



REGIONAL DISTRICT OF BULKLEY-NECHAKO
2023 ANNUAL REPORT

Annual Report Land Acknowledgement

The Regional District of Bulkley-Nechako Board and staff would like to open this report by acknowledging that we deliver our local government services on the traditional territories of First Nations across the vast Bulkley-Nechako region. This region covers an area over 70,000 square kilometers, spanning the territories of the Dakelh, Nedut'en, Tse'khene, and Witsuwit'en speaking peoples. We respect the distinct cultures of the Indigenous Peoples in the Bulkley-Nechako and honour their long-standing relationship with these lands and waters since time immemorial.

We are further committed to building strong and enduring relationships with the 14 First Nations governments within the boundaries of the Regional District of Bulkley-Nechako.

Listed in Alphabetical Order They Are:

- Binche Whut'en
- Cheslatta Carrier Nation
- Lake Babine Nation
- Nadleh Whuten
- Nak'azdli Whut'en
- Nee-Tahi-Buhn
- Saik'uz First Nation
- Skin Tyee
- Stelat'en First Nation
- Takla Nation
- Tl'azt'en Nation
- Ts'il Kaz Koh (formerly Burns Lake Band)
- Wet'suwet'en First Nation
- Yekooche First Nation



REGIONAL DISTRICT OF BULKLEY-NECHAKO



Message from the Board Chair

I can't believe that another twelve months have passed and it is once again time to reflect on the year behind. As ever, I would like to start our look back on 2023 by acknowledging the Indigenous Peoples who preceded us in the region.

Much important work was done this year that will help our Region thrive in the years to come. We began a Rural Housing Capacity Initiative that will help address the need for specialized housing in the RDBN, including seniors housing and rental units. We extended our recycling programs and expanded the Clearview Landfill, which will make our solid waste management program more robust and sustainable. We sourced grants for many non-profit societies around the Region to support recreation, housing, and community building. In addition, we promoted programs like the RDBN Emergency and Public Alert System and Firesmart to help our residents be all the more prepared for the next time nature reminds us of just how powerful it is.



As any resident of the RDBN will know, 2023 was a challenging year as we faced one of the most widespread fire seasons in our history. I want to open this report by thanking all those people who supported our region during the five-plus months that we responded to ongoing blazes, evacuations, smoke and uncertainty. While the wildfire season was long, it was also incredibly inspiring to see help, resources, and skilled responders step up from among our people and pour in from all over the globe to help keep our residents safe and well. From front line firefighters and first responders to emergency support service personnel and volunteers, from emergency operations centre specialists to the Canadian Forces, from those who cooked meals for those in need to those who opened their homes to evacuees, we are incredibly grateful and proud of everyone who joined in the response.

In the year to come we have much to look forward to, and also a great deal of work ahead. Everyone in the RDBN can be assured that we will labour tirelessly to help our Region grow and thrive through the coming years. I want to thank the RDBN Board, our staff, and the residents of our Region for making this a truly exceptional place to live and work. I look forward to 2024 and all that we will accomplish together.



Back Row:

- *Constable Nit*
- Kevin Moutray - Mayor, District of Vanderhoof
- Mark Parker - Director, Area D (Fraser Lake Rural)
- Henry Wiebe - Mayor, Village of Burns Lake
- *Judge Jackson*
- Clint Lambert - Director, Area E (Francois/Ootsa Rural)
- Shane Brienen - Mayor, District of Houston
- Chris Newell - Director, Area G (Houston/Granisle Rural)

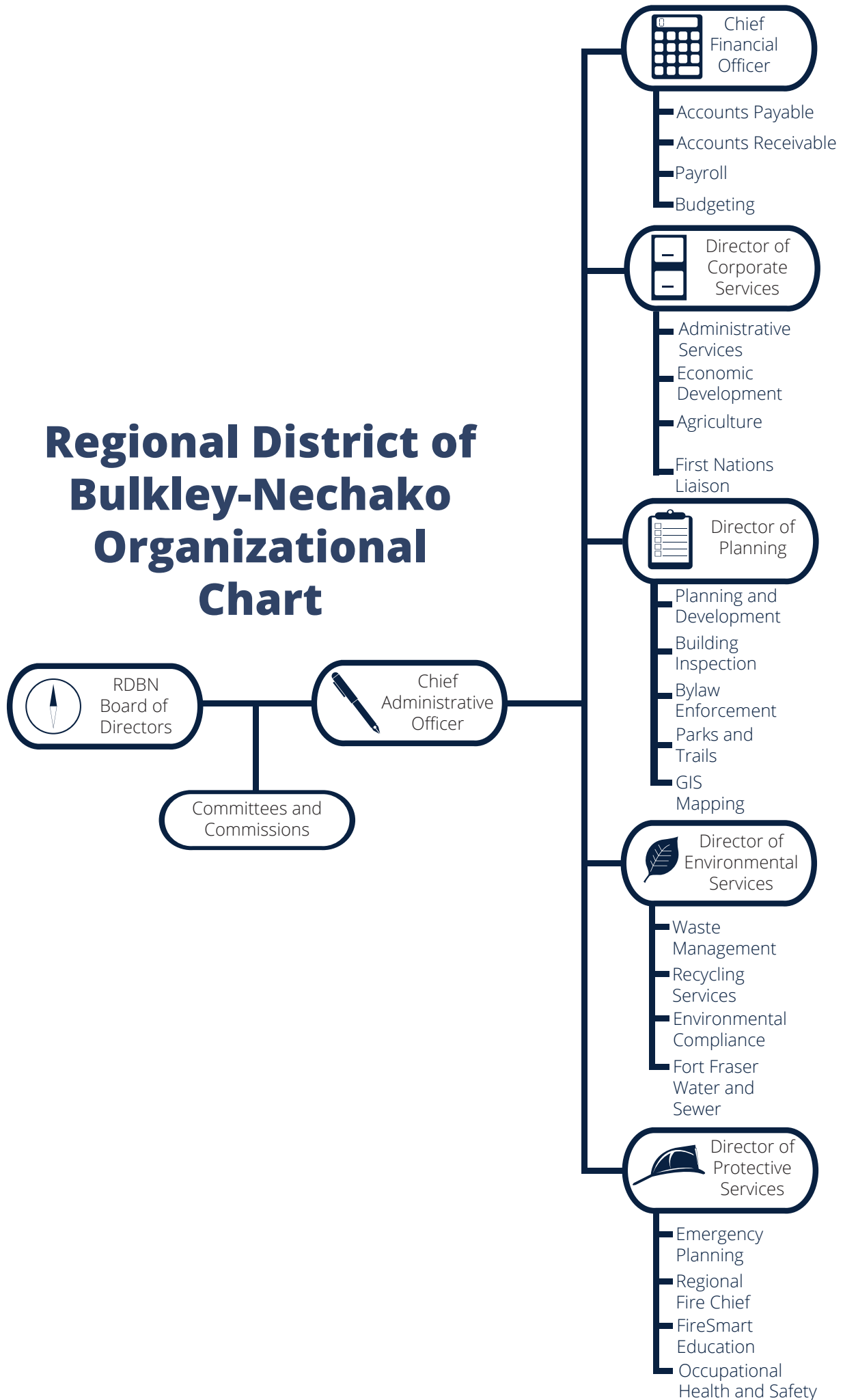
Middle Row:

- Linda McGuire - Mayor, Village of Granisle
- Judy Greenaway - Director, Area C (Fort St. James Rural)
- Michael Riis-Christianson - Director, Area B (Burns Lake Rural)
- Shirley Moon - Director, Area F (Vanderhoof Rural)
- Leroy Dekens - Mayor, Village of Telkwa
- Sarrah Storey - Mayor, Village of Fraser Lake

Front Row:

- Gladys Atrill - Mayor, Town of Smithers
- Martin Elphee - Mayor, District of Fort St. James
- Stoney Stoltenberg - Director, Area A (Smithers/Telkwa Rural)

Regional District of Bulkley-Nechako Organizational Chart



Which Government Oversees What Service?



Regional District

Solid waste management • Residential service (outside municipal boundaries) • Regional parks and recreation • Rural area planning and development • Emergency services • 911 operation • Grant services • Economic development • Regional environmental services • Building Inspection



Municipal Government

Municipal road maintenance • Snow removal • Water supply • Waste water management • Municipal parks • Municipal cemetery • Recreation facilities • Fire rescue • Business licenses • Municipal property tax



Provincial Government

Schools • Provincial parks • Rural Road Maintenance • Crown land • Health care • WorkSafe • ICBC/Driver Licensing • Provincial courts • Highway maintenance • Provincial income/property/sales tax • Water Licensing



Federal Government

Income tax • Employment insurance • Child benefit tax • Military • National parks • Immigration • Criminal law • Foreign relations • Fisheries and oceans

2023 - 2026 RDBN Board Strategic Priorities

Goals Set for the new RDBN Board term - In spring, the RDBN Board held a planning session to determine the Regional District's strategic priorities for the current term, which runs until fall of 2026. These priorities will help guide decision making and work plans, as well as help focus efforts to lobby the province and other levels of government. The priorities are broken into four sections and focus on relationship building with First Nations Governments, advocacy to the province, addressing housing supply shortages and creating economic sustainability within the

1. Relationships with First Nations

Goal - To enhance relationships with First Nations in the region and explore opportunities to collaborate and work in partnership for the benefit of our communities.

Why is it important? - As a Board, we embrace the principles of Truth and Reconciliation. Conversations and dialogue will help to build awareness, understanding and trust and enable us to work together on important issues and achieve better outcomes for our communities.

OBJECTIVES:

- 1.1 Extend invitations for informal meetings/meals with each First Nations government in the region.
- 1.2 Share and discuss respective strategic goals and objectives to identify opportunities for cooperation and collaboration on areas of mutual interest.
- 1.3 Investigate and identify opportunities for the RDBN to provide specific services to First Nations Communities.

