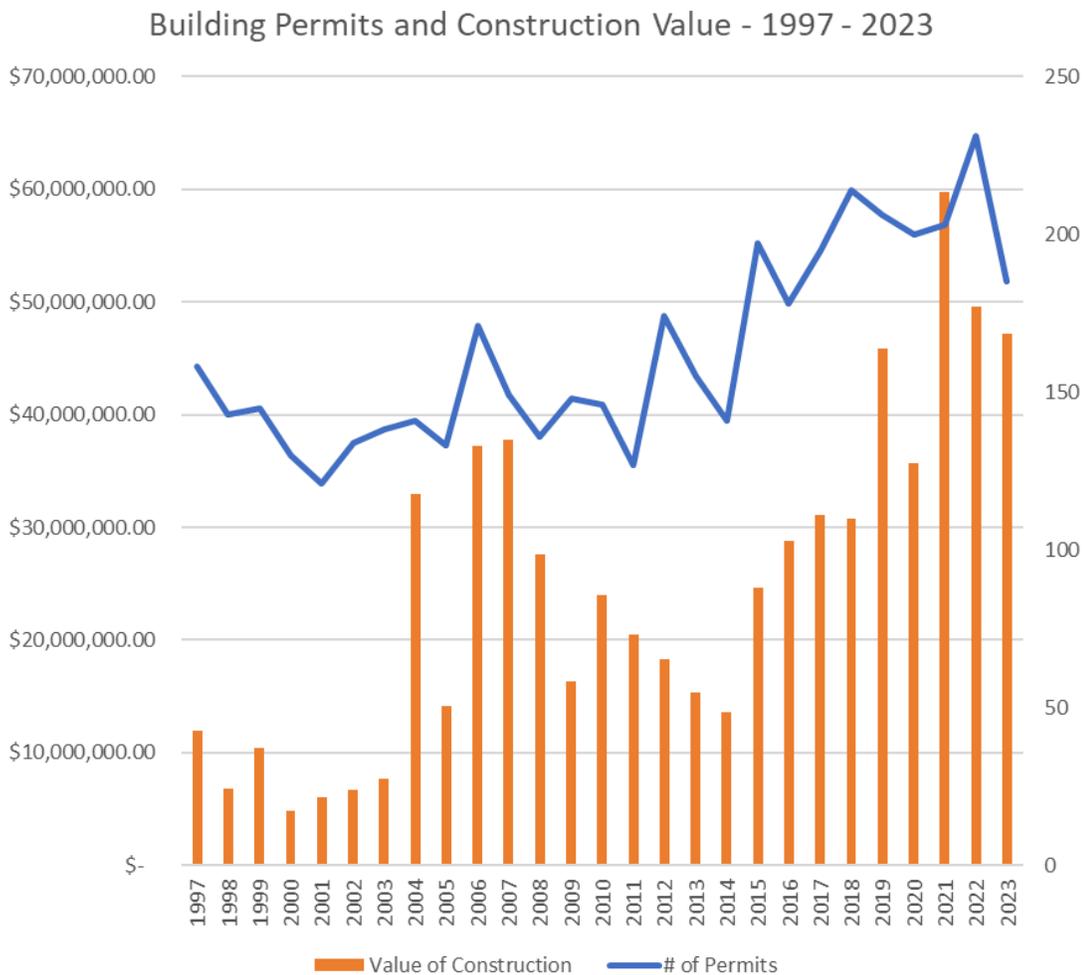
2023 Year in review

## Building and Construction

- In 2023, the District issued a total of \$47.2 million construction value in building permits. On par with the previous 5 year average
- The largest building permit was for the Summerland High School Gym - \$5,000,000
- A total of 182 building permits issued, which represents a 22% reduction from the year prior



Building Permits and Construction Value - 1997 - 2023



**\$47.2M**

Total Construction Value

**182**

Building Permits

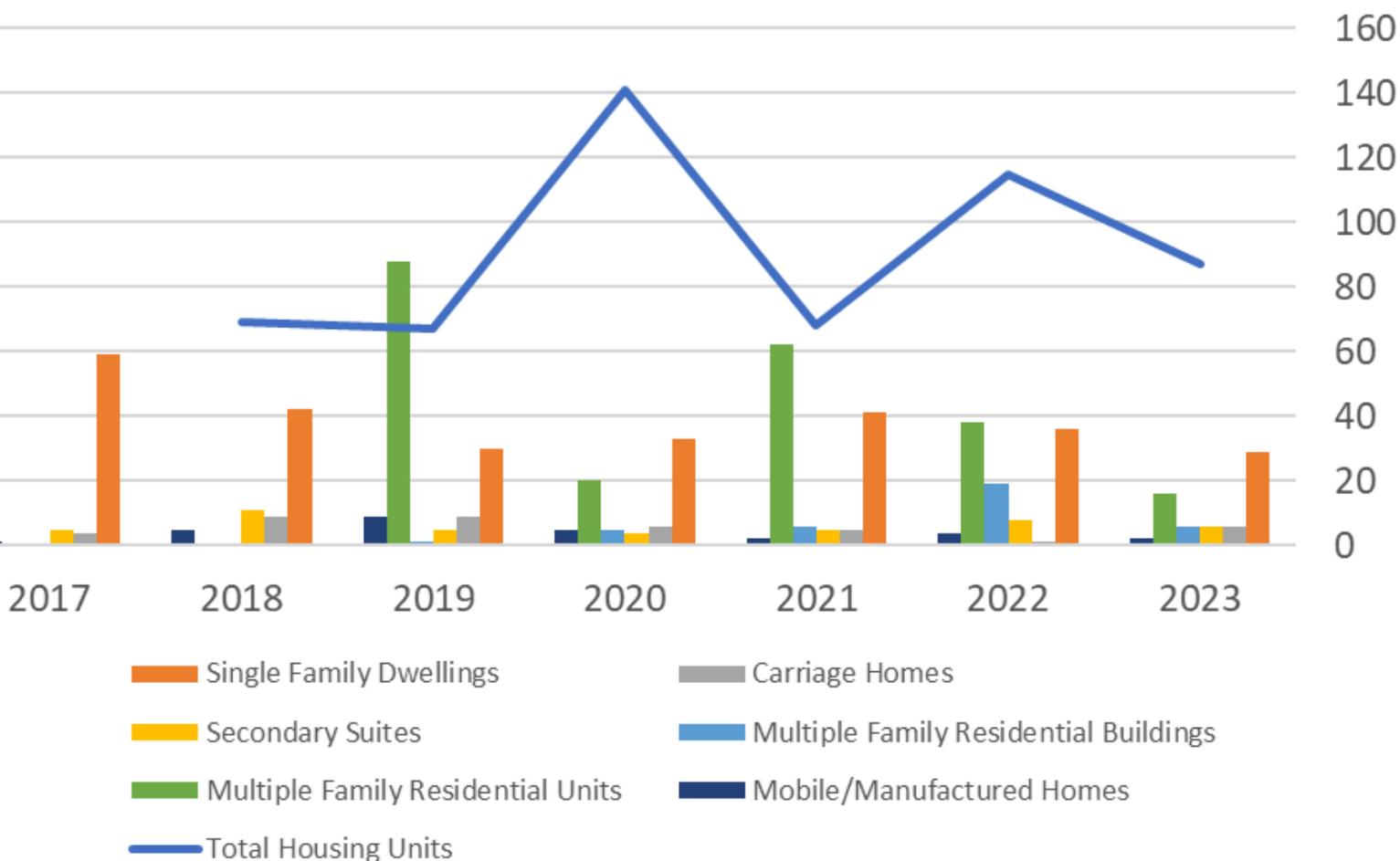
# Development Services

## 2023 Year in review

### New Housing Supply

- In 2023, the District issued a total of 59 new residential housing units which added to local housing supply, which represents a decline of 32% from 2022.
- A total of 38 multiple-family residential units were approved for construction
- Both single family and multi-unit housing construction declined in 2023, and represents a decrease of 32% from 2022.
- The number of carriage homes and secondary suites have increased since 2022
- The number of new addition/renovation projects initiated in 2023 is up by 41% - this indicates that with rising interest rates, residents may be focusing on renovating existing homes rather than purchasing a new home.

### Housing Units Constructed - By Dwelling Type



# Development Services

## 2023 Year in review

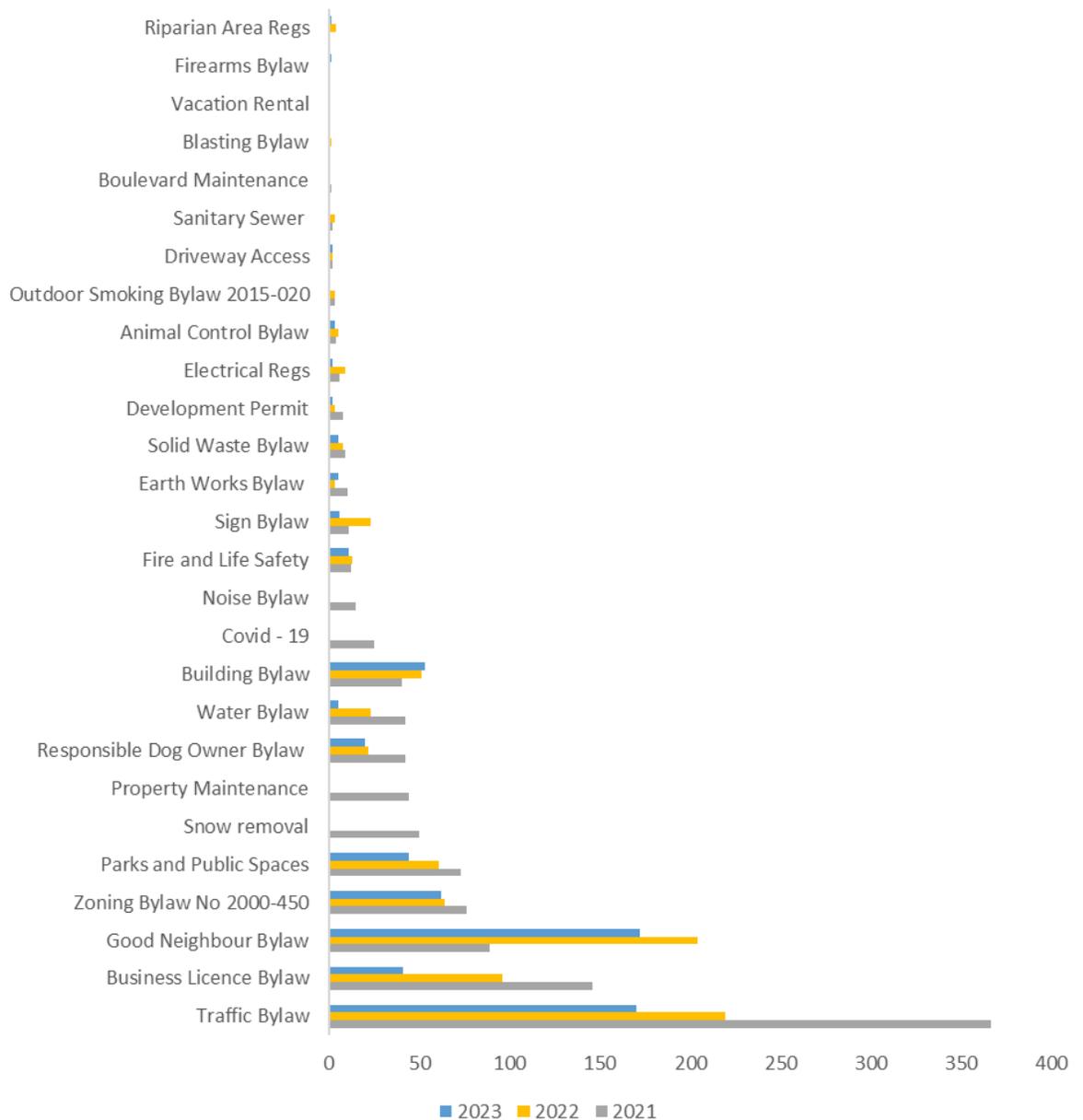
### Bylaw Enforcement

- Short Term Rental (STR) enforcement was prioritized in 2023. There are 61 active business licences for Short Term Rentals by the end of 2023.
- It's expected that the number of new STR licences issued will increase in 2024 with operators having to come into compliance with Bill 35 – Short Term Rental Accommodations Act by May 1, 2024.

- District resources went to dealing with unhomed population – a total of 8 encampments were dismantled in 2023.

- Illegal dumping and camping decreased in 2023 – from new signage and concrete barriers installed in known target areas.

Bylaw Enforcement Total Year to Date Files Comparison



**614**

Bylaw Files  
Generated

**61**

Short Term Rental  
Licenses

**110**

Tickets  
Issued



# Works & Infrastructure

2023 Year in Review

## About Us

The Works & Infrastructure team consists of 30 full-time, 1 part time and 2 seasonal staff.

## Services We Provide

- Water & sewer service installations/repairs
- Hydrant maintenance & flushing
- Storm sewers & drainage
- Snow removal & ice control
- Street sweeping & roadside mowing
- Dike & creek maintenance
- Banners & seasonal decorative lighting
- Cemetery interments & maintenance
- Landfill operations
- Curbside Collection
- Municipal building maintenance
- Fleet & equipment maintenance
- Signage & line painting

150km

Paved Roadways

220km

Watermains

80km

Sanitary Sewer

# Works & Infrastructure

## 2023 Accomplishments

- Road and Watermain Projects
  - Giants Head Road Watermain and Road Upgrade Project completed
  - Dale Meadows Road and Watermain Upgrade Project (Phase 1) completed
  - Jubilee Road and Bike Lane Upgrades Project (Rosedale Avenue to Kelly Avenue) completed
  - Victoria Road Storm and Multi-use Pathway Upgrade Project started with completion anticipated in Spring 2024
- Landfill Projects
  - Organics Facility construction completed
  - Landfill Design Operations and Closure Plan (DOCP) completed
- Eneas Creek Flood Repair Projects - works completed along Tingley Street and Garnett Avenue
- Lakeshore Drive Flood Repair Project completed
- Roads and Water Integrated 20 Year Asset Management Plan completed
- Rotary Pier Removal
- Rotary and Peach Orchard Park Washroom Upgrades completed



# Works & Infrastructure

## 2024 Priorities

- Road & Watermain improvements
  - Construction:
    - Dale Meadows Road and Watermain Replacement (Phase 2 from Gould Avenue to Haddrell Avenue)
    - Victoria Road Drainage and Multi-Use Pathway Completion
    - Start Prairie Valley Road from Cartwright Avenue to Morrow Avenue Construction (Completion in 2025)
    - Kelly/Wharton/Henry Revitalization Detailed Design
- Fleet Replacement Program
- Start Transportation Master Plan Update (Including Cycling Master Plan Amendment)
- Rotary Pier replacement
- Start Deer Ridge Sewer Construction (Completion in 2025)



# Sustainability & Alternative Energy

## 2023 Year in Review

### Our Future

The District of Summerland has both a Community-Wide and a Corporate Energy & Emissions Plan to guide climate action in our community. In 2020, Council adopted a new Community Energy & Emissions Reduction Plan, which includes updated GHG emissions reduction targets of 18% below 2007 levels by 2025, 30% by 2030, and 80% by 2050. Additionally, as a signatory to the BC Climate Action Charter, the District of Summerland has committed to working towards becoming carbon neutral in operations.

