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Statement of Financial Information (SOFI) - 2023

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

The following information package, prepared in accordance with the *Financial Information Act*, was approved by the District of Hudson's Hope Council in open meeting assembled on May 27, 2024.

On behalf of Council:



Travous Quibell
Mayor

June 17/2024
Date

The information contained in this package is certified as accurate and correct.



Crystal Brown
Chief Administrative Officer

June 17/24
Date

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

Severance Agreements

The District of Hudson's Hope had 1 severance agreements under which payment was commenced to a non-unionized employee during the fiscal year 2023 for an 8-month period. Compensation was based on salary and benefits.

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

MANAGEMENT REPORT

The District of Hudson's Hope was incorporated in 1965 as a District Municipality under the *Community Charter*, formerly the *Municipal Act*, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer, and fiscal services. The authority to collect property taxes and user fees and the authority to create and enforce bylaws is granted under provisions of the *Local Government Act* and the *Community Charter*. Services are provided primarily within the political boundaries of the District of Hudson's Hope.

The role of Council is to legislate bylaws; to establish goals, regulations, and policies; and to provide overall direction for management in achieving these goals. The role of management is to carry out Council's directions in accordance with established bylaws, regulations, and policies. Management also oversees the day-to-day operations of the municipality. Specifically, the role of the financial manager consists of fulfilling all statutory requirements relating to finance, investment of surplus funds, safeguarding of assets, and financial reporting. The role of the municipal auditors is to provide an annual independent audit of the municipality's financial statements. Portions of this information package are excerpts of the 2023 audited financial statements.



Crystal Brown
Chief Administrative Officer

June 17/24

Date

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

Schedule of Indemnity Agreements

The District of Hudson's Hope has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

Debts Covered by Sinking Funds or Reserves

The District of Hudson's Hope had no debt covered by sinking funds or reserves.

District of Hudson's Hope
Statement of Financial Information
For the Year Ended December 31, 2023

Loan Guarantee Agreement

The District of Hudson's Hope had no loan guarantee agreements.

District of Hudson's Hope
Schedule of Remuneration and Expenses
31-Dec-23

Elected Officials

Name	Position	Reumneration	Expenses	Total
Dave Heiberg	Mayor	10,292.15	2,992.33	13,284.48
Kelly Miller	Councillor	9,187.69	8,038.37	17,226.06
Travous Quibell	Mayor/Councillor	13,783.69	342.81	14,126.50
James Cryderman	Councillor	10,910.76	-	10,910.76
Tina Jeffrey	Councillor	12,510.76	138.04	12,648.80
Debbie Beattie	Councillor	15,760.76	5,757.15	21,517.91
Tashana Winnicky	Councillor	13,410.76	4,192.78	17,603.54
KK Charlesworth	Councillor	4,091.54	-	4,091.54
		<u>89,948.11</u>	<u>21,461.48</u>	<u>111,409.59</u>

Other Employees

Employees Over \$75,000

KEITH RESCHKE	98,590.53	727.84	99,318.37
KIM TRASK	92,457.90	602.91	93,060.81
JOHN VANDENBERG	88,665.94	390.46	89,056.40
CINDY EDGAR	87,016.77	3,465.02	90,481.79
GORDON DAVIES	85,055.90	598.82	85,654.72
MARCEL BUDALICH	84,485.02	-	84,485.02
GREGG SCHAFFER	83,167.58	356.55	83,524.13
TONIA ALEXANDER	81,408.30	-	81,408.30
ALYSE BAILIE	79,813.16	-	79,813.16
MOKLES RAHMAN	79,122.91	80.00	79,202.91
PHILIP MASON	76,686.87	78.44	76,765.31
Consolidated Total of Other Employees and expenses Under \$75,000	1,173,556.35	61,252.49	1,234,808.84
	<u>2,110,027.23</u>	<u>67,552.53</u>	<u>2,177,579.76</u>

Reconciliation

Total Remuneration - Elected Officials	89,948.11
Total Remuneration - Employees	2,110,027.23
Total Severance - Employees	56,936.66
District Portion of EI and CPP	<u>140,722.28</u>
Subtotal	2,397,634.28
Reconciling Items	
Superannuation and WCB Payments Included in Expense Accounts Below	184,035.54
Benefit Payments Included in Below	161,579.65
Unreconciled Difference	<u>2,743,249.47</u>

Total Per Statement of Revenue
and Expenditure

Note 18	Wages and Benefits	2,682,350.00
	Wages Not Included in Note 18:	<u>60,899.47</u>
		<u>2,743,249.47</u>

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District of Hudson's Hope
 Schedule Showing Payments Made for Provision of Goods and Services
 31-Dec-23