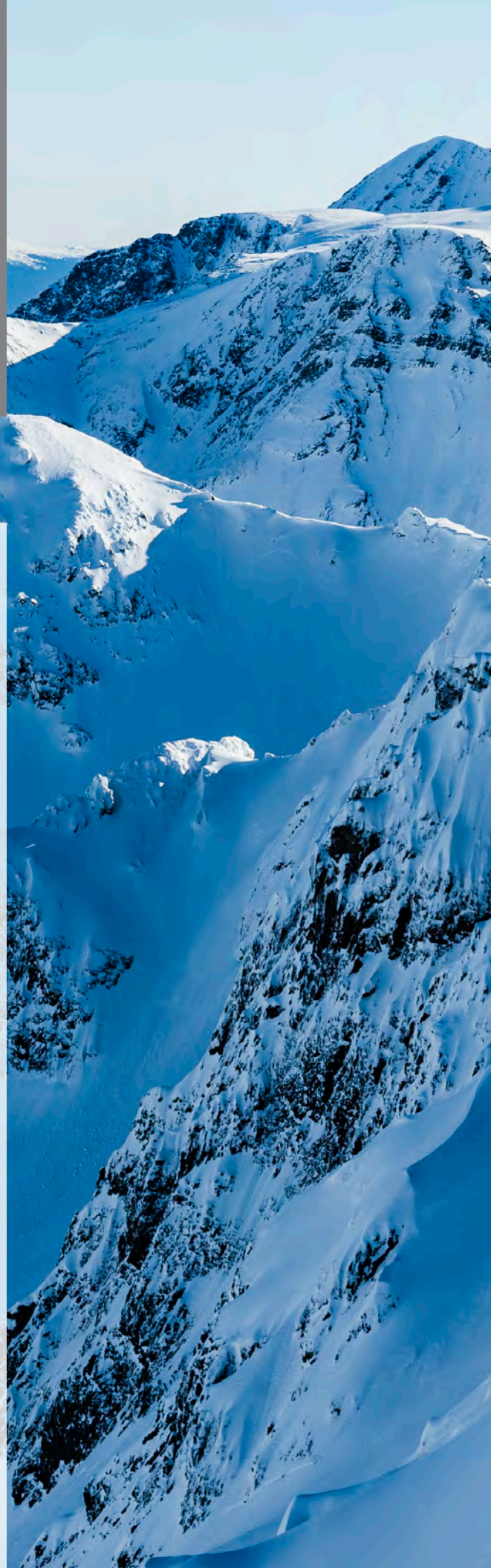
2. Advocacy with the Province

Goal - To advocate and build relationships with provincial ministries to ensure the needs of the region are represented, impacts on our communities from their decisions and policies are understood, and adequate resources are made available to support new and increasing expectations of local government.

Why is it important? - The needs and aspirations of our region are often misunderstood or overlooked and we are increasingly faced with the costs of responding to new requirements and regulations imposed by the provincial government. It is important that we communicate our issues effectively and ensure that an appropriate share of resource revenues flow back to the region.

OBJECTIVES

- 2.1 Support efforts to secure an agreement under the Resource Benefits Alliance by engaging with our communities and consistently messaging our expectations to the Province.
- 2.2 Identify and prioritize topics and issues for provincial advocacy and advance our interests by developing strategic and consistent messaging, and offering solutions that are aligned with mutual goals.
- 2.3 Extend invitations to ministers or senior ministry staff to visit our region so they can observe and discuss our issues and interests in-person.





3. Housing Supply

Goal - To ensure there is an adequate supply and variety of housing options for our citizens.

Why is it important?

There is currently a lack of housing options in the region which impacts availability and affordability and our ability to attract and retain residents.

OBJECTIVES

3.1 Provide support to the non-profit sector in their pursuit of affordable housing projects and initiatives.

3.2 Advocate with the Province for appropriate rules and regulations to reduce impediments to housing development and better-reflect the needs of northern residents.

3.3 Investigate opportunities for the regional district to plan for and/or support the development of workforce housing.

4. Community and Economic Sustainability

Goal - To identify and pursue opportunities to support and diversify our economy.

Why is it important?

A strong economy is essential to grow the region, maintain our quality of life, retain our workforce and ensure our communities are healthy and resilient.

OBJECTIVES

4.1 Convene a tourism summit to better-understand the needs of the tourism sector and explore

how the regional district can support and advance tourism in the region.

4.2 Revisit, prioritize and advance recommendations of the RDBN Food and Agriculture Plan and the work of the Agriculture Coordinator.

4.3 Continue advocacy efforts with the Federal and Provincial governments, First Nations communities and industry for high-speed internet service and explore innovative solutions for high-speed internet service in partnership with the Connectivity Committee and other partners.



ADMINISTRATION DEPARTMENT

Finance

Information Technology

Tax Requisition

Budgeting

Accounts Payable/Receivable

Payroll

Economic Development

Connecting Consumers and Producers

Agricultural Support

Grantwriting Assistance

Regional Business Forum

Start-Up Business Contest

Regional Connectivity

Granting

Community Building Fund

Grant in Aid

Policy Development

Management

HR and Labour Relations

Service Delivery

First Nations Liaison

Public Engagement

Media Releases

Public Reception

Communications Review

Reports and Publications

Board Assistance

Election Services

Board Agendas

Board Minutes



Administration

Bulkley-Nechako Joint Accessibility Advisory Committee - The RDBN supported the organization of a region-wide committee that will help address accessibility concerns for those with visible or invisible disabilities; including physical, cognitive, perceptual, and/or mental health disabilities. The committee was formed to advise all participating Councils and Boards in the Regional District of Bulkley-Nechako of the need to establish, develop and maintain equitable policies, services and facilities for persons with disabilities, including housing, employment, education, and recreation.

Grant Writing Assistance Program - RDBN staff had another successful year in supporting local not-for-profit societies with grant applications. Staff submitted \$1.6 million in applications for \$8.6 million in projects. The RDBN also approved funding through the Grant-in-Aid Program and through the Canada Community Building Fund for local societies and municipalities to improve recreation infrastructure, host events, purchase sports equipment, and many other special projects.

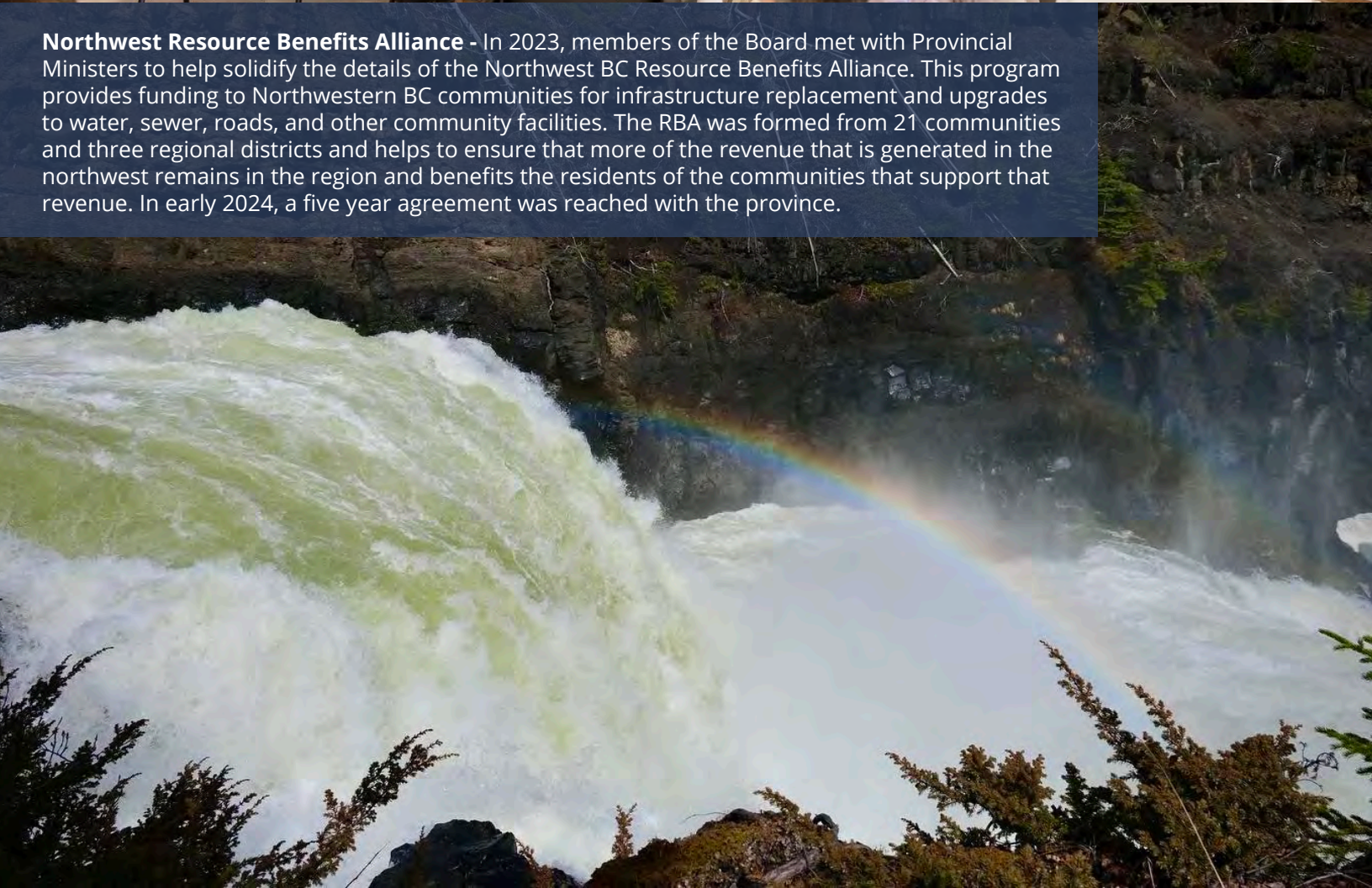
Government Liaison - The Board of the RDBN sought to liaise with and lobby to other levels of government on a variety of topics that are important to the residents of the Bulkley-Nechako. The Board sought changes in regulation surrounding medical workers, veterinarians, and other skilled professionals that would help address ongoing worker shortages in those sectors. Contact was made with all available levels of government to help address the level 5 drought conditions in our area and the effects that they are having on local agriculture. The RDBN also sought clarification and consultation regarding the changes to the Emergency and Disaster Management Act and the potential impacts that the act would have on disaster response.