### Accomplishments

- LED Lighting retrofits and upgrades completed for seven District Buildings
- Seven new heat pumps installed at Municipal Hall; \$52,500 in FortisBC rebates received
- \$25,000 UBCM grant received to develop a Climate Hazard, Risk & Vulnerability Assessment
- Phase 2 EV Fleet Assessment completed to support infrastructure upgrades for the corporate EV fleet.
- Successful Free Transit Pilot program launch for residents on April 22, 2023
- Two additional EVs (Nissan Leaf) were added to the corporate fleet, in addition to one Plug-In Hybrid.
- The Community Energy Association (CEA) awarded the District a Climate and Energy Action Award for the development of the Solar Facility.



### 2024 Priorities

- RCMP and the Fire Hall will have LED lighting installed.
- Three more heat pumps will be added to Municipal Hall with financial support from a FortisBC rebate.
- Launch and promotion for the continuation of the Free Fare Transit program starting April 22 2024.
- Climate Adaptation Plan will begin in Q4 2024.
- On-going staff support provided for the Eco Village project for Zoning and Subdivision.
- Investigation into the implementation of the Zero Carbon Step Code.

# Utilities

2023 Year in Review

## About Us

The Utilities team consists of 18 full-time staff:

- 7 electric utility staff
- 4 wastewater utility staff
- 7 water utility staff.

## Services We Provide

- Clean drinking water
- Safe treatment of wastewater
- Safe delivery of electricity



Battery Energy Storage System



Wastewater Plant



PRV 14 Replacement

**330km**

Powerlines

**220km**

Watermains

**80km**

Sanitary Sewer

# Water Utility

## 2023 Year in review

### Accomplishments

- Water Treatment Plant Upgrades
  - Pump replacements
  - Actuator replacements
  - Valve replacements
  - Chlorine system equipment replacements
- Watershed
  - Isintok dam spillway replacement design
  - Trout creek turbidity meter
  - Dam surveys
  - Dam safety reviews
- Distribution System
  - Domestic second services metering
  - Pressure reducing valve 7 upgrade
  - Pump house 6 mechanical upgrades

### 2024 Priorities

- Water Treatment Plant Upgrades
  - Control Upgrades
  - Pump replacements
  - Lamella block replacements
  - Process upgrades (tomal, chem-track, valves, filters, etc)
  - Facility upgrades (security, roof, HVAC, etc)
- Watershed
  - Isintok dam spillway widening
  - Isintok monitoring system and telemetry
  - Source water protection plan
- Distribution System
  - Pressure Reducing Valve 7 and 8 Upgrades
  - System Separation Study
  - Pump House Upgrades



Thirsk Spillway and Reservoir

# Wastewater Utility

2023 Year in review

## Accomplishments

- Wastewater Treatment Plant
  - Facilities plan update
  - Second Primary clarifier design
  - Filter building renovation
  - Sensor installations
  - Confined space entry equipment and procedures
  - Overhead door replacements
- Lift Stations
  - PLC and communications system upgrades



Training at Wastewater Plant

## 2024 Priorities

- Wastewater Treatment Plant
  - Second Primary Clarifier installation
  - Headworks fine screen spare and replacement
  - Pump replacements
  - Computer upgrades
  - Blower system repairs
- Collection System
  - Industrial areas sewer expansion study
  - Lift station communication upgrades
  - UPS replacements
  - Check valve replacements



Wastewater Clarifier Maintenance

# Electric Utility

## Power History

Summerland is one of only five municipalities in BC that owns its electrical utility.

For over 110 years, the District has proudly served the community with safe, reliable, and economical energy.

Most of the Summerland Electrical Utility's employees all live within the community and are dedicated to keeping your lights on no matter the weather, temperature or time of day.

**PUBLIC UTILITIES, 1918.**  
**ELECTRIC LIGHT AND POWER.**  
**Profit and Loss Statement for the Year Ending 31st December, 1918.**

To Discounts	\$ 575.10	By Gross Earnings—	
Maintenance	1,068.08	Electric Light	\$4,692.67
Operating	2,228.88	Amount which had to be	
Debenture Interest	975.00	made up from Taxation	583.08
Sinking Fund	879.19		
	<u>\$5,225.75</u>		<u>\$5,225.75</u>

Note—Proportion of Overhead Charges, Salaries, Office Expense, Postage, Telegrams, Printing and Stationery included in above charges.

## Power Generation

Currently, our Electric Utility purchases the majority of its electrical energy from the local transmission wholesaler and small amounts from individual customers with solar installations. In late 2023 Summerland commissioned the Summerland Energy Centre - this facility hosts a 412kW solar array and a 1MW, 4MWh Battery Energy Storage System. Using this new generating and storage system Summerland has returned to its roots as an electrical power producer. Around 100 years ago Summerland operated one of the first hydro plants in BC which was commissioned around 100 years ago.



## Power Distribution

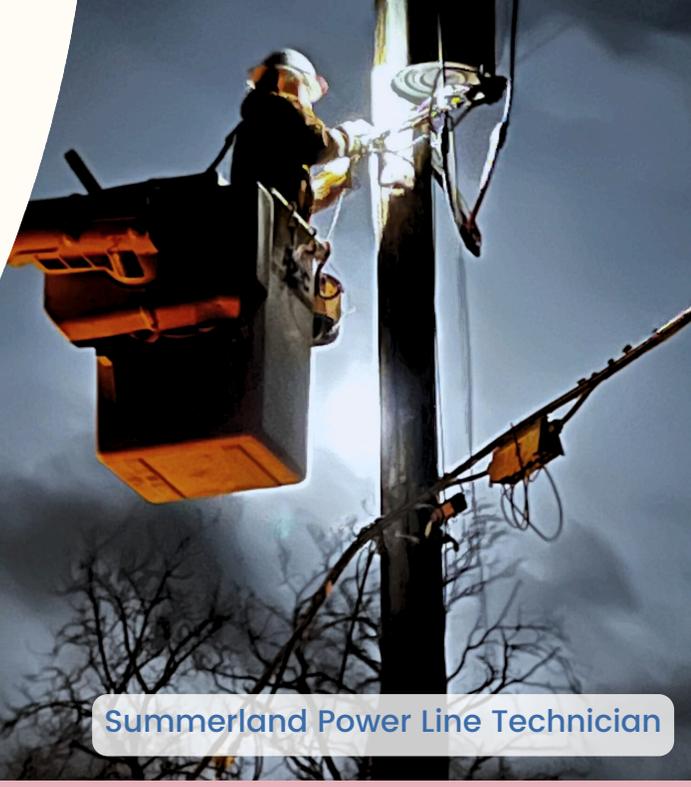
Our electrical distribution network is the backbone of our power delivery system and is currently meeting the needs of existing customers. This electric distribution system consists of over 3,000 power poles, 2,500 transformers, 5,000 revenue meters and over 330km of wire!

# Electric Utility

2023 Year in review

## Accomplishments

- Solar & Battery project commissioning
- Lakeshore drive power upgrade
- Wood pole test/treat/replace program
- Powerline Brushing
- Pole replacements



Summerland Power Line Technician

## 2024 Priorities

- Energy Strategy:
  - Solar & Battery project clean up
  - Distributed Generation program review
- Fiber system expansion
- Wharton underground project
- Wood pole test/treat/replace program
- Powerline Brushing
- Vault assessments
- Powerline undergrounding to accommodate road projects



# Fire Department

2023 Year in review

## About Us

The Summerland Fire Department was established in 1949, with the current Fire Hall constructed in 1963. The Summerland Fire Department has five full-time staff: the chief, two deputy chiefs, two career firefighters and 31 auxiliary (paid on-call) firefighters with an average age of 46.5 years.

## Accomplishments

- Auxiliary firefighters - Winner of Mayors Award of Excellence - recognition given by the mayor to a local organization/group that makes an outstanding contribution to the community
- Purchased, received and now training on 20 new Self Contained Breathing Apparatus and Cylinder replacement (capital project)
- Tool Grant purchase, Union of British Columbia Municipalities (UBCM) of battery operating equipment to replace current gas powered tools
- Ceremonial Flag pole installed at the Fire Department
- Ongoing firefighter professional development and training certifications



307

Open burning  
permits issued

73

Public education  
sessions

947

Firefighter  
training hours

# Fire Department

## 2024 Priorities

- NFPA Firefighter II certification of 7 recruit auxiliary firefighters (16-month certification process)
- Firefighter Mental Health
- Recruitment of a FireSmart Coordinator, through the UBCM Grant, to assist with Public Education and FireSmart the community
- Continue to mitigate and reduce wildfire fuel (including West area of Deer Ridge)
- Firefighter live fire events training at the Summerland Fire Training Grounds
- New service to the District: the Fire Department will be outfitted with Ice and Flat Water Rescue equipment. The firefighter team will now focus on training, certification and maintenance for this new response capability

**1062**

Property inspections conducted

**299**

Emergency response incidents





# Police (RCMP)

2022 Year in review

The Summerland RCMP Detachment is committed to keeping our community safe. We have a partnership with our community, providing safety and security through professional service based on our traditions of fairness and equality.



Our mandate is multi-faceted in that we prevent and investigate crime, maintain order, enforce laws on matters as diverse as health, contribute to national security, and provide vital operational support services to other agencies.

The Summerland RCMP Detachment administers and supports the Citizens on Patrol program and works closely with the South Okanagan Similkameen Crime Stoppers organization as well as our District Bylaw Enforcement Staff.

## MESSAGE FROM THE DIRECTOR OF FINANCE

May 1, 2024

MAYOR HOLMES AND MEMBERS OF COUNCIL,

I am pleased to present the District of Summerland audited financial statements for the year ended December 31, 2023.

As noted in the management report, Council has delegated the responsibility for the accuracy, integrity and objectivity of the financial information presented in the financial statements to the management staff of the District. The financial statements, as required by the Community Charter, have been prepared and meet the reporting standards for local governments.

The financial statements reflect a continued improvement in the financial position of the District of Summerland. 2023 Net Financial Assets, which measures a municipalities ability to cover its financial liabilities with its financial assets, increased by \$915,379.

Overall, revenues increased by \$7.8 million. The largest contributing factor was the District receiving a \$4.53 million Growing Communities grant from the province of BC. The one time grants principal objection is to increase the local housing supply through investment in community infrastructure and amenities. User fees, sales and rentals also increased \$2.4 million, which was anticipated following the elimination of the 10% early payment discount on monthly utility bills and a 4.86% increase in water rates.

2023 expenses of \$39.2 million increased \$2.8 million over 2022. As in previous years some departments saw expenditures increase, while other departments had expenditures decrease. The most significant increase saw the District's protection services function increase by \$1.1 million. This increase was due to two primary factors: (1) With the completion of RCMP union negotiations the District paid \$743,509 in retroactive payments that covered the period from April 1, 2017 to March 31, 2021. (2) The District incurred \$303,317 in wildfire risk reduction expenditures treating approximately 60.8 hectares of land with the costs covered 100% through a grant from the Forest Enhancement Society of British Columbia.

Supply chain issues, soaring inflation and material shortages continued to severely impact the District's 2023 expenditures. The District is a "price-taker" on numerous core resources required to provide essential services. The increased cost to provide these services was over \$647,000 in 2023. A final factor saw the District expend \$465,500 in electrical rebates when Council resolved to match the province of BC's \$100 electrical rebate.

The District ended the year with a \$19.0 million increase to accumulated surplus, which has an overall balance of \$162.6 million. Accumulated surplus includes investment in tangible capital assets, funds held in reserve and unappropriated surplus. The General Fund ended the year with \$2.00 million in unappropriated surplus, a decrease of \$8.05 million. The Water Fund ended the year with \$113,970 in unappropriated surplus, a decrease of \$1.06 million. The Sewer Fund ended the year with \$721,350 in unappropriated surplus, a decrease of \$38,600. The Electric Fund ended the year with \$4.93 million in unappropriated surplus, an increase of \$540,450. The surplus decrease in the general fund, water fund and sewer fund were due to the District adopting the new Public Sector Accounting Handbook Standard, PS3280 Asset Retirement Obligations. This standard required a restatement of historical values, which are summarized in Note 6 of the Districts December 31, 2023, financial statements. The surplus increase in the electric fund was primarily due to lower than budgeted spending.

Funds held in reserve increased \$2.0 million and total \$42.2 million. This increase in reserve funds is attributed to two primary factors; annual surplus and reserve transfers related to capital acquisitions. The District's budgeted 2023 surplus was \$3.8 million wherein the actual surplus was \$19.1 million. The primary factors for this increase are noted above in both the revenue and expense analysis. In addition to the annual surplus, the District's 2023 budget included \$25.9 million in capital acquisitions, with \$16.6 million in funding from reserve transfers. Actual capital acquisition spending was \$22.4 million with \$9.6 million being transferred from reserves.

Council's ongoing commitment to ensure the financial stability of the District will provide a strong framework in meeting community needs in future years.

Respectfully submitted,



David Svetlichny, CPA, CA  
Director of Finance



**The Corporation of the District of Summerland**  
**Financial Statements**  
*For the year ended December 31, 2023*

## Management's Responsibility

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To the Mayor and Council of The Corporation of the District of Summerland:

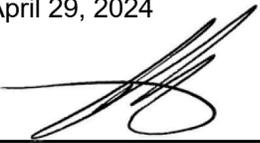
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian generally accepted accounting principles for local governments and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

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

The Mayor and Council are composed entirely of individuals who are neither management nor employees of the District. The Mayor and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Mayor and Council fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Mayor and Council are also responsible for appointing the District's external auditors.

BDO Canada LLP, an independent firm of Chartered Professional Accountants, is appointed by the Mayor and Council to audit the financial statements in accordance with Canadian generally accepted auditing standards and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Council and management to discuss their audit findings.

April 29, 2024



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Director of Finance

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## Independent Auditor's Report

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To the Mayor and Council of the District of Summerland

### Opinion

We have audited the financial statements of the District of Summerland (the "District"), which comprise the statement of financial position as at December 31, 2023, and the statement of operations and accumulated surplus, the statement of changes in net financial assets and the 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 District as at December 31, 2023, and its results of operations, its change in 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 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.

### 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 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 District or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 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 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 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.

#### **Unaudited Information**

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the schedules on pages 26 and 27 of the District's Financial Statements.

