

**Columbia Shuswap Regional District  
Client Information Package  
For the Year Ended December 31, 2018**

Draft

**Contact Information**

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**Columbia Shuswap Regional District  
Consolidated Financial Statements  
For the Year Ended December 31, 2018**

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## Management's Responsibility for Financial Reporting

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The accompanying consolidated financial statements of Columbia Shuswap Regional District (the "Regional District") are the responsibility of management and have been approved by the Manager of Financial Services and Chief Administrative Officer on behalf of the Board of Directors (the "Board").

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the consolidated financial statements are based on management's best estimates and judgements. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Regional District maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Regional District's assets are appropriately accounted for and adequately safeguarded.

The Manager of Financial Services, the Chief Administrative Officer and the Board are responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Manager of Financial Services, the Chief Administrative Officer and the Board members meet periodically with management, as well as, the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging its responsibilities, and to review the consolidated financial statements and the external independent auditor's report.

The consolidated financial statements have been audited by BDO Canada LLP Chartered Professional Accountants in accordance with Canadian generally accepted auditing standards on behalf of the board. The independent auditor's report expresses its opinion on these consolidated financial statements. The auditors have full and free access to the accounting records and to the Manager of Financial Services, the Chief Administrative Officer and the Board.

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Manager, Financial Services

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Chief Administrative Officer

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## Independent Auditor's Report

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### To the Chair and Board of Columbia Shuswap Regional District

#### Opinion

We have audited the consolidated financial statements of the Columbia Shuswap Regional District, which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statement of operations and accumulated surplus, consolidated changes in net financial assets and consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Columbia Shuswap Regional District as at December 31, 2018, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with the 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 Consolidated Financial Statements* section of our report. We are independent of the Columbia Shuswap Regional District in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Columbia Shuswap Regional District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Columbia Shuswap Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Columbia Shuswap Regional District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Columbia Shuswap Regional District to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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**

**Salmon Arm, British Columbia  
April 18, 2019**

**COLUMBIA SHUSWAP REGIONAL DISTRICT****Consolidated Statement of Financial Position**

As at December 31

	2018	2017
<b>Financial assets</b>		
Cash and cash equivalents	\$ 1,227,296	\$ 1,913,867
Cash - restricted (Note 1)	35,000	35,000
Accounts receivable		
Other	1,486,785	2,666,798
Joint functions (Note 2)	-	6,414
Inventory for resale	63,848	43,344
Investment funds (Note 3)		
Municipal Finance Authority	16,443,602	9,752,696
Raymond James Ltd.	12,147,559	11,919,231
Deposits and demand notes - MFA (Note 9)	3,600,762	3,426,325
Agreements due from member municipalities (Note 4)	47,378,941	48,089,970
Assets held for sale (Note 5)	513,675	553,619
	<b>82,897,468</b>	<b>78,407,264</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,149,206	2,323,075
Due to Joint functions (Note 2)	44,205	-
Accrued interest on long-term debt	58,331	48,681
Solid waste landfill closure and post-closure (Note 6)	7,000,000	4,879,900
MFA debt reserves (Note 9)	3,600,762	3,426,325
Restricted revenue		
Development Cost Charge - Falkland Waterworks (Note 7)	4,539	4,453
Developer Cash Contribution in Lieu of Parkland (Note 8)	2,012,372	1,770,477
Temporary borrowing - Municipal Finance Authority (Note 9)	1,200,000	1,750,000
Long-term debt (Note 9)		
Municipal	47,378,941	48,089,970
CSRD	8,404,031	6,714,717
Capital Lease Obligation (Note 11)	145,518	60,531
	<b>71,997,905</b>	<b>69,068,129</b>
<b>Net financial assets</b>	<b>10,899,563</b>	<b>9,339,135</b>
<b>Non-financial assets</b>		
Tangible capital assets (Note 10)	68,246,355	68,457,675
Assets under Capital Lease (Note 12)	273,825	157,777
Prepaid expenses	61,116	71,270
	<b>68,581,296</b>	<b>68,686,722</b>
<b>Accumulated Surplus (Note 13)</b>	<b>\$ 79,480,859</b>	<b>\$ 78,025,857</b>

Manager, Financial Services

# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Consolidated Statement of Income

For the year ended December 31

	Budget (Note 18)	2018	2017
<b>Revenues</b>			
Sales and user fees	\$ 6,148,479	\$ 8,228,255	\$ 6,332,221
Tax requisitions	16,495,514	16,495,936	15,822,837
Other revenues from own source			
Return on investments	40,000	463,511	298,198
Actuarial adjustments on MFA debt	-	22,704	19,915
Transfers from other governments			
Government grants			
Grants and grants in lieu	2,441,836	1,506,331	4,416,707
Municipal government grant	160,000	160,000	160,000
Community Works Fund Agreement	2,970,264	1,133,264	901,254
BC Hydro - grants in lieu	2,051,004	2,137,509	2,051,004
Regional and other external transfers			
Member municipality MFA debt payment	4,954,611	4,758,677	4,710,501
Municipal levies	153,808	153,808	125,872
Other	59,262	186,652	1,598,222
<b>Total Revenues</b>	<b>35,474,778</b>	<b>35,246,647</b>	<b>36,436,731</b>
<b>Expenditures</b>			
General government	4,813,426	4,214,180	3,627,861
Protective services	4,059,382	5,014,243	5,050,719
Transportation and transit	74,650	73,075	68,538
Solid waste management	4,586,175	7,085,395	4,626,055
Development services	3,594,495	2,889,115	2,796,809
Parks, recreation and culture	4,076,469	6,008,295	5,710,454
Debt payments for member municipalities	4,954,611	4,758,677	4,710,501
Water services	1,132,372	2,216,050	1,785,073
Sewer services	180,900	60,341	47,108
Other	2,760,967	1,472,274	1,244,741
<b>Total expenditures</b>	<b>30,233,447</b>	<b>33,791,645</b>	<b>29,667,859</b>
<b>Annual surplus</b>	<b>5,241,331</b>	<b>1,455,002</b>	<b>6,768,872</b>
<b>Accumulated surplus, beginning of year</b>	<b>78,025,857</b>	<b>78,025,857</b>	<b>71,256,985</b>
<b>Accumulated surplus, end of year</b>	<b>\$ 83,267,188</b>	<b>\$ 79,480,859</b>	<b>\$ 78,025,857</b>

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

**COLUMBIA SHUSWAP REGIONAL DISTRICT**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the year ended December 31**

	2018 Budget (Note 18)	2018	2017
<b>Annual surplus</b>	\$ 5,241,331	\$ 1,455,002	\$ 6,768,872
Acquisition of tangible capital assets	(9,846,971)	<b>(2,427,419)</b>	(8,421,560)
Acquisition of assets under capital lease	-	<b>(116,048)</b>	-
Contribution of assets held for sale	-	-	(500,500)
Assets held for sale	-	-	553,618
Decrease (increase) in prepaid expenses	-	<b>10,154</b>	(49,776)
Amortization of tangible capital assets	-	<b>2,622,869</b>	2,475,157
Proceeds on sale of tangible capital assets	-	<b>22,000</b>	-
(Gain) loss on sale of tangible capital assets	-	<b>(6,130)</b>	-
<b>Net change in net financial assets</b>	<b>(4,605,640)</b>	<b>1,560,428</b>	825,811
<b>Net financial assets, beginning of year</b>	9,339,135	<b>9,339,135</b>	8,513,324
<b>Net financial assets, end of year</b>	<b>\$ 4,733,495</b>	<b>\$ 10,899,563</b>	\$ 9,339,135

