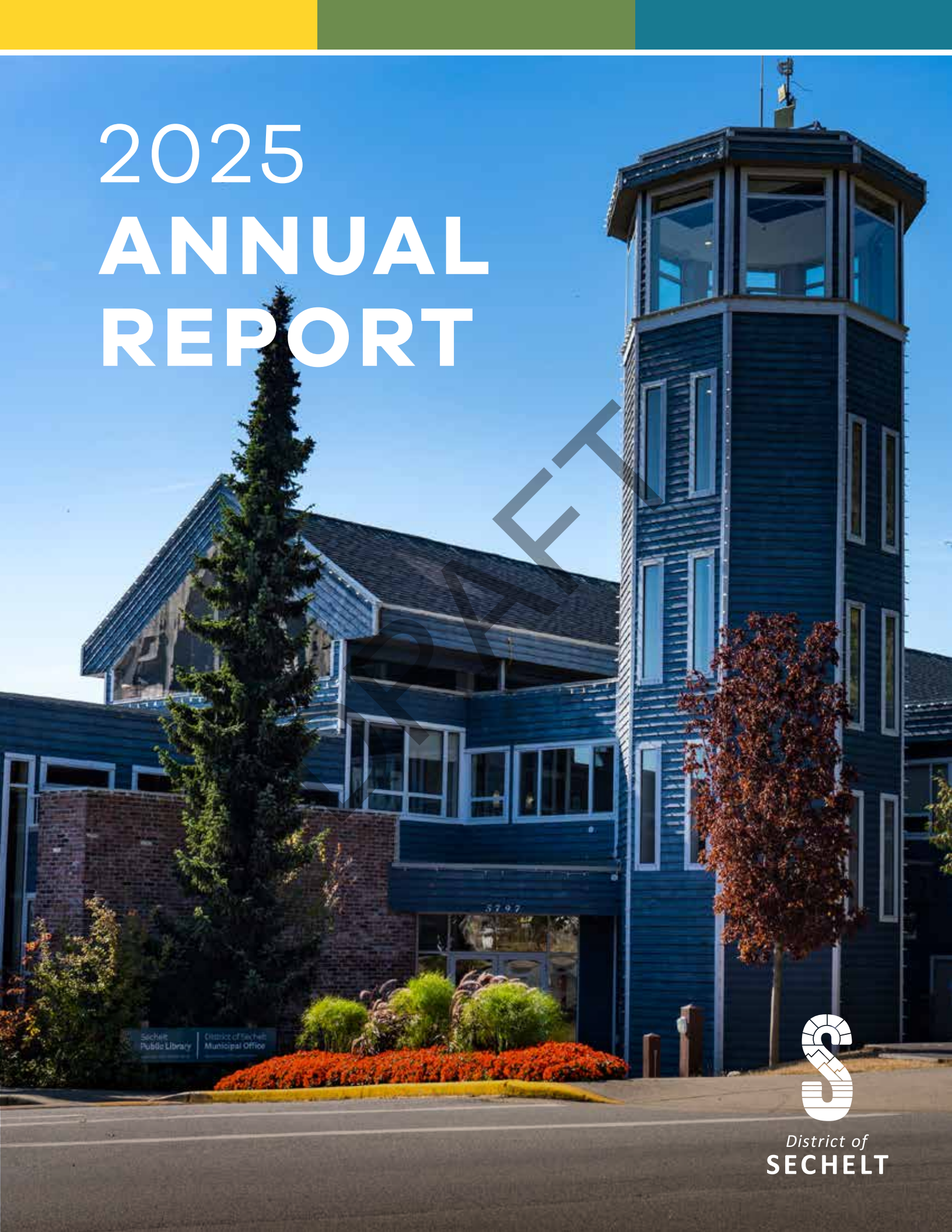


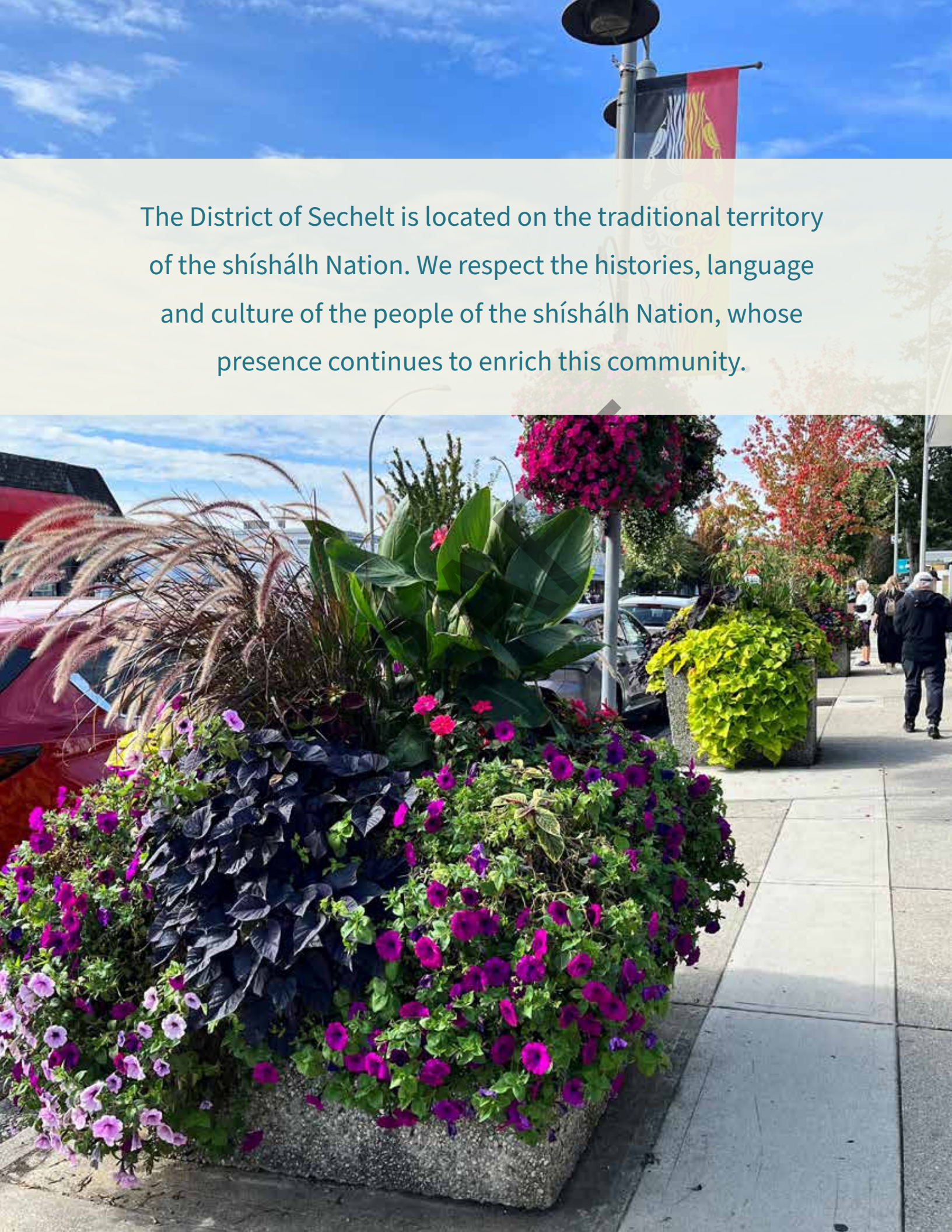
2025 ANNUAL REPORT



Sechelt Public Library | Office of Sechelt Municipal Office



District of
SECHELT



The District of Sechelt is located on the traditional territory of the shíshálh Nation. We respect the histories, language and culture of the people of the shíshálh Nation, whose presence continues to enrich this community.

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WELCOME TO SECHELT

VISION



Sechelt is an inclusive, resilient and economically vibrant community that leads in environmental stewardship and climate adaptation; we are grounded in community and deep connection to the environment.

We foster innovation and support safe and welcoming neighbourhoods where everyone who lives here can make a living, find suitable housing, and get around easily and safely.

CORE VALUES




The following core values guide Council communication and decisions.

—
Caring and Sharing Community

—
Environmental Sustainability

—
Emergency Preparedness



WHO ARE WE

The District of Sechelt is located on the Sunshine Coast in the swiya (world, birthplace, territory) of the shíshálh people, in southwestern British Columbia. With a population close to 12,000, the community of Sechelt strikes a unique economic balance between small-scale manufacturing, retail and service sectors, tourism, and industrial uses. Only accessible by ferry or small passenger plane and float plane, Sechelt sits in the heart of the peninsula, with the Salish Sea on one side and the Sechelt Inlet on the other.

Famous for its relaxed seaside vibe, Sechelt is truly a community that has it all. With a vibrant arts community,

entrepreneurial spirit and strong community values, we subscribe to the art of living well. It is a hub for outdoor enthusiasts offering easy access to tidal, fresh water and backcountry adventures.

We are a growing community committed to smart and sustainable development. With a business-friendly approach and a supportive municipal council, the District of Sechelt works collaboratively with residents, developers and business owners to streamline processes and pave the way to success.

WE ARE SECHELT. WE ARE...

THE
HEART
OF THE
SUNSHINE
COAST.

