

District of Lake Country

December 31, 2024

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District of Lake Country

December 31, 2024

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2024

DISTRICT OF LAKE COUNTRY
FINANCIAL STATEMENTS



LAKE COUNTRY

Life. The Okanagan Way.

Municipal Hall

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May 6, 2025

Mayor and Council
District of Lake Country

Mayor Ireland and Council,

In accordance with Section 167 of the Community Charter, I am pleased to present the 2024 Annual Financial Statements of the District of Lake Country for the fiscal year ended December 31, 2024. These statements include the Independent Auditors' Report, the financial statements and the notes and schedules to the financial statements for the District of Lake Country.

The financial statements for the year ended December 31, 2024 were prepared by the District in accordance with Canadian Public Sector Accounting Standards. The integrity and objectivity of these statements are management's responsibility. Management is also responsible for implementing and maintaining a system of good internal controls to safeguard the District's assets and to provide reasonable assurance that reliable and consistent financial information is provided.

Council is responsible for ensuring management fulfills its responsibility for financial reporting and internal control.

The auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion regarding the Annual Financial Statements. The audit was planned and performed to obtain reasonable assurance as to whether the financial statements are free from material error or misstatement.

The District strives to ensure that services are effectively and efficiently delivered to meet Council's and the community's goals and vision. The District is committed to providing sound financial management and long-term strategic planning to achieve these objectives.

Respectfully submitted,



Trevor James, CPA, CA
Chief Financial Officer



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BDO Canada LLP
1631 Dickson Avenue, Suite 400
Kelowna, BC V1Y 0B5

Independent Auditors' Report

To the Members of Council, Inhabitants and Taxpayers of the District of Lake Country

Opinion

We have audited the financial statements of the District of Lake Country (the "District"), which comprise the statement of financial position as at December 31, 2024, and the statement of changes in net financial assets, statement of operations and accumulated surplus, and statement of cash flows for the year then ended, and notes and schedules 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, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedules 4, 5 and 6 on pages 29 to 31 of these financial statements.

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

In preparing the financial statements, management is responsible for assessing the 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.



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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.

Chartered Professional Accountants

Kelowna, British Columbia
May 6, 2025

District of Lake Country

Statement of Financial Position

As at December 31

2024

2023

Financial assets

Cash and cash equivalents (Note 5)

\$ 39,152,070

\$ 47,733,177

Accounts receivable (Note 6)

8,128,159

6,057,501

47,280,229

53,790,678

Liabilities

Accounts payable and accrued liabilities (Note 7)

6,584,599

8,368,736

Security deposits

2,757,596

2,866,961

Deferred revenue (Note 8)

3,218,244

2,945,627

Restricted revenue (Note 9)

5,628,196

3,293,155

Long-term debt (Note 10)

16,974,916

18,345,447

Asset retirement obligation liability (Note 11)

739,006

558,799

35,902,557

36,378,725

Net financial assets

11,377,672

17,411,953

Non-financial assets

Tangible capital assets (Schedule 1)

237,192,814

221,928,322

Prepaid expenses

106,096

545,247

Accumulated surplus (Schedule 2)

\$ 248,676,582

\$ 239,885,522

Contingent liabilities and commitments (Note 12)

Trevor James, CPA, CA
Chief Financial Officer

Blair Ireland
Mayor

See accompanying notes to the financial statements.

District of Lake Country

Statement of Operations and Accumulated Surplus

For the year ended December 31	2024 Budget *	2024 Actual	2023 Actual
Revenue			
Taxation (Note 13)	\$ 25,411,104	\$ 25,411,940	\$ 23,211,440
Utility revenues	6,201,262	7,006,826	5,924,244
Services provided to other governments	859,442	840,015	813,571
Sale of services	3,197,733	3,237,857	4,228,904
Permits and licences	1,620,500	1,645,525	1,315,749
Interest on Investments	1,217,069	2,386,944	2,383,888
Government transfers (Note 14)	5,864,795	4,720,442	8,682,479
Developer contributions	4,308,075	1,862,777	4,021,652
Other revenue	526,464	913,490	1,202,509
	<u>49,206,444</u>	<u>48,025,816</u>	<u>51,784,436</u>
Expenses			
General Government Services	4,826,865	5,488,597	4,826,944
Protective Services	8,399,013	7,763,211	7,708,494
Transportation Services	7,056,113	7,358,904	6,708,689
Environmental Services	2,088,027	2,241,357	1,921,618
Planning and Development Services	1,996,491	1,882,578	1,722,257
Parks and Recreation Services	5,358,007	5,900,784	5,700,551
Water Services	4,870,985	4,970,003	4,546,650
Sewer Services	2,464,409	2,618,008	2,409,419
Interest expense	984,139	1,011,314	1,111,118
	<u>38,044,049</u>	<u>39,234,756</u>	<u>36,655,740</u>
Annual surplus	11,162,395	8,791,060	15,128,696
Accumulated surplus, beginning of year	239,885,522	239,885,522	224,756,826
Accumulated surplus, end of year	<u><u>\$ 251,047,917</u></u>	<u><u>\$ 248,676,582</u></u>	<u><u>\$ 239,885,522</u></u>

* Note 3

See accompanying notes to the financial statements.