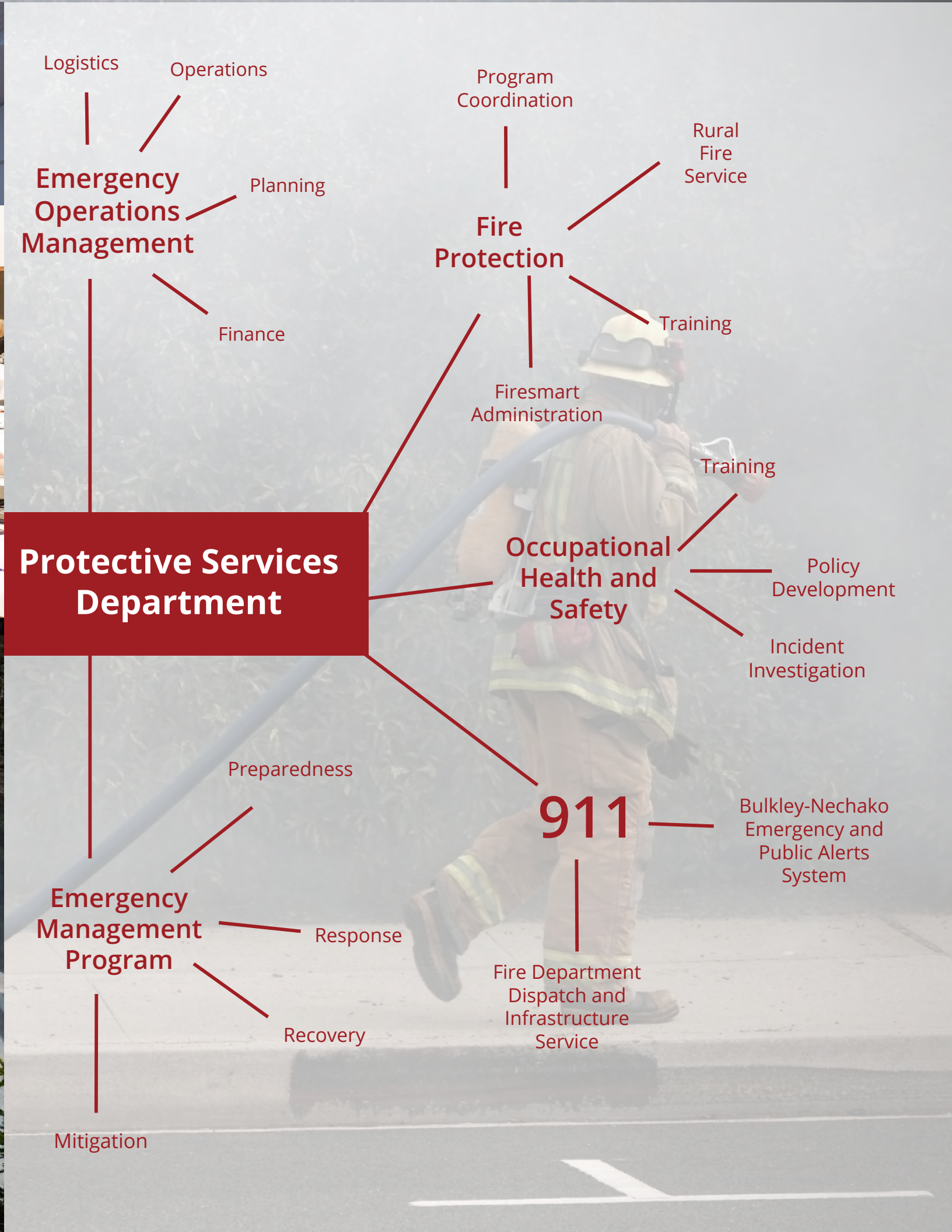
Start-Up Business Contest - The Start-Up Business Contest was held at the Regional Business Forum (see next page) and was designed for businesses that started since January of 2020, or those that would start within 6 months of the contest. Contestants applied, detailing their vision and business model, including their formal plans and cash flow budgets for the first year of business. While the contest typically featured a group of five finalists selected from the applicants, the judges at this year's contest felt that there were too many strong entries and selected six to come to the Business Forum and pitch their businesses to a panel of judges. The finalists were Arcade Party Rentals, Crossroads Cannabis, Freespace Solutions, Mixers Bar and Lounge, The Palisades Cafe, and The Klassen Cabin. The finalists received interviews and coaching time with the judges before the final decision was made, and everyone involved noted that it was a very valuable experience. In the end, while all the finalists received valuable prize packages from our sponsors, the grand prize

Regional Business Forum - In 2023, the RDBN and the Village of Telkwa hosted the Regional Business Forum, which brings together industry leaders, local businesses, business assistance programs, and governmental organizations to discuss business needs in the North. The Forum saw speakers ranging from agricultural specialists, tourism groups, industry managers, and Indigenous leaders, and featured sessions on workforce training and retention, reconciliation, and profitability and marketing. The two-day forum was a huge success with turnout from all over the region and beyond.



Northwest Resource Benefits Alliance - In 2023, members of the Board met with Provincial Ministers to help solidify the details of the Northwest BC Resource Benefits Alliance. This program provides funding to Northwestern BC communities for infrastructure replacement and upgrades to water, sewer, roads, and other community facilities. The RBA was formed from 21 communities and three regional districts and helps to ensure that more of the revenue that is generated in the northwest remains in the region and benefits the residents of the communities that support that revenue. In early 2024, a five year agreement was reached with the province.





Protective Services Department

Logistics
Operations
Emergency Operations Management
Planning
Finance

Program Coordination
Fire Protection
Rural Fire Service
Training
Firesmart Administration

Occupational Health and Safety
Training
Policy Development
Incident Investigation

911
Bulkley-Nechako Emergency and Public Alerts System

Preparedness
Emergency Management Program
Response
Recovery
Mitigation

Fire Department Dispatch and Infrastructure Service

2023 Protective Services Initiatives

Firefighting Response Infrastructure: The Protective Services Department worked to improve the infrastructure for fire suppression in the region. Underground water tank installations were completed at three rural firehalls, making it easier to fill and refill water tenders that the departments use to respond to fires in the rural areas. A back up power generator was purchased and installed at the Southside Fire Department, which will allow for easier coordination and response in the event of a power outage. There was also \$99,000 in grant funding received for training and equipment for the four rural departments.

Structural Firefighter Minimum Training Standard - The Office of the Fire Commissioner (OFC) has released the new updated "Structural Firefighter Minimum Training Standard" for the province of British Columbia. Staff reviewed this document and identified standards to which the RDBN rural departments have not previously trained. Training plans were updated and the gaps in training have been addressed region-wide.

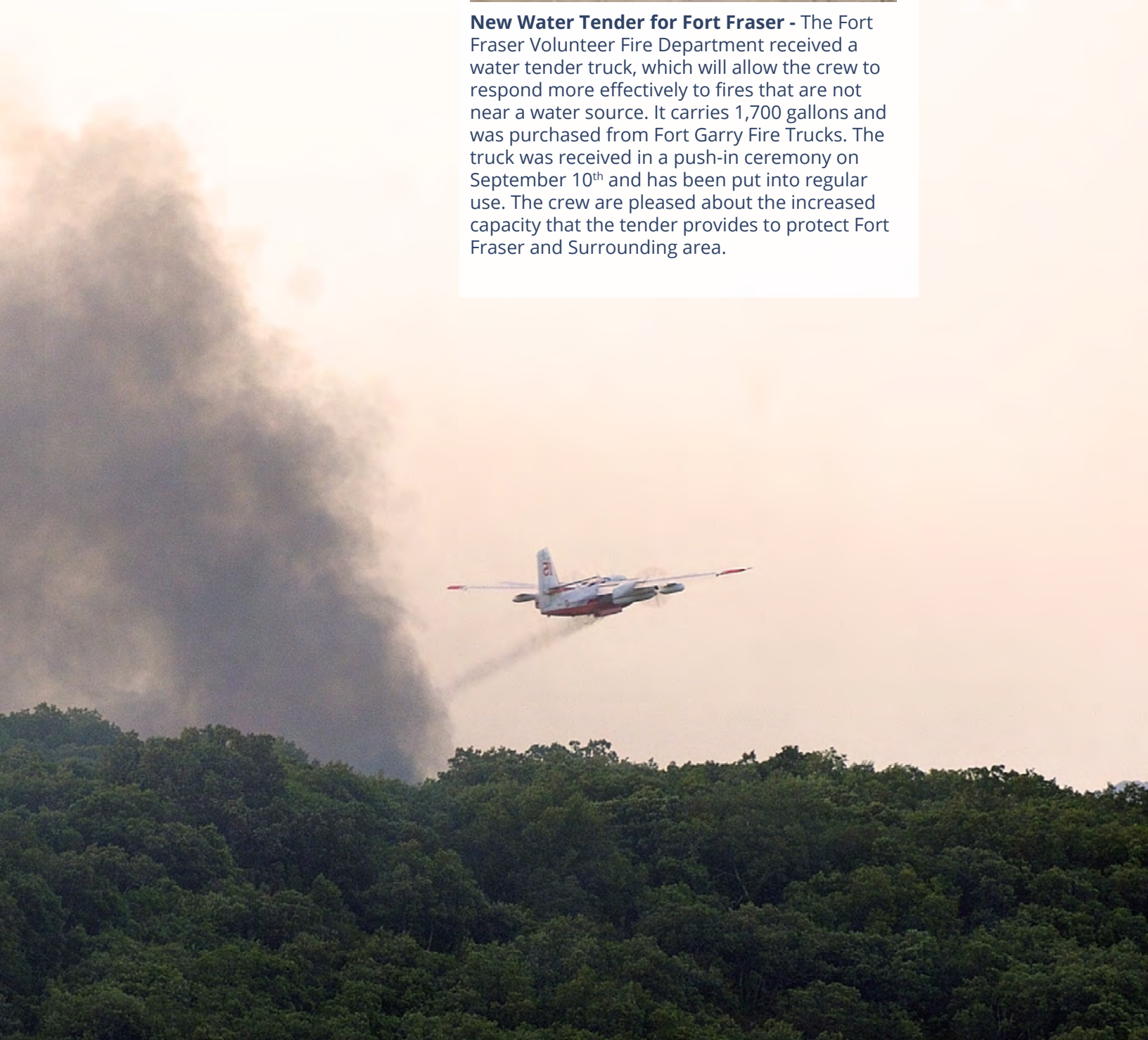
Hazard Risk Vulnerability Assessment Engagement - The Hazard Risk Vulnerability Assessment, which was completed in 2022, was rolled out for engagement and implementation in 2023. The document outlines various hazards from around the region and rates them based on their likelihood and potential threat to life and property. This year, the Protective Services Department presented the assessment to the Board, and brought it forth for public engagement. It will help guide decision making and inform spending in the years to come as the RDBN works to address the potential threats that face our region.

Network of Emergency Support Services Teams Conference - The NESST event was held in Prince George in 2023 and featured a gathering of Emergency Support Service Teams from around the province. The gathering shared resources and discussed means of collaborating to help address shared difficulties. The conference hosted over 200 people and was successful in bringing together emergency responders from all over the province, helping them to collaborate and share information before the start of the 2023 wildfire season.

Firesmart - The Firesmart program is an ongoing initiative that provides assessments to property owners around the region and gives recommendation and funding assistance for remediating the risk that external fires will reach houses and other structures. Firesmart coordinators performed 114 assessments in the region and provided 44 rebates to property owners totalling \$33,290.



