

# Strathcona Regional District

## 2025 Comprehensive Annual Financial Report

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## About the Regional District

The Strathcona Regional District (SRD) is a partnership of five municipalities, one First Nation, and four electoral areas, which covers approximately 22,000 square kilometers (8,517 square miles). The SRD serves and provides 48,150 residents (2021 census) with a diverse range of services including water and sewerage systems, fire protection, land use planning, parks, recreation and emergency response. The Strathcona Regional District was established on February 15, 2008, as a result of the provincial government's restructure of the Comox Strathcona Regional District.

The geography of the SRD ranges from forested hills, remote inlets, picturesque villages to vibrant urban landscapes. The borders extend from the Oyster River in the south to Gold River, Sayward, Tahsis, Zeballos and Kyuquot-Nootka in the north and west, and east to Cortes Island, Quadra Island and the Discovery Islands as well as a portion of the adjacent mainland north of Powell River.



## MISSION:

To provide the citizens with a healthy environment and social well being that leads to a vibrant quality of life through responsible economic development and effective delivery of service.

## VALUES:



### Values

In fulfilling our vision, we are guided at all levels by the core values of teamwork, respect, integrity, effectiveness and accountability. We adhere to the following principles:

-  We work as a committed team in a spirit of collaboration and community.
-  We are caring and respectful in all our interactions and relationships.
-  We are open and honest. We adhere to the highest standards of ethical conduct.
-  We deliver effective public service through professionalism and creativity.
-  We are accountable to the region as a whole, as well as our individual constituents.

## VISION STATEMENT:

The Board's vision is to create a connected, resilient, self-sufficient region that honours and values diversity, seeks collaboration and partnership opportunities, promotes reconciliation with First Nations communities and actively stewards our natural environment.

# Strathcona Regional District Board 2024/25



Back Row L to R

Ben Lanyon - City of Campbell River, Matthew Jack - Ka:'yu:'k'í'h'/Che:k'íles7et'h' First Nation (Vice Chair), Mark Vonesch - Cortes Island (Area B), Julie Colborne - Village of Zeballos, Gerald Whalley -Kyuquot/Nootka-Sayward (Area A), Susan Sinnott - City of Campbell River, Doug Chapman - City of Campbell River, John Rice - Oyster Bay - Buttle Lake (Area D), Robyn Mawhinney - Discovery Islands- Mainland Inlets (Area C)

Front Row L to R

Michael Lott - Village of Gold River, Kermit Dahl- City of Campbell River, Mark Baker - Village of Sayward (Chair), Ron Kerr - City of Campbell River, Martin Davis - Village of Tahsis

More information available on the [SRD.ca website](http://SRD.ca).

## Appointed Officers & Senior Management:

Chief Administrative Officer.....	David Leitch *
Chief Financial Officer.....	Mike Harmston †
Corporate Officer.....	Tom Yates‡
Manager, Corporate Operations.....	Edith Watson †
Senior Manager, Human Resources.....	Amy Heath
Senior Manager, Community Services.....	Aniko Nelson
Senior Manager, Engineering Services.....	Wolfgang Parada
Senior Manager, Strathcona Gardens.....	Robin Kentrop

### Appointments:

\* Chief Administration      †Chief Financial Officer      ‡ Corporate Administrator      † Chief Elections Officer

## Strategic Priorities – Development Process

The Strathcona Regional District (SRD) operates under a four-year strategic plan. In building the 2023-2027 plan the Board chose to perform the following steps:

### Step 1 – Collecting individual thoughts and ideas:

In building this plan, Board members were individually asked to identify opportunities and challenges and provide feedback on where the community and organization were performing well and/or needed assistance. Previous strategic priorities were reviewed as well as comments gathered from public meetings.

### Step 2 – Get together:

Board members and senior management attended a workshop with an external facilitator. The results of the previous step were shared. Board members discussed the emerging themes as well as the need to maintain priorities that are currently well in hand.

### Step 3 – Draft plan

Notes were compiled and used to develop a preliminary plan that was reviewed by senior management and presented to the Board.

### Step 4 – Approval and implementation:

Once the Board has considered and approved the plan, management will identify current activities that support the Board’s focus areas and recommend steps to make progress against new themes.

### Step 5 – Progress Review and Reporting:

Management will provide an annual report to the Board and public on progress against focus areas.

## 2023 - 2027 STRATEGIC PRIORITIES

Our primary focus for the period of 2023 -2027 is to foster stronger connections within our communities and environment, provide sustainable service delivery, and fortify both internal and external relationships.