District of Lake Country

Statement of Changes in Net Financial Assets

For the Year Ended December 31	2024 Budget	2024 Actual	2023 Actual
Unrestricted annual surplus	\$ 11,162,395	\$ 8,791,060	\$ 15,128,696
Acquisition of tangible capital assets	(38,284,384)	(21,436,253)	(10,429,981)
Developer contribution of tangible capital assets	-	(91,080)	(1,030,095)
Amortization of tangible capital assets	4,867,468	6,360,172	5,991,423
Increase in tangible capital assets due to asset retirement obligations	-	(111,515)	(532,291)
Net gain on disposal of tangible capital assets	-	(132,916)	(389,661)
Proceeds from disposal of tangible capital assets	7,600	147,100	402,637
Acquisition of prepaid expenses	-	439,151	(445,353)
(Decrease)/increase in net financial assets	(22,246,921)	(6,034,281)	8,695,375
Net financial assets, beginning of year	17,411,953	17,411,953	8,716,578
Net financial assets, end of year	\$ (4,834,968)	\$ 11,377,672	\$ 17,411,953

See accompanying notes to the financial statements.

District of Lake Country

Statement of Cash Flows

For the year ended December 31	2024	2023
Net inflow (outflow) of cash and cash equivalents related to the following activities		
Operating activities		
Annual surplus for the year	\$ 8,791,060	\$ 15,128,696
Adjustment for non-cash items		
Amortization of tangible capital assets	6,360,172	5,991,423
Accretion of asset retirement obligations	68,692	26,508
Developer contribution of tangible capital assets	(91,080)	(1,030,095)
Net gain on disposal of tangible capital assets	(132,916)	(389,661)
Actuarial adjustment on long-term debt	(350,566)	(305,824)
Acquisition of prepaid expenses	439,151	(445,353)
Increase/(decrease) in		
Accounts receivable	(2,070,658)	(469,385)
Accounts payable	(1,784,137)	1,827,390
Security deposits	(109,365)	(563,803)
Deferred revenue	272,617	(33,731)
	<u>11,392,970</u>	<u>19,736,165</u>
Financing activities		
Restricted revenue development cost charges, net	2,335,041	(410,623)
Restricted revenue parkland acquisition funds	-	82,050
Repayment of long-term debt	(1,019,965)	(1,014,859)
	<u>1,315,076</u>	<u>(1,343,432)</u>
Capital activities		
Acquisition of tangible capital assets	(21,436,253)	(10,429,981)
Proceeds from disposal of tangible capital assets	147,100	402,637
	<u>(21,289,153)</u>	<u>(10,027,344)</u>
Increase in cash and cash equivalents	<u>(8,581,107)</u>	<u>8,365,389</u>
Cash and cash equivalents, beginning of year	<u>47,733,177</u>	<u>39,367,788</u>
Cash and cash equivalents, end of year	<u><u>\$ 39,152,070</u></u>	<u><u>\$ 47,733,177</u></u>
Supplementary cash flow information		
Interest paid	<u>\$ 1,011,314</u>	<u>\$ 1,111,118</u>

See accompanying notes to the financial statements.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

The notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies and principles underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the financial statements.

1. Nature of entity

The District of Lake Country ("the District") was incorporated under the laws of British Columbia in 1995 and is engaged in the operation of a municipality.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The following is a summary of the District's significant accounting policies:

Basis of presentation

The District's resources and operations are segregated into General, Water, Sewer and Statutory Reserve Funds for accounting and financial reporting purposes. Each of these funds is further segregated into operating and capital funds, where applicable. The financial statements include all of the accounts of these funds.

Accrual accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measured.

Financial Instruments

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

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

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

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

For portfolio measurements measured at cost, the cost method records the initial investment at cost and

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Financial Instruments (continued)

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.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives.

The estimated useful lives are as follows:

Tangible capital assets	Estimated useful life
Land improvements	10 - 50 years
Buildings	50 years
Furniture and equipment	5 - 20 years
Vehicles and machinery	8 - 20 years
IT Infrastructure	5 years
Road surface	20 years
Road base	80 - 99 years
Other road structures	20 - 50 years
Water, sewer, and other structures	25 - 80 years

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal.

Work in Progress is valued at cost and represents capital projects under construction but not yet ready for use. Amortization commences once the individual projects are capitalized.

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

The District has numerous works of art located throughout the District which are not reflected in these financial statements due to the subjectivity as to their value.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Supplies on hand

Supplies are charged to operations when purchased.

Capitalization of interest

The District capitalizes interest on temporary borrowing until the completion of the project that is to be financed by debenture debt at the current rate of the District's short-term borrowing.

Debenture debt

Outstanding debenture debt is reported net of sinking fund balances.

Debt charges

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

Liability for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the District is directly responsible and accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Asset retirement obligation

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the District will be required to settle. The District recognizes asset retirement obligations when there is a legal obligation to incur retirements 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.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect period-to period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

Municipal Finance Authority debt reserve deposits

The District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the Municipal Finance Authority as a debt reserve fund. The District also executes demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature, and are detailed as follows:

	Demand Notes	Cash Deposits	Total 2024	Total 2023
General Fund	\$ 287,841	\$ 133,157	\$ 420,998	\$ 416,517
Water Fund	34,809	14,726	49,535	99,528
Sewer Fund	276,538	109,635	386,173	629,052
	<u>\$ 599,188</u>	<u>\$ 257,518</u>	<u>\$ 856,706</u>	<u>\$ 1,145,097</u>

Reserve funds

Non-statutory reserves represent an appropriation of surplus for specific purposes. Reserves for future capital expenditures represent funds to finance incomplete capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (continued)

Revenue recognition

Taxes are recognized as revenue in the year they are levied. Through the BC Assessment appeal process property assessment values may be adjusted through a supplementary roll. Decreases or increases of taxation as a result of these re-assessments are recognized at the time they are awarded.