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

# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Consolidated Statement of Cash Flows

For the year ended December 31

	2018	2017
<b>Operating Activities</b>		
Annual Surplus	\$ 1,455,002	\$ 6,768,872
Items Not Involving Cash:		
Actuarial adjustment on MFA debt	(22,704)	(19,915)
Amortization	2,622,869	2,475,157
Gain on sale of assets	(6,130)	-
Increase in solid waste landfill closure	2,120,100	312,100
Change in Cash-based Assets and Liabilities:		
(Increase) Decrease in accounts receivable	1,186,427	(1,916,595)
Increase in inventory	(20,504)	(5,372)
Increase (Decrease) in accounts payable	(129,666)	954,682
Increase (Decrease) in developer cash contributions in lieu of parkland	241,897	(505,005)
Increase in development cost charge	86	55
Increase in accrued interest on long-term debt	9,650	39,518
Decrease (increase) in prepaid expenses	10,154	(49,776)
Increase (decrease) in capital lease obligation	84,987	(25,769)
	<b>7,552,168</b>	<b>8,027,952</b>
<b>Capital Activities</b>		
Proceeds on sale of tangible capital assets	22,000	-
Cash used to acquire tangible capital assets	(2,427,419)	(8,368,441)
Cash used to acquire assets under capital lease	(116,048)	-
Decrease (increase) in assets held for sale	39,944	(553,619)
	<b>(2,481,523)</b>	<b>(8,922,060)</b>
<b>Investing Activity</b>		
(Increase) Decrease in long-term investments	<b>(6,919,234)</b>	<b>2,330,835</b>
<b>Financing Activities</b>		
Repayment of temporary borrowing	(550,000)	(6,650,000)
Proceeds from long-term debt	1,921,212	6,060,606
Long-term debt repayment	(209,194)	(42,964)
	<b>1,162,018</b>	<b>(632,358)</b>
<b>Net Change in Cash and Cash Equivalents</b>	<b>(686,571)</b>	<b>804,369</b>
Cash and Cash Equivalents, beginning of year	<b>1,948,867</b>	<b>1,144,498</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 1,262,296</b>	<b>\$ 1,948,867</b>

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

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards which include:

**Basis of Presentation**

The consolidated financial statements of the Columbia Shuswap Regional District (Regional District) have been prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board ("PSAB") of Chartered Professional Accountants Canada. The resources and operations of the Regional District are segregated into various functions for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or creation of a legal obligation to pay.

**Revenue Recognition**

Taxation revenues are recognized at the time property tax requisitions for the fiscal year become receivable. Sale of services and user fee revenues are recognized when the service or product is provided by the Regional District. Grant revenues are recognized when the funding becomes receivable or is received.

Government grants and transfers, which include legislative grants, are recognized in the consolidated financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria has been met and reasonable estimates on the amount can be made.

The accounts are maintained on an accrual basis except for temporary borrowing of the Regional District. Grants in lieu of taxes are also recorded on a cash basis because it is not possible to estimate the amounts receivable.

**Investment Funds**

Funds held with the Municipal Finance Authority are held in a money market fund. Marketable securities consist of GIC's held with Raymond James recorded at fair value as well as one bond recorded at cost with the discount amortized on an annual basis. \$ 2,016,911 (2017 - \$1,774,930) of the investments are restricted.

**Inventory**

Inventory is recorded at cost. Cost is the delivered price, determined on a first in, first out basis, for the fuel at the Revelstoke Airport.

**Tangible Capital Assets**

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

Land	not amortized
Land improvements	10 – 40 years
Buildings	20 – 60 years
Equipment	3 – 25 years
Mobile vehicles	6 – 25 years
Water infrastructure	15 – 60 years
Other	15 – 60 years

Assets under construction, or works in progress, are not amortized until the asset is available for productive use.

Tangible capital assets, received as contributions, are recorded at their fair market value at the date of donation, with a corresponding amount recorded as revenue.

**Leased Assets**

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the District, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

**Landfill Closure and Post-Closure Obligation**

The estimated costs to close and monitor solid waste landfill sites are based on estimated future expenses in current dollars, adjusted for estimated inflation, and are charged to operations as the landfill site's capacity is used. The change in liability is recorded as an operational expense. These estimates are reviewed and adjusted annually.

**Liability for Contaminated Sites**

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or 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. The liability is recorded net of any expected recoveries. No contaminated sites have been identified within the Regional District.

**Reserve Funds**

Capital Reserve Funds have been established for a number of functional areas to provide for future capital expenditures. These reserves are funded by transfers from the Operating Fund. Expenditures from a capital reserve can only be made in accordance with the establishing bylaw. Operating Reserves have been established for a number of functional areas to assist with stabilization of tax rates, as well as to fund projects that occur on a cyclical basis. These reserves are funded by transfers from the Operating Fund, and replace Budgeted Surpluses.

**Deferred Revenue**

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general regional district purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.

**Use of Estimates**

The consolidated financial statements of the Regional District have been prepared by management in accordance with Canadian public sector accounting standards. As such, management is required to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Significant estimates in these consolidated financial statements include valuation of accounts receivable, completeness of accounts payable and accrued liabilities, valuation of inventory, amortization of tangible capital assets and solid waste landfill closure and post-closure liability. The financial estimates have, in management's opinion, been properly prepared using careful judgement within reasonable limits of materiality and within the framework of the accounting policies identified.

**Long-term Debt**

Long-term debt is recorded net of any sinking fund balances. Debt service charges, including principal and interest, are charged against current revenue in the period incurred.

**Non-financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenditures, provides the consolidated change in net financial assets for the year.

**Budget**

The budget figures for the year are from the Annual Budget Bylaw to be adopted by March 31 of each year. They have been reconciled to conform to PSAB financial statements, see Note 18.

**Land Held for Resale**

Land held for resale is comprised of municipal land that is being prepared for listing, actively listed for sale or has a sale contract in place. The Board is responsible for determining the property that will be made available for sale and for negotiating the terms of the disposition. When a property is deemed "available for sale", it is removed from the tangible capital assets of the Regional District, revalued to the lower of fair value and net realizable value, and reclassified as land held for sale.

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

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### 1. Cash - Restricted

The Regional District has issued a letter of credit in favor of Fisheries and Oceans Canada in respect of construction of a boat launch on Shuswap Lake. The letter of credit is secured by a one year GIC maturing September 2019 bearing interest at 0.60% per annum.

