



REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

**STATEMENT OF FINANCIAL INFORMATION
PERIOD ENDED DECEMBER 31, 2023**

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Regional District of Alberni-Clayoquot
Financial Statements
Year Ended December 31, 2023

Regional District of Alberni-Clayoquot
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Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Alberni-Clayoquot Regional District

Opinion

We have audited the financial statements of Alberni-Clayoquot Regional District (the "District"), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations for the year then ended
- the statement of changes in accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

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 changes in net financial assets and its cash flows for the years 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 auditor's 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.



Emphasis of Matter – Comparative Information

We draw attention to Note 2 to the financial statements which explains that certain comparative information presented for the year ended December 31, 2022 has been restated. Note 2 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information. Our opinion is not modified in respect of this matter.

Other Matter – Comparative Information

As part of our audit of the financial statements for the year ended December 31, 2023, we also audited the adjustments that were applied to restate certain comparative information presented for the year ended December 31, 2022. In our opinion, such adjustments are appropriate and have been properly applied.

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 the 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Victoria, Canada
April 24, 2024

Regional District of Alberni-Clayoquot
Statement of Financial Position
Year Ended December 31, 2023

	2023	2022 (Restated Note 2)
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 25,419,384	\$ 13,560,613
Short term investments (Note 3)	3,003,769	9,323,882
Accounts receivable (Note 4)	2,033,413	3,194,519
Term receivables from municipalities (Note 5)	22,978,798	15,147,456
Municipal Finance Authority debt reserve deposit (Note 6)	439,820	342,528
Inventories for resale	82,351	85,217
	53,957,535	41,654,215
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	2,250,864	2,262,072
Deferred revenue	2,137,583	571,517
Deposits (Note 7)	5,050	5,050
Restricted revenues (Note 8)	665,392	602,368
Due to Alberni-Clayoquot Hospital District	-	8,779
Asset retirement obligation (Note 10)	18,558,062	20,439,027
Municipal Finance Authority debt reserve	425,912	331,259
Debt (Note 11, Schedule 1)	29,011,259	21,397,806
	53,054,122	45,617,878
NET FINANCIAL ASSETS	903,413	(3,963,663)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 12, Schedule 2)	52,158,737	50,917,145
Inventories of supplies	103,139	91,845
Prepaid expenses	116,321	91,536
	52,378,197	51,100,526
ACCUMULATED SURPLUS	\$ 53,281,610	\$ 47,136,863

Contingent liabilities and commitments (Notes 5, 6, 15 and 17)

Contractual rights (Note 18)

Teri Fong

Teri Fong, CPA, CGA
Chief Financial Officer

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

Regional District of Alberni-Clayoquot

Statement of Operations

Year Ended December 31, 2023

	2023 Budget (Note 19)	2023 Actual	2022 Actual (Restated Note 2)
REVENUE			
Tax requisitions	\$ 8,876,368	\$ 8,876,368	\$ 7,917,047
Grants in lieu of taxes	48,702	181,853	129,802
Services provided to other governments	53,362	161,382	78,428
Sales of services	5,797,360	6,273,697	5,750,495
Miscellaneous revenue	1,012,623	2,257,438	1,707,968
Government transfers			
Conditional	9,758,448	7,494,097	5,218,442
Unconditional	190,000	190,000	241,000
	25,736,863	25,434,835	21,043,182
EXPENSES (Note 20)			
Administrative services	4,116,299	3,246,001	2,649,203
Planning & development services	1,890,054	1,490,516	1,329,768
Recreational & cultural services	1,279,041	1,081,016	993,347
Solid waste services	5,024,740	5,574,134	5,393,263
Transportation services	3,939,615	3,324,017	3,187,818
Water & sewer services	1,735,869	1,658,775	1,598,419
Protective services	2,873,509	2,556,301	2,189,643
Grant-in-aids	361,595	340,152	281,023
Other services	47,199	19,176	18,263
	21,267,921	19,290,088	17,640,747
ANNUAL SURPLUS	\$ 4,468,942	\$ 6,144,747	\$ 3,402,435

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

Regional District of Alberni-Clayoquot
Statement of Changes in Accumulated Surplus
Year Ended December 31, 2023

	2023 Budget (Note 18)	2023 Actual	2022 Actual (Restated Note 2)
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 47,136,863	\$ 47,136,863	\$ 55,723,414
Adjustment on adoption of asset retirement obligation standard (Note 2)	-	-	(11,988,986)
ACCUMULATED SURPLUS - BEGINNING OF YEAR - as restated	47,136,863	47,136,863	43,734,428
ANNUAL SURPLUS	4,468,942	6,144,747	3,402,435
ACCUMULATED SURPLUS - END OF YEAR	\$ 51,605,805	\$ 53,281,610	\$ 47,136,863

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

Regional District of Alberni-Clayoquot
Statement of Changes in Net Financial Assets
Year Ended December 31, 2023

	2023 Budget (Note 18)	2023 Actual	2022 Actual (Restated Note 2)
ANNUAL SURPLUS	\$ 4,468,942	\$ 6,144,747	\$ 3,402,435
(Acquisition)/ use of prepaids	-	(24,785)	5,938
Acquisition of inventory of supplies	-	(11,294)	(1,753)
Reduction in ARO asset change in estimate	-	2,585,534	-
Loss on disposal of tangible capital assets	-	-	5,746
Acquisition of tangible capital assets	-	(6,569,101)	(5,589,621)
Amortization	2,467,700	2,741,975	2,504,545
	2,467,700	(1,277,671)	(3,075,145)
CHANGE IN NET FINANCIAL ASSETS	6,936,642	4,867,076	327,290
NET FINANCIAL ASSETS - BEGINNING OF YEAR	(3,963,663)	(3,963,663)	(4,290,953)
NET FINANCIAL ASSETS - END OF YEAR	\$ 2,972,979	\$ 903,413	\$ (3,963,663)