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

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

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

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

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

Investment income is recorded on the accrual basis and recognized when earned.

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met by the District, and a reasonable estimate of the amount to be received can be made.

Developer contributions are recognized as revenue during the period in which the related costs are incurred or when infrastructure is turned over to the District.

Expenses

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies and tangible capital assets estimated useful life and related amortization. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

3. Budget figures

The budget figures are from the District's Annual Five-Year Financial Plan Bylaw adopted by Mayor and Council before May 15th of year year. Subsequent amendments have been made by Council to reflect changes in the budget as required by legislation. The budget was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$11,162,395. In addition, the budget expensed all tangible capital asset expenditures. As a result, the budget figures presented in the statement of operations and the statement of changes in net financial assets (net debt) represent the budget adopted by Mayor and Council with adjustments as follows:

	2024
Add:	
Acquisition of tangible capital assets	\$ 38,284,384
Long-term debt principal payments and actuarial adjustments	1,370,534
Less:	
Transfers from surpluses and reserves	(23,625,054)
Transfer from equity in tangible capital assets for amortization	(4,867,469)
Financial plan (Budget) surplus per statement of operations	<u>\$ 11,162,395</u>

4. Financial Instruments

The District is potentially exposed to credit risk, market and interest rate risk, and liquidity risk from the District's financial instruments. Qualitative and quantitative analysis of the significant risks from the District's financial instruments is provided below by type of risk.

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The District is exposed to credit risk through its cash, accounts receivable, and short-term investments.

The District manages its credit risk by manages it credit risk by:

- Ensuring receivables are primarily government organizations.
- Having legislated collateral over taxes receivable from highly diversified nature of residents of the District.
- Holding cash and guaranteed investment certificates at federally regulated chartered banks with cash accounts insured.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

Financial Instruments (continued)

Credit risk (continued)

- The District measures its exposure to credit risk based on:
- By how long amounts have been outstanding from government organizations regarding capital projects and other.
- 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 cash equivalents and accounts receivable as outlined in Notes 5 and 6. 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 District manages exposure to credit risk for cash equivalents by ensuring adequate diversification and by maintaining its investments which meets the investment requirements of Section 183 of the Community Charter of the Province of BC. As a result, the District has reduced exposure to market or value risk. The maximum exposure to credit risk on short-term investments is outlined in Note 5.

Liquidity risk

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

The District manages this risk by staggering maturity dates of investments based on cash flow needs. Also to help manage the risk, the District has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The District's five-year financial plan is approved by the Mayor and Council, which includes operational activities and capital investments. The District measures its exposure to liquidity risk based on cash flow needs versus available cash.

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 9 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are GICs, Chartered Bank Accruals and Debentures (see Note 5). The risk is caused by changes in interest rates. As interest rates rise, the fair value of the investments decrease and, as interest rates fall, the fair value of these investments increase.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

5. Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments with maturities of 90 days or less from the date of acquisition. Cash and cash equivalents are recorded at cost and are comprised of the following:

	2024	2023
Cash	\$ 6,495,639	\$ 11,054,796
Term Deposits	27,694,569	30,678,016
Chartered Bank Accrual Notes and Debentures	4,961,862	6,000,365
Total Cash and Cash Equivalents	<u>\$ 39,152,070</u>	<u>\$ 47,733,177</u>

Included in 2024 cash and cash equivalents is \$2,392,662 (2023 - \$2,561,873) relating to performance deposits, the use of which is subject to certain restrictions.

Details of term deposits and debentures are as follows:

	2024	2023
Maturing within 6 months, 4.15% - 4.82%	\$ 9,500,000	\$ 13,991,372
Maturing 6 months to 1 year, 1.13% - 5.10%	3,422,351	4,954,934
Maturing 1 year to 5 years, 1.76% - 5.15%	14,508,274	16,396,193
Maturing beyond 5 years, 2.25% - 4.56%	5,225,806	1,335,882
Total term deposits and debentures	<u>\$ 32,656,431</u>	<u>\$ 36,678,381</u>

Operating line of credit

The District has an operating line of credit with the Toronto Dominion Commercial Bank for an authorized amount of \$1,500,000, bearing interest at bank prime rate. At December 31 the balance outstanding on the operating line of credit was \$nil (2023 - \$nil).

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

6. Accounts receivable

Accounts receivable are recorded net of allowance and is comprised of the following:

	2024	2023
Property tax receivables	\$ 1,159,160	\$ 999,728
Trade receivables	3,227,993	2,047,970
Due from other governments	1,659,694	1,106,979
Water utility fees	2,081,312	1,902,824
	<u>\$ 8,128,159</u>	<u>\$ 6,057,501</u>

7. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are comprised of the following:

	2024	2023
Accounts payable	\$ 2,928,683	\$ 5,723,030
Due to other governments	2,833,098	1,826,401
Trade contract holdbacks	3,000	299,890
Wages and benefits	819,818	519,415
	<u>\$ 6,584,599</u>	<u>\$ 8,368,736</u>

8. Deferred revenue

The District records deferred revenue for funds received in advance on services not yet rendered and is recognized as revenue during the period in which the services are provided. Because these funds are restricted in nature, they are shown as a liability.

