



STATEMENT OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024

NORTHERN ROCKIES REGIONAL MUNICIPALITY
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The **Statement of Financial Information** is a regulatory requirement for all Local Governments in British Columbia. The Schedules and Audited Financial Statements are presented as required under the ***Financial Information Act***.

Council Remuneration is the gross salary paid to the mayor or councillor for carrying out his/her duties.

Employee Remuneration may include, in addition to annual salary:

- Retroactive pay increases related to prior year reporting periods;
- Vacation payout for unused vacation entitlements;
- Payments received from EMCR for hours worked in Emergency Operation Centres; and
- Taxable benefits such as employer paid life insurance, medical travel and travel grants.

The reported figures are not employees' salaries, nor their take home pay.

Council/ Employee Expenses may include costs such as:

- Event registration fees and other travel and accommodation costs associated with local government, professional, and technical association conferences and professional development sessions and seminars.

The Financial Information Act specifically states that the expenses are "not limited to expenses that are generally perceived as perquisites, or bestowing personal benefit, and may include expenditures for employees to perform their job functions"

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS**Section 1**

The Northern Rockies Regional Municipality has not given any guarantees or indemnities under the Guarantees & Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, section 5

SCHEDULE OF SEVERANCE**Section 2**

There were no severance agreements under which payment commenced between the Northern Rockies Regional Municipality and its non-unionized employees during the 2024 fiscal year.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

STATEMENT OF COUNCIL REMUNERATION AND EXPENSES PAID - 2024**Section 3**

NAME	POSITION	REMUNERATION	EXPENSES
FRASER, ROBERT	Mayor	\$44,050	\$24,166
SOLES, DANIEL	Councillor	\$21,880	\$11,720
DICKIE, LESLIE	Councillor	\$21,880	\$3,333
ENAX, BRENDA	Councillor	\$21,880	\$4,613
ANDREWS, KYLE	Councillor	\$21,880	\$0
GERWING, LORRAINE	Councillor	\$21,880	\$2,327
ROPER, JOHN	Councillor	\$21,880	\$0
TOTAL		\$175,330	\$46,159

STATEMENT OF EMPLOYEE REMUNERATION AND EXPENSES PAID - 2024

Section 4

EMPLOYEE	DEPARTMENT	REMUNERATION GREATER THAN	
		\$75,000	EXPENSES
Management			
ADHIKARI, RADHA	Regional Development	\$121,079	\$7,049
ASPDEN, ANASTACIA	Corporate Services	\$117,911	\$5,976
BARRY, SCOTT	CAO	\$251,439	\$8,842
BARRY, TAMMY	Finance	\$150,512	\$4,067
BLAIN, ROBERT	Technical Services	\$145,720	\$0
BOSTOCK, JOSHUA	Public Works	\$154,901	\$0
CHILDS, JAMES	Fire	\$225,738	\$0
EMMELKAMP, RONALD	Airport	\$124,025	\$0
GLAVES, JASMINE	Public Works	\$107,498	\$242
GREGORY, ALCIA	Corporate Services	\$94,988	\$5,049
LA VALE, ERIN	Human Resources	\$226,171	\$8,084
MACIVER, JAYLENE	Corporate Services	\$193,042	\$5,352
MCMILLAN, SHEILA	Recreation	\$112,840	\$522
O'SHAUGHNESSY, SEAN	Bylaw	\$145,142	\$748
PEARSON, KRISTA	Recreation	\$138,581	\$3,849
PREUSS, MITCHELL	Regional Development	\$98,554	\$0
ROBERTS, JONATHAN	Recreation	\$141,086	\$0
RYHORCHUK, TREVOR	Finance	\$164,831	\$0
SHEPPARD, HAYWARD	Fire	\$179,914	\$1,986
SHEPPARD, HILLARY	Regional Development	\$99,855	\$3,750
THOMPSON, LISA	Regional Development	\$168,588	\$0
VANDERSTEEN, KRISTA	Regional Development	\$129,920	\$9,916
WATSON, LOU-ANN	Public Works	\$165,526	\$0
WOODLAND, THEODORE	Recreation	\$161,964	\$0
		\$3,619,822	\$65,432
Union IAFF #2782			
ASHDOWN, NICOLE	Fire	\$128,237	\$0
BIANCHIN, DEVIN	Fire	\$174,205	\$1,026
BONE, SHANE	Fire	\$182,430	\$0
BUCK, GREGORY	Fire	\$166,846	\$0
KERR, RYAN	Fire	\$131,143	\$0
PEACH, FRANCIS	Fire	\$176,108	\$0
		\$958,969	\$1,026

EMPLOYEE	DEPARTMENT	REMUNERATION GREATER THAN	
		\$75,000	EXPENSES
<u>Union CUPE #2167</u>			
CHARTERS, GARY	Public Works	\$108,214	\$0
COX, DAVID	Public Works	\$106,783	\$0
DEJONG, HAROLD	Public Works	\$140,351	\$0
DUCHARME, GLEN	Public Works	\$106,544	\$0
FERGUSON, MICHAEL	Recreation	\$117,990	\$0
FLETCHER, RODNEY	Recreation	\$121,716	\$0
GORSALITZ, GERALD	Public Works	\$90,716	\$0
JOHNSON, JENNIFER	Fire	\$76,432	\$0
KOENIG, KORY	Recreation	\$83,514	\$0
MACLEAN, CONNOR	Public Works	\$78,751	\$0
MCLEAN, OLIVE	Recreation	\$86,023	\$0
MCMILLAN, COLIN	Technical Services	\$96,332	\$0
PROSPER, KYLE	Public Works	\$112,802	\$0
RAWCLIFFE, TERENCE	Recreation	\$96,031	\$0
RITCHIE, DAVID	Recreation	\$96,576	\$0
ROGERS, STEVEN	Public Works	\$79,344	\$0
SHEPPARD, NORMAN	Public Works	\$93,608	\$0
SIEGMUND, KEATAN	Recreation	\$108,908	\$0
WALSH, DWAYNE	Recreation	\$116,995	\$0
WALTERS, DAVID	Recreation	\$86,786	\$0
		<hr/>	
		\$2,004,416	\$0
<u>Non-unionized</u>			
BOHN, MICHAEL	Airport	\$106,925	\$1,985
GOODWIN, RAYMOND	Airport	\$101,154	\$0
LORENZ, ANDREA	Airport	\$75,030	\$0
TASA, DARRYL	Airport	\$94,199	\$0
WOODWORTH, JOHN	Airport	\$93,449	\$0
		<hr/>	
		\$470,757	\$1,985
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EMPLOYEE	DEPARTMENT	REMUNERATION GREATER THAN \$75,000	EXPENSES
SUB TOTAL		\$7,053,964	\$68,442
REMUNERATION AND EXPENSES UNDER \$75,000		\$2,795,922	\$27,806
TOTAL		\$9,849,886	\$142,407
RECONCILIATION:			
Total remuneration - Council		\$175,330	
Total remuneration - Employees		\$9,849,886	
Employer portion of EI & CPP		\$518,728	
Fire fighter exemption		\$13,963	
Non-taxable employee benefits, pension, worksafe		\$2,315,368	
Total per Note 16 - Service Areas (Segmented Disclosures)			
in Consolidated Financial Statements		\$12,873,276	