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

Regional District of Alberni-Clayoquot

Statement of Cash Flows

Year Ended December 31, 2023

	2023	2022 (Restated Note 2)
OPERATING ACTIVITIES		
Annual surplus	\$ 6,144,747	\$ 3,402,435
Item not affecting cash:		
Amortization of tangible capital assets	2,741,975	2,504,545
Loss on disposal of tangible capital assets	-	5,746
Contribution to Municipal Finance Authority debt reserve deposit	(2,639)	(1,855)
Accretion Expense	704,566	678,773
Actuarial adjustments of debt	(38,904)	(32,352)
	9,549,745	6,557,292
Changes in non-cash working capital (Note 13)	2,736,996	(1,317,988)
	12,286,741	5,239,304
FINANCING ACTIVITIES		
Repayment of debt	(178,982)	(178,983)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(6,569,101)	(5,589,621)
INVESTING ACTIVITIES		
Purchase of short-term investments	6,320,113	(9,320,663)
INCREASE/(DECREASE) IN CASH FLOW	11,858,771	(9,849,963)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	13,560,613	23,410,576
CASH AND CASH EQUIVALENTS - END OF YEAR	25,419,384	13,560,613
CASH AND CASH EQUIVALENTS CONSISTS OF:		
Bank balances	\$ 25,419,384	\$ 13,560,613

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

1. Summary of Significant Accounting Policies

Basis of presentation

The financial statements of the Regional District of Alberni-Clayoquot (the "District") are prepared by management in accordance with Canadian generally accepted accounting principles for local governments as prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Budget reporting

The budget information reported in the statement of operations, the statement of changes in accumulated surplus and the statement of changes in net financial assets represents the 2023 budget as adopted by the District's Board on March 22, 2023.

Inventory

- (a) Inventories for resale - Fuel inventory is valued at the lower of cost or net realizable value.
- (b) Inventories of supplies - Supplies inventory is valued at the lower of cost and net realizable value with the cost being determined on a first in, first out basis.

Revenue and expenditure recognition

Revenue is recorded in the period in which the transactions or events that gave rise to the revenue occur, when earned and measurable. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the District discharges the obligations that led to the collection of funds.

Revenues from other levels of governments, classified as grants in lieu of taxes, are recorded in the District's records when amounts are known and collectability is reasonably assured.

Each Municipality, Treaty First Nation and Electoral Area within the Regional District is requisitioned for their portion of each service in which they participate. These funds are then levied by the Municipalities, Treaty First Nations and the Province (for Electoral Areas) to individual taxpayers. Instead of levying individual taxpayers, the Treaty First Nations also have the option of paying for the requisition from their consolidated revenue fund. The requisitioned amounts are turned over to the District by August 1 of each year. Expenditures are recorded on an accrual basis and are recognized in the period in which the goods and services are acquired and a liability is incurred or transfers are due. Expenditures include the accrued interest payable on debt to the end of the fiscal period.

Government transfers without stipulations are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which the eligible expenditures are incurred, providing they are authorized and eligibility criteria are met.

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Deferred and restricted revenues

- (a) Deferred revenue includes amounts received related grants for projects in progress and to the curbside garbage program but not yet earned. These amounts will be recognized as revenue in the next fiscal year.
- (b) Restricted revenue include amounts received for specified projects that are unspent. These amounts will be recognized as revenue when stipulations are met and the related expenditures are incurred, services performed or tangible capital assets acquired, thereby extinguishing the related liability.

Financial instruments

Financial instruments are designated at cost. Financial instruments are adjusted by transaction costs incurred on acquisition and amortized using the effective interest rate method. Financial assets are assessed for impairment on an annual basis. If there is an indicator of impairment, the District determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the District expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Accrued Employee Benefits

Based on obligations as determined by collective agreements and contractual arrangements, employee benefit accruals, which include an allowance for vacation entitlement and overtime benefits, are recorded in the year in which they are earned.

Post Employment Benefits

Leave benefits such as vacation, along with retirement allowance benefits, are also available to the District's employees. The costs of these benefits are determined based on service and best estimates of retirement ages and expected future salary and benefit increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits.

The District and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred. The costs of the plan are the employer's contributions due to the plan in the period.

Debt

Debt is recorded net of any related repayments and actuarial additions. Interest expense is recorded in the period incurred. The debt schedule indicates the amount of debt payable in accordance with schedules received from the Municipal Finance Authority.

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Tangible capital assets

Tangible capital assets (TCAs) are recorded at cost and amortized on a straight-line basis, based on their expected useful life. The expected useful life of the District's TCAs are as follows:

Airport	10 to 50 years
Fire department	5 to 50 years
Office and administration	5 to 40 years
Land	not amortized
Landfills	Projected closures - 2070 and 2091, 10 to 40 years
Parks	5 to 25 years
Salmon beach	10 to 50 years
Water systems	25 years
Beaver Creek water system	5 to 60 years

Capital projects under construction are not amortized until the asset is put into use. TCA's contributed to the Regional District are recorded at fair value at the time of contribution.

TCA's are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services or when the value of the future economic benefits associated with the asset is less than the book value of the asset.

Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met: 1) There is a legal obligation to incur retirement costs in relation to tangible capital assets 2) The past transaction or event giving rise to the liability has occurred 3) It is expected that the future economic benefit will be given up 4) A reasonable estimate of the amount can be made. The liability for closure of operational sites and post-closure care relating to landfill site has been recognized based on estimated future expenses. An additional liability for the removal of asbestos and septic tank remediation in several locations owned by the ACRD has also been recognized based on estimated future expenses on closure of the site and post closure care. The liability is discounted using a present value calculation, and adjusted yearly for accretion expense. The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the associated asset retirement obligation policy and remaining useful life of the related tangible capital asset.

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

1. Summary of Significant Accounting Policies (continued)

Measurement uncertainty

The preparation of financial statements in conformity with Public Sector Accounting Standards 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, expenses, gains, and losses during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they became known. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant. Since a precise determination of many assets and liabilities depends on future events, actual results may differ from such estimates and approximations. Key areas requiring the use of estimates include the amortization of tangible capital assets, asset retirement obligation, expected retirement costs, as well as the timing and duration of retirement costs.

2. Changes in Accounting Policy

On January 1, 2023, Public Accounting Standard PS 3450 - *Financial Instruments*, and Public Accounting Standard PS 2601 - *Foreign Currency Translation* were adopted. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for all recognition, measurement, presentation, and disclosure of financial instruments and foreign currency transactions. The new standards had no impact to the financial statements on adoption.