	2023	Deferred revenue received	Deferred revenue recognized	2024
Prepaid taxes	\$ 1,816,873	\$ 1,794,339	\$ (1,816,875)	\$ 1,794,337
Prepaid water utility fees	78,185	28,358	(78,185)	28,358
Prepaid leisure service fees	37,834	43,130	(37,834)	43,130
Deferred parcel tax	26,166	-	-	26,166
Other	986,569	414,678	(74,994)	1,326,253
	<u>\$ 2,945,627</u>	<u>\$ 2,280,505</u>	<u>\$ (2,007,888)</u>	<u>\$ 3,218,244</u>

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

9. Restricted revenue

Development cost charges and parkland acquisition funds

Pursuant to the provisions of the Local Government Act, development cost charges ("DCC's") and parkland acquisition funds are held in statutory reserve funds for the purposes for which the charges have been imposed. When the related costs are incurred, the DCC's and parkland acquisition funds are recognized as revenue. Because these funds are restricted in nature, they are shown as a liability.

	Development cost charge restricted revenue 2024	Parkland acquisition restricted revenue 2024	Total 2024	Total 2023
Financial assets:				
Cash	\$ 5,546,146	\$ 82,050	\$ 5,628,196	\$ 3,293,155
	<u>5,546,146</u>	<u>82,050</u>	<u>5,628,196</u>	<u>3,293,155</u>
Balance, beginning of year	3,211,105	82,050	3,293,155	3,621,728
Contributions from developers	4,079,661	-	4,079,661	2,562,218
Permit adjustments	(155,680)	-	(155,680)	-
Interest on investments	178,444	-	178,444	108,599
Capital financing	(1,767,384)	-	(1,767,384)	(2,999,390)
Balance, end of year	<u>\$ 5,546,146</u>	<u>\$ 82,050</u>	<u>\$ 5,628,196</u>	<u>\$ 3,293,155</u>

In accordance with Section 562 of the Local Government Act, no DCC's were waived or reduced for eligible development as defined under Section 563 of the Act. DCC reserve balances can be itemized as follows:

	2024	2023
Roads DCC	\$ 391,690	\$ 411,792
Drainage DCC	830,958	911,962
Park DCC	3,187,295	1,193,970
Water DCC	2,495,516	1,950,192
Sewer DCC	(1,359,313)	(1,256,811)
Parkland acquisition	<u>82,050</u>	<u>82,050</u>
	<u>\$ 5,628,196</u>	<u>\$ 3,293,155</u>

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

10. Long-term debt

	Interest rate	Year of maturity	Balance, beginning of year	Additions	Principal payment	Actuarial adjustment	Balance, end of year
General Fund							
MFA Issue 104	5.150%	2028	\$ 549,340	\$ -	\$ 56,317	\$ 45,105	\$ 447,918
MFA Issue 105	4.900%	2029	192,863	-	16,791	12,285	163,787
MFA Issue 133	2.750%	2035	1,777,997	-	92,469	29,295	1,656,233
MFA Issue 157	3.360%	2042	5,884,263	-	239,737	5,993	5,638,533
			<u>8,404,463</u>	<u>-</u>	<u>405,314</u>	<u>92,678</u>	<u>7,906,471</u>
Water Fund							
MFA Issue 105	4.900%	2024	80,026	-	46,213	33,813	-
MFA Issue 114	3.650%	2026	91,003	-	19,118	-	71,885
MFA Issue 114	3.650%	2026	59,473	-	29,254	-	30,219
MFA Issue 127	3.300%	2029	209,963	-	22,240	9,414	178,309
			<u>440,465</u>	<u>-</u>	<u>116,825</u>	<u>43,227</u>	<u>280,413</u>
Sewer Fund							
MFA Issue 70	5.745%	2024	334,520	-	145,899	188,621	-
MFA Issue 126	3.850%	2033	638,591	-	39,335	15,099	584,157
MFA Issue 158	4.090%	2042	8,527,408	-	312,592	10,941	8,203,875
			<u>9,500,519</u>	<u>-</u>	<u>497,826</u>	<u>214,661</u>	<u>8,788,032</u>
Total long-term debt			<u>\$ 18,345,447</u>	<u>\$ -</u>	<u>\$ 1,019,965</u>	<u>\$ 350,566</u>	<u>\$ 16,974,916</u>

The principal repayments on long-term debt required in each of the five years and thereafter are as follows:

	2025	2026	2027	2028	2029	Thereafter	Total
General Fund	\$ 405,314	\$ 405,314	\$ 405,314	\$ 405,314	\$ 348,997	\$ 3,671,397	\$ 5,641,650
Water Fund	120,255	75,873	23,906	23,906	23,906	-	267,846
Sewer Fund	351,927	351,927	351,927	351,927	351,927	4,221,035	5,980,670
Actuarial Adjustment	-	-	-	-	-	-	5,084,750
	<u>\$ 877,496</u>	<u>\$ 833,114</u>	<u>\$ 781,147</u>	<u>\$ 781,147</u>	<u>\$ 724,830</u>	<u>\$ 7,892,432</u>	<u>\$ 16,974,916</u>

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

11. Asset Retirement Obligations

The District owns and operates several assets that are known to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. The District has recognized an obligation relating to the removal of the hazardous materials in these assets.

Estimated costs totaling \$2,068,372 (2023 - \$2,001,140) have been discounted using a present value calculation with a discount rate of 4.55% (2023 - 4.98%) . The timing of these expenditures is estimated to occur between 2024 and 2067 with the regular replacement, renovation, or disposal of assets. No recoveries are expected at this time.

