

**REGIONAL DISTRICT
OF CENTRAL OKANAGAN**
Financial Statements
For the year ended December 31, 2019

DRAFT

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Regional District of Central Okanagan are the responsibility of management and have been approved by the Chairperson on behalf of the Board.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the 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 financial statements are presented fairly, in all material respects.

The Regional District of Central Okanagan 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 Board's assets are appropriately accounted for and adequately safeguarded.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board meets 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 their responsibilities, and to review the annual report, the financial statements and the external auditor's report.

The financial statements have been audited by external auditors 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 their opinion on these financial statements. The external auditors have full and free access to the accounting records and to the Board of the Regional District of Central Okanagan.

Chief Administrative Officer

Director of Financial Services

July 9, 2020

Independent Auditor's Report

To the Directors of the Regional District of Central Okanagan

Opinion

We have audited the financial statements of the Regional District of Central Okanagan (the "Regional District"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change 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 Regional District as at December 31, 2019, and the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in the annual report or the information included in exhibits 1 through 28 of the Regional District's financial statements.

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

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

In preparing the financial statements, management is responsible for assessing the 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 Regional District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Chartered Professional Accountants

Kelowna, British Columbia
July 9, 2020

Regional District of Central Okanagan

Statement of Financial Position

December 31	2019	2018
Financial Assets		
Cash (Note 1)	\$ 36,037,183	\$ 29,005,114
Accounts receivable (Note 2)	2,810,886	4,065,497
Deposits - Municipal Finance Authority (Note 3)	9,483,156	12,216,586
Agreements due from members (Note 4)	120,111,822	136,803,900
	168,443,048	182,091,097
Financial Liabilities		
Accounts payable and accrued liabilities	4,187,531	4,295,715
Deferred revenue (Note 5)	240,797	281,320
Development cost charges (Note 6)	5,860,043	3,968,969
Reserve - Municipal Finance Authority (Note 3)	9,389,202	12,124,772
Interim financing (Note 7)	-	2,154,007
Long term debt (Note 8)	124,622,085	141,547,939
Landfill closure and post-closure (Note 9)	527,649	753,493
	144,827,307	165,126,215
Net Financial Assets	23,615,741	16,964,882
Non-Financial Assets		
Prepaid expenses	520,345	432,133
Tangible capital assets (Note 10)	113,673,675	113,920,574
Accumulated Surplus (Note 11)	\$ 137,809,761	\$ 131,317,589

Approved on behalf of the Board:

Chair

Regional District of Central Okanagan

Statement of Operations

For the year ended December 31

	2019		2018
	Actual	Budget (Note 17)	Actual
Revenues			
Electoral area tax requisitions	\$ 3,903,617	\$ 3,905,643	\$ 3,720,890
Electoral area parcel taxes	449,327	449,328	421,349
Members' requisitions			
General	16,876,144	16,873,777	16,269,444
Parcel taxes	455,988	455,988	473,574
Debt services	18,636,654	18,547,145	26,475,509
Federal government grants	403,090	445,600	238,683
Provincial government grants	480,905	702,588	1,798,371
Sale of services to other governments	3,619,290	3,879,079	3,383,600
Sale of services to others	1,782,854	1,688,142	1,750,603
Water and sewer fees	6,647,915	6,540,483	6,489,952
Gas tax revenue (Note 16)	1,656,038	600,000	705,850
Contributions from others	21,265	99,257	55,391
Contributions from sewer DCC reserve	-	-	4,083,090
Gain on disposal of tangible capital assets	38,378	-	-
Other revenue	3,401,163	1,572,898	2,656,023
	58,372,628	55,759,928	68,522,329
Expenses (Note 15)			
Amortization	3,931,605	-	3,961,742
General government services	1,346,214	1,832,099	819,765
Protective services	8,132,701	8,760,395	8,072,940
Transportation services	249,587	654,436	46,357
Environmental health services	5,850,659	6,371,663	6,032,420
Development services	3,785,771	4,169,029	3,387,436
Recreation and cultural services	4,820,828	5,099,732	4,596,672
Water services	678,379	738,498	595,730
Sewer services	4,233,854	4,496,698	4,177,749
Interest on long term debt and debt issue expense	230,961	256,234	275,760
Fiscal services	18,916,564	18,828,764	26,856,814
Transfer to local governments	110,554	110,579	112,256
Loss on disposal of tangible capital assets	-	-	30,906
Reallocation of insurance reserve (recovery)	(407,221)	-	(436,633)
	51,880,456	51,318,127	58,529,914
Annual Surplus	6,492,172	4,441,801	9,992,415
Accumulated surplus, beginning of the year	131,317,589	131,317,589	121,325,174
Accumulated surplus, end of year	\$ 137,809,761	\$ 135,759,390	\$ 131,317,589

Regional District of Central Okanagan Statement of Change in Net Financial Assets

For the year ended December 31	2019	2018
Annual Surplus	\$ 6,492,172	\$ 9,992,415
Acquisition of tangible capital assets	(3,741,562)	(7,898,591)
Amortization of tangible capital assets	3,931,605	3,961,742
(Gain) loss on disposal of tangible capital assets	(38,378)	30,906
Proceeds from disposal of tangible capital assets	95,234	18,371
	<u>6,739,071</u>	<u>6,104,843</u>
Acquisition of prepaid expenses	(88,212)	(22,062)
Change in net financial assets	6,650,859	6,082,781
Net financial assets, beginning of the year	<u>16,964,882</u>	<u>10,882,101</u>
Net financial assets, end of year	<u>\$ 23,615,741</u>	<u>\$ 16,964,882</u>

Regional District of Central Okanagan

Statement of Cash Flows

For the year ended December 31	2019	2018
Cash provided by (used in)		
Operating Activities		
Cash receipts from grants, other governments, and own sources	\$ 58,791,984	\$ 68,415,487
Cash paid to employees and suppliers	(27,303,623)	(30,360,979)
Interest paid	(7,147,600)	(11,261,387)
Interest received	756,347	565,123
Landfill closure cost payments from reserve	(28,870)	(325,747)
	<u>25,068,238</u>	<u>27,032,497</u>
Capital Activities		
Purchase of tangible capital assets	(3,741,562)	(7,898,591)
Proceeds from sale of tangible capital assets	95,234	18,371
	<u>(3,646,328)</u>	<u>(7,880,220)</u>
Financing Activities		
Net long term debt reduction	(12,235,834)	(16,104,316)
Net issuance of interim financing	(2,154,007)	(2,165,837)
	<u>(14,389,841)</u>	<u>(18,270,153)</u>
Increase in cash during year	7,032,069	882,124
Cash, beginning of the year	<u>29,005,114</u>	<u>28,122,990</u>
Cash, end of year	\$ 36,037,183	\$ 29,005,114

Regional District of Central Okanagan

Summary of Significant Accounting Policies

December 31, 2019

Nature of Business	The Regional District of Central Okanagan (the "Regional District") provides local government services such as protective, transportation, environmental health and development, parks, water, sewer, and other general government services.
Basis of Presentation	The financial statements of the Regional District are the representations of management and are prepared in accordance with Canadian generally accepted accounting policies for local government entities using guidelines issued by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.
Landfill Closure and Post-Closure	The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used.
Development Cost Charges	Development Cost Charge ("DCC") levies are restricted by by-law in their use for sewer expansion and the revenue is deferred until the expenses are incurred. When DCC expenses are made, a corresponding amount is recorded as "Contribution from sewer DCC reserve".
Reserve Fund Balances	The Regional District has appropriated certain funds for future capital expenses for specific projects or studies. Expenses from a reserve can only be made with approval from the Ministry or in accordance with by-law directives.
Government Transfers	<p>Government transfers, are recognized as revenue in the financial statements 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. The transfer of revenue is initially deferred and then recognized in the statement of operations as the stipulation liabilities are settled.</p> <p>When the Regional District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.</p>
Financial Instruments	The Regional District's financial instruments consist of cash, accounts receivable and other receivables, deposits, accounts payable and accrued liabilities, interim financing and long-term debt. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest, currency, liquidity or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.
Non-Financial Assets	Non-financial assets are held for use in the provision of services and are not normally available to discharge liabilities. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the net surplus (deficit) for the year, provides the change in net debt for the year.

Regional District of Central Okanagan

Summary of Significant Accounting Policies

December 31, 2019

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Assets under construction are recorded at cost and are not amortized until the asset is complete and in use. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	5 - 20 years
Buildings	10 - 75 years
Fleet	5 - 15 years
Machinery and equipment	3 - 20 years
Sewer system	10 - 80 years
Water system	10 - 100 years

Deferred Revenue

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

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Revenue Recognition

Taxes are recognized as revenue in the year they are levied.