*BDO Canada LLP*

**Chartered Professional Accountants**

Kamloops, British Columbia

April 29, 2024

**The Corporation of the District of Summerland**  
**Statement of Financial Position**  
*As at December 31, 2023*

	2023	2022
		(Restated - Note 6)
<b>Financial assets</b>		
Cash and cash equivalents	\$ 12,617,691	\$ 25,741,927
Accounts receivable (Note 2)	8,390,425	7,228,652
Portfolio investments (Note 3)	31,600,713	17,866,224
Deposit - Municipal Finance Authority (Note 4)	494,429	695,329
	<b>53,103,258</b>	51,532,132
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (Note 5)	7,772,861	6,643,432
Asset retirement obligations (Note 6)	11,554,856	11,253,268
Deferred revenue (Note 7)	9,686,060	8,214,355
Deposits	2,605,576	2,467,465
Long-term debt (Note 8)	13,209,446	15,594,532
	<b>44,828,799</b>	44,173,052
<b>Net financial assets</b>	<b>8,274,459</b>	7,359,080
<b>Non-financial assets</b>		
Tangible capital assets (Note 9)	150,776,762	133,012,821
Prepays	440,486	457,341
Inventories of supplies	3,127,757	2,734,914
	<b>154,345,005</b>	136,205,076
<b>Accumulated surplus (Note 10)</b>	<b>\$ 162,619,464</b>	\$ 143,564,156

Contingent liabilities and commitments (Note 14)



Director of Finance



Mayor

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**The Corporation of the District of Summerland**  
**Statement of Operations and Accumulated Surplus**  
*For the year ended December 31, 2023*

	Budget	2023	2022
	(Note 16)		(Restated - Note 6)
<b>Revenue</b>			
Taxation, net (Note 12)	\$ 13,324,267	\$ 13,315,433	\$ 12,838,754
Government transfers (Note 13)	6,408,957	11,489,924	4,967,734
User fees, sales and rentals	25,255,027	25,869,415	23,415,990
Permits, licenses and fines	598,500	736,521	632,348
Investment income	160,000	1,297,275	409,024
Actuarial earnings	1,050,749	1,050,749	985,675
Penalties and interest on taxes	86,000	121,865	110,064
Franchise	167,800	167,070	126,216
Contributions	472,000	3,800,453	5,978,619
Other	1,319,034	300,283	888,252
Gain on disposal of tangible capital assets	-	126,667	110,768
	48,842,334	58,275,655	50,463,444
<b>Expenses</b>			
General government services	2,609,727	2,343,367	2,378,852
Protection services	4,506,158	4,079,379	2,970,310
Transportation services	5,355,821	3,482,993	3,698,340
Environmental services	2,537,371	2,339,808	1,822,602
Health services	165,878	180,641	129,245
Planning and development	1,007,893	865,663	888,493
Parks and recreation	4,513,534	4,027,411	3,474,236
Water services	6,819,197	6,012,079	5,861,742
Sewer services	3,527,130	2,931,992	2,800,073
Electrical services	13,947,160	12,957,014	12,389,848
	44,989,869	39,220,347	36,413,741
<b>Annual surplus</b>	3,852,465	19,055,308	14,049,703
<b>Accumulated surplus, beginning of year</b>	143,564,156	143,564,156	129,514,453
<b>Accumulated surplus, end of year</b>	\$147,416,621	\$162,619,464	\$143,564,156

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**The Corporation of the District of Summerland**  
**Statement of Changes in Net Financial Assets**  
*For the year ended December 31, 2023*

	Budget (Note 16)	2023	2022 (Restated - Note 6)
<b>Annual surplus</b>	\$ 3,852,465	<b>\$ 19,055,308</b>	\$ 14,049,703
Acquisition of tangible capital assets	(25,927,742)	<b>(22,427,895)</b>	(17,686,944)
Amortization of tangible capital assets	4,508,022	<b>4,567,821</b>	4,436,743
Gain on disposal of tangible capital assets	-	<b>(126,667)</b>	(110,768)
Proceeds on sale of tangible capital assets	-	<b>222,800</b>	115,975
	<b>(17,567,255)</b>	<b>1,291,367</b>	804,709
Change in prepaids	-	<b>16,850</b>	(32,354)
Change in inventory of supplies	-	<b>(392,838)</b>	(913,637)
Increase (decrease) in net assets	(17,567,255)	<b>915,379</b>	(141,282)
<b>Net financial assets, beginning of year</b>	7,359,080	<b>7,359,080</b>	7,500,362
<b>Net financial assets, end of year</b>	<b>\$(10,208,175)</b>	<b>\$ 8,274,459</b>	\$ 7,359,080

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

**The Corporation of the District of Summerland**  
**Statement of Cash Flows**  
For the year ended December 31, 2023

	2023	2022
<b>Operating transactions</b>		
Annual surplus	\$ 19,055,308	\$ 14,049,703
<b>Items not involving cash</b>		
Amortization	4,567,821	4,436,743
Gain on disposal of tangible capital assets	(126,667)	(110,768)
Landfill closure and post closure costs	-	(317,363)
Contributed tangible capital assets	(2,091,505)	(4,655,417)
	<b>2,349,649</b>	<b>(646,805)</b>
<b>Changes in non-cash operating balances</b>		
Accounts receivable	(1,161,773)	(636,565)
Prepays	16,855	(32,354)
Inventories of supplies	(392,843)	(913,637)
Accounts payable and accrued liabilities	1,129,429	(1,018,778)
Accretion expense	301,588	293,717
Deferred revenue	1,471,705	423,281
Actuarial reduction of long-term debt	(1,050,749)	(985,675)
Deposit - Municipal Finance Authority	200,900	(79,073)
Deposits	138,111	(458,979)
	<b>653,223</b>	<b>(3,408,063)</b>
	<b>22,058,180</b>	<b>9,994,835</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(20,336,390)	(13,031,521)
Proceeds on disposal of tangible capital assets	222,800	115,975
	<b>(20,113,590)</b>	<b>(12,915,546)</b>
<b>Investing transactions</b>		
Acquisition of portfolio investments	(13,734,489)	(5,287,817)
<b>Financing transactions</b>		
Repayment of long-term debt	(1,334,337)	(1,144,548)
Proceeds of long-term debt	-	6,464,496
	<b>(1,334,337)</b>	<b>5,319,948</b>
<b>Net change in cash and cash equivalents</b>	<b>(13,124,236)</b>	<b>(2,888,580)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>25,741,927</b>	<b>28,630,507</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 12,617,691</b>	<b>\$ 25,741,927</b>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

# The Corporation of the District of Summerland

## Notes to the Financial Statements

*For the year ended December 31, 2023*

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The Corporation of the District of Summerland (the "District") was incorporated under the laws of the Province of British Columbia in 1906 and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include general government, fire protection, planning and development, parks and cultural services, utilities, and fiscal services. Under Section 149(1)(c) of the Income Tax Act, the District is exempt from taxation.

### 1. Significant accounting policies

The financial statements of the District are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation

i) Consolidated entities

The District does not control any significant external entities and accordingly no entities have been consolidated in the financial statements.

ii) Accounting for other government organizations and School Board transactions

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the other government entities and the School Boards with which the District interacts are not reflected in these financial statements. Funds collected by the District on behalf of these other entities and transmitted to them are summarized in Note 12. Funds received by the District as transfers from other government entities are summarized in Note 13.

(b) Basis of accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**1. Significant accounting policies (continued)**

(c) Revenue recognition

Taxation revenues are recorded on an accrual basis and recognized as revenue in the year they are levied. Charges for electric, sewer and water usage are recorded as user fees when the service or product is provided. Connection fee revenues are recognized when the connection has been established. Sales of service and other revenue is recognized when the service or product is provided.

The District recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the District recognizes revenue as the liability is settled.

Non-government conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable. Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

(d) Deferred revenue

Funds received from non-government sources 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.

(e) Investment income

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(f) Reserves

Non-statutory reserves represent an appropriation of surplus for specific purposes. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

(g) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with a term to maturity of 90 days or less at acquisition and readily convertible to cash.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**1. Significant accounting policies (continued)**

**(h) Financial instruments**

**Portfolio investments** 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.

**(i) Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined principally on a weighted average and specific item basis, or replacement cost.

**(j) Long-term debt**

Long-term debt is recorded net of related sinking fund balances.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**1. Significant accounting policies (continued)**

(k) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2023.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(l) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use for 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) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land and landfill sites, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	20-50
Roads and sidewalks	20-50
Machinery and equipment	5-20
Water utility	10-80
Sewer utility	10-50
Electric utility	10-50

Annual amortization is charged in the year following acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**1. Significant accounting policies (continued)**

**(ii) Contributions of tangible capital assets**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

**(iii) Works of art and cultural and historic assets**

Works of art and cultural and historic assets are not recorded as assets in these financial statements.

**(iv) Interest capitalization**

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

**(m) Use of estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating provisions for useful lives of tangible capital assets, liability for landfill closure and post-closure and liability for contaminated sites.

**(n) Asset retirement obligations**

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- 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.

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 liability is initially recorded at fair value, which is an amount that is the best estimate of the expenditure required to retire a tangible capital asset determined using present value calculation, and the resulting costs are capitalized as part of the carrying amount of the related tangible capital asset. 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. The changes in the liability for the passage of time are recorded as accretion expense in the Statement of Operations and Accumulated Surplus and all other changes are adjusted to the tangible capital asset. 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.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**2. Accounts receivable**

	<b>2023</b>	<b>2022</b>
Property taxes	<b>\$ 536,178</b>	<b>\$ 548,658</b>
Utilities	<b>2,058,654</b>	2,321,193
Other governments	<b>2,640,890</b>	2,118,699
Trade and other	<b>3,219,675</b>	2,301,038
Allowance for doubtful accounts	<b>(64,972)</b>	(60,936)
	<b>\$ 8,390,425</b>	<b>\$ 7,228,652</b>

**3. Portfolio Investments**

	<b>2023</b>	<b>2022</b>
MFA short-term bond fund	<b>\$ 10,549</b>	<b>\$ 10,219</b>
MFA money market fund	<b>74,269</b>	70,695
Guaranteed Investment Certificates, interest ranging from 5.70% to 6.45% and maturing in 2024	<b>19,338,033</b>	17,785,310
Guaranteed Investment Certificates, interest ranging from 5.70% to 6.35% and maturing in 2025	<b>12,177,862</b>	-
	<b>\$ 31,600,713</b>	<b>\$ 17,866,224</b>

The income from portfolio investments for the year was \$1,400,773 (2022 - \$454,652), where \$198,776 (2022 - \$63,319) has been deferred. The market value of the District's portfolio investments was \$31,601,728 (2022 - \$17,858,256).

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**4. Municipal Finance Authority debt reserve**

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld as cash deposits 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 and are not reflected in the accounts. The details of the cash deposits and demand notes at the end of the year are as follows:

	Demand Notes	Cash Deposits	<b>2023</b>	<b>2022</b>
General fund	\$ 219,524	\$ 106,005	\$ 325,529	\$ 322,334
Water fund	608,753	333,613	942,366	932,310
Sewer fund	94,776	54,811	149,587	617,774
	<b>\$ 923,053</b>	<b>\$ 494,429</b>	<b>\$ 1,417,482</b>	<b>\$ 1,872,418</b>

**5. Accounts payable and accrued liabilities**

	<b>2023</b>	<b>2022</b>
Trade and other	\$ 6,793,788	\$ 5,494,002
Wages and benefits	667,453	817,747
Due to funds held in trust	311,620	331,683
	<b>\$ 7,772,861</b>	<b>\$ 6,643,432</b>

As of December 31, 2023, 97% of accounts payable are aged less than 60 days.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**6. Asset retirement obligation**

Effective January 1, 2023, the District adopted the new Public Sector Accounting Handbook Standard, PS 3280 Asset Retirement Obligations. The standard requires the reporting of legal obligations associated with the retirement of tangible capital assets by public sector entities. The standard was adopted on the modified retroactive basis at the date of adoption. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. The impact of adoption of this standard was as follows:

	<b>2022 Restated</b>	<b>2022 as Originally presented</b>	<b>Restatement</b>
Tangible capital assets - cost \$	\$216,680,189	\$213,045,611	\$3,634,578
Accumulated amortization - tangible capital assets	(83,667,359)	(81,860,310)	(1,807,049)
Asset retirement obligation	(11,253,267)	-	(11,253,267)
Opening Accumulated surplus	131,272,928	137,519,544	(6,246,616)
Annual surplus	14,049,704	14,392,004	(342,300)
Amortization of tangible capital assets	4,436,744	4,388,160	48,584
Accretion expense	293,717	-	293,717

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

a) Asbestos obligation

The District owns and operates several buildings that are known to have asbestos which represents a health hazard upon remediation, that creates a legal obligation to remove it. Following the adoption of PS 3280 – Asset Retirement Obligations, the District recognized an obligation relating to the removal of the asbestos in these buildings as estimated at January 1, 2023. The buildings all have an estimated useful life of 20 to 70 years from the date of completion of construction, of which various numbers of years remain. Estimated costs have been discounted to the present value using a discount rate of 2.68% per annum (2022 – 2.68%).

b) Landfill closure and post-closure costs

The District owns and operates a landfills for which a liability had previously been recorded under PS 3270 Solid Waste Landfill Closure and Post-closure Costs. Adoption of PS 3280 Asset Retirement Obligations has resulted in an increase to the amount previously recorded in the amount of \$7,790,084. The final closure of the last landfill is currently expected to occur in 2094. Monitoring of the landfill will be required for an additional 100 years after final closure of the landfill. The closure and post-closure costs were discounted using a rate of 2.68%.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**6. Asset retirement obligation (continued)**

c) Summerland Skatepark

The District entered into a lease agreement for the Summerland Skatepark in 2018, which required that the District decommission the Skatepark upon termination of the agreement, creating a legal obligation for retirement. The lease term is 30 years. Estimated costs have been discounted to the present value using a discount 2.68% per annum (2022 – 2.68%).