Message from Mayor & Council



“ We are pleased to present the District of Sechelt’s 2025 Annual Report. This report highlights initiatives and accomplishments of the past year and touches on some of our priorities looking forward. ”

As we present our final annual report as Council, we are proud of all that we have accomplished together over this term. Like many communities, we have faced a challenging economic environment, with rising costs and ongoing fiscal pressures impacting the price of goods and services. Despite these challenges, we remained focused and committed. Through careful oversight and the dedication and diligence of staff, we have continued to make meaningful progress towards the six strategic priorities that guide the District of Sechelt. We are pleased to share the results of that work with you in the pages that follow.



Effective Growth

As Sechelt continues to grow, thoughtful planning has never been more important. In 2025, we took important steps to understand how and where our community can evolve, including advancing the Community Land Development Analysis and engaging residents in shaping the next Official Community Plan. When Future Sechelt: Our Path to 2045 is adopted, it will reflect input from residents and set a shared vision for how Sechelt will grow and change over the next 25 years.

Housing

Council remains committed to supporting a range of housing choices for residents at all stages of life. Throughout the year, new housing projects moved forward, including rental apartments, multi-unit housing and townhome proposals. Each of these steps contributes to a more inclusive and attainable housing landscape in Sechelt.

Community Safety and Well-Being

Creating a safe and supportive community remains a key focus that will continue beyond 2026. Investments in accessible parks, safer trails and year-round maintenance of public spaces help ensure residents can enjoy Sechelt comfortably and confidently. We also heard directly from the community through public safety discussions, reinforcing our shared responsibility for well-being and partnerships with important community organizations.

Financial Balance

Council is committed to managing public funds responsibly while continuing to deliver the services people rely on. In 2025, we maintained strong financial

oversight, approved a balanced budget and upheld rigorous reporting and accountability standards. Council has remained focused on fiscal responsibility by carefully managing costs, protecting taxpayers and ensuring that today's investments are both affordable and sustainable over the long term.

Environment

This year, we advanced climate action planning, improved water efficiency, expanded tree planting efforts and reduced wildfire risk through targeted mitigation work.

These actions reflect our commitment to protecting the natural environment that defines Sechelt while preparing for future challenges.

Vibrant Downtown Core

Sechelt's downtown plays an important role in community life. Through events, public art, beautification, and upgrades to parks and facilities, we continued to enhance Sechelt's downtown core as a place to gather, connect and celebrate. From festivals to everyday moments, these investments contribute to a sense of belonging and local pride.

None of this work happens in isolation. It is made possible through the partnership of residents, local businesses, community organizations, volunteers, and staff, along with the continued collaboration with shíshá'lh Nation and regional partners. Thank you to everyone for your support.

We are grateful for the passion and dedication that make Sechelt such a special place to call home.

Sincerely,

Mayor and Council

District of Sechelt

Greetings from the Chief Administrative Officer



“ On behalf of the District, I am pleased to share the 2025 Annual Report. This report reflects a year of thoughtful progress, collaboration and continued focus on the priorities that matter most to our community. Guided by Council’s Strategic Plan, our work remained centred on six key areas: effective growth, housing, community safety and well-being, financial balance, climate action, and fostering a vibrant downtown core. ”

The District remains resilient in a complex economic landscape with tariffs and inflationary pressures. In 2025, we made meaningful strides in planning for Sechelt’s future. Early engagement and technical work advanced major initiatives such as the Community Land Development Analysis and Official Community Plan review, projects critical to shaping how our community grows in the years ahead.

We also saw tangible progress in housing, with new residential permits, rental developments, and small-scale multi-unit housing projects moving forward. These efforts support Council’s direction to expand housing options and improve availability within the community.

Enhancing safety and accessibility remained a priority throughout the year. Improvements to parks, trails, and waterfront access points, along with expanded opportunities for residents to share safety concerns, helped ensure that Sechelt continues to be a welcoming and accessible place for all.

Finally, this report highlights the scale of services delivered by our dedicated staff. From infrastructure and facilities work to planning, bylaw enforcement, and customer service, District staff take pride in what they do and in finding ways to improve Sechelt. The numbers and stats tell the story of a busy and committed organization working every day to support residents and businesses.

As CAO, I want to thank District staff for their professionalism and dedication. I also extend my appreciation to our community partners and residents for their ongoing engagement and support.

Sincerely,

Andrew Yeates
Chief Administrative Officer

Mayor and Council



Councillor
Donna Bell



Mayor
John Henderson



Councillor
Darren Inkster



Councillor
Dianne McLauchlan



Councillor
Brenda Rowe



Councillor
Adam Shepherd



Councillor
Alton Toth

STRATEGIC PRIORITIES

The Strategic Plan is a statement of the District's overall vision and priorities. It provides a roadmap for Council, staff and the community to support implementation of six key strategic priorities:



1. Effective Growth



2. Housing



3. Community Safety & Well-Being



4. Ensuring Financial Balance



5. Commitment to Climate Change Mitigation, Adaptation and the Preservation of the Natural Environment



6. Fostering a Vibrant Downtown Core

Read Council's detailed Strategic Plan at:
sechelt.ca/en/our-government/strategic-plan.aspx

2025 Strategic Goals and Accomplishments



Effective Growth

What we did in 2025 to achieve this:

Initiated the Community Land Development Analysis (CLDA) with the project consultant, DOS staff, and partners: Sunshine Coast Regional District (SCRD) and shíshálh Nation.

Held first public engagement for the CLDA and Official Community Plan (OCP) projects – workshop February, 2025.

Completed Wakefield Lift Station.

Replaced roof on the Writers Festival building.

Continued preparation and planning for SharePoint document management data migration project.

Started IT automation strategy with various departments including Finance, Planning and Development, and the Water Resource Centre.

Presented the 2024 Annual Report to Council and released it publicly.

Attended Microsoft 365 workshops to streamline the use of Microsoft 365 tools. These sessions helped reduce choice overload, align tool usage across departments, and improve productivity through targeted training and guidance.

Completed the first draft of the Community Land Development Analysis and presented it to Council.

Provided a status report for the Official Community Plan review to Council.

Remediated deck at Kirkland House.

Presented the Silverstone Heights Official Community Plan Amendment to Council. This will modernize the land use and housing framework for this emerging neighbourhood.





Housing

What we did in 2025 to achieve this:

Issued the primary building permit for Community Services on Inlet Avenue.

Received the application for a building permit for the first of two rental buildings on Shorncliffe Avenue.

Issued building permits for two fourplexes matching the Small-scale Multi-unit housing initiative.

Reviewed housing options on public land with Sunshine Coast Housing Coordinator.

Received rezoning applications for townhouses on Cowrie Street above Rockwood, as well as for small-scale multi-unit housing on Binnacle Street above Trail Avenue.

Approved building permit drawings for Solis rental apartment building on Shorncliffe Avenue.





Community Safety & Well-Being

What we did in 2025 to achieve this:

Redesigned sections of Kinnikinnick Park trails to improve safety and accessibility.

Created monitored community safety email address and online form for residents to contact with non-emergency safety concerns.

Conducted weekly clean ups and outreach of the encampment area of Hightide Avenue.

Cleared snow on waterfront walkways, multi-use pathways, sidewalks and paved park paths to ensure downtown Sechelt remained walkable and accessible in winter.

Upgrades to accessibility of Hackett Park's pathways surrounding ball diamond bleachers.

Cleared large driftwood logs and a significant amount of sand from the accessible ramp at the beach in Davis Bay.

Replaced staircases in the Annex Beach Access and Highmoor to Gale Connector trails.

Repaired vandalism and damage to public washrooms to ensure continued access of essential parks services.

Supported intergovernmental childcare advocacy movement through letter writing, social media campaigns and communication directed at all levels of government.

Held a community safety meeting and invited the public to share ideas in a townhall-style meeting.





Ensuring Financial Balance

What we did in 2025 to achieve this:

Held first silent auction of District items, including unclaimed items seized by the RCMP.

Completed the SharePoint migration project.

Provided extensive SharePoint training to staff.

Conducted 2024 year-end financial audit fieldwork in preparation of presentations of the financial statement for Council.

Presented 2025 budget for discussions with Council during public information sessions. A motion was passed to approve the 2025 operational and capital budget.

Migrated the Vadim software to the cloud.

Completed the 2024 financial audit and presented the financial statements to Council, receiving an unqualified opinion from the auditors.

Presented the 2024 Statement of Financial Information (SOFI) to Council and submitted it to the Ministry of Municipal Affairs and Housing.

Completed and submitted the Local Government Data Entry (LGDE) report detailing the previous fiscal year's financial activities, to the Ministry of Housing and Municipal Affairs.

Calculated the 2025 property taxes and mailed out tax notices.

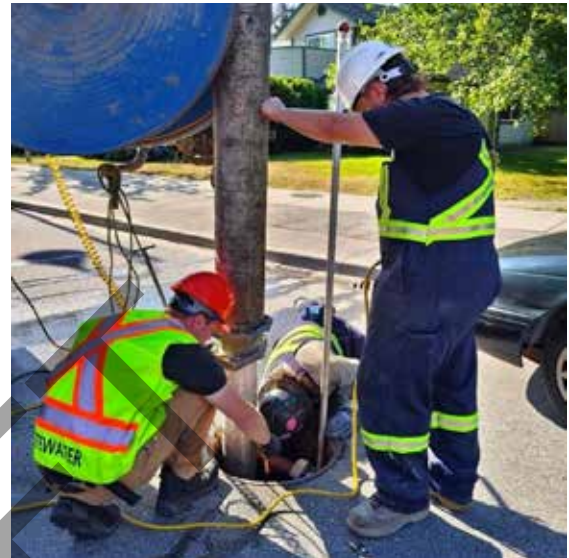
Finalized the 2025-2029 Five-Year Financial Plan, including setting the 2025 sewer, septage user rates and tax rates, and presented it to Council for adoption.

