



REGIONAL DISTRICT OF THE CENTRAL OKANAGAN
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

Contents

Management's Responsibility for Financial Reporting	3
Independent Auditor's Report	4-5
Financial Statements	
Statement of Financial Position	6
Statement of Operations	7
Statement of Change in Net Financial Assets	8
Statement of Cash Flows	9
Summary of Significant Accounting Policies	10-11
Notes to Financials Statements	12-29
Unaudited Supplemental Financial Information	
Consolidated Funds	
Exhibit 1 Consolidated Statement of Current Fund Operations	30
Exhibit 2 Consolidated Statement of Capital Fund Operations	31
Exhibit 3 Consolidated Statement of Reserve Fund Operations	32
General Revenue Fund	
Exhibit 4 Statement of Financial Position	33
Exhibit 5 Statement of Operations	34
Exhibit 6 Surplus	35-36
General Capital Fund	
Exhibit 7 Statement of Financial Position	37
Exhibit 8 Statement of Equity in Capital Assets	38
Water Revenue Fund	
Exhibit 9 Statement of Financial Position	39
Exhibit 10 Statement of Operations	40
Water Capital Fund	
Exhibit 11 Statement of Financial Position	41
Exhibit 12 Statement of Equity in Capital Assets	42
Sewer Revenue Fund	
Exhibit 13 Statement of Financial Position	43
Exhibit 14 Statement of Operations	44
Sewer Capital Fund	
Exhibit 15 Statement of Financial Position	45
Exhibit 16 Statement of Equity in Capital Assets	46
Development Cost Charge Reserve Fund	
Exhibit 17 Statement of Financial Position	47
Exhibit 18 Statement of Changes in Fund Balance	48
Feasibility Study Reserve Fund	
Exhibit 19 Statement of Financial Position	49
Exhibit 20 Statement of Changes in Fund Balance	50
Equipment Replacement Reserve Fund	
Exhibit 21 Statement of Financial Position	51
Exhibit 22 Statement of Changes in Fund Balance	52
Park Reserve Fund	
Exhibit 23 Statement of Financial Position	53
Exhibit 24 Statement of Changes in Fund Balance	54
Capital Projects Reserve Fund	
Exhibit 25 Statement of Financial Position	55
Exhibit 26 Statement of Changes in Fund Balance	56
Operating Reserve Fund	
Exhibit 27 Statement of Financial Position	57
Exhibit 28 Statement of Changes in Fund Balance	58

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

May 13, 2021

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, 2020, 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, 2020, 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
May 13, 2021

Regional District of Central Okanagan
Statement of Financial Position

December 31	2020	2019
Financial Assets		
Cash (Note 1)	\$ 43,773,912	\$ 36,037,183
Accounts receivable (Note 2)	3,152,170	2,810,886
Deposits - Municipal Finance Authority (Note 3)	8,712,691	9,483,156
Agreements due from members (Note 4)	<u>107,771,888</u>	<u>120,111,822</u>
	<u>163,410,663</u>	<u>168,443,048</u>
Financial Liabilities		
Accounts payable and accrued liabilities	4,265,409	4,187,531
Deferred revenue (Note 5)	241,970	240,797
Development cost charges (Note 6)	6,154,606	5,860,043
Reserve - Municipal Finance Authority (Note 3)	8,619,175	9,389,202
Interim financing (Note 7)	-	-
Long term debt (Note 8)	112,038,181	124,622,085
Landfill closure and post-closure (Note 9)	<u>497,879</u>	<u>527,649</u>
	<u>131,817,220</u>	<u>144,827,307</u>
Net Financial Assets	31,593,443	23,615,741
Non-Financial Assets		
Prepaid expenses	489,873	520,345
Tangible capital assets (Note 10)	<u>113,979,484</u>	<u>113,673,675</u>
Accumulated Surplus (Note 11)	\$ 146,062,800	\$ 137,809,761

Approved on behalf of the Board:

Chair

Regional District of Central Okanagan Statement of Operations

For the year ended December 31	2020		2019
	Actual	Budget (Note 17)	Actual
Revenues			
Electoral area tax requisitions	\$ 4,114,749	\$ 4,115,619	\$ 3,903,617
Electoral area parcel taxes	507,734	507,733	449,327
Members' requisitions			
General	17,697,179	17,696,949	16,876,144
Parcel taxes	432,659	432,659	455,988
Debt services	13,998,427	14,029,012	18,636,654
Federal government grants	267,411	315,566	403,090
Provincial government grants	1,655,493	2,915,881	480,905
Sale of services to other governments	3,591,161	3,992,012	3,619,290
Sale of services to others	2,432,291	2,121,420	1,782,854
Water and sewer fees	7,119,131	7,028,579	6,647,915
Gas tax revenue (Note 16)	1,048,842	1,149,194	1,656,038
Contributions from others	772,158	190,458	21,265
Contributions from sewer DCC reserve	837,307	2,256,667	-
Gain on disposal of tangible capital assets	2,970	-	38,378
Other revenue	2,306,515	1,655,161	3,401,163
	56,784,027	58,406,910	58,372,628
Expenses (Note 14)			
Amortization	3,945,767	-	3,931,605
General government services	1,242,077	2,112,323	1,346,214
Protective services	8,343,239	9,618,386	8,132,701
Transportation services	356,512	462,083	249,587
Environmental health services	6,334,797	6,808,528	5,850,659
Development services	3,849,370	4,364,064	3,785,771
Recreation and cultural services	5,092,530	5,786,109	4,820,828
Water services	834,217	844,843	678,379
Sewer services	4,179,762	4,693,415	4,233,854
Interest on long term debt and debt issue expense	183,777	191,234	230,961
Fiscal services	14,278,499	14,310,629	18,916,564
Transfer to local governments	116,765	116,887	110,554
Loss on disposal of tangible capital assets	54,952	-	-
Reallocation of insurance reserve (recovery)	(281,277)	-	(407,221)
	48,530,987	49,308,501	51,880,456
Annual Surplus	8,253,039	9,098,409	6,492,172
Accumulated surplus, beginning of the year	137,809,761	137,809,757	131,317,589
Accumulated surplus, end of year	\$ 146,062,800	\$ 146,908,166	\$ 137,809,761

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

For the year ended December 31	2020	2019
Annual Surplus	\$ 8,253,039	\$ 6,492,172
Acquisition of tangible capital assets	(4,306,528)	(3,741,562)
Amortization of tangible capital assets	3,945,767	3,931,605
(Gain) loss on disposal of tangible capital assets	51,982	(38,378)
Proceeds from disposal of tangible capital assets	2,973	95,234
	7,947,233	6,739,071
Acquisition of prepaid expenses	30,472	(88,212)
Change in net financial assets	7,977,705	6,650,859
Net financial assets, beginning of the year	23,615,741	16,964,882
Net financial assets, end of year	\$ 31,593,443	\$ 23,615,741