Suppliers With Aggregate Payments Exceeding \$25,000

Supplier Name	Amount
ACL CONSTRUCTION LTD	286,836.91
BC HYDRO - BILL PAYMENT ONLINE	166,418.65
BCGEU	25,962.96
B.C. ASSESSMENT	42,292.16
BRENNTAG CANADA INC.	34,539.51
BIG LEAGUE UTILITIES	34,435.60
CVIK CHRIS	25,418.59
COLLABRIA VISA - ONLINE PAYMENT	143,023.53
VYTAL FILTRATION INC	27,915.16
CARIBOO CHILCOTIN DIVERS LTD	35,049.24
CLEAR BLUE WATER SYSTEMS LTD.	840,036.86
DELCO AUTOMATION INC.	49,412.16
DIAMOND INTERNATIONAL TRUCKS	288,104.07
EPSCAN	189,890.14
FORT ST. JOHN CO-OPERATIVE ASSOC.	183,072.23
FORTISBC - NATURAL GAS	75,129.68
G-T-XCAVATING LTD.	53,534.05
GREGG DISTRIBUTORS LP	26,718.45
ICBC	77,364.94
INLAND TRUCK & EQUIPMENT	200,876.01
I.T. PARTNERS	69,817.89
KARLIN ENTERPRISES	65,400.56
KPMG LLP T4348	44,625.00
MASON RICHARD	43,046.53
MINISTER OF FINANCE SCHOOL TAXES	2,951,590.88
MUNICIPAL PENSION PLAN - ONLINE PAYMENT	257,768.15
MCELHANNEY LTD	278,002.82
MURRAY CHEVROLET	71,575.71
PEACE RIVER REGIONAL DISTRICT	307,402.85
PEACE RIVER REGIONAL HOSPITAL DISTRICT	260,001.22
PETRON COMMUNICATIONS LTD.	138,410.72
PACIFIC BLUE CROSS - ONLINE PAYMENT	118,813.28
RECEIVER GENERAL FOR CANADA - PAYROLL	532,097.72
RECEIVER GENERAL FOR CANADA - PAYROLL	93,322.41
ROCKY MOUNTAIN PHOENIX	832,009.85
SAFETEK EMERGENCY VEHICLES LTD	100,000.00
TERUS CONSTRUCTION LTD.	181,870.90
TELUS - ONLINE PAYMENT	45,101.24
TELUS MOBILITY	34,749.82
URBAN SYSTEMS	82,120.48
VEOLIA WATER TECHNOLOGY INC.	772,579.04
VALLEY PURE WATER & BREWING	86,005.50
WORK SAFE BC - ONLINE PAYMENT	48,790.10
WILLIS CANADA INC.	135,625.00
YETI REFRIGERATION INC.	82,294.63
Payments Made (Vendors Over \$25,000)	<u>10,439,053.20</u>
Consolidated Total Paid to Suppliers Who Received Aggregate Payments of \$25,000 or Less	837,918.54
Consolidated Total of Grants and Contributions Exceeding \$25,000	217,995.32
Consolidated Total of Grants and Contributions Under \$25,000	9,520.00
Total of All Payments Above	<u><u>1,065,433.86</u></u>

11,504,487.06

Reconciliation

Total of All Payments Above		11,504,487.06
Reconciling Items		
DEDUCT TRANSFERS TO OTHER GOVERNMENTS NETTED AGAINST TAXATION REVENUE (F/S NOTE 11)	(3,740,611.00)	
ADD RENUMERATION PAID TO EMPLOYEES AND GOVERNMENT APPOINTED OFFICIALS	2,397,634.28	
DEDUCT AMTS PAID TO GOV OFFICIALS INCLUDED IN PYMTS TOTAL	-	
ADD HOMEOWNER GRANT DEDUCTIONS INCLUDED IN TRANSFERS DEDUCTIONS (PER T4/T4A SUMMARY)	238,609.85	
EHT PAYMENTS EFT	(745,460.25)	
DEDUCT RECOVERABLE GST INCLUDED IN PAYMENTS ABOVE	42,766.37	
ADD BANK CHARGED AUTOMATICALLY DEBITED	(280,055.43)	
ADD LEASE PAYMENTS	3,938.91	
DEDUCT PAYMENTS ON 12 MILE EXTENSION	10,864.82	
DEDUCT LOAN PRINCIPAL	-	
CHANGE IN INVENTORIES	-	
ADD PREPAID EXPENSES 2022	5,517.00	
DEDUCT PREPAID EXPENSES 2023	19,450.00	
DEDUCT 2022 ACCOUNTS PAYABLE	(120,262.00)	
ADD 2023 ACCOUNTS PAYABLE	(375,688.00)	
UNRECONCILED DIFFERENCE	245,959.00	
	139.43	
Adjusted Total Payments	<u>(2,297,197.02)</u>	<u>9,207,290.04</u>
TOTAL EXPENDITURES PER CONSOLIDATED STATEMENT		
FINANCIAL ACITIVITIES	10,315,205.00	
ADD EXPENSE REIMBURSEMENT (employee expenses)	67,552.53	
LESS AMORITIZATION EXPENSE	(1,255,336.00)	
ADD CAPITAL EXPENDITURES	3,185,555.00	
WRITE-DOWN OF WATER TREATMENT PLANT	(3,098,399.00)	
DEDUCT LOSS ON DISPOSAL	(7,287.49)	
	<u>(7,287.49)</u>	<u>9,207,290.04</u>
		-