Increased training opportunities for Microsoft tools to ensure staff take full advantage of new features that enhance productivity and efficiency.

Modernized and upgraded the business licence review process.

Utilized a shared budget platform to streamline development of the 2026 budget.

Presented the draft 2026 budget to Council.





Commitment to Climate Change Mitigation, Adaptation and the Preservation of the Natural Environment

What we did in 2025 to achieve this:

Created and supervised a directed work study with a UBC Forestry student to update Sechelt's tree canopy and vegetation Geographic Information System (GIS) layer in conjunction with parks and asset management.

Installed new irrigation controller for Kinnikinnick Park fields to optimize water usage.

Installed fleet-tracking software on 15 District vehicles.

Established the Internal Climate Action Committee to move initiatives forward.

Supported Sechelt Community Association Forum to host an Emergency Planning event for the community.

Removed invasives from one of the large garden beds in Davis Bay.

Installed drip irrigation and low-maintenance native grasses in Davis Bay.

Completed corporate greenhouse gas (GHG) emissions and climate action reporting for the provincial Local Government Climate Action Program.

Applied dust suppression to all gravel roads across the district to mitigate dust and improve driving conditions.

Presented Climate Change Short-Term Action Priorities to Committee of the Whole.

Coordinated and supported multi-government presentation of coastal flood mapping project to Council.

Planted 34 new trees in various locations, contributing to canopy expansion and long-term climate resilience.

Completed significant fuel-load reduction around Mission House and Robertson House in Mission Point Park with FireSmart crews, improving fire safety and reducing risk in these high-use areas.





Fostering a Vibrant Downtown Core



What we did in 2025 to achieve this:

Planted 11,700 bulbs in fall of 2024 that bloomed in garden beds throughout the community during the first quarter.

Held the popular syíyaya days and Canada Day Parade and Celebrations.

Welcomed the Gibsons Jazz Festival for a third year at Hackett Park Stage.

Planted seasonal flower bed and hung floral hanging baskets in the downtown core.

Installed new banners along Cowrie Street for syíyaya Days; featuring images of five weave designs from four shíshálh Nation artists.

Hosted a community engagement booth at the Car Free on Cowrie street event organized by Transportation Choices Sunshine Coast.

Hosted the 11th annual Summer Music Series in Hackett Park.

Kicked off the Sechelt Arts Festival with a waterfront celebration in Snickett Park.

Repaired and painted the basketball court at Hackett Park.

Filled and repaired cracking on the Hackett Park courts.

Completed electrical upgrades at Friendship Park.

Completed an Airport Obstacle Limitation Surface (OLS) survey.

Refurbished Friendship Park washroom and shower facilities.

Approved building permit to support renovations of Trail Bay Centre, bringing new anchor tenants and modernizing the exterior access and appearance of the mall.

Launched monthly community newsletter.

Installed two new banner designs, based on paintings created by a local Sunshine Coast artist, in downtown Sechelt and in Davis Bay.

Wrapped one BC Hydro utility box with two vinyl designs from a local Sunshine Coast artist, as part of the BC Hydro Beautification Program.

2025 SECHELT BY THE NUMBERS

ENGINEERING		EVENTS	
350 potholes repaired	95 km paved roads	5 arts projects completed	15 artists selected for artist roster
60 km of linear storm sewers	729 streetlights total	\$134,375 CIP grants awarded	2,500 attendees to Sechelt Arts Festival
62 streetlight requests	1100 catch basins	2 civic-produced events	
400 completed work orders	1733 service requests	PLANNING AND DEVELOPMENT	
492 facilities service requests		87 New business licences issued	11 development variance permits
FACILITIES		63 residential building permits issued	30 development permits
6946 facility rental hours	50 special events permits issued	16 commercial building permits issued	5 rezoning applications received
1500 facility rentals	45 floats in holiday parade	289 bylaw complaints received	5 subdivision applications received
15 wedding rentals		366 bylaw enforcement tickets issued	1,524 scheduled building inspections
		43 million total construction value	
IT			
2,634 IT service/help tickets received	117 computers maintained	147,430 emails sent	6,309 online meetings created by staff
	56 apps managed	540,291 emails received	10,725 online meetings staff interacted in

PARKS

- 5,092** hours of field use
- 34** new district trees planted
- 6,175** bulbs planted
- 5,670** hours of mobile vending
- 40** hanging baskets
- 750m** new accessible pathways built

WASTE WATER

- 833,794 m3** wastewater treated
- 2,285 m3** Daily average of wastewater treated
- 4 million** litres of septage received
- 676 tonnes** biosolids for composting
- 3,000+** samples analyzed at WRC lab
- 13,900 kWh** solar power energy offset
- 9** wet wells and lift stations
- 1,150** sanitary sewer maintenance holes
- 17.5 km** force main length
- 62 km** gravity main length

FINANCIAL

- \$3.9 million** added to reserves
- 12** procurements completed
- \$1.4 million** valued procurements
- \$1.1 million** grants received
- \$2.5 million** increase in District assets

CORPORATE SERVICES

- 22** council meetings
- 20** closed meetings
- 15** committee of the whole meetings
- 4** airport select committee meetings
- 1** regional accessibility meeting
- 111** formal FOI requests

HUMAN RESOURCES

- 27** job postings
- 20** staff onboarded
- 11** occupational health & safety meetings
- 37** crew safety talks covered



FINANCIAL STATEMENTS

Report from the Chief Financial Officer



“ On behalf of the District of Sechelt, I’m pleased to share our audited financial statements for the year ending December 31, 2025. This report offers a clear picture of how the District managed its finances over the year, and helps residents understand how public funds were used. ”

In 2025, the District continued to manage its finances carefully while delivering important services and investing in infrastructure the community relies on every day. Council focused on making decisions that balance today’s needs with long-term sustainability, keeping services affordable while planning ahead for the future.

We brought in enough revenue to support our day-to-day services and maintain healthy reserve funds. Careful spending and long-term planning helped us navigate rising costs and economic uncertainty. Overall, the District ended the year in a strong financial position, with stable reserves and no major changes to our debt.

Our capital work in 2025 focused on maintaining and upgrading existing infrastructure, while also moving forward with key projects identified through our long-term plans. These projects were funded through a mix of reserves, development contributions, grants, and other approved sources.

Looking ahead, we remain committed to long-term financial health. We regularly review our reserves to make sure we are prepared for future infrastructure needs, community growth, and unexpected challenges.

Our financial statements were audited by MNP LLP, an independent external auditor. District staff are responsible for preparing these statements and ensuring they are accurate and reliable.

The auditors provided an unqualified opinion, which means they found that the financial statements present a fair and accurate picture. The District’s finances were prepared according to Canadian public sector accounting standards, this is the highest level of assurance an audit can provide.

I would like to thank Council for their leadership, District staff for their dedication and the residents of Sechelt for their continued trust and involvement. Together, we are supporting responsible financial management and a strong financial future for our community.

A handwritten signature in black ink, appearing to read 'David Douglas'.

David Douglas, CPA, CGA
Director of Financial Services

2025

PERMISSIVE PROPERTY TAX EXEMPTION

Bethel Baptist Church	5717 Mermaid St	1,346
Holy Family - Roman Catholic Church	5714 Nickerson Rd	4,454
Living Faith Lutheran Church	4607 Whitaker Rd	3,897
New Life Christian Fellowship Foundation	5895 Reef Rd	9,718
S.C. Seventh-Day Adventist Church	1581 Jack Rd	5,845
Sechelt Congregation of Jehovah Witnesses	6384 Norwest Bay Rd	5,367
St Hilda's Anglican Church	5838 Barnacle St	13,880
St John's United Church	5085 Davis Bay Rd	5,384
Sunshine Coast Calvary Fellowship	4943 Geer Rd	7,386
Crossroads Community Church	5116 Davis Bay Rd	1,373
Sechelt Seniors Activity Centre Society	5604 Trail Ave	41,756
S.C. Association for Community Living	6442 Orchard Rd	3,385
S.C. Association for Community Living	214-5604 Inlet Ave	1,623
S.C. Association for Community Living	215-5604 Inlet Ave	1,632
S.C. Association for Community Living	318-5604 Inlet Ave	1,639
S.C. Association for Community Living	319-5604 Inlet Ave	1,639
SPCA - Sunshine Coast Branch	4376 Solar Rd	18,061
S.C. Association for Community Living	103 - 5711 Mermaid St	4,497
S.C. Association for Community Living	104 - 5711 Mermaid St	2,249
S.C. Association for Community Living	105-5711 Mermaid St	4,224
S.C. Association for Community Living	5527 Schorncliffe Ave	4,532
S.C. Association for Community Living	5910 Turnstone Cres	5,338
S.C. Association for Community Living	5832 Medusa St	5,102
S.C. Community Health Council (Shorncliffe)	5847 Medusa St	1,671
S.C. Community Health Council (Shorncliffe)	5847 Medusa St	32,746
S.C. Community Services Society		3,717
S.C. Community Services Society	5782 Cowrie St	12,274
S.C. Community Services Society (Food Bank)	5638 Inlet Ave	69,928
S.C. Community Services Society	5522 Trail Ave	4,051
S.C. Community Services Society	5520 Trail Ave	9,266
Sunshine Coast Healthcare Auxiliary	5693-5695 Cowrie St	20,802
Sunshine Coast Lions Housing Society	5821 Medusa St	12,737
Sunshine Coast Lions Housing Society	5803 Medusa St	7,607
Sunshine Coast Lions Housing Society	5583 Ocean Ave	7,564
Sunshine Coast Search & Rescue	1975 Field Road	3,241
Davis Bay/Wilson Creek Community Assoc.	5123 Davis Bay Rd	26,984