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.

Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.

Sales of services and other revenue is recognized on an accrual basis.

Contributions of capital assets are recognized when the transfer occurs.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

1. Cash

Cash is held in a financial institution earning interest at a rate of 2.35% (2018 - 1.60%) per annum.

Included in cash, a portion has been specifically set aside for internally and externally restricted reserves.

2. Accounts Receivable

	2019	2018
Local governments and Hospital District	\$ 659,459	\$ 1,849,541
Provincial government	437,546	710,766
Other	1,713,881	1,505,190
	\$ 2,810,886	\$ 4,065,497

3. Deposit / Reserve - Municipal Finance Authority

Deposits:

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 Municipal Finance Authority. These demand notes are contingent in nature. The details of the cash deposits and demand notes at year end are as follows:

	Demand Notes	Cash Deposits	2019	2018
Regional District	\$ 127,385	\$ 93,954	\$ 221,339	\$ 219,199
Member Municipalities				
Kelowna	4,655,282	1,906,436	6,561,718	9,131,795
Peachland	192,935	149,643	342,578	339,171
Lake Country	558,173	296,275	854,448	936,036
West Kelowna	858,100	436,309	1,294,409	1,383,137
Okanagan Regional Library	146,434	62,230	208,664	207,248
	\$ 6,538,309	\$ 2,944,847	\$ 9,483,156	\$ 12,216,586

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

3. Deposit / Reserve - Municipal Finance Authority (continued)

Reserves and Demand Notes:

The Regional District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are held by the Municipal Finance Authority as a debt reserve fund and demand notes. The balances at year end are as follows:

	2019	2018
Regional District Reserves	\$ 127,385	\$ 127,385
Member Municipalities Reserves and Demand Notes		
Kelowna	6,561,718	9,131,795
Peachland	342,578	339,171
Lake Country	854,448	936,036
West Kelowna	1,294,409	1,383,137
Okanagan Regional Library Reserves and Demand Notes	208,664	207,248
	<u>\$ 9,389,202</u>	<u>\$ 12,124,772</u>

4. Agreements Due from Members

Agreements due from members become receivable on the same terms as payable to the Municipal Finance Authority (Note 8). 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.

	2019	2018
City of Kelowna	\$ 96,078,769	\$ 109,344,319
District of Lake Country	7,604,381	8,766,410
District of Peachland	2,823,363	3,190,262
City of West Kelowna	11,143,338	12,817,246
Okanagan Regional Library District	2,461,971	2,685,663
	<u>\$ 120,111,822</u>	<u>\$ 136,803,900</u>

5. Deferred Revenue

	2019	2018
Balance, beginning of the year	\$ 281,320	\$ 500,719
Contributions		
Business licenses	36,375	35,858
Other	204,422	245,462
Recognized as revenue	(281,320)	(500,719)
Balance, end of the year	<u>\$ 240,797</u>	<u>\$ 281,320</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

6. Development Cost Charges

During the year, the Regional District collected and recognized as revenue, developmental cost charges ("DCC's") as follows:

	2019	2018
Balance, beginning of the year	\$ 3,968,968	\$ 6,158,546
Interest	63,504	99,050
DCC's collected in the year	1,827,571	1,794,462
DCC's recognized as revenue	-	(4,083,090)
Balance, end of the year	\$ 5,860,043	\$ 3,968,968

Developmental cost charges are allocated as follows:

	2019	2018
Westside Sewer Plant	\$ 3,580,958	\$ 1,934,560
East Trunk Sewer	2,279,085	2,034,408
	\$ 5,860,043	\$ 3,968,968

7. Interim Financing

Interim Financing is due to the Municipal Finance Authority of British Columbia and was borrowed under Section 819 of the Local Government Act, which allows the Regional District to borrow under Section 175 of Community Charter - Liabilities under Agreement. Amounts outstanding were repaid in the year.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt

Municipal Finance Authority Agreements

Security		Purpose	Year of Maturity	Interest Rate	Balance outstanding	
Issuing By-law	Issue number				2019	2018
740	66	District of Peachland	2022	2.250	\$ 36,518	\$ 47,551
764	68	District of Peachland	2023	2.650	1,023,987	1,250,251
809	70	City of West Kelowna	2019	2.100	-	12,527
811	70	City of Kelowna	2019	2.100	-	5,169
818	70	District of Lake Country	2019	2.100	-	120,015
		District of Lake Country	2024	5.745	1,533,829	1,801,904
839	71	City of West Kelowna	2019	2.100	-	120,015
841	71	City of Kelowna	2019	2.100	-	48,299
886	73	City of West Kelowna	2020	1.670	123,945	242,553
887	73	District of Lake Country	2020	1.670	78,000	152,640
912	74	Regional District - Ellison Fire Hall	2021	1.750	89,522	131,112
		Regional District - Lakeview Sewer	2021	1.750	117,871	172,631
		City of West Kelowna	2021	1.750	192,324	281,673
931	75	City of West Kelowna	2021	1.750	202,619	296,751
932	75	City of Kelowna	2021	1.750	74,602	109,260
933	75	District of Lake Country	2021	1.750	373,010	546,301
957	77	City of Kelowna	2022	1.750	8,621	11,225
964	77	City of West Kelowna	2022	1.750	418,467	544,887
983	78	City of Kelowna	2022	2.250	889,651	1,158,417
973	78	District of Lake Country	2022	2.250	124,018	161,484
984	78	District of Lake Country	2022	2.250	174,816	227,629
1007	79	City of West Kelowna	2023	2.250	557,590	680,797
1023	80	City of Kelowna	2023	2.850	11,150	13,614
1069	85	City of Kelowna	2019	2.000	-	354,696
		City of Kelowna	2024	2.250	1,231,394	1,443,634
1070	85	City of West Kelowna	2024	2.250	351,621	412,225
1123	95	District of Peachland	2030	1.800	1,762,856	1,892,459
1125	95	City of Kelowna	2025	1.800	2,852,734	3,273,528
1122	95	Regional District - Upper Ellison Fire	2020	1.800	11,854	23,308
1122	95	Regional District - Ridgeview Fire	2025	1.800	84,125	96,534
		Protection				
1122	95	City of West Kelowna	2025	1.800	1,610,278	1,847,803
Carried forward					<u>\$ 13,935,402</u>	<u>\$ 17,480,892</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing By-law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding	
					2019	2018
Brought forward					\$ 13,935,402	\$ 17,480,892
1147	99	City of West Kelowna	2026	1.750	579,872	650,466
1175	101	City of West Kelowna	2027	2.250	1,407,947	1,554,872
1196	101	Lakeshore Road Improvements	2027	2.250	39,633	43,768
		City of West Kelowna	2027	2.250	691,588	763,758
1212	102	City of Kelowna	2027	2.250	14,020,022	15,483,063
1219	103	City of West Kelowna	2028	2.650	76,892	83,878
1239	104	District of Lake Country	2028	2.900	917,495	1,000,857
1245	104	Okanagan Regional Library District	2028	2.900	2,461,971	2,685,663
		Admin Building				
1212	104	City of Kelowna	2028	2.900	1,094,209	1,193,628
1246	104	City of Kelowna	2028	2.900	5,797,901	6,324,691
1246	105	City of Kelowna	2019	4.900	-	2,370,980
1251	105	City of West Kelowna	2029	2.250	4,930,196	5,325,042
1252	105	District of Lake Country	2024	2.250	370,514	436,290
	105	District of Lake Country	2029	2.250	298,407	322,306
1246	106	City of Kelowna	2019	4.130	-	1,185,490
1260	106	City of Kelowna	2019	4.130	-	570,221
1252	109	District of Lake Country	2020	1.830	25,000	75,000
1246	112	City of Kelowna	2020	3.730	1,185,490	2,325,384
1285	114	District of Lake Country	2026	3.650	129,446	145,427
1286	114	District of Lake Country	2026	3.650	198,073	222,526
1292	117	City of Kelowna	2031	3.250	1,381,140	1,469,523
1293	117	City of Kelowna	2026	3.250	2,051,359	2,301,092
1310	121	Regional District - Upper Fintry Shalal Road & Valley of the Sun Water Distribution System	2042	2.900	4,167,258	4,276,685
1329	126	District of Lake Country	2033	3.850	831,661	875,378
1337	127	District of Lake Country	2029	3.300	324,866	350,884
1350	130	City of Kelowna	2034	3.000	282,248	295,802
1362	133	District of Lake Country	2035	2.750	2,225,248	2,327,770
1363	133	City of Kelowna	2035	2.750	17,019,102	17,803,210
1364	133	City of Kelowna	2035	2.750	12,764,326	13,352,408
1227	133	City of Kelowna	2025	2.750	4,805,344	5,514,158
Carried forward					\$ 94,012,610	\$ 108,811,112