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

<b>Asset Retirement Obligation</b>	<b>Asbestos removal</b>	<b>Landfill liability</b>	<b>Summerland Skatepark</b>	<b>2023</b>
Opening balance	\$ 2,318,639	\$ 8,868,440	\$ 66,189	\$ 11,253,268
Accretion expense	62,140	237,674	1,774	301,588
Closing balance	\$ 2,380,779	\$ 9,106,114	\$ 67,963	\$ 11,554,856

<b>Asset Retirement Obligation</b>	<b>Asbestos removal</b>	<b>Landfill liability</b>	<b>Summerland Skatepark</b>	<b>2022</b>
Adjustment on adoption of PS3280 (Note 1(n))	\$ 2,258,121	\$ 8,636,969	\$ 64,461	\$ 10,959,551
Accretion expense	60,518	231,471	1,728	293,717
Closing balance	\$ 2,318,639	\$ 8,868,440	\$ 66,189	\$ 11,253,268

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**7. Deferred revenue**

	Opening balance	Deferred transactions	Externally restricted investment income	Revenue recognized	2023 Ending balance
Development cost charges	\$ 6,186,443	\$ 306,964	\$ 198,776	\$ (15,062)	\$ 6,677,121
Property taxes and business licenses	2,027,912	2,993,276	-	(2,012,249)	3,008,939
	<b>\$ 8,214,355</b>	<b>\$ 3,300,240</b>	<b>\$ 198,776</b>	<b>\$(2,027,311)</b>	<b>\$ 9,686,060</b>

**8. Long-term debt**

	2023	2022
Outstanding debt, beginning of year	\$ 15,594,532	\$ 11,260,255
Repayment of debt	(1,334,337)	(1,144,548)
Actuarial reduction of principal	(1,050,749)	(985,675)
New Borrowing	-	6,464,500
Outstanding debt, end of year	<b>\$ 13,209,446</b>	<b>\$ 15,594,532</b>

Future payments on net outstanding debt for the next five years and thereafter are as follows:

	General Fund	Water Fund	Sewer Fund	Total
2024	\$ 367,660	\$ 1,259,181	\$ 212,560	\$ 1,839,401
2025	380,529	1,303,214	220,362	1,904,105
2026	393,847	924,316	171,855	1,490,018
2027	407,632	517,299	31,388	956,319
2028	421,899	100,097	32,461	554,457
2029 and thereafter	3,547,703	2,730,602	186,841	6,465,146
	<b>\$ 5,519,270</b>	<b>\$ 6,834,709</b>	<b>\$ 855,467</b>	<b>\$ 13,209,446</b>

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
For the year ended December 31, 2023

**8. Long-term debt (continued)**

Bylaw Number	Purpose	Year Maturing	Rate %	2023 Cash Payments		Balance Outstanding	
				Interest	Principal	2023	2022
<b>General fund</b>							
00-083	Road Improvements	2030	1.750	\$ 25,600	\$ 73,523	\$ 877,580	\$ 986,574
00-399	RCMP Building	2030	1.280	45,938	114,880	1,541,521	1,706,065
22-005	Road Improvements	2047	4.090	130,138	81,691	3,100,169	3,181,860
				201,676	270,094	5,519,270	5,874,499
<b>Water fund</b>							
00-161	Water works upgrade	2025	0.910	54,600	244,492	812,252	1,200,722
00-213	Thirsk Dam Expansion	2026	1.530	91,800	201,491	1,225,176	1,602,564
00-195	Water works upgrade	2027	3.900	234,000	225,308	1,598,920	1,965,437
22-005	Water works upgrade	2047	4.090	134,260	84,279	3,198,361	3,282,640
				514,660	755,570	6,834,709	8,051,363
<b>Sewer fund</b>							
98-034	Sewer System construction	2023	2.650	238,500	188,572	-	608,164
00-192	Sewer System construction	2025	1.910	7,280	32,599	108,300	160,096
00-207	Sewer System construction	2026	1.530	30,600	67,164	408,392	534,188
00-192	Sewer System construction	2029	2.250	4,500	6,716	77,145	88,328
16-023	Sewer System construction	2036	2.100	7,686	13,621	261,630	277,894
				288,566	308,672	855,467	1,668,670
				\$ 1,004,902	\$ 1,334,336	\$ 13,209,446	\$ 15,594,532

# The Corporation of the District of Summerland Notes to the Financial Statements

For the year ended December 31, 2023

## 9. Tangible capital assets

	Land	Land Improvements	Buildings	Machinery and Equipment	Roads and Sidewalks	Water Utility	Sewer Utility	Electric Utility	Work in Progress	2023 Total	2022 Total (Restated - Note 6)
Cost, beg. of year (restated - note 6)	\$ 14,509,931	\$ 8,693,400	\$ 14,084,841	\$ 18,300,841	\$ 35,873,155	\$ 58,574,429	\$ 39,980,627	\$ 13,858,665	\$ 12,804,300	\$ 216,680,189	\$ 199,119,705
Additions	1,201,498	5,277,333	1,012,821	3,895,906	1,883,102	1,778,320	227,439	2,147,546	12,708,710	30,132,675	18,800,447
Disposals	-	-	(38,523)	(640,299)	-	-	-	-	(7,704,789)	(8,383,611)	(1,239,970)
Cost, end of year	15,711,429	13,970,733	15,059,139	21,556,448	37,756,257	60,352,749	40,208,066	16,006,211	17,808,221	238,429,253	216,680,182
Accumulated amortization, beg. of year	-	1,046,251	7,954,503	9,391,691	24,707,011	19,473,939	17,283,210	3,810,754	-	83,667,359	79,230,618
Amortization	-	24,990	304,593	735,085	1,061,820	1,250,788	950,574	239,971	-	4,567,821	4,436,743
Disposals	-	-	(38,523)	(544,166)	-	-	-	-	-	(582,689)	-
Accumulated amortization, end of year	-	1,071,241	8,220,573	9,582,610	25,768,831	20,724,727	18,233,784	4,050,725	-	87,652,491	83,667,361
Net carrying amount, end of year	\$ 15,711,429	\$ 12,899,492	\$ 6,838,566	\$ 11,973,838	\$ 11,987,426	\$ 39,628,022	\$ 21,974,282	\$ 11,955,486	\$ 17,808,221	\$ 150,776,762	\$ 133,012,821

The net book value of tangible capital assets, not being amortized as they are under construction or development or have been removed from service is \$17,808,230 (2022 - \$12,804,300). Contributed infrastructure tangible capital assets with a value of \$2,091,505 were recognized in the financial statements during the year (2022 - \$4,655,417). Asset additions include \$7,704,789 of work in progress transfers from 2023 (2022 - \$1,113,503). Net cash additions for 2023 are \$20,336,390 (2022 - \$13,031,521).

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**10. Accumulated surplus**

The District segregates its accumulated surplus in the following categories:

	2023	2022
		(Restated - Note 6)
Current funds	<b>\$ 25,639,134</b>	\$ 22,852,634
Community Works	<b>5,323</b>	3,394,811
Net current funds	<b>25,644,457</b>	26,247,445
Investment in tangible capital assets	<b>127,090,808</b>	106,165,017
Statutory reserve funds (Note 11)	<b>9,884,199</b>	11,151,694
	<b>\$ 162,619,464</b>	<b>\$ 143,564,156</b>

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 council resolution for specific purposes.

	Opening balance	Transfer receipts	Interest earned	Expenditure	Ending balance
Community Works	<b>\$ 3,394,811</b>	593,983	52,541	(4,036,012)	<b>\$ 5,323</b>

**11. Statutory reserve funds**

	Opening balance	Contributions received	Investment income	Expenditure	Ending balance
Land sale	<b>\$ 1,014,548</b>	\$ -	\$ 20,758	\$ (706,489)	<b>\$ 328,817</b>
Capital works	8,380,683	2,668,891	246,086	(3,751,179)	<b>7,544,481</b>
Parking	103,405	-	3,246	-	<b>106,651</b>
Asset management	1,653,058	942,577	54,970	(746,355)	<b>1,904,250</b>
	<b>\$ 11,151,694</b>	<b>\$ 3,611,468</b>	<b>\$ 325,060</b>	<b>\$(5,204,023)</b>	<b>\$ 9,884,199</b>

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**12. Taxation, net**

	<b>2023</b>	<b>2022</b>
Property taxes and payments-in-lieu	<b>\$ 13,315,433</b>	<b>\$ 12,838,754</b>
Collections for other governments		
Province of British Columbia - school tax	<b>6,838,097</b>	6,226,952
Regional District	<b>965,348</b>	919,380
Regional Hospital District	<b>884,153</b>	867,773
Municipal Finance Authority	<b>1,028</b>	901
British Columbia Assessment Authority	<b>178,782</b>	163,320
Okanagan Regional Library	<b>555,459</b>	525,981
	<b>22,738,300</b>	21,543,061
Transfers		
Province of British Columbia - school tax	<b>6,838,097</b>	6,226,952
Regional District	<b>965,348</b>	919,380
Regional Hospital District	<b>884,153</b>	867,773
Municipal Finance Authority	<b>1,028</b>	901
British Columbia Assessment Authority	<b>178,782</b>	163,320
Okanagan Regional Library	<b>555,459</b>	525,981
	<b>9,422,867</b>	8,704,307
Available for general municipal purposes	<b>\$ 13,315,433</b>	<b>\$ 12,838,754</b>

**13. Government transfers**

	<b>2023</b>	<b>2022</b>
Provincial Transfers		
Small community grants	<b>\$ 334,000</b>	\$ 436,000
Traffic fine revenue sharing	<b>61,000</b>	61,892
Community works	<b>593,983</b>	569,079
Capital grants	<b>4,913,466</b>	3,463,023
Other contributions	<b>5,286,459</b>	159,482
	<b>11,188,908</b>	4,689,476
Regional transfers		
Okanagan Basin Water Board	<b>301,016</b>	278,258
Total government transfer revenues	<b>\$ 11,489,924</b>	<b>\$ 4,967,734</b>

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**14. Contingent liabilities and commitments**

- (a) The District is responsible, as a member of the Regional District of the Okanagan-Similkameen, for its proportion of any operating deficits or long-term debt related to functions in which it participates.
- (b) The 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, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

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

The District paid \$715,096 (2022 - \$651,044) for employer contributions while employees contributed \$649,513 (2022 - \$593,201) to the plan in fiscal 2023.

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.

- (c) A claim has been filed against the District in relation to claims for loss and compensation arising from a capital project undertaken by the District. The District and its lawyers have reviewed the claim and believe that the District did not trespass on the property and the Plaintiffs have been fully compensated. At the date of the financial statements, neither the outcome nor the potential settlement can be foreseen. No provision has been made in the financial statements.

A claim has been filed against the District in relation to claims for loss and compensation arising from wrongful dismissal by the District. The District and its lawyers have reviewed the claim and believe that the District had appropriate grounds. At the date of the financial statements, neither the outcome nor the potential settlement can be foreseen. No provision has been made in the financial statements.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

**14. Contingent liabilities and commitments (continued)**

- (d) From time to time the District is brought forth as a defendant in various lawsuits. The 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 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 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.

**15. Funds held in trust**

At the year end, the District held \$1,049,702 (2022 - \$1,029,505) in trust. Certain assets have been conveyed or assigned to the District to be administered as directed by agreement or statute. The District holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries. The following trust funds and assets are excluded from the District's financial statements:

	<b>2023</b>	<b>2022</b>
Summerland scholarship	<b>\$ 24,374</b>	\$ 23,571
Cemetery perpetual care	<b>398,947</b>	393,822
Abermethy memorial	<b>85,899</b>	83,284
Summerland education funding	<b>540,482</b>	528,828
	<b>\$ 1,049,702</b>	<b>\$ 1,029,505</b>

**16. Annual budget**

The financial statements have included the Annual Budget as approved by Council on February 27, 2023. No amendments subsequent to this date have been included. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

	<b>2023</b>	<b>2022</b>
Annual surplus	<b>\$ 10,394,465</b>	\$ 8,429,264
Capital expenditures	<b>(25,927,742)</b>	(29,027,708)
Principal repayment of debt	<b>(1,334,334)</b>	(1,144,547)
Transfers from accumulated surplus and reserves	<b>13,417,611</b>	15,342,491
Borrowing proceeds	<b>3,450,000</b>	6,400,500
	<b>\$ -</b>	<b>\$ -</b>

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**17. Financial Instruments**

Financial Instrument Risk Management

The Municipality is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the Municipality'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 Municipality'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 Municipality is exposed to credit risk through its cash, accounts receivable, and portfolio investments.

The Municipality manages its credit risk by:

- using credit approval processes,
- the highly diversified nature of the residents,
- holding cash on deposit at a provincially regulated Credit Union. Unlimited depositor protection is provided from the Credit Union Deposit Insurance Corporation of British Columbia (CUDIC). All money on deposit with a BC credit unions is 100% guaranteed, including accrued interest, regardless of the length of the term of maturity.

The Municipality measures its exposure to credit risk based on how long amounts have been outstanding and based on historical experience regarding collections. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as outlined in Note 2. Accounts receivable arise primarily as a result of utilities, and grants receivable. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

The Municipality manages exposure to credit risk for portfolio investments by ensuring adequate diversification and by maintaining its investments in the Ministry of Finance Authority which meets the investment requirements of Section 183 of the Community Charter of the Province of BC. As a result, the Municipality has reduced exposure to market or value risk. The maximum exposure to credit risk on portfolio investments is outlined in Note 3.

**The Corporation of the District of Summerland**  
**Notes to the Financial Statements**  
*For the year ended December 31, 2023*

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**17. Financial Instruments (continued)**

Liquidity risk

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

The Municipality manages this risk by:

- maintaining a balance of highly liquid investments,
- staggering maturity dates of investment portfolio for cash flow needs,
- ability to increase tax rates per bylaw in order to increase cash,
- and monitoring cash activities and expected outflows through budgeting.

Also to help manage the risk, the Municipality has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The Municipality's five-year financial plan is approved by the Mayor and Council, which includes operational activities and capital investments. The Municipality measures its exposure to liquidity risk based on the results of cash forecasting and expected outflows and extensive budgeting.

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 Municipality is exposed to interest rate risk through its long-term debt and the value of portfolio investments.

The Municipality 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 8 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are MFA pooled investment funds (see note 3). 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.

A 1.0% increase in the interest rate would increase the organization's annual surplus by \$183,913 (2022 - \$22,717). A 1.0% decrease in the interest rate would decrease the organization's annual surplus by \$183,913 (2022 - \$22,717). This sensitivity analysis was prepared on the basis that we are in an interest rate environment where interest rates are changing.

# The Corporation of the District of Summerland

## Notes to the Financial Statements

For the year ended December 31, 2023

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### 18. Segmented information

The District is a municipal government which provides a wide range of services to the citizens and businesses for Summerland. The District is governed by an elected Council comprised of a Mayor and six Councilors whose authority is set in the *Community Charter* and *Local Government Act*. The District's operations and activities are organized and reported by Funds and departments. The General Fund reports on operations, funded primarily by property taxes, which include services provided by the District such as general government services, protective services, transportation services environmental services, health services planning and developmental services, parks and recreation services. The utility operations are comprised of the water, sewer and electrical systems, and each accounting for its own operations and programs within their own funds. Operating results of the following segments are reported as follows:

**General Government services** are comprised of a number of functions including Corporate Services and Finance which involves staff working closely with Council and community partners to coordinate the delivery of a wide range of functions and services. Corporate Services is responsible for Administration, Information Technology, Human Resources, Occupational Health and Safety and Legislative Service functions. Finance is responsible for the collection of tax revenues, utility billing and all treasury and accounting functions. Revenues associated with this segment include all those amounts that cannot be directly attributed to other segments including taxation, grants in lieu, and interest revenue.

**Protective services** include police services under contract with the Royal Canadian Mounted Police, bylaw enforcement and animal control under contract to a third party, emergency measures services, and building inspection. Fire protection is provided by a composite department responsible for fire suppression, fire inspections and public education training.

**Transportation services** include equipment and civic building maintenance, and the maintenance of roads, signs, sidewalks, street lighting and storm drains. This segment is also responsible for the planning and implementation of the capital works program for all infrastructure as well as climate action program reporting.

**Environmental services** include garbage collection and recycling.

**Health services** include the operations related to cemetery functions.

**Planning and Development services** include all planning and building related process, long range and current planning, land use applications and economic development functions.

**Parks and Recreation services** include providing and coordinating leisure and recreational services, and maintaining recreational facilities, parks and trails.

**Water services** include the operating activities that relate to the treatment, distribution and maintenance of the water system including the dams and the water treatment plant.

**Sewer services** include the operating activities that relate to the collection and treatment of wastewater, maintenance of the related equipment including the wastewater treatment plant.

**Electrical services** include the operating activities that relate to power distribution and maintenance of the electrical system and related equipment.