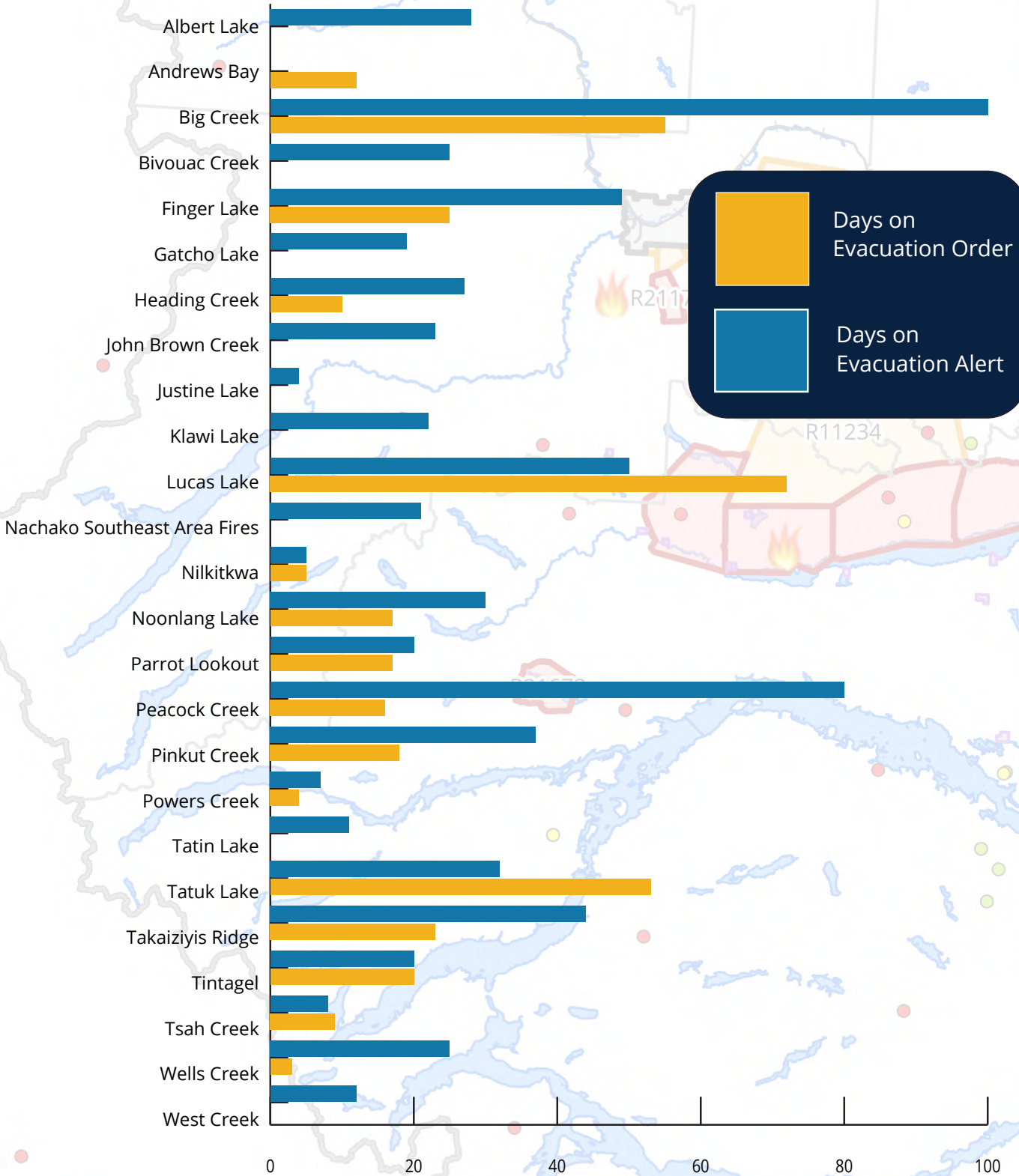
New Water Tender for Fort Fraser - The Fort Fraser Volunteer Fire Department received a water tender truck, which will allow the crew to respond more effectively to fires that are not near a water source. It carries 1,700 gallons and was purchased from Fort Garry Fire Trucks. The truck was received in a push-in ceremony on September 10th and has been put into regular use. The crew are pleased about the increased capacity that the tender provides to protect Fort Fraser and Surrounding area.



2023 Wildfire Season and Emergency Operation Centre Response

The wildfire season in 2023 stretched from spring well into fall, and was one of the most active and difficult seasons that the RDBN has ever faced. The figures on this page demonstrate the incredible response effort that was needed from every level of government and community organization.

Days Spent on Evacuation Order and Alert





Hours Worked in EOC by Department

The Emergency Operations Centre was activated for 123 days from June 27th until well into October. The total staff regular hours worked during that time were 3,714.25 which is equivalent to 7.3 Full Time Employees. The hours worked are broken down by department as follows:

Department	Hours
Administration	568.25
Economic Development	414.75
Environmental Services	100.50
Finance	424.25
Planning	463.50
Protective Services	1,285.25
Summer Students	457.75

Comparison to 2018 Wildfire Season

The most active wildfire season prior to 2023 was in 2018. The following chart compares the two seasons.

Response Type	2018	2023
Fires Responded to	15	25
Days EOC Active	72	113
Days under State of Local Emergency	51	82
Evacuation Alerts & Orders Issued	64	89
Number of Dwellings under Evacuation Order	1,544	673
~Number of People Displaced	3,475	1,548



BRITISH COLUMBIA FireSmart™

The FireSmart Program helps homeowners to get their property assessed for hazards that might make them vulnerable to wildfire and to take action to mitigate the issue. A review of their property is completed and recommendations are made such as removing flammable plants from beside the house, cutting off low limbs of trees, and not connecting wooden fences to the structure of the house. The success of this program has helped make our area more resilient to wildfires as small factors can make the difference between spark and blaze.

The results of the program can be found in the table to the right.

FireSmart Funding		
Year	Assessments	Rebates
2021	116	\$10,945
2022	80	\$17,582
2023	115	\$33,290
Total	311	\$61,817



Bulkley Nechako Emergency & Public Alerts

During an emergency it is important that residents have access to reliable, timely, and accurate information to ensure their own safety and that of their family and loved ones. In response to this need, the communities of Bulkley Nechako have chosen Voyent Alert! as the communication service provider for these kinds of events. Voyent Alert! is a multi-purpose communication service used to send alerts to residents, businesses, and visitors during critical events like fires or floods as well as for relevant day-to-day communications such as public works maintenance, snow removal advisories, etc.

Registration for the service is FREE, simple, and totally anonymous.

Mobile App Users: Download and install the Voyent Alert! app from the Apple or Google Play App stores. Email, text or landline users can sign up here: <https://voyent-alert.com/ca/community/>



Planning Department

Building Inspection

Electoral Areas

Municipalities

GIS Mapping

Civic Addressing

Bylaw Enforcement

Land Use Planning

ALR Applications

Development Approval

Environment Assessment Certificate Reviews

Subdivision and Other Approvals

Official Community Plans

Transit

Route 1
Burns Lake to Smithers

Route 2
Burns Lake to Prince George

Parks and Trails

RDBN Parks

Support to Societies



2023 Planning Services Initiatives

Regional Housing Initiative - This project involved the hiring of a housing planner to assist the RDBN and member municipalities in meeting the region's housing challenges in a coordinated and proactive manner. Municipalities cannot thrive without a well-functioning rural area. Rural residents equally rely on municipalities for services, amenity, and housing. In particular, rural residents rely on adequate municipal housing to allow seniors to age in place and remain in their home region. The RDBN believes it is important to support municipalities in meeting the region's housing challenges. The project has been funded through Northern Development Initiative Trust and the Rural Economic Diversification and Infrastructure Program and will run for the coming three years.

Parks and Trails - This year the RDBN Parks and Trails service took another step forward with the creation of a Parks Use Regulation Bylaw. This bylaw establishes the authority for posting and enforcing park use rules, and managing parks and trails operations. Planning Department work on developing and expanding parks and trails continues across the region with a focus on Phase 2 of the Cycle 16 Trail, a proposed new trail along Hwy 35 from Burns Lake, a redevelopment plan for the Round Lake Park, upgrades to Hospital Point Park, and a pedestrian railway crossing at a proposed new Imeson's Beach Park.

BC Housing Statutes (Residential Development) Amendment Act - This Act, which came into effect in 2023, requires local governments to amend their zoning bylaws to allow a secondary suite or additional dwelling in all single family / two family residential zones. The RDBN's flexible zoning regulations already met the majority of the Province's mandated requirements. The RDBN was easily able to come into compliance with the new Provincial rules by the June 30th deadline.



Cycle 16 Trail Grand Opening - Phase 1 of the Cycle 16 Trail that runs East from the Town of Smithers was completed in 2023 and opened for use. The trail parallels Highway 16 and runs for 3.5 kms to Laidlaw Road. The remaining two phases of the trail will connect with the Village of Telkwa. A similar trail has been proposed on Highway 35 South of Burns Lake to the Francois Lake Ferry.



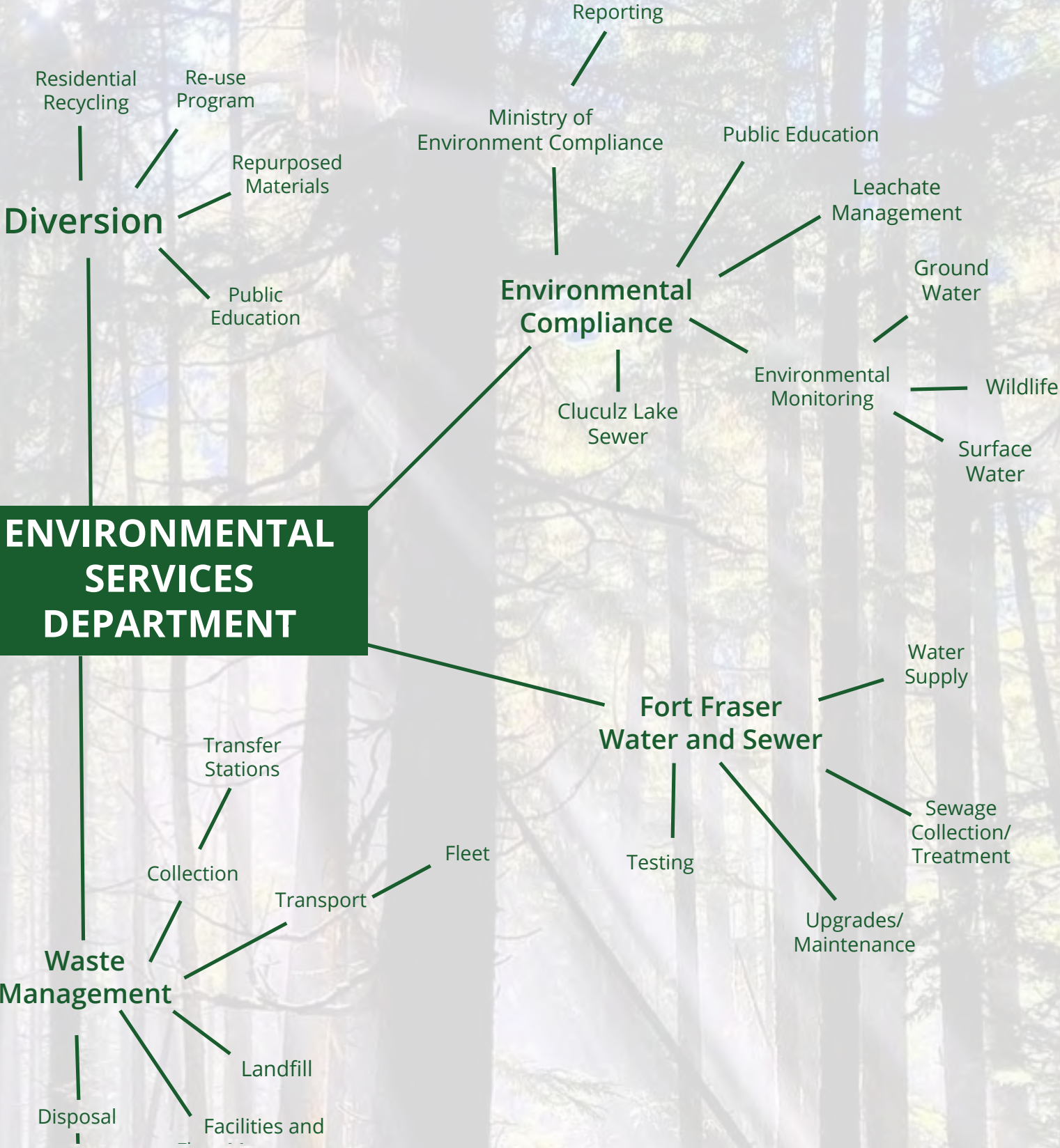
2023 Building Permit Data

Area	Total Permits	Total Construction Value
A	37	\$9,457,000
B	21	\$2,511,513
C	11	\$1,915,800
D	17	\$2,819,843
E	N/A	N/A
F	17	\$3,059,832
G	5	\$735,000
Burns Lake	27	\$21,152,615
Fort St. James	11	\$1,598,394
Fraser Lake	10	\$708,000
Granisle	3	\$25,500
Houston	25	\$1,758,800
Telkwa	19	\$2,006,500
2023 RDBN Totals	203	\$47,748,787
Vanderhoof	26	\$10,697,281
Smithers	80	\$19,851,165
Totals	309	\$78,297,243

The RDBN has seen record high building permit applications since 2020. As well as the rural area permits, the RDBN contracts permit services to the smaller municipalities in the region, processing applications and performing inspections.