District of Hudson's Hope
Schedule of Grants-in-aid
31-Dec-23

HUDSON'S HOPE PUBLIC LIBRARY ASSOCIATION	127,773.37
HUDSON'S HOPE HISTORICAL SOCIETY	90,221.95
HUDSON'S HOPE FIGURE SKATING CLUB	5,150.00
HOPE FOR HEALTH	2,500.00
HUDSON'S HOPE FALL FAIR SOCIETY	970.00
HUDSON'S HOPE MINOR SOCCER	550.00
DOUBLE H SADDLE CLUB	350.00
Total	<u>227,515.32</u>

Consolidated Financial Statements of



DISTRICT OF HUDSON'S HOPE

And Independent Auditor's Report thereon

Year ended December 31, 2023



DISTRICT OF HUDSON'S HOPE

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the District of Hudson's Hope (the "District") are the responsibility of the District's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's consolidated financial statements.


Mrs. Crystal Brown
Chief Administrative Officer


Mrs. Tonia Alexander
Deputy Treasurer



KPMG LLP

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Prince George, BC V2L 5R8
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of District of Hudson's Hope

Opinion

We have audited the consolidated financial statements of District of Hudson's Hope (the District), which comprise:

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

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2023 and its consolidated results of operations, its consolidated changes in net financial assets and its consolidated 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 auditor's report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter - Restatement of Financial Statements

We draw attention to note 15 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2022 has been restated.

Note 15 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect to this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant, and Schedule 2 - Growing Community Fund Reserve

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - COVID-19 Safe Restart Grant and Schedule 2 - Growing Communities Fund Reserve as at the date of this auditor's report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

Prince George, Canada

May 3, 2024



DISTRICT OF HUDSON'S HOPE
Consolidated Statement of Financial Position

December 31, 2023, with comparative information for 2022

	2023	2022 (restated - note 15)
Financial assets:		
Cash and cash equivalents (note 2)	\$ 7,803,287	\$ 8,121,812
Accounts receivable (note 3)	1,327,408	956,839
	<u>9,130,695</u>	<u>9,078,651</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 4)	245,959	375,688
Deferred revenue (note 5)	1,053,093	510,393
Asset retirement obligation (note 6)	702,456	702,456
	<u>2,001,508</u>	<u>1,588,537</u>
Net financial assets	7,129,187	7,490,114
Non-financial assets:		
Tangible capital assets (note 7)	25,203,747	26,416,178
Land held for resale (note 8)	88,363	112,683
Prepaid expenses	120,262	19,450
Inventories	84,349	89,866
	<u>25,496,721</u>	<u>26,638,177</u>
Accumulated surplus (note 9)	\$ 32,625,908	\$ 34,128,291

Commitments and contingencies (note 10)

See accompanying notes to consolidated financial statements.


Mayor


Chief Administrative Officer



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 16)	2023 Actual	2022 Actual (restated - note 15)
Revenue (note 18):			
Net taxation revenue (note 11)	\$ 2,758,495	\$ 2,725,935	\$ 2,422,754
Grants in lieu of taxes	2,041,321	2,017,538	1,945,097
Sales of services and user charges (note 12)	1,945,118	557,805	528,708
Other	122,411	174,066	535,465
Government transfers: (note 13)			
Provincial	2,237,315	3,230,017	1,873,597
Federal	100,000	107,461	102,552
Total revenue	9,204,660	8,812,822	7,408,173
Expenses (note 18):			
General government services and administration	1,513,169	2,129,964	2,102,276
Protective services	570,275	343,134	479,092
Public works services	2,029,599	1,640,360	1,609,089
Environmental and public health services	63,000	35,134	51,574
Environmental development services	120,000	38,984	17,174
Recreation and cultural services	1,034,915	857,703	949,888
Planning, development and bylaw services	107,899	84,348	84,904
Water utility and sanitary sewer systems	493,162	5,185,578	1,779,514
Total expenses	5,932,019	10,315,205	7,073,511
Annual surplus (deficit)	3,272,641	(1,502,383)	334,662
Accumulated surplus, beginning of year	34,128,291	34,128,291	34,384,571
Adjustment on adoption of the asset retirement obligation standard	-	-	(590,942)
Accumulated surplus, end of year	\$ 37,400,932	\$ 32,625,908	\$ 34,128,291