Regional District of Central Okanagan
Statement of Cash Flows

For the year ended December 31	2020	2019
Cash provided by (used in)		
Operating Activities		
Cash receipts from grants, other governments, and own sources	\$ 55,970,556	\$ 58,791,984
Cash paid to employees and suppliers	(29,663,918)	(27,303,623)
Interest paid	(5,699,634)	(7,147,600)
Interest received	470,395	756,347
Landfill closure cost payments from reserve	(30,931)	(28,870)
	21,046,468	25,068,238
Capital Activities		
Purchase of tangible capital assets	(4,306,528)	(3,741,562)
Proceeds from sale of tangible capital assets	2,973	95,234
	(4,303,555)	(3,646,328)
Financing Activities		
Net long term debt reduction	(9,006,180)	(12,235,834)
Net issuance of interim financing	-	(2,154,007)
	(9,006,180)	(14,389,841)
Increase in cash during year	7,736,733	7,032,069
Cash, beginning of the year	36,037,183	29,005,114
Cash, end of year	\$ 43,773,912	\$ 36,037,183

Regional District of Central Okanagan Summary of Significant Accounting Policies

December 31, 2020

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, 2020

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, 2020

1. Cash

Cash is held in a financial institution earning interest at a rate of 1.17 (2019 - 2.35) per annum.

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

2. Accounts Receivable

	2020	2019
Local governments and Hospital District	\$ 1,574,530	\$ 659,459
Provincial government	297,829	437,546
Other	1,279,811	1,713,881
	\$ 3,152,170	\$ 2,810,886

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	2020	2019
Regional District	\$ 122,119	\$ 93,516	\$ 215,635	\$ 221,339
Member Municipalities				
Kelowna	4,152,328	1,812,317	5,964,645	6,561,718
Peachland	192,935	152,722	345,657	342,578
Lake Country	495,211	273,552	768,763	854,448
West Kelowna	796,738	411,308	1,208,046	1,294,409
Okanagan Regional Library	146,434	63,511	209,945	208,664
	\$ 5,905,765	\$ 2,806,926	\$ 8,712,691	\$ 9,483,156

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2020

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:

	2020	2019
Regional District Reserves	\$ 122,119	\$ 127,385
Member Municipalities Reserves and Demand Notes		
Kelowna	5,964,645	6,561,718
Peachland	345,657	342,578
Lake Country	768,763	854,448
West Kelowna	1,208,046	1,294,409
Okanagan Regional Library Reserves and Demand Notes	209,945	208,664
	\$ 8,619,175	\$ 9,389,202

4. Agreements Due from Members

Agreements due from members become receivable on the same terms as payable to the Municipal Finance Authority (Note 7). 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.

	2020	2019
City of Kelowna	\$ 87,022,602	\$ 96,078,769
District of Lake Country	6,543,917	7,604,381
District of Peachland	2,440,062	2,823,363
City of West Kelowna	9,535,975	11,143,338
Okanagan Regional Library District	2,229,332	2,461,971
	\$ 107,771,888	\$ 120,111,822

5. Deferred Revenue

	2020	2019
Balance, beginning of the year	\$ 240,797	\$ 281,320
Contributions		
Business licenses	33,655	36,375
Other	208,315	204,422
Recognized as revenue	(240,797)	(281,320)
Balance, end of the year	\$ 241,970	\$ 240,797

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2020

6. Development Cost Charges

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

	2020	2019
Balance, beginning of the year	\$ 5,860,043	\$ 3,968,969
Interest	68,319	63,503
DCC's collected in the year	1,063,551	1,827,571
DCC's recognized as revenue	(837,307)	-
	\$ 6,154,606	\$ 5,860,043

Developmental cost charges are allocated as follows:

	2020	2019
Westside Sewer Plant	\$ 3,773,809	\$ 3,580,958
East Trunk Sewer	2,380,797	2,279,085
	\$ 6,154,606	\$ 5,860,043

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2020

7. Long Term Debt

Municipal Finance Authority Agreements

Security

Issuing By- law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding	
					2020	2019
740	66	District of Peachland	2022	2.250	\$ 24,935	\$ 36,518
764	68	District of Peachland	2023	2.650	786,410	1,023,987
818	70	District of Lake Country	2024	5.745	1,253,616	1,533,829
886	73	City of West Kelowna	2020	1.670	-	123,945
887	73	District of Lake Country	2020	1.670	-	78,000
912	74	Regional District - Ellison Fire	2021	1.750	45,853	89,522
912	74	Regional District - Lakeview	2021	1.750	60,373	117,871
912	74	City of West Kelowna	2021	1.750	98,507	192,324
931	75	City of West Kelowna	2021	1.750	103,780	202,619
932	75	City of Kelowna	2021	1.750	38,211	74,602
933	75	District of Lake Country	2021	1.750	191,054	373,010
957	77	City of Kelowna	2022	1.750	5,886	8,621
964	77	City of West Kelowna	2022	1.750	285,726	418,467
983	78	City of Kelowna	2022	2.250	607,446	889,651
973	78	District of Lake Country	2022	2.250	84,678	124,018
984	78	District of Lake Country	2022	2.250	119,363	174,816
1007	79	City of West Kelowna	2023	2.250	428,222	557,590
1023	80	City of Kelowna	2023	2.850	8,563	11,150
1069	85	City of Kelowna	2024	2.250	1,008,543	1,231,394
1070	85	City of West Kelowna	2024	2.250	287,986	351,621
1123	95	District of Peachland	2030	0.910	1,628,717	1,762,856
1125	95	City of Kelowna	2025	0.910	2,417,212	2,852,734
1122	95	Regional District - Upper Ellison Fire	2020	0.910	-	11,854
1122	95	Regional District - Ridgeview Fire Protection	2025	0.910	71,282	84,125
1122	95	City of West Kelowna	2025	0.910	1,364,440	1,610,278
Carried forward					\$ 10,920,804	\$ 13,935,402