10 Year Historical Rural Area Permit Data

Year	Number of New Permits	Construction Values	Permit Fees
2023	108	\$20,198,978	\$106,744
2022	138	\$29,653,559	\$168,763
2021	147	\$30,238,356	\$163,668
2020	137	\$17,784,976	\$93,473
2019	128	\$17,665,394	\$97,935
2018	100	\$14,036,541	\$79,758
2017	102	\$13,699,822	\$84,353
2016	91	\$6,983,200	\$42,515
2015	101	\$8,555,444	\$47,927
2014	115	\$12,102,760	\$71,235



2023 Environmental Services Initiatives

Extended Recycling Programs- The Environmental Services Department worked throughout the year to expand and streamline recycling programs across the region. Several services were added, allowing for many sites to now receive batteries, outdated technology, soft foam packaging, and many other items. Additionally, flexible plastics no longer need to be separated from plastic bags and overwrap, which helps speed up the drop off process for users. Recycling depots are also open extended hours, allowing users to drop off recycling whenever the transfer stations are open.

Recycling Infrastructure - In addition to the service expansion mentioned above, recycling depot infrastructure was added to the Houston and Area G (Houston/Granisle Rural) and the Fraser Lake and Area D (Fraser Lake Rural) Transfer Stations. These shelters will help maintain cleanliness at the recycling sites and protect the items from wind and weather damage.

Fort Fraser Sewage Treatment - In 2023, the sewage treatment system was upgraded in Fort Fraser. This system will allow for sustainable treatment of wastewater for the community of Fort Fraser for the decades to come.

Knockholt Landfill Lagoon Upgrades - Work began this year to install new aeration equipment in the leachate ponds at the Knockholt Landfill as part of its ongoing expansion. Leachate, which is rain water and other moisture that has filtered through the solid waste at the landfill, requires extensive treatment before it can be allowed to flow off site into the surrounding environment. The aeration system improves the breakdown of materials in the pond, and prepares the leachate to move into a further filtration pond. This equipment was installed to provincial standards and will help maintain the sustainability of the landfill and protect the local environment from the harmful affects of solid waste.

New Skid Steer Equipment - Thanks to funding received from TC Energy, the RDBN was able to purchase an additional skid steer for use at the solid waste sites. The new unit will replace an aging skid steer in the fleet with a new, more functional model. Additionally, this funding will allow the outdated machine to be repaired and used as a backup that can be deployed when other machines are in need of maintenance and repairs, so as not to disrupt service delivery. Moving waste and recyclables safely and efficiently is a major part of solid waste operations, and keeping the machines maintained while they are in constant use can be difficult. The funding received will help this essential aspect of the Environmental Services operations to be maintained.



Clearview Landfill Expansion - With the help of funding from the Northern Healthy Communities Fund and LNG Canada, the RDBN began work on expanding the Clearview Landfill. The expansion will encompass a 3600m² area, beginning with soil and drainage shaping to ensure precipitation that falls onto the site and flows through the waste is diverted into a decontamination system. At the base of the cell where the waste will be deposited, leachate collection pipes will be installed. This phase of the landfill expansion also necessitates the installation of a leachate collection sump, as well as a treatment pond. The leachate treatment ponds will likely include active mixing and aeration to promote microbial activity which will process the contaminants so the water can be safely discharged into the environment. Finally, a polishing pond will be created in which specialized flora remove ammonia and other contaminants from the water so that it can be safely discharged off-site without impacting the environment. The sump and treatment ponds will serve the landfill's next eight expansion cells, which will reduce the cost of future expansions.



**Attached are the
2023 Audited Financial
Statements**



REGIONAL DISTRICT OF BULKLEY-NECHAKO

FINANCIAL STATEMENTS

December 31, 2023

REGIONAL DISTRICT OF BULKLEY-NECHAKO

FINANCIAL STATEMENTS

December 31, 2023

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Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and external audited financial statements yearly. The Board also discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Beswick Hildebrandt Lund Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Regional District of Bulkley-Nechako and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Regional District of Bulkley-Nechako

John Illes
Chief Financial Officer

Mark Parker
Board Chair

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Regional District of Bulkley-Nechako

Opinion

We have audited the financial statements of Regional District of Bulkley-Nechako (the Entity), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standard.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Partners

Allison Beswick CPA, CA
Norm Hildebrandt CPA, CA
Robin Lund CPA, CGA

Dane Soares CPA
Taylor Turkington CPA

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T: +1 250 564 2515, F: +1 250 562 8722

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



CHARTERED PROFESSIONAL ACCOUNTANTS

Beswick Hildebrandt Lund

Chartered Professional Accountants

Prince George, British Columbia

May 9, 2024

REGIONAL DISTRICT OF BULKLEY-NECHAKO

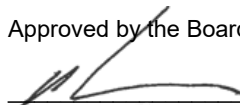
STATEMENT OF FINANCIAL POSITION

December 31, 2023

	<u>2023</u>	<u>2022</u>
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 25,116,602	\$ 21,370,937
Accounts receivable	717,992	701,755
Grants receivable	528,582	1,395,230
Investments (Note 3)	89	89
Debt Reserve Fund - Municipal Finance Authority (Note 4)	153,435	158,165
Debentures recoverable from municipalities (Note 5)	<u>6,744,430</u>	<u>7,326,906</u>
	<u>33,261,130</u>	<u>30,953,082</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6, 10 and 12)	1,827,812	6,791,289
Deferred revenue (Note 7)	8,826,638	9,285,825
Asset retirement obligations (Note 13)	10,382,629	-
Debt Reserve Fund - Municipal Finance Authority (Note 4)	153,435	158,165
Debentures issued for municipalities (Note 5)	6,744,430	7,326,906
Debentures issued for the Regional District (Note 9)	<u>326,199</u>	<u>346,702</u>
	<u>28,261,143</u>	<u>23,908,887</u>
NET FINANCIAL ASSETS	<u>4,999,987</u>	<u>7,044,195</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 3)	29,425,734	22,767,614
Prepaid expenses	<u>80,080</u>	<u>356,261</u>
	<u>29,505,814</u>	<u>23,123,875</u>
ACCUMULATED SURPLUS (Note 14)	<u>\$ 34,505,801</u>	<u>\$ 30,168,070</u>

CONTINGENCIES (Note 10)

Approved by the Board:

 _____ Chairperson

 _____ Chief Financial Officer

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

STATEMENT OF OPERATIONS

For the year ended December 31, 2023

	2023		2022
	<u>Budget</u> (Note 15)	<u>Actual</u>	<u>Actual</u>
REVENUE (Schedule 4)			
Property tax requisition			
Electoral area	\$ 8,378,817	\$ 8,378,819	\$ 7,564,039
Municipal	4,341,029	4,341,029	4,048,150
	<u>12,719,846</u>	<u>12,719,848</u>	<u>11,612,189</u>
Grants-in-lieu of taxes	1,227,939	1,284,108	1,249,205
Federal grants - conditional	2,080,000	1,129,343	863,098
Fees and permits	1,592,454	2,292,520	2,054,102
Municipal debt payments (Note 5)	749,800	661,385	749,535
Provincial grants - northern capital	1,206,204	706,359	1,068,539
Provincial grants - unconditional	185,000	195,000	394,654
Other grants - conditional	1,109,708	2,496,416	929,144
Emergency expenditure recoveries	250,000	578,273	30,573
Interest	500	498,090	183,478
Municipal cost sharing	247,034	256,231	258,141
Sundry	363,868	704,960	1,504,096
Administration recoveries	16,790	18,571	16,657
Donations	-	106,000	12,946
Debt sinking fund actuarial earnings (Note 9)	-	5,703	8,088
Community forest	15,000	149,300	89,600
	<u>21,764,143</u>	<u>23,802,107</u>	<u>21,024,045</u>
EXPENSES (Schedule 1) (Schedule 4)			
Environmental services	6,214,863	6,273,100	5,829,679
Government - general, rural and local commission	4,890,942	3,804,317	3,460,388
Recreation and culture	3,765,099	3,423,617	2,871,661
Fire protection and emergency response	3,363,066	3,229,101	2,606,552
Building inspection, building numbering, planning and development services	1,214,350	1,184,684	1,138,201
Economic development	589,090	438,990	468,447
Municipal debt payments (Note 5)	749,800	661,385	749,535
Street lighting and transportation	460,109	280,259	282,492
Sewer and water	200,867	168,923	131,584
	<u>21,448,186</u>	<u>19,464,376</u>	<u>17,538,539</u>
ANNUAL SURPLUS	315,957	4,337,731	3,485,506
ACCUMULATED SURPLUS - BEGINNING OF YEAR	<u>30,168,070</u>	<u>30,168,070</u>	<u>26,682,564</u>
ACCUMULATED SURPLUS - END OF YEAR (Note 14)	<u>\$ 30,484,027</u>	<u>\$ 34,505,801</u>	<u>\$ 30,168,070</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31, 2023

	<u>2023</u>		<u>2022</u>
	<u>Budget</u> (Note 15)	<u>Actual</u>	<u>Actual</u>
ANNUAL SURPLUS	\$ 315,957	\$ 4,337,731	\$ 3,485,506
Acquisition of tangible capital assets	(3,527,312)	(8,489,258)	(3,959,850)
(Gain) loss on sale of tangible capital assets	-	(3,451)	7,633
Proceeds on sale of tangible capital assets	-	40,000	-
Amortization of tangible capital assets	1,517,450	1,794,589	1,542,382
	(1,693,905)	(2,320,389)	1,075,671
Net use of (addition to) prepaid expenses	-	276,181	(214,773)
CHANGE IN NET FINANCIAL ASSETS	(1,693,905)	(2,044,208)	860,898
NET FINANCIAL ASSETS AT BEGINNING OF THE YEAR	7,044,195	7,044,195	6,183,297
NET FINANCIAL ASSETS AT END OF THE YEAR	<u>\$ 5,350,290</u>	<u>\$ 4,999,987</u>	<u>\$ 7,044,195</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