On January 1, 2023, Public Accounting Standard PS 3280 – *Asset Retirement Obligations* was adopted. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The new accounting standard has resulted in a withdrawal of the existing *Section PS 3270 – Solid Waste Landfill Closure and Post-Closure Liability*. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard.

In accordance with the provisions of this new standard, the Organization reflected the following restatement in at December 31, 2022:

- a. Landfill Closure Liability - Section PS 3270 – *Solid Waste Landfill Closure and Post Closure Liability* was required to be removed and restated as PS 3280 – *Asset Retirement Obligations*. This required both the funded and nonfunded portion of the liability to be removed.
- b. Asset Retirement Obligation - The asset retirement obligation liability was added, replacing the landfill closure liability. The asset retirement obligation liability includes the addition of a landfill closure portion liability of \$18,541,209 and a building portion liability of \$1,879,817 for a total of \$ 20,439,207.
- c. Tangible Capital Assets – A tangible capital asset net addition of 1,130,780 which includes
 - i. a landfill closure asset retirement obligation asset of \$3,162,144 and accumulated amortization on the asset of \$2,269,731

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

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

2. Changes in Accounting Policy (continued)

- ii. a building asset retirement obligation asset of \$1,897,817 and accumulated amortization on the asset of \$1,659,450
- d. Miscellaneous Revenue – Interest earned which previously funded the Landfill Closure Liability was reclassified to miscellaneous revenue from an increase in landfill closure liability expenditure in the amount of \$83,948.
- e. Expenses - A expense adjustment of \$435,927 which includes
 - i. the landfill closure liability funding expense was reclassified to capital reserve funding from the landfill closure liability funding expense in the amount of \$293,640
 - ii. Amortization on the building asset retirement obligation assets of \$13,383 was recorded
 - iii. Amortization on the landfill closure asset retirement obligation asset of \$37,412 was recorded
 - iv. Accretion expense on the landfill closure asset retirement obligation liability of \$678,772 was recorded

The Effect of the above restatement as at and for the year ended December 31, 2022 is as follows:

	Balance prior to restatement	Adjustment on adoption	Balance after restatement
Statement of financial position:			
Landfill closure liability	\$6,967,279	\$6,967,279	-
Asset retirement obligation	-	(20,439,027)	(20,439,027)
Tangible capital assets	49,786,365	1,130,780	50,917,145
Accumulated surplus	56,753,644	(12,340,968)	71,356,172
Statement of operations:			
Miscellaneous revenue	(1,624,021)	(83,947)	(1,707,968)
Expenses	17,204,820	435,927	17,640,747
Annual surplus	\$3,754,415	\$351,980	\$3,402,435

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

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

3. Short Term Investments

	2023	2022
Alberni District Co-op Association equity shares	\$ 3,769	\$ 3,629
Guaranteed investment certificates	3,000,000	9,320,253
	\$ 3,003,769	\$ 9,323,882

4. Accounts Receivable

	2023	2022
Trade and other receivables	\$ 1,588,482	\$ 1,092,197
Goods and services tax recoverable	98,794	259,377
Government of Canada	8,809	3,227
Province of British Columbia	246,705	1,657,654
Local governments	101,557	190,953
Subtotal	2,044,347	3,203,408
Less allowance for doubtful accounts	(10,934)	(8,889)
Accounts receivable - net	\$ 2,033,413	\$ 3,194,519

5. Term Receivables from Municipalities

Pursuant to the Local Government Act, the District acts as the agency through which its member municipalities borrow funds from the Municipal Finance Authority of British Columbia ("MFA"). The annual cost of servicing this municipal debt is recovered entirely from the borrowing member municipality. However, in the event of default the District is contingently liable to the MFA for this debt.

	2023	2022
City of Port Alberni	\$ 20,919,025	\$ 12,924,773
District of Tofino	518,820	576,560
District of Ucluelet	1,540,953	1,646,123
	\$ 22,978,798	\$ 15,147,456

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

6. Municipal Finance Authority Debt Reserve Fund

MFA provides capital financing for Regional Districts and their member Municipalities. The MFA is required to establish a Debt Reserve Fund into which each Regional District and member Municipality, who share in the proceeds of a debt issue through the District, are required to pay certain amounts set out in the debt agreements. Interest earned on these funds (less administrative expenses) becomes an obligation of the MFA to the District. If at any time insufficient funds are provided by the District or member Municipalities, MFA will then use these funds to meet payments on its obligations. When this occurs, the District may be called upon to restore the fund. The balance of the District's Debt Reserve Fund deposits at December 31, 2023 is \$439,820 (2022 - \$342,528).

As a condition of the borrowing, the District is also obligated to lodge security by means of demand notes based on the amount of the borrowing. The notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon maturity of a debt issue, the demand notes are released. As of December 31, 2023, there are contingent demand notes of \$643,999 (2022 - \$471,642). Of these amounts, \$512,674 (2022 - \$340,317) relate to borrowing of member municipalities.

7. Deposits

Performance deposits are funds collected from various property developers and held as security to ensure the completion of specified agreed on works. These funds will be released once the related works are completed, or used by the District to complete the works for which they are held.

	2023	2022
Performance deposits	\$ 5,050	\$ 5,050

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

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

8. Restricted Revenues

	2023	2022
Development cost charges	\$ 252,589	\$ 217,425
Parkland deferred contributions	412,803	384,943
	\$ 665,392	\$ 602,368

- (a) The District receives contributions from developers for the development of the water and sewer infrastructure. These restricted contributions are recognized as revenue in the years in which the capital projects are undertaken. Developer contributions paid in advance of infrastructure works are recorded as restricted revenue. Developer contributions received during the year were \$23,814 (2022 - \$58,853). Interest earned on developer contributions is restricted and deferred; interest earned during the year was \$11,350 (2022 - \$4,686). Developer contributions expended on capital projects during the year was \$nil (2022 - \$21,510).
- (a) The District receives contributions from developers for the future acquisition of parkland. These restricted contributions are recognized as revenue in the years in which the parkland is subsequently acquired. Developer contributions received during the year were \$7,578 (2022 - \$nil). Interest earned on parkland contributions is restricted and deferred; interest earned during the year was \$20,282 (2022 - \$8,400). Parkland acquired during the year was \$nil (2022 - \$nil).