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2020

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing By- law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding		
					2020	2019	
Brought forward					\$	10,920,804	\$ 13,935,402
1147	99	City of West Kelowna	2026	1.750	506,455	579,872	
1175	101	City of West Kelowna	2027	2.250	1,255,146	1,407,947	
					35,331		
1196	101	Lakeshore Road Improvements	2027	2.250		39,633	
1196	101	City of West Kelowna	2027	2.250	616,532	691,588	
1212	102	City of Kelowna	2027	2.250	12,498,460	14,020,022	
1219	103	City of West Kelowna	2028	2.650	69,626	76,892	
1239	104	District of Lake Country	2028	2.900	830,798	917,495	
1245	104	Okanagan Regional Library	2028	2.900	2,229,332	2,461,971	
		District Admin Building					
1212	104	City of Kelowna	2028	2.900	990,814	1,094,209	
1246	104	City of Kelowna	2028	2.900	5,250,040	5,797,901	
1251	105	City of West Kelowna	2029	2.250	4,519,555	4,930,196	
1252	105	District of Lake Country	2024	2.250	302,107	370,514	
1252	105	District of Lake Country	2029	2.250	273,552	298,407	
1252	109	District of Lake Country	2020	1.830	-	25,000	
1246	112	City of Kelowna	2020	1.280	-	1,185,490	
1285	114	District of Lake Country	2026	3.650	112,882	129,446	
1286	114	District of Lake Country	2026	3.650	172,727	198,073	
1292	117	City of Kelowna	2031	3.250	1,289,222	1,381,140	
1293	117	City of Kelowna	2026	3.250	1,791,638	2,051,359	
1310	121	Regional District - Upper Fintry Shalal Road & Valley of the Sun Water Distribution System	2042	2.900	4,053,454	4,167,258	
1329	126	District of Lake Country	2033	3.850	786,195	831,661	
1337	127	District of Lake Country	2029	3.300	297,807	324,866	
1350	130	City of Kelowna	2034	3.000	268,152	282,248	
1362	133	District of Lake Country	2035	2.750	2,119,137	2,225,248	
1363	133	City of Kelowna	2035	2.750	16,207,549	17,019,102	
1364	133	City of Kelowna	2035	2.750	12,155,661	12,764,326	
1227	133	City of Kelowna	2025	2.750	4,071,721	4,805,344	
Carried forward					\$	83,624,698	\$ 94,012,610

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2020

8. Long Term Debt (continued)

Municipal Finance Authority Agreements

Security

Issuing By- law	Issue number	Purpose	Year of Maturity	Interest Rate	Balance outstanding	
					2020	2019
Brought forward					\$ 83,624,698	\$ 94,012,610
1227	137	City of Kelowna	2026	2.600	2,242,494	2,573,274
1363	137	City of Kelowna	2036	2.600	14,466,236	15,132,729
1227	139	City of Kelowna	2026	2.100	1,905,180	2,191,138
1227	141	City of Kelowna	2027	2.800	5,843,034	6,583,377
1363	142	City of Kelowna	2037	3.150	2,654,910	2,773,356
1363	145	City of Kelowna	2038	3.150	1,257,255	1,309,387
1420	146	City of Kelowna	2038	3.200	44,375	46,214
Total long term debt					\$ 112,038,181	\$ 124,622,085

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

2021	\$ 11,751,660
2022	11,333,644
2023	11,311,033
2024	11,283,065
2025	10,899,273
Thereafter	55,459,507
	<u>\$ 112,038,181</u>

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2020

8. 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 2.76% (2019 - 2.52%) 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 \$342,065 (2019 - \$346,951) 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, 2020
West Kelowna	-	\$ 497,879	1,926,340	1,926,340	100%	\$ 497,879
Less expenses previously recognized:						<u>(527,649)</u>
2020 net additional cost in connection with landfill closure:						<u>\$ (29,770)</u>

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

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2020

9. Tangible Capital Assets

	2020								
	Land	Land Improvements	Buildings	Fleet	Machinery and Equipment	Sewer System	Water System	Assets Under Construction	Total
Cost, beginning 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
Additions	7,363	424,318	577,820	183,878	487,406	491,321	736,519	1,397,903	4,306,528
Disposals	-	(2,544)	-	(28,848)	(811,528)	(910,390)	(460,741)	-	(2,214,051)
Reallocation of Assets Under Construction	38,342	106,938	94,434	67,130	17,047	-	-	(323,892)	-
Cost, end of year	\$ 40,434,209	\$ 8,901,466	\$ 13,043,951	\$ 6,966,528	\$ 4,234,488	\$ 64,260,086	\$ 23,562,523	\$ 1,571,400	\$ 162,974,652
Accumulated amortization, beginning of year	\$ -	\$ 2,837,996	\$ 6,923,841	\$ 4,517,386	\$ 2,289,940	\$ 24,204,105	\$ 6,435,232	\$ -	\$ 47,208,500
Amortization	-	446,862	479,636	381,753	444,726	1,699,581	493,209	-	3,945,767
Disposals	-	(2,544)	-	(28,848)	(811,528)	(910,390)	(405,789)	-	(2,159,099)
Accumulated amortization, end of year	\$ -	\$ 3,282,315	\$ 7,403,477	\$ 4,870,291	\$ 1,923,138	\$ 24,993,295	\$ 6,522,652	\$ -	\$ 48,995,168
Net carrying amount, end of year	\$ 40,434,209	\$ 5,619,151	\$ 5,640,474	\$ 2,096,237	\$ 2,311,350	\$ 39,266,791	\$ 17,039,871	\$ 1,571,400	\$ 113,979,484

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2020

9. Tangible Capital Assets (continued)

	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, 2020

10. Accumulated Surplus

	2020	2019
Current Funds		
General revenue fund	\$ 4,726,562	\$ 3,830,960
Water revenue fund	102,575	184,718
Sewer revenue fund	455,151	169,691
	5,284,288	4,185,369
Capital Funds		
General capital fund	55,212,088	55,103,403
Water capital fund	13,255,249	12,962,731
Sewer capital fund	40,747,976	40,569,627
	109,215,313	108,635,761
Reserve Funds		
Feasibility reserve fund	175,072	173,054
Equipment replacement reserve fund	5,677,130	5,776,461
Park reserve fund	1,577,839	1,566,933
Capital projects reserve fund	20,109,491	14,544,378
Operating reserve fund	4,023,665	2,927,803
	31,563,197	24,988,629
Accumulated Surplus Total	\$ 146,062,800	\$ 137,809,761

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.

11. Credit Facility

The Regional District has a credit facility agreement with a financial institution which provides for a total commitment of \$22,700,000 (2019 - \$21,500,000). At December 31, 2020, the Regional District had drawn an amount of \$Nil on this agreement (2019 - \$Nil).

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2020

12. 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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 \$753,206 (2019 - \$715,187) for employer contributions to the plan in fiscal 2020.

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 expense 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 2020 is \$885,600 (2019 - \$800,400).

Vacation

Vacation is accrued as it is earned by employees.

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2020

13. 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.

14. Expenses by Object

	2020	2019
Advertising and promotion	\$ 162,701	\$ 112,656
Amortization	3,945,765	3,931,605
Contract Services	4,029,349	3,768,895
Education and training	868,594	637,492
Emergency services	1,698,231	1,677,361
Grants and other programs	287,536	296,208
Insurance, licenses and memberships	305,875	105,232
Interest on long-term debt and debt issue expense	183,778	230,962
Fiscal services for members	14,278,499	18,916,563
Leases and rentals	20,799	21,177
Loss on disposal of tangible capital assets	54,952	-
Office and administration	664,026	702,308
Planning and development	318,634	573,347
Professional fees	346,809	235,684
Repairs and maintenance	2,520,282	2,625,079
Supplies	1,364,882	981,300
Telephone and utilities	1,047,302	958,842
Transit services	21,683	17,190
Travel	83,046	178,676
Transfers to other agencies and governments	4,041,005	4,053,203
Wages and benefits	12,287,239	11,856,671
	\$ 48,530,987	\$ 51,880,456

Regional District of Central Okanagan Notes to the Financial Statements

December 31, 2020

15. 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.