STATEMENT OF ACCOUNTS PAID - 2024**Section 5**

VENDOR	AMOUNT
0932591 BC Ltd DBA MSA Ford Sales	82,334.01
1000901927 Ontario	25,601.29
A.G.E. Concrete & Construction Services	256,654.00
AFD Petroleum Ltd.	99,653.74
ALS Environmental	36,576.20
Alumichem Canada Inc.	81,188.82
ARCHER CRM Corp	112,510.47
Archie's Towing & Autowrecking	199,462.09
BC Assessment Authority	371,557.29
BC Hydro & Power Authority - Terminal	874,256.54
Beirsto & Associates Engineering & Survey	35,467.07
Bell Mobility Inc	29,934.02
BGS Contracting	28,760.23
BKT Wall Contracting 0744824 Ltd.	243,217.89
Blue Hawk Security & Group Inc.	32,886.04
Box.com (UK) Ltd	89,850.00
Brad Murrin Contracting Ltd.	63,352.71
Brandt Tractor Ltd	43,467.62
C U P E	67,625.47
Canadian Marine Contractors	41,055.00
Canadian Road Builders Inc.	26,645.36
Canadian Western Mechanical	320,345.02
Canoe Procurement	105,493.86
Central Square Technologies	67,052.21
Charlie's Truck Repair	50,685.52
CIBC Mortgage Corporation	43,701.43
Cimco Refrigeration	36,219.35
City Furniture	25,797.63
Claro Environmental Technologies	65,588.25
Clear Blue Water Systems Ltd.	40,261.81
Cummins Canada ULC	101,203.20
Darktrace Holdings Limited	35,925.12
DB Perks & Associates Ltd.	27,303.73
Diemert Home Hardware	42,920.39
Diversified Transportation Ltd	69,429.44
Douglas Lake Equipment Ltd	43,803.51
DTC Contracting Services	35,154.00
Duka Environmental Services Ltd.	49,543.98
E. Lees & Associates Consulting Ltd.	107,754.99
Ed's Building Supplies Ltd.	32,278.27
EECOL Electric Corp.- FSJ	119,531.61
Energetic Traffic Control Ltd	115,762.96
ESRI Canada	138,252.39
Executive Aviation Fuels Ltd.	64,517.25
Fischer, Shastine	25,624.26
FN Bulk Sales Ltd.	95,696.16
FN Historical Society	193,254.06
Food Cycle Science	37,192.73

VENDOR	AMOUNT
Fort Nelson Chamber of Commerc	126,108.63
Fort Nelson Library Board	362,803.00
Fort Nelson Search & Rescue	25,000.00
FortisBC - Vancouver	303,546.61
Ft Nelson Bulk Sales Ltd.	65,533.70
Gasfield Energy Services	251,350.57
Gasfield Plumbing & Heating	198,729.05
GearheadsTruck Repair	92,492.31
GHD Limited	256,591.74
Government Frameworks.com Inc	25,219.29
H & G Contracting	28,991.59
Hach Sales & Service Canada LP	48,080.16
Holloway Group	87,019.41
I.C.B.C.	97,470.00
Iredale Architecture	113,875.20
Justice Institute of BC	27,544.54
Karoly Horvath o/a KLW Contracting	28,211.99
Kerr Wood Leidal	600,119.79
Knappett Industries	3,485,628.64
L. J. Contracting	96,646.20
Logo Tech	38,012.59
Marshall Lines 2014	41,160.00
McElhanney Ltd	130,872.94
MER Management Ltd.	51,303.73
Metalic Safety Supply Ltd	204,249.51
Metis Nation Communications	43,891.90
Mills Office Productivity	25,868.44
Minister of Finance	10,689,134.69
MPE a division of Englobe	42,702.79
MPE Engineering Ltd.	102,776.82
Municipal Insurance Ass. of BC	427,980.44
Nortech Efficient Business Solutions	147,246.51
North Paw Animal Rescue	46,500.00
Northern BC Tourism Assoc.	133,393.80
Northern Health Authority(Finance Dept)	93,523.00
Northern Lites Technology Ltd.,	43,929.49
Northern Metalic Sales (Ft. Nelson) Ltd.	64,726.23
Northern Rockies Plumbing & Heating Ltd	29,230.29
Northern Rockies Tree Service	27,300.00
Northern Rockies Vermicompost Ltd	54,999.96
Northlands Water & Sewer Suppl	33,437.49
NorthPoint Technical Services, ULC	71,969.87
Northwestel	144,080.75
Pacific Blue Cross	555,202.13
Phoenix Theatre Management Soc	189,821.75
Pike, Toni	90,195.72
Poplar Hills Golf & Country	268,802.75
Prairie Coast Equipment	115,936.17
Prince George Ford	202,916.94

VENDOR	AMOUNT
Princess Mae Janitorial Services	115,128.36
Radar Road Transport Ltd.	1,630,286.99
Raven Oilfield Rentals	40,355.19
Receiver General	3,041,160.21
Right Choice Camps & Catering	94,293.49
RNN Services Ltd.	44,128.00
Rodco Services Ltd	58,431.14
Sander Rose Bone Grindle	60,264.92
Scotia Mortgage Corporation	28,354.11
Service Glass	44,206.16
Sigma Safety Corp.	43,630.86
Spartan Controls	49,694.40
Standing Stone Ventures	44,520.00
Stantec	55,090.35
Stephenson Engineering	38,369.62
T&M Plumbing & Heating	41,057.41
Terry Streeper Expediting Ltd.	37,622.00
Terus Construction dba D.G.S Astro Paving	1,278,264.42
The City of Grande Prairie	42,269.85
Tiger Calcium Services Inc.	142,399.78
Tirecraft - Ft. Nelson	34,429.51
Troyer Ventures Ltd	33,785.79
Tru-source Electric	82,295.81
Uni Jet Industrial Pipe Ltd	211,389.72
Urban Matters	54,600.00
Urban Systems Ltd.	881,955.25
VISA-US Bank National Association	639,454.74
WASCO (Winnipeg Airport Services Corp)	47,838.35
Wasp Manufacturing Ltd.	251,680.03
White Bear Industries Ltd	53,130.00
Wide Sky Disposal (1989) Ltd.	576,694.88
Wood N Horse Farm	68,005.46
Woodlands Inn	43,605.49
Workers Compensation Brd of BC	320,100.87
Young, Anderson Barristers & Solicitors	110,634.92
TOTAL \$25,000 OR MORE	35,703,606.19
Accounts Paid under \$25,000	1,961,724.09
GRAND TOTAL	37,665,330.28

Reconciliation of Payments to Suppliers to the Financial Statements

The schedule of payments to suppliers is on a "cash basis" listing and therefore the total will differ significantly from the expenses in the consolidated financial statements which are reported on an accrual basis resulting in timing differences. Furthermore, there are disbursements on this report which are not considered expenses for financial statement purposes including payments made to other taxing authorities, government agencies and employee payroll deductions.