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing	Issue		Year of	Interest	Balance outstanding	
By-law	number	Purpose	Maturity	Rate	2019	2018
Brought forward					\$ 94,012,610	\$ 108,811,112
1227	137	City of Kelowna	2026	2.600	2,573,274	2,892,868
1363	137	City of Kelowna	2036	2.600	15,132,729	15,776,684
1227	139	City of Kelowna	2026	2.100	2,191,138	2,468,766
1227	141	City of Kelowna	2027	2.800	6,583,377	7,302,156
1363	142	City of Kelowna	2037	3.150	2,773,356	2,888,353
1363	145	City of Kelowna	2038	3.150	1,309,387	1,360,000
1420	146	City of Kelowna	2038	3.200	46,214	48,000
Total long term debt					\$ 124,622,085	\$ 141,547,939

Future principal repayments on existing long-term debt for the next five years and thereafter:

2020	\$ 8,934,373
2021	7,953,535
2022	7,742,303
2023	7,516,396
2024	7,372,372
Thereafter	85,103,106
	<u>\$ 124,622,085</u>

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

9. Landfill Closure and Post- Closure Care

The British Columbia Environmental and Enhancement Act sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of solid waste landfill sites. This requirement is to be provided for over the estimated remaining life of the landfill site based on usage.

Capacity of the Westside Sanitary Landfill of 1,926,340 cubic meters was reached during the 2010 fiscal year. Closure will involve covering the site with topsoil and vegetation, drainage control, and installing groundwater monitoring wells. Post-closure care activities for the landfill are expected to occur for 30 years and will involve surface and ground water monitoring, maintenance of drainage structures, monitoring leachate and landfill gas, and landfill cover maintenance.

The table below sets out the liability based on estimated capacities used in cubic meters, multiplied by the estimated total expenses, expressed as discounted present values, assuming a discount rate of 2.52% (2018 - 3.22%) based on average long term borrowing rate. The amount remaining to be recognized in future years is \$nil because the landfill reached full capacity during the 2010 fiscal year. The annual provision is reported as an operating fund expense and the accumulated provision is recorded as a liability on the Statement of Financial Position. Reserve funds totaling \$346,951 (2018 - \$348,249) have been established to provide for this liability in the Capital Project Reserve Fund.

Site	Estimated Remaining Life (yrs)	Est. Total Expenditure For Closure	Cumulative Capacity Used	Total Estimated Capacity	% Used	Liability for Closure to Dec. 31, 2019
West Kelowna	-	\$ 527,649	1,926,340	1,926,340	100%	\$ 527,649
Less expenses previously recognized:						<u>(753,493)</u>
2019 net additional cost in connection with landfill closure:						<u>\$ (225,845)</u>

Site	Estimated Remaining Life (yrs)	Est. Total Expenditure For Closure	Cumulative Capacity Used	Total Estimated Capacity	% Used	Liability for Closure to Dec. 31, 2018
West Kelowna	-	\$ 753,493	1,926,340	1,926,340	100%	\$ 753,493

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2019

10. Tangible Capital Assets

	2019									
	Land	Land Improvements	Buildings	Fleet	Machinery and Equipment	Sewer System	Water System	Assets Under Construction	Total	
Cost, beginning of year	\$ 40,388,504	\$ 6,219,081	\$ 12,155,504	\$ 6,702,476	\$ 4,684,342	\$ 64,505,712	\$ 20,554,978	\$ 2,881,622	\$ 158,092,219	
Additions	-	1,725,895	216,193	270,751	498,000	219,823	345,532	465,368	3,741,562	
Disposals	-	-	-	(228,859)	(640,779)	(46,380)	(35,588)	-	(951,606)	
Reallocation of Assets Under Construction	-	427,778	-	-	-	-	2,421,823	(2,849,601)	-	
Cost, end of year	\$ 40,388,504	\$ 8,372,754	\$ 12,371,697	\$ 6,744,368	\$ 4,541,563	\$ 64,679,155	\$ 23,286,745	\$ 497,389	\$ 160,882,175	
Accumulated amortization, beginning of year	\$ -	\$ 2,404,750	\$ 6,471,980	\$ 4,292,511	\$ 2,518,725	\$ 22,485,192	\$ 5,998,487	\$ -	\$ 44,171,645	
Amortization	-	433,246	451,861	396,878	411,994	1,765,293	472,333	-	3,931,605	
Disposals	-	-	-	(172,003)	(640,779)	(46,380)	(35,588)	-	(894,750)	
Accumulated amortization, end of year	\$ -	\$ 2,837,996	\$ 6,923,841	\$ 4,517,386	\$ 2,289,940	\$ 24,204,105	\$ 6,435,232	\$ -	\$ 47,208,500	
Net carrying amount, end of year	\$ 40,388,504	\$ 5,534,758	\$ 5,447,856	\$ 2,226,982	\$ 2,251,623	\$ 40,475,050	\$ 16,851,513	\$ 497,389	\$ 113,673,675	

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2019

10. Tangible Capital Assets (continued)

	2018									
	Land	Land Improvements	Buildings	Fleet	Machinery and Equipment	Sewer System	Water System	Assets Under Construction	Total	
Cost, beginning of year	\$ 40,388,504	\$ 5,188,288	\$ 12,110,894	\$ 6,458,432	\$ 4,631,118	\$ 59,761,027	\$ 19,613,195	\$ 3,126,979	\$ 151,278,437	
Additions	-	850,204	65,610	244,044	604,625	4,507,861	905,080	721,167	7,898,591	
Disposals	-	(12,951)	(21,000)	-	(933,719)	(50,906)	(44,192)	(22,041)	(1,084,809)	
Reallocation of Assets Under Construction	-	193,540	-	-	382,318	287,730	80,895	(944,483)	-	
Cost, end of year	\$ 40,388,504	\$ 6,219,081	\$ 12,155,504	\$ 6,702,476	\$ 4,684,342	\$ 64,505,712	\$ 20,554,978	\$ 2,881,622	\$ 158,092,219	
Accumulated amortization, beginning of year	\$ -	\$ 2,049,740	\$ 6,051,639	\$ 3,870,400	\$ 2,966,207	\$ 20,702,456	\$ 5,604,993	\$ -	\$ 41,245,435	
Amortization	-	367,961	441,341	422,111	480,044	1,833,640	416,645	-	3,961,742	
Disposals	-	(12,951)	(21,000)	-	(927,526)	(50,904)	(23,151)	-	(1,035,532)	
Accumulated amortization, end of year	\$ -	\$ 2,404,750	\$ 6,471,980	\$ 4,292,511	\$ 2,518,725	\$ 22,485,192	\$ 5,998,487	\$ -	\$ 44,171,645	
Net carrying amount, end of year	\$ 40,388,504	\$ 3,814,331	\$ 5,683,524	\$ 2,409,965	\$ 2,165,617	\$ 42,020,520	\$ 14,556,491	\$ 2,881,622	\$ 113,920,574	

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

11. Accumulated Surplus

	2019	2018
Current Funds		
General revenue fund	\$ 3,830,960	\$ 3,739,312
Water revenue fund	184,718	182,932
Sewer revenue fund	169,691	193,371
	<u>4,185,369</u>	<u>4,115,615</u>
Capital Funds		
General capital fund	55,103,403	51,248,168
Water capital fund	12,962,731	12,988,852
Sewer capital fund	40,569,627	42,032,014
	<u>108,635,761</u>	<u>106,269,034</u>
Reserve Funds		
Feasibility reserve fund	173,054	160,486
Equipment replacement reserve fund	5,776,461	5,795,961
Park reserve fund	1,566,933	1,579,995
Capital projects reserve fund	14,544,378	10,886,850
Operating reserve fund	2,927,803	2,509,646
	<u>24,988,629</u>	<u>20,932,938</u>
Accumulated Surplus Total	<u>\$ 137,809,761</u>	<u>\$ 131,317,589</u>

Capital funds represent amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by the Board for specific purposes.

12. Credit Facility

The Regional District has a credit facility agreement with a financial institution which provides for a total commitment of \$21,500,000 (2018 - \$20,800,000). At December 31, 2019, the Regional District had drawn an amount of \$Nil on this agreement (2018 - \$Nil).