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Change in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 16)	2023	2022 (restated - note 15)
Annual surplus (deficit)	\$ 3,272,641	\$ (1,502,383)	\$ 334,662
Acquisition of tangible capital assets	(3,397,000)	(3,185,555)	(1,119,436)
Proceeds on sale of land held for resale	-	26,500	328,377
Amortization of tangible capital assets	-	1,255,336	1,093,832
Write-down of water treatment plant	-	3,098,399	-
(Gain) loss on sale of land held for resale	-	(2,180)	82,940
Loss on sale of tangible capital assets	-	4,242	290,387
Proceeds on sale of tangible capital assets	-	40,000	26,801
	(124,359)	(265,641)	1,037,563
Use of inventories	-	5,526	15,126
Use of prepaid expenses	-	19,450	18,580
Acquisition of prepaid expenses	-	(120,262)	(19,450)
Change in net financial assets	(124,359)	(360,927)	1,051,819
Net financial assets, beginning of year	7,490,114	7,490,114	7,140,751
Adjustment on adoption of the asset retirement obligation standard	-	-	(702,456)
Net financial assets, end of year	\$ 7,365,755	\$ 7,129,187	\$ 7,490,114

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Consolidated Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
	Actual	Actual (restated - note 15)
Cash provided by (used in):		
Operating activities:		
Annual (deficit) surplus	\$ (1,502,383)	\$ 334,662
Items not involving cash:		
Amortization of tangible capital assets	1,255,336	1,093,832
Loss on sale of tangible capital assets	4,242	290,387
(Gain) Loss on sale of land held for resale	(2,180)	82,940
Write down of capital assets	3,098,399	-
Changes in non-cash operating working capital:		
Accounts receivable	(370,569)	(721,370)
Deposit - Municipal Finance Authority	-	528
Inventories	5,517	15,126
Accounts payable and accrued liabilities	(129,720)	(150,306)
Reserve - Municipal Finance Authority	-	(528)
Prepaid expenses	(100,812)	(870)
Deferred revenue	542,700	(9,315)
	<u>4,302,913</u>	<u>935,086</u>
Capital activities:		
Proceeds on sale of tangible capital assets	40,000	26,801
Acquisition of tangible capital assets	(3,185,555)	(1,119,436)
Proceeds on sale of land held for resale	26,500	328,377
	<u>(3,119,055)</u>	<u>(764,258)</u>
Financing activities:		
Repayment of debt	-	(3,056)
(Decrease) increase in cash and cash equivalents	(318,525)	167,772
Cash and cash equivalents, beginning of year	8,121,812	7,954,040
Cash and cash equivalents, end of year	<u>\$ 7,803,287</u>	<u>\$ 8,121,812</u>

See accompanying notes to consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements

Year ended December 31, 2023

Nature of operations:

The District of Hudson's Hope (the "District") was incorporated in 1965 as a District Municipality under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer and fiscal services.

1. Significant accounting policies:

The consolidated financial statements of the District are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

(ii) Accounting for Region and School Board Transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operation of the Region and the School Board are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operations administered by the District are not included in these consolidated financial statements.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(b) Basis of accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

The District recognizes revenue in accordance with the provisions of the Community Charter. The District is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the District's taxation revenues.

The Village is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue.

(d) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding agency or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(e) Cash and cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(f) Non-financial assets:

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

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Building and site improvements	10 - 50
Machinery and equipment	5 - 25
Road infrastructure	15 - 40
Water and sanitary sewer infrastructure	15 - 40

Annual amortization is charged in the year that an asset becomes available for productive use and in the year of disposal.

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



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(f) Non-financial assets (continued):

(ii) Contributions to tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(iv) Land held for resale:

Land held for sale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

(v) Inventories:

Inventories consist of crushed gravel and sand. Inventories are valued at the lower of cost and replacement cost with cost determined using a moving average basis.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(g) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost, unless the District has elected to carry the instruments at fair value. The District has not elected to carry any such financial instruments at fair value.

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2023 and December 31, 2022. As a result, the District does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

(h) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Items subject to such estimates and assumptions include the carrying amount of tangible capital assets and accounts payable and accrued liabilities. Actual results could differ from these estimates.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(i) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the organization is directly responsible or accepts responsibility for the liability;
- iv) future economic benefits will be given up, and
- v) a reasonable estimate of the liability can be made.