# The Corporation of the District of Summerland

## Notes to Financial Statements

For the year ended December 31, 2023

### 18. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Services	Health Services	Planning & Develop Services	Parks & Recreation Services	Water Services	Sewer Services	Electrical Services	Actual 2023
<b>Revenue</b>	\$ 10,982,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,982,469
Property tax	-	-	-	-	-	-	-	-	-	-	2,332,964
Parcel tax	-	-	-	-	-	-	-	1,572,630	760,334	-	11,489,924
Government transfers	5,729,042	423,758	731,271	7,884	-	128,769	399,812	190,000	261,016	3,618,372	25,868,415
User fees, sales and rentals	229,005	5,646	18,846	2,588,995	63,543	-	1,082,735	5,244,120	1,744,326	14,892,199	736,521
Permits, licenses and fines	158,725	34,360	-	-	-	543,436	-	-	-	-	1,297,275
Investment income	1,229,775	-	-	-	-	-	-	-	67,500	-	1,050,749
Actuarial earnings	85,133	-	-	-	-	-	-	461,085	504,531	-	121,865
Penalties and interest on taxes	121,865	-	-	-	-	-	-	-	-	-	167,070
Franchise	167,070	-	-	-	-	-	-	-	-	-	3,800,453
Contributions from developers	1,147,529	-	78,641	-	-	-	227,638	255,769	158,939	1,931,837	300,283
Other	55,152	-	106,780	-	-	-	-	39,020	-	99,331	126,667
Gain (loss) on disposal	-	-	126,667	-	-	-	-	-	-	-	-
	19,905,865	463,764	1,082,205	2,596,879	63,543	672,205	1,710,185	7,762,624	3,496,646	20,541,739	58,275,655
<b>Expenses</b>											
Labour and benefits	1,358,412	1,214,977	1,361,698	308,885	89,722	552,490	1,962,585	1,347,984	594,420	878,613	9,688,986
Contracted services	602,144	2,618,271	1,326,241	1,609,467	32,002	289,466	653,253	572,601	403,915	500,511	8,607,871
Materials and supplies	192,139	143,574	(388,037)	35,653	56,717	7,755	629,982	2,310,864	698,850	11,337,919	15,024,416
Interest	-	45,938	153,928	-	-	-	-	510,630	283,616	-	994,112
Amortization	160,822	55,028	1,009,039	146,824	2,200	15,952	736,821	1,250,788	950,574	239,971	4,567,819
Other	30,950	1,591	20,924	238,979	-	-	44,770	19,212	617	-	356,143
	2,343,367	4,079,379	3,482,983	2,339,808	180,641	865,863	4,027,411	6,012,079	2,931,992	12,957,014	39,220,347
<b>Annual SURPLUS (DEFICIT)</b>	\$ 17,562,498	\$ (3,615,615)	\$ (2,420,788)	\$ 257,071	\$ (117,098)	\$ (193,458)	\$ (2,317,226)	\$ 1,750,545	\$ 564,654	\$ 7,584,725	\$ 19,055,308

# The Corporation of the District of Summerland

## Notes to Financial Statements

For the year ended December 31, 2023

### 18. Segmented information (continued)

	General Government Services	Protective Services	Transportation Services	Environmental Services	Health Services	Planning & Develop Services	Parks & Recreation Services	Water Services	Sewer Services	Electrical Services	Actual 2022
<b>Revenue</b>											
Property tax	\$ 10,521,480	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,521,480
Parcel tax	-	-	-	-	-	-	-	1,562,940	754,334	-	2,317,274
Government transfers	1,104,196	-	374,012	1,195,092	-	-	12,482	17,242	261,016	2,003,684	4,987,734
User fees, sales and rentals	192,485	7,260	24,196	2,315,493	55,155	-	961,665	4,605,956	1,659,949	13,593,831	23,415,980
Permits, licenses and fines	129,793	25,245	-	-	-	477,310	-	-	-	-	632,348
Investment income	409,024	-	-	-	-	-	-	-	-	-	409,024
Actuarial earnings	75,883	-	-	-	-	-	-	441,472	468,320	-	985,675
Penalties and interest on taxes	110,064	-	-	-	-	-	-	-	-	-	110,064
Franchise	126,216	-	-	-	-	-	-	-	-	-	126,216
Contributions from developers	1,463,988	-	-	-	-	-	985	1,915,192	1,048,809	1,549,635	5,978,619
Other	72,736	-	657,763	-	-	-	-	50,385	9,151	98,217	888,252
Gain (loss) on disposal	(3,189)	-	112,200	-	-	-	1,757	-	-	-	110,768
	14,202,676	32,505	1,168,171	3,510,585	55,155	477,310	976,909	8,593,187	4,201,579	17,245,367	50,463,444
<b>Expenses</b>											
Labour and benefits	1,446,641	1,151,073	1,362,497	276,713	72,836	503,703	1,698,631	1,211,132	579,052	935,786	9,238,064
Contracted services	491,422	1,528,353	1,201,869	1,435,043	19,386	344,085	655,921	1,042,076	356,513	456,910	7,531,578
Materials and supplies	196,929	164,529	(48,942)	18,895	36,421	6,375	607,710	2,046,367	664,982	10,792,118	14,485,384
Interest	-	45,938	60,024	-	-	-	-	317,983	283,844	-	707,789
Amortization	227,060	78,919	1,102,599	177,843	602	34,330	468,372	1,226,312	915,882	205,034	4,436,743
Other	16,800	1,498	20,303	(85,892)	-	-	43,602	17,872	-	-	14,183
	2,378,852	2,970,310	3,698,340	1,822,602	129,245	888,493	3,474,236	5,861,742	2,800,073	12,389,848	36,413,741
<b>Annual SURPLUS (DEFICIT)</b>	<b>\$ 11,823,824</b>	<b>\$ (2,937,805)</b>	<b>\$ (2,530,169)</b>	<b>\$ 1,687,983</b>	<b>\$ (74,090)</b>	<b>\$ (411,183)</b>	<b>\$ (2,497,327)</b>	<b>\$ 2,731,445</b>	<b>\$ 1,401,506</b>	<b>\$ 4,855,519</b>	<b>\$ 14,049,703</b>

**The Corporation of the District of Summerland**  
**Schedule - COVID-19 Safe Restart Grant**  
*For the year ended December 31, 2023*

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(Unaudited)

**Schedule - COVID-19 Safe Restart Grant**

Safe Restart Grant 2023 Opening Balance	<b>\$ 282,830</b>
Eligible costs incurred:	
Computer and technology costs to improve connectivity and virtual communications	<b>(55,974)</b>
General government services	<b>(54,010)</b>
Protective services	<b>(38,731)</b>
Transportation services	<b>(33,040)</b>
Environmental services	<b>(19,365)</b>
Planning and development services	<b>(13,407)</b>
Recreation, parks and cultural	<b>(28,303)</b>
	<hr/>
Total eligible costs incurred	<b>(242,830)</b>
	<hr/>
Balance, December 31, 2023	<b>\$ 40,000</b>
	<hr/>

**The Corporation of the District of Summerland**  
**Schedule - Growing Communities Fund Grant**  
*For the year ended December 31, 2023*

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(Unaudited)

**Schedule - Growing Communities Fund Grant**

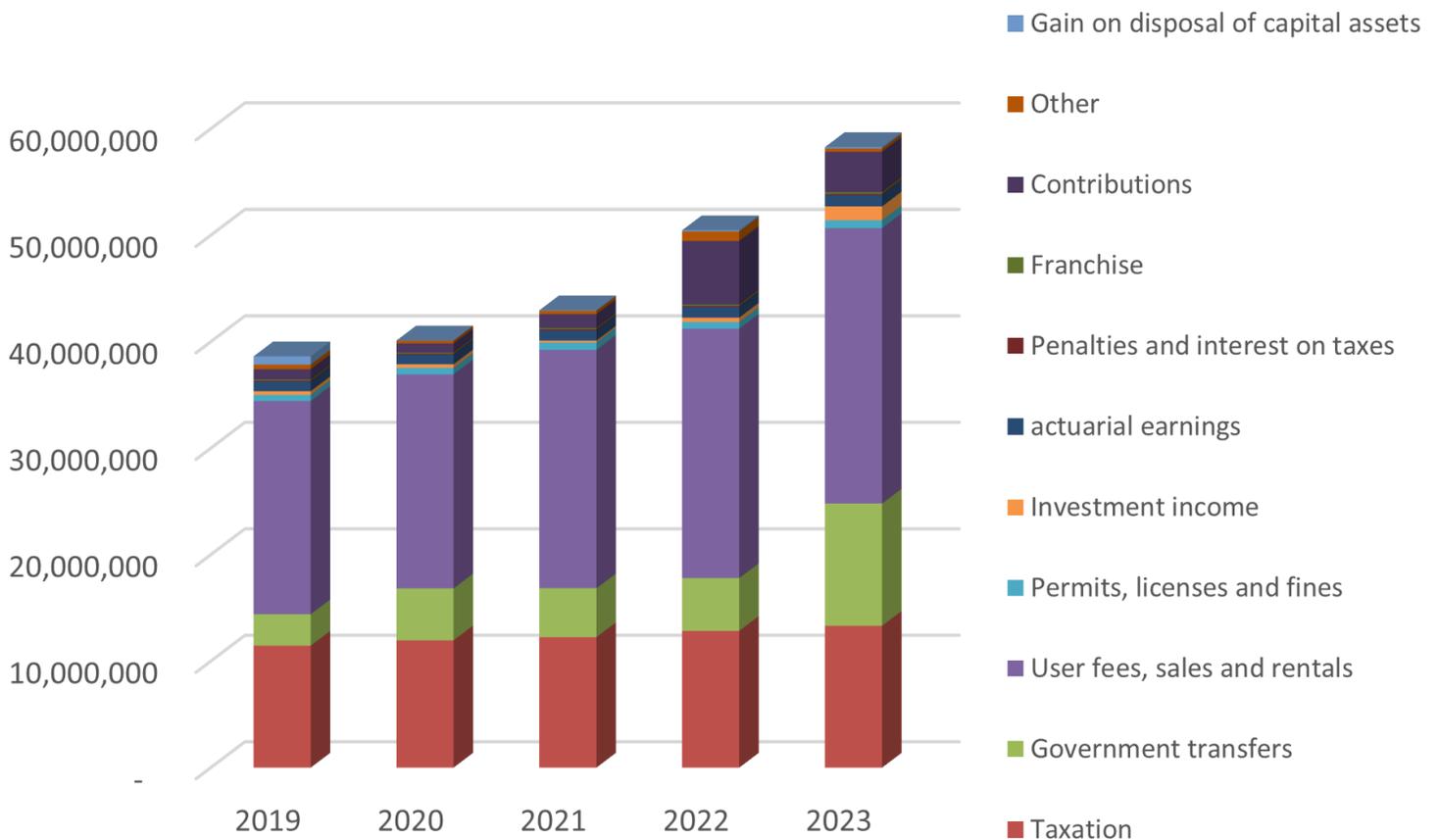
Growing Community Fund Grant received April 2023	<b>\$ 4,533,000</b>
Total eligible costs incurred	<u>-</u>
Balance, December 31, 2023	<b><u>\$ 4,533,000</u></b>

The District received the proceeds on April 4, 2023. Council reviewed the parameters around the funding and directed staff to deposit the funds in a 1 year GIC. Additionally Council directed staff to bring forward potential qualifying capital projects as part of 2024 budget deliberations. Due to the timing of the District's budget process, no funds were expended in fiscal 2023.

# Statistical Review

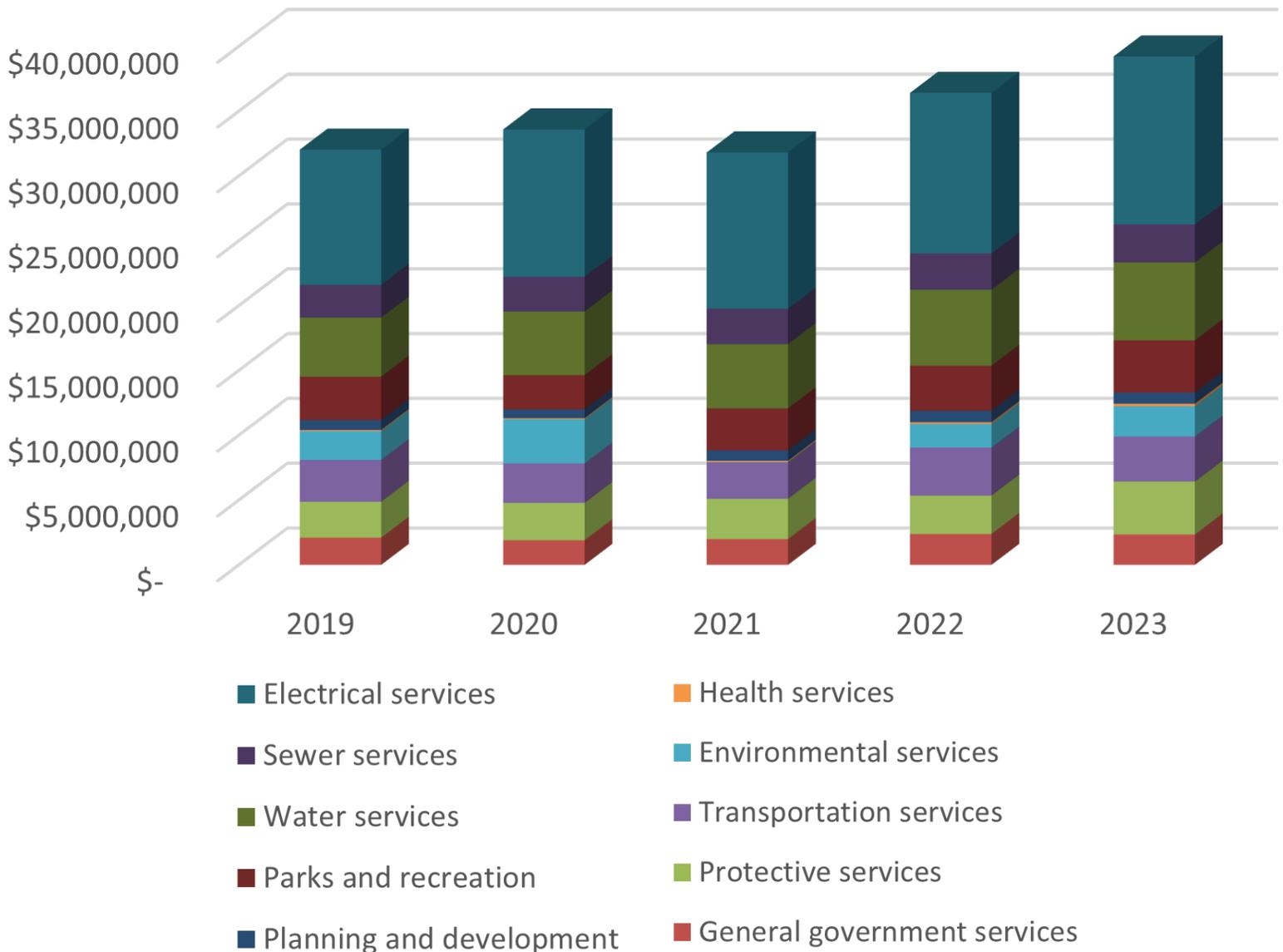
## Revenue by Source

	2019	2020	2021	2022	2023
Taxation	11,448,838	11,947,726	12,248,198	12,838,754	13,315,433
Government transfers	2,959,365	4,884,598	4,597,813	4,967,734	11,489,924
User fees, sales and rentals	20,029,503	20,094,716	22,384,849	23,415,990	25,869,415
Permits, licenses and fines	570,659	617,399	694,682	632,348	736,521
Investment income	345,831	336,571	176,904	409,024	1,297,275
actuarial earnings	899,874	897,690	955,685	985,675	1,050,749
Penalties and interest on taxes	95,975	86,737	120,083	110,064	121,865
Franchise	98,261	106,201	108,590	126,216	167,070
Contributions	967,631	871,225	1,302,756	5,978,619	3,800,453
Other	434,135	259,208	320,447	888,252	300,283
Gain on disposal of capital assets	777,079	10,716	37,500	110,768	126,667
	<b>38,627,151</b>	<b>40,112,787</b>	<b>42,947,507</b>	<b>50,463,444</b>	<b>58,275,655</b>
<b>TOTAL REVENUE PER CAPITA</b>	<b>\$ 3,326</b>	<b>\$ 3,454</b>	<b>\$ 3,566</b>	<b>\$ 4,191</b>	<b>\$ 4,839</b>