Consolidated Financial Statements

December 31, 2024

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Chartered
Professional
Accountants

Partners

Dale J. Rose, CPA, CA*
Alan Bone, B. Comm., CPA, CA*
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of Northern Rockies Regional Municipality

Opinion

We have audited the financial statements of Northern Rockies Regional Municipality, which comprise the statement of financial position as at December 31, 2024, the statement of operations, the statement of cash flows and changes in net financial assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Northern Rockies Regional Municipality as at December 31, 2024, and the result of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for Public Sector.

Basis for Opinion

We conduct our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Municipality 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter – Prior year qualified opinion

As described in Note 2 to the financial statements, the Municipality began adopting Section 3280, Asset Retirement Obligation, of the Public Sector Accounting Standards handbook in the prior year based on a partial assessment of its tangible capital assets. The assessment did not cover all classes of assets subject to the standard, resulting in a qualified audit opinion for the year ended December 31, 2023. In the current year, the prior-year partial adoption was reversed. The financial statements for the current year reflect the full adoption of PS 3280 using the prospective method. Our opinion is not modified in respect of this matter.

Emphasis of Matter- Restated Comparative Information

We draw attention to Note 2 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2023 has been restated. Our opinion is not modified in respect of this matter.

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

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

(continues)

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

Those charged with governance are responsible for overseeing the Municipality'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 judgement and maintain professional scepticism 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 Municipality'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 Municipality'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, further events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement 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.

Fort St. John, BC


Chartered Professional Accountants



Northern Rockies Regional Municipality

Management Responsibilities

For the Year Ended December 31, 2024

The accompanying financial statements of the Northern Rockies Regional Municipality (the Regional Municipality) are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described within the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Regional Municipality'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 financial statements. These systems are monitored and evaluated by management.

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

The financial statements have been audited by Eclipse LLP, independent auditors of the Regional Municipality. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Regional Municipality's financial statements.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Chief Administrative Officer

A handwritten signature in blue ink, featuring a large, stylized initial 'D' followed by a long horizontal line.

Director of Finance

The accompanying summary of accounting policies, and notes, are integral parts of these financial statements.

Northern Rockies Regional Municipality

Consolidated Statement of Financial Position

December 31, 2024

	2024	2023 Restated
Financial Assets		
Cash and Investments	\$ 56,468,546	\$ 57,125,438
Taxes Receivable	2,749,742	2,813,996
Accounts Receivable (Note 3)	2,848,841	2,072,589
MFA Deposits (Note 4)	485,575	469,236
Property Held for Resale	4,787,988	4,929,640
Tax Sale Property (Note 5)	269,506	9,336
	67,610,198	67,420,235
Liabilities		
Accounts Payable and Accrued Liabilities (Note 8)	6,568,220	6,448,122
Restricted Revenue	234,191	336,381
Deferred Revenue	1,584,907	5,144,013
Long-Term Debt (Note 10)	21,569,914	22,772,590
Asset Retirement Obligations (Note 9)	2,534,497	-
Other Liabilities	1,764,903	1,643,221
Government Business Enterprise Equity (Note 6)	587,904	473,679
	34,844,536	36,818,006
Net Financial Assets	32,765,662	30,602,229
Non-Financial Assets		
Inventory of Supply	128,778	128,778
Prepaid Expenses	172,057	170,432
Tangible Capital Assets (Note 11)	216,623,360	214,711,589
	216,924,195	215,010,799
Accumulated Surplus (Note 12)	\$ 249,689,857	\$ 245,613,028

Approved by:



Director of Finance

The accompanying summary of accounting policies, and notes, are integral parts of these financial statements.

Northern Rockies Regional Municipality

Consolidated Statement of Operations

For the Year Ended December 31, 2024

	Budget	2024	2023 Restated
Revenues			
Taxation	\$ 25,380,862	\$ 26,172,356	\$ 24,441,574
Grants	9,219,143	8,665,889	7,179,446
Fees and Charges	3,361,076	4,580,461	3,035,597
Investment Income	2,500,000	3,504,137	3,307,661
Donations	500	-	78,200
Gain on Disposition/Revaluation of Financial Asset	-	20,019	10,187
Gain on Disposition of Tangible Capital Assets	-	-	70,389
Income (loss) from Government Business Enterprises	-	(104,225)	(443,181)
Total Revenues	40,461,581	42,838,637	37,679,873
Expenses			
General Government Services	5,107,951	8,188,031	6,070,918
Protective Services	3,114,845	4,711,127	2,795,685
Regional Development and Planning Services	2,828,217	1,893,114	1,701,087
Recreation Services	8,576,581	8,480,284	7,921,197
Public Works	5,857,718	6,206,296	5,521,774
Water Services	3,299,211	3,261,679	2,939,200
Sewer Services	1,535,226	2,052,573	1,555,349
Solid Waste Services	1,343,396	1,452,706	1,254,189
Cemetery Services	60,383	60,783	87,607
Airport Services	2,681,072	2,453,790	3,153,565
Joint Venture	-	1,425	1,485
Total Expenses	34,404,600	38,761,808	33,002,056
Operating Surplus	6,056,981	4,076,829	4,677,817
Accumulated Surplus Opening	245,613,028	245,613,028	240,610,394
Prior Period Adjustment (Note 2)	-	-	324,817
Accumulated Surplus Beginning, as Restated	245,613,028	245,613,028	240,935,211
Closing Accumulated Surplus	\$ 251,670,009	\$ 249,689,857	\$ 245,613,028

The accompanying summary of accounting policies, and notes, are integral parts of these financial statements.

Northern Rockies Regional Municipality

Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2024

	Budget	2024	2023 Restated
Net Operations	\$ 6,056,981	\$ 4,076,829	\$ 4,677,817
Acquisition of Tangible Capital Assets	(21,155,093)	(9,589,772)	(7,239,297)
Amortization	7,056,286	7,678,001	8,079,797
Change in prepaid expense	-	(1,625)	(96,894)
Change in Net Financial Assets	(8,041,826)	2,163,433	5,421,423
Opening Net Financial Assets	30,602,229	30,602,229	24,658,061
Prior Period Adjustment (Note 2)	-	-	522,745
Opening Net Financial Assets	30,602,229	30,602,229	25,180,806
Closing Net Financial Assets	\$ 22,560,403	\$ 32,765,662	\$ 30,602,229

The accompanying summary of accounting policies, and notes, are integral parts of these financial statements.