	2020	2019
Opening balance of unspent funds	\$ 3,109,858	\$ 1,816,627
Add: Amount received during the year	749,846	1,455,385
Interest earned	36,255	29,066
Less: Amount spent on projects	(327,246)	(191,220)
Closing balance of unspent community works funds	\$ 3,568,713	\$ 3,109,858

b) Regionally Significant Project Funding

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

	2020	2019
Regional strategic transportation demand plan	\$ 298,995	\$ 200,653

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2020

16. Budget

The budget data presented in these financial statements is based upon the 2020 - 2024 Financial Plan Bylaw 1449 approved by the Regional District Board on March 23 and Amending Bylaws 1460, 1461, 1470, 1472, 1474 and 1480 approved by the Board on July, September, December 2020 and January, February and April 2021.

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	\$ 4,623,352	\$ -	\$ -	\$ -	\$ 4,623,352
Members' requisitions	32,158,620	-	-	-	32,158,620
Grants	2,214,970	1,016,477	-	-	3,231,447
Sale of services	6,113,432	-	-	-	6,113,432
Water and Sewer fees	7,030,979	-	-	(2,400)	7,028,579
Gas tax revenue	1,149,194	-	-	-	1,149,194
Contributions	-	2,447,125	-	-	2,447,125
Transfers from reserves	841,650	(841,650)	-	-	-
Other revenue	1,741,551	-	(146,722)	60,332	1,655,161
Prior years' surplus	2,538,965	-	-	(2,538,965)	-
	\$ 58,412,710	\$ 2,621,952	\$ (146,722)	\$ (2,481,033)	\$ 58,406,910
Expense					
General government services	7,408,704	-	(18,000)	(5,278,383)	2,112,323
Protective services	9,477,691	-	(21,965)	162,660	9,618,386
Transportation services	465,355	-	(4,487)	1,215	462,083
Environmental health services	6,403,600	-	-	404,928	6,808,528
Development services	4,069,331	-	-	294,733	4,364,064
		-			
Recreation and cultural services	9,596,729	-	(310,264)	(3,500,356)	5,786,109
Water services	1,851,026	-	(227,141)	(779,042)	844,843
Sewer services	5,111,267	-	(37,717)	(380,135)	4,693,415
Fiscal services	14,029,010	-	281,619	-	14,310,629
Interest on long-term debt and debt issue expense	-	-	191,234	-	191,234
Transfers to local governments	-	-	-	116,887	116,887
	\$ 58,412,710	\$ -	\$ (146,721)	\$ (8,957,493)	\$ 49,308,501

Regional District of Central Okanagan

Notes to the Financial Statements

December 31, 2020

17. 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, 2020

17. Segmented Information

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

	General		Environmental		Environmental	Recreation/					Total	Total
	Government	Protective	Transportation	Health	Development	Cultural	Fiscal	Water	Sewer	Other	2020	2020
	Services	Services	Services	Services	Services	Services	Services	Services	Services		Actual	Budget
Revenues												
General taxes	\$ 866,445	\$ 6,543,652	\$ 49,277	\$ 2,494,013	\$ 3,525,245	\$ 9,015,725	\$ 13,996,882	\$ 221,826	\$ 37,683	\$ -	\$ 36,750,748	\$ 36,781,972
Utility Charges	-	-	-	-	-	-	-	1,614,374	5,504,757	-	7,119,131	7,028,579
Government grants - Federal	110,000	4,512	-	-	114,063	38,836	-	-	-	-	267,411	315,566
Government grants - Provincial	227,478	277,159	-	12,535	231,698	832,099	-	74,524	-	-	1,655,493	2,915,881
Sales of services	334,835	1,030,877	10,954	3,924,235	102,638	619,913	-	-	-	-	6,023,452	6,113,432
Other revenue	211,954	1,217,508	299,019	342,796	48,499	40,292	97,249	459,922	1,178,372	1,072,173	4,967,792	5,251,480
	<u>1,750,712</u>	<u>9,073,708</u>	<u>359,250</u>	<u>6,773,579</u>	<u>4,022,143</u>	<u>10,546,865</u>	<u>14,094,131</u>	<u>2,370,646</u>	<u>6,720,812</u>	<u>1,072,173</u>	<u>56,784,027</u>	<u>58,406,910</u>
Expenses												
Operating												
Goods and services (net)	(2,386,485)	5,703,837	355,626	5,776,080	2,690,285	2,462,156	14,462,276	627,933	2,937,585	(164,512)	32,464,781	36,284,628
Wages and benefits	3,628,562	2,639,402	886	558,717	1,159,085	2,630,374	-	261,236	1,242,177	-	12,120,439	13,023,873
	<u>1,242,077</u>	<u>8,343,239</u>	<u>356,512</u>	<u>6,334,797</u>	<u>3,849,370</u>	<u>5,092,530</u>	<u>14,462,276</u>	<u>889,169</u>	<u>4,179,762</u>	<u>(164,512)</u>	<u>44,585,220</u>	<u>49,308,501</u>
Capital												
Amortization	421,918	522,128	-	62,869	12,318	708,948	-	502,854	1,714,729	-	3,945,764	-
	<u>1,663,994</u>	<u>8,865,367</u>	<u>356,512</u>	<u>6,397,666</u>	<u>3,861,688</u>	<u>5,801,481</u>	<u>14,462,276</u>	<u>1,392,023</u>	<u>5,894,489</u>	<u>(164,512)</u>	<u>48,530,987</u>	<u>49,308,501</u>
Excess (deficiency) in revenues over expenses	\$ 86,718	\$ 208,341	\$ 2,738	\$ 375,913	\$ 160,455	\$ 4,745,384	\$ (368,145)	\$ 978,623	\$ 826,323	\$ 1,236,685	\$ 8,253,040	\$ 9,098,409

Regional District of Central Okanagan
Notes to the Financial Statements

December 31, 2020

17. 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 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, 2020

18. Covid Restart Grant

In November 2020 the Regional District received a provincial grant to assist in expenses resulting from the Covid 19 pandemic. The eligible expenses and remaining funds to be carried into 2021 are as follows:

Safe Restart Grant Received November 2020	1,107,000
Eligible costs incurred:	
Computer and technology costs to improve connectivity and virtual communications	(4,092)
General Government Services	(193,521)
Protective Services	(42,707)
Environmental Health	(12,535)
Environmental Development	(17,814)
Recreation/ Cultural Services	(175,116)
Water	(19,882)
Sewer	(15,349)
Total Eligible Expences	(481,017)
Balance December 31, 2020	625,983