(j) Asset retirement obligations::

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the amortization policies outlined in (f)(i).

(k) Government transfers:

Government transfers, which include legislative grants, 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. Transfer revenue is recognized in the statements of operations as stipulations for liabilities are settled.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

2. Cash and cash equivalents:

The District has established a \$200,000 operating line of credit, which bears interest at prime and is secured by term deposits and accounts receivable. As at December 31, 2023 borrowing against the operating line of credit was nil (2022 - nil).

	2023	2022
Cash	\$ 686,692	\$ 3,345,848
Short-term investments	7,116,595	4,775,964
	\$ 7,803,287	\$ 8,121,812

3. Accounts receivable:

	2023	2022
Grants	\$ 1,163,736	\$ 824,085
Sales tax	76,341	32,719
Other	21,770	23,825
Taxes	65,561	76,210
	\$ 1,327,408	\$ 956,839

4. Accounts payable and accrued liabilities:

	2023	2022
Accounts payable - trade	\$ 105,971	\$ 250,828
Wages and related costs payable	136,080	119,195
Government remittances	1,183	2,940
Cemetery	2,725	2,725
	\$ 245,959	\$ 375,688



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

5. Deferred revenue:

	2023	2022
Partnering relationship agreement	\$ 501,078	\$ 510,393
Province of BC	552,015	-
	\$ 1,053,093	\$ 510,393

6. Asset retirement obligation:

The District owns and operates several buildings, as well as water and sewer infrastructure that are known to have hazardous material, which represents a health hazard upon demolition or removal of the assets and there is a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the District recognized an obligation relating to the removal and post-removal care of the hazardous materials in these assets as estimated at January 1, 2022 in the amount of \$702,456.

The transition and recognition of the asset retirement obligations involved an accompanying increase to tangible capital assets and the restatement of prior year numbers (note 15).



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

7. Tangible capital assets:

	2023							
	Land	Buildings and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure		Total
Cost:								
Balance, beginning of year	\$ 1,888,077	\$ 10,979,536	\$ 7,116,080	\$ 6,892,156	\$ 11,239,536	\$ 4,393,646		\$ 42,509,031
Additions	285,910	54,670	1,575,945	198,433	988,561	82,036		3,185,555
Disposals	-	-	(136,156)	-	-	-		(136,156)
Write down of water plant	-	-	-	-	(3,351,719)	-		(3,351,719)
Balance, end of year	2,173,987	11,034,206	8,555,869	7,090,589	8,876,378	4,475,682		42,206,711
Accumulated amortization:								
Balance, beginning of year	-	4,780,400	3,747,179	3,928,030	2,869,450	767,794		16,092,853
Amortization expense	-	767,481	-	-	363,477	124,378		1,255,336
Disposal	-	(91,905)	-	-	-	-		(91,905)
Write down of water plant	-	-	-	-	(253,320)	-		(253,320)
Balance, end of year	-	5,455,976	3,747,179	3,928,030	2,979,607	892,172		17,002,964
Net book value, end of year	\$ 2,173,987	\$ 5,578,230	\$ 4,808,690	\$ 3,162,559	\$ 5,896,771	\$ 3,583,510		\$ 25,203,747



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

7. Tangible capital assets (continued):

	2022 (restated - note 16)							
	Land	Building and site improvements	Machinery and equipment	Road infrastructure	Water infrastructure	Sanitary sewer infrastructure		Total
Cost:								
Balance, beginning of year	\$ 1,703,921	\$ 10,215,616	\$ 7,368,624	\$ 6,705,895	\$ 10,771,676	\$ 4,856,409		\$ 41,622,141
Additions	184,156	70,319	118,675	255,429	461,707	29,150		1,119,436
Disposals	-	-	(371,219)	(69,168)	(887)	(493,728)		(935,002)
Adjustment relating to asset retirement obligation	-	693,601	-	-	7,040	1,815		702,456
Balance, end of year	1,888,077	10,979,536	7,116,080	6,892,156	11,239,536	4,393,646		42,509,031
Accumulated amortization:								
Balance, beginning of year	-	3,954,688	3,703,562	3,873,034	2,625,975	868,634		15,025,893
Amortization expense	-	243,097	365,040	124,164	237,153	124,378		1,093,832
Disposal	-	-	(321,423)	(69,168)	(190)	(227,033)		(617,814)
Adjustment relating to asset retirement obligation	-	582,615	-	-	6,512	1,815		590,942
Balance, end of year	-	4,780,400	3,747,179	3,928,030	2,869,450	767,794		16,092,853
Net book value, end of year	\$ 1,888,077	\$ 6,199,136	\$ 3,368,901	\$ 2,964,126	\$ 8,370,086	\$ 3,625,852		\$ 26,416,178



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

8. Land held for resale:

Land held for resale consists of four lots in relation to the Lucas subdivision. During the year, one of the subdivision lots were sold with three remaining as at December 31, 2023.