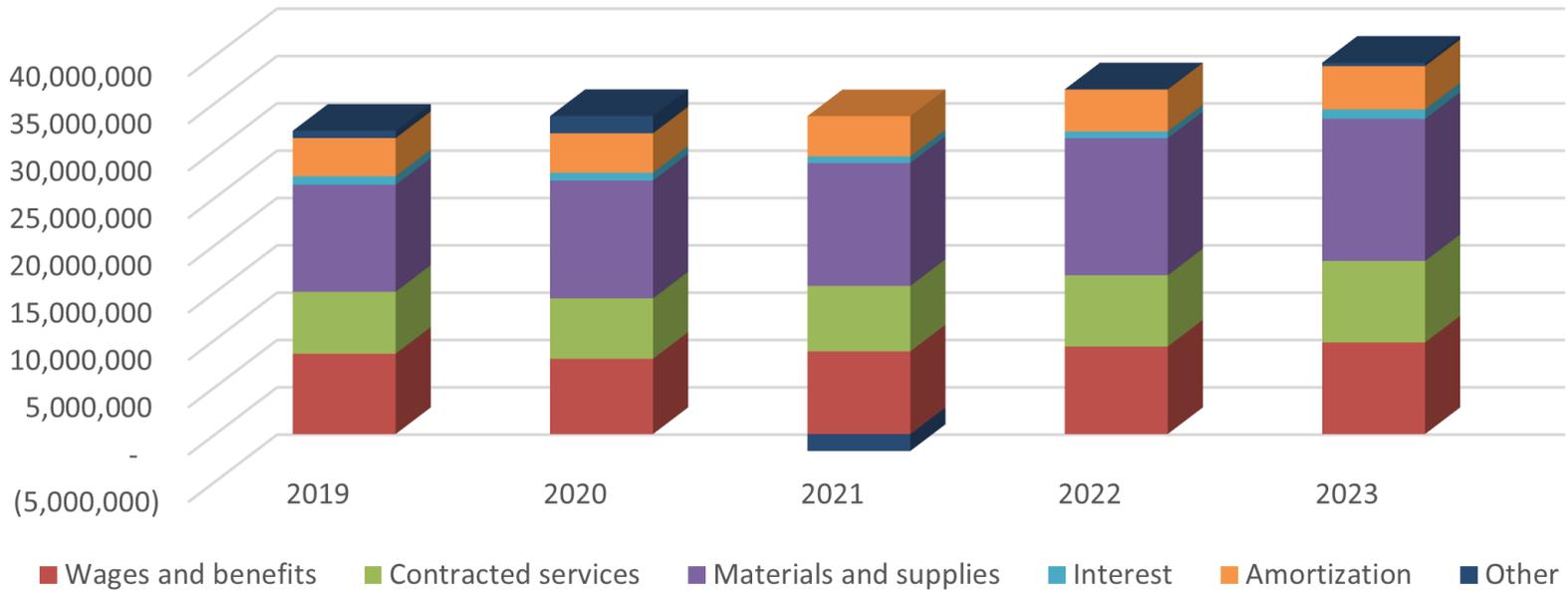
# Expenses by Function

	2019	2020	2021	2022	2023
<b>General government services</b>	\$ 2,095,912	\$ 1,899,398	\$ 1,990,249	\$ 2,378,852	\$ 2,343,367
<b>Protective services</b>	2,775,173	2,880,889	3,109,114	2,970,310	4,079,379
<b>Transportation services</b>	3,221,331	3,046,930	2,815,528	3,698,340	3,482,993
<b>Environmental services</b>	2,225,915	3,400,107	27,216	1,822,602	2,339,808
<b>Health services</b>	82,723	84,483	85,766	129,245	180,641
<b>Planning and development</b>	774,023	677,753	813,362	888,493	865,663
<b>Parks and recreation</b>	3,341,868	2,645,473	3,231,967	3,474,236	4,027,411
<b>Water services</b>	4,552,156	4,908,822	4,954,986	5,861,742	6,012,079
<b>Sewer services</b>	2,527,583	2,680,570	2,734,123	2,800,073	2,931,992
<b>Electrical services</b>	10,436,632	11,370,172	12,051,011	12,389,848	12,957,014
	<b>\$ 32,033,316</b>	<b>\$ 33,594,597</b>	<b>\$ 31,813,322</b>	<b>\$ 36,413,741</b>	<b>\$ 39,220,347</b>



## Expenses by Object

	2019	2020	2021	2022	2023
<b>Wages and benefits</b>	8,480,777	7,945,685	\$ 8,725,144	\$ 9,238,064	\$ 9,669,986
<b>Contracted services</b>	6,549,923	6,392,098	6,928,199	7,531,578	8,607,871
<b>Materials and supplies</b>	11,300,482	12,436,322	12,985,758	14,485,384	15,024,416
<b>Interest</b>	898,682	831,428	687,991	707,789	994,112
<b>Amortization</b>	4,034,262	4,160,468	4,253,753	4,436,743	4,567,819
<b>Other</b>	769,190	1,828,596	(1,767,523)	14,183	356,143
	<b>\$ 32,033,316</b>	<b>\$ 33,594,597</b>	<b>\$ 31,813,322</b>	<b>\$ 36,413,741</b>	<b>\$ 39,220,347</b>



## Statement of Reserves Surplus

	2019	2020	2021	2022	2023
<b>Statement of Annual &amp; Accumulated Surplus</b>					
Accumulated surplus, beginning	109,270,789	111,862,078	118,380,268	129,514,453	143,564,156
Annual surplus	6,593,835	6,518,190	11,134,185	14,049,703	19,055,308
Accumulated surplus, ending	<u>115,864,624</u>	<u>118,380,268</u>	<u>129,514,453</u>	<u>143,564,156</u>	<u>162,619,464</u>
<b>Statement of Annual &amp; Accumulated Surplus</b>					
Internally restricted & operating reserves	13,029,414	14,675,313	15,954,606	14,513,708	15,647,615
Surplus	3,639,725	4,029,077	8,654,329	11,733,736	9,996,842
	<u>16,669,139</u>	<u>18,704,390</u>	<u>24,608,935</u>	<u>26,247,444</u>	<u>25,644,457</u>
Statutory reserves	4,769,480	5,261,750	6,279,145	11,151,695	9,884,199
Equity in tangible capital assets	94,426,005	94,414,128	98,626,373	106,165,017	127,090,808
	<u>115,864,624</u>	<u>118,380,268</u>	<u>129,514,453</u>	<u>143,564,156</u>	<u>162,619,464</u>
<b>Net Financial Assets (Debt)</b>					
Financial assets	33,334,907	39,386,827	48,417,257	51,532,132	53,103,258
Financial liabilities	29,013,655	30,924,182	31,035,701	44,173,052	44,828,799
Net financial assets (debt)	4,321,252	8,462,645	17,381,556	7,359,080	8,274,459
Non-financial assets	111,543,372	109,917,623	112,132,897	136,205,076	154,345,005
Accumulated surplus, ending	<u>115,864,624</u>	<u>118,380,268</u>	<u>129,514,453</u>	<u>143,564,156</u>	<u>162,619,464</u>
<b>Statutory Reserves (Detail)</b>					
Land sale	2,102,144	1,893,029	1,686,614	1,014,548	328,817
Capital works	1,629,678	2,297,211	3,442,770	8,380,683	7,544,481
Parking	100,853	101,822	102,346	103,405	106,651
Asset management	936,805	969,688	1,047,415	1,653,059	1,904,250
	<u>4,769,480</u>	<u>5,261,750</u>	<u>6,279,145</u>	<u>11,151,695</u>	<u>9,884,199</u>

## Statement of Reserves Surplus (cont.)

	2019	2020	2021	2022	2023
<b>Internally Restricted &amp; Operating Reserves (Detail)</b>					
Development cost charges **	4,072,595	4,421,380	5,104,470	5,168,528	5,627,254
Parks dedication**	915,778	924,577	1,007,487	1,017,915	1,049,867
Cemetery perpetual care	379,907	383,117	387,792	393,822	398,947
Community works fund	2,790,105	2,811,167	3,926,563	3,394,811	5,323
Equipment replacement	2,742,910	2,645,665	2,715,493	1,811,784	1,175,189
Fire services	132,600	168,272	202,272	224,950	274,950
Landfill improvement	361,383	139,233	279,922	513,520	765,231
Landfill closure	513,112	513,112	513,112	513,112	513,112
Community contributions	282,536	158,238	177,688	280,354	312,156
Recreation, parks & trails	313,470	301,676	269,726	239,817	221,292
Climate action	354,973	356,444	352,694	482,784	528,055
Cemetery	38,606	35,221	35,221	20,361	14,361
MFA debt and benefit surplus	131,439	144,053	154,695	169,121	188,878
COVID-19 safe restart	-	1,673,158	827,471	282,829	40,000
Growing communities fund	-	-	-	-	4,533,000
	<b>13,029,414</b>	<b>14,675,313</b>	<b>15,954,606</b>	<b>14,513,708</b>	<b>15,647,615</b>
<b>TOTAL RESERVES AND SURPLUSES</b>	<b>21,438,619</b>	<b>23,966,140</b>	<b>30,888,080</b>	<b>37,399,139</b>	<b>35,528,656</b>
<b>ACCUMULATED SURPLUS (FINANCIAL EQUITY) PER CAPITA</b>	<b>1,846</b>	<b>2,063</b>	<b>2,565</b>	<b>3,106</b>	<b>2,950</b>
<b>Per capita figures</b>	<b>11,615</b>	<b>11,615</b>	<b>12,042</b>	<b>12,042</b>	<b>12,042</b>

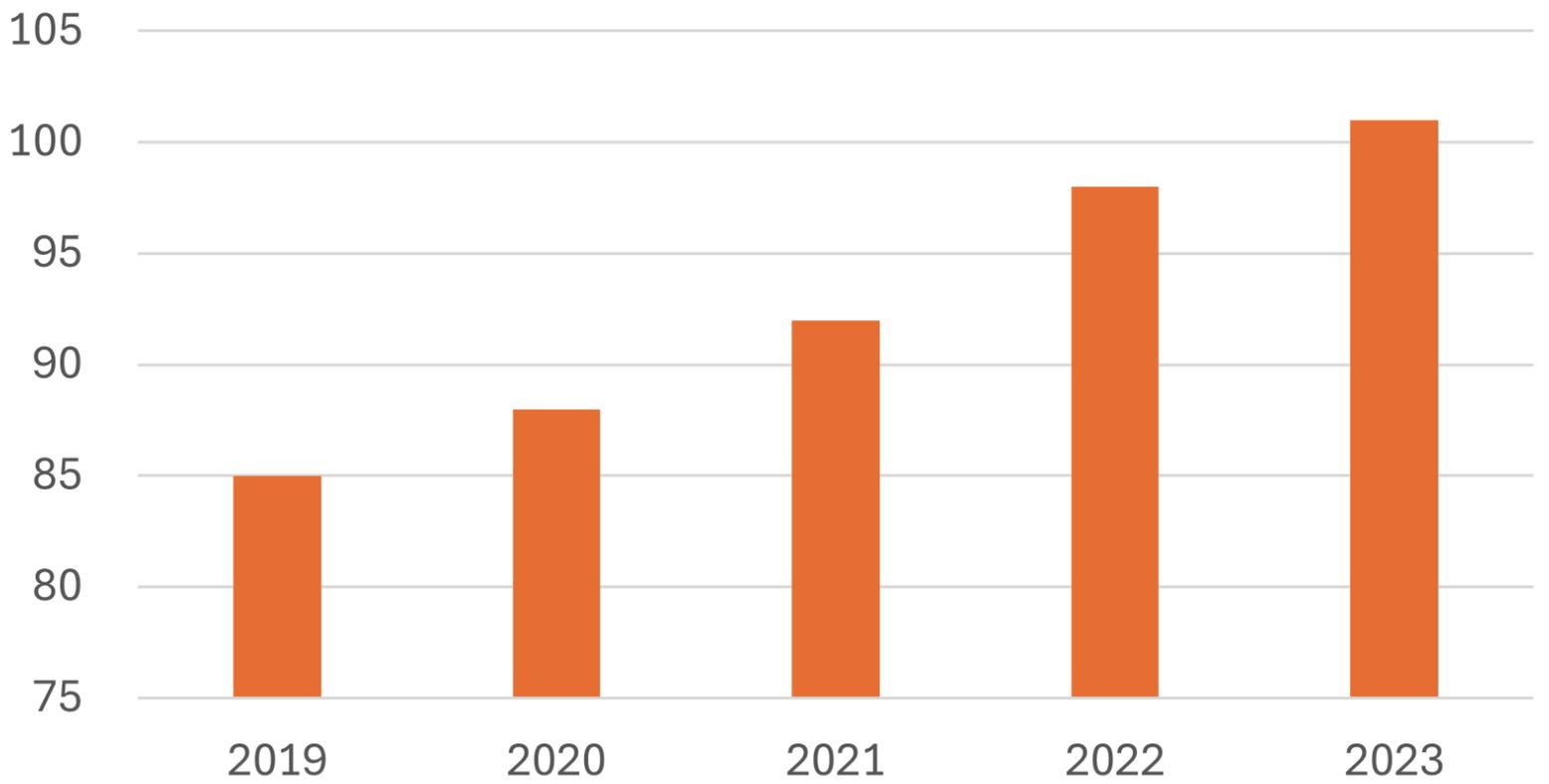
\*\* Amounts are included in deferred revenue in the District's financial statements.