9. Community Works Funds

The Canada Community-Building Fund is provided by the Government of Canada. The Community Works Fund stream provides funding to local governments for eligible expenditures of eligible projects in accordance with an agreement between the Regional District and the Union of British Columbia Municipalities. The following amounts are unspent funds held within accumulated surplus of the District:

	2023	2022
Opening balance of unspent funds	\$ 4,277,079	\$ 3,958,611
Add amount received during the year	503,977	482,771
Add interest earned	213,735	86,608
Less eligible expenditures made during the year	(965,482)	(250,911)
Closing balance of unspent funds	\$ 4,029,309	\$ 4,277,079

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

10. Asset Retirement Obligation

The asset retirement obligation consists of several obligations as follows:

Landfill Obligation

The District operates the Alberni Valley Landfill and the West Coast Landfill sites. The liability for the closure of operational sites and post-closure care has been recognized under *PS 3280 – Asset Retirement Obligation*. The costs were based upon the presently known obligations that will exist at the estimated year of closure of the sites. This obligation has been discounted to the present value using 3.80% in 2022 and 4.17% in 2023. Post closure care is estimated to be required for 200 years from the date of site closure for the Alberni Valley and for 100 years from the date of site closure for the West Coast.). It is estimated that the life of the Alberni Valley Landfill is 65 (2022 - 69) years and the West Coast Landfill is 47 (2022 - 48) years.

Building obligation

The ACRD owns and operates several buildings that are known to have asbestos and lead paint, which represents a health hazard upon demolition of the building and there is a legal obligation to remove it. Following the adoption of *PS3280 – Asset retirement obligations*, the District recognized an obligation relating to the removal and post-removal care of the asbestos and paint in these building as estimated at December 31, 2023.

In accordance with the provisions of this new standard, the District reflected the following adjustments at December 31, 2023.:

- Landfill obligation:
 - A accretion expense increase to the landfill asset retirement obligation liability of \$704,566 and estimated liability decrease to the landfill asset retirement obligation liability of \$2,585,534 has been recorded in 2023. This obligation has been discounted to the present value using 4.17% (2022 – 3.80%)
 - A reduction in asset estimation has reduced the landfill asset retirement obligation asset by \$2,585,534.
 - Amortization of \$37,412 has been recorded to landfill asset retirement obligation accumulated amortization.
- Building obligation:
 - Amortization of \$13,382 has been recorded to building asset retirement obligation accumulated amortization and there has been no change to the estimated liability or asset value.

	2022 Restated (Note 2)	ARO Additions	ARO Settlements	Revisions to Estimates	Accretion Expense	2023
Hazardous materials	\$1,897,817	-	-	-	-	\$1,897,817
Landfill closure and post-closure costs	\$18,541,209	-	-	\$(2,585,531)	\$704,566	\$16,660,224
	\$20,439,027	-	-	\$(2,585,531)	\$704,566	\$18,558,061

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

11. Debenture Debt

All borrowings for the District are with the MFA. Debt interest costs recognized as expense as incurred. The debenture debt "Schedule 1" reflects the amount of debenture debt payable.

Principal payments due within the next five years and thereafter are as follows:

2024	\$	1,064,609
2025		1,101,086
2026		1,138,852
2027		1,177,955
2028		1,218,442
Thereafter		<u>23,310,315</u>
	\$	<u>29,011,259</u>

Principal payments are invested by MFA and earn income which is expected to be sufficient to retire the debt at maturity

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

12. Tangible Capital Assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value (Restated - note 2)
Airport	\$ 25,337,237	\$ 10,585,925	\$ 14,751,312	\$ 15,862,007
Fire department	7,812,681	4,287,543	3,525,138	3,537,707
Office and administration	2,641,845	2,112,017	529,828	575,477
Land	6,519,253	-	6,519,253	6,519,253
Landfills	17,943,334	6,142,091	11,801,243	11,540,904
Parks	2,724,930	442,513	2,282,417	584,407
Salmon beach	1,052,563	540,461	512,102	544,335
Water systems	5,278,363	2,633,786	2,644,577	2,786,902
Beaver Creek water system	10,020,896	4,583,172	5,437,724	5,137,541
Under construction	4,155,143	-	4,155,143	3,828,612
	\$ 83,486,245	\$ 31,327,508	\$ 52,158,737	\$ 50,917,145

Land includes a right of way value of \$16,300 that relates to the land where the Bamfield Fire Department building is situated. For additional information about tangible capital assets, see Schedule 2.

During 2023, the ACRD evaluated all sites for which an environmental standard exists and for which it is directly responsible, and has concluded that no contamination exists that exceeds an environmental standard. Accordingly, no amount has been accrued in the financial statements as a liability for contaminated sites.

13. Change in Non Cash Working Capital and Cash Flow Supplementary Information

	2023	2022
Accounts receivable	\$ 1,161,106	\$ (1,803,038)
Inventories for resale	2,866	(35,838)
Inventories of supplies	(11,294)	(1,753)
Accounts payable and accrued liabilities	(11,206)	711,025
Deferred revenue	1,566,068	(253,530)
Prepaid expenses	(24,785)	5,938
Restricted revenues	63,024	50,429
Due to Alberni-Clayoquot Regional Hospital District	(8,779)	8,779
	\$ 2,736,996	\$ (1,317,988)

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

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

14. Financial Risk and Concentration of Risk

The District has exposure to the following risks from its use of financial instruments:

a) Credit risk:

Credit risk refers to the risk that a counter party may default on its contractual obligations resulting in a financial loss. The District is subject to credit risk with respect to the accounts receivable, cash and cash equivalents, and short-term investments. The exposure is limited to their carrying amounts at the date of the statement of financial position.