	2024	2023
Opening asset retirement obligation	\$ 558,799	\$ -
Recognition of expected discounted cash flows	111,515	532,291
Increase attributable to accretion	68,692	26,508
Closing asset retirement obligation	<u>\$ 739,006</u>	<u>\$ 558,799</u>

12. Contingent liabilities and commitments

Regional District of Central Okanagan

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the District and each electoral area and member municipality within the Regional District, including the District of Lake Country. The loan agreements with the Regional District of Central Okanagan and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

Legal actions

The District is currently engaged in certain legal actions, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss becomes estimable and likely.

Pension liability

The District and its employees contribute to the Municipal Pension Plan (a jointly trusted pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023 the plan has

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

12. Contingent liabilities and commitments (continued)

Pension liability (continued)

about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and 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 maybe 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 next valuation will be as at December 31, 2024.

The District paid \$839,947 (2023 - \$770,089) for employer contributions, while employees contributed \$760,712 (2023 - \$697,634) to the plan in fiscal 2024.

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.

Letter of Credit

The District holds an irrevocable letter of credit in the amount of \$97,540. The letter of credit is being held as a deposit on a capital project being administered by the Department of Fisheries and Oceans.

Commitments

The District has entered into various agreements and contracts for services with periods ranging from one to twenty years.

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

13. Taxation

In 2024 the District collected \$14,876,171 (2023 - \$14,020,974) on behalf of other taxing jurisdictions and transferred this amount to those other authorities. The collections and transfers are itemized as follows:

	2024	2023
Collections for and transfers to other governments		
Taxes collected		
Property taxes	\$ 37,228,531	\$ 34,256,180
Special assessments	2,355,827	2,334,144
1% utility tax	261,621	261,311
Penalties and interest on taxes	390,005	320,873
Grant in lieu of taxes	52,127	59,906
	<u>40,288,111</u>	<u>37,232,414</u>
Less transfer to other governments		
Province of BC (school taxes)	10,300,087	9,673,147
BC Assessment Authority	278,691	265,415
Municipal Finance Authority	1,553	1,524
Regional Hospital District	1,481,592	1,453,550
Okanagan Regional Library	825,880	770,753
Regional District of Central Okanagan	1,988,368	1,856,585
	<u>14,876,171</u>	<u>14,020,974</u>
Net taxes available for municipal purposes	<u>\$ 25,411,940</u>	<u>\$ 23,211,440</u>

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

14. Government transfers

In 2024 the District received and recorded as revenue the following transfers:

	2024	2023
Federal Conditional Transfers		
Federal Gas Tax Strategic Priorities Fund	\$ -	\$ 41,046
Provincial Unconditional Transfers		
Traffic Fine Revenue Sharing Grant	96,000	80,000
Small Community Grant	228,900	233,000
Local Government Climate Action Program	398,730	136,082
Growing Communities Fund	-	6,778,000
BC Housing Needs Assessment Grant	-	23,543
Local Government Development Approvals	57,500	-
Local Government Housing Initiatives	231,057	-
	<u>1,012,187</u>	<u>7,250,625</u>
Provincial Conditional Transfers		
COVID-19 Resilience Infrastructure Grant	-	162,025
Investing in Canada Infrastructure Program	1,979	98,543
Community Emergency Preparedness	2,460,997	-
Other Conditional Transfers	82,060	257,980
	<u>2,545,036</u>	<u>518,548</u>
Regional and Other External Conditional Transfers		
Gas Tax Community Works Fund	783,621	653,972
Student Grants	2,385	6,795
Okanagan Basin Water Board	118,175	137,690
UBCM FireSmart Grant	243,648	73,803
LCFD Legacy Leadership Fund	15,390	-
	<u>1,163,219</u>	<u>872,260</u>
Total government transfers	<u>\$ 4,720,442</u>	<u>\$ 8,682,479</u>

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

15. Letters of credit

As of December 31, the District is holding letters of credit in the amount of \$7,635,869 (2023 - \$5,643,695), which are received as security related to performance deposits.

16. Segmented information

The District of Lake Country is a diversified municipal government that provides a wide range of services to its citizens. For management reporting purposes the District's operations and activities are organized and reported by funds and departments. The General Fund reports on property tax supported operations, which include services provided by the District to citizens such as general government, protective, transportation, environmental, planning and development and community and customer services. The utility operations are comprised of the water and sewer systems, each accounting for its own operations and programs within their own funds. Operating results reported by the following segments is included in Schedule 3.

General Government services

General Government operations are primarily funded by property taxation and business tax revenues. The expenses within the department are for legislative, general administration, human resources and finance functions within the municipality. The general revenue reported under the department includes revenues associated with taxation, business licence revenues and payments in-lieu of taxes. These revenues have not been apportioned to other departments supported by the General Fund.

Protective services

Protective services are comprised of police services provided by the Royal Canadian Mounted Police and fire services. The mandate of the police is to ensure the safety of the lives and property of citizens, preserve peace and good order, prevent crimes from occurring, detect offenders, and enforce the law. The fire department is responsible for effective fire protection and public safety services to the District. This includes fire prevention, fire safety inspections, fire control and/or suppression. Bylaw enforcement is also reported under this department.

Transportation services

Transportation services are responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway and drainage systems and street lighting.

Environmental services

Environmental services are comprised of transit, garbage and recycling services, as well as the Lake Country hydroelectric generating station.