# Capital Acquisitions

<b>Capital Expenditures</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Land	-	-	-	-	1,201,498
Land improvements	960,250	97,397	123,914	547,343	3,272,135
Buildings	286,852	796,542	982,698	2,095,740	825,042
Machinery & equipment	1,048,543	2,196,815	1,418,975	2,288,825	3,301,514
Roads and sidewalks	994,720	1,111,271	391,423	3,691,559	3,797,171
Water utility	435,420	898,428	2,268,562	3,884,222	3,876,161
Sewer utility	311,950	314,462	102,119	1,460,216	353,437
Electric utility	729,595	707,149	1,057,771	3,719,039	5,800,937
	<b>4,767,330</b>	<b>6,122,064</b>	<b>6,345,462</b>	<b>17,686,944</b>	<b>22,427,895</b>
<b>TOTAL CAPITAL SPENDING PER CAPITA</b>	<b>\$ 410</b>	<b>\$ 527</b>	<b>\$ 527</b>	<b>\$ 1,469</b>	<b>\$ 1,862</b>
Per capita figures	11,615	11,615	12,042	12,042	12,042

# Full-Time Employees

## Full-Time Employees



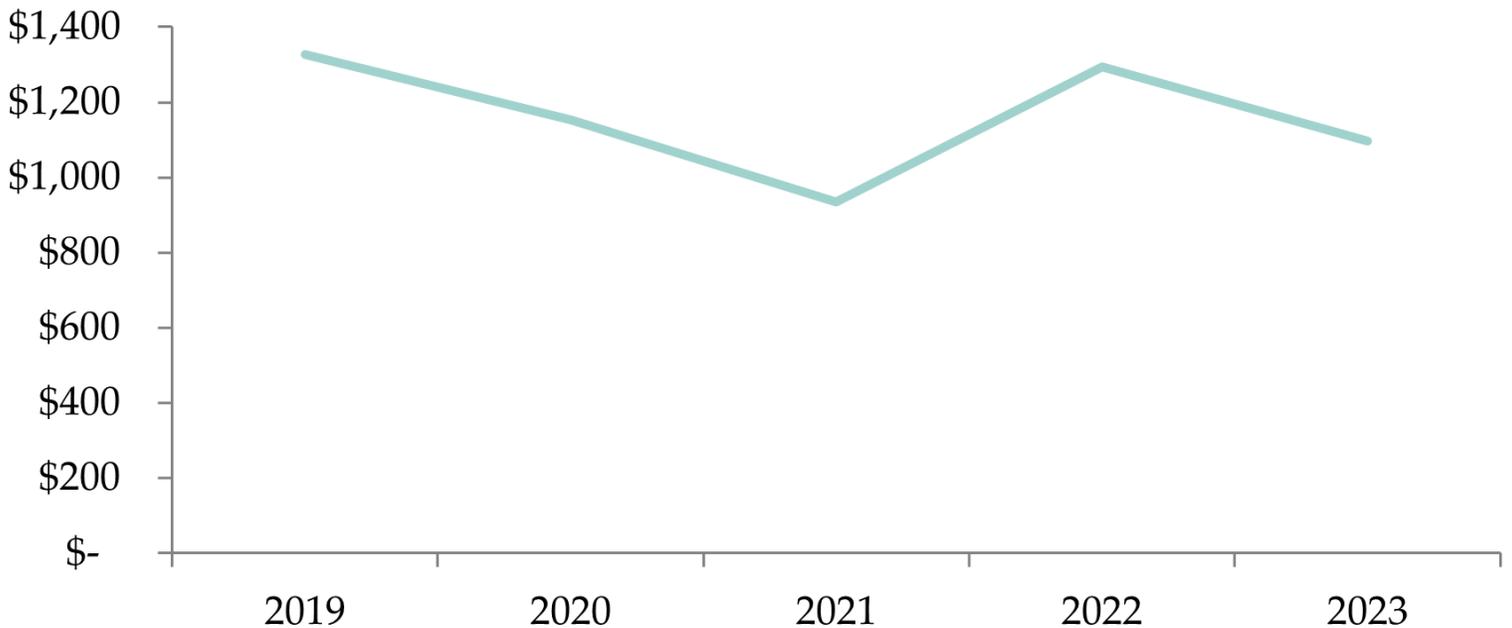
## Long Term Debt Fund

	2019	2020	2021	2022	2023
General	3,596,458	3,284,459	2,956,925	5,874,499	5,519,270
Sewer	3,896,799	3,188,083	2,445,662	1,668,670	855,467
Water	7,916,609	6,908,251	5,857,668	8,051,363	6,834,709
<b>Total Debt Outstanding</b>	<b>15,409,866</b>	<b>13,380,793</b>	<b>11,260,255</b>	<b>15,594,532</b>	<b>13,209,446</b>

The long-term debt of the municipality is funded 16.4% from general taxation and 83.6% from parcel taxes.

<b>Population</b>	11,615	11,615	12,042	12,042	12,042
<b>Debt Per Capita</b>	\$ 1,327	\$ 1,152	\$ 935	\$ 1,295	\$ 1,097

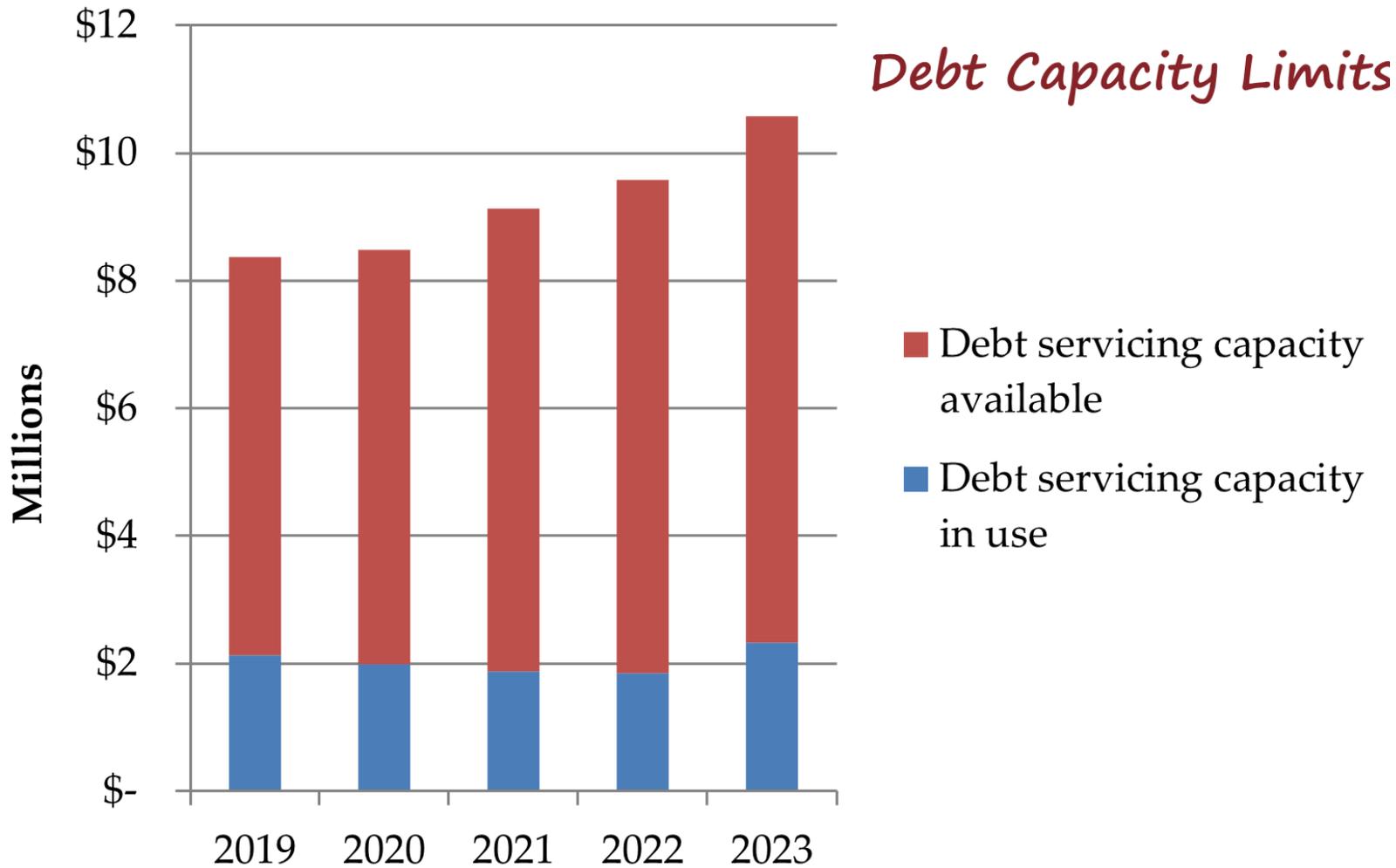
## Debt Per Capita



# Long Term Debt Capacity

Debt Servicing	2019	2020	2021	2022	2023
Debt servicing capacity in use	\$2,130,277	\$1,986,019	\$1,875,313	\$1,852,337	\$2,328,449
Debt servicing capacity available	6,241,214	6,493,318	7,253,390	7,724,749	8,247,147
Debt servicing limit	\$8,371,491	\$8,479,337	\$9,128,703	\$9,577,086	\$10,575,596

This table reflects the maximum debt servicing capacity as well as the remaining borrowing power available to the District to fund capital projects.



# Taxable Property Assessments

## Taxable Property Assessments

(land and improvements)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential	2,855,944,269	2,927,254,450	2,947,164,354	3,942,202,824	4,513,472,117
Utilities	2,105,800	2,226,300	2,284,500	2,712,100	3,008,900
Light Industry	28,264,600	31,206,900	31,294,400	38,051,900	43,437,900
Business	131,359,170	137,579,470	137,321,920	154,715,320	177,507,869
Recreation/Non-Profit	7,454,700	4,494,000	8,064,900	5,942,400	4,927,400
Farm	5,644,574	5,627,240	5,668,208	5,602,361	5,636,118
<b>Total</b>	<b>3,030,773,113</b>	<b>3,108,388,360</b>	<b>3,131,798,282</b>	<b>4,149,226,905</b>	<b>4,747,990,304</b>

# Municipal Tax Rates and Multiples

## Municipal Tax Rates

(per \$1,000 of assessed value)

Residential	2.74511	2.82351	2.88432	2.28380	2.07974
Utilities	19.01826	18.66420	18.46553	21.79977	20.35512
Light Industry	5.86705	5.63743	5.55270	4.78111	4.24644
Business	6.17651	6.35290	6.48971	6.02523	5.64959
Recreation/Non-Profit	6.48606	9.19864	9.01838	12.61455	14.38895
Farm	9.27393	9.42890	9.54478	9.93254	10.23162

## Municipal Tax Multiples

Residential	1.00000	1.00000	1.00000	1.00000	1.00000
Utilities	6.92805	6.61027	6.40204	9.54541	9.78732
Light Industry	2.13727	1.99660	1.92513	2.09349	2.04181
Business	2.25000	2.25000	2.25000	2.63825	2.71648
Recreation/Non-Profit	2.36277	3.25787	3.12669	5.52350	6.91862
Farm	3.37834	3.33942	3.30920	4.34913	4.91965

# Property Tax Revenue

## Municipal Property Tax Revenue

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Residential	7,839,884	8,264,401	8,497,931	8,997,186	9,386,862
Utilities	40,049	41,552	42,185	59,123	61,246
Light Industry	165,830	175,927	173,768	181,941	184,457
Business	812,035	874,029	890,195	932,160	1,002,847
Recreation/Non-Profit	48,090	41,339	72,732	74,960	70,900
Farm	52,347	53,059	54,189	55,913	57,667
<b>Total</b>	<b>8,958,234</b>	<b>9,450,306</b>	<b>9,731,000</b>	<b>10,301,283</b>	<b>10,763,979</b>

<b>% of Residential Taxes to Total Municipal Taxes</b>	<b>87.52%</b>	<b>87.45%</b>	<b>87.33%</b>	<b>87.34%</b>	<b>87.21%</b>
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## Taxation for other Governments

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
School (Province)	5,388,656	5,251,691	5,770,926	6,226,952	6,838,097
Regional Hospital District	865,219	866,186	856,964	867,773	884,153
Municipal Finance Authority	669	688	692	901	1,028
BC Assessment Authority	134,502	149,388	146,403	163,320	178,782
Regional District Okanagan Similkameen	826,142	846,082	840,589	919,380	965,348
Okanagan Regional Library	499,720	525,085	521,776	525,981	555,459
<b>Total</b>	<b>7,714,908</b>	<b>7,639,120</b>	<b>8,137,350</b>	<b>8,704,307</b>	<b>9,422,867</b>

	<b>16,673,142</b>	<b>17,089,426</b>	<b>17,868,350</b>	<b>19,005,590</b>	<b>20,186,846</b>
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Property Tax Collected Includes HOG & Parcel Taxes	18,609,924	19,093,213	19,261,406	20,909,991	22,180,954
Water Parcel Tax	1,534,725	1,538,430	1,548,120	1,562,940	1,572,630
Sewer Parcel Tax	734,499	733,134	740,134	754,334	760,334
<b>Property Taxex Collected - Less Parcel Taxes</b>	<b>16,340,700</b>	<b>16,821,649</b>	<b>16,973,152</b>	<b>18,592,717</b>	<b>19,847,990</b>

<b>% of Current Taxes Collected</b>	<b>98.0%</b>	<b>98.4%</b>	<b>95.0%</b>	<b>97.8%</b>	<b>98.3%</b>
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# Principal Corporate Tax Payers

## Tax Revenue

### Business, Light Industry & Utility Corporate Customers (Top 15 - Municipal levy)

Property Owner	Category	Municipal Tax Levy	% Paid By Top 15
SUMMER FAIR MALL LTD	Business	39,304	3.15%
BC TREE FRUITS CO-OP	Business	35,050	2.81%
INLAND NATURAL GAS CO LTD	Utilities	29,617	2.37%
297296 BC LTD	Business	29,395	2.35%
THE STEELGRAY FINANCIAL CORP INC	Light Industry & Business	27,551	2.21%
MILLER, DAVID & LORRAINE	Light Industry	18,447	1.48%
CENTURY ALUMINUM PRODUCTS INC	Light Industry & Business	17,837	1.43%
ROMANCE VENTURES LTD	Business	17,474	1.40%
SUMMY HOLDINGS CORP	Business	16,039	1.28%
SUMMERLAND & DISTRICT CREDIT UNION	Business	15,028	1.20%
RIPLEY STAINLESS LTD	Light Industry	14,897	1.19%
TERRA NOVA ENTERPRISES LTD	Business	14,791	1.18%
1400968 BC LTD	Business	13,808	1.11%
STEELGRAY FINANCIAL CORP	Business	12,842	1.03%
AIM ROADS INC	Business	12,282	0.98%
<b>Total Revenue on Business, Light Industry &amp; Utilities Assessments (Top Fifteen)</b>		<b>314,360</b>	<b>25.18%</b>
<b>Total Tax Revenue on Business, Light Industry &amp; Utilities</b>		<b>1,248,550</b>	

## Building Values and Permit Fees

	2019	2020	2021	2022	2023
<b>Building value</b>	\$45,877,300	\$35,659,900	\$59,735,300	\$49,632,000	\$47,210,000
<b>Permit fees charged</b>	360,396	399,304	597,404	444,635	501,036
<b>Number of permits issued</b>	203	198	203	232	182
<b>AVERAGE PERMIT FEES BASED ON NUMBER OF PERMITS</b>	<b>\$ 1,775</b>	<b>\$ 2,017</b>	<b>\$ 2,943</b>	<b>\$ 1,917</b>	<b>\$ 2,753</b>