**Regional District of Central Okanagan
Consolidated Statement of Current Fund Operations
(Unaudited)**

For the year ended December 31	2020		2019
	Actual	Budget	Actual
Revenues			
Electoral area tax requisitions	\$ 4,114,749	\$ 4,115,619	\$ 3,903,617
Electoral area parcel taxes	507,734	507,733	449,327
Members' requisitions			
General	17,697,179	17,696,949	16,876,144
Parcel Taxes	432,659	432,659	455,988
Debt Services	13,998,427	14,029,012	18,636,654
Federal government grants	267,411	315,566	402,590
Provincial government grants	1,596,759	1,899,404	273,392
Sale of services to other governments	3,591,161	3,992,012	3,619,290
Sale of services to others	2,432,291	2,121,420	1,782,854
Water and sewer fees	7,119,131	7,028,579	6,647,915
Gas tax revenue	298,995	399,347	200,653
Other Revenue	1,917,940	1,801,883	2,979,178
	53,974,436	54,340,183	56,227,602
Expenses			
General government services	1,242,077	2,112,323	1,346,214
Protective services	8,343,239	9,618,386	8,132,701
Transportation services	356,512	462,083	249,587
Environmental health services	6,334,797	6,808,528	5,850,659
Development services	3,849,370	4,364,064	3,785,771
Recreation and cultural services	5,092,529	5,786,109	4,820,827
Water services	834,217	844,843	678,379
Sewer services	4,179,760	4,693,415	4,233,854
Fiscal services	14,462,276	14,501,863	19,147,530
Transfer to local governments	116,765	116,887	110,554
Reallocation of insurance reserve (recovery)	(281,277)	-	(407,221)
	44,530,265	49,308,501	47,948,855
Net revenues	9,444,171	5,031,682	8,278,747
Regional District - debt principal repayments	(146,721)	(146,722)	(146,721)
- short term debt repayments	-	-	(2,154,007)
Net interfund transfers			
Capital Fund	(71,783)	(65,000)	(717,155)
Reserve fund	(8,126,747)	(7,430,459)	(5,191,110)
Change in current fund	1,098,919	(2,610,499)	69,754
Balance, beginning of year	4,185,369	4,185,369	4,115,615
Balance, end of year	\$ 5,284,288	\$ 1,574,870	\$ 4,185,369

Regional District of Central Okanagan
Consolidated Statement of Capital Fund Operations
(Unaudited)

For the year ended December 31	2020		2019
	Actual	Budget	Actual
Revenues			
Federal government grants	\$ -	\$ -	\$ 500
Provincial government grants	58,734	268,323	207,513
Gain on disposals of tangible capital assets	2,967	-	38,378
Contributions from others	772,158	190,458	21,265
Retirement of long term debt	243,970	-	233,776
	1,077,829	458,781	501,432
Expenses			
Amortization	3,945,764	-	3,931,605
Loss on disposals of tangible capital assets	54,952	-	-
	4,000,716	-	3,931,605
Net revenues (expenses)	(2,922,887)	458,781	(3,430,173)
Net interfund transfers			
Current fund	42,013	68,700	491,317
Current fund - Landfill	29,770	-	225,845
Current fund - Retirement of short term debt	-	-	2,154,007
Reserve funds	2,593,354	10,185,731	2,925,731
Contributions received from sewer DCC reserve	837,307	-	-
Change in capital fund	579,557	10,713,212	2,366,727
Balance, beginning of year	108,635,761	108,635,761	106,269,034
Balance, end of year	\$ 109,215,313	\$ 119,348,973	\$ 108,635,761

Regional District of Central Okanagan
Consolidated Statement of Reserve Fund Operations
(Unaudited)

For the year ended December 31	2020		2019
	Actual	Budget	Actual
Revenues			
Gas tax revenue	\$ 749,847	\$ -	\$ 1,455,385
Interest Income	291,328	-	334,929
	1,041,175	-	1,790,314
Net interfund transfers			
Current fund	8,126,747	7,430,459	5,191,110
Capital fund	(2,593,354)	(10,185,731)	(2,925,731)
Change in capital fund	6,574,568	(2,755,272)	4,055,693
Balance, beginning of year	24,988,629	24,988,627	20,932,936
Balance, end of year	\$ 31,563,197	\$ 22,233,355	\$ 24,988,629
Summary of Reserve Funds positions			
Feasibility Reserve Fund	\$ 175,072		\$ 173,054
Equipment Replacement Reserve Fund	5,677,130		5,776,461
Park Reserve Fund	1,577,839		1,566,933
Capital Projects Reserve Fund	20,109,491		14,544,378
Operating Reserve Fund	4,023,665		2,927,803
	\$ 31,563,197		\$ 24,988,629

Exhibit 4
Regional District of Central Okanagan
General Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2020	2019
Assets		
Cash	\$ 43,773,912	\$ 36,037,184
Accounts receivable		
Provincial government	297,829	437,546
Local governments and Hospital District	1,574,530	659,459
Other	1,279,811	1,713,880
Inventory	-	-
Prepaid expenses	489,871	520,345
Other assets		
Municipal Finance Authority debt reserve fund		
Member municipalities	8,287,111	9,053,153
Regional District	256,303	262,270
	\$ 55,959,367	\$ 48,683,837
Liabilities and Surplus		
Accounts payable		
Accounts payable and accrued liabilities	\$ 4,265,409	\$ 4,187,532
Due to development cost charges reserve fund	6,154,606	5,860,043
Due to capital projects reserve fund	20,109,491	14,544,379
Due to equipment replacement reserve fund	5,677,130	5,776,460
Due to feasibility study reserve fund	175,072	173,054
Due to operating reserve fund	4,023,663	2,927,803
Due to park reserve fund	1,577,839	1,566,933
Due to sewer revenue fund	439,106	153,970
Due to water revenue fund	42,042	125,405
Due to water capital fund	133,315	138,240
Other liabilities		
Deferred revenue	108,655	102,557
Municipal Finance Authority debt reserve fund		
Member municipalities		
- cash requirements	2,649,899	2,788,663
- demand note requirement	5,637,212	6,264,490
Regional District		
- cash requirements	63,511	62,230
- demand note requirement	175,853	181,119
Surplus	4,726,562	3,830,959
	\$ 55,959,367	\$ 48,683,837

Exhibit 5
Regional District of Central Okanagan
General Revenue Fund
Statement of Operations
(Unaudited)