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### 2. Due From (To) Joint Functions

The Town of Golden, City of Revelstoke and District of Sicamous operate certain functions on a cost-shared basis with the Regional District. The Regional District records taxation revenues and cost-shared expenditures that relate to the operation of these functions. As at December 31, 2018, amounts due from (to) these jurisdictions are as follows:

	2018	2017
<b>Town of Golden</b>		
Emergency Program	\$ 7,986	\$ 3,010
Airport	18,149	8,609
Arena	(75,493)	(4,950)
Cemetery	5,153	(255)
	<u>\$ (44,205)</u>	<u>\$ 6,414</u>

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**COLUMBIA SHUSWAP REGIONAL DISTRICT****Notes to Consolidated Financial Statements****December 31, 2018**

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**3. Investment Funds****a. Raymond James Ltd.**

<b>Fixed Income Securities and Cash</b>	<b>Face Value</b>	<b>Fair Value</b>
CCS GIC 2% 29AUG19	\$ 2,264,208	\$ <b>2,279,592</b>
CCS GIC 2.1% 28AUG20	1,094,500	<b>1,102,371</b>
CWB GIC 2.37% 27 SEP21	50,000	<b>50,308</b>
EQUITABLE BK GIC 2.4% SEP21	100,000	<b>100,625</b>
HOMEQUITY GIC 2.36% 27SEP21	100,000	<b>100,614</b>
CCS GIC 2.55% 08NOV21	882,255	<b>885,646</b>
BLUESHORE CU GIC 2.95% 29AUG22	1,083,651	<b>1,094,686</b>
BLUESHORE CU GIC 2.7% 03MAY19	1,039,608	<b>1,058,219</b>
CCS CSH GIC 1.3% 30AUG19	68,269	<b>68,568</b>
BLUESHORE CU GIC 2.8% 04MAY20	1,039,608	<b>1,058,909</b>
HSBC BANK GIC 2.5% 08MAR21	626,397	<b>639,182</b>
HSBC BANK GIC 2.05% 08APR19	318,638	<b>323,434</b>
HSBC BANK GIC 2.05% 27AUG19	1,000,000	<b>1,007,077</b>
CCS GIC 1.85% 20JUL20	359,824	<b>362,815</b>
CCS GIC 1.9% 04AUG20	2,000,000	<b>2,015,513</b>
		<b><u>\$ 12,147,559</u></b>

The fair market value of the above noted investments at December 31, 2017 was \$11,919,231.

**b. Municipal Finance Authority**

The funds held with the Municipal Finance Authority are invested in money market funds; as such, fair market value is equal to carrying value. The 2018 annual rate of return was 1.65% (2017 - 0.97%).

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

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### 4. Agreements Due From Member Municipalities

Agreements due from member municipalities become receivable on the same terms as payable to the Municipal Finance Authority. The Regional District borrows funds upon its credit at large and shall, in the event of default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable.

	<b>2018</b>	2017
City of Revelstoke	<b>\$ 15,875,005</b>	\$ 14,282,033
City of Salmon Arm	<b>21,572,773</b>	23,486,456
District of Sicamous	<b>7,719,525</b>	7,932,063
Town of Golden	<b>2,211,638</b>	2,389,418
	<b>\$ 47,378,941</b>	\$ 48,089,970

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### 5. Assets Held for Sale

Assets held for sale consist of surplus fire trucks and contributed assets as follows:

	<b>2018</b>	2017
Vehicles	<b>\$ 13,175</b>	\$ 53,119
Land	<b>117,500</b>	117,500
Building	<b>383,000</b>	383,000
<b>Assets held for sale</b>	<b>\$ 513,675</b>	\$ 553,619

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Land and building are jointly held by the Columbia Shuswap Regional District and the Town of Golden. During the year the Regional District and the Town of Golden entered into a purchase contract for the sale of these assets, with a completion date of April 18, 2019.

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

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### 6. Solid Waste Landfill Closure and Post-Closure Liability

The Environmental Management Act of B.C. and the Ministry of Environment of B.C. set out the landfill criteria to properly close and maintain all active and inactive landfill sites. Under the guidelines, there is a requirement for closure and post-closure care of solid waste landfill sites. Provisions are therefore made over the estimated remaining life of the Regional District landfill sites based on scalehouse records and through tipping fees.

The main components of the landfill closure plans are: final capping using an engineered cap design and the implementation of a drainage and gas management plan. The post-closure care requirements may involve: cap maintenance; groundwater monitoring; gas management system operation and maintenance; inspections; leachate treatment and monitoring; and annual reports. Post-closure care activities begin once the entire landfill site no longer accepts waste and continues on for a period of one hundred years. As the date of the site closure is unknown, management estimates the liability to begin after the closure of the current active phase, assuming another phase will not be opened. In the event another phase is opened, the start date for the liability will be adjusted to begin upon closure of the newly opened phase.

The total liability recorded for the estimated landfill closure and post-closure costs of \$30,000,000 (2017 - \$24,000,000) is \$7,000,000 (2017 - \$4,879,900). The estimated liability for the costs is based on the cumulative capacity used to date multiplied by the estimated total expenditures, expressed as discounted present values, assuming 1.35% (2017 - 1.29%) inflation and 3.83% (2017 - 3.94%) weighted-average cost of capital discount rate. The amount remaining to be recognized in future years is \$23,000,000 (2017 - \$19,000,000). The annual provision is reported as an Operating Fund expense and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position. Reserve funds totalling \$1,682,170 (2017 - \$1,375,965) have been established to provide for this liability in the Landfill Closure Special Reserve Fund.

Future events may result in significant changes to the estimated remaining useful life, estimated total expenses, total or used capacity and the estimated liability. These would be recognized prospectively as a change in estimate when applicable.

The table indicates the remaining landfill life in years and remaining capacity in cubic meters.

	Estimated Remaining Life (Years)	Total estimated Closure & post-closure care	Cumulative Capacity Used (m <sup>3</sup> )	Total Estimated Capacity (m <sup>3</sup> )	Used (%)	Remaining Capacity on December 31, 2018
Salmon Arm	39	\$ 15,659,000	595,000	2,704,000	22	\$ 2,109,000
Golden	81	4,437,000	708,000	1,843,000	38.416	1,135,000
Revelstoke	21	7,176,000	177,000	519,000	34.104	342,000
Sicamous	21	\$ 2,451,000	\$ 14,000	\$ 163,000	\$ 8.589	\$ 149,000

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**COLUMBIA SHUSWAP REGIONAL DISTRICT****Notes to Consolidated Financial Statements**December 31, 2018

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**7. Development Cost Charge - Falkland Waterworks**

2017	Interest	Contribution from Developers	Transfers to Operating	2018
\$ 4,453	\$ 86	\$ -	\$ -	\$ 4,539

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**8. Developer Cash Contribution in Lieu of Parkland**

	2017	Interest	Contribution from Developers	Transfers from (to) Operating	2018
Area A Parkland Reserve	\$ 258,659	\$ 5,293	\$ 15,250	\$ 1,000	\$ 280,202
Area B Parkland Reserve	106,632	2,248	39,000	-	147,880
Area C Parkland Reserve	1,082,108	21,474	-	-	1,103,582
Area D Parkland Reserve	139,277	2,751	-	-	142,028
Area E Parkland Reserve	55,652	1,084	-	-	56,736
Area F Parkland reserve	35,513	1,068	-	-	36,581
DCC in Lieu of Parkland Receivable	92,636	-	152,727	-	245,363
	\$ 1,770,477	\$ 33,918	\$ 206,977	\$ 1,000	\$ 2,012,372

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Under Section 941 of the Local Government Act, an owner of land being subdivided must either provide park land of not more than 5% of the area of the proposed subdivision, or, pay an amount that equals the market value of that land not dedicated. Funds received in accordance with this legislation are put into a reserve fund to be utilized for future purchases of park land. In certain circumstances, the Board may approve the deferral of payment or land dedication until a future date. In these cases, a receivable has been recorded to accurately portray the total funds available for future park land purchases.

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

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### 9. Long-term Debt - (see also Schedule 1 - Long-term Debt)

On November 14, 2013, the Board of Directors authorized the Regional District to borrow \$3,600,000 from the Municipal Finance Authority to finance construction of the new CSRD Administrative Building. As per section 175 of the Community Charter, this debt must be repaid within five years of the date of the initial drawdown. This drawdown took place in May, 2015 and the debt will be repaid by May 2020. At year end, \$1,200,000 remained outstanding. Interest on this liability under agreement is paid monthly and there are no specific terms of repayment other than as required under the Community Charter.