	2023	2022
Balance, beginning of year	\$ 112,683	\$ 524,000
Sales of lots, at cost	(24,320)	(411,317)
Net book value, end of year	\$ 88,363	\$ 112,683



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

9. Accumulated surplus:

	2023	2022 (restated - note 15)
Surplus (deficit):		
Invested in tangible capital assets	\$ 24,501,291	\$ 25,713,722
General fund	5,408,693	4,735,715
Water utility fund	(1,608,266)	(852,841)
Sanitary sewer utility fund	100,738	36,600
	<u>28,402,456</u>	<u>29,633,196</u>
Reserves set aside by Council:		
Water utility fund:		
Unexpended funds:		
MFA debt reserve	-	149,210
MFA sinking fund surplus	-	77,103
	<u>-</u>	<u>226,313</u>
Reserve funds set aside for specific purposes by Council:		
Public works, infrastructure and equipment	2,346,506	3,008,490
General capital and office equipment	71,998	137,325
Water capital, infrastructure and equipment	82,488	263,601
Sewer capital, infrastructure and equipment	119,038	79,406
Tax sale properties	227,196	224,112
Community hall	184,905	152,522
Land	424,675	403,326
Growing Communities Fund	766,646	-
	<u>4,223,452</u>	<u>4,268,782</u>
	<u>\$ 32,625,908</u>	<u>\$ 34,128,291</u>



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

10. Commitments and contingencies:

- (a) The District is responsible, as a member of the Peace River Regional District, for its portion of any operating deficits or capital debt related to functions in which it participates. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.
- (b) The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

10. Commitments and contingencies (continued):

- (c) The District paid \$134,906 (2022 - \$133,569) for employer contributions to the Plan in fiscal 2023.

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

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

- (d) The District is obligated to collect and transmit property taxes levied on Hudson's Hope taxpayers in respect of the following bodies:

Ministry of Education, Province of British Columbia
Peace River Regional District
British Columbia Assessment Authority
Municipal Finance Authority
Peace River Regional Hospital District
Royal Canadian Mounted Police

- (e) The District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claim in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute toward the deficit. Management does not consider external payment under this contingency to be likely and therefore no amounts have been accrued.
- (f) The District has entered into a contract with Hudson's Hope Public Library Association (the "Library") to provide financial assistance to the Library for library services. The term of the contract is for four years commencing on January 1, 2022 with annual payments consisting of \$125,638 plus 1.7% per year to be paid to the Library.
- (g) The District has entered into a contract with Hudson's Hope Historical Society and Museum (the "Museum") to provide financial assistance towards the operations of the Museum. The term of the contract is three years commencing on May 31, 2022 with annual payments consisting of \$87,576 plus 1.5% per year to be paid to the Museum.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

11. Net taxation revenue:

The District is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2023	2022
Taxes collected:		
General purposes	\$ 2,720,274	\$ 2,433,060
Collections for other governments	3,746,272	3,452,967
	6,466,546	5,886,027
Less transfers to other governments:		
Province of British Columbia - school taxes	3,077,091	2,884,241
Peace River Regional District	253,824	206,043
Peace River Regional Hospital District	260,001	241,006
Royal Canadian Mounted Police	107,311	91,919
B.C. Assessment Authority	42,292	39,980
Municipal Finance Authority	92	84
	3,740,611	3,463,273
	\$ 2,725,935	\$ 2,422,754

12. Sales of services and user charges:

The District recognizes sales of services and user charges as revenues in the period in which the services are provided. The sales of services and user charges reported on the consolidated statement of operations and accumulated surplus are as follows:

	2023	2022
Water utility	\$ 128,201	\$ 147,430
Sewer system	82,635	82,222
General government services	139,066	82,684
Planning, development and bylaw services	10,234	14,245
Environmental and public health services	86,046	91,413
Recreation and cultural services	111,623	110,714
	\$ 557,805	\$ 528,708



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

13. Government transfers:

	2023	2022
Revenue:		
Provincial grants:		
BC South Peace Mackenzie Economic Diversification and Stabilization Trust	\$ 112,500	\$ -
Growing Communities Fund	905,000	-
Climate Action revenue incentive program grant	48,083	48,082
BC Hydro	1,076,349	646,508
Federation of Canadian Municipalities	10,000	60,000
Peace River agreement - Fair Share	702,814	707,007
Small Community grant	314,000	397,000
Tourism BC grant	15,000	15,000
Local Government Infrastructure and Engineering	20,485	-
Canada Summer Student Grant	25,786	-
	3,230,017	1,873,597
Federal grants:		
Gas tax	107,461	102,552
	\$ 3,337,478	\$ 1,976,149



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

14. Trust fund:

The District maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. As at December 31, 2023, the trust fund balance for both the liability and its corresponding term deposit is \$19,074 (2022 - \$18,736).