STATEMENT OF CASH FLOWS

For the year ended December 31, 2023

	2023	2022
OPERATING ACTIVITIES		
Annual surplus	\$ 4,337,731	\$ 3,485,506
Add: Non-cash items		
Debt sinking fund actuarial earnings (Note 9)	(5,703)	(8,088)
Amortization of tangible capital assets	1,794,589	1,542,382
Loss (gain) on sale of tangible capital assets	(3,451)	7,633
	6,123,166	5,027,433
Changes in non-cash working capital:		
Accounts receivable	(16,237)	30,162
Grants receivable	866,648	(901,318)
Accounts payable and accrued liabilities	(4,963,477)	512,530
Deferred revenue	(459,187)	(1,084,828)
Asset retirement obligations	10,382,629	-
Prepaid expenses	276,181	(214,773)
	12,209,723	3,369,206
FINANCING ACTIVITIES		
Debt repayments	(14,800)	(11,745)
	(14,800)	(11,745)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(8,489,258)	(3,959,850)
Proceeds on disposal of tangible capital assets	40,000	-
	(8,449,258)	(3,959,850)
INCREASE (DECREASE) DURING THE YEAR	3,745,665	(602,389)
CASH AT BEGINNING OF THE YEAR	21,370,937	21,973,326
CASH AT END OF THE YEAR	\$ 25,116,602	\$ 21,370,937

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

The Regional District of Bulkley-Nechako (“the Regional District”) was incorporated as a Regional District on February 1, 1966 under the Municipal Act (replaced by the Local Government Act) of British Columbia. The Regional District provides a political and administrative framework for region-wide, inter-municipal and sub-regional services and acts as the local government for electoral areas.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

No Statement of Remeasurement Gains and Losses has been included because the Regional District does not own assets that would result in unrealized gains or losses. The function of this statement is to reconcile the accumulated surplus between operating and remeasurement gains and losses.

Funds and reserves

Certain amounts, as approved by the Board of Directors, through a bylaw, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development improvement or betterment of the asset. Costs include overhead directly attributable to construction and development but exclude interest costs directly attributable to the acquisition or construction of the asset.

Contributed tangible capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where there are stipulations on their use or where fair value cannot be reasonably determined, in which case they are recognized at a nominal value.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful life of the asset.

Buildings	40-50 years
Water and waste systems	50 years
Heavy vehicles	10-20 years
Passenger vehicles	6-10 years
Other equipment	5-20 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Regional District’s ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Assets under construction are not amortized until the asset is available for productive use.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Tax revenue from local government requisitions are recognized in the year levied, provided that the effective date of tax has passed and the related bylaws have been approved by the Board of Directors.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for the specific purpose. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable and are presented as non-financial assets in the statement of financial position.

Grants received from the Federal Gas Tax Agreement and Northern Capital Planning Grant Agreement are each contributed to a designated reserve and recorded as revenue in the year amounts are expended on qualifying projects.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Regional District will be required to settle. The Regional District recognizes asset retirement obligations when there is a legal obligation to incur retirement costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

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

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

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Measurement uncertainty

The preparation of the financial statements in accordance with Canadian PSAS 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 amount of revenues and expenses during the year. These estimates and assumptions are based on management's judgement and the best information available at the time of preparation and may differ significantly from actual results. Estimates are reviewed periodically or as new information becomes available, by management, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Significant estimates include the determination of the useful life of tangible capital assets, valuation of the landfill closure and post-closure obligation, and provisions for contingencies.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Financial instruments

Measurement of financial instruments

The Regional District initially measures its financial assets and financial liabilities at fair value. The Regional District subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash and cash equivalents, accounts receivable, cash deposits included in the debt reserve fund – Municipal Finance Authority, investments, and debentures recoverable from municipalities.

Financial liabilities measured at cost include accounts payable and accrued liabilities, debentures issued for municipalities, debentures issued for the Regional District, and financial liabilities included in the debt reserve fund –Municipal Finance Authority.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Regional District recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Investments

Investments are reported at cost or amortized cost less any write-downs associated with a loss in value that is other than a temporary decline.

Change in accounting policy

Effective, January 1, 2023 the Regional District adopted PS 3280, Asset Retirement Obligations. The new standard establishes guidelines for acknowledging, assessing, presenting, and disclosing legal responsibilities connected with the retirement of tangible capital assets. The Regional District has chosen the prospective approach where liabilities are recognized on a forward-looking basis for the current and subsequent periods only. The valuation and accounting of the asset retirement obligation is completed at the time of adoption without consideration for previous years.

2. CASH AND CASH EQUIVALENTS

	<u>2023</u>	<u>2022</u>
Bank accounts	\$ 6,148,431	\$ 5,220,693
Petty cash	250	250
Guaranteed investment certificates	<u>18,967,921</u>	<u>16,149,994</u>
	<u>\$ 25,116,602</u>	<u>\$ 21,370,937</u>

Cash and cash equivalents consist unrestricted cash and fixed income guaranteed investment certificates, which have a maturity of one year or less, and are carried at market value which approximates cost. For the year ended December 31, 2023, the guaranteed investment certificate interest rates ranged between 1.30% to 6.15% (2022 – ranged between 1.30% to 5.60%).

3. INVESTMENTS

The Regional District has a 9% interest in the Chinook Comfor Limited Partnership and Chinook Comfor Ltd.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

4. DEBT RESERVE FUND – MUNICIPAL FINANCE AUTHORITY

The Regional District issues debt instruments through the Municipal Finance Authority of British Columbia (“MFA”), and as a condition of borrowing, one percent of the debenture proceeds is withheld as a debt reserve fund. The Regional District also executes demand notes in connection with each debenture whereby the Regional District could be required to pay certain amounts to MFA in excess of the debt borrowed. The demand notes are contingent in nature, and it is unlikely that they will be called; therefore, a liability has not been reported in the financial statements (see note 10).

The Regional District reports the debt reserve fund balances for both debts issued on its behalf, and on behalf of member municipalities, as a financial asset. Because all debt reserve fund refunds received on behalf of Municipal borrowing are repayable to those Municipalities, the Municipal portion of the Debt Reserve Fund balances are also reported as a financial liability.

5. DEBT RECOVERABLE FROM MUNICIPALITIES

When a member Municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of British Columbia (“MFA”), the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to MFA. When payments (interest and sinking fund or principal) are made on this debt, the Regional District pays MFA and is in turn reimbursed by the Municipality.

The Regional District therefore reports the net outstanding debt borrowed on behalf of Municipalities as both a financial liability and a financial asset.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

5. DEBT RECOVERABLE FROM MUNICIPALITIES, continued

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Net Debt Outstanding	
	Year	Amount			2023	2022
Vanderhoof Issue 145	2018	1,000,000	2038	3.15%	802,417	844,303
Smithers Issue 142	2017	3,000,000	2037	3.15%	2,277,821	2,407,250
Vanderhoof Issue 142	2017	2,000,000	2037	3.15%	1,518,546	1,604,833
Smithers Issue 127	2013	650,000	2034	3.30%	418,997	448,872
Fort St. James Issue 124	2013	304,879	2033	4.52%	181,956	196,528
Smithers Issue 124	2012	147,639	2033	4.52%	88,113	95,170
Fort St. James Issue 124	2013	121,952	2028	4.52%	48,830	57,499
Smithers Issue 116	2011	800,000	2026	1.47%	198,763	260,587
Houston Issue 99	2006	2,407,125	2032	1.53%	1,037,414	1,145,671
Smithers Issue 81	2004	500,000	2024	2.85%	38,211	74,602
Smithers Issue 79	2003	500,000	2023	2.25%	-	38,211
Granisle 149	2019	210,000	2029	2.24%	133,362	153,380
		<u>\$ 11,641,595</u>			<u>\$ 6,744,430</u>	<u>\$ 7,326,906</u>

Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA.

Principal paid during 2023 was \$415,715 (2022 - \$430,836). Interest paid during 2023 was \$305,649 (2022 - \$308,964).

The MFA performs a rate reset on long-term loans each 5 year period beginning after the first 10 year term; therefore, interest rates on long-term debt are subject to change.

Actuarial earnings received during 2023 was \$166,760 (2022 - \$169,642). Future principal payments, including sinking fund additions, on existing debt are as follows:

2024	\$ 563,931
2025	544,166
2026	562,324
2027	510,152
2028	527,028
Thereafter	<u>4,036,829</u>
	<u><u>\$ 6,744,430</u></u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
Trade payables	\$ 915,404	\$ 852,005
Vacation accrual	259,060	248,290
Sick leave accrual (Note 10)	273,262	304,324
Retirement accrual (Note 10)	380,086	315,279
Landfill closure cost accrual (Note 12)	-	5,071,391
	<u>\$ 1,827,812</u>	<u>\$ 6,791,289</u>

7. DEFERRED REVENUE

	<u>2023</u>	<u>2022</u>
Government transfers - Northern Capital Planning Grant	\$ 2,005,885	\$ 2,611,985
Government transfers - Federal Gas Tax Reserve	6,679,642	6,593,666
Government transfers - COVID Restart Grant	-	8,924
Government transfers - Provincial	70,000	70,000
Other	71,111	1,250
	<u>\$ 8,826,638</u>	<u>\$ 9,285,825</u>

Government transfers – Federal Gas Tax Reserve

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards qualifying expenditures as specified in the funding agreement. The Regional District maintains the amounts in a statutory reserve.

	<u>2023</u>	<u>2022</u>
Opening balance	\$ 6,593,666	\$ 6,395,443
Add: Amounts received in the year	936,063	897,100
Interest earned	279,256	151,176
	<u>1,215,319</u>	<u>1,048,276</u>
Less: Amounts spent in the year	<u>(1,129,343)</u>	<u>(850,053)</u>
Closing balance	<u>\$ 6,679,642</u>	<u>\$ 6,593,666</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

7. DEFERRED REVENUE, continued

Government transfers – Northern Capital Planning Grant

Northern Capital and Planning funding is provided by the Province of British Columbia. The Northern Capital and Planning funding may be used towards infrastructure and eligible projects include engineering, infrastructure planning, pipes, wells, treatment facilities, building, roads, machinery, equipment, vehicles, and other associated capital that are owned and controlled by the Regional District. This can also include the cost of land associated with developing the above capital investment.