For the year ended December 31	2020	2019
Revenue		
Electoral area tax requisitions	\$ 4,114,749	\$ 3,903,617
Electoral area parcel taxes	287,129	228,722
Members' requisitions		
General	17,697,179	16,876,144
Parcel taxes	395,300	418,598
Debt services	13,996,882	18,634,946
Federal government grants	267,411	402,590
Provincial government	1,576,877	273,392
Sale of services to local governments	3,591,161	3,619,290
Sale of services to others	2,432,291	1,782,854
Gas tax revenue	298,995	200,653
Other revenue		
Licenses, fees and permits	1,187,147	1,553,347
Facility rentals	131,405	212,056
Other revenue	505,764	1,158,492
Other programs	31,000	30,000
Transfer from capital projects reserve fund	45,930	13,870
Transfer from operating reserve fund	1,495	44,360
Surplus from previous year	3,830,959	3,739,312
	50,391,674	53,092,243
Expenses		
General government services	1,242,077	1,346,214
Protective services	8,343,239	8,132,701
Transportation services	356,512	249,587
Environmental health services	6,334,797	5,850,659
Development services	3,849,370	3,785,771
Recreational and cultural services	5,092,529	4,820,827
Fiscal services	14,344,139	19,029,388
Transfer to general capital fund	42,013	491,277
Transfer to equipment replacement reserve fund	452,115	465,700
Transfer to operating reserve fund	1,037,912	422,362
Transfer to capital projects reserve fund	4,705,150	2,573,613
Transfer to feasibility study reserve fund	-	10,000
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	49,765	43,554
Landfill closure and post-closure	29,770	225,845
Reallocation of insurance reserve (recovery)	(281,277)	(407,221)
Short term debt repayment	-	2,154,007
	45,665,111	49,261,284
Surplus, end of year	\$ 4,726,562	\$ 3,830,959

Exhibit 6
Regional District of Central Okanagan
General Revenue Fund
Surplus
(Unaudited)

For the year ended December 31	2020	2019
Regional Board	\$ 101,543	\$ 7,573
Corporate Services/Administration	171,899	147,551
Finance	244,694	436,341
Engineering	24,787	72,398
Human Resources	58,170	58,944
Information Systems	48,520	76,440
General Government Services - Electoral Areas	13,228	22,910
Electoral Area Central Okanagan West	11,621	-
Electoral Area Central Okanagan East	12,608	-
EA West Grants in Aid	(970)	56
EA East Grants in Aid	3,600	3,300
Upper Ellison Fire Protection	(3,556)	(3,596)
Electoral Areas Fire Protection	4,011	2,165
Lakeshore Road Fire Protection	-	741
Ellison Fire Protection	91,558	45,113
Joe Rich Road Fire Protection	6,958	(25,030)
North Westside Road Fire Protection	53,863	37,104
Wilson's Landing Fire Protection	60,721	27,467
Ridgeview Fire Protection	71	80
June Springs Fire Protection	-	81
Brent Road Fire Protection	675	(283)
Regional Rescue Service	140,109	148,045
911 Emergency Telephone Service	56,925	88,416
Crime Stoppers	27,296	-
Victims Services	71,254	11,158
Crime Prevention	37,023	33,192
Business Licenses	406	9,006
Building Inspection	170,153	331,495
Dog Control	118,111	207,223
Mosquito Control	15,991	7,679
Prohibited Animal Control	988	986
Transportation Demand Management	1,129	2,555
Lakeshore Road Improvements	25	27
Scotty Heights Street Lighting	(18)	881
Ellison Transit	7,925	8,825
Septic Tank Effluent Disposal	66,678	21,837
Balance to be carried forward	\$ 1,617,996	\$ 1,780,680

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

For the year ended December 31	2020	2019
Balance carried forward	\$ 1,617,996	\$ 1,780,680
Westside Disposal & Recycling Centre	160,485	14,215
Solid Waste Management	14,854	8,400
Solid Waste Collection	123,519	-
Okanagan Basin Water Board	(1)	4
Air Quality Monitoring	(1)	-
Noise Abatement	3,027	3,536
Untidy Premises	3,434	3,696
Regional Planning	156,749	94,366
Electoral Area Planning	54,944	25,702
Noxious Insect Control	2,817	2,863
Weed Control	27,628	32,953
Starling Control	-	46
Economic Development Commission	37,897	12,867
Ellison Heritage Community Centre	34,336	23,914
Joe Rich Community Hall	5,510	4,494
Killiney Community Hall	33	(88)
Regional Parks	518,766	152,023
Westside Community Parks	24,234	17,476
Eastside Community Parks	9,061	3,814
Insurance	1,931,275	1,649,998
Surplus, end of year	\$ 4,726,562	\$ 3,830,959

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

December 31	2020	2019
Assets		
Tangible capital assets (net of accumulated amortization)		
Land	\$ 40,141,933	\$ 40,096,228
Land improvements	5,619,151	5,534,758
Buildings	5,640,473	5,447,855
Fleet	1,987,111	2,131,352
Machinery and equipment	2,311,352	2,251,624
Assets under construction	162,412	394,370
	<u>55,862,432</u>	<u>55,856,187</u>
Debt recoverable from other authorities for debentures		
City of Kelowna	87,022,601	96,078,768
City of West Kelowna	9,535,975	11,143,338
District of Lake Country	6,543,917	7,604,381
District of Peachland	2,440,062	2,823,363
OK Regional Library	2,229,332	2,461,971
	<u>107,771,887</u>	<u>120,111,821</u>
	<u>\$ 163,634,319</u>	<u>\$ 175,968,008</u>
Liabilities and Equity in Capital Assets		
Long term debt		
Landfill closure and post closure	497,879	527,649
Municipal Finance Authority	107,924,354	120,336,956
	<u>55,212,088</u>	<u>55,103,403</u>
Equity in capital assets	<u>\$ 163,634,319</u>	<u>\$ 175,968,008</u>

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 55,103,403	\$ 51,248,168
Add:		
Assets acquired and debt retired by transfer from own funds		
Transfer from general revenue fund	42,013	491,277
Park reserve fund	7,362	38,342
Equipment replacement reserve fund	386,126	533,631
Capital projects reserve fund	1,258,077	1,984,860
Gain on disposal of tangible capital assets	967	9,652
Grant from Federal government	-	500
Grant from Provincial government	4,092	237
Other contributions	35,790	21,265
Retirement of long term debt	72,668	69,589
Retirement of short term debt	-	2,154,007
	1,807,095	5,303,360
Deduct:		
Amortization	1,728,180	1,673,970
Landfill closure cost transfer	(29,770)	(225,845)
	1,698,410	1,448,125
Balance, end of year	\$ 55,212,088	\$ 55,103,403

Exhibit 9
Regional District of Central Okanagan
Water Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 42,042	\$ 125,405
Other assets		
Municipal Finance Authority debt reserve fund	<u>125,600</u>	124,380
	\$ 167,642	\$ 249,785
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 65,067	\$ 65,067
Surplus	<u>102,575</u>	184,718
	\$ 167,642	\$ 249,785

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

For the year ended December 31	2020	2019
Revenue		
Connection charges	\$ 27,701	\$ 50,675
Debt service fee	1,220	1,350
Parcel taxes	220,605	220,605
User fees and maintenance fees	1,586,673	1,436,700
Provincial government grants	19,882	-
Other revenue	21,850	24,527
Surplus from previous year	184,718	182,932
	2,062,649	1,916,789
Expenses		
Falcon Ridge water system	79,362	62,799
Killiney Beach water system	211,218	159,937
Sunset Ranch water system	137,762	127,312
Trepanier Bench water system	29,622	26,557
Upper Fintry/Shalal/Valley Of The Sun water system	113,305	98,003
Westshore water system	262,947	203,773
Transfer to water capital fund	-	42
Transfer to capital projects reserve fund	893,717	826,507
Transfer to equipment replacement reserve fund	5,000	-
Fiscal Services	227,141	227,141
	1,960,074	1,732,071
Surplus	\$ 102,575	\$ 184,718