Planning and Development

Planning and Development services monitor compliance with Council policies governing subdivision, land use and building inspection. This department also provides economic development services within the municipality.

Parks and Recreation

Parks and Recreation services provide services related to recreation, leisure and culture. The facilities

District of Lake Country

Notes to the Financial Statements

For the year ended December 31, 2024

16. Segmented information (continued)

Parks and Recreation (continued)

managed within this department include parks, arena, seniors centre, community theatre and the community complex.

Water systems

The Water department provides safe drinking water to citizens of Lake Country. Revenue and expenses represent the amounts that are directly attributable to the function of the water department. Water is accounted for in its own fund.

Sewer system

The Sewer department manages the wastewater treatment plants and sewer collection system. Sewer is accounted for in its own fund.

17. Expenses by object

Total expenses by object are itemized in Schedule 3 – Segment Disclosure.

18. Comparative figures

Certain comparative figures have been reclassified to conform to the presentation format adopted for the current year.

District of Lake Country

Schedule 1 - Schedule of Tangible Capital Assets

For the Year Ended December 31	Land	Land Improvements	Buildings	Furniture & Equipment	Vehicle & Machinery	IT Infrastructure
COST						
Opening Balance	\$ 39,662,577	\$ 11,058,266	\$ 44,748,188	\$ 3,922,305	\$ 8,178,985	\$ 2,568,207
Add: additions	5,187,798	672,632	5,070,130	168,423	1,425,424	327,802
Add: contributed capital	-	-	-	-	-	-
Add: ARO recognition (Note 11)	-	-	111,516	-	-	-
Less: disposals/transfers	(4,186)	-	-	(34,729)	(158,822)	(347,978)
Closing balance	<u>44,846,189</u>	<u>11,730,898</u>	<u>49,929,834</u>	<u>4,055,999</u>	<u>9,445,587</u>	<u>2,548,031</u>
ACCUMULATED AMORTIZATION						
Opening Balance	-	3,001,144	10,179,545	1,981,158	4,307,263	910,598
Add: amortization	-	437,402	1,023,627	209,837	522,932	313,544
Less: accumulated amortization on disposals	-	-	-	(34,729)	(148,822)	(347,978)
Closing balance	<u>-</u>	<u>3,438,546</u>	<u>11,203,172</u>	<u>2,156,266</u>	<u>4,681,373</u>	<u>876,164</u>
Net book value, December 31, 2024	<u>44,846,189</u>	<u>8,292,352</u>	<u>38,726,662</u>	<u>1,899,733</u>	<u>4,764,214</u>	<u>1,671,867</u>
Net book value, December 31, 2023	<u>\$ 39,662,577</u>	<u>\$ 8,057,122</u>	<u>\$ 34,568,643</u>	<u>\$ 1,941,147</u>	<u>\$ 3,871,722</u>	<u>\$ 1,657,609</u>

District of Lake Country

Schedule 1 - Schedule of Tangible Capital Assets

For the Year Ended December 31	Engineering Structures					2024 Total	2023 Total
	Water	Sewer	Roads	Environmental & Other	Work-in- Progress		
COST							
Opening Balance	\$ 59,375,914	\$ 35,511,008	\$ 74,132,398	\$ 4,118,791	\$ 2,608,746	\$285,885,385	\$ 273,951,929
Add: additions	3,941,182	719,341	3,485,967	-	3,846,920	24,845,619	31,809,293
Add: contributed capital	41,677	3,872	45,530	-	-	91,079	1,030,095
Add: ARO recognition (Note 11)	-	-	-	-	-	111,516	532,291
Less: disposals/transfers	-	-	-	-	(3,409,364)	(3,955,079)	(21,438,223)
Closing balance	<u>63,358,773</u>	<u>36,234,221</u>	<u>77,663,895</u>	<u>4,118,791</u>	<u>3,046,302</u>	<u>306,978,520</u>	<u>285,885,385</u>
ACCUMULATED AMORTIZATION							
Opening Balance	14,106,213	6,188,913	21,789,163	1,493,066	-	63,957,063	58,011,575
Add: amortization	1,238,369	666,281	1,845,215	102,965	-	6,360,172	5,991,423
Less: accumulated amortization on disposals	-	-	-	-	-	(531,529)	(45,935)
Closing balance	<u>15,344,582</u>	<u>6,855,194</u>	<u>23,634,378</u>	<u>1,596,031</u>	<u>-</u>	<u>69,785,706</u>	<u>63,957,063</u>
Net book value, December 31, 2024	<u>48,014,191</u>	<u>29,379,027</u>	<u>54,029,517</u>	<u>2,522,760</u>	<u>3,046,302</u>	<u>237,192,814</u>	
Net book value, December 31, 2023	<u>\$ 45,269,701</u>	<u>\$ 29,322,095</u>	<u>\$ 52,343,235</u>	<u>\$ 2,625,725</u>	<u>\$ 2,608,746</u>		<u>\$ 221,928,322</u>