# Schedule of Payments

Supplier Name		Total
1267740 BC LTD dba CRL ROADS & PARKWAYS	\$	26,187.00
AARDVARK PAVEMENT MARKING SERVICES 647354 BC LTD		122,776.02
AARDE ENVIRONMENTAL LTD.		33,348.91
ACERA INSURANCE SERVICES LTD.		249,811.06
ADVANCED POWERLINES		25,102.89
AE CONCRETE PRODUCTS INC.		177,488.09
AECOM CANADA LTD.		65,769.64
ALUMICHEM CANADA INC		94,834.23
ANDREW SHERET LIMITED		61,515.60
ANIXTER POWER SOLUTIONS CANADA INC.		100,481.60
APPLIED INDUSTRIAL TECHNOLOGIES LP		26,826.98
ARC RIDGE LTD		137,130.00
ARDING SHELLEY LYNN		44,751.84
ASPLUNDH		95,235.00
ASSOCIATED ENGINEERING (B.C.) LTD.		434,193.67
ASSOCIATED FIRE SAFETY		29,806.98
ATCO STRUCTURES & LOGISTICS LTD		27,022.20
ATCO POWER (2010) LTD.		94,617.92
BARRY BEECROFT FUEL DISTRIBUTORS LTD.		387,833.84
B C ASSESSMENT AUTHORITY		178,725.94
BC GENERAL CONTRACTING INC		2,454,292.97
BC TRANSIT		150,934.14
BDO CANADA LLP		34,491.45
BETTS ELECTRIC LIMITED		237,398.34
BIGG E'S ANIMAL CONTROL SERVICES LTD.		76,143.07
BIRD CONSTRUCTION GROUP		66,951.15
BLACK ARMOUR ASPHALT PRODUCTS INC.		39,223.26
BLACK TOP PAVING		113,264.13
BRENNTAG CANADA INC.		65,940.24
BRONAG CONTRACTING LTD.		264,342.74
CABIN RESOURCE MANAGEMENT LTD.		63,876.75
CABIN OPERATIONS LTD.		308,734.18
CAM TRAN CO. LTD.		122,846.85
CANTEX OKANAGAN CONSTRUCTION LTD.		348,314.99
CANOE PROCUREMENT GROUP OF CANADA		53,543.40
CARO ANALYTICAL SERVICES		55,576.89
CARVER CONSTRUCTION LTD		574,172.77
CASCADE RAIDER HOLDINGS LTD.		47,733.43
151 CATHEDRAL VENTURES		35,453.22
CBU LTD - CHANCES BULK UNLOADING LTD		41,547.35

## Schedule of Payments (cont.)

Supplier Name	Total
CENTRAL INTERIOR TRAFFIC CONTROL LTD.	47,855.90
CENTRALSQUARE CANADA SOFTWARE INC.	70,538.63
CENTRIX CONTROL SOLUTIONS LP	46,621.31
CINTAS CANADA LIMITED	42,196.78
CITYVIEW A DIVISION OF N HARRIS COMPUTER CORP.	109,723.43
CLEARTECH INDUSTRIES INC.	140,738.68
CUPE LOCAL 1136	102,500.95
DAWSON INTERNATIONAL TRUCK CENTRES LTD.	682,890.45
DELL CANADA	26,457.63
DOMINO HIGHVOLTAGE SUPPLY INC.	49,128.98
DRIVING FORCE LANGLEY	73,594.25
ECORA ENGINEERING & RESOURCE GROUP LTD.	57,038.29
EDGEHILL DEVELOPMENTS LTD	46,569.62
EECOL ELECTRIC ULC.	30,914.55
EMCO CORPORATION	74,018.82
ENVIROSAFE JANITORIAL INC.	77,008.90
FINNING (CANADA) a division of FINNING	567,204.23
FLYNN CANADA LTD.	114,712.51
FORTIS BC - ELECTRICITY	8,893,505.98
FORTIS BC - NATURAL GAS	131,947.26
FRASER VALLEY REFRIGERATION LTD.	873,828.27
FRED SURRIDGE LTD.	328,251.20
GESCAN	38,972.91
GHD LIMITED	29,925.00
GRAPHICALLY SPEAKING	46,509.86
HACH SALES & SERVICE CANADA LP	36,195.03
HALLWOOD MILHAM TECHNOLOGIES INC.	167,777.34
HAZTEC SOLUTIONS	132,242.94
HITACHI ENERGY USA INC	199,785.60
HORSMAN & SON E.B.	49,864.66
HUSKA HOLDINGS LTD.	156,526.20
HYDRO INSTRUMENTS	29,337.47
ICONIX WATERWORKS LP	160,149.60
INTEGRA-TECH CORROSION INC	137,163.45
INTERIOR DAMS INC.	56,028.70
KENDRICK EQUIPMENT (2003) LTD.	57,840.39
KERR WOOD LEIDAL	313,461.69
KON KAST CONCRETE PRODUCTS INC.	51,413.60
LEE JEREMY GLENN	34,738.65

## Schedule of Payments (cont.)

Supplier Name	Total
LIGHTHOUSE DEVELOPMENTS INC.	47,395.26
LINEMANS TESTING LABORATORIES of Canada	63,579.69
LORDCO PARTS LTD.	36,148.48
MACKINLEY-CLARK PAVING LTD	465,338.65
MAVEN CONSULTING LIMITED	42,529.94
MCMYN'S UTILITY LOCATING	33,652.50
MEARLS MACHINE WORKS LTD	77,431.15
METRO MOTORS LTD	134,348.75
MILLAR TREE CARE	29,137.50
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH	168,584.79
NAKIMU VENTURES INC.	84,194.25
NET2PHONE CANADA	28,143.82
OKANAGAN CIVIL CONSTRUCTORS LTD.	1,954,144.90
OKANAGAN REGIONAL LIBRARY DISTRICT	555,684.96
ORCHARD FORD SALES LTD.	279,186.00
PENTICTON & AREA COOPERATIVE ENTERPRISES	58,704.45
PACIFIC POWERTECH INC.	25,074.00
THE CITY OF PENTICTON	61,124.98
PENTICTON NISSAN	93,058.22
PETERS BROS. CONSTRUCTION LTD.	25,450.95
POLAR ENGINEERING LTD.	51,414.69
PRAIRIE COAST EQUIPMENT	89,415.86
PRIMARY ENGINEERING AND CONSTRUCTION CORP.	246,997.82
PRIVACYWORKS CONSULTING INC.	111,103.20
PROACTIVE POLE MAINTENANCE INC.	34,174.35
PROVINCE OF BRITISH COLUMBIA	6,838,097.22
RECEIVER GENERAL - RCMP CONTRACT	1,636,337.06
RECEIVER GENERAL - PAYROLL DEDUCTIONS	2,635,841.36
REGIONAL DISTRICT OKANAGAN - SIMILKAMEEN	4,201,640.58
REXEL CANADA ELECTRICAL UTILITY INC	177,790.07
ROCKY MOUNTAIN PHOENIX	300,740.88
ROGERS	45,632.61
SHORELINE PILEDIVING & WHARF CONSTRUCTION LTD.	37,251.90
SOFTCHOICE LP	183,450.05
SPERLING HANSEN ASSOCIATES INC.	138,657.11
STANTEC CONSULTING LTD.	56,843.87
SUMMERLAND TIMBER MART	40,690.99
SUMMERLAND CHAMBER OF COMMERCE	144,906.95
SUMMERLAND RENTAL CENTRE	79,580.51

## Schedule of Payments (cont.)

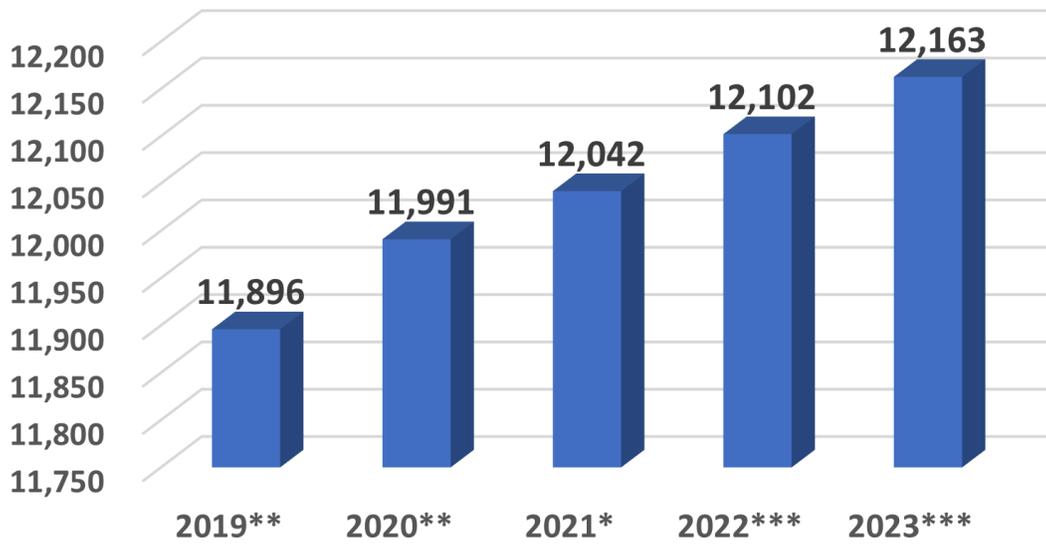
<u>Supplier Name</u>	<u>Total</u>
SUMMIT VALVE AND CONTROLS INC.	143,606.68
SUPERIOR EXCAVATING SERVICES	314,273.41
TELUS CUSTOM SECURITY SYSTEMS	40,315.84
TELUS COMMUNICATIONS (B.C.) INC.	28,628.82
TRUE CONSULTING	41,846.17
TURN-KEY CONTROLS LTD.	92,289.66
TWIN CON ENTERPRISES LTD.	1,380,056.59
UNIVAR SOLUTIONS CANADA LTD.	665,031.55
URBAN SYSTEMS LTD.	619,552.19
VAN KAM FREIGHTWAYS LTD.	34,273.20
VEOLIA WATER TECHNOLOGIES CANADA INC.	79,073.36
VIMAR EQUIPMENT	560,894.05
WASTE MANAGEMENT	41,883.67
WASTE CONNECTIONS OF CANADA INC	628,354.25
WE CONSULTING & BENEFITS SERVICES LTD.	126,385.25
WHISSELL WASTE SOLUTIONS BC LTD.	408,732.44
WI-COM SOLUTIONS INC.	27,596.60
WILDSTONE CONSTRUCTION & ENGINEERING LTD.	3,239,499.78
WSP CANADA INC	40,206.49
YOUNG ANDERSON	103,051.65
	<b>\$ 51,782,452.41</b>
Various Suppliers / Individuals	<b>\$ 3,330,903.60</b>

### Grants exceeding \$25,000

<u>Supplier Name</u>	<u>Total</u>
SUMMERLAND MUSEUM & ARCHIVES SOCIETY	\$ 55,000.00
SUMMERLAND YOUTH CENTRE ASSOCIATION	27,500.00
	<b>\$ 82,500.00</b>

# Population Demographics

## Summerland Historical Population

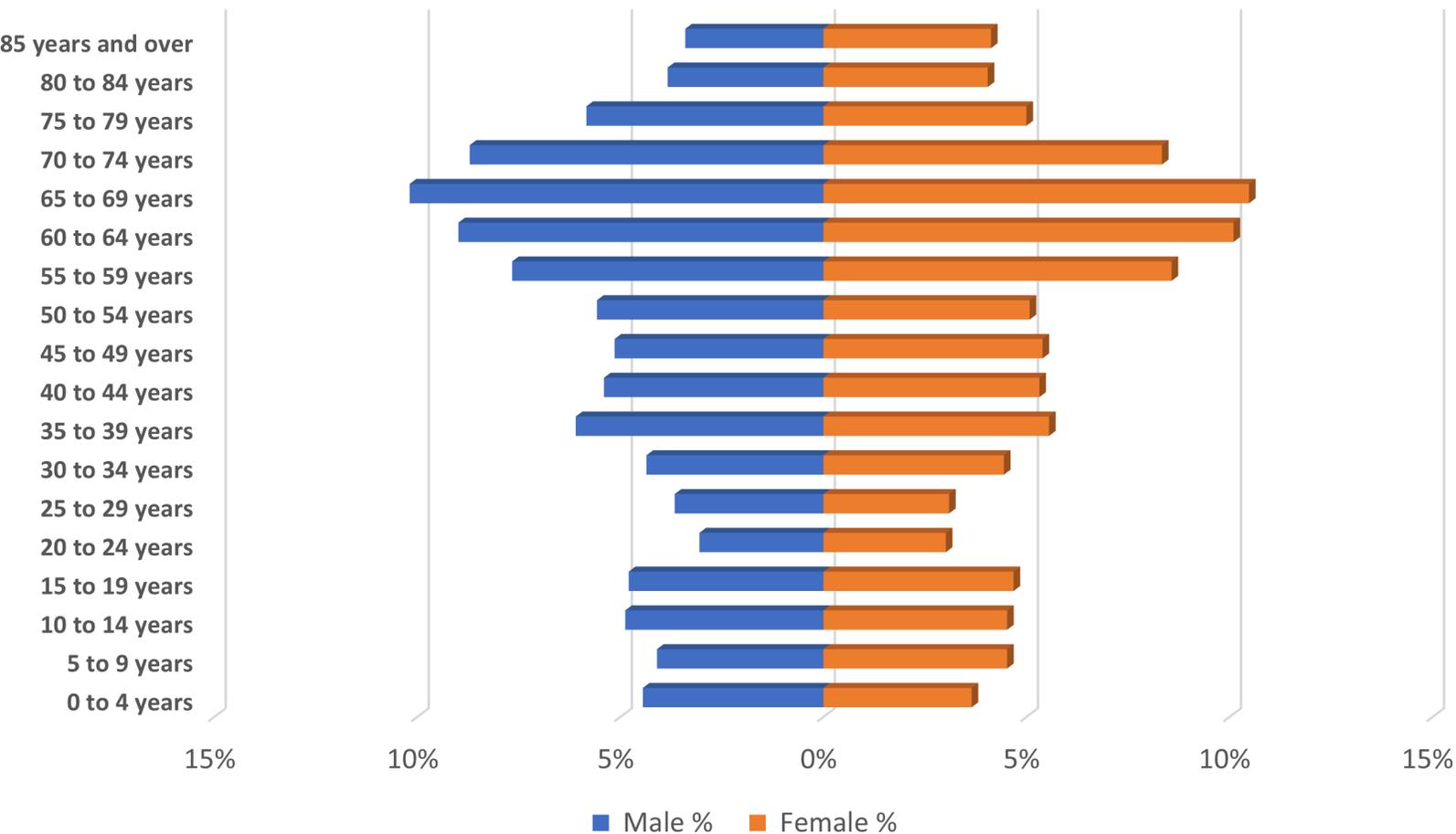


\* 2021 Census Data - [www.12.statcan.gc.ca/census-recensement/2021](http://www.12.statcan.gc.ca/census-recensement/2021)

\*\* Population estimate based on 2016 Census data with an annual growth rate of 0.80% from 2017 to 2020

\*\*\* Population estimate based on 2021 Census data with an annual growth rate of 0.50%

## 2021 District of Summerland Population - 12,042





Municipal Hall  
13211 Henry Ave  
Summerland, BC V0H 1Z0

Tel 250-494-6451  
[summerland.ca/your-city-hall/reports-studies](http://summerland.ca/your-city-hall/reports-studies)