15. Change in accounting policy:

On January 1, 2022, the District adopted Public Sector Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associate with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method the assumptions used on initial recognition are those as of the date of adoption of the standard.

The District recognized an asset retirement obligation related to several buildings, sewer and water infrastructure owned by the District that contained hazardous material. The liability was measured as of the date of when the Hazardous Materials Act was enacted in Canada in 1989 and asbestos was banned. In accordance with the provisions of this new standard, the District reflected the following adjustments at January 1, 2022:

	As previously reported	Increase (decrease)	As restated
Asset retirement obligation	\$ -	\$ 702,456	\$ 702,456
Tangible capital assets	26,311,052	105,126	26,416,178
Net financial assets	8,192,570	(702,456)	7,490,114
Opening accumulated surplus	34,384,571	(590,942)	33,793,629
General government and administration	2,095,899	6,377	2,102,276
Water utility and sanitary sewer systems	1,779,503	11	1,779,514



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

16. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2023 operating and capital budgets approved by Council on April 24, 2023. Amortization was not contemplated on development of the budget and, as such, has not been included. The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenues:	
Operating budget	\$ 9,204,660
Capital operations budget	3,127,000
Less:	
Transfers from other funds	(3,127,000)
	9,204,660
Expenses:	
Operating budget	5,932,019
Capital operations budget	3,397,000
Less:	
Capital expenditures	(3,397,000)
	5,932,019
	\$ 3,272,641



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

17. Significant taxpayers:

The District derives a significant portion of its taxation revenue from the utility sector. Any changes in this sector could have an impact on the ongoing operations of the District.

18. Segmented information:

Segmented information has been identified based upon lines of services provided by the District. District services are provided by the departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of services that have been separately disclosed in the segmented information, are as follows:

(i) General Government Services and Administration:

The general government services and administration provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental in the District.

(ii) Protective Services:

Protective services is comprised of the fire department and other community protection costs incurred by the District.

(iii) Public Works Services:

The public works department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parks and open space, and street lighting in the District.

(iv) Environmental and Public Health Services:

Environmental and public health services is responsible for environmental programs such as waste management, which encompasses garbage collection and recycling. This segment is also responsible for rental of the doctor's office in the District.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

18. Segmented information: (continued):

(v) Environment Development Services:

Environmental development services is responsible for community and economic development, in regard to community development projects.

(vi) Planning, Development and Bylaw Services:

Planning, development and bylaw services is responsible for community planning (OCP), zoning, bylaw enforcement, animal control and building inspection in the District.

(vii) Recreation and Culture Services:

Recreational and cultural services provides various recreational and cultural opportunities to the residents and visitors of the District, including the library, pool, arena, community hall, tourism information centre and museum.

(viii) Water Utility and Sanitary Sewer Systems:

The water utility installs and maintains water mains, pump stations and the water treatment plant. The treatment and distribution of water in the District is included in this segment. The sanitary sewer utility installs and maintains sewer mains, lift stations and the sewage treatment facility. The collection and treatment of sewage in the District is included in this segment.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment that generated the revenue. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

18. Segmented information: (continued):

	2023								
	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Environmental Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility and Sanitary Sewer System	Total
Revenue:									
Taxation	\$ 2,725,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,725,935
Government transfers	2,909,945	-	-	-	-	-	-	427,533	3,337,478
Grants in lieu	2,017,538	-	-	-	-	-	-	-	2,017,538
Sales of services and user charges	130,017	-	-	86,045	-	11,584	109,323	220,836	557,805
Other	174,066	-	-	-	-	-	-	-	174,066
Total revenues	7,957,501	-	-	86,045	-	11,584	109,323	648,369	8,812,822
Expenses:									
Salaries, wages and employee benefits	787,385	171,534	1,230,357	-	-	-	271,498	221,576	2,682,350
Operating	233,988	150,655	364,508	29,100	38,984	39,307	586,024	4,476,148	5,918,714
Legislature	137,998	-	-	-	-	4,390	-	-	142,388
Amortization	767,481	-	-	-	-	-	-	487,854	1,255,336
Interest	2,939	-	-	-	-	-	-	-	2,939
Insurance	148,416	3,210	45,495	-	-	2,143	181	-	199,445
Professional services	51,757	17,735	-	-	-	38,508	-	-	107,999
Garbage disposal	-	-	-	6,034	-	-	-	-	6,034
Total expenses	2,129,964	343,134	1,640,360	35,134	38,984	84,348	857,703	5,185,578	10,315,205
Annual surplus (deficit)	\$ 5,827,537	\$ (343,134)	\$ (1,640,360)	\$ 50,911	\$ (38,984)	\$ (72,764)	\$ (748,380)	\$ (4,537,209)	\$ (1,502,383)



