

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

The Corporation of the District of Summerland

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Management's Responsibility

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



Director of Finance

Independent Auditor's Report

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.

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)
Financial assets		
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
	53,103,258	51,532,132
Financial liabilities		
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
	44,828,799	44,173,052
Net financial assets	8,274,459	7,359,080
Non-financial assets		
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
	154,345,005	136,205,076
Accumulated surplus (Note 10)	\$ 162,619,464	\$ 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)
Revenue			
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
Expenses			
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
Annual surplus	3,852,465	19,055,308	14,049,703
Accumulated surplus, beginning of year	143,564,156	143,564,156	129,514,453
Accumulated surplus, end of year	\$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)
Annual surplus	\$ 3,852,465	\$ 19,055,308	\$ 14,049,703
Acquisition of tangible capital assets	(25,927,742)	(22,427,895)	(17,686,944)
Amortization of tangible capital assets	4,508,022	4,567,821	4,436,743
Gain on disposal of tangible capital assets	-	(126,667)	(110,768)
Proceeds on sale of tangible capital assets	-	222,800	115,975
	(17,567,255)	1,291,367	804,709
Change in prepaids	-	16,850	(32,354)
Change in inventory of supplies	-	(392,838)	(913,637)
Increase (decrease) in net assets	(17,567,255)	915,379	(141,282)
Net financial assets, beginning of year	7,359,080	7,359,080	7,500,362
Net financial assets, end of year	\$(10,208,175)	\$ 8,274,459	\$ 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
Operating transactions		
Annual surplus	\$ 19,055,308	\$ 14,049,703
Items not involving cash		
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)
	2,349,649	(646,805)
Changes in non-cash operating balances		
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)
	653,223	(3,408,063)
	22,058,180	9,994,835
Capital transactions		
Acquisition of tangible capital assets	(20,336,390)	(13,031,521)
Proceeds on disposal of tangible capital assets	222,800	115,975
	(20,113,590)	(12,915,546)
Investing transactions		
Acquisition of portfolio investments	(13,734,489)	(5,287,817)
Financing transactions		
Repayment of long-term debt	(1,334,337)	(1,144,548)
Proceeds of long-term debt	-	6,464,496
	(1,334,337)	5,319,948
Net change in cash and cash equivalents	(13,124,236)	(2,888,580)
Cash and cash equivalents, beginning of year	25,741,927	28,630,507
Cash and cash equivalents, end of year	\$ 12,617,691	\$ 25,741,927

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

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

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

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

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

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

3. Portfolio investments

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

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

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	2023	2022
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
	\$ 923,053	\$ 494,429	\$ 1,417,482	\$ 1,872,418

5. Accounts payable and accrued liabilities

	2023	2022
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
	\$ 7,772,861	\$ 6,643,432

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:

	2022 Restated	2022 as Originally presented	Restatement
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:

Asset Retirement Obligation	Asbestos removal	Landfill liability	Summerland Skatepark	2023
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

Asset Retirement Obligation	Asbestos removal	Landfill liability	Summerland Skatepark	2022
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
	\$ 8,214,355	\$ 3,300,240	\$ 198,776	\$(2,027,311)	\$ 9,686,060

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	\$ 13,209,446	\$ 15,594,532

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
	\$ 5,519,270	\$ 6,834,709	\$ 855,467	\$ 13,209,446

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
General fund							
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
				<u>201,676</u>	<u>270,094</u>	<u>5,519,270</u>	<u>5,874,499</u>
Water fund							
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
				<u>514,660</u>	<u>755,570</u>	<u>6,834,709</u>	<u>8,051,363</u>
Sewer fund							
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
				<u>288,566</u>	<u>308,672</u>	<u>855,467</u>	<u>1,668,670</u>
				<u>\$ 1,004,902</u>	<u>\$ 1,334,336</u>	<u>\$ 13,209,446</u>	<u>\$ 15,594,532</u>

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

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	\$ 3,394,811	593,983	52,541	(4,036,012)	\$ 5,323

11. Statutory reserve funds

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

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

12. Taxation, net

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

13. Government transfers

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

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

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:

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

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:

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

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

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

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

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
Revenue											
Property tax	\$ 10,982,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,982,469
Parcel tax	-	-	-	-	-	-	-	1,572,630	760,334	-	2,332,964
Government transfers	5,729,042	423,758	731,271	7,884	-	128,769	399,812	190,000	261,016	3,618,372	11,489,924
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	25,869,415
Permits, licenses and fines	158,725	34,360	-	-	-	543,436	-	-	-	-	736,521
Investment income	1,229,775	-	-	-	-	-	-	-	67,500	-	1,297,275
Actuarial earnings	85,133	-	-	-	-	-	-	461,085	504,531	-	1,050,749
Penalties and interest on taxes	121,865	-	-	-	-	-	-	-	-	-	121,865
Franchise	167,070	-	-	-	-	-	-	-	-	-	167,070
Contributions from developers	1,147,629	-	78,641	-	-	-	227,638	255,769	158,939	1,931,837	3,800,453
Other	55,152	-	106,780	-	-	-	-	39,020	-	99,331	300,283
Gain (loss) on disposal	-	-	126,667	-	-	-	-	-	-	-	126,667
	19,905,865	463,764	1,062,205	2,596,879	63,543	672,205	1,710,185	7,762,624	3,496,646	20,541,739	58,275,655
Expenses											
Labour and benefits	1,358,412	1,214,977	1,361,898	308,885	89,722	552,490	1,962,585	1,347,984	594,420	878,613	9,669,986
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	(389,037)	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	160,622	55,028	1,009,039	146,824	2,200	15,952	736,821	1,250,788	950,574	239,971	4,567,819
Other	30,050	1,591	20,924	238,979	-	-	44,770	19,212	617	-	356,143
	2,343,367	4,079,379	3,482,993	2,339,808	180,641	865,663	4,027,411	6,012,079	2,931,992	12,957,014	39,220,347
Annual SURPLUS (DEFICIT)	\$ 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
Revenue											
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	-	-	12,492	17,242	261,016	2,003,684	4,967,734
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	23,415,990
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	-	-	-	-	-	995	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
	<u>14,202,676</u>	<u>32,505</u>	<u>1,168,171</u>	<u>3,510,585</u>	<u>55,155</u>	<u>477,310</u>	<u>976,909</u>	<u>8,593,187</u>	<u>4,201,579</u>	<u>17,245,367</u>	<u>50,463,444</u>
Expenses											
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	1,102,589	177,843	602	34,330	468,372	1,226,312	915,682	205,034	4,436,743
Other	16,800	1,498	20,303	(85,892)	-	-	43,602	17,872	-	-	14,183
	<u>2,378,852</u>	<u>2,970,310</u>	<u>3,698,340</u>	<u>1,822,602</u>	<u>129,245</u>	<u>888,493</u>	<u>3,474,236</u>	<u>5,861,742</u>	<u>2,800,073</u>	<u>12,389,848</u>	<u>36,413,741</u>
Annual SURPLUS (DEFICIT)	\$ 11,823,824	\$ (2,937,805)	\$ (2,530,169)	\$ 1,687,983	\$ (74,090)	\$ (411,183)	\$ (2,497,327)	\$ 2,731,445	\$ 1,401,506	\$ 4,855,519	\$ 14,049,703

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

(Unaudited)

Schedule - COVID-19 Safe Restart Grant

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

For the year ended December 31, 2023

(Unaudited)

Schedule - Growing Communities Fund Grant

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

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.