Accounts receivable primarily consist of amounts receivable from government organizations, residents and financial institutions. To reduce the risk, the District regularly reviews the collectability of its accounts receivable and if needed, will establish an allowance based on its best estimate of potentially uncollectible amounts. As at December 31, 2023 the amount of allowance for doubtful debts was \$10,933 (2022 – \$8,889). The District historically has not had difficulty collecting receivables, nor have counterparties defaulted on any payments.

b) Liquidity risk:

Liquidity risk is the risk that the District will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The District manages its liquidity risk by monitoring its operating requirements; preparing budget and cash forecast to ensure it has sufficient funds to fulfill its obligations.

c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the District's income or the value of its holdings. The objective of market risk management is to control risk exposures within acceptable parameters while optimizing return on investment. The District manages its market risk by holding cash balances with top rated Canadian Schedule I financial institutions. The District periodically reviews its investments and is satisfied that the portfolio investments are being managed in accordance with the investment policy.

i. Foreign exchange risk

The District does not enter into foreign exchange transactions and therefore is not exposed to foreign exchange risk.

ii. Interest rate risk

The District is exposed to interest rate risk through its investments and debt instruments. The District's investments are disclosed in Note 3. It is management's opinion that the District is not exposed to significant interest rate risk due to size of its investment portfolio.

The District's exposure to interest rate risk in relation to debt instruments is limited to long-term debt and short-term financing. The risk applies only to long-term debt when amortization periods exceed the initial locked-in term. Short-term financing is subject to daily float rates, which can result in variability over the course of short-term financing. Interest rate risk related to debt instruments is managed through budget and cash forecasts.

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

15. The North Island 9-1-1 Corporation

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

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

The District's investment in shares of the North Island 9-1-1 Corporation is recorded at cost. The District, through approval of the annual budget, is responsible for its share in funding ongoing operations. The District's share of the corporation is equal to 14.3% and the degree of control is proportionate to the ownership share. As no benefits are expected from the ownership, it has not been accounted for as an equity investment.

16. Due to/from Alberni-Clayoquot Regional Hospital District

The District is related to the Alberni Clayoquot Regional Hospital District (the "Hospital District"), as the same individuals are members of the Board of Directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the District are the corresponding officers and employees of the Hospital District. Each of the District and the Hospital District are separate legal entities as defined by separate Letters Patent and authorized by separate legislation. During the year, the Alberni Clayoquot Regional Hospital District purchased, at cost, \$45,350 (2022 - \$40,000) of administrative support services from the District.

At December 31, 2023, the Hospital District owes the District \$5,350 (2022 - \$nil) related to these administrative support services. At December 31, 2023, the District owes the Hospital District \$nil (2022 - \$8,779) related to the receipt of MFA surplus.

17. Contingent Liabilities and Commitments

a) Claims

In the normal course of a year, the District is faced with lawsuits for damages of diverse natures. At year end the District's estimated exposure to each such liability is either not determinable or is not considered to be significant. Claims paid by the District as a result of litigation are reported as expenditures.

b) Environmental regulations

The District is subject to environmental regulations which cover different aspects of its operations. These regulations may require future expenditures to meet applicable standards and subject the District to possible penalties for past violations. Any amounts required to meet obligations will be charged to operations or capitalized, as appropriate. No amounts can be estimated at this time and therefore no liabilities have been recorded at December 31, 2023.

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

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

17. Contingent Liabilities and Commitments (continued)

c) Pension liability

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 provided 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 \$339,637 for employer contributions to the plan in fiscal 2023 (2022 - \$296,240). Employees contributed \$313,754 to the plan in fiscal 2023 (2022 - \$273,966). The next valuation will be as at December 31, 2024 with results available in 2025.

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

d) Sick leave entitlements

Based on obligations as determined by collective agreements and contractual arrangements for sick leave, employees' sick leave entitlements accumulate. However, as sick leave benefits are only payable for sick leave and are not payable upon leaving the District, the amounts are recognized as an expense only when a claim is made. As at December 31, 2023 accumulated sick leave amounted to \$864,847 (2022 - \$724,609).

e) Contractual obligations for leased premises

As a result of the conversion of the Beaver Creek Improvement District to an electoral area of the regional district, the District assumed the long-term lease previously entered into by the Beaver Creek Improvement District effective November 1, 1961 with respect to the land on which the Improvement District's Stamp River pump house facilities are located. The agreement has a 99-year term and provides for annual rent of \$1 per annum. In addition, as Lessee the District will pay all taxes, levies and assessments which may be assessed, charged or levied against the lands and leasehold improvements erected thereon.

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

Regional District of Alberni-Clayoquot
Notes to Financial Statements
Year Ended December 31, 2023

17. Contingent Liabilities and Commitments (continued)

f) Commitments

At December 31, 2023, the District has outstanding commitments to capital projects for \$1,520,832 and operating contracts as follows:

2024	\$	2,363,522
2025		1,059,259
2026		109,220
2027		<u>31,752</u>
	\$	<u>3,563,753</u>

18. Contractual Rights

The District has entered into various contracts for rental revenue within the normal course of operations. The estimated contractual rights under these contracts are as follows:

2024	\$	249,979
2025		183,882
2026		138,754
2027		141,422
2028		149,071
Thereafter		<u>5,135,487</u>
	\$	<u>5,998,595</u>

Regional District of Alberni-Clayoquot

Notes to Financial Statements

Year Ended December 31, 2023

19. Budget Reconciliation

Budget figures represent the Financial Plan Bylaw adopted by the Board on March 22, 2023. The financial plan budgeted for capital expenditures rather than amortization expense, and reflects the use of prior year operating surpluses as part of its annual budget. The carry forward of operating surpluses by department is a requirement under the Local Government Act of BC. The financial plan forms the basis for taxation and fees and charges rates which may be required for a particular year. The budget contains certain revenue and expense recognition principles that do not comply with Public Sector Accounting Standards, therefore, certain budget amounts have been restated to conform to the general purpose financial statement presentation.