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

13. Employee Benefits

Retirement Benefits

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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Regional District paid \$715,187 (2018 - \$706,727) for employer contributions to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

Compensated Absences

Sick Leave

After ten years of employment, earned sick leave is paid out upon termination of employment as per agreements. Sick leave obligations are attributed to the period beginning the employee's date of hire and ending on the date the employee ceases employment.

The Regional District determines its discount rates by reference to its cost of borrowing in accordance with Paragraph .044 of PS 3250. Actuarial gains and losses arise from the difference between the actual experience of the plan and that expected by the actuarial assumptions or from changes in actuarial assumptions. Actuarial gains and losses arising in a specific fiscal period will be amortized over the expected average remaining service life (EARSLS) of the related employee group in accordance with Paragraph .061 of PS 3250.

The sick leave benefits are adequately funded by an account reserved for employee benefits and insurance. The projected sick leave liability in 2019 is \$800,400 (2018 - \$768,600).

Vacation

Vacation is accrued as it is earned by employees.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

14. Contingent Liabilities

The Regional District is the defendant in various lawsuits. In the opinion of management, the overall estimation of loss is not determinable at this time. These claims have not be provided for in the financial statements. Settlement, if any, made with respect to these actions would be expected to be accounted for as a charge to expenses in the period in which realization is known, to the extent not covered by insurance.

15. Expenses by Object

	2019	2018
Advertising and promotion	\$ 112,656	\$ 185,423
Amortization	3,931,605	3,961,742
Contract Services	3,768,895	3,408,515
Education and training	637,492	560,613
Emergency services	1,677,361	1,863,623
Grants and other programs	296,208	281,556
Insurance, licenses and memberships	105,232	59,806
Interest on long-term debt and debt issue expense	230,962	275,761
Fiscal services for members	18,916,563	26,856,815
Leases and rentals	21,177	30,707
Loss on disposal of tangible capital assets	-	30,906
Office and administration	702,308	419,157
Planning and development	573,347	260,057
Professional fees	235,684	214,578
Repairs and maintenance	2,625,079	3,011,370
Supplies	981,300	931,311
Telephone and utilities	958,842	954,145
Transit services	17,190	12,774
Travel	178,676	232,148
Transfers to other agencies and governments	4,053,203	4,045,182
Wages and benefits	11,856,671	10,933,720
	\$ 51,880,456	\$ 58,529,914

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

16. Gas Tax Agreement Funds

a) Community Works funds

Community Works Funds are provided by the Government of Canada under the Gas Tax Agreement. The use of the funding is established by a funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects. The Community Works Fund balance is included in the capital projects reserve fund.

	2019	2018
Opening balance of unspent funds	\$ 1,816,627	\$ 1,297,236
Add: Amount received during the year	1,455,385	705,850
Interest earned	29,066	20,864
Less: Amount spent on projects	(191,220)	(207,323)
Closing balance of unspent community works funds	\$ 3,109,858	\$ 1,816,627

b) Regionally Significant Project Funding

The Regional District and its members received funding for a Regional Significant Project during the year:

	2019	2018
Regional strategic transportation demand plan	\$ 200,653	\$ -

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

17. Budget

The budget data presented in these financial statements is based upon the 2019 - 2023 Financial Plan Bylaw 1432 approved by the Regional District Board on March 25 and Amending Bylaws 1445, and 1447 approved by the Board on July 29 2018, and January 27, 2020 respectively.

The legislative requirements of the Financial Plan are that the cash inflows for the period must at a minimum equal cash outflows.

Budgeted Cash inflows and outflows include transfers to and from reserves and other funds, and prior year surplus/deficits carried forward, and principal repayments on debt. These transactions are not recognized as revenues and expenses in the Statement of Operations as they do not meet the inclusion requirements under public sector account standards.

Revenue	Approved Budget	Capital Adjustments	Debt Adjustments	Transfers & Other	Presented Budget
Electoral Area tax & parcel tax	\$ 4,354,971	\$ -	\$ -	\$ -	\$ 4,354,971
Members' requisitions	35,876,910	-	-	-	35,876,910
Grants	815,231	332,957	-	-	1,148,188
Sale of services	5,567,221	-	-	-	5,567,221
Water and Sewer fees	6,542,883	-	-	(2,400)	6,540,483
Gas tax revenue	600,000	-	-	-	600,000
Contributions	-	99,257	-	-	99,257
Transfers from reserves	628,470	(628,470)	-	-	-
Other revenue	1,667,390	-	(146,722)	52,230	1,572,898
Prior years' surplus	2,874,335	-	-	(2,874,335)	-
	\$ 58,927,411	\$ (196,256)	\$ (146,722)	\$ (2,824,505)	\$ 55,759,928
Expense					
General government services	5,568,392	-	(18,000)	(3,718,293)	1,832,099
Protective services	8,535,991	-	(21,965)	246,369	8,760,395
Transportation services	664,681	-	(4,487)	(5,758)	654,436
Environmental health services	6,016,112	-	-	355,551	6,371,663
Development services	3,884,364	-	-	284,665	4,169,029
		-			
Recreation and cultural services	9,177,571	-	(2,529,271)	(1,548,568)	5,099,732
Water services	1,686,791	-	(227,141)	(721,152)	738,498
Sewer services	4,846,364	-	(37,717)	(311,949)	4,496,698
Fiscal services	18,547,145	-	281,619	-	18,828,764
Interest on long-term debt and debt issue expense	-	-	256,234	-	256,234
Transfers to local governments	-	-	-	110,579	110,579
	\$ 58,927,411	\$ -	\$ (2,300,728)	\$ (5,308,556)	\$ 51,318,127

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

18. Segmented Information

The segments and the services the Regional District provide are broken down as follows:

General Government Services is comprised of a number of different services, including Board and Communications Costs, Corporate Services; Administration Finance; Engineering; Human Resources; Information Systems; Electoral Area Costs; and Grants. Corporate Services involves staff and management working closely with the Regional Board and Community partners to coordinate the delivery of a wide range of functions and services. The Finance department is responsible for the requisition of tax revenues from the Province and from member municipalities and all treasury and accounting functions. Human Resources involves the administration of full-time and part-time employees, as well as the responsibility for labour relations, recruitment, training and career planning, employee health and safety and Workers Compensation regulations. Information Systems includes an all-encompassing computer database and mapping system for properties in the Regional District, which is used by Regional Services and Regional District departments and other government agencies, as well as members of the public and businesses.

Protective Services includes a number of different programs. These programs include Electoral Area Fire Protection; Regional Rescue; 911 Services; Crime Stoppers; Victim Services; Crime Prevention; Bylaw Enforcement (Business Licenses, Building Inspections, Dog Control, Mosquito Control, Starling Control, and Prohibited Animal Control). These services are designed to provide a safe environment to the community. They are responsible for providing these services to the unincorporated electoral areas of Central Okanagan East and Central Okanagan West, as well as to the member municipalities of Kelowna, West Kelowna, Peachland, and Lake country within the boundaries of the Regional District.

Transportation Services includes Transportation Demand Management, Road/Street Light Improvements and Transit Services.

Environmental Health Services includes a number of different services, including: Effluent Disposal; Solid Waste Management Services (Recycling, Collection, Transfer Stations, Management); Okanagan Basin Water Board; Air Quality Monitoring; Noise Abatement; Untidy Premises. The mandate of these programs is to coordinate delivery of the many day-to-day services required for community living.

Environmental Development Services is responsible for delivering Insect & Weed Control, Sterile Insect Release, Economic Development and Planning. Economic Development provides assistance to businesses and entrepreneurs in the Regional District and to those interested in relocating to the region. The planning function is responsible for developing land use policies that provide guidance to elected officials, developers, the public and other decision makers. It puts land use plans and policies into action and ensures proper Infrastructure and orderly development. The program also evaluates applications and provides recommendations to decision makers; assist the public with land use regulations, applications, and processes; and invites and responds to public

Recreational/Cultural Service includes the Community Halls, Regional Parks, Community Parks, and Okanagan Regional Library. The Parks department is responsible for 30 Regional Parks and more than a dozen community and neighbourhood parks making up over 1,900 hectares or parkland. The department is also responsible for future recreational opportunities through parkland acquisition on development.

Fiscal Services is responsible for MFA Financing for 2 electoral areas and 4 member municipalities.

Water Services includes a total of six water systems that provides water services to local service areas within the electoral areas.

Sewer Services includes the Westside Wastewater Treatment Plant, the Ellison Sewer System and a number of Lift Stations/Collector Systems which service residents of West Kelowna, Peachland and Westbank First Nation.