Repayment of long-term debt in the next five years is as follows:

	Principal Repayments	Actuarial Adjustments	Total
2019	\$ 2,455,921	\$ 1,401,693	\$ 3,857,614
2020	2,175,434	1,183,973	3,359,407
2021	2,042,009	1,140,564	3,182,573
2022	2,042,009	1,269,933	3,311,942
2023	2,042,009	1,404,725	3,446,734
Thereafter	19,912,940	18,711,762	38,624,702
	<u>\$ 30,670,322</u>	<u>\$ 25,112,650</u>	<u>\$ 55,782,972</u>

The Regional District issues its debt instruments through the Municipal Finance Authority (MFA). As a condition of these borrowings, portions of the debenture proceeds are withheld by the MFA as a debt reserve fund. At December 31, 2018, the cash deposits in the Debt Reserve Fund were \$1,278,266 (2017 - \$1,206,227). The Regional District also executes demand notes in connection with each debenture whereby the Regional District may be required to loan certain amounts to the MFA. At December 31, 2018, the demand notes totalled \$2,322,496 (2017 - \$2,220,098).

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

### 10. Tangible Capital Assets

	Land	Land Improvements	Buildings	Equipment	Mobile Vehicles	Water Infrastructure	Other	2018 Total
Cost, beginning of year	\$ 18,060,647	\$ 6,610,462	\$ 24,066,582	\$ 8,145,381	\$ 9,931,546	\$ 25,498,973	\$ 3,938,178	\$ 96,251,769
Additions	2,000	453,118	1,046,121	373,563	188,979	363,638	-	2,427,419
Disposals	-	-	-	-	(21,138)	-	-	(21,138)
Other adjustment	2	2	(4)	(23,465)	(1)	2	23,464	-
<b>Cost, end of year</b>	<b>18,062,649</b>	<b>7,063,582</b>	<b>25,112,699</b>	<b>8,495,479</b>	<b>10,099,386</b>	<b>25,862,613</b>	<b>3,961,642</b>	<b>98,658,050</b>
Accumulated amortization, beginning of year	-	2,549,656	9,799,142	5,341,104	3,916,601	5,304,319	883,272	27,794,094
Amortization	-	264,947	814,444	342,660	407,008	699,905	93,905	2,622,869
Disposals	-	-	-	-	(5,268)	-	-	(5,268)
Other adjustment	-	4,831	(4,832)	1	-	-	-	-
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>2,819,434</b>	<b>10,608,754</b>	<b>5,683,765</b>	<b>4,318,341</b>	<b>6,004,224</b>	<b>977,177</b>	<b>30,411,695</b>
<b>Net carrying value, end of year</b>	<b>\$ 18,062,649</b>	<b>\$ 4,244,148</b>	<b>\$ 14,503,945</b>	<b>\$ 2,811,714</b>	<b>\$ 5,781,045</b>	<b>\$ 19,858,389</b>	<b>\$ 2,984,465</b>	<b>\$ 68,246,355</b>

  

	Land	Land Improvements	Buildings	Equipment	Mobile Vehicles	Water Infrastructure	Other	2017 Total
Cost, beginning of year	\$ 13,631,044	\$ 6,248,331	\$ 23,167,529	\$ 7,804,885	\$ 10,105,000	\$ 23,361,460	\$ 3,938,178	\$ 88,256,427
Additions	4,429,603	362,131	899,053	367,549	225,711	2,137,513	-	8,421,560
Disposals	-	-	-	(27,053)	(399,165)	-	-	(426,218)
<b>Cost, end of year</b>	<b>18,060,647</b>	<b>6,610,462</b>	<b>24,066,582</b>	<b>8,145,381</b>	<b>9,931,546</b>	<b>25,498,973</b>	<b>3,938,178</b>	<b>96,251,769</b>
Accumulated amortization, beginning of year	-	2,309,076	9,020,650	5,046,608	3,859,652	4,662,032	794,019	25,692,037
Amortization	-	240,580	778,492	321,549	402,995	642,287	89,253	2,475,156
Disposals	-	-	-	(27,053)	(346,046)	-	-	(373,099)
<b>Accumulated amortization, end of year</b>	<b>-</b>	<b>2,549,656</b>	<b>9,799,142</b>	<b>5,341,104</b>	<b>3,916,601</b>	<b>5,304,319</b>	<b>883,272</b>	<b>27,794,094</b>
<b>Net carrying value, end of year</b>	<b>\$ 18,060,647</b>	<b>\$ 4,060,806</b>	<b>\$ 14,267,440</b>	<b>\$ 2,804,277</b>	<b>\$ 6,014,945</b>	<b>\$ 20,194,654</b>	<b>\$ 3,054,906</b>	<b>\$ 68,457,675</b>

The net book value of tangible capital assets not being amortized because they are under construction is \$510,313 (2017 - \$3,052,930). These projects consist primarily of park development, Celista and Swansea Point Dry Hydrant projects and the Saratoga water system upgrade, all of which are expected to be completed within the next 5 years.

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**COLUMBIA SHUSWAP REGIONAL DISTRICT****Notes to Consolidated Financial Statements**December 31, 2018

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**11. Obligation Under Capital Lease**

	2018	2017
Ricoh, payable in monthly instalments of \$934 including interest at 1.936%, due December 2018	\$ -	\$ 3,844
Ricoh, payable in monthly instalments of \$1,957 including interest at 1.943%, due May 2020	34,100	56,687
Ricoh, payable in monthly instalments of \$2,199 including interest at 6.874%, due September 2023	111,418	-
	<b>\$ 145,518</b>	<b>\$ 60,531</b>

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**12. Assets Under Capital Lease**

	2018	2017
Cost, beginning of year	\$ 157,777	\$ 157,777
Additions	116,048	-
<b>Cost, end of year</b>	<b>\$ 273,825</b>	<b>\$ 157,777</b>

The assets under capital lease are not being amortized as they were not complete at year end.

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**13. Accumulated Surplus**

The accumulated surplus consists of individual fund balances and reserves as follows:

	2018	2017
<b>Operating surplus</b>		
Surplus within Regional District functions	\$ 1,653,989	\$ 1,404,012
Solid waste landfill closure and post-closure	(7,000,000)	(4,879,900)
Community works fund	3,963,113	4,085,467
<b>Total operating surplus</b>	<b>(1,382,898)</b>	<b>609,579</b>
<b>Statutory Reserves</b> (Schedule 2)	<b>21,579,451</b>	<b>16,772,455</b>
<b>Equity in tangible capital assets</b>		
Tangible capital assets, at net book value	68,246,355	68,457,675
Assets under Capital Lease	273,825	157,777
Assets held for sale	513,675	553,619
Temporary borrowing - Municipal Finance Authority	(1,200,000)	(1,750,000)
Capital Lease Obligation	(145,518)	(60,531)
Capital debt	(8,404,031)	(6,714,717)
<b>Total equity in tangible capital assets</b>	<b>59,284,306</b>	<b>60,643,823</b>
<b>Total accumulated surplus</b>	<b>\$ 79,480,859</b>	<b>\$ 78,025,857</b>

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**COLUMBIA SHUSWAP REGIONAL DISTRICT****Notes to Consolidated Financial Statements****December 31, 2018**