Adjustments to the 2023 budgeted annual surplus

Consolidated financial plan balanced cash budget as adopted March 22, 2023	\$	-
Add transfers to reserves		10,271,218
Add landfill closure contribution reclassification		297,668
Add principal debt payments		188,550
Less surplus from prior years		(2,466,502)
Less committed surplus from prior years		(778,492)
Less transfers from reserves		(575,800)
Less amortization		(2,467,700)
Accrual budgeted annual surplus	\$	4,468,942

20. Expense by Object

	2023	2023	2022 (Restated note 2)
	Budget	Actual	Actual
Salaries, wages and benefits	\$ 5,787,638	\$ 5,483,276	\$ 4,658,726
Board remuneration	218,400	219,567	220,785
Operating goods and services	11,578,457	9,547,094	8,952,871
Grants to outside organizations	1,053,295	375,042	406,480
Interest on debt	249,349	218,567	218,567
Accretion of landfill asset retirement obligation	-	704,566	678,773
Amortization on tangible capital assets	2,467,700	2,741,975	2,504,545
Total	\$21,354,839	\$19,290,087	\$17,640,747

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

Regional District of Alberni-Clayoquot
Schedule of Debenture Debt
Year Ended December 31, 2023

(Schedule 1)

	By-law	MFA Issue	Maturity date	Term	Rate	Amount Borrowed	Total Instalments to date	Actuarial addition	2023 Balance	2022 Balance
Port Alberni F1062	1062	97	19 Apr 2031	25	1.53%	\$ 3,375,064	\$ 1,377,712	\$ 596,511	\$ 1,400,841	\$ 1,556,742
Port Alberni F1111	1111	130	14 Oct 2044	30	3.00%	5,750,000	922,707	171,523	4,655,770	4,797,254
Port Alberni F1114	F1114	131	08 Apr 2035	20	2.20%	912,000	257,994	41,370	612,636	654,696
Port Alberni F1114	F1114	131	08 Apr 2045	30	2.20%	2,000,000	309,941	49,700	1,640,359	1,690,888
Port Alberni F1143	F1143	150	09 Apr 2050	30	1.99%	4,450,000	329,076	11,505	4,109,419	4,225,192
Port Alberni F1158	F1158	159	05 Jun 2053	30	4.15%	8,500,000	-	-	8,500,000	-
Tofino F1062	1062	97	19 Apr 2031	25	1.53%	1,250,000	510,254	220,925	518,821	576,562
Ucluelet F1074	F1095	117	12 Oct 2036	25	1.47%	1,948,000	572,144	141,078	1,234,778	1,309,700
Ucluelet F1130	F1130	141	07 Apr 2032	15	2.80%	475,000	153,235	15,592	306,173	336,424
Salmon Beach F1079	F1096	117	12 Oct 2031	20	1.47%	939,800	384,699	95,153	459,948	509,801
AVRA F1120	F1120	142	04 Oct 2047	30	3.15%	6,000,000	756,693	64,958	5,178,349	5,325,592
BWS F1126	F1126	146	19 Sep 2038	20	3.20%	492,245	91,596	6,484	394,165	414,955
						0			\$ 29,011,259	\$ 21,397,806

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

Regional District of Alberni-Clayoquot
Schedule of Tangible Capital Assets
Year Ended December 31, 2023

(Schedule 2)

	Cost					Accumulated Amortization					2023	2022 (Restated Note 2)
	Opening Balance	Change in ARO Estimate	Acquisitions	Transfers	Disposals	Closing Balance	Opening Balance	Amortization	Disposals	Closing Balance	Net Book Value	Net Book Value
Airport	\$ 25,198,008	\$ -	\$ 3,223,210	\$ (3,083,981)	\$ -	\$ 25,337,237	\$ (9,336,001)	\$ (1,249,924)	\$ -	\$ (10,585,925)	\$ 14,751,312	\$ 15,862,007
Fire department	7,510,674	-	552,148	(250,141)	-	7,812,681	(3,972,968)	(314,576)	-	(4,287,544)	3,525,137	3,537,707
Office and administration	2,574,705	-	101,692	(34,552)	-	2,641,845	(1,999,229)	(112,789)	-	(2,112,018)	529,827	575,477
Land	6,519,253	-	-	-	-	6,519,253	-	-	-	-	6,519,253	6,519,253
Landfills	17,134,479	(2,585,531)	699,284	2,695,102	-	17,943,334	(5,593,577)	(548,515)	-	(6,142,092)	11,801,242	11,540,904
Parks	943,192	-	1,621,477	160,261	-	2,724,930	(358,786)	(83,727)	-	(442,513)	2,282,417	584,407
Salmon beach	1,045,881	-	319,741	(313,058)	-	1,052,563	(501,545)	(38,915)	-	(540,460)	512,103	544,335
Water systems	5,278,363	-	-	-	-	5,278,363	(2,491,461)	(142,324)	-	(2,633,785)	2,644,578	2,786,902
Beaver Creek water system	9,469,509	-	51,548	499,839	-	10,020,896	(4,331,966)	(251,205)	-	(4,583,171)	5,437,725	5,137,541
Under construction	3,828,613	-	-	326,530	-	4,155,143	-	-	-	-	4,155,143	3,828,612
	\$ 79,502,677	\$ (2,585,531)	\$ 6,569,100	\$ -	\$ -	\$ 83,486,245	\$ (28,585,533)	\$ (2,741,975)	\$ -	\$ (31,327,508)	\$ 52,158,737	\$ 50,917,145

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

Regional District of Alberni-Clayoquot
Unaudited Schedule – COVID-19 Safe Restart Grant
Year Ended December 31, 2023

(Schedule 3)

In November 2020, the Province of British Columbia announced a funding stream called “COVID-19 Safe Restart Grants for Local Governments”. The District received \$651,000 in funding to assist with increased operating costs and lower revenue due to COVID-19. The following outlines how the funds were allocated during 2023 to various regional and local services during the year:

Safe Restart Grant balance December 31, 2022	\$37,417
Eligible costs incurred:	
Planning and development services	\$32,760
Protective services	\$4,657
Total eligible costs incurred during 2023	\$37,417
<hr/> Balance, December 31, 2023	<hr/> -

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

Regional District of Alberni-Clayoquot
Unaudited Schedule – Growing Communities Fund Grant
Year Ended December 31, 2023

(Schedule 4)