District of Lake Country

Schedule 2 - Consolidated Schedule of Accumulated Surplus

For the year ended December 31	Balances, Beginning of Year	Withdrawals	Contributions	Transfer to Capital	Interest & Actuarial Adjustments	Balances, End of Year
Surplus and Non-Statutory Reserves						
General fund surplus	\$ 3,214,133	\$ (55,288)	\$ -	\$ (504,926)	\$ 561	\$ 2,654,480
Water fund surplus	1,266,977	-	-	-	52,708	1,319,685
Sewer fund surplus	485,804	-	-	-	20,210	506,014
General capital reserve	3,375,827	-	1,041,071	(1,192,206)	137,292	3,361,984
Water capital reserve	4,079,941	-	1,340,650	(1,187,135)	172,919	4,406,375
Sewer capital reserve	683,025	-	624,585	(225,492)	36,715	1,118,833
Climate action reserve	2,581,311	-	480,989	(871,052)	93,741	2,284,989
Community works gas tax reserve	1,034,505	-	783,621	(1,157,360)	35,262	696,028
Equipment acquisition and replacement reserve	624,575	-	321,535	(198,357)	28,545	776,298
Facilities reserve	1,468,719	-	991,787	(396,100)	72,284	2,136,690
Financial stabilization reserve	657,186	(227,000)	186,297	(333,866)	15,778	298,395
Fire facilities and equipment reserve	681,876	-	582,403	(882,559)	22,123	403,843
Future servicing works reserve	1,412,692	-	4,313	-	-	1,417,005
Future capital expenditures reserve	157,766	-	-	-	-	157,766
Information technology reserve	706,841	-	275,000	(214,338)	30,667	798,170
Road maintenance services reserve	102,423	-	-	-	4,261	106,684
Policing reserve	1,509,208	(654,000)	838,900	(620,000)	53,733	1,127,841
Solid waste reserve	964,405	-	-	(23,025)	39,641	981,021
Transportation infrastructure reserve	3,426,967	-	1,655,560	(2,647,108)	121,938	2,557,357
Transit Reserve	187,917	(100,000)	-	(4,633)	5,641	88,925
Septic facilities reserves	493,266	-	504,292	-	31,010	1,028,568
Growing communities fund reserve	6,947,746	(7,182,403)	-	-	234,657	-
Bulk water capital reserve	-	-	624,706	-	12,995	637,701
Slope Stability Reserve	-	-	300,000	-	6,240	306,240
	<u>36,063,110</u>	<u>(8,218,691)</u>	<u>10,555,709</u>	<u>(10,458,157)</u>	<u>1,228,921</u>	<u>29,170,892</u>

District of Lake Country

Schedule 2 - Consolidated Schedule of Accumulated Surplus

For the year ended December 31	Balances, Beginning of Year	Withdrawals	Contributions	Transfer to Capital	Interest & Actuarial Adjustments	Balances, End of Year
Statutory Reserves						
Access to body of water reserve	2,157	-	-	-	90	2,247
Land sale reserve	591,721	-	136,803	(725,157)	12,378	15,745
Parkland acquisition reserve	204,457	(200,000)	-	-	4,346	8,803
	<u>798,335</u>	<u>(200,000)</u>	<u>136,803</u>	<u>(725,157)</u>	<u>16,814</u>	<u>26,795</u>
Investment in Non Financial Assets						
Equity in tangible capital assets	203,024,076	(6,554,565)	22,658,815	-	350,569	219,478,895
Accumulated surplus	<u>\$ 239,885,521</u>	<u>\$ (14,973,256)</u>	<u>\$ 33,351,327</u>	<u>\$ (11,183,314)</u>	<u>\$ 1,596,304</u>	<u>\$ 248,676,582</u>

District of Lake Country

Schedule 3 - Schedule of Segment Disclosure

	General Government Services		Protective Services		Transportation Services	
	2024 Budget	2024 Actual	2024 Budget	2024 Actual	2024 Budget	2024 Actual
For the year ended December 31						
Revenue						
Taxation	\$ 20,420,135	\$ 20,439,939	\$ 3,455,558	\$ 3,450,028	\$ -	\$ -
Utility revenues	-	10,003	-	-	-	-
Services provided to other governments	-	-	-	-	-	-
Sale of services	50,465	74,457	13,000	88,380	287,211	263,349
Permits and licences	196,000	171,581	22,000	36,442	84,500	81,866
Interest on Investments	922,680	2,056,137	-	-	-	-
Government transfers	1,000,054	1,514,425	299,000	357,388	417,112	55,574
Developer contributions	415,354	416,368	-	-	721,923	344,421
Other revenue	215,498	321,245	25,000	5,241	65,000	103,474
Total revenue	23,220,186	25,004,155	3,814,558	3,937,479	1,575,746	848,684
Expenses						
Salaries, wages and benefits	3,324,007	3,487,399	2,543,232	2,513,661	973,077	950,167
Contract services	1,097,029	1,288,887	5,092,394	4,301,112	3,946,115	3,868,023
Grants to community organizations	72,075	66,742	7,000	11,750	-	-
Materials and supplies	170,876	170,534	240,856	332,163	281,478	324,999
Utilities	-	-	40,531	48,706	118,120	96,451
Amortization	162,878	415,709	475,000	555,819	1,737,323	2,119,264
Accretion	-	59,326	-	-	-	-
Interest expense	50,600	73,151	205,766	205,766	-	-
Total expenses	4,877,465	5,561,748	8,604,779	7,968,977	7,056,113	7,358,904
Annual surplus (deficit)	\$ 18,342,721	\$ 19,442,407	\$ (4,790,221)	\$ (4,031,498)	\$ (5,480,367)	\$ (6,510,220)