	<u>2023</u>	<u>2022</u>
Opening balance	<u>\$ 2,611,985</u>	<u>\$ 3,612,795</u>
Add: Amounts received in the year	-	-
Interest earned	<u>100,259</u>	<u>67,728</u>
	<u>100,259</u>	<u>67,728</u>
Less: Amounts spent in the year	<u>(706,359)</u>	<u>(1,068,538)</u>
Closing balance	<u><u>\$ 2,005,885</u></u>	<u><u>\$ 2,611,985</u></u>

The Northern Capital Planning Grant is broken into the following reserves:

<u>Reserve</u>	<u>Initial Allocation</u>	<u>Planning Expenses</u>	<u>Capital Expenses</u>	<u>Total Interest</u>	<u>December 31, 2023 Balance</u>
General Administration	\$ 1,019,248	\$ 397,003	\$ 163,719	\$ 60,770	\$ 519,296
Clucluz Lake Fire Service	623,068	31,008	603,148	11,088	-
Protective Services	1,375,000	186,927	947,866	76,871	317,078
Glacier Gulch Water Diversion	30,000	-	-	3,461	33,461
Round Lake Fires Service	10,000	-	-	1,154	11,154
Luck Bay Fire Service	60,000	-	45,796	2,357	16,561
Fort Fraser Fire	186,595	-	191,237	4,642	-
Economic Development	185,273	-	-	21,376	206,649
Regional Parks and Trails	1,055,345	58,164	553,110	55,324	499,395
Environmental Service	2,394,843	-	2,069,268	76,716	402,291
Fort Fraser Water and Sewer Utilities	425,628	-	447,234	21,606	-
	<u><u>\$ 7,365,000</u></u>	<u><u>\$ 673,102</u></u>	<u><u>\$ 5,021,378</u></u>	<u><u>\$ 335,365</u></u>	<u><u>\$ 2,005,885</u></u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

7. DEFERRED REVENUE, continued

Government transfers – COVID Restart Grant

COVID Restart funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. COVID Restart funding may be used towards qualifying expenditures as specified in the funding agreement.

	<u>2023</u>	<u>2022</u>
Opening balance	\$ 8,924	\$ 351,470
Add: Amounts received in the year	-	-
Interest earned	-	-
	-	-
Less: Amounts spent in the year	(8,924)	(342,546)
Closing balance	<u>\$ -</u>	<u>\$ 8,924</u>

8. CREDIT FACILITY

The Regional District has available on an authorized operating line of credit to a maximum of \$400,000. This facility bears interest at prime rate of 7.2% (December 31, 2022 – 6.45%) and is secured by the current borrowing resolution. The facility remained unused at year end.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

9. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT

The Regional District issues debt instruments through the Municipal Finance Authority of British Columbia (“MFA”), pursuant to security issuing bylaws, under authority of the Community Charter, to finance certain capital expenditures. The debt is issued on a sinking fund basis, whereby MFA invests the Regional District's principal payments so that the payments plus investment income, will equal the original outstanding debt amount at the end of the repayment period. Actuarial earnings on debt represent the repayment and/or forgiveness of debt by the MFA using surplus investment income generated by the principal payments. Gross amount of debt and the repayment and actuarial earnings to retire the debt are as follows:

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Repayment & Actuarial Earnings	2023 Principal Repayment	Net Debt Outstanding	
	Year	Amount					2023	2022
Round Lake Fire Protection	2017	\$ 14,909	2037	3.15%	\$ 3,034	\$ 555	\$ 11,320	\$ 11,963
Luck Bay Fire Protection	2006	125,000	2026	1.53%	95,278	4,198	25,524	33,386
Topley Rural Fire Protection	2016	366,348	2041	2.10%	66,945	10,048	289,355	301,353
		<u>\$ 506,257</u>			<u>\$ 165,257</u>	<u>\$ 14,801</u>	<u>\$ 326,199</u>	<u>\$ 346,702</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

9. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT, continued

Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA.

Principal paid during 2023 was \$14,801 (2022 - \$14,801). Interest paid during 2023 was \$10,075 (2022 - \$10,075).

The MFA performs a rate reset on long-term loans each 5 year period beginning after the first 10 year term; therefore, interest rates on long-term debt are subject to change.

Actuarial earnings received during 2023 was \$5,703 (2022 - \$5,032). Future principal payments, including sinking fund additions, on existing debt are as follows:

2024	21,197
2025	21,915
2026	22,657
2027	14,228
2028	14,655
Thereafter	231,547
	\$ 326,199

10. CONTINGENCIES

Municipal Finance Authority Demand Notes

The Regional District is contingently liable to the Municipal Finance Authority of British Columbia ("MFA") in excess of the amounts borrowed under the terms of demand notes issued to MFA.

Member municipalities have signed offsetting demand notes to the Regional District for borrowing made on their behalf. The amounts are as follows:

	2023	2022
Demand Notes Outstanding:		
Borrowing on behalf of member municipalities	\$ 286,163	\$ 302,559
Borrowing for Regional District purposes	9,332	9,332
	\$ 295,495	\$ 311,891

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

10. CONTINGENCIES, continued

Employee Sick Leave

The Regional District is contingently liable to pay its employees sick leave. The total maximum value of the accumulated sick time is \$587,555 at December 31, 2023 (2022 - \$519,401). As at year end an amount of \$273,262 (2022 - \$304,324) has been recognized as a liability, representing the estimated future usage of accumulated sick days.

Employee Retiring Allowance

The Regional District is contingently liable to pay employees one week salary for every year of employment to a maximum of 13 weeks upon normal retirement from the Regional District. The total value of this retiring allowance is \$551,989 at December 31, 2023 (2022 - \$484,392). As at year end an amount of \$380,086 (2022 - \$315,279) has been accrued as an estimate of the liability.

11. MUNICIPAL PENSION PLAN

The Regional District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

The most recent actuarial 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 Regional District paid \$383,659 (2022 - \$394,719) for employer contributions to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

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

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

12. UNDERFUNDED LIABILITY FOR LANDFILL CLOSURE COSTS

British Columbia environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

There are new PSAS requirements that came into effect in 2023 (PSAS 3280 – Asset Retirement Obligations) that change how landfill closure liabilities are recorded. See Note 13 for more information regarding landfill closure costs.

The liability expense of \$5,071,391 is unfunded as at December 31, 2022.

13. ASSET RETIREMENT OBLIGATION

The Regional District owns and operates the following assets that have asset retirement obligations associated with them:

Landfill Obligation

The Ministry of Environment and Climate Change Strategy (MoECCS) Landfill Criteria for Municipal Solid Waste outlines regulations for the closure and care of both active and inactive landfill sites. These requirements encompass activities such as final covering and landscaping, leachate treatment and monitoring, groundwater and surface water monitoring, gas monitoring and recovery, and ongoing maintenance of various control and drainage systems. Estimated liabilities for closure and post-closure care are based on assumptions and information available to management, covering a period ranging from 100 – 200 years depending on the capacity of the landfill. Future events may alter these estimates, leading to adjustments in recognized liabilities as changes in estimates occur.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure monitoring activities using an assumed rate of 5.0% (2022 – n/a) for inflation and a discount factor of 5.0% (2022 – n/a) for most obligations except for a 3% discount factor for long term obligations for the three active landfills to reflect a better estimate for those obligations that may not be realized for an extensive period of time. The Regional District currently has 16 inactive and 3 active landfill sites. The Regional District uses the median return of its GIC investments for the discount factor and an estimate of the inflation rate based on an assessment of contract rates for construction activities that the Regional District undertakes in the current year. Both of these rates are trending downwards.

Asbestos Obligation

Asbestos and other designated hazardous materials represent a health hazard upon disturbance and as a result carry a legal obligation to remove them when a facility undergoes a significant renovation or demolition. The Regional District owns and operates a facility that is known to have asbestos and as a result recognized an obligation relating to the removal of the hazardous materials upon adoption of the PS 3280 Asset Retirement Obligations. An asset retirement obligation associated with asbestos within the facility owned by the Regional District that will need to be abated upon retirement.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

13. ASSET RETIREMENT OBLIGATION, continued

Leasehold Obligation

Lease agreements often contain requirements for the lessee to return the leased property to its pre-lease condition. Since the end of lease work meets the criteria under PS 3280 an asset retirement obligation has been recognized. In The Regional District's case, this liability is associated with removing structures, bins and signage for sites leased as well as the removal of equipment.

Asset Retirement Obligations	Landfill Obligation	Asbestos Abatement	Leasehold Obligations	Balance
Opening	\$ -	\$ -	\$ -	\$ -
Adoption of PSAS 3280	8,007,062	70,000	1,925,000	10,002,062
Accretion expense	280,817	3,500	96,250	380,567
Closing Balance	<u>\$ 8,287,879</u>	<u>\$ 73,500</u>	<u>\$ 2,021,250</u>	<u>\$ 10,382,629</u>

14. ALLOCATION OF ACCUMULATED SURPLUS

The accumulated surplus at the end of the year is comprised of the following Funds:

	<u>2023</u>	<u>2022</u>
Operating	\$ 21,739,997	\$ 20,376,890
Reserves	12,765,804	9,791,180
	<u>\$ 34,505,801</u>	<u>\$ 30,168,070</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

15. BUDGET

In accordance with legislative requirements, the Financial Plan, adopted by the Board of Directors on March 23, 2023, was prepared on a modified accrual basis. These financial statements, in accordance with Canadian Public Sector Accounting Standards, were prepared on a full accrual basis. The following reconciles the approved Financial Plan to budgeted amounts reported in these Financial Statements.

	<u>2023</u>
Budgeted surplus per statement of financial activities	<u>\$ 315,957</u>
Less: Capital expenditures	(3,527,312)
Internal allocations	(1,356,226)
Prior year net deficits	<u>(26,330)</u>
	<u>(4,593,911)</u>
Add: Prior year net surplus	2,776,632
Withdrawals from capital reserves	299,829
Transfer from equity in tangible capital assets	<u>1,517,450</u>
	<u>4,593,911</u>
	<u>\$ -</u>

16. FINANCIAL INSTRUMENTS

The Regional District's financial instruments are comprised of cash, temporary investments, accounts receivable, debt reserve funds – Municipal Finance Authority, debentures recoverable from municipalities, accounts payable and accrued liabilities, debentures issued for municipalities, and debentures issued for the Regional District.

Liquidity risk

Liquidity risk is the risk that the Regional District will encounter difficulty in meeting obligations associated with financial liabilities. The Regional District is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, debentures issued for municipalities and debentures issued for the Regional District. The Regional District manages this risk by holding a sufficient amount of funds in highly liquid investments, and closely monitoring cash flows.

Credit risk

Credit risk is the risk that the Regional District will incur financial losses if a debtor fails to make payments when due. The Regional District is exposed to credit risk on its debenture recoverable from municipalities and accounts receivable. Risk in respect to the debentures recoverable from municipalities is managed primarily by the policies put in place by the Municipal Finance Authority of British Columbia ("MFA"). The maximum exposure to credit risk in respect to accounts receivable is limited to the carrying amount of accounts receivable, which is managed by credit

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

16. FINANCIAL INSTRUMENTS, continued

policies such as limiting the amount of credit extended and obtaining security deposits where appropriate.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Regional District is mainly exposed to interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that the Regional District's debt servicing costs and the value of certain investments will fluctuate due to changes in interest rates. In respect of debt servicing costs, the risk is minimal as all of the Regional District's long-term debentures are fixed rate and is usually refinanced every five to ten years as that is when most underlying debentures issued by the MFA mature. Investments subject to interest rate risk include guaranteed investment certificates (Note 2). The amount of risk is minimal due to the short terms of the investments.