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**14. Expenditures by Object**

	<b>2018</b>	<b>2017</b>
Amortization	<b>\$ 2,622,869</b>	\$ 2,475,157
Community grants	<b>1,117,952</b>	857,042
Contracts	<b>6,637,152</b>	6,201,442
Insurance	<b>387,099</b>	368,936
Interest	<b>362,216</b>	280,761
Landfill closure	<b>2,120,100</b>	312,100
MFA debenture payments	<b>4,758,677</b>	4,710,501
Minor equipment	<b>683,881</b>	679,907
Operating expense	<b>5,380,430</b>	4,648,704
Other	<b>1,517,034</b>	1,388,615
Professional and legal fees	<b>299,214</b>	269,127
Repairs and maintenance	<b>1,537,021</b>	1,244,997
Salaries, wages and benefits	<b>5,434,565</b>	5,265,589
Truck and travel	<b>411,665</b>	433,556
Utilities	<b>521,770</b>	531,425
	<b><u>\$ 33,791,645</u></b>	<b><u>\$ 29,667,859</u></b>

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**15. Pension Information**

The Regional District and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remain unchanged.

The Regional District paid \$356,000 for employer contributions to the Plan in fiscal 2018 (2017 - \$345,000).

The next valuation will be December 31, 2018 with results available in 2019.

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.

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**16. Related Party Transaction**

The Regional District holds investments for the North Okanagan/Columbia Shuswap Regional Hospital District, which total \$4,421,606 (2017 - \$4,359,756).

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# COLUMBIA SHUSWAP REGIONAL DISTRICT

## Notes to Consolidated Financial Statements

December 31, 2018

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### 17. Contractual Obligations

The Regional District has entered into a number of contractual agreements for the provision of goods and services related to the operation and maintenance of Regional District facilities. The Regional District is committed to total minimum obligations under these agreements as follows:

2019	\$ 2,503,381
2020	967,483
2021	345,661
2022	23,977
2023	4,948
	<u>\$ 3,845,450</u>

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### 18. Budget Reconciliation

Fiscal plan amounts represent the Financial Plan Bylaw adopted by the Board on March 29, 2018 without estimates for amortization of tangible capital assets.

The Financial Plan anticipated use of surpluses and Operating Reserves accumulated in previous years to balance against current year expenditures in excess of current year revenues. In addition, the Financial Plan anticipated capital expenditures rather than amortization expense.

Financial Plan Bylaw surplus for the year	\$ -
<b>Add:</b>	
Capital expenditures	9,846,971
Debt repayments	866,263
Transfers to reserves and own funds	<u>6,560,606</u>
	<u>17,273,840</u>
<b>Less:</b>	
Borrowing	2,082,000
Transfers from reserves and own funds	<u>9,950,509</u>
	<u>12,032,509</u>
Budget surplus reported in the financial statements	<u>\$ 5,241,331</u>

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**Columbia Shuswap Regional District**

**Schedule 1 - Long-term Debt**

**For the year ended December 31, 2018**

	Security Issuing Bylaw	Issue Date	Term	Interest Rate	Issue Amount	Amount Outstanding December 31, 2017	Issued	Principal Payment	Actuarial Adjustment	Interest	Amount Outstanding December 31, 2018
City of Salmon Arm	9051	1999	20	5	\$ 7,000,000	\$ 1,027,398	\$ -	\$ 232,044	\$ 270,288	\$ 147,000	\$ 525,066
	9054	1999	20	6	1,000,000	146,770	-	33,149	38,612	21,000	75,009
	9060	2003	20	5	300,000	122,184	-	9,072	8,890	6,525	104,222
	9062	2003	20	5	2,878,000	1,172,169	-	87,038	85,291	62,596	999,840
	9064	2004	30	6	9,900,000	7,260,601	-	149,009	131,970	589,050	6,979,622
	9069	2006	20	5	520,000	284,494	-	17,463	9,420	9,100	257,611
	9070	2006	30	5	1,100,000	531,068	-	12,467	6,725	12,236	511,876
	9071	2006	20	4	1,065,000	582,665	-	35,764	19,293	18,638	527,608
	9074	2007	20	5	500,000	188,407	-	10,601	5,091	7,103	172,715
	9075	2008	20	5	9,000,000	5,801,502	-	302,236	127,940	328,500	5,371,326
	9084	2009	20	4	2,500,000	1,726,427	-	83,954	30,944	103,250	1,611,529
	9086	2010	20	4	2,040,000	1,498,915	-	68,507	21,643	76,092	1,408,765
	9090	2011	30	3	48,370	42,652	-	863	230	1,572	41,559
	9099	2015	20	3	1,800,000	1,670,474	-	63,650	4,535	49,500	1,602,289
	9101	2015	20	3	500,000	464,021	-	17,681	1,259	13,750	445,081
	9100	2015	25	3	1,020,000	966,709	-	26,188	1,865	28,050	938,656
						<b>\$ 23,486,456</b>	<b>\$ -</b>	<b>\$ 1,149,686</b>	<b>\$ 763,996</b>	<b>\$ 1,473,962</b>	<b>\$ 21,572,774</b>

# Columbia Shuswap Regional District

## Schedule 1 - Long-term Debt

For the year ended December 31, 2018

	Security Issuing Bylaw	Issue Date	Term	Interest Rate	Issue Amount	Amount Outstanding December 31, 2017	Issued	Principal Payment	Actuarial Adjustment	Interest	Amount Outstanding December 31, 2018
City of Revelstoke	9055	2000	20	6	\$ 3,300,000	\$ 708,937	\$ -	\$ 109,392	\$ 116,598	\$ 209,385	\$ 482,947
	9056	2000	20	6	725,000	155,752	-	24,033	25,616	46,001	106,103
	9058	2002	25	3	2,500,000	1,369,690	-	52,381	56,515	43,750	1,260,794
	9061	2003	20	5	850,000	346,194	-	25,706	25,190	18,488	295,298
	9065	2004	25	5	2,000,000	1,257,739	-	41,905	37,113	40,000	1,178,721
	9066	2005	25	5	3,500,000	2,237,202	-	84,042	50,512	54,250	2,102,648
	9072	2007	25	5	625,000	444,819	-	15,007	7,207	14,063	422,605
	9076	2008	25	5	850,000	634,003	-	20,410	8,640	31,025	604,953
	9077	2008	25	5	250,000	186,472	-	6,003	2,541	9,125	177,928
	9078	2008	25	5	400,000	298,354	-	9,605	4,066	14,600	284,683
	9079	2008	25	5	225,000	167,824	-	5,403	2,287	8,213	160,134
	9083	2009	25	5	1,500,000	1,168,123	-	36,018	13,275	73,500	1,118,830
	9087	2010	25	4	225,000	182,328	-	5,403	1,707	8,393	175,218
	9088	2010	25	4	718,000	581,829	-	17,241	5,447	26,781	559,141
	9089	2010	25	4	450,000	364,656	-	10,805	3,414	16,785	350,437
	9091	2011	25	3	750,000	630,547	-	18,009	4,778	24,375	607,760
	9092	2011	25	3	600,000	504,438	-	14,407	3,823	19,500	486,208
	9093	2011	25	3	445,000	374,125	-	10,685	2,835	14,463	360,605
	9094	2012	15	3	500,000	364,751	-	24,971	5,410	17,000	334,370
	9095	2012	25	3	620,000	539,365	-	14,887	3,225	17,980	521,253
	9096	2012	25	3	1,200,000	1,043,932	-	28,814	6,243	34,800	1,008,875
	9097	2013	15	3	915,000	720,953	-	45,696	7,762	28,823	667,495
	9107	2018	30	3	-	-	708,000	-	-	-	708,000
	9108	2018	20	3	-	-	1,900,000	-	-	-	1,900,000
						<b>\$ 14,282,033</b>	<b>\$ 2,608,000</b>	<b>\$ 620,823</b>	<b>\$ 394,204</b>	<b>\$ 771,300</b>	<b>\$ 15,875,006</b>