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

18. Segmented information: (continued):

2022 - (restated - note 16)										
	General Government Services and Administration	Protective Services	Public Works Services	Environmental and Public Health Services	Environmental Development Services	Planning, Development and Bylaw Services	Recreation and Culture Services	Water Utility and Sanitary Sewer System		Total
Revenue:										
Taxation	\$ 2,422,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,422,754
Government transfers	1,346,151	-	-	-	-	-	-	629,998	-	1,976,149
Grants in lieu	1,945,097	-	-	-	-	-	-	-	-	1,945,097
Sale of services and user charges	82,683	-	-	91,413	-	14,245	110,714	229,653	-	528,708
Other	535,465	-	-	-	-	-	-	-	-	535,465
Total revenue	6,332,150	-	-	91,413	-	14,245	110,714	859,651	-	7,408,173
Expenses:										
Salaries, wages and employee benefits	692,735	210,024	1,193,255	-	-	-	241,127	257,285	-	2,594,426
Operating	359,476	249,627	379,144	39,457	17,174	38,223	707,659	1,160,698	-	2,951,458
Legislature	113,976	-	-	-	-	6,108	-	-	-	120,084
Amortization	732,301	-	-	-	-	-	-	361,531	-	1,093,832
Interest	5,158	-	-	-	-	-	-	-	-	5,158
Insurance	146,805	3,017	36,690	-	-	2,143	1,102	-	-	189,757
Professional services	51,825	16,424	-	-	-	38,430	-	-	-	106,679
Garbage disposal	-	-	-	12,117	-	-	-	-	-	12,117
Total expenses	2,102,276	479,092	1,609,089	51,574	17,174	84,904	949,888	1,779,514	-	7,073,511
Annual surplus (deficit)	\$ 4,229,874	\$ (479,092)	\$ (1,609,089)	\$ 39,839	\$ (17,174)	\$ (70,659)	\$ (839,174)	\$ (919,863)	\$ -	\$ 334,662



DISTRICT OF HUDSON'S HOPE

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2023

19. Comparative information

Certain 2022 comparative information has been reclassified. The changes had no impact on prior year annual surplus.



DISTRICT OF HUDSON'S HOPE

Schedule 1 - COVID-19 Safe Restart Grant

Year ended December 31, 2023

(Unaudited)

In November 2020, the District of Hudson's Hope was the recipient of a \$499,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC. Due to the conditions of use this grant funding allows local governments to use the funding where the greatest need arises, the initial \$499,000 amount received was considered revenue in 2020 and included in grant revenue on the consolidated statement of operations and accumulated surplus. The District allocated \$67,277 within 2023 to cover operational costs and technology upgrades within the District.

	2023
Balance of COVID-19 Safe Restart grant funds at December 31, 2022	\$ 245,295
Less amount utilized in 2023:	
Dell latitude laptop (CAO & Deputy Fire Chief)	8,966
Dell OptiPlex - 8 office computers	4,129
Protective Services/Emergency Management/Bylaw Enforcement (wages, training & travel)	40,449
Surface laptops for Council	13,733
	<u>67,277</u>
12 office computers or laptops and monitors	24,000
Council Chambers renovation (chairs, electrical, TV's)	40,000
Council Chambers live stream system (2 year project)	20,000
E-Scribe software (Council meeting report writer)	6,720
Protective Services/Emergency Management/Bylaw Enforcement (wages, training, travel)	40,000
Software and website upgrades	47,298
Total 2023 allocation of COVID-19 Safe Restart grant	<u>178,018</u>
Remaining COVID-19 Safe Restart grant	<u>\$ -</u>



DISTRICT OF HUDSON'S HOPE

Schedule 2 - Growing Communities Fund

Year ended December 31, 2023
(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The District received \$905,000 of GCF funding in March 2023.

	2023
Growing Communities Fund	\$ 905,000
Interest	8,646
	<u>913,646</u>
Less amount utilized in 2023:	
ATV Dinosaur Lake campground	147,000
	<u>766,646</u>
Future project expenditures:	
Beryl Prairie	102,803
Arena upgrades	130,500
Curling Rink - freon detection	27,500
Residential water stands keypad (2)	25,000
Water treatment plant design	296,445
Future projects unallocated	184,398
	<u>766,646</u>
	<u>\$ -</u>