Exhibit 11
Regional District of Central Okanagan
Water Capital Fund
Statement of Financial Position
(Unaudited)

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 133,315	\$ 138,240
Tangible capital assets (net of accumulated amortization)		
Land	228,536	228,536
Fleet	34,062	43,706
Water system	17,039,871	16,851,512
Asset under construction	6,235	6,235
	\$ 17,442,019	\$ 17,268,229
Liabilities and Equity in Capital Assets		
Long term debt		
Deferred Revenue	\$ 133,315	\$ 138,240
Municipal Finance Authority	4,053,454	4,167,258
Equity in capital assets	13,255,249	12,962,731
	\$ 17,442,019	\$ 17,268,229

Exhibit 12

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 12,962,731	\$ 12,988,852
Add:		
Provincial government grant	54,642	207,276
Retirement of debenture debt	113,804	109,426
Transfer from water revenue fund	-	42
Transfer from equipment replacement reserve fund	238,509	121,994
Transfer from capital project reserve fund	5,296	16,446
Developer Contributions	438,072	
Gain on disposal of tangible capital assets	-	672
	850,323	455,856
Deduct:		
Amortization	502,854	481,977
Loss on disposal of tangible capital assets	54,951	
	557,805	481,977
Balance, end of year	\$ 13,255,249	\$ 12,962,731

Exhibit 13
Regional District of Central Okanagan
Sewer Revenue Fund
Statement of Financial Position
(Unaudited)

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 439,106	\$ 153,970
Other assets		
Municipal Finance Authority debt reserve fund	43,677	43,354
	\$ 482,783	\$ 197,324
Liabilities and Surplus		
Other liabilities		
Municipal Finance Authority debt reserve fund - demand note requirement	\$ 27,632	\$ 27,633
Surplus	455,151	169,691
	\$ 482,783	\$ 197,324

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

For the year ended December 31	2020	2019
Revenue		
Debt service fee	\$ 324	\$ 358
Parcel tax	37,359	37,390
User fees and municipal services	5,504,757	5,160,540
Other revenue	43,177	3,157
Surplus from previous year	169,691	193,371
	<u>5,755,308</u>	<u>5,394,816</u>
Expenses		
Westside sewer system	4,040,330	4,122,606
Ellison sewer system	141,831	113,645
Fiscal services	37,717	37,717
Transfer to capital projects reserve fund	985,298	873,468
Transfer to equipment replacement reserve fund	69,671	77,689
Transfer to operating reserve fund	25,310	-
	<u>5,300,157</u>	<u>5,225,125</u>
Surplus	\$ 455,151	\$ 169,691

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

December 31	2020	2019
Tangible capital assets (net of accumulated amortization)		
Land	\$ 63,739	\$ 63,739
Fleet	75,062	51,923
Sewer system	39,266,791	40,475,051
Asset under construction	1,402,754	96,785
	\$ 40,808,346	\$ 40,687,498
Liabilities and Equity in Capital Assets		
Long term debt		
Municipal Finance Authority	\$ 60,373	\$ 117,871
Equity in capital assets	40,747,976	40,569,627
	\$ 40,808,346	\$ 40,687,498

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 40,569,627	\$ 42,032,014
Add:		
Gain on disposal of tangible capital assets	2,000	28,054
Developer Contributions	298,289	
Retirement of debenture debt	57,498	54,760
Transfer from development cost charge reserve fund	837,307	-
Transfer from capital projects reserve fund	629,158	230,456
Transfer from equipment replacement reserve fund	68,826	-
	1,893,078	313,270
Deduct:		
Amortization	1,714,729	1,775,657
Balance, end of year	\$ 40,747,976	\$ 40,569,627

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

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 6,154,606	\$ 5,860,043
Fund Balance		
Westside wastewater treatment plant	\$ 3,773,809	\$ 3,580,958
East trunk treatment plant	2,380,797	2,279,085
	\$ 6,154,606	\$ 5,860,043

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 5,860,043	\$ 3,968,968
Add:		
Interest earned	68,319	63,504
Development cost charge levies	1,063,551	1,827,571
	1,131,870	1,891,075
Deduct:		
Transfer to sewer capital fund	837,307	-
Balance, end of year	\$ 6,154,606	\$ 5,860,043

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	2020	2019
Assets		
Due from general revenue fund	\$ 175,072	\$ 173,054
Fund Balance		
Feasibility Study Reserve - Electoral Areas	\$ 74,698	\$ 73,837
Feasibility Study Reserve - Regional	100,374	99,217
	\$ 175,072	\$ 173,054

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 173,054	\$ 160,486
Add:		
Interest Income	2,018	2,568
Transfer from general revenue fund	-	10,000
	2,018	12,568
Balance, end of year	\$ 175,072	\$ 173,054

Exhibit 21
Regional District of Central Okanagan
Equipment Replacement Reserve Fund
Statement of Financial Position
(Unaudited)

December 31 **2020** **2019**

Assets

Due from general revenue fund **\$ 5,677,130** **\$ 5,776,461**

Statement of Fund Balance

Regional Board	\$ 577	\$ 570
Finance	230,186	235,648
Engineering	88,987	92,262
Human Resources	74	-
Information Systems	278,389	184,241
Ellison Fire Protection	15,661	15,481
Joe Rich Fire Protection	25,506	25,212
North Westside Road Fire Protection	2	1,037
Wilson's Landing Fire Protection	66,186	79,631
Brent Road Fire Protection	184	182
Regional Rescue Service	407,574	436,907
Alarm Control	11,984	8,766
Crime Stoppers	43,369	42,869
Victims Services	33,567	28,238
Crime Prevention	51,640	46,103
Business Licenses	31,645	30,292
Business Inspection	137,827	139,850
Dog Control	174,926	158,488
Mosquito Control	38,914	38,465
Lakeshore Road Improvements	74,448	73,590
Septic Tank Effluent Disposal	5,404	5,342
Westside Sanitary Landfill	3,746	3,703
Solid Waste Management	60,270	56,610
Solid Waste Collection	202,887	200,549
Noise Abatement	113	112
Unsightly & Untidy Premises	518	513
Electoral Area Planning	52,536	57,081
Noxious Insect Control	16,344	16,156
Weed Control	52,927	47,375
Economic Development Commission	13,975	6,895
Ellison Heritage Community Centre	61,683	60,972
Regional Parks	331,490	304,687
Westside Community Parks	47,379	46,833
Eastside Community Parks	51,808	51,211
Okanagan Regional Library	3,279	3,241
Equipment Pool / Fleet	69,663	90,380
Killiney Beach Water	520,698	664,950
Falcon Ridge Water	30	2,509
Sunset Ranch Water	356,999	371,402
Westshores Water	1,445,142	1,449,828
Upper Fintry/Shalal/Valley Of The Sun water system	114,057	150,969
Westside Wastewater Treatment Plant	325,082	335,002
Ellison sewer	229,454	212,309