Elphinstone Aero Club	4540 Hilltop Rd	2,254
Girl Guides of Canada - Camp Olave	3965 Sunshine Coast Hwy	96,049
Suncoast Racquet Club	6000 Lighthouse Ave	16,766
Sunshine Coast Army Cadets Support Association	4403 Hilltop Road	6,107
Sunshine Coast Salmonoid Enhancement Society	4381 Parkway Dr	18,349
Sunshine Coast Botanical Garden Society	5941 Mason Rd	24,834
Sunshine Coast R.A.A. Canada Chapter #580	Field Road Airport	5,753
Sunshine Coast Rod and Gun Club	4384 Parkway Dr	28,358
Arts Council	5714 Trail Ave	18,168
Kirkland Centre	4602 Simpkins Rd	9,658
Rockwood Centre	5511 Shorncliffe Rd	26,404
The Nature Trust of BC (Sechelt Marsh)	5741 Wharf St	12,334
Total Exemptions		\$648,521

DRAFT

District of Sechelt

Consolidated Financial Statements
For the year ended December 31, 2025

District of Sechelt
Consolidated Financial Statements
For the year ended December 31, 2025

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Management's Responsibility for Financial Reporting


The Council of the District of Sechelt has delegated the responsibility for the integrity and objectivity of the financial information contained in the consolidated financial statements to the management of the District of Sechelt. The consolidated financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are executed and recorded in accordance with authorization, and that financial records are reliable for preparation of consolidated financial statements.

The Mayor and Council oversee management's responsibilities for the financial reporting and internal control systems. Mayor and Council review internal financial statements on a quarterly basis, and meet periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged. Council annually reviews and approves the consolidated financial statements.

The District of Sechelt's independent auditors, MNP LLP, are engaged to express an opinion as to whether these consolidated financial statements present fairly the District of Sechelt's consolidated financial position, financial activities, and cash flows in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion in accordance with Canadian generally accepted auditing standards.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards.



David Douglas, CPA, CGA
Director of Financial Services

To the Mayor and Council of the District of Sechelt:

Opinion

We have audited the consolidated financial statements of the District of Sechelt (the "District"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025, and the results of its consolidated operations, 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 Consolidated Financial Statements section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information, consisting of the annual report, which is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 Consolidated Financial Statements

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

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

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

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.

Nanaimo, British Columbia

May 6, 2026

MNP LLP

Chartered Professional Accountants

MNP
LLP

District of Sechelt
Consolidated Statement of Financial Position

December 31, 2025

2025

2024

Financial Assets

Cash	\$ 47,050,685	\$ 40,160,770
Portfolio investments (Note 3)	18,044	17,350
Accounts receivable (Note 4)	4,160,020	6,130,042
Investment in business enterprise (Note 5)	2,497,694	2,467,985
	<u>53,726,443</u>	<u>48,776,147</u>

Liabilities

Accounts payable and accrued liabilities	2,330,728	3,639,089
Deferred revenue (Note 7)	9,287,514	9,201,677
Deferred development cost charges (Schedule 1)	5,530,181	4,943,643
Refundable deposits	3,298,861	3,217,072
Long-term debt (Note 8)	2,895,002	3,370,386
Short-term loans (Note 9)	1,654,669	1,159,344
Asset Retirement Obligations (Note 17)	3,857,334	3,729,769
	<u>28,854,289</u>	<u>29,260,980</u>

Net Financial Assets

24,872,154 19,515,167

Non-financial Assets

Tangible capital assets (Schedule 2)	168,777,567	170,552,548
Prepaid expenses	398,685	330,416
	<u>169,176,252</u>	<u>170,882,964</u>

Accumulated Surplus (Note 19)

\$ 194,048,406 \$ 190,398,131

Contingent Liabilities (Note 15)



David Douglas, CPA, CGA
Director of Financial Services



Adam Shepherd
Councillor

The accompanying notes are an integral part of these consolidated financial statements.

District of Sechelt
Consolidated Statement of Operations

For the year ended December 31, 2025	Budget 2025	2025	2024
	(Note 16)		
Revenues (Schedule 3)			
Taxation and other levies (Note 10)	\$ 16,596,687	\$ 16,551,697	\$ 15,231,395
Private contributions (Note 11)	39,948	144,058	272,215
Government grants (Note 12)	11,930,790	1,111,637	1,593,371
Sale of goods and services	5,980,073	6,417,505	5,904,121
Licences, permits and fees	1,697,036	2,095,807	1,861,081
Penalties and interest	219,000	361,094	303,004
Income from business enterprise (Note 5)	-	55,599	530,141
Return on investments	767,923	1,305,206	1,862,292
Gain on disposal of tangible capital assets	-	6,143	64,249
Development cost charges (Schedule 1)	777,414	11,508	421,249
	38,008,871	28,060,254	28,043,118
Expenses (Schedule 3)			
General Government	5,699,907	4,744,037	4,544,118
Planning and Community Development	2,156,882	1,710,185	1,664,224
Community Services	3,275,664	2,933,965	3,110,075
Public Works	5,436,530	4,214,279	4,167,393
Facilities	1,883,774	1,489,108	1,293,080
Police Services	3,447,901	2,914,104	2,628,082
Solid Waste	1,835,500	1,757,382	1,720,574
Sewer Operating	5,657,953	4,646,919	4,813,498
	29,394,111	24,409,979	23,941,044
Annual Surplus	8,614,760	3,650,275	4,102,074
Accumulated Surplus, beginning of year	190,398,131	190,398,131	186,296,057
Accumulated Surplus, end of year	\$ 199,012,891	\$ 194,048,406	\$ 190,398,131

The accompanying notes are an integral part of these consolidated financial statements.

District of Sechelt
Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2025	Budget 2025	2025	2024
	(Note 16)		
Annual surplus	\$ 8,614,760	\$ 3,650,275	\$ 4,102,074
Aquisition of tangible capital assets (Schedule 2)	(23,610,752)	(2,460,856)	(6,914,449)
Amortization of tangible capital assets (Schedule 2)	3,889,989	4,199,705	4,026,285
Net book value of tangible capital assets disposed (Schedule 2)	-	36,132	438,658
	(19,720,763)	1,774,981	(2,449,506)
Increase in prepaid expenses	-	(68,269)	(4,441)
Increase (Decrease) in net financial assets	(11,106,003)	5,356,987	1,648,127
Net financial assets, beginning of year	19,515,167	19,515,167	17,867,040
Net financial assets, end of year	\$ 8,409,164	\$ 24,872,154	\$ 19,515,167

The accompanying notes are an integral part of these consolidated financial statements.

District of Sechelt
Consolidated Statement of Cash Flows

For the year ended December 31, 2025

2025

2024

Operating transactions		
Annual surplus	\$ 3,650,275	\$ 4,102,074
Non-cash items:		
Amortization of tangible capital assets	4,199,704	4,026,285
Loss (Income) from Investment in business enterprise	(55,599)	(530,141)
Accretion	127,565	122,329
Loss (Gain) on disposal of tangible capital assets	(6,143)	(64,249)
Work in Progress Written Off	29,633	421,907
	<u>4,295,160</u>	<u>3,976,131</u>
Changes in non-cash operating balances		
Decrease (Increase) in accounts receivable	1,970,020	2,353,025
Decrease (Increase) in prepaid expenses	(68,269)	(4,441)
Increase (Decrease) in accounts payable	(1,308,361)	(2,657,890)
Increase (Decrease) in deferred revenue	85,837	268,172
Increase (Decrease) in development cost charges	586,538	165,317
Increase (Decrease) in refundable deposits	81,789	34,688
	<u>1,347,554</u>	<u>158,871</u>
Cash provided by operating transactions	<u>9,292,989</u>	<u>8,237,076</u>
Financing transactions		
Repayment of long-term debt	(475,383)	(740,771)
Proceeds of short-term loans	683,583	894,960
Repayment of short-term loans	(188,257)	(98,682)
Cash applied to financing transactions	<u>19,943</u>	<u>55,507</u>
Capital transactions		
Acquisition of tangible capital assets	(2,460,856)	(6,914,449)
Proceeds from the sale of tangible capital assets	12,643	81,000
Cash applied to capital transactions	<u>(2,448,213)</u>	<u>(6,833,449)</u>
Investing transactions		
Decrease (Increase) in portfolio investments	(694)	(674)
Dividends received on Investment in business enterprise	25,890	25,890
Cash applied to investing transactions	<u>25,196</u>	<u>25,216</u>
Increase in cash and cash equivalents	6,889,915	1,484,350
Cash and cash equivalents, beginning of year	<u>40,160,770</u>	<u>38,676,420</u>
Cash and cash equivalents, end of year	<u>\$ 47,050,685</u>	<u>\$ 40,160,770</u>

The accompanying notes are an integral part of these consolidated financial statements.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

1. Nature of Organization

The District of Sechelt (the "District") was incorporated on May 15, 1986 and operates under the *Local Government Act* and the *Community Charter*. The principal activities of the District are preservation, protection, and enhancement of the quality of life in Sechelt through the facilitation of municipal services in an equitable, efficient, and effective manner.

2. Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements of the District are the representations of management prepared in accordance with Canadian public sector accounting standards ("PSAS"). These standards are established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada ("CPA Canada").

(b) Principles of Consolidation

The consolidated financial statements include the accounts of all activities or entities whose operations are under the control of the District. These include the general operating funds, the capital funds, and all reserve funds. All interfund balances have been eliminated for the purposes of these financial statements.

The consolidated financial statements include the operations of a wholly owned subsidiary of the District, Sunshine Coast Community Forest Ltd. (Formerly Sechelt Community Projects Inc. ("SCPI")). Sunshine Coast Community Forest Ltd. is accounted for using the modified equity method. Under this method, the District's equity is adjusted by the annual profits and losses of the subsidiary and declared dividends, if any. Sunshine Coast Community Forest Ltd. utilizes the International Financial Reporting Standards to prepare their financial statements.

The revenue from taxation and other sources collected by the District on behalf of other governments for education, health care, fire protection services, Sunshine Coast Regional District, and other external organizations that are not controlled by the District are not included in these consolidated financial statements.

December 31, 2025

2. Significant Accounting Policies (Continued)

(c) Revenue Recognition

The accrual basis of accounting is followed in the financial statement presentation. Revenue is recorded as the performance obligation is satisfied, when the amount can be estimated and collection is reasonably assured. Restricted contributions from non-government sources unearned in the current period are recorded on the Statement of Financial Position as deferred revenue.

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. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the Statement of Operations as the stipulation liabilities are settled.

Development cost charges received in respect of construction for sewer, drainage, road, and park requirements are recorded as deferred development cost charges. These amounts are recorded as revenue when the related development costs are incurred.

Non-monetary revenues are recognized at the estimated fair market values at the time all of the requirements and conditions for the project have been met, ownership and control is transferred to the District, and the appropriate acceptances or approvals have been issued.

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

Sales of services and other revenue are recognized on an accrual basis as the services are delivered.

(d) Revenue Recognition - Taxation

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized, and the taxable event occurs. Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Taxes receivable are recognized net of an allowance for anticipated uncollectible amounts. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

The District estimates amounts of adjustments and records taxation revenue net of such amounts. Any adjustments in excess of those estimated are recognized at the time they are awarded.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

2. Significant Accounting Policies (Continued)

(e) 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 to be sold in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Tangible capital assets, a type of non-financial asset, are comprised of capital assets and capital work in progress. They are recorded at cost less accumulated amortization and are classified according to their functional use. The cost of a tangible capital asset includes the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation, insurance costs, and duties. Contributed tangible capital assets are recorded at fair value at the date of the contribution.

Amortization is recorded on a straight-line basis over their estimated useful lives commencing once assets are put into use, as follows:

Land improvements	10 to 30 years
Buildings	20 to 70 years
Furniture, fixtures and minor equipment	5 to 30 years
Automotive equipment	5 to 20 years
Roads	10 to 60 years
Structures (bridges, etc.)	20 to 100 years
Infrastructure - sewer	30 to 80 years
Infrastructure - drainage	20 to 50 years

The District holds works of art that have not been recorded in tangible capital assets.

December 31, 2025

2. Significant Accounting Policies (Continued)

(f) Financial Instruments

A financial asset or a financial liability is only recognized on the District's Statement of Financial Position when, and only when, the District becomes a party to the contractual provisions of the instrument. All financial instruments are recognized either at fair value or cost/amortized cost.

For a financial instrument in the fair value category, the change in the fair value is recognized as a remeasurement gain or loss in the Statement of Remeasurement Gains and Losses until the financial instrument is derecognized. At the time when the financial instrument in the fair value category is derecognized, the associated accumulated remeasurement gains and losses are reversed and reclassified in the Statement of Operations.

Transaction costs are added to the carrying value of items in the cost or amortized cost category when they are initially recognized. However, when items in the fair value category are initially recognized, transaction costs are expensed. Interest is measured using the effective interest method. Interest and dividends attributable to financial instruments are reported in the Statement of Operations.

Accounting standard PS 3450 *Financial Instruments* requires equity investments traded in an active market to be recorded at fair value. The District has no such investments. PS 3450 allows for other investments to be recorded at fair value if they are managed on a fair value basis. The District has elected to record its portfolio investments on a fair value basis. Cash is recorded at cost. Accounts receivable (excluding tax receivables), accounts payable and accrued liabilities, short-term debt, and long-term debt are recognized at amortized cost.

At the end of the each reporting period, the District assesses whether there are any indications that the financial asset, or group of similar financial assets, measured at amortized cost or cost may be impaired. When there is an indication of impairment, the carrying amount is written down accordingly.

(g) Contaminated Sites

Liabilities for contaminated sites are recognized when an environmental standard exists, contamination exceeds the standard, the District has responsibility for remediation, future economic benefits will be given up, and a reasonable estimate can be made.

The District has assessed its potential liabilities under accounting standard PS 3260 *Liability for Contaminated Sites* including sites that are no longer in productive use and sites for which the District accepts responsibility. Additionally, the District has used the standards contained in Schedule 2 (Industrial and Commercial Purposes and Activities) of the Contaminated Sites Regulation of the British Columbia *Environmental Management Act* to determine whether a potential liability exists. As at December 31, 2025, no such contamination in excess of an environmental standard requiring remediation exists.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

2. Significant Accounting Policies (Continued)

(h) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. Significant areas requiring the use of management estimates relate to the determination of collectability of accounts receivable, useful lives of tangible capital assets, fair value investments, provisions for contingencies, and asset retirement obligations. Actual results could differ from those estimates. Adjustments, if any, will be reflected in the period of settlement.

(i) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the District to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expented that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to the asset retirement activities, based on information available at December 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected or occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the District reviews the carrying amount of the liability. The District recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

3. Portfolio Investments

	2025	2024
Other portfolio investments	<u>\$ 18,044</u>	<u>\$ 17,350</u>

Investments are recorded at market value. Other portfolio investments consists of a Guaranteed Investment Certificate. The other portfolio investments mature in September 2026 with an interest rate of 2.55% (2024 - 4.00%).

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

4. Accounts Receivable

	2025	2024
Property taxes receivable	\$ 2,074,030	\$ 1,742,228
Federal government receivables	111,741	236,243
Capital grants receivable	701,573	3,186,715
Lease receivables	430,083	114,134
Other grants receivable	102,577	90,865
Other receivables	1,327,615	1,347,456
	<hr/>	<hr/>
	4,747,619	6,717,641
Allowance for doubtful accounts	(587,599)	(587,599)
	<hr/>	<hr/>
	\$ 4,160,020	\$ 6,130,042

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

5. Investment in Business Enterprise

On March 8, 2005, Sunshine Coast Community Forest Ltd. (Formerly Sechelt Community Projects Inc. (SCPI)) was incorporated. Sunshine Coast Community Forest Ltd. was formed for the purpose of acquiring and managing a Community Forest Agreement dated May 30, 2011.

The District owns all 17,260 issued shares of Sunshine Cost Community Forest Ltd.. All of the Board members are appointed by the District. Sunshine Coast Community Forest Ltd.'s financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The District's investment in Sunshine Coast Community Forest Ltd. is recorded using the modified equity basis. Under this method, the District's equity is adjusted by the annual profits and losses of the subsidiary and declared dividends, if any.

	<u>2025</u>	<u>2024</u>
Statement of Financial Position		
As at December 31		
Total assets	\$ 2,784,387	\$ 2,821,432
Total liabilities	286,693	353,447
Shareholder's equity	<u>2,497,694</u>	<u>2,467,985</u>
	<u>\$ 2,784,387</u>	<u>\$ 2,821,432</u>
Statement of Operations		
For the Year Ended December 31		
Revenues	\$ 1,469,214	\$ 2,813,753
Expenses	<u>(1,413,615)</u>	<u>(2,283,612)</u>
Net Income (Loss)	<u>\$ 55,599</u>	<u>\$ 530,141</u>
Statement of Changes in Shareholder's Equity		
For the Year Ended December 31		
Cost of investment	\$ 172,600	\$ 172,600
Contributed surplus	49,770	49,770
Accumulated net equity income, beginning of year	2,245,615	1,741,364
Net income	55,599	530,141
Dividends declared during the year	<u>(25,890)</u>	<u>(25,890)</u>
	<u>\$ 2,497,694</u>	<u>\$ 2,467,985</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

6. Deposits and Reserve - Municipal Finance Authority

The Municipal Finance Authority of British Columbia (the "MFA") provides capital financing for regional districts and their member municipalities. The MFA is required to establish a Debt Reserve Fund. The MFA must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs, the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the MFA to the regional districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the District. The proceeds from these discharges will be credited to income in the year received. As at December 31, the total debt reserve was comprised of:

	2025	2024
Debt Reserve - Cash Deposits	\$ 31,698	\$ 124,071
Debt Reserve - Demand Notes	89,099	429,159
	\$ 120,797	\$ 553,230

These balances are not reported elsewhere in these consolidated financial statements.