The Province of British Columbia distributed conditional Growing Communities Fund grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The Growing Communities Fund provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. The District received \$1,833,000 in funding and the following outlines how the funds were spent during 2023 to various regional and local services during the year:

Growing Communities Fund	2023
Grant received March 2023	\$1,833,000
Interest earned during year	\$73,279
Eligible project costs:	
Alberni Valley Aquatics Proposed Service - feasibility study	\$80,088
Long Beach Airport - wastewater replacement and expansion	\$15,400
Balance, December 31, 2023	\$1,810,791

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

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

Schedule of Guarantee and Indemnity Agreements

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

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT
Schedule of Remuneration and Expenses

1. **Elected Officials**

Name	Position	Remuneration	Expenses
Beckett, Robert	Director	\$14,168	\$7,723
Boyko, Fred	Director	\$15,643	\$1,393
Cote, Penny	Director	\$19,965	\$8,903
Cootes, Wilfred	Director	\$0	\$2,989
Haggard, Deborah	Vice-Chairperson	\$11,771	\$0
Jack, John	Chairperson	\$16,728	\$3,743
Johnsen, Kirsten	Director	\$10,592	\$5,116
Lacoursiere, Rene	Alternate Director	\$634	\$41
Law, Daniel	Alternate Director	\$673	\$576
Mastrangelo, Levana	Director	\$2,853	\$4,135
McEwen, Marilyn	Director	\$11,225	\$1,550
McLeman, Jack W	Alternate Director	\$466	\$191
Minions, Sharie	Director	\$9,493	\$0
Patola, Todd	Alternate Director	\$1,032	\$57
Price, Sharon	Alternate Director	\$195	\$0
Roberts, Kelvin J	Alternate Director	\$948	\$401
Roth, Susan	Director	\$14,174	\$0
Siga, Vaida	Director	\$16,837	\$3,364
Solda, Cindy	Alternate Director	\$848	\$0
Sparrow, Mike	Director	\$10,352	\$7,191
Stere, Thomas	Director	\$10,142	\$736
Touchie, Jenny	Director	\$375	\$751
Total Elected Officials		\$169,114	\$48,860

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT
Schedule of Remuneration and Expenses (Continued)

2. **Other Employees** (excluding those listed in Part 1 above)

Name	Position	Remuneration	Expenses
Brunn, Jennifer	General Manager of Community Services	\$144,550	\$1,918
Dyer, Alex	Planning Manager	\$107,588	\$2,009
Eichelberger, Paulo	Solid Waste Manager	\$112,323	\$3,294
Fong, Teri	Chief Financial Officer	\$148,642	\$5,810
Fortune, Mark	Airport Manager	\$114,389	\$4,302
Frank, Jodie	Solid Waste Project Coordinator	\$84,175	\$9,984
Freethy, Karen	Protective Services Coordinator / Protective Services Manager	\$91,044	\$5,934
Hill, Janice	Executive Assistant	\$77,259	\$574
Irg, Michael	General Manager of Planning & Development	\$147,175	\$2,587
Koren, Shane	Procurement Coordinator / Manager of Financial Services	\$82,937	\$8,523
Kunderman, Edward	Operations Manager	\$112,047	\$2,006
Looker, Bryan K	Maintenance Technician	\$81,456	\$1,164
Mayo, Amy	Asset Management & Grant Coordinator	\$82,869	\$2,444
McArthur, Katherine	Planning Assistant / Protective Services Coordinator	\$76,756	\$660
McGregor, Michael	Land & Resources Coordinator	\$84,175	\$1,395
McLeod, Matthew	Water Utilities Leadhand	\$87,193	\$1,972
Mortlock, Brett	Building Inspector	\$85,376	\$2,635
Needham, Amy	Junior Planner / Planner	\$82,882	\$2,055
Rose, George	Manager of Information Technology	\$109,158	\$151
Sailland, Daniel	Chief Administrative Officer	\$199,803	\$3,173
Starratt, Charlie	Fire Services Manager	\$106,742	\$4,477
Stefani, Luc	Building Inspector & Property Maintenance Coordinator	\$83,185	\$4,684
Taliunas, Richard	Information Technology Technician	\$76,045	\$369
Thomson, Heather	Communications Coordinator	\$79,716	\$3,161
Thomson, Wendy	General Manager of Administrative Services	\$158,420	\$4,011
Zenner, Heather	Protective Services Manager / Manager of Administrative Services	\$112,505	\$5,178
Consolidated total of other employees with remuneration of \$75,000.00 or less		\$1,303,986	\$42,607
Total Other Employees		\$4,032,396	\$127,077

3. Reconciliation

Total Remuneration – Elected Officials	\$169,114
Total Remuneration – Other Employees	\$4,032,396
Subtotal	\$4,201,510
Reconciling Items	\$0.00
Total per Statement of Revenue & Expenditures	*See note below
Variance	\$0.00

*The Financial Statements do not provide this information; they are prepared on a function basis rather than on an object basis. However, the amounts reported are included in the expenses stated in the financial statements.

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

Statement of Severance Agreements

There were no severance agreements made between the Regional District of Alberni-Clayoquot and its non-unionized employees during the 2023 fiscal year.

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT
Schedule of Payments to Suppliers