Northern Rockies Regional Municipality

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
		(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating Surplus	\$ 4,076,829	\$ 4,677,817
Amortization of Tangible Capital Assets	7,678,001	8,079,797
Change in Taxes Receivable	64,254	(630,927)
Change in Accounts Receivable	(776,252)	(1,169,644)
Change in MFA Deposits	(16,339)	(14,145)
Change in Property Held for Resale	(118,518)	70,529
Change in Accounts Payable and Accrued Liabilities	120,098	454,477
Change in Restricted Revenue	(102,190)	26,877
Change in Deferred Revenue	(3,559,106)	2,765,040
Change in Asset Retirement Obligations	2,534,497	-
Change in Other Liabilities	121,682	103,407
Change in Prepaid Expenses	(1,625)	(96,894)
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	10,021,331	14,266,334
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of Tangible Capital Assets	(9,589,772)	(7,239,297)
Change in value of Government Business Enterprises	114,225	443,180
NET CASH USED BY INVESTING ACTIVITIES	(9,475,547)	(6,796,117)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal Payments	(799,590)	(799,590)
Actuarial Adjustments	(403,086)	(363,494)
NET CASH USED BY FINANCING ACTIVITIES	(1,202,676)	(1,163,084)
OTHER ACTIVITIES:		
Net cash increase (decreases) in cash and cash equivalents	(656,892)	6,307,133
Cash and cash equivalents at beginning of period	57,125,438	50,818,305
Cash and cash equivalents at end of period	\$ 56,468,546	\$ 57,125,438

The accompanying summary of accounting policies, and notes, are integral parts of these financial statements.

Northern Rockies Regional Municipality

Significant Accounting Policies

For the Year Ended December 31, 2024

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

Principles of Consolidation

The financial statements include a combination of all the assets, liabilities, accumulated surplus, revenues and expenses of all of the Northern Rockies Regional Municipality's activities. All material organizational transactions have been eliminated.

The Northern Rockies Regional Municipality entered into a joint venture called NRM Industrial Subdivision Joint Venture, for the development of light industrial lands. The Northern Rockies Regional Municipality recognizes its interest in the joint venture using the proportionate consolidation method.

The Northern Rockies Regional Municipality entered into a limited partnership called the FNFN/NRRM Community Forest Limited Partnership, for forestry license tenure. To implement the structure of the limited partnership, the Northern Rockies Regional Municipality also became a shareholder in the FNFN/NRRM Community Forest General Partner Corporation. The Northern Rockies Regional Municipality recognizes its interest in the partnership and general partner corporation using the modified equity method.

A Cemetery Trust and Employee Trust are administered by the Northern Rockies Regional Municipality and are excluded from the consolidated financial statements (Note 15.)

Basis of Accounting

The Northern Rockies Regional Municipality follows the accrual method of accounting for revenues and expenses. Prior year's amounts have been restated to conform with the current year's presentation.

Budget Information

Unaudited budget information, presented on a basis consistent with that used for actual results and excluding amortization, was included in the Northern Rockies Regional Municipality's Consolidated Five Year Plan and was adopted through Bylaw No. 224, 2024.

Use of Estimates

Management has made estimates and assumptions that affect the amount reported in preparing these financial statements. Significant areas requiring the use of management estimates relate to the determination of tangible capital assets historical cost, estimated useful life and related amortization, collectibility of receivables, and asset retirement obligations. Actual results could differ from the estimates.

Financial Instruments

The Northern Rockies Regional Municipality's financial instruments consist of cash and investments, accounts receivable, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, it is management's opinion that the Northern Rockies Regional Municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value, unless otherwise noted.

Northern Rockies Regional Municipality

Significant Accounting Policies

For the Year Ended December 31, 2024

Reserve Accounts

Regional Council may, by resolution, establish reserve accounts for specified purposes. Money in a reserve account may be expended only for the purpose for which the account was established. However, reserve accounts are discretionary and Regional Council may, by resolution, transfer all or part of the amount to another reserve account or reserve fund at any time.

Depending on the nature of the assets involved and their purpose, reserve accounts may be presented on the Statement of Financial Position as a liability or as part of accumulated surplus. See (Note 12.) for reserve accounts disclosed as part of accumulated surplus.

Reserve Funds

Under the Community Charter of British Columbia, Regional Council may establish reserve funds for specified purposes. In some circumstances Regional Council must establish a reserve fund for monies received from specific sources. The use of these reserve funds are restricted by the Community Charter and associated Municipal Bylaws.

Depending on the nature of the assets involved and their purpose, reserve funds may be presented on the Statement of Financial Position as a liability or as part of accumulated surplus. An example of a reserve fund presented as a liability is the Growing Communities Fund Reserve Fund (Note 17.). See (Note 12.) for reserve funds disclosed as part of accumulated surplus.

Cash and Investments

Cash and investments includes short-term investments and highly liquid investments in money market instruments which are carried at the lower of cost and market value with a maturity date of three months or less from the acquisition date. These are valued at cost which approximates market value. Investment income is recognized as revenue in the period it is earned.

Land Held for Resale

Land held for resale is comprised of municipal land that is either actively listed for sale or has a sale contract in place.

Regional Council is responsible for determining the property that will be made available for sale and for negotiating the terms of the disposition. When a property is deemed "Available for sale", it is removed from the Tangible Capital Assets of the Northern Rockies Regional Municipality and is reclassified as Land Held for Resale.

Inventory of Supplies

Inventory consists of residential curbside collection carts distributed to residences. Inventory is recorded at cost.

Work in Progress

Work in progress represents capital projects under construction but not yet completed and are valued at cost.

Northern Rockies Regional Municipality

Significant Accounting Policies

For the Year Ended December 31, 2024

Revenue Recognition

1. Property Tax

Annual levies for non-optional municipal services and general administration services are recorded as taxes for municipal purposes. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Taxes are recognized as revenue in the year they are levied.

Through the British Columbia Assessments appeal process taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded.

2. Grants

Grants are recognized as revenue in the period that the grant is authorized, eligibility criteria, if any, have been met by the Northern Rockies Regional Municipality, and a reasonable estimate of the amount to be received can be made.

3. Fees and Charges

Charges for permits, licences, leases, user fees (recreation, solid waste, water, waste water and airport) are included in this category. These revenues are recorded on the accrual basis and recognized when earned.

Expenses

Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

Tangible Capital Assets

The Northern Rockies Regional Municipality records physical assets at cost in the period they were put into use.

Tangible capital assets are recorded at cost, net of disposals, write-downs and amortization. The useful life is applied on a straight line basis to calculate amortization. A full year amortization is claimed in the year of acquisition, providing the asset is in use, and no amortization is claimed in the year of disposal.