17. SEGMENT REPORTING

The Regional District provides services to its members, that have been grouped into related departmental functions or service areas for segment reporting purposes. The various segments are as follows:

Environmental Services

This segment administers services including solid and liquid waste management, recycling, invasive plant control and developing the Regional District's Corporate Energy and Emissions Plan.

Government – general, rural and local commission

This segment administers services that relate to the legislative function as well as the administrative and financial management of the Regional District.

Recreation and culture

This segment administers services that relate to recreational and cultural, activities and organizations within the Regional District.

Fire protection and emergency response

This segment administers services related to rural fire protection and rescue services, 9-1-1 services, emergency preparedness and support services, and health and safety planning.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2023

17. SEGMENT REPORTING, continued

Building inspection, building numbering, planning and development services

This segment administers services related to long range and current community planning, geographical information services, building inspections, and bylaw enforcement.

Economic Development

This segment provides economic and community development services including assisting local community groups in accessing funding opportunities for community and economic initiatives.

Municipal Debt Payments

This segment is comprised of debenture debt payments to the Municipal Finance Authority on behalf of other Regional District members.

Street Lighting and Transportation

This segment is comprised of services for street lighting and transportation within the Regional District.

Sewer and Water

This segment is comprised of services for sewer and water treatment within the Regional District.

18. RELATED PARTY TRANSACTIONS

The Regional District of Bulkley-Nechako and the Regional Hospital District share the same management team but operate under the governance of a different board of directors.

During the year, the Regional District of Bulkley-Nechako provided administration and accounting services of \$15,900 (2022 - \$15,900) to the Regional Hospital District.

19. COMPARATIVE FIGURES

Certain prior year figures, presented for comparative purposes, have been reclassified to conform to the current year's financial statement presentation.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

SCHEDULE OF EXPENSES BY OBJECT

For the year ended December 31, 2023

	2023		2022
	<u>Budget</u> (Note 15)	<u>Actual</u>	<u>Actual</u>
Staff remuneration and benefits	\$ 6,714,425	\$ 6,362,042	\$ 5,530,266
Purchased services and supplies	6,207,468	4,713,556	4,365,979
Payments to societies	2,125,281	1,887,268	1,647,634
Municipal debt payments	749,800	661,385	749,535
Payments to municipalities	2,328,263	2,342,463	2,040,734
Directors' remuneration	777,004	501,055	460,392
Insurance and permits	278,741	287,928	260,763
Electoral area grants-in-aid	477,511	304,004	497,568
Staff travel, upgrading and conferences	29,498	77,392	56,433
Directors' travel and expenses	166,556	67,042	52,625
Interest on debentures	9,046	15,778	10,075
Memberships and dues	28,783	61,640	32,314
Interest	5,000	3,186	2,306
Elections, referenda and studies	5,000	-	18,699
Bad debts	3,000	1,876	9,391
Volunteer benefits	2,693	2,605	2,172
Accretion	-	380,567	-
Special projects	22,667	-	259,271
Amortization	1,517,450	1,794,589	1,542,382
	<u>\$ 21,448,186</u>	<u>\$ 19,464,376</u>	<u>\$ 17,538,539</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
SCHEDULE OF CONTINUITY OF RESERVE FUNDS

For the year ended December 31, 2023

	2023	2022
BALANCE AT BEGINNING OF THE YEAR	\$ 18,996,831	\$ 17,691,782
Contribution to funds	3,655,145	3,137,638
Interest earned on funds	870,559	284,182
Withdrawals from funds	(2,071,204)	(2,116,771)
BALANCE AT END OF THE YEAR	21,451,331	18,996,831
Less reserves recorded as deferred revenue (Note 7):		
Federal Gas Tax	6,679,642	6,593,666
Northern Capital Planning Grant	2,005,885	2,611,985
	8,685,527	9,205,651
	\$ 12,765,804	\$ 9,791,180
 REPRESENTED BY THE FOLLOWING RESERVE FUNDS		
911 Capital	\$ 673,680	\$ 644,835
Administrative Equipment	42,466	40,648
Administration/Planning Vehicle	72,090	44,434
Building	452,984	335,310
Building Inspection Vehicle	45,344	33,575
Bulkley Valley Pool	2,691,587	2,501,969
Burns Lake TV Rebroadcasting	56,243	53,835
Bylaw Enforcement	20,861	10,140
Climate Change	97,007	92,854
Cluculz Sewer	14,022	13,422
Rural Election	31,245	29,907
Emergency Prep	61,381	58,753
Federal Gas Tax	6,679,642	6,593,666
Fort Fraser Sewer	451,343	373,051
Fort Fraser Rural Fire Protection	-	168,543
Fort Fraser Water	362,410	263,355
Landfill closure	427,156	-
Glacier Gulch Water Diversion	13,658	13,073
Growing Community	1,791,927	-
Insurance	145,471	113,149
Lakes District Airport	322,207	298,583
Landfill Capital	-	408,866
Legal	49,230	22,552
Luck Bay Rural Fire Protection	60,810	58,206
Northern Capital Planning Grant	2,005,885	2,611,985
Operational	4,501,948	3,837,813
Planning Plotter	31,445	30,098
Round Lake Rural Fire Protection	4,850	3,168
Smithers Rural Fire Protection	132,199	146,194
Southside Rural Fire Protection Vehicle	15,564	5,070
Southside Rural Fire Protection	1,546	1,480
Topley Fire Department	33,894	25,072
Telkwa Rural Fire Protection	56,924	68,294
Vanderhoof Pool	104,312	94,931
	21,451,331	18,996,831
Less reserves recorded as deferred revenue (Note 7):		
Federal Gas Tax	6,679,642	6,593,666
Northern Capital Planning Grant	2,005,885	2,611,985
	8,685,527	9,205,651
	\$ 12,765,804	\$ 9,791,180

See notes to the consolidated financial statements.

**REGIONAL DISTRICT OF BULKLEY-NECHAKO
STATEMENT OF TANGIBLE CAPITAL ASSETS**

For the year ended December 31, 2023

					Engineered Structures				Retirement Obligations			2023 Total	2022 Total
	Land	Building	Equipment / Vehicles	Works in Progress	Water	Sewer	Landfills	Transfer Stations	Regional Parks	Landfill Operations	All Others		
COST													
Opening Balance	\$ 720,208	\$ 8,847,234	\$ 9,887,083	\$ 27,224	\$ 5,156,625	\$ 739,283	\$ 5,988,946	\$ 5,715,542	\$ 1,398,787	\$ -	\$ -	\$ 38,480,932	\$ 34,721,127
Add: Additions	-	205,437	1,692,522	(27,224)	17,128	232,554	794,451	283,741	359,978	4,285,671	645,000	8,489,258	3,959,850
Less: Disposals	-	-	(113,955)	-	-	-	-	-	-	-	-	(113,955)	(200,045)
Less: Write-downs	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	720,208	9,052,671	11,465,650	-	5,173,753	971,837	6,783,397	5,999,283	1,758,765	4,285,671	645,000	46,856,235	38,480,932
ACCUMULATED AMORTIZATION													
Opening Balance	-	3,554,307	5,492,221	-	1,201,564	446,761	2,605,498	2,384,991	27,976	-	-	15,713,318	14,363,348
Add: Amortization	-	261,585	816,329	-	97,065	36,907	278,660	185,201	35,175	68,694	14,973	1,794,589	1,542,382
Less: Acc. Amortization on Disposals	-	-	(77,406)	-	-	-	-	-	-	-	-	(77,406)	(192,412)
Closing Balance	-	3,815,892	6,231,144	-	1,298,629	483,668	2,884,158	2,570,192	63,151	68,694	14,973	17,430,501	15,713,318
Net Book Value for year ended December 31, 2023	\$ 720,208	\$ 5,236,779	\$ 5,234,506	\$ -	\$ 3,875,124	\$ 488,169	\$ 3,899,239	\$ 3,429,091	\$ 1,695,614	\$ 4,216,977	\$ 630,027	\$ 29,425,734	
Net Book Value for year ended December 31, 2022	\$ 720,208	\$ 5,292,927	\$ 4,394,862	\$ 27,224	\$ 3,955,061	\$ 292,522	\$ 3,383,448	\$ 3,330,551	\$ 1,370,811	\$ -	\$ -		\$ 22,767,614

See notes to the consolidated financial statements.

**REGIONAL DISTRICT OF BULKLEY-NECHAKO
SEGMENTED DISCLOSURE**

For the year ended December 31, 2023

	Government - General, Rural and Local	Environmental Services	Recreation and Culture	Fire Protection and Emergency Response	Building Inspection and Planning	Municipal Debt Payments	Street Lighting and Transportation	Economic Development	Sewer and Water	2023	2022
REVENUE											
Taxation	\$ 1,363,661	\$ 4,392,667	\$ 3,329,396	\$ 2,032,560	\$ 825,409	\$ -	\$ 238,957	\$ 420,111	\$ 117,087	\$ 12,719,848	\$ 11,612,189
Fees, rates and service charges	-	1,856,669	11,307	136,361	124,032	-	78,305	-	85,846	2,292,520	2,054,102
Government transfers	2,792,882	314,016	207,467	900,471	-	-	21,653	58,075	232,554	4,527,118	3,255,435
Investment income	495,761	-	-	2,329	-	-	-	-	-	498,090	183,478
Other	195,780	346,571	241,358	616,348	323,439	661,385	5,479	4,865	85,198	2,480,423	2,669,636
Grants-in-lieu of Taxes	214,489	536,338	232,718	136,935	81,842	-	30,149	51,637	-	1,284,108	1,249,205
	5,062,573	7,446,261	4,022,246	3,825,004	1,354,722	661,385	374,543	534,688	520,685	23,802,107	21,024,045
EXPENSES											
Staff Remuneration and Benefits	1,216,383	2,941,936	111,779	790,704	1,002,875	-	21,556	276,809	-	6,362,042	5,530,266
Purchased services and supplies	1,278,987	1,772,311	197,347	1,059,960	117,823	-	212,627	48,850	25,650	4,713,555	4,365,979
Insurance	51,340	100,014	57,829	38,457	31,710	-	-	1,000	7,579	287,929	260,763
Payments to Societies	159,100	8,800	1,622,528	96,840	-	-	-	-	-	1,887,268	1,647,634
Other	948,434	374,398	25,000	37,747	12,909	661,385	3,076	12,331	1,250	2,076,530	2,150,781
Payments to Municipalities	-	-	1,216,349	983,114	-	-	43,000	100,000	-	2,342,463	2,040,734
Amortization of capital assets	150,073	1,075,641	192,785	222,279	19,367	-	-	-	134,444	1,794,589	1,542,382
	3,804,317	6,273,100	3,423,617	3,229,101	1,184,684	661,385	280,259	438,990	168,923	19,464,376	17,538,539
NET REVENUE(EXPENSES)	\$ 1,258,256	\$ 1,173,161	\$ 598,629	\$ 595,903	\$ 170,038	\$ -	\$ 94,284	\$ 95,698	\$ 351,762	\$ 4,337,731	\$ 3,485,506

See notes to the financial statements.