7. Deferred Revenue

Deferred revenue represents funds received that are held for various restricted purposes. These funds are recognized as revenue in the period when the eligible related expenditures or conditions have been met.

	2024	Receipts	Revenue Recognized	Interest	2025
Deferred Grants					
Sunshine Coast Drought Mitigation Grant	\$ 5,300,000	\$ -	\$ -	\$ -	\$ 5,300,000
BC Gov Housing Initiatives Support	171,331	-	(23,957)	-	147,374
Marin Community Foundation Grant	568	-	-	-	568
UBCM - Complete Communities Program	89,635	-	(63,726)	-	25,909
Indigenous Engagement Requirements Fund	48,000	48,000	-	-	96,000
	5,609,534	48,000	(87,683)	-	5,569,851
Cash in lieu for development	1,428,107	137,706	(101,939)	1,780	1,465,654
Donations	43,536	-	-	1,424	44,960
Prepayment of property taxes	1,753,710	53,133	-	-	1,806,843
Other	366,790	350,339	(317,484)	561	400,206
	3,592,143	541,178	(419,423)	3,765	3,717,663
	\$ 9,201,677	\$ 589,178	\$ (507,106)	\$ 3,765	\$ 9,287,514

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

8. Long-term Debt

	Year Due	Rate Per Annum	2025	2024
Debentures - Municipal Finance Authority				
Operations Centre	2044	4.44 %	\$ 2,895,002	\$ 3,000,000
Water Resource Centre	2025	2.25 %	-	370,386
			<u>\$ 2,895,002</u>	<u>\$ 3,370,386</u>

The District will be required to make repayments over the next five years as follows:

2026	\$ 108,778
2027	112,694
2028	116,751
2029	120,954
2030	125,308
Thereafter	<u>2,310,517</u>
	<u>\$ 2,895,002</u>

All debentures are secured by promissory notes issued by the District.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

9. Short-term Loans

	Year Due	Rate per Annum	2025	2024
MFA Loan - Plotter	2025	3.36 %	\$ -	\$ 4,793
MFA Loan - Dump Truck	2026	3.36 %	36,017	77,887
MFA Loan - Chemical Storage Area	2027	3.36 %	119,036	181,704
MFA Loan - Operations Center Short Term Advance	2025	3.36 %	-	894,960
MFA - Wakefield Lift Station Short Term Advance	2030	3.36 %	1,499,616	-
			<u>\$ 1,654,669</u>	<u>\$ 1,159,344</u>

The District will be required to make principal payments over the next five years as follows:

2026	\$ 417,023
2027	369,447
2028	315,709
2029	315,709
2030	236,781
	<u>\$ 1,654,669</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

10. Taxation and Other Levies

The District collects amounts for itself and on behalf of other taxing authorities.

	Budget 2025	2025	2024
Collections for District of Sechelt			
General municipal purposes	\$ 15,558,845	\$ 15,520,820	\$ 14,196,066
Business improvement area	72,842	72,425	71,436
Sewer frontage taxes	965,000	958,452	963,893
	<u>\$ 16,596,687</u>	<u>\$ 16,551,697</u>	<u>\$ 15,231,395</u>
Collections for Other Taxing Authorities			
BC Assessment Authority	\$ 236,575	\$ 236,501	\$ 228,577
Municipal Finance Authority	1,284	1,284	1,267
Provincial Education - residential	6,460,033	6,450,363	6,293,359
Provincial Education - non-residential	1,522,956	1,522,250	1,387,984
Regional Hospital District	470,032	469,908	416,776
Regional Fire District	3,522,549	3,521,616	2,462,981
Sunshine Coast Regional District	7,121,694	7,120,286	6,869,419
Sunshine Coast Regional District - Water Rates	2,779,677	2,779,638	2,604,523
	<u>\$ 22,114,800</u>	<u>\$ 22,101,846</u>	<u>\$ 20,264,886</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

11. Private Contributions

	Budget 2025	2025	2024
Donations - Library, Arts and Culture	\$ 700	\$ 9,628	\$ 8,065
Donations - Community Archives	-	4	-
Grant - Vancouver Foundation	-	50,000	30,000
Grant - Adopt a Tree	5,000	8,000	7,500
Grant - Destination BC	-	18,100	22,625
Grant - Parks summer student	-	5,062	-
Grant - Engineering summer student	-	2,500	-
Grant - Planning summer student	-	-	15,000
Grant - BC Hydro EV Charging Station	-	-	7,500
Cash in Lieu - Trail Avenue Construction PI: Teredo St to Anchor	5,000	-	-
Cash in Lieu - Telus - Inlet Ave Improvements	-	-	69,024
Cash in Lieu - Legion - Inlet Ave Improvements	-	-	(50,000)
Cash in Lieu - Active Transportation	29,248	8,664	21,143
Cash in Lieu - Bike BC	-	-	18,500
Cash in Lieu - Transportation Safety Improvements	-	-	33,500
Developer contributions - Parks	-	42,100	75,534
Developer contributions - Sewer	-	-	13,824
	\$ 39,948	\$ 144,058	\$ 272,215

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

12. Government Grants

	Budget 2025	2025	2024
Operating - Federal			
Celebrate Canada (Canada Day)	\$ 7,500	\$ 13,000	\$ 7,500
Operating - Provincial			
Canada Community-Building Fund	557,317	557,317	557,317
Small Community Investment Fund	345,000	339,000	381,400
RCMP Traffic Fine Program	75,000	81,000	89,000
Street Lights Cost Share	3,007	3,008	3,008
Local Government Climate Action Program	-	-	322,548
Complete Communities Program	189,635	63,726	-
LGHI Capacity Funding Bill 44	171,331	23,957	29,400
Biosolids Feasibility Study	-	-	10,000
UBCM Community Land Development Analysis	-	-	10,365
UBCM Strengthening Communities - Homeless Coordinator	-	-	78,108
BC Fairs, Festivals, and Events (BCFFE) for Siyiyaya Days	-	-	2,500
BC Fairs, Festivals, and Events (BCFFE) for Summer Music Series	-	-	2,000
JSB Roof Replacement	-	-	69,000
WAAS LPV Approach Implementation Project	24,500	-	12,250
Municipal			
Community Archives	9,500	9,350	8,600
Regional Sports Field Strategy	-	21,279	-
Capital			
Heritage BC - Rockwood Lodge	-	-	10,375
New Spaces Fund - Child care facility	3,000,000	-	-
Sunshine Coast Drought Mitigation	5,300,000	-	-
Jasper Road Sidewalk - Active Transportation Fund	873,000	-	-
Trail Bay Waterfront Redevelopment	1,200,000	-	-
Air Curtain Burner - Invasive Plant Management - SCCF	175,000	-	-
	\$ 11,930,790	\$ 1,111,637	\$ 1,593,371

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

13. Pension Liability

The District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2024, the Plan had about 273,000 active members and approximately 133,000 retired members. Active members include approximately 39,000 contributors from the local governments.

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

The most recent actuarial valuation for the Plan as at December 31, 2024 indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027, with results available in 2028.

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 costs to individual employers participating in the Plan.

During the year, the District paid \$559,772 (2024 - \$508,953) for employer contributions to the Plan.

14. Irrevocable Standby Letters of Credit

In addition to the performance deposits reflected in cash balances, the District is holding irrevocable standby letters of credit in the amount of \$7,076,245 (2024 - \$8,186,840). These letters were received to ensure the performance of works undertaken within the District. These amounts are not reflected in the financial statements. They are available to satisfy any liabilities arising from non-performance by the depositors.

December 31, 2025

15. Contingent Liabilities

- (a) The District is a subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by section 3.02 of the *Insurance Act* of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the District is assessed a premium and specific deductible for its claims based on population. The obligation of the District with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscribers may suffer.
- (b) As a member of the Sunshine Coast Regional District, the District is responsible for its portion of any operating deficit or long-term debt related to functions in which it participates.
- (c) The Sunshine Coast Regional District has requested and has been provided with demand notes drawn in its favour totaling \$89,099 (2024 - \$429,159) (Note 6) to provide for additional funds, should the need arise, to service its debt.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

16. Annual Budget

The budget data presented in these consolidated financial statements are based upon the District's 2025 - 2029 Financial Plan as adopted through Bylaw No. 626 on May 14, 2025. This budget is prepared on a cash basis which differs from the budget amounts in these consolidated financial statements which are prepared in accordance with PSAS. The following table reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Financial Plan Presentation	Financial Statement Presentation
Revenues		
Taxation and other levies	\$ 15,634,584	\$ 16,596,687
Fees, rates and sale of services	3,975,936	7,896,109
Return on investments	767,923	767,923
Grants, donations and private contributions	11,970,738	11,970,738
Development cost charges	777,414	777,414
Sewer Revenues	4,885,173	-
	<u>38,011,768</u>	<u>38,008,871</u>
Expenses		
General Government	5,122,274	5,699,907
Planning and community development	2,144,132	2,156,882
Community services	3,062,664	3,275,664
Public works	3,753,641	5,436,530
Facilities	1,262,324	1,883,774
Police services	3,811,168	3,447,901
Solid waste	1,835,500	1,835,500
Sewer operating	4,185,150	5,657,953
Interest on Debt	330,166	-
Amortization	3,889,989	-
	<u>29,397,008</u>	<u>29,394,111</u>
Annual Surplus (Deficit)	<u>8,614,760</u>	<u>8,614,760</u>
Principle on debenture debt	908,323	-
Debt acquired	(537,211)	-
Transfer to (from) reserves	(5,515,901)	-
Transfer to (from) capital	(4,432,828)	-
Transfer to (from) surplus	(1,528,387)	-
Reduction of capital equity	(3,889,989)	-
Capital Purchases	23,610,752	-
	<u>8,614,760</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ 8,614,760</u>

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

17. Asset Retirement Obligations

The District owns and operates several buildings that are known to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. Additionally, the District operates a septage receiving site that has been constructed on leased land. Upon expiry of the land lease, in 2031, there is a legal obligation to remove the buildings, equipment, and infrastructure that has been placed on the land. Following the adoption of Public Accounting Standard PS 3280 *Asset Retirement Obligations*, the District recognized an obligation relating to the remediation of the hazardous materials in buildings and the decommission of the septage receiving site as estimated at January 1, 2023.