	Useful Life
Land	N/A
Land Improvements	15 - 25 Years
Buildings	20 - 50 Years
Machinery and Equipment	5 - 15 Years
Vehicles	6 - 15 Years
Transportation Infrastructure	5 - 50 Years
Sewer Infrastructure	25 - 80 Years
Water Infrastructure	25 - 80 Years
Airport Infrastructure	15 - 60 Years

Northern Rockies Regional Municipality

Significant Accounting Policies

For the Year Ended December 31, 2024

Adoption of New Accounting Standards

PS 3280 Asset Retirement Obligations:

On January 1, 2024, the Northern Rockies Regional Municipality adopted Canadian public sector accounting standards PS 3280 Asset Retirement Obligations (PS 3280). An asset retirement obligation is recognized when, as at financial reporting date, all of the following criteria are met"

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

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is recorded as a liability and increase to the related tangible capital assets if the tangible capital asset is in productive use. The asset retirement obligation is recorded as a liability and expense if the related tangible capital asset is unrecognized or no longer in productive use. The Northern Rockies Regional Municipality determined there were asset retirement obligations associated with its tangible capital assets as at December 31, 2024 and December 31 2023 and has adopted of this standard on a prospective basis.

As a result of the introduction of PS 3280, PS 3270 Solid Waste Landfill Closure and Post-Closure Liability was withdrawn and the municipalities landfills are now accounted for under the provision of PS 3280.

The impact of the adoption of this standard is as follows:

Changes effective January 1, 2024	2024
Increase to tangible capital assets	\$1,092,377
Increase to asset retirement obligations	2,534,497

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

The notes to the consolidated financial statements are an integral part of the statements. They provide information that is to be interpreted in the context of the Significant Accounting Policies underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed on the face of the consolidated financial statements.

1. Nature of Operations

The Northern Rockies Regional Municipality was incorporated in the Province of British Columbia on February 6, 2009 and its principal activities include the provision of legislative, administrative, protective, utility, planning and development, recreation and culture, and transportation services to its residents. The Northern Rockies Regional Municipality is a continuation of the Town of Fort Nelson and the Northern Rockies Regional District, which were amalgamated on February 6, 2009.

2. Prior Period Adjustments

The municipality recorded partial information in 2023 for Asset Retirement Obligations with the inclusion of related transactions for landfills only. Complete adoption of Public Accounting Standard PS 3280 Asset Retirement Obligations will be effective January 1, 2024 with the reversal of accounting entries booked in 2023 and complete entries recorded in 2024.

Adjustments to the Statement of Financial Position at December 31, 2023:

- Accounts Payable and Accrued Liabilities: Increased by \$1,269,498 to reinstate the Landfill Closure/Post-Closure Liability;
- Asset Retirement Obligations : Decreased by \$1,792,243 to reflect the reversal of AROs;
- Net Financial Assets: Increased by \$522,745 to reflect the net effect of the reversal;
- Tangible Capital Assets: Decreased by \$179,934 to remove the Landfill ARO assets and accumulated amortization; and
- Accumulated Surplus: The net increase to 2023 closing accumulated surplus is \$342,811 and is made up of an increase of \$324,817 to the opening surplus, combined with \$17,994 change to the operating surplus.

3. Accounts Receivable

Accounts receivable are recorded net of allowances and are comprised of the following:

	2024	2023
Other Government	\$ 896,753	\$ 1,582,077
Non-Government	1,952,088	490,512
	\$ 2,848,841	\$ 2,072,589

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

4. MFA Deposits

MFA Deposits are established when the Northern Rockies Regional Municipality borrows from the Municipal Finance Authority of British Columbia (the MFA.) At the commencement of a loan, 1% of the gross amount is deducted and retained by the MFA in a Debt Reserve Fund. The Debt Reserve Fund earns investment income which accrues to the benefit of the Northern Rockies Regional Municipality. These deposits are held in trust by the MFA as protection against loan default and are released when a loan expires. See (Note 10.) for information on amounts borrowed by the Northern Rockies Regional Municipality.

	2024	2023
MFA Deposits	\$ 485,575	\$ 469,236

5. Tax Sale Properties

Property acquired for taxes subject to redemption are as follows:

	2024	2023
Opening Tax Sale Properties	\$ 9,336	\$ 7,772
Additions	269,506	13,896
Transfers and Redemptions	(9,336)	(12,332)
Closing Tax Sale Properties	\$ 269,506	\$ 9,336

6. Government Business Enterprises and Partnerships

The Northern Rockies Regional Municipality accounts for its interests in government business enterprises and partnerships using the modified equity method. Supplementary financial information for each enterprise is provided below.

a. FNFN-NRRM Community Forest Limited Partnership

The Northern Rockies Regional Municipality entered into a limited partnership called FNFN/NRRM Community Forest Limited Partnership (limited partnership) for forestry license tenure. The Northern Rockies Regional Municipality holds a 50% interest in the limited partnership, and so recognizes only 50% of any net operating results. The year end date of the limited partnership is December 31.

Balance Sheet

	2024	2023
Assets	\$ 12,447,709	\$ 12,427,978
Trade and Other Payables	260,539	12,348
Partners' Capital	\$ 12,187,170	\$ 12,415,630

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

6. Government Business Enterprises and Partnerships continued

a. FNFN-NRRM Community Forest Limited Partnership continued

The Northern Rockies Regional Municipality entered into a limited partnership called FNFN/NRRM Community Forest Limited Partnership (limited partnership) for forestry license tenure. The Northern Rockies Regional Municipality holds a 50% interest in the limited partnership, and so recognizes only 50% of any net operating results. The year end date of the limited partnership is December 31.

Statement of Loss

	2024	2023
Gross Margin	\$ 644,724	\$ (108,844)
Expenses	853,183	799,884
Net Loss	\$ (208,459)	\$ (908,728)

b. FNFN-NRRM Community Forest General Partner Corporation

To implement the structure of the limited partnership, the Northern Rockies Regional Municipality also became a shareholder in the FNFN/NRRM Community Forest General Partner Corporation (the Corporation.) The Northern Rockies Regional Municipality holds a 50% of the shares in the Corporation, and so recognizes only 50% of any net operating results. The year end date of the corporation is December 31.

Balance Sheet

	2024	2023
Assets	\$ 12,018	\$ 10,039
Liabilities	12,018	10,050
Shareholders' Deficit	\$ -	\$ (11)

Statement of Loss and Deficit

	2024	2023
Revenue	\$ 10,195	\$ 32,000
Expenses	10,184	9,633
Net Income	\$ 11	\$ 22,367

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

7. Revenue Anticipation Borrowing

The Northern Rockies Regional Municipality holds a line of credit which includes a demand operating facility of up to \$1,000,000. This is authorized annually by Council; the 2024 authorization was made by Revenue Anticipation Borrowing Bylaw No. 223, 2024. The balance of the line of credit was \$NIL (2023: \$NIL) at December 31st. This facility bears interest at prime.

8. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	2024	2023 Restated
Government	\$ 13,755	\$ 10,144
Non-Government	6,554,465	6,437,978
	\$ 6,568,220	\$ 6,448,122

9. Asset Retirement Obligations

The Municipality owns and operates assets that are known to have asbestos, 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. The Municipal infrastructure also includes water wells which have a legal obligation to decommission wells at the end of their use. Additional, the Municipality has two town landfills that are in various stages of closure which include legal obligations around site remediation, as well as a number of closed regional/highway landfills .

Following the adoption of Public Accounting Standard PS 3280 Asset Retirement Obligations, the Municipality recognized an obligation relating to the removal of the hazardous materials in these assets and decommissioning of wells as estimated at January 1, 2024. The transition and recognition of asset retirement obligations involved an accompanying increase to the capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets. If the asset is no longer in use, then the liability is immediately expenses.

The Municipality has adopted this standard prospectively. Under the prospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Estimated costs totaling \$2,534,497 have been discounted using a present value calculation with a discount rate of 4.5%. The timing of these expenditures is estimated to occur between 2028 and 2045 with the regular replacement, renovation, or disposal of assets. No recoveries are expected at this time.

	2024	2023 Restated
Opening Asset Retirement Obligations	\$ -	\$ -
Initial recognition of expected discounted cash flows	2,426,939	-
Increase due to accretion	107,558	-
Asset Retirement Obligations, end of year	\$ 2,534,497	\$ -

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

10. Long Term Debt

The Northern Rockies Regional Municipality borrows funds from the Municipal Finance Authority of British Columbia (MFA) to finance capital expenditures. This borrowing is governed by security-issuing bylaws authorized under the Community Charter. The Northern Rockies Regional Municipality repays these loans through cash payments combined with actuarial adjustments.

The MFA raises funds by issuing debt instruments, the proceeds of which are lent to local governments like the Northern Rockies Regional Municipality. These local governments adhere to a payment schedule comprising two components: repayment of the principal and payment of interest. The principal repayments are deposited into a sinking fund managed by the MFA, which uses these funds to retire the debt upon maturity. It's important to note that while the sinking fund accumulates these payments, the direct beneficiaries are the debt holders, not the borrowing municipalities.

The principal amounts in the sinking fund earn investment income, which accrues to the municipalities. This income is used to retire the debt instruments when they mature. As a result, the Northern Rockies Regional Municipality records both the principal repayments and the actuarial adjustments as reductions in its principal loan obligation.

Borrowing from the MFA is related to the recognition of MFA Deposits (Note 4.), which are maintained in a Debt Reserve Fund held in trust by the MFA, and the issuance of Demand Notes (Note 13.c.). The Debt Reserve Fund and the Demand Notes are protective measures accessed only in the event of a default by the Northern Rockies Regional Municipality.

Interest rates on long term debt range from 0.91% to 4.30%.

Principal paid during the year was \$799,590 (2023 - \$799,590). Interest paid during the year was \$1,089,948 (2023 - 977,948).

	2024	2023
Opening Long Term Debt	\$22,772,590	\$23,935,674
Principal	(799,590)	(799,590)
Actuarial Adjustments	(403,086)	(363,494)
Closing Long Term Debt	\$21,569,914	\$22,772,590

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

10. Long Term Debt continued

The cash payments and reduction in principal for the next five years and thereafter are as follows:

	Principal	Interest	Cash Payments	Actuarial Adjustments	Principal and Actuarial Adjustments
2025	\$ 802,347	\$ 1,114,661	\$ 1,917,008	\$ 422,364	\$ 1,224,711
2026	677,000	1,086,668	1,763,668	386,898	1,063,898
2027	677,000	1,086,668	1,763,668	427,771	1,104,771
2028	624,672	1,032,322	1,656,994	416,897	1,041,569
2029	624,672	1,032,322	1,656,994	452,868	1,077,540
2030 and Thereafter	7,972,973	12,356,322	20,329,295	8,084,452	16,057,425
	\$11,378,664	\$17,708,963	\$29,087,627	\$ 10,191,250	\$21,569,914

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

11. Tangible Capital Assets

	Land	Land Improvement	Buildings	Vehicles	Machinery & Equipment	Water Infrastructure	Sewer Infrastructure	Roads Infrastructure	Airport Infrastructure	2024	2023 Restated
Cost											
Opening	\$ 5,627,730	\$ 4,898,872	\$ 109,845,738	\$ 7,227,563	\$ 15,204,087	\$ 55,008,805	\$ 40,759,693	\$ 67,823,578	\$ 40,543,210	\$ 346,939,276	\$ 337,136,166
Additions	-	558,905	533,472	443,129	336,275	-	608,984	2,513,528	-	4,994,293	9,803,110
Closing	5,627,730	5,457,777	110,379,210	7,670,692	15,540,362	55,008,805	41,368,677	70,337,106	40,543,210	351,933,569	346,939,276
Accumulated Amortization											
Opening	-	2,053,514	30,741,507	5,043,284	11,293,236	20,790,401	15,528,715	34,099,791	19,986,614	139,537,062	131,457,265
Additions	-	316,735	2,188,681	406,883	633,861	970,629	1,016,981	1,597,045	547,186	7,678,001	8,079,797
Closing	-	2,370,249	32,930,188	5,450,167	11,927,097	21,761,030	16,545,696	35,696,836	20,533,800	147,215,063	139,537,062
Net Book Value	\$ 5,627,730	\$ 3,087,528	\$ 77,449,022	\$ 2,220,525	\$ 3,613,265	\$ 33,247,775	\$ 24,822,981	\$ 34,640,270	\$ 20,009,410	\$ 204,718,506	\$ 207,402,214
Work in Progress										\$ 11,904,854	\$ 7,309,375
Total Tangible Capital Assets	\$ 5,627,730	\$ 3,087,528	\$ 77,449,022	\$ 2,220,525	\$ 3,613,265	\$ 33,247,775	\$ 24,822,981	\$ 34,640,270	\$ 20,009,410	\$ 216,623,360	\$ 214,711,589

** Additions include \$1,092,377 of asset additions related to asset retirement obligations.

These additions were included in Land Improvements and Buildings additions in the amounts of \$558,905 and \$533,472 respectively.

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

12. Accumulated Surplus

Accumulated surplus consists of unappropriated surplus (i.e. General Surplus), reserve accounts, reserve funds, amount invested in tangible capital assets, and the accumulated surplus of consolidated entities (e.g. Joint Venture.)

Within accumulated surplus Regional Council may choose to appropriate portions to reflect its intentions to undertake certain future activities or to demonstrate compliance with legislation. Any portion of accumulated surplus that Regional Council has not appropriated are denoted as unappropriated, or general surplus.

Amount invested in tangible capital assets is the result of the Northern Rockies Regional Municipality's capital activities. It is the amount determined by deducting the net long term debt (Long Term Debt less MFA Deposits) from the book value of Tangible Capital Assets.