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2019

18. Segmented Information

The segments and the services the Regional District provide are broken down as follows:

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation/ Cultural Services	Fiscal Services	Water Services	Sewer Services	Other	Total 2019 Actual	Total 2019 Budget
Revenues												
General taxes	\$ 756,773	\$ 6,198,461	\$ 51,851	\$ 2,424,132	\$ 3,378,028	\$ 8,617,836	\$ 18,634,946	\$ 221,955	\$ 37,748	\$ -	\$ 40,321,730	\$ 40,231,881
Utility Charges	-	-	-	-	-	-	-	1,487,375	5,160,540	-	6,647,915	6,540,483
Government grants - Federal	111,940	9,415	-	3,881	242,288	35,566	-	-	-	-	403,090	445,600
Government grants - Provincial	43,189	171,197	-	-	55,418	3,825	-	207,276	-	-	480,905	702,588
Sales of services	359,588	984,932	10,731	3,339,015	111,081	596,797	-	-	-	-	5,402,144	5,567,221
Other revenue	513,796	1,600,594	202,709	314,500	39,633	484,228	87,055	25,196	28,811	1,820,322	5,116,844	2,272,155
	1,785,286	8,964,599	265,291	6,081,528	3,826,448	9,738,252	18,722,001	1,941,802	5,227,099	1,820,322	58,372,628	55,759,928
Expenses												
Operating												
Goods and services (net)	(2,119,747)	5,556,203	248,720	5,235,571	2,744,367	2,208,380	19,147,525	470,839	3,051,850	(296,667)	36,247,041	39,242,503
Wages and benefits	3,465,961	2,576,498	867	615,088	1,041,404	2,612,448	-	207,540	1,182,004	-	11,701,810	12,075,624
	1,346,214	8,132,701	249,587	5,850,659	3,785,771	4,820,828	19,147,525	678,379	4,233,854	(296,667)	47,948,851	51,318,127
Capital												
Amortization	413,630	519,582	-	84,706	9,147	646,906	-	481,977	1,775,657	-	3,931,605	-
	1,759,843	8,652,283	249,587	5,935,365	3,794,918	5,467,737	19,147,525	1,160,356	6,009,509	(296,667)	51,880,456	51,318,127
Excess (deficiency) in revenues over expenses	\$ 25,443	\$ 312,316	\$ 15,704	\$ 146,163	\$ 31,530	\$ 4,270,515	\$ (425,524)	\$ 781,446	\$ (782,410)	\$ 2,116,989	\$ 6,492,172	\$ 4,441,801

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

18. Segmented Information (continued)

The segments and the services the Regional District provide are broken down as follows:

	General Government Services	Protective Services	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation/ Cultural Services	Fiscal Services	Water Services	Sewer Services	Other	Total 2018 Actual	Total 2018 Budget
Revenues												
General taxes	\$ 690,286	\$ 5,902,459	\$ 45,098	\$ 2,362,178	\$ 3,353,484	\$ 8,273,718	\$ 26,473,948	\$ 221,839	\$ 37,756	\$ -	\$ 47,360,766	\$ 47,416,709
Utility Charges	-	-	-	-	-	-	-	1,418,303	5,071,649	-	6,489,952	6,440,560
Government grants - Federal	130,000	6,000	-	-	29,955	70,893	-	1,835	-	-	238,683	193,100
Government grants - Provincial	22,696	853,209	-	3,000	9,575	98,931	-	810,960	-	-	1,798,371	2,156,295
Sales of services	347,501	946,011	12,129	3,042,260	90,121	696,181	-	-	-	-	5,134,203	5,252,998
Other revenue	335,340	1,223,516	4,228	335,648	42,237	363,406	79,690	21,475	4,083,676	1,011,138	7,500,354	7,002,728
	1,525,823	8,931,195	61,455	5,743,086	3,525,372	9,503,129	26,553,638	2,474,412	9,193,081	1,011,138	68,522,329	68,462,390
Expenses												
Operating												
Goods and services (net)	(2,077,229)	5,575,499	45,506	5,496,690	2,357,089	2,087,785	27,132,574	422,390	3,047,684	(324,378)	43,763,610	46,916,034
Wages and benefits	2,886,477	2,501,330	851	535,730	1,030,347	2,525,381	-	194,381	1,130,065	-	10,804,562	11,444,658
	809,248	8,076,829	46,357	6,032,420	3,387,436	4,613,166	27,132,574	616,771	4,177,749	(324,378)	54,568,172	58,360,692
Capital												
Amortization	450,000	545,253	-	97,605	9,659	568,409	-	426,289	1,864,527	-	3,961,742	-
	1,259,247	8,622,082	46,357	6,130,025	3,397,095	5,181,578	27,132,574	1,043,060	6,042,274	(324,378)	58,529,914	58,360,692
Excess (deficiency) in revenues over expenses	\$ 266,576	\$ 309,113	\$ 15,098	\$ (386,939)	\$ 128,277	\$ 4,321,551	\$ (578,936)	\$ 1,431,352	\$ 3,150,807	\$ 1,335,516	\$ 9,992,415	\$ 10,101,698

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2019

19. Subsequent Events

In March 2020, the COVID-19 outbreak has caused governments worldwide to enact emergency measures to combat the spread of the coronavirus. These measures, which include the implementation of facility closures, travel restrictions, self-isolation periods, and social and physical distancing, will have a significant impact on local and global economies.

At this time it is not possible to reliably estimate the length and severity of the COVID-19 outbreak and how it may impact the regional district's financial results for 2020.

Regional District of Central Okanagan

Consolidated Statement of Current Fund Operations

(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Electoral area tax requisitions	\$ 3,903,617	\$ 3,905,643	\$ 3,720,890
Electoral area parcel taxes	449,327	449,328	421,349
Members' requisitions			
General	16,876,144	16,873,777	16,269,444
Parcel Taxes	455,988	455,988	473,574
Debt Services	18,636,654	18,547,145	26,475,509
Federal government grants	402,590	395,600	238,683
Provincial government grants	273,392	419,631	889,880
Sale of services to other governments	3,619,290	3,879,079	3,383,600
Sale of services to others	1,782,854	1,688,142	1,750,603
Water and sewer fees	6,647,915	6,540,483	6,489,952
Gas tax revenue	200,653	600,000	-
Other Revenue	2,979,178	1,719,620	2,229,297
	56,227,602	55,474,436	62,342,781
Expenses			
General government services	1,346,214	1,832,099	819,765
Protective services	8,132,701	8,760,395	8,072,940
Transportation services	249,587	654,436	46,357
Environmental health services	5,850,659	6,371,663	6,032,420
Development services	3,785,771	4,169,029	3,387,436
Recreation and cultural services	4,820,827	5,099,732	4,596,672
Water services	678,379	738,498	595,730
Sewer services	4,233,854	4,496,698	4,177,749
Fiscal services	19,147,530	19,084,997	27,132,579
Transfer to local governments	110,554	110,579	112,256
Reallocation of insurance reserve (recovery)	(407,221)	-	(436,633)
	47,948,855	51,318,126	54,537,271
Net revenues	8,278,747	4,156,310	7,805,510
Regional District - debt principal repayments	(146,721)	(146,722)	(152,384)
- short term debt repayments	(2,154,007)	(2,154,007)	(2,165,838)
Net interfund transfers			
Capital Fund	(717,155)	(87,041)	(581,283)
Reserve fund	(5,191,110)	(4,742,869)	(4,932,308)
Change in current fund	69,754	(2,974,329)	(26,303)
Balance, beginning of year	4,115,615	4,115,615	4,141,918
Balance, end of year	\$ 4,185,369	\$ 1,141,286	\$ 4,115,615

Regional District of Central Okanagan

Consolidated Statement of Capital Fund Operations

(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Federal government grants	\$ 500	\$ 50,000	\$ -
Provincial government grants	207,513	17,527	908,491
Gain on disposals of tangible capital assets	38,378	-	-
Contributions from others	21,265	99,257	55,391
Retirement of long term debt	233,776	-	232,074
Gas tax revenue	-	-	71,753
	501,432	166,784	1,267,709
Expenses			
Amortization	3,931,605	-	3,961,742
Loss on disposals of tangible capital assets	-	-	30,906
	3,931,605	-	3,992,648
Net revenues (expenses)	(3,430,173)	166,784	(2,724,939)
Net interfund transfers			
Current fund	491,317	87,041	664,700
Current fund - Landfill	225,845	-	(83,417)
Current fund - Retirement of short term debt	2,154,007	2,154,007	2,165,838
Reserve funds	2,925,731	7,593,025	2,096,793
Contributions received from sewer DCC reserve	-	-	4,083,090
	2,366,727	10,000,857	6,202,065
Change in capital fund	2,366,727	10,000,857	6,202,065
Balance, beginning of year	106,269,034	106,269,034	100,066,969
Balance, end of year	\$ 108,635,761	\$ 116,269,891	\$ 106,269,034