1. **Suppliers who received aggregate payments exceeding \$25,000.00**

Supplier Name	Aggregate Amount Paid to Supplier
1188827 Bc Ltd.	\$98,501
Al Romuld Excavating	\$168,430
Alberni District Co-Op Association	\$31,426
Alberni Drug and Alcohol Prevention Services	\$151,078
Andrew Sheret Ltd	\$75,255
Aon Reed Stenhouse Inc.	\$74,502
Avia Ng Inc.	\$83,706
Bamfield Centennial Park	\$84,210
Bamfield Community Affairs Society	\$23,370
Bamfield Community School Association	\$36,187
BC Conservation Foundation	\$38,494
BC Hydro	\$202,157
BC Transit	\$238,291
Berks Intertruck Ltd.	\$31,576
Berry & Vale Contracting Ltd	\$1,939,485
Black Press Group Ltd.	\$45,126
Bowerman Construction Ltd.	\$109,239
Brogan Fire & Safety	\$281,941
Calian Ltd.	\$93,797
Centralsquare Canada Software Inc.	\$57,877
City Of Nanaimo	\$39,236
City Of Port Alberni	\$8,691,039
Cleartech Industries Inc.	\$33,871
CUPE - Local 118	\$38,742
Denis Francoeur Backhoeing	\$38,850
Duvall, Edith	\$26,337
Earth Land and Sea Compost Corp	\$204,940
Enex Fuels	\$90,483
Fort Garry Fire Trucks Ltd.	\$80,732
Fyfe Water Services	\$29,400
Goldstone Enterprises	\$92,946
Harris Computer Systems	\$33,035
Hazelwood Construction Services	\$3,496,114
hcma Architecture + Design	\$77,037
Heather Shobe dba Eden Tree Farm and Gardening	\$59,927
Hub Fire Engines & Equipment Ltd.	\$173,075
INEO Employment Services	\$221,660
Insight Canada Inc	\$119,562
Koers & Associates Engineering Ltd.	\$125,571
KPMG LLP	\$38,437

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT
Schedule of Payments to Suppliers (Continued)

Suppliers who received aggregate payments exceeding \$25,000 (continued)

Supplier Name	Aggregate Amount Paid to Supplier
Lady Rose Marine Services	\$68,382
Leadingahead Energy Inc.	\$25,200
Lidstone And Company	\$49,185
Dewitt Marcie	\$130,372
Mcelhanney Consulting Services Ltd.	\$126,308
Mcnamara, Patrick	\$26,177
Minister of Finance	\$145,789
Municipal Finance Authority of BC	\$1,483,742
Municipal Insurance Association of BC	\$54,264
Municipal Pension Plan	\$653,042
Nicklin Waste Disposal	\$100,824
North Island 911 Corporation	\$382,449
North Island College	\$102,292
Ozzard Environmental Inc	\$301,461
Pacific Blue Cross	\$233,546
Pacific Chevrolet	\$86,564
Piteau Associates	\$98,085
Prairie Robotics Inc	\$25,500
Qt Petroluem on Demand	\$29,830
Quattro Seasons Maintenance Inc.	\$36,199
Receiver General for Canada	\$1,138,118
Schellvac Equipment Inc	\$203,074
Sproat Lake Forestry Services Ltd.	\$30,259
Swing Time Distributors	\$82,718
Telus	\$33,204
Telus Mobility BC	\$29,901
Tetra Tech EBA Inc.	\$223,986
Tla-o-qui-aht First Nation	\$126,378
Transform Compost Systems	\$363,819
Ukee Timber & Road	\$122,599
Upland Contracting Ltd.	\$1,346,323
Urban Systems Ltd.	\$61,455
Vancouver Island Regional Library	\$571,265
Waste Management of Canada Corporation	\$128,507
Watt Consulting Group Ltd.	\$57,058
Worksafe BC	\$93,526
Zinc Strategies Inc.	\$88,427
Total Suppliers Equal & Over \$25,000	\$26,435,470
Total Suppliers Under \$25,000	\$2,586,401
Total Suppliers	\$29,021,871

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT
Schedule of Payments to Suppliers (Continued)

2. **Suppliers who received payments for grants and contributions**

Supplier Name	Aggregate Amount Paid to Supplier
Alberni Air Quality Society	\$10,000
Alberni Maker Space Society	\$5,000
Alberni Valley Chamber of Commerce	\$4,000
Alberni Valley Fall Fair (In Kind)	\$1,000
Alberni Valley Hospice & Ty Watson House	\$10,000
Alberni Valley Rescue Squad	\$12,000
Alberni Valley Wrestling Club	\$1,500
Bamfield Community Affairs Society	\$10,000
Broombusters Invasive Plant Society	\$1,100
Carving on the Edge Festival Society	\$2,500
Cherry Creek Recreation Commission	\$20,000
Cherry Creek Waterworks District	\$6,657
City of Port Alberni	\$118,347
Clayoquot Biosphere Trust Society	\$10,000
Connective Support Society Nanaimo	\$10,000
Mid-Island Air Search & Rescue Society	\$5,000
Music by the Sea	\$2,000
Pacific Rim Art Society	\$2,000
Port Alberni Association for Community Living	\$5,000
Port Alberni Backpack Program Society	\$5,000
Port Alberni Marine Rescue Society	\$6,000
Port Alberni Victim Services Society	\$26,000
Portal Players Dramatic Society	\$2,000
Redd Fish Restoration Society	\$7,500
Sage Haven Society	\$5,290
Sproat Lake Community Association	\$11,900
Strawberry Isle Marine Research Society	\$5,000
Ucluelet Aquarium Society	\$12,500
Vancouver Island North Film Commission	\$5,000
West Coast Aquatic Management Association	\$12,000
West Coast Inland Search & Rescue Society	\$6,000
Total Grants and Contributions	\$340,294

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

Schedule of Payments to Suppliers (Continued)

3. Reconciliation

Total of Aggregate Payments Equal to or Exceeding \$25,000.00	\$26,435,470
Consolidated Total of Payments Less Than \$25,000.00	\$2,586,401
Total of Aggregate Payments for Grants & Contributions	\$340,294
Subtotal	\$29,362,165
Reconciling Items	\$0.00
Total per Statement of Revenue & Expenditures	*See note below
Variance	\$0.00

*The Financial Statements do not provide this information, they are prepared on a function basis rather than on an object basis. However, the amounts reported are included in the expenses stated in the financial statements.

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

Statement of Financial Information Approval

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Debbie Haggard

Debbie Haggard, Vice-Chairperson
June 26, 2024

Teri Fong

Teri Fong, CPA, CGA, Chief Financial Officer
June 20, 2024

REGIONAL DISTRICT OF ALBERNI-CLAYOQUOT

MANAGEMENT REPORT

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

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

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board meets with management and the external auditors once per year.

The Chief Financial Officer has the responsibility for assessing the management systems and practices of the Regional District.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Board of Directors and may meet with it as required.

On behalf of the Alberni-Clayoquot Regional District

Teri Fong

Teri Fong, CPA, CGA
Chief Financial Officer
June 20, 2024