	2024	2023
		(Restated)
General Surplus	\$ 1,889,808	\$ 6,192,388
Reserve Accounts		
Museum Reserve Account	-	1,254
Theatre Reserve Account	41,682	41,682
Total Reserve Accounts	41,682	42,936
Reserve Funds		
Land Sale Reserve Fund	940,715	740,093
Financial Stabilization Reserve Fund	1,518,166	1,425,931
Road Reserve Fund	4,859,849	5,558,757
Facility Reserve Fund	13,794,884	11,807,786
Drainage Reserve Fund	5,548,986	4,838,485
Sewer Reserve Fund	1,064,952	2,802,172
Water Reserve Fund	6,643,977	6,182,925
Airport Reserve Fund	7,233,077	5,946,647
Solid Waste Reserve Fund	3,030,515	2,727,650
Vehicle & Equipment Reserve Fund	5,004,690	4,278,066
Growing Communities Reserve Fund	1,920,000	-
Total Reserve Funds	51,559,811	46,308,512
Invested in Tangible Capital Assets	195,539,023	192,408,234
Joint Venture	659,533	660,958
Total Accumulated Surplus	\$ 249,689,857	\$ 245,613,028

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

13. Commitments and Contingencies

a. Pension Liability

The Northern Rockies Regional Municipality 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 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 contributors from local governments.

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

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

The Northern Rockies Regional Municipality paid \$744,052 (2023 - \$720,447) for employer contributions while employees contributed \$663,784 to the plan in fiscal 2024 (2023 - \$643,609).

The next valuation will be as at December 31, 2024.

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.

b. Legal Liabilities

The regional municipality is potentially exposed to lawsuits arising from the ordinary course of operations. Although the outcome of such matters cannot be predicted with certainty, management does not consider the Northern Rockies Regional Municipality's exposure to be material to these financial statements.

c. Demand Notes

The Northern Rockies Regional Municipality borrows funds through the Municipal Finance Authority. A requirement for obtaining these loans is to issue demand notes for each loan. These notes obligate the Northern Rockies Regional Municipality to pay specified amounts upon demand. The value of these notes is calculated by taking half the average annual principal and interest payments due, then subtracting 1% from that total to reflect the cash position. Classified as contingent liabilities, these demand notes have a face amount of \$692,731 (2023 - \$692,731)(Note 10.)

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

13. Commitments and Contingencies continued

d. Taxes Imposed on Behalf of Others

The Northern Rockies Regional Municipality imposes and collects taxes on behalf of other organizations to raise funds for their services. The amounts imposed are collected and remitted to the organizations in accordance with legislated requirements.

	2024	2023
School Taxes	\$ 9,984,621	\$ 9,431,652
Police Taxes	1,251,100	1,137,263
British Columbia Assessment Authority	371,554	365,130
Municipal Finance Authority	1,146	1,080
Northern Rockies Regional Hospital District	200,137	199,514
	\$11,808,558	\$11,134,639

14. Risk

The Northern Rockies Regional Municipality has exposure to the following risks from its use of financial instruments: credit risk, market risk and liquidity risk.

Regional Council ensures that the Northern Rockies Regional Municipality has identified its risks and ensures that management monitors and controls them. There have been no changes to risk exposure from 2023 related to credit, market or liquidity risks.

a. Credit Risk

Credit risk is the risk of financial loss to an institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held consisting of cash, amounts receivable and investments.

The Northern Rockies Regional Municipality is exposed to credit risk in the event of non-performance by a debtor. This risk is mitigated as most amounts receivable are secured and are collectible.

It is management's opinion that the Northern Rockies Regional Municipality is not exposed to significant credit risk associated with its cash deposits and investments as they are placed in recognized British Columbia institutions.

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

14. Risk continued

b. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk and interest rate risk.

i. Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. It is management's opinion that the Northern Rockies Regional Municipality is not exposed to significant currency risk as purchases made in foreign currency are insignificant.

ii. 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 the market interest rates. The Northern Rockies Regional Municipality is exposed to interest rate risk through its investments. It is management's opinion that the Northern Rockies Regional Municipality is not exposed to significant interest rate risk with its cash deposits and investments as they are placed in recognized British Columbia institutions.

c. Liquidity Risk

Liquidity risk is the risk that the Northern Rockies Regional Municipality will not be able to meet its financial obligations as they become due.

The Northern Rockies Regional Municipality manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Northern Rockies Regional Municipality's reputation.

15. Trusts

Trust funds are not presented in the Northern Rockies Regional Municipality's consolidated financial statements. All trust property is held as cash.

The Northern Rockies Regional Municipality administers a Cemetery Maintenance Trust for the perpetual care and maintenance of the Northern Rockies Regional Municipality owned and operated cemeteries. As at December 31, 2024 the Cemetery Trust balance is \$30,325 (2023 - \$29,359).

The Northern Rockies Regional Municipality administers an Employee Trust on behalf of its employees. As at December 31, 2024 the Employee Trust balance is \$17,624 (2023 - \$15,266).

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

16. Service Areas (Segmented Disclosures)

The Northern Rockies Regional Municipality provides various services which, for management purposes, are aggregated into service areas. A general description of each service area is provided, followed by a table of summary financial information.

General Government Services - the administrative service centre of the Northern Rockies Regional Municipality and the point of reception and liaison for the public, General Government Services contains the core administrative activities of the organization which includes Council's legislative activities (including Council indemnity, local government memberships, travel for recurring conferences and events, meals for Council meetings, and hosting.) Within the General Government Services are also common services; these costs are for internal services shared across the organization, ranging from photocopiers, postage, coffee supplies, and annual software subscriptions for core systems and tools with an impact/benefit to the organization as a whole.

Protective Services - provides 24-hour fire and emergency rescue services to varying response areas throughout the Northern Rockies Regional Municipality. Additionally, Fire Rescue provides fire prevention, fire inspection, public education, public assistance, and bylaw enforcement services. They respond to structure, vehicular and wildland/urban interface fires as well as providing First Responder service and assistance to BC Emergency Health Services.

Regional Development and Planning Services - undertakes activities to promote sound planning and development of the Northern Rockies Regional Municipality through the provision of information and service to Regional Council, the development community and the general public. This includes the preparation and administration of land use regulations and bylaws by means of building and development permitting. Economic Development and Tourism activities focus on strengthening and diversifying the economy across all sectors of Fort Nelson and the outlying communities of the Regional Municipality. Engaging in activities to promote economic diversification and to attract and retain business, they seek to develop core amenities including medical services and educational opportunities.

Recreation Services - activities associated with providing the community with recreation services within the Recreation Complex itself and extending out through the municipality. On top of the wide variety of amenities and programming the Recreation Complex offers daily, activities include maintaining the neighborhood parks located throughout the community as well as the two regional parks and golf course. Recreation services also include the maintenance of the Northern Rockies Regional Municipality's buildings and facilities, including the Community Hall in Toad River.