Regional District of Central Okanagan

Consolidated Statement of Reserve Fund Operations

(Unaudited)

For the year ended December 31	2019		2018
	Actual	Budget	Actual
Revenues			
Gas tax revenue	\$ 1,455,385	\$ -	\$ 705,850
Interest Income	334,929	-	275,286
	1,790,314	-	981,136
Net interfund transfers			
Current fund	5,191,110	4,742,869	4,932,308
Capital fund	(2,925,731)	(7,593,025)	(2,096,793)
Change in capital fund	4,055,693	(2,850,156)	3,816,651
Balance, beginning of year	20,932,936	20,932,934	17,116,287
Balance, end of year	\$ 24,988,629	\$ 18,082,778	\$ 20,932,938
Summary of Reserve Funds positions			
Feasibility Reserve Fund	\$ 173,054		\$ 160,486
Equipment Replacement Reserve Fund	5,776,461		5,795,961
Park Reserve Fund	1,566,933		1,579,995
Capital Projects Reserve Fund	14,544,378		10,886,850
Operating Reserve Fund	2,927,803		2,509,646
	\$ 24,988,629		\$ 20,932,938

Regional District of Central Okanagan
General Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Cash	\$ 36,037,184	\$ 29,005,115
Accounts receivable		
Federal government	-	-
Provincial government	437,546	710,766
Local governments and Hospital District	659,459	1,849,541
Other	1,713,880	1,505,189
Inventory	-	-
Prepaid expenses	520,345	432,133
Other assets		
Municipal Finance Authority debt reserve fund		
Member municipalities	9,053,153	11,790,139
Regional District	262,270	260,422
	\$ 48,683,837	\$ 45,553,305
Liabilities and Surplus		
Accounts payable		
Accounts payable and accrued liabilities	\$ 4,187,532	\$ 4,295,717
Due to development cost charges reserve fund	5,860,043	3,968,968
Due to capital projects reserve fund	14,544,379	10,886,850
Due to equipment replacement reserve fund	5,776,460	5,795,961
Due to feasibility study reserve fund	173,054	160,486
Due to operating reserve fund	2,927,803	2,509,646
Due to park reserve fund	1,566,933	1,579,995
Due to sewer revenue fund	153,970	178,008
Due to water revenue fund	125,405	124,970
Due to water capital fund	138,240	144,776
Other liabilities		
Deferred revenue	102,557	136,544
Municipal Finance Authority debt reserve fund		
Member municipalities		
- cash requirements	2,788,663	3,333,403
- demand note requirement	6,264,490	8,456,736
Regional District		
- cash requirements	62,230	60,814
- demand note requirement	181,119	181,119
Surplus	3,830,959	3,739,312
	\$ 48,683,837	\$ 45,553,305

Regional District of Central Okanagan
General Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Electoral area tax requisitions	\$ 3,903,617	\$ 3,720,890
Electoral area parcel taxes	228,722	200,744
Members' requisitions		
General	16,876,144	16,269,444
Parcel taxes	418,598	436,145
Debt services	18,634,946	26,473,948
Federal government grants	402,590	236,848
Provincial government	273,392	889,880
Sale of services to local governments	3,619,290	3,383,600
Sale of services to others	1,782,854	1,750,603
Gas tax revenue	200,653	-
Other revenue		
Licenses, fees and permits	1,553,347	1,190,335
Facility rentals	212,056	194,001
Other revenue	1,158,492	792,900
Other programs	30,000	30,000
Transfer from general capital fund	-	-
Transfer from capital projects reserve fund	13,870	340,746
Transfer from operating reserve fund	44,360	103,544
Surplus from previous year	3,739,312	3,871,283
	53,092,243	59,884,911
Expenses		
General government services	1,346,214	819,765
Protective services	8,132,701	8,072,940
Transportation services	249,587	46,357
Environmental health services	5,850,659	6,032,420
Development services	3,785,771	3,387,436
Recreational and cultural services	4,820,827	4,596,672
Fiscal services	19,029,388	27,020,105
Transfer to general capital fund	491,277	668,896
Transfer to equipment replacement reserve fund	465,700	458,896
Transfer to operating reserve fund	422,362	497,986
Transfer to capital projects reserve fund	2,573,613	2,776,082
Transfer to feasibility study reserve fund	10,000	10,000
Transfer to City of Kelowna	-	-
Transfer to District of Lake Country	55,000	55,000
Transfer to District of Peachland	12,000	12,000
Transfer to City of West Kelowna	43,554	45,256
Landfill closure and post-closure	225,845	(83,417)
Reallocation of insurance reserve (recovery)	(407,221)	(436,633)
Short term debt repayment	2,154,007	2,165,838
	49,261,284	56,145,599
Surplus, end of year	\$ 3,830,959	\$ 3,739,312

Regional District of Central Okanagan
General Revenue Fund
Surplus
(Unaudited)

For the year ended December 31	2019	2018
Regional Board	\$ 7,573	\$ 69,697
Corporate Services/Administration	147,551	271,030
Finance	436,341	354,500
Engineering	72,398	191,277
Human Resources	58,944	63,457
Information Systems	76,440	161,116
General Government Services - Electoral Areas	22,910	7,140
Electoral Area Central Okanagan West	-	7,472
Electoral Area Central Okanagan East	-	4,428
EA West Grants in Aid	56	1,748
EA East Grants in Aid	3,300	3,400
Upper Ellison Fire Protection	(3,596)	(3,648)
Electoral Areas Fire Protection	2,165	-
Lakeshore Road Fire Protection	741	-
Ellison Fire Protection	45,113	25,201
Joe Rich Road Fire Protection	(25,030)	625
North Westside Road Fire Protection	37,104	869
Wilson's Landing Fire Protection	27,467	628
Ridgeview Fire Protection	80	73
June Springs Fire Protection	81	575
Brent Road Fire Protection	(283)	1,009
Regional Rescue Service	148,045	189,860
911 Emergency Telephone Service	88,416	109,435
Shelter Cove Fire Protection	-	(544)
Crime Stoppers	-	195
Victims Services	11,158	577
Crime Prevention	33,192	27,074
Business Licenses	9,006	7,017
Building Inspection	331,495	52,426
Dog Control	207,223	274,888
Mosquito Control	7,679	16,138
Prohibited Animal Control	986	981
Transportation Demand Management	2,555	(2,164)
Lakeshore Road Improvements	27	26
Scotty Heights Street Lighting	881	945
Ellison Transit	8,825	11,733
Septic Tank Effluent Disposal	21,837	61,889
Balance to be carried forward	\$ 1,780,680	\$ 1,911,073

Regional District of Central Okanagan

General Revenue Fund (continued)

Surplus
(Unaudited)

For the year ended December 31	2019	2018
Balance carried forward	\$ 1,780,680	\$ 1,911,073
Westside Disposal & Recycling Centre	14,215	2,153
Solid Waste Management	8,400	5,058
Solid Waste Collection	-	52,836
Okanagan Basin Water Board	4	(3)
Air Quality Monitoring	-	(1)
Noise Abatement	3,536	3,298
Untidy Premises	3,696	3,373
Regional Planning	94,366	114,802
Electoral Area Planning	25,702	31,594
Noxious Insect Control	2,863	4,395
Weed Control	32,953	27,771
Starling Control	46	12
Economic Development Commission	12,867	3,636
Ellison Heritage Community Centre	23,914	23,576
Joe Rich Community Hall	4,494	4,303
Killiney Community Hall	(88)	(86)
Regional Parks	152,023	276,689
Westside Community Parks	17,476	18,146
Eastside Community Parks	3,814	13,914
Insurance	1,649,998	1,242,773
Surplus, end of year	\$ 3,830,959	\$ 3,739,312