Fund Balance **\$ 5,677,130** **\$ 5,776,461**

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 5,776,461	\$ 5,795,961
Add:		
Interest Income	67,344	92,736
Transfer from general revenue fund	452,115	465,700
Transfer from sewer revenue fund	69,671	77,689
Transfer from water revenue fund	5,000	-
	<u>594,130</u>	<u>636,125</u>
Deduct:		
Transfer to general capital fund	386,126	533,631
Transfer to sewer capital fund	68,826	-
Transfer to water capital fund	238,509	121,994
	<u>693,461</u>	<u>655,625</u>
Balance, end of year	\$ 5,677,130	\$ 5,776,461

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

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 1,577,839	\$ 1,566,933
Statement of Fund Balance		
Regional Parks	\$ 1,307,069	\$ 1,299,283
Westside Parks	178,707	176,648
Eastside Parks	64,575	63,831
Regional Parks Legacy	27,488	27,171
Fund Balance	\$ 1,577,839	\$ 1,566,933

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 1,566,933	\$ 1,579,995
Add:		
Interest Income	18,268	25,280
Deduct:		
Transfer to general capital fund	7,362	38,342
Balance, end of year	\$ 1,577,839	\$ 1,566,933

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

December 31	2020	2019
Assets		
Due from general revenue fund	\$ 20,109,491	\$ 14,544,378
Statement of Fund Balance		
Community Works Fund	\$ 3,568,713	\$ 3,109,858
Regional Board	76,990	41,506
Corporate Services/Administration	772,251	609,956
Electoral Areas	146,602	120,201
Electoral Area Fire Prevention	5,933	2,000
Ellison Fire Protection	690,616	585,884
Joe Rich Fire Protection	515,534	394,521
North Westside Road Fire Protection	474,450	421,378
Wilson's Landing Fire Protection	194,255	144,294
Brent Road Fire Protection	34,060	30,505
911 Emergency Telephone Service	43,259	61,729
Dog Control	158,109	127,813
Septic Tank Effluent Disposal	295,157	242,331
Westside Disposal & Recycling Centre	141,298	113,771
Westside Sanitary Landfill Closure	342,065	346,951
Regional Planning	4,790	-
Solid Waste Management	40,082	34,930
Ellison Heritage Community Centre	304,567	268,161
Joe Rich Community Hall	29,727	25,314
Regional Parks	7,734,183	4,643,906
Westside Community Parks	293,066	269,536
Eastside Community Parks	150,293	138,676
Joe Rich Water System	15,198	10,080
Killiney Beach Water	623,344	299,047
Falcon Ridge Water	12,768	10,360
Sunset Ranch Water	161,334	65,844
Trepanier Beach Water	3,037	-
Westshores Water	732,991	366,717
Upper Fintry/Shalal/Valley Of The Sun water system	336,036	227,815
Westside Wastewater Treatment Plant	1,413,407	1,150,719
RDCO Lift Station/Collector System	617,838	524,226
Peachland Lift Station/Collector System	177,538	156,349
Fund Balance	\$ 20,109,491	\$ 14,544,378

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 14,544,378	\$ 10,886,850
Add:		
Gas tax revenue (Note 15)	749,846	1,455,385
Interest earned	169,563	174,187
Transfer from general revenue fund	4,705,150	2,573,613
Transfer from sewer revenue fund	985,298	873,468
Transfer from water revenue fund	893,717	826,507
	7,503,574	5,903,160
Deduct:		
Transfer to general revenue fund	45,930	13,870
Transfer to general capital fund	1,258,077	1,984,860
Transfer to water capital fund	5,296	16,446
Transfer to sewer capital fund	629,158	230,456
	1,938,461	2,245,632
Balance, end of year	\$ 20,109,491	\$ 14,544,378

Exhibit 27
Regional District of Central Okanagan
Operating Reserve Fund
Statement of Financial Position
(Unaudited)

December 31 **2020** **2019**

Assets

Due from general revenue fund **\$ 4,023,665** **\$ 2,927,803**

Statement of Fund Balance

Regional Board	\$ 53,317	\$ 52,702
Corporate Services/Administration	93,705	92,625
Finance	336,310	159,852
Engineering	240,554	237,782
Human Resources	27,467	27,150
Information Systems	99,121	97,978
Electoral Areas	50,194	27,869
Electoral Area Central Okanagan West	5,894	5,826
Electoral Area Central Okanagan East	1,718	1,698
Electoral Area Fire Prevention	482	477
Lakeshore Road Fire Protection	301	122
Ellison Fire Protection	171,776	140,142
Ridgeview Fire Protection	392	309
June Springs Fire Protection	199	584
Brent Road Fire Protection	8,424	8,327
Regional Rescue	156,326	154,524
911 Emergency Telephone Service	229,955	227,305
Crime Stoppers	4,428	4,377
Victim Services	9,085	4,038
Crime Prevention	46,360	37,918
Business Licenses	36,856	30,413
Business Inspection	410,524	253,628
Dog Control	332,376	328,545
Mosquito Control	20,473	20,237
Transportation Management	2,555	-
Lakeshore Road Improvements	1,710	1,664
Scotty Heights Street Lights	-	1,091
Ellison Transit	24,882	24,596
Septic Tank Effluent Disposal	175,991	173,963
Westside Disposal & Recycling Centre	44,245	43,735
Solid Waste Collection	87,013	86,010
Air Quality Monitoring	4,178	4,129
Noise Abatement	5,823	5,756
Untidy & Unsightly Premises	8,150	7,487
Regional Planning	33,911	33,520
Electoral Area Planning	111,182	109,901
Insect Control	7,038	6,957
Weed Control	56,647	47,204
Economic Development Commission	21,155	20,911
Ellison Heritage Community Hall	27,705	27,386
Joe Rich Community Hall	1,012	1,000
Regional Parks	213,789	211,322
Westside Wastewater Treatment Plant	226,058	198,435
RDCO Lift Station/Collector System	6,346	6,273
Bylaw Enforcement	2,056	2,032
Covid Restart Grant	625,982	

Fund Balance **\$ 4,023,665** **\$ 2,927,803**

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

For the year ended December 31	2020	2019
Balance, beginning of the year	\$ 2,927,803	\$ 2,509,646
Add:		
Interest earned	34,135	40,155
Transfer from general revenue fund	1,037,912	422,362
Transfer from sewer revenue fund	25,310	-
	<u>4,025,160</u>	<u>2,972,163</u>
Deduct:		
Transfer to general revenue fund	1,495	44,360
Balance, end of year	<u>\$ 4,023,665</u>	<u>\$ 2,927,803</u>