District of Lake Country

Schedule 3 - Schedule of Segment Disclosure

	Environmental Services		Planning and Development		Parks and Recreation	
	2024 Budget	2024 Actual	2024 Budget	2024 Actual	2024 Budget	2024 Actual
For the year ended December 31						
Revenue						
Taxation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utility revenues	-	-	-	-	-	-
Services provided to other governments	-	-	-	-	55,000	55,000
Sale of services	1,823,335	1,447,382	81,500	143,995	673,900	1,133,078
Permits and licences	-	-	1,318,000	1,355,636	-	-
Interest on Investments	-	-	-	-	-	-
Government transfers	-	-	50,000	231,057	1,926	847
Developer contributions	-	-	-	-	391,195	202,656
Other revenue	-	-	-	-	216,866	298,331
Total revenue	1,823,335	1,447,382	1,449,500	1,730,688	1,338,887	1,689,912
Expenses						
Salaries, wages and benefits	872,330	942,419	1,627,772	1,475,316	2,137,862	2,153,589
Contract services	1,045,607	1,138,741	321,076	362,685	1,492,119	1,672,373
Grants to community organizations	-	-	25,000	25,000	188,100	183,666
Materials and supplies	9,622	2,867	22,643	19,578	516,368	429,930
Utilities	4,776	2,721	-	-	410,200	463,520
Amortization	155,692	154,609	-	-	613,358	997,705
Accretion	-	-	-	-	-	-
Interest expense	11,250	15,875	-	-	144,024	144,024
Total expenses	2,099,277	2,257,232	1,996,491	1,882,579	5,502,031	6,044,807
Annual surplus (deficit)	\$ (275,942)	\$ (809,850)	\$ (546,991)	\$ (151,891)	\$ (4,163,144)	\$ (4,354,895)

District of Lake Country

Schedule 3 - Schedule of Segment Disclosure

	Water Systems		Sewer System		Totals		
	2024 Budget	2024 Actual	2024 Budget	2024 Actual	2024 Budget	2024 Actual	2023 Actual
For the year ended December 31							
Revenue							
Taxation	\$ 100,904	\$ 97,898	\$ 1,434,507	\$ 1,424,075	\$ 25,411,104	\$ 25,411,940	\$ 23,211,440
Utility revenues	5,194,770	5,989,624	1,006,492	1,007,199	6,201,262	7,006,826	5,924,244
Services provided to other governments	-	-	804,442	785,015	859,442	840,015	813,571
Sale of services	227,322	59,547	41,000	27,669	3,197,733	3,237,857	4,228,904
Permits and licences	-	-	-	-	1,620,500	1,645,525	1,315,749
Interest on Investments	68,728	93,699	225,661	237,108	1,217,069	2,386,944	2,383,888
Government transfers	3,959,013	2,442,976	137,690	118,175	5,864,795	4,720,442	8,682,479
Developer contributions	2,106,517	180,704	673,086	718,628	4,308,075	1,862,777	4,021,652
Other revenue	4,000	3,826	100	181,373	526,464	913,490	1,202,509
Total revenue	11,661,254	8,868,274	4,322,978	4,499,242	49,206,444	48,025,816	51,784,436
Expenses							
Salaries, wages and benefits	1,603,899	1,536,328	836,148	690,568	13,918,327	13,749,447	12,625,978
Contract services	985,975	832,835	541,732	590,497	14,522,047	14,055,153	13,052,668
Grants to community organizations	-	-	-	-	292,175	287,158	241,325
Materials and supplies	862,389	913,056	240,394	304,003	2,344,626	2,497,130	2,415,852
Utilities	321,980	407,935	219,660	186,358	1,115,267	1,205,691	1,190,868
Amortization	1,096,742	1,270,484	626,475	846,582	4,867,468	6,360,172	5,991,423
Accretion	-	9,365	-	-	-	68,691	26,508
Interest expense	33,316	33,315	539,183	539,183	984,139	1,011,314	1,111,118
Total expenses	4,904,301	5,003,318	3,003,592	3,157,191	38,044,049	39,234,756	36,655,740
Annual surplus (deficit)	\$ 6,756,953	\$ 3,864,956	\$ 1,319,386	\$ 1,342,051	\$ 11,162,395	\$ 8,791,060	\$ 15,128,696

District of Lake Country

Schedule 4 - COVID-19 Safe Restart Grant (Unaudited)

COVID-19 Safe Restart Grant received November 2020	\$2,947,000
2020 eligible costs incurred	424,752
2021 eligible costs incurred	840,838
2022 eligible costs incurred	817,976
2023 eligible costs incurred	<u>564,498</u>
Balance, December 31, 2023	\$ 298,936
2024 eligible costs incurred:	
Computer and technology costs to improve connectivity and virtual communications	\$298,936
General government services	-
Protective services	-
Total 2024 eligible costs incurred	<u>298,936</u>
Balance, December 31, 2024	\$ -

District of Lake Country

Schedule 5 - Growing Communities Fund Grant (Unaudited)

Growing Communities Grant received March 2023

\$6,778,000

2023 investment income

169,746

Balance, December 31, 2023

\$6,947,746

2024 eligible costs/ incurred

Property purchase

\$ (7,030,000)

Protective services

(152,403)

Investment income

234,657

6,947,746

Balance, December 31, 2024

\$ -

District of Lake Country

Schedule 6 - Local Government Housing Initiatives Grant (Unaudited)

Local Government Housing Initiatives Grant received January 2024		\$231,057
2024 eligible costs/ incurred	<u>\$ 48,460</u>	
Balance, December 31, 2024		<u>\$182,597</u>