Regional District of Central Okanagan
General Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Tangible capital assets (net of accumulated amortization)		
Land	\$ 40,096,228	\$ 40,096,228
Land improvements	5,534,758	3,814,331
Buildings	5,447,855	5,683,523
Fleet	2,131,352	2,237,471
Machinery and equipment	2,251,624	2,165,618
Assets under construction	394,370	453,220
	<u>55,856,187</u>	<u>54,450,391</u>
Debt recoverable from other authorities for debentures		
City of Kelowna	96,078,768	109,344,318
City of West Kelowna	11,143,338	12,817,246
District of Lake Country	7,604,381	8,766,410
District of Peachland	2,823,363	3,190,262
OK Regional Library	2,461,971	2,685,663
	<u>120,111,821</u>	<u>136,803,899</u>
	<u>\$ 175,968,008</u>	<u>\$ 191,254,290</u>
Liabilities and Equity in Capital Assets		
Temporary borrowings	\$ -	\$ 2,154,006
Long term debt		
Landfill closure and post closure	527,649	753,493
Municipal Finance Authority	120,336,956	137,098,623
Equity in capital assets	<u>55,103,403</u>	<u>51,248,168</u>
	<u>\$ 175,968,008</u>	<u>\$ 191,254,290</u>

Regional District of Central Okanagan
General Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 51,248,168	\$ 48,804,745
Add:		
Assets acquired and debt retired by transfer from own funds		
Transfer from general revenue fund	491,277	668,896
Park reserve fund	38,342	-
Equipment replacement reserve fund	533,631	384,317
Capital projects reserve fund	1,984,860	736,472
Gain on disposal of tangible capital assets	9,652	-
Grant from Federal government	500	-
Grant from Provincial government	237	97,531
Other contributions	21,265	55,391
Gas tax revenue	-	71,753
Retirement of long term debt	69,589	74,703
Retirement of short term debt	2,154,007	2,165,838
	5,303,360	4,254,901
Deduct:		
Amortization	1,673,970	1,670,926
Landfill closure cost transfer	(225,845)	83,417
Loss on disposal of tangible capital assets	-	9,865
Transfer to equipment replacement reserve fund	-	653
Transfer to capital projects reserve fund	-	46,617
	1,448,125	1,811,478
Balance, end of year	\$ 55,103,403	\$ 51,248,168

Regional District of Central Okanagan
Water Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 125,405	\$ 124,970
Other assets		
Municipal Finance Authority debt reserve fund	<u>124,380</u>	<u>123,029</u>
	\$ 249,785	\$ 247,999
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 65,067	\$ 65,067
Surplus	<u>184,718</u>	<u>182,932</u>
	\$ 249,785	\$ 247,999

Regional District of Central Okanagan
Water Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Connection charges	\$ 50,675	\$ 24,545
Debt service fee	1,350	1,234
Parcel taxes	220,605	220,605
User fees and maintenance fees	1,436,700	1,393,758
Federal government grants	-	1,835
Other revenue	24,527	21,475
Surplus from previous year	182,932	80,692
	1,916,789	1,744,144
Expenses		
Falcon Ridge water system	62,799	45,434
Killiney Beach water system	159,937	153,691
Sunset Ranch water system	127,312	114,087
Trepanier Bench water system	26,557	24,465
Upper Fintry/Shalal/Valley Of The Sun water system	98,003	96,625
Westshore water system	203,773	161,428
Transfer to water capital fund	42	314
Transfer to capital projects reserve fund	826,507	28,141
Transfer to equipment replacement reserve fund	-	709,886
Fiscal Services	227,141	227,141
	1,732,071	1,561,212
Surplus	\$ 184,718	\$ 182,932

Regional District of Central Okanagan
Water Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 138,240	\$ 144,776
Tangible capital assets (net of accumulated amortization)		
Land	228,536	228,536
Fleet	43,706	53,350
Water system	16,851,512	14,556,491
Asset under construction	6,235	2,427,160
	<u>\$ 17,268,229</u>	<u>\$ 17,410,313</u>
Liabilities and Equity in Capital Assets		
Long term debt		
Deferred Revenue	\$ 138,240	\$ 144,776
Municipal Finance Authority	4,167,258	4,276,685
Equity in capital assets	<u>12,962,731</u>	<u>12,988,852</u>
	<u>\$ 17,268,229</u>	<u>\$ 17,410,313</u>

Regional District of Central Okanagan
Water Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 12,988,852	\$ 11,966,268
Add:		
Provincial government grant	207,276	810,960
Retirement of debenture debt	109,426	105,218
Transfer from water revenue fund	42	314
Transfer from equipment replacement reserve fund	121,994	399,688
Transfer from capital project reserve fund	16,446	153,734
Gain on disposal of tangible capital assets	672	-
	<u>455,856</u>	<u>1,469,914</u>
Deduct:		
Amortization	481,977	426,289
Loss on disposal of tangible capital assets	-	21,041
	<u>481,977</u>	<u>447,330</u>
Balance, end of year	\$ 12,962,731	\$ 12,988,852

Regional District of Central Okanagan
Sewer Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 153,970	\$ 178,008
Other assets		
Municipal Finance Authority debt reserve fund	43,354	42,996
	\$ 197,324	\$ 221,004
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 27,633	\$ 27,633
Surplus	169,691	193,371
	\$ 197,324	\$ 221,004

Regional District of Central Okanagan
Sewer Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2019	2018
Revenue		
Debt service fee	\$ 358	\$ 327
Parcel tax	37,390	37,429
User fees and municipal services	5,160,540	5,071,649
Other revenue	3,157	2,986
Transfer from sewer capital fund	-	4,510
Surplus from previous year	193,371	189,943
	5,394,816	5,306,844
Expenses		
Westside sewer system	4,122,606	4,076,734
Ellison sewer system	113,645	103,415
Fiscal services	37,717	37,717
Transfer to capital projects reserve fund	873,468	812,544
Transfer to equipment replacement reserve fund	77,689	63,063
Transfer to operating reserve fund	-	20,000
	5,225,125	5,113,473
Surplus	\$ 169,691	\$ 193,371

Regional District of Central Okanagan
Sewer Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Tangible capital assets (net of accumulated amortization)		
Land	\$ 63,739	\$ 63,739
Fleet	51,923	119,144
Sewer system	40,475,051	42,020,520
Asset under construction	96,785	1,242
	<u>\$ 40,687,498</u>	<u>\$ 42,204,645</u>
Liabilities and Equity in Capital Assets		
Long term debt		
Municipal Finance Authority	\$ 117,871	\$ 172,631
Equity in capital assets	<u>40,569,627</u>	<u>42,032,014</u>
	<u>\$ 40,687,498</u>	<u>\$ 42,204,645</u>

Regional District of Central Okanagan
Sewer Capital Fund
Statement of Equity in Capital Assets
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 42,032,014	\$ 39,295,956
Add:		
Gain on disposal of tangible capital assets	28,054	-
Retirement of debenture debt	54,760	52,153
Transfer from development cost charge reserve fund	-	4,083,090
Transfer from capital projects reserve fund	230,456	401,491
Transfer from equipment replacement reserve fund	-	68,361
	313,270	4,605,095
Deduct:		
Amortization	1,775,657	1,864,527
Transfer to sewer revenue fund	-	4,510
Balance, end of year	\$ 40,569,627	\$ 42,032,014

Regional District of Central Okanagan
Development Cost Charge Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 5,860,043	\$ 3,968,968
Fund Balance		
Westside wastewater treatment plant	\$ 3,580,958	\$ 1,934,560
East trunk treatment plant	2,279,085	2,034,408
	\$ 5,860,043	\$ 3,968,968

Regional District of Central Okanagan
Development Cost Charge Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 3,968,968	\$ 6,158,546
Add:		
Interest earned	63,504	99,050
Development cost charge levies	1,827,571	1,794,462
	1,891,075	1,893,512
Deduct:		
Transfer to sewer capital fund	-	4,083,090
Balance, end of year	\$ 5,860,043	\$ 3,968,968

Note:

Development Cost Charge (DCC) levies are restricted by by-law in their use for sewer expansion and the revenue is deferred until the expenses are incurred. When DCC expenses are made, a corresponding amount is recorded as "Contribution from sewer DCC reserve" on the statement of operations.