Discounting has been applied to a portion of the retirement obligations where there is a known date of retirement. Estimated costs totaling \$3,277,088 for the retirement of the Septage Receiving site have been discounted using a present value calculation with a discount rate of 4.28%. The remaining assets, for which there is no known retirement date, have been recognized at their total current estimated costs of \$749,290, with no discounting applied. Retirement obligations and remediation expenditures are expected to be incurred between 2026 and 2057 with the regular replacement, renovation, or disposal of assets.

December 31	2025	2024
Opening asset retirement obligation	<u>\$ 3,729,769</u>	<u>\$ 3,607,441</u>
Increase due to accretion	<u>127,565</u>	<u>122,328</u>
Closing asset retirement obligation	<u>\$ 3,857,334</u>	<u>\$ 3,729,769</u>

18. Segmented Information

The District is a diversified municipal government entity in the Province of British Columbia that provides a wide range of services to its citizens such as roads, sewer and drainage infrastructure, garbage collection, and parks. The District also contributes to the costs of water, recreation, fire protection, and transit which are under the jurisdiction of the Sunshine Coast Regional District.

The nature of the segments and the activities they encompass are as follows:

General Government

General Government is composed of the District's internal support functions including Administration, Communication, Corporate Services, Financial Services, Human Resources, Information Technology, Mayor and Council, and any other services categorized as non-departmental.

December 31, 2025

18. Segmented Information (Continued)

Police Services

Police Services is responsible for the municipal portion of the services provided by the Royal Canadian Mounted Police in respect of law enforcement and protection to persons and property within the District.

Public Works

Public Works is composed of Public Works, Engineering, Street Lights, Drainage, and Fleet. The services provided by this segment include planning and maintenance of roads, sidewalks, drainage, street lights, and parking facilities. As well, this segment includes the District's equipment and vehicle fleet.

Solid Waste

Solid Waste administers the collection and disposal of household garbage and recyclables on a contracted basis.

Sewer Operating

Sewer Operating is responsible for the collection, transportation, and treatment of sanitary sewage, and maintaining the necessary infrastructure to provide these services.

Planning and Community Development

Planning and Community Development includes the following:

- Building Inspection regulates all construction within the District in accordance with applicable bylaws, regulations, and legislation.
- Development Services is responsible for land-use planning, guidelines, and development in accordance with the District's Official Community Plan and other applicable plans.
- Economic Development seeks to create a vibrant local and sustainable economy that provides a full range of goods, services, and opportunities, on a contracted basis.

Community Services

Community Services is composed of Parks and Arts, Culture & Heritage. Parks contributes to the quality of life and personal wellness of the community through the provision and maintenance of parks, trails, streetscapes, and beach accesses. Arts, Culture & Heritage provides library services and contributes to the quality of life of the community through supporting a variety of arts and cultural initiatives in the community, including the Sechelt Arts Festival.

December 31, 2025

18. Segmented Information (Continued)

Facilities

Facilities is responsible for the operation and maintenance of District lands, buildings, wharfs, and other municipal structures.

Sunshine Coast Community Forest Ltd.

Sunshine Coast Community Forest Ltd. (Formerly Sechelt Community Projects Inc. (SCPI)) was formed for the purpose of acquiring and managing a Community Forest Agreement (Note 2, 5). This wholly owned subsidiary of the District is considered a separate segment for reporting purposes.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

19. Accumulated Surplus

The District segregates its accumulated surplus into the following categories:

	2025	2024
General Government (Note 20)	\$ 10,528,265	\$ 9,285,822
Sewer fund (Note 20)	7,368,078	4,991,864
General Government statutory reserves (Note 20)	13,283,807	11,359,411
Investment in Sunshine Coast Community Forest Ltd.	2,497,694	2,467,985
	33,677,844	28,105,082
Tangible capital assets	168,777,567	170,552,548
Asset Retirement Obligations	(3,857,334)	(3,729,769)
Long-term debt	(2,895,002)	(3,370,386)
Short-term loans	(1,654,669)	(1,159,344)
Equity in tangible capital assets	160,370,562	162,293,049
Accumulated Surplus	\$ 194,048,406	\$ 190,398,131

Statutory reserves represent funds set aside by bylaw for specific purposes.

Equity in tangible capital assets represents the net book value of the assets less any debt outstanding used to acquire tangible capital assets.

District of Sechelt
Notes to the Consolidated Financial Statements

December 31, 2025

20. Statutory and Non-statutory Reserves

Under PSAB reporting requirements, statutory and non-statutory reserves comprise a part of the operating surplus of the District. Below are listings of the reserves balances at the end of each year:

	2024	Interest and Contributions	Transfers	2025
Statutory Reserves				
Equipment Replacement	\$ 312	\$ 10	\$ -	\$ 322
Parkland Acquisition	342,540	11,204	-	353,744
Capital	3,563,166	2,753,264	(1,497,545)	4,818,885
Municipal Wharf Facilities	611	20	-	631
Community Forest Legacy Fund	1,882,159	61,562	-	1,943,721
Affordable Housing	613,750	97,528	-	711,278
Community Amenity Fund	164,914	5,394	-	170,308
Canada Community-Building Fund	1,799,425	633,182	(37,303)	2,395,304
Growing Communities Fund	2,992,534	91,520	(194,440)	2,889,614
	<u>11,359,411</u>	<u>3,653,684</u>	<u>(1,729,288)</u>	<u>13,283,807</u>
Non-statutory Reserves				
General Fund (Prior years surplus)	3,965,212	1,931,408	(1,191,607)	4,705,013
General Fund Other	5,320,610	1,087,001	(584,359)	5,823,252
Sewer Fund (Prior years surplus)	2,273,721	1,640,447	(217,647)	3,696,521
Sewer Fund Other	2,718,143	2,444,152	(1,490,738)	3,671,557
Investment in Sunshine Coast Community Forest Ltd.	2,467,985	55,599	(25,890)	2,497,694
	<u>16,745,671</u>	<u>7,158,607</u>	<u>(3,510,241)</u>	<u>20,394,037</u>
	<u>\$ 28,105,082</u>	<u>\$ 10,812,291</u>	<u>\$ (5,239,529)</u>	<u>\$ 33,677,844</u>

December 31, 2025

21. Financial Instrument Risk

The District, through its financial assets and liabilities, is exposed to various risks. The following analysis provides a measurement of those risks at December 31, 2025. There have been no changes to exposure of these risks from the prior year.

(a) Credit Risk

Credit risk is the risk that the District will incur a loss due to the failure by its debtors to meet their contractual obligations. Financial instruments that potentially subject the District to credit risk consist primarily of cash and cash equivalents, portfolio investments, and accounts receivable. The District has an investment policy to ensure investments are managed appropriately to secure the preservation of capital and the availability of liquid funds. The District invests surplus funds in accordance with its investment policy. The majority of receivables are due from federal and provincial agencies as well as taxpayers. Amounts due from taxpayers are effectively secured by the property due to the collection method under the tax sale legislation.

(b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Investments bear some interest rate risk but these risks are mitigated through the diversification of the portfolio and low risk investment decisions.

(c) Market Risk

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market.

(d) Liquidity Risk

Liquidity risk is the risk that the District will not be able to meet its obligations as they fall due. The District maintains adequate levels of working capital to ensure all its obligations can be met when they fall due.

December 31, 2025

22. Comparative Figures

Certain figures in the comparative information have been reclassified to conform with the current year presentation.

District of Sechelt
Schedule 1 - Deferred Development Cost Charges

For the year ended December 31, 2025

	Sewer	Sechelt Drainage	Sechelt Roads	Sechelt Parks	2025	2024
Balance, Beginning of year	\$ 1,052,287	\$ 450,346	\$ 1,878,004	\$ 1,563,006	\$ 4,943,643	\$ 4,778,326
Interest	34,942	16,531	70,777	53,009	175,260	237,510
Cash contributions	16,027	55,058	285,901	65,800	422,786	349,056
Capital expenditures (revenue recognized)	(3,366)	-	-	(8,142)	(11,508)	(421,249)
Balance, end of year	\$ 1,099,890	\$ 521,935	\$ 2,234,682	\$ 1,673,673	\$ 5,530,181	\$ 4,943,643

Development cost charges are funds received from developers to cover the costs of future capital projects. These funds are recognized into revenue when the related costs are incurred.