## Columbia Shuswap Regional District

### Schedule 1 - Long-term Debt

For the year ended December 31, 2018

	Security Issuing Bylaw	Issue Date	Term	Interest Rate	Issue Amount	Amount Outstanding December 31, 2017	Issued	Principal Payment	Actuarial Adjustment	Interest	Amount Outstanding December 31, 2018
Town of Golden	9073	2007	20	5	\$ 1,265,000	\$ 754,970	\$ -	\$ 42,481	\$ 20,402	\$ 28,463	\$ 692,087
	9081	2008	20	5	1,250,000	805,764	-	41,977	17,769	45,625	746,018
	9082	2009	20	5	1,200,000	828,684	-	40,298	14,853	58,800	773,533
						<u>\$ 2,389,418</u>	<u>\$ -</u>	<u>\$ 124,756</u>	<u>\$ 53,024</u>	<u>\$ 132,888</u>	<u>\$ 2,211,638</u>
District of Sicamous	9085	2011	30	4	\$ 3,000,000	\$ 2,645,200	\$ -	\$ 53,490	\$ 14,192	\$ 126,000	\$ 2,577,518
	9102	2016	25	7	1,005,237	979,429	-	25,809	904	26,136	952,716
	9104	2017	25	3	4,307,434	4,307,434	-	118,145	-	135,684	4,189,289
						<u>\$ 7,932,063</u>	<u>\$ -</u>	<u>\$ 197,444</u>	<u>\$ 15,096</u>	<u>\$ 287,820</u>	<u>\$ 7,719,523</u>
<b>Long-term debt for member municipalities</b>						<u>\$ 48,089,970</u>	<u>\$ 2,608,000</u>	<u>\$ 2,092,709</u>	<u>\$ 1,226,320</u>	<u>\$ 2,665,970</u>	<u>\$ 47,378,941</u>
Regional District	9063	2004	15	5	\$ 330,000	\$ 59,116	\$ -	\$ 15,293	\$ 13,544	\$ 7,920	\$ 30,279
	9080	2008	20	5	524,000	337,776	-	17,597	7,449	19,126	312,730
	9098	2013	20	4	300,000	257,219	-	10,075	1,711	11,550	245,433
	9103	2017	25	3	6,060,606	6,060,606	-	166,229	-	169,697	5,894,377
	9105	2018	25	3	-	-	1,838,384	-	-	28,952	1,838,384
	9106	2018	5	3	-	-	82,828	-	-	-	82,828
						<u>\$ 6,714,717</u>	<u>\$ 1,921,212</u>	<u>\$ 209,194</u>	<u>\$ 22,704</u>	<u>\$ 237,245</u>	<u>\$ 8,404,031</u>
<b>Long-term debt for Regional District</b>						<u>\$ 6,714,717</u>	<u>\$ 1,921,212</u>	<u>\$ 209,194</u>	<u>\$ 22,704</u>	<u>\$ 237,245</u>	<u>\$ 8,404,031</u>
<b>Total long-term debt</b>						<u>\$ 54,804,687</u>	<u>\$ 4,529,212</u>	<u>\$ 2,301,903</u>	<u>\$ 1,249,025</u>	<u>\$ 2,903,215</u>	<u>\$ 55,782,972</u>

# Columbia Shuswap Regional District

## Schedule 2 - Reserve Funds

For the year ended December 31, 2018

	2017	Interest	Transfer From Operating	Transfer To Operating	Expense	2018
<b>Capital Reserve Funds</b>						
Milfoil	\$ 64,432	\$ 1,380	\$ 20,000	\$ -	\$ -	\$ 85,812
Regional Feasibility Study Fund	150,682	2,985	10,000	-	-	163,667
Rural Feasibility Study Fund	228,690	4,540	10,000	-	-	243,230
Sicamous & District Rec. Centre	710,487	14,576	5,000	(25,669)	-	704,394
Revelstoke Airport	694,116	13,014	28,719	-	-	735,849
Swansea Point Fire Protection	57,176	1,326	28,000	(43,766)	-	42,736
Falkland Fire Protection	202,691	3,645	55,785	(160,000)	-	102,121
Ranchero/Deep Creek Fire Protection	51,064	1,315	79,499	(65,000)	-	66,878
Nicholson Fire Protection	157,230	3,414	38,500	(21,485)	-	177,659
Malakwa Fire Protection	27,308	663	29,030	(36,000)	-	21,001
Silver Creek Fire Protection	96,294	2,466	66,000	(31,004)	-	133,756
Area C Sub-regional Fire Protection	723,846	15,371	342,000	(299,724)	-	781,493
Area F Sub-Regional Fire Reserve	487,279	10,944	248,000	(14,005)	-	732,218
Golden & District Library	115,345	2,308	3,000	-	-	120,653
Golden Arena	760,472	15,882	15,000	(81,000)	-	710,354
Golden Curling Rink Administration	50,105	1,229	21,948	-	-	73,282
	32,115	590	-	-	-	32,705
Solid Waste Management	1,149,074	22,813	1,000,000	-	-	2,171,887
Rose Clifford Park	15,293	146	-	(15,439)	-	-
Area A Community Parks	264,289	5,213	-	(22,100)	-	247,402
Area B Community Parks	52,218	1,041	-	-	-	53,259
Area C Community Parks	46,844	1,768	86,651	-	-	135,263
Area D Community Parks	109,160	2,167	10,000	-	-	121,327
Area E Community Parks	235,729	4,670	16,500	(10,000)	-	246,899
Area F Community Parks	(144,056)	(2,147)	102,500	-	-	(43,703)
Shuswap Emergency Program	77,084	1,851	281,440	-	-	360,375
911 Emergency Telephone	317,969	5,907	4,581	-	-	328,457
Reserve Fund Whitetooth Sale	1,590,870	33,962	-	-	-	1,624,832
Recycling Capital Reserve	162,569	4,074	183,000	-	-	349,643
Internal borrowing	(1,864,960)	(8,935)	1,841,220	-	-	(32,675)
	<b>6,621,415</b>	<b>168,178</b>	<b>4,526,373</b>	<b>(825,192)</b>	<b>-</b>	<b>10,490,774</b>