Regional District of Central Okanagan
Feasibility Study Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 173,054	\$ 160,486
Fund Balance		
Feasibility Study Reserve - Electoral Areas	\$ 73,837	\$ 67,753
Feasibility Study Reserve - Regional	99,217	92,733
	\$ 173,054	\$ 160,486

Regional District of Central Okanagan
Feasibility Study Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 160,486	\$ 148,105
Add:		
Interest Income	2,568	2,381
Transfer from general revenue fund	10,000	10,000
	12,568	12,381
Balance, end of year	\$ 173,054	\$ 160,486

Regional District of Central Okanagan
Equipment Replacement Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 5,776,461	\$ 5,795,961
Statement of Fund Balance		
Regional Board	\$ 570	\$ 561
Corporate Services/Administration	-	124
Finance	235,648	238,873
Engineering	92,262	82,935
Information Systems	184,241	116,452
Ellison Fire Protection	15,481	15,237
Joe Rich Fire Protection	25,212	24,815
North Westside Road Fire Protection	1,037	172,757
Wilson's Landing Fire Protection	79,631	107,731
Brent Road Fire Protection	182	179
Regional Rescue Service	436,907	503,890
Alarm Control	8,766	5,675
Crime Stoppers	42,869	42,194
Victims Services	28,238	22,872
Crime Prevention	46,103	40,456
Business Licenses	30,292	28,831
Business Inspection	139,850	137,648
Dog Control	158,488	123,624
Mosquito Control	38,465	37,859
Lakeshore Road Improvements	73,590	72,431
Septic Tank Effluent Disposal	5,342	5,258
Westside Sanitary Landfill	3,703	3,645
Solid Waste Management	56,610	48,828
Solid Waste Collection	200,549	197,391
Noise Abatement	112	110
Unsightly & Untidy Premises	513	504
Electoral Area Planning	57,081	56,182
Noxious Insect Control	16,156	15,901
Weed Control	47,375	42,200
Economic Development Commission	6,895	14,815
Ellison Heritage Community Centre	60,972	60,012
Regional Parks	304,687	165,468
Westside Community Parks	46,833	46,095
Eastside Community Parks	51,211	50,404
Okanagan Regional Library	3,241	3,190
Equipment Pool / Fleet	90,380	130,423
Killiney Beach Water	664,950	681,926
Falcon Ridge Water	2,509	15,769
Sunset Ranch Water	371,402	373,081
Trepanier Water	-	1,008
Westshores Water	1,449,828	1,487,166
Upper Fintry/Shalal/Valley Of The Sun water system	150,969	159,215
Westside Wastewater Treatment Plant	335,002	275,592
Ellison sewer	212,309	186,634
Fund Balance	\$ 5,776,461	\$ 5,795,961

**Regional District of Central Okanagan
Equipment Replacement Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)**

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 5,795,961	\$ 5,330,103
Add:		
Interest Income	92,736	85,726
Transfer from general revenue fund	465,700	458,896
Transfer from general capital fund	-	653
Transfer from sewer revenue fund	77,689	63,063
Transfer from water revenue fund	-	709,886
	636,125	1,318,224
Deduct:		
Transfer to general capital fund	533,631	384,317
Transfer to sewer capital fund	-	68,361
Transfer to water capital fund	121,994	399,688
	655,625	852,366
Balance, end of year	\$ 5,776,461	\$ 5,795,961

Regional District of Central Okanagan
Park Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 1,566,933	\$ 1,579,995
Statement of Fund Balance		
Regional Parks	\$ 1,299,283	\$ 1,316,560
Westside Parks	176,648	173,866
Eastside Parks	63,831	62,826
Regional Parks Legacy	27,171	26,743
Fund Balance	\$ 1,566,933	\$ 1,579,995

Regional District of Central Okanagan
Park Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 1,579,995	\$ 1,554,986
Add:		
Interest Income	25,280	25,009
Deduct:		
Transfer to general capital fund	38,342	-
Balance, end of year	\$ 1,566,933	\$ 1,579,995

Regional District of Central Okanagan
Capital Projects Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 14,544,378	\$ 10,886,850
Statement of Fund Balance		
Community Works Fund	\$ 3,109,858	\$ 1,816,627
Regional Board	41,506	11,325
Corporate Services/Administration	609,956	485,026
Electoral Areas	120,201	111,418
Electoral Area Fire Prevention	2,000	-
Ellison Fire Protection	585,884	509,121
Joe Rich Fire Protection	394,521	319,674
North Westside Road Fire Protection	421,378	409,714
Wilson's Landing Fire Protection	144,294	128,174
Brent Road Fire Protection	30,505	26,875
911 Emergency Telephone Service	61,729	79,645
Dog Control	127,813	98,650
Septic Tank Effluent Disposal	242,331	189,303
Westside Disposal & Recycling Centre	113,771	97,216
Westside Sanitary Landfill Closure	346,951	348,249
Solid Waste Management	34,930	28,084
Ellison Heritage Community Centre	268,161	311,198
Joe Rich Community Hall	25,314	19,010
Regional Parks	4,643,906	4,143,336
Westside Community Parks	269,536	307,307
Eastside Community Parks	138,676	126,836
Joe Rich Water System	10,080	5,000
Killiney Beach Water	299,047	-
Falcon Ridge Water	10,360	-
Sunset Ranch Water	65,844	-
Westshores Water	366,717	-
Upper Fintry/Shalal/Valley Of The Sun water system	227,815	145,494
Westside Wastewater Treatment Plant	1,150,719	624,129
RDCO Lift Station/Collector System	524,226	408,497
Peachland Lift Station/Collector System	156,349	136,942
Fund Balance	\$ 14,544,378	\$ 10,886,850

Regional District of Central Okanagan
Capital Projects Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 10,886,850	\$ 8,021,053
Add:		
Gas tax revenue (Note 16)	1,455,385	705,850
Interest earned	174,187	129,006
Transfer from general capital fund	-	46,617
Transfer from general revenue fund	2,573,613	2,776,082
Transfer from sewer revenue fund	873,468	812,544
Transfer from water revenue fund	826,507	28,141
	<u>5,903,160</u>	<u>4,498,240</u>
Deduct:		
Transfer to general revenue fund	13,870	340,746
Transfer to general capital fund	1,984,860	736,472
Transfer to water capital fund	16,446	153,734
Transfer to sewer capital fund	230,456	401,491
	<u>2,245,632</u>	<u>1,632,443</u>
Balance, end of year	\$ 14,544,378	\$ 10,886,850

Regional District of Central Okanagan
Operating Reserve Fund
Statement of Financial Position
(Unaudited)

December 31	2019	2018
Assets		
Due from general revenue fund	\$ 2,927,803	\$ 2,509,646
Statement of Fund Balance		
Regional Board	\$ 52,702	\$ 51,872
Corporate Services/Administration	92,625	61,639
Finance	159,852	24,193
Engineering	237,782	108,129
Human Resources	27,150	15,000
Information Systems	97,978	96,435
Electoral Areas	27,869	22,558
Electoral Area Central Okanagan West	5,826	6,129
Electoral Area Central Okanagan East	1,698	2,629
Electoral Area Fire Prevention	477	469
Lakeshore Road Fire Protection	122	120
Ellison Fire Protection	140,142	129,077
Ridgeview Fire Protection	309	232
June Springs Fire Protection	584	9
Brent Road Fire Protection	8,327	7,203
Regional Rescue	154,524	152,091
911 Emergency Telephone Service	227,305	223,726
Crime Stoppers	4,377	5,471
Victim Services	4,038	3,974
Crime Prevention	37,918	29,500
Business Licenses	30,413	26,648
Business Inspection	253,628	249,634
Dog Control	328,545	300,222
Mosquito Control	20,237	19,919
Lakeshore Road Improvements	1,664	1,612
Scotty Heights Street Lights	1,091	143
Ellison Transit	24,596	15,845
Septic Tank Effluent Disposal	173,963	135,110
Westside Disposal & Recycling Centre	43,735	43,047
Solid Waste Collection	86,010	125,802
Air Quality Monitoring	4,129	4,064
Noise Abatement	5,756	5,666
Untidy & Unsightly Premises	7,487	7,028
Regional Planning	33,520	32,992
Electoral Area Planning	109,901	98,328
Insect Control	6,957	4,879
Weed Control	47,204	39,236
Economic Development Commission	20,911	20,582
Ellison Heritage Community Hall	27,386	26,955
Joe Rich Community Hall	1,000	-
Regional Parks	211,325	207,994
Westside Wastewater Treatment Plant	198,435	195,310
RDCO Lift Station/Collector System	6,273	6,174
Bylaw Enforcement	2,032	2,000
Fund Balance	\$ 2,927,803	\$ 2,509,646

Regional District of Central Okanagan
Operating Reserve Fund
Statement of Changes in Fund Balance
(Unaudited)

For the year ended December 31	2019	2018
Balance, beginning of the year	\$ 2,509,646	\$ 2,062,040
Add:		
Interest earned	40,155	33,164
Transfer from general revenue fund	422,362	497,986
Transfer from sewer revenue fund	-	20,000
	<u>2,972,163</u>	<u>2,613,190</u>
Deduct:		
Transfer to general revenue fund	44,360	103,544
Balance, end of year	<u>\$ 2,927,803</u>	<u>\$ 2,509,646</u>