Public Works - activities associated with the operations and maintenance of Urban and Rural Roads, Sidewalks, Streetlights, Grounds, Drainage Systems, Fleet Management, Environmental Programs and provision of common community services to help support the delivery of other municipal services and the community as a whole. The functions of the service area are wide ranging with day-to-day activities including snow clearing and hauling for streets and sidewalks, sanding, street sweeping, boulevard maintenance, drainage and storm issues that occur in both public and private infrastructure.

Water Services - activities associated with the treatment and distribution of clean, drinking water for the Fort Nelson community and Fort Nelson First Nation as well as for the operation and maintenance of all water equipment and infrastructure.

Sewer Services - activities associated with the collection and treatment of wastewater for the community.

Solid Waste Services - activities associated with the provision of solid waste operations and collection in urban residential areas as well as remote areas north and south of the Fort Nelson community.

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

16. Service Areas (Segmented Disclosures) continued

Cemetery Services - activities associated with operations and maintenance of the Fort Nelson Cemetery and Toad River Cemetery including burial preparation, snow clearing as well as grounds and roads maintenance of the site.

Airport Services - activities associated with airside and groundside operations, airport administration, facilities, and airport water and sewer. The service area's assets include pavement structures, lighting, wildlife perimeter fencing, and specialized equipment. The Airport provides for all scheduled passenger services as well as wildfire air services, air ambulance and general aviation.

Joint Venture - activities of the NRM Industrial Subdivision Joint Venture.

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

16. Service Areas (Segmented Disclosures) continued

	General Government Services	Protective Services	Regional Development and Planning Services	Recreation Services	Public Works	Water Services	Sewer Services	Solid Waste Services	Cemetery Services	Airport Services	Joint Venture	2024	2023 Restated
Revenues													
Property Tax	\$25,269,022	\$ -	\$ -	\$ -	\$ -	\$ 659,237	\$ 244,097	\$ -	\$ -	\$ -	\$ -	\$ 26,172,356	\$ 24,441,574
Grants	7,676,060	21,295	200,657	114,732	643,145	10,000	-	-	-	-	-	8,665,889	7,179,446
Fees and Charges	209,215	1,515,672	46,166	330,392	119,461	1,000,253	479,656	472,830	3,930	402,886	-	4,580,461	3,035,597
Investment Income	3,084,713	-	-	195,313	-	196,150	27,961	-	-	-	-	3,504,137	3,307,661
Donations	-	-	-	-	-	-	-	-	-	-	-	-	78,200
Gain on Disposition/Revaluation of Financial Assets	20,019	-	-	-	-	-	-	-	-	-	-	20,019	10,187
Gain on Disposition of Tangible Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	70,389
Income (loss) from Government Business Enterprises	(104,225)	-	-	-	-	-	-	-	-	-	-	(104,225)	(443,181)
Total Revenues	36,154,804	1,536,967	246,823	640,437	762,606	1,865,640	751,714	472,830	3,930	402,886	-	42,838,637	37,679,873
Expenses													
Salaries, Wages, and Benefits	2,326,986	2,505,143	1,090,282	3,775,020	1,208,067	715,052	281,310	64,645	51,173	855,597	-	12,873,275	11,717,566
Contracted Services	1,479,522	1,639,568	714,396	876,130	2,353,357	483,044	617,963	1,090,255	8,774	398,717	1,425	9,663,151	6,550,787
Equipment, Materials, and Supplies	187,300	273,854	80,265	574,107	526,583	276,081	15,129	10,986	241	165,742	-	2,110,288	2,064,944
Utilities	101,430	16,881	8,171	508,327	178,188	204,154	47,133	4,248	-	86,656	-	1,155,188	1,223,365
Government Transfers	824,903	-	-	-	-	-	-	-	-	-	-	824,903	1,176,477
Interest	(27,343)	-	-	764,000	-	311,954	19,275	-	-	-	-	1,067,886	1,025,740
Amortization	71,572	275,681	-	1,978,316	1,932,349	1,271,394	1,071,763	136,455	595	939,876	-	7,678,001	8,079,797
Accretion	7,168	-	-	4,384	7,752	-	-	81,052	-	7,202	-	107,558	-
Allowances	3,216,493	-	-	-	-	-	-	65,065	-	-	-	3,281,558	1,163,380
Total Expenses	8,188,031	4,711,127	1,893,114	8,480,284	6,206,296	3,261,679	2,052,573	1,452,706	60,783	2,453,790	1,425	38,761,808	33,002,056
Operating Surplus (Deficit)	\$27,966,773	\$ (3,174,160)	\$ (1,646,291)	\$ (7,839,847)	\$ (5,443,690)	\$ (1,396,039)	\$ (1,300,859)	\$ (979,876)	\$ (56,853)	\$ (2,050,904)	\$ (1,425)	\$ 4,076,829	\$ 4,677,817

Northern Rockies Regional Municipality

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2024

17. Growing Communities Fund Reserve Fund

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 Northern Rockies Regional Municipality received \$1,920,000 of GCF funding in March 2023. A requirement of the funding was to establish a reserve fund to hold the funds and provide reporting on its use. The grant was reported as deferred revenue in 2023 and has been transferred to a reserve fund in 2024.

	2024	2023
Opening GCF Reserve Fund	\$ 1,920,000	\$ -
Additions		
Grant	-	1,920,000
Closing GCF Reserve Fund	\$ 1,920,000	\$ 1,920,000

SCHEDULE OF DEBTS

Section 7

The Regional Municipality obtains debt instruments through the Municipal Finance Authority (the “Authority”) pursuant to security issuing bylaws under authority of the Community Charter to finance certain capital expenditures. Additional information concerning debt instruments can be found in the 2024 audited financial statements. Debt outstanding comprises:

Purpose	Issue	LA Bylaw	SI Bylaw	Rate	Maturity	2024	2023
Recreation	104	197	202	4.30%	2038	5,015,585	5,273,662
	141	85	132	2.80%	2047	12,846,184	13,231,071
Recreation Total						17,861,769	18,504,733
Water	95	608	170	0.91%	2025	131,797	217,379
	95	623	170	0.91%	2025	58,875	97,106
	95	643	170	0.91%	2025	42,330	69,816
	102	174	188	3.90%	2027	238,522	301,934
	102	659	188	3.90%	2027	93,858	118,811
	102	687	188	3.90%	2032	562,147	618,918
	102	700	188	3.90%	2032	1,355,722	1,492,635
	130	34	110	3.00%	2044	1,801,921	1,859,177
Water Total						4,285,172	4,775,775
Sewer/ Drainage	95	644	170	0.91%	2025	7,380	12,172
	95	658	170	0.91%	2025	77,657	128,083
	102	700	188	3.90%	2032	137,528	151,417
Sewer/ Drainage Total						222,565	291,672
Grand Total						22,369,506	23,572,180

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Rob Fraser
Mayor

Toni Pike
Director of Finance

Date: XX, 2025