# Columbia Shuswap Regional District

## Schedule 2 - Reserve Funds

For the year ended December 31, 2018

	2017	Interest	Transfer From Operating	Transfer To Operating	Expense	2018
<b>Operating Reserve Funds</b>						
Insurance deductible	\$ 80,284	\$ -	\$ 25,929	\$ -	\$ -	\$ 106,213
Eagle Ridge water system	6,300	-	-	-	-	6,300
Creek Maintenance Funds	55,051	1,111	1,580	-	-	57,742
Economic Opportunity Funds	1,259,444	21,556	808,210	(1,444,659)	-	644,551
Landfill Closure Special	1,375,965	27,272	278,933	-	-	1,682,170
General Government	247,035	-	51,620	-	-	298,655
Electoral Area Government	254,595	-	76,849	-	-	331,444
Administrative Overhead	48,400	-	22,800	-	-	71,200
Fleet	13,697	-	-	(2,365)	-	11,332
Asset management	-	-	7,210	-	-	7,210
Annis Bay Fire	-	-	1,000	-	-	1,000
Electoral Area B Fire	15,017	-	18,285	-	-	33,302
Electoral Area E Fire	6,606	-	-	-	-	6,606
Fire Kault Hill	791	-	1,045	-	-	1,836
Area F Sub-Regional Fire	45,000	-	-	-	-	45,000
Deployment Surplus Reserve	-	-	180,530	(6,499)	-	174,031
911	100,000	-	-	-	-	100,000
Shuswap Emergency Program	16,274	-	10,000	-	-	26,274
RAEMP	17,253	-	-	(5,454)	-	11,799
GAEMP	5,402	-	10,014	-	-	15,416
Area C Dog Control	7,938	-	8,984	-	-	16,922
Area D Dog Control	438	-	1,462	-	-	1,900
Area F Dog Control	8,826	-	-	-	-	8,826
Shuswap Airport	33,321	-	-	-	-	33,321
Revelstoke Airport	-	-	17,719	-	-	17,719
Golden Airport	32,609	-	18,149	(5,000)	-	45,758
St. Ives Street Lights	50	-	-	(50)	-	-
Swansea Point Street Lights	1,044	-	-	(400)	-	644
Blind Bay Street Lights	101,246	-	8,695	-	-	109,941
Area E Street Lights	390	-	-	(390)	-	-
Sorrento Street Lights	381	-	204	-	-	585
Falkland St Lighting	-	-	328	-	-	328
South Shuswap LWMP	22,927	-	10,866	-	-	33,793
North Shuswap LWMP	25,139	-	8,697	-	-	33,836
Seymour Arm LWMP	9,200	-	758	-	-	9,958
Area E LWMP	28,374	-	14,481	-	-	42,855
Recycling	602,603	-	-	(7,902)	-	594,701
Solid Waste	-	-	10,159	-	-	10,159
Area C/D Transit	\$ 4,380	\$ -	\$ 2,086	\$ -	\$ -	\$ 6,466

# Columbia Shuswap Regional District

## Schedule 2 - Reserve Funds

For the year ended December 31, 2018

	2017	Interest	Transfer From Operating	Transfer To Operating	Expense	2018
<b>Operating Reserve Funds - continued</b>						
Cemetery - Golden/Area A	\$ 3,745	\$ -	\$ 5,153	\$ (750)	\$ -	\$ 8,148
Cemetery - Revelstoke/Area B	50,000	-	77,190	-	-	127,190
Area C Fireworks	3,644	-	40	(230)	-	3,454
Area E Fireworks	270	-	5,315	-	-	5,585
Area F Fireworks	1,800	-	1,740	-	-	3,540
Marine Noise Control	1,100	-	-	-	-	1,100
Anti-Whistling	-	-	110	-	-	110
GIS/Mapping	66,560	-	5,855	-	-	72,415
House Numbering	1,207	-	-	-	-	1,207
Development Services	452,714	-	23,000	-	-	475,714
Planning Special Projects	66,144	-	-	-	-	66,144
Sub-Reg Building Inspection	-	-	16,856	-	-	16,856
Bylaw enforcement	130,948	-	103,910	-	-	234,858
Blind Bay Trail	102,173	-	-	-	-	102,173
Revelstoke Mosquito	3,450	-	2,357	-	-	5,807
Golden Mosquito	21,747	-	28,175	-	-	49,922
SC/LC Mosquito	23,978	-	12,451	-	-	36,429
Area E Mosquito	5,177	-	-	(1,000)	-	4,177
Sterile Insect Release	-	-	183	-	-	183
Film Commission	21,000	-	-	(20,000)	-	1,000
Area A Economic Development	30,000	-	31,495	(15,500)	-	45,995
Rose Clifford Park	25,264	-	-	(10,406)	-	14,858
Rail Corridor	-	-	99,696	-	-	99,696
Area B Parks	2,106	-	3,500	-	-	5,606
Area D Parks	25,000	-	10,007	-	-	35,007
Area E Parks	-	-	4,109	-	-	4,109
Area F Parks	8,500	-	-	-	-	8,500
Area B Recreation	2,040	-	127,552	-	-	129,592
Golden Curling Rink	4,800	-	9,948	-	-	14,748
Golden/Area A Library	2,070	-	11,846	-	-	13,916
Okanagan Library	34,711	-	11,162	-	-	45,873
Golden Museum	2,600	-	-	(1,300)	-	1,300
Sunnybrae Waterworks	20,044	-	-	(15,000)	-	5,044
Lakeview Place Waterworks	-	-	18,253	-	-	18,253
	<b>\$ 5,538,772</b>	<b>\$ 49,939</b>	<b>\$ 2,206,496</b>	<b>\$ (1,536,905)</b>	<b>\$ -</b>	<b>\$ 6,258,302</b>

**Columbia Shuswap Regional District**

**Schedule 2 - Reserve Funds**

**For the year ended December 31, 2018**

	2017	Interest	Transfer From Operating	Transfer To Operating	Expense	2018
<b>Waterworks Reserve Funds</b>						
Falkland	\$ 198,601	\$ 3,840	\$ -	\$ (6,349)	\$ -	\$ 196,092
Cedar Heights	419,482	26,521	114,263	(146,930)	-	413,336
Eagle Bay Estates	126,883	2,737	13,738	-	-	143,358
Saratoga	230,801	4,508	-	(28,274)	-	207,035
MacArthur Reedman	66,079	1,373	-	(28,574)	-	38,878
Galena Shores	202,299	3,990	41,318	-	-	247,607
Anglemont Estates	1,722,867	32,608	-	(1,934)	-	1,753,541
Sorrento	1,548,677	30,548	136,822	(17,388)	-	1,698,659
Cottonwoods Water Reserve	84,079	1,734	32,958	-	-	118,771
Sunnybrae Waterworks	12,500	272	12,826	(12,500)	-	13,098
	<b>\$ 4,612,268</b>	<b>\$ 108,131</b>	<b>\$ 351,925</b>	<b>\$ (241,949)</b>	<b>\$ -</b>	<b>\$ 4,830,375</b>
<b>Total Reserves</b>	<b>\$ 16,772,455</b>	<b>\$ 326,248</b>	<b>\$ 7,084,794</b>	<b>\$ (2,604,046)</b>	<b>\$ -</b>	<b>\$ 21,579,451</b>

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**Columbia Shuswap Regional District**  
**Schedule 3 - Consolidated Statement of Segmented Information**  
**For the years ended December 31, 2018 and 2017**

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The Regional District is a diversified municipal government institution that provides a wide range of services to its citizens. The Regional District services are provided by departments and their activities are reported in these service areas. Departments disclosed in the segmental information, along with the services they provide are as follows:

**General Government** - Board of Directors, Administration and Finance Departments, Feasibility Studies, Grants-In-Aid, Regional Waterworks

**Protective Services** - Fire Departments, Bylaw Enforcement, Building Inspection, Mosquito Control, Dog Control, Emergency Preparedness, First Responders, and Related Functions

**Transportation and Transit** - Street Lighting and Transit

**Solid Waste Management** - Solid Waste Disposal and Recycling

**Development Services** - Creek Maintenance, GIS and Mapping, House Numbering, Environment Management, Milfoil Control, Weed Control, Economic Development, Tourism Information, and Film Commission