District of Sechelt
Schedule 2 - Tangible Capital Assets

For the year ended December 31, 2025

Engineering Infrastructure

	Land	Buildings	Vehicles/ Equipment/ Furniture	Works in Progress (WIP)	Other	Roads	Drainage	Sewer	Other	2025	2024
Cost											
Balance, beginning of year	\$71,167,476	\$46,951,906	\$12,974,164	\$18,311,000	\$ 52,975	\$61,293,750	\$10,922,268	\$23,441,633	\$ 8,179,485	\$253,294,657	\$ 246,824,565
Additions	-	15,323	120,362	(2,292,115)	-	-	-	4,470,084	147,202	2,460,856	6,914,449
Disposals	-	-	(69,452)	(29,633)	-	-	-	-	-	(99,085)	(444,357)
Balance, end of year	\$71,167,476	\$46,967,229	\$13,025,074	\$15,989,252	\$ 52,975	\$61,293,750	\$10,922,268	\$27,911,717	\$ 8,326,687	\$255,656,428	\$ 253,294,657
Accumulated Amortization											
Balance, beginning of year	\$ -	\$18,945,646	\$ 7,427,013	\$ -	\$ 42,381	\$36,872,150	\$ 5,077,022	\$11,946,400	\$ 2,431,497	\$ 82,742,109	\$ 78,721,523
Amortization expense	-	1,400,975	626,549	-	2,649	1,144,641	210,186	612,380	202,324	4,199,704	4,026,285
Disposals	-	-	(62,952)	-	-	-	-	-	-	(62,952)	(5,699)
Balance, end of year	\$ -	\$20,346,621	\$ 7,990,610	\$ -	\$ 45,030	\$38,016,791	\$ 5,287,208	\$12,558,780	\$ 2,633,821	\$ 86,878,861	\$ 82,742,109
Net book value, end of year	\$71,167,476	\$26,620,608	\$ 5,034,464	\$15,989,252	\$ 7,945	\$23,276,959	\$ 5,635,060	\$15,352,937	\$ 5,692,866	\$168,777,567	\$ 170,552,548

District of Sechelt
Schedule 3 - Segmented Information

For the Year Ended December 31, 2025

	General Fund										Sewer Fund
	General Government	Planning and Community Development	Community Services	Public Works	Facilities	Police Services	Solid Waste	SCPI	Sewer Operating	Total	
Revenues											
Taxation and other levies	\$15,593,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 958,452	\$16,551,697	
Private contributions	-	18,100	114,794	11,164	-	-	-	-	-	144,058	
Government grants	896,317	63,726	43,629	4,962	-	81,000	-	-	22,003	1,111,637	
Sale of goods and services	71,947	1,100	42,391	36,892	67,393	115,724	1,812,951	-	4,269,107	6,417,505	
Licences, permits and fees	372,075	592,192	4,461	29,144	808,642	30,704	258,589	-	-	2,095,807	
Penalties and interest	361,094	-	-	-	-	-	-	-	-	361,094	
Income from business enterprise	-	-	-	-	-	-	-	55,599	-	55,599	
Return on investments	917,154	-	-	-	-	-	-	-	388,052	1,305,206	
Gain on disposal of tangible capital assets	-	-	-	6,143	-	-	-	-	-	6,143	
Development cost charges	-	-	8,142	-	-	-	-	-	3,366	11,508	
	18,211,832	675,118	213,417	88,305	876,035	227,428	2,071,540	55,599	5,640,980	28,060,254	
Expenses											
Salaries and benefits	3,265,828	1,376,422	1,236,121	1,791,892	208,418	390,007	-	-	964,040	9,232,728	
Contract services	1,138,926	133,998	359,104	417,015	381,032	2,451,449	1,749,444	-	558,482	7,189,450	
Travel and education	142,944	20,787	12,124	12,433	639	-	-	-	5,322	194,249	
Supplies and materials	118,126	5,425	144,747	282,267	61,867	320	2,700	-	606,424	1,221,876	
Utilities	8,284	-	81,864	121,913	160,978	-	-	-	183,421	556,460	
Interest and bank charges	41,602	9,724	96	-	163,600	828	-	-	42,675	258,525	
Risk management	142,280	-	3,352	41,116	81,106	-	-	-	74,405	342,259	
Grants	-	161,180	849,244	-	-	71,500	5,238	-	-	1,087,162	
Amortization of tangible capital assets	223,665	2,649	247,313	1,578,485	431,468	-	-	-	1,716,125	4,199,705	
Accretion of Asset Retirement Obligations	-	-	-	-	-	-	-	-	127,565	127,565	
Recovery of Sewer Costs	(337,618)	-	-	(30,842)	-	-	-	-	368,460	-	
	4,744,037	1,710,185	2,933,965	4,214,279	1,489,108	2,914,104	1,757,382	-	4,646,919	24,409,979	
Annual Surplus (Deficit)	\$13,467,795	\$(1,035,067)	\$(2,720,548)	\$(4,125,974)	\$(613,073)	\$(2,686,676)	314,158	55,599	\$ 994,061	\$ 3,650,275	

District of Sechelt
Schedule 3 - Segmented Information

For the year ended December 31, 2024

	General Fund						Sewer Fund			
	General Government	Planning and Community Development	Community Services	Public Works	Facilities	Police Services	Solid Waste	SCPI	Sewer Operating	Total
Revenues	\$14,267,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 963,893	\$15,231,395
Taxation and other levies	-	37,625	121,099	99,667	-	-	-	-	13,824	272,215
Private contributions	950,967	362,313	20,600	3,008	79,375	167,108	-	-	10,000	1,593,371
Government grants	173,896	7,644	42,195	5,000	54,031	57,088	1,802,473	-	3,761,794	5,904,121
Sale of goods and services	370,265	565,646	8,824	158,680	494,709	29,132	233,825	-	-	1,861,081
Licences, permits and fees	303,004	-	-	-	-	-	-	-	-	303,004
Penalties and interest	-	-	-	-	-	-	-	-	-	530,141
Income from business enterprise	1,521,415	-	-	-	-	-	-	-	340,877	1,862,292
Return on investments	-	-	-	64,249	-	-	-	-	-	64,249
Gain on disposal of tangible capital assets	-	-	2,921	25,766	-	-	-	-	392,562	421,249
Development cost charges	-	-	-	-	-	-	-	-	-	-
	17,587,049	973,228	195,639	356,370	628,115	253,328	2,036,298	530,141	5,482,950	28,043,118
Expenses	3,115,288	1,295,705	1,169,448	1,671,002	219,021	376,637	-	-	821,054	8,668,155
Salaries and benefits	1,043,808	168,201	356,861	507,977	335,346	2,201,783	1,670,016	-	986,846	7,270,838
Contract services	167,954	15,940	17,457	22,124	2,585	-	-	-	17,867	243,927
Travel and education	157,325	6,025	188,216	235,313	46,689	234	41,001	-	611,535	1,286,338
Supplies and materials	7,472	-	85,199	124,092	146,855	-	-	-	179,885	543,503
Utilities	57,146	11,158	42	-	215,527	828	-	-	28,897	313,598
Interest and bank charges	150,701	-	3,199	36,225	70,118	-	-	-	73,848	334,091
Risk management	-	164,546	909,275	-	-	-	-	-	-	1,131,978
Grants	182,041	2,649	380,378	1,601,502	256,939	48,600	9,557	-	1,602,778	4,026,287
Amortization of tangible capital assets	-	-	-	-	-	-	-	-	-	-
Accretion of Asset Retirement Obligations	-	-	-	-	-	-	-	-	122,329	122,329
Recovery of Sewer Costs	(337,618)	-	-	(30,842)	-	-	-	-	368,460	-
	4,544,117	1,664,224	3,110,075	4,167,393	1,293,080	2,628,082	1,720,574	-	4,813,499	23,941,044
Annual Surplus (Deficit)	\$13,042,932	\$ (690,996)	\$ (2,914,436)	\$ (3,811,023)	\$ (664,965)	\$ (2,374,754)	\$315,724	\$530,141	\$ 669,451	\$ 4,102,074

District of Sechelt
Schedule 4 - COVID-19 Safe Restart Grant for Local Governments

For the year ended December 31, 2025

	2025	2024
Balance, beginning of year	\$ 812,550	\$ 1,240,375
Eligible costs incurred:		
Building modifications	-	177,797
Recreation, parks and culture	89,368	56,649
Computer and technology costs to improve connectivity and virtual connections	146,083	154,496
Community Safety	-	38,883
Total eligible costs incurred	235,451	427,825
Balance, end of year	\$ 577,099	\$ 812,550

In November 2020, the Province of British Columbia issued grants to local governments for operations impacted by COVID-19. The District has established a non-statutory reserve within accumulated surplus to track the use of the COVID-19 Safe Restart Grant funds.

District of Sechelt
Schedule 5 - Growing Communities Fund

For the Year Ended December 31, 2025

	2025	2024
Balance, beginning of year	\$2,992,534	\$3,446,987
Interest and contributions	91,520	143,771
Active Transportation Network	(71,587)	(174,694)
Municipal Hall and Library Remediation	(93,100)	(192,802)
Wakefield Road Culvert Replacement	(13,494)	(230,728)
Sanitary Collection System Asset Replacement and Renewal	(16,259)	-
Balance, end of year	\$2,889,614	\$2,992,534

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 of Sechelt received \$3,759,000 of GCF funding in March 2023.



District of
SECHELT

2nd Floor, 5797 Cowrie Street
PO Box 129, Sechelt, BC V0N 3A0
sechelt.ca