**Parks, Recreation and Culture** - Community Parks, Arenas, Recreation Centres, Curling Rink, Library Funding, Museums, and TV Rebroadcast

**Water Services** - Local Area Waterworks

**Sewer Services** - Liquid Waste Management

**Other** - Airports, Cemeteries, Shuswap Watershed Council, and Community Works Fund Program

**Debt Payments from Member Municipalities** - Municipal debenture payments for Golden, Revelstoke, Sicamous and Salmon Arm

**Columbia Shuswap Regional District**  
**Schedule 3 - Consolidated Statement of Segmented Information**  
For the years ended December 31, 2018 and 2017

	General government	Protective services	Transportation and transit	Solid waste management	Development services	Parks, recreation and culture	Water services	Sewer services	Other	Debt payments for member municipalities	2018 Segment Totals
<b>Revenue</b>											
Sales and user fees	\$ 83,441	\$ 167,622	\$ 2,343	\$ 5,962,163	\$ 251,163	\$ 349,995	\$ 998,749	\$ -	\$ 412,779	\$ -	\$ 8,228,255
Tax requisitions	2,184,215	4,565,374	84,178	973,058	2,946,201	3,922,515	1,024,671	97,266	698,458	-	16,495,936
Other revenues from own source	102,319	54,351	-	54,160	2,491	149,952	108,217	-	14,725	-	486,215
Transfers from other governments	292,275	937,603	150	54,200	116,786	2,142,994	259,765	4	1,133,327	-	4,937,104
Regional and other external transfers	-	153,808	-	-	-	-	-	-	-	4,758,677	4,912,485
Other	-	-	-	-	44,385	14,900	127,367	-	-	-	186,652
	2,662,250	5,878,758	86,671	7,043,581	3,361,026	6,580,356	2,518,769	97,270	2,259,289	4,758,677	35,246,647
<b>Expenses</b>											
Amortization	213,473	609,572	-	241,781	36,958	618,073	787,551	-	115,461	-	2,622,869
Community grants	498,683	192,000	-	-	12,890	228,975	-	-	185,404	-	1,117,952
Contracts	60,452	639,981	27,370	2,654,155	306,035	2,268,441	227,400	-	453,318	-	6,637,152
Insurance	168,435	124,975	-	3,204	10,308	41,182	30,933	-	8,062	-	387,099
Interest	42,250	22,361	-	48,888	3,281	56,071	170,380	-	18,985	-	362,216
Landfill closure	-	-	-	2,120,100	-	-	-	-	-	-	2,120,100
MFA debenture payments	-	-	-	-	-	-	-	-	-	4,758,677	4,758,677
Minor equipment	34,093	363,488	-	37,042	364	108,369	131,225	-	9,300	-	683,881
Operating expense	607,616	1,684,806	13	1,363,561	716,875	227,219	99,859	60,272	620,209	-	5,380,430
Other	-	-	-	-	332	1,503,867	12,835	-	-	-	1,517,034
Professional and legal fees	72,322	54,766	-	18,447	104,756	30,272	18,585	-	66	-	299,214
Repairs and maintenance	96,610	144,751	561	181,270	15,643	490,497	576,964	-	30,725	-	1,537,021
Salaries, wages and benefits	2,170,041	893,012	-	364,405	1,629,483	368,835	116	-	8,673	-	5,434,565
Truck and travel	180,549	155,725	-	11,160	45,350	16,335	988	69	1,489	-	411,665
Utilities	69,656	128,806	45,131	41,382	6,840	50,159	159,214	-	20,582	-	521,770
	4,214,180	5,014,243	73,075	7,085,395	2,889,115	6,008,295	2,216,050	60,341	1,472,274	4,758,677	33,791,645
	\$ (1,551,930)	\$ 864,515	\$ 13,596	\$ (41,814)	\$ 471,911	\$ 572,061	\$ 302,719	\$ 36,929	\$ 787,015	\$ -	\$ 1,455,002

**Columbia Shuswap Regional District**  
**Schedule 3 - Consolidated Statement of Segmented Information**  
For the years ended December 31, 2018 and 2017

	General government	Protective services	Transportation and transit	Solid waste management	Development services	Parks, recreation and culture	Water services	Sewer services	Other	Debt payments for member municipalities	2017 Segment Totals
<b>Revenue</b>											
Sales and user fees	\$ 89,216	\$ 77,895	\$ 2,377	\$ 4,284,416	\$ 280,326	\$ 260,503	\$ 915,717	\$ -	\$ 421,771	\$ -	\$ 6,332,221
Tax requisitions	2,181,235	4,404,771	82,679	972,896	2,826,704	3,565,106	995,985	104,684	688,777	-	15,822,837
Other revenues from own source	66,900	35,804	-	28,005	1,996	132,989	44,734	-	7,685	-	318,113
Transfers from other governments	208,219	1,218,777	146	-	171,955	3,176,084	1,852,460	5	901,319	-	7,528,965
Regional and other external transfers	-	125,872	-	-	-	-	-	-	-	4,710,501	4,836,373
Other	-	-	-	-	500,500	1,090,500	7,222	-	-	-	1,598,222
	2,545,570	5,863,119	85,202	5,285,317	3,781,481	8,225,182	3,816,118	104,689	2,019,552	4,710,501	36,436,731
<b>Expenses</b>											
Amortization	214,220	573,830	-	225,049	36,958	593,422	716,217	-	115,461	-	2,475,157
Community grants	314,501	202,000	-	-	-	228,110	-	-	52,980	-	797,591
Contracts	-	696,213	24,120	2,243,251	206,406	2,278,579	225,900	-	526,973	-	6,201,442
Insurance	153,786	123,534	-	3,316	10,377	38,865	30,940	-	8,118	-	368,936
Interest	35,088	26,290	-	41,304	2,748	7,920	144,914	-	22,497	-	280,761
Landfill closure	-	-	-	312,100	-	-	-	-	-	-	312,100
MFA debenture payments	-	-	-	-	-	-	-	-	-	4,710,501	4,710,501
Minor equipment	35,873	484,532	-	34,834	2,462	144,094	(55,295)	-	33,407	-	679,907
Operating expense	336,825	1,614,867	26	1,212,452	745,911	189,298	127,176	46,991	434,609	-	4,708,155
Other	-	-	-	315	-	1,388,300	-	-	-	-	1,388,615
Professional and legal fees	107,107	29,818	-	14,288	84,371	24,654	8,848	-	41	-	269,127
Repairs and maintenance	89,946	172,809	454	106,120	14,600	416,782	422,668	-	21,618	-	1,244,997
Salaries, wages and benefits	2,092,773	811,958	-	371,681	1,645,328	334,346	-	-	9,503	-	5,265,589
Truck and travel	176,664	185,360	-	14,466	41,187	12,752	1,366	117	1,644	-	433,556
Utilities	71,078	129,508	43,938	46,879	6,461	53,332	162,339	-	17,890	-	531,425
	3,627,861	5,050,719	68,538	4,626,055	2,796,809	5,710,454	1,785,073	47,108	1,244,741	4,710,501	29,667,859
	\$ (1,082,291)	\$ 812,400	\$ 16,664	\$ 659,262	\$ 984,672	\$ 2,514,728	\$ 2,031,045	\$ 57,581	\$ 774,811	\$ -	\$ 6,768,872