**Community  
Well-Being**



**Climate  
Resiliency**



**Good  
Governance**



## Community Well-Being

### AREAS OF FOCUS

Support affordability and housing diversity so that our residents, young and old can grow and stay in our communities.

Identify and consider transportation initiatives that safely move people, goods and services between our communities and beyond.

Explore initiatives that develop robust and diverse economic conditions for our communities with income-generating opportunities for our residents.

Identify and support initiatives that improve health and well-being in our communities.



## Climate Resiliency

### AREAS OF FOCUS

Proactively prepare our communities and residents to adapt and respond to emergency events and climate change impacts.

Support climate resiliency efforts and mitigation of climate change through local and subregional initiatives.

Explore opportunities to reduce our carbon footprint in the delivery of services.



## Good Governance

### AREAS OF FOCUS

Proactively communicate and engage with our communities.

Continue to build relationships with First Nations communities and provide opportunities to explore areas of shared focus and interest.

Build sound and efficient systems to protect the region's assets and deliver services in a reliable, and fiscally responsible way.

Prioritize good governance that recognizes the diversity of our region and focuses on areas of common interests.

**Strathcona Regional District**  
**Consolidated Financial Statements**  
**Year ended December 31, 2025**

## Management's Responsibility for Financial Reporting

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards for British Columbia local governments and the integrity and objectivity of these statements are management responsibility. Management is also responsible for all the supplementary schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements and for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The external auditors, MNP LLP, conduct an independent examination in accordance with generally accepted auditing standards and express their opinion on the consolidated financial statements. The external auditors have full and free access to the Board of Directors and meet with it at least once per year.



Mike Harmston, CPA, CGA  
Officer responsible for Financial Administration,  
pursuant to Section 237 of the *Local Government Act*

April 29th, 2026

To the Board of Directors of the Strathcona Regional District:

## Opinion

We have audited the consolidated financial statements of the Strathcona Regional District (the "Regional District"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of operations, changes in 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 Regional District as at December 31, 2025, and the results of its consolidated operations, 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 Regional 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, comprising the annual report, which is expected to be made available to us after the date of the 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 Regional District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional District or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the 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 Regional District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Regional 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Regional District as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

April 29, 2026

The logo for MNP LLP, featuring the letters 'MNP' in a large, bold, sans-serif font, followed by 'LLP' in a smaller, similar font.

Chartered Professional Accountants

**Strathcona Regional District**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2025**

	2025	2024
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	\$ 33,563,194	\$ 33,205,541
Receivables (Note 4)	6,085,572	3,857,576
Inventory for resale	13,431	11,791
Portfolio Investments (Note 5)	13,190,428	10,149,985
Loan receivable (Note 6)	9,011,907	9,044,000
Other jurisdictions debt receivable (Note 7)	8,459,622	8,097,698
<b>Total financial assets</b>	<b>70,324,154</b>	<b>64,366,591</b>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities (Note 8)	7,855,769	3,833,632
Deferred revenue (Note 9)	3,516,938	7,862,068
Short-term debt		
Third-party entities (Note 6)	7,794,000	7,794,000
Regional District (Note 11) (Schedule 4)	30,000,000	-
Long-term debt		
Third-party entities (Note 6) (Note 12a)	1,217,907	1,250,000
Other jurisdictions (Note 7) (Note 12b)	8,459,622	8,097,698
Regional District (Note 12c) (Schedule 4)	1,835,585	1,902,769
<b>Total financial liabilities</b>	<b>60,679,821</b>	<b>30,740,167</b>
<b>Net financial assets</b>	<b>9,644,333</b>	<b>33,626,424</b>
<b>Non-financial assets</b>		
Prepaid expenses	50,999	48,264
Tangible capital assets (Schedule 3)	79,147,093	43,789,475
<b>Total non-financial assets</b>	<b>79,198,092</b>	<b>43,837,739</b>
<b>Accumulated surplus (Note 13)</b>	<b>\$ 88,842,425</b>	<b>\$ 77,464,163</b>

Contingent liability (Note 15)



Mike Harmston, CPA, CGA  
Officer responsible for Financial Administration,  
pursuant to Section 237 of the *Local Government Act*

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

**Strathcona Regional District**  
**Consolidated Statement of Operations**  
**Year ended December 31, 2025**

	<u>2025</u> <u>Actual</u>	<u>2025</u> <u>Budget</u> <small>(Note 21)</small>	<u>2024</u> <u>Actual</u>
<b>Revenue</b>			
Frontage and parcel taxes	\$ 29,573	\$ 29,573	\$ 19,649
Grants in lieu of taxes	320,426	233,170	284,453
Property tax requisition	20,416,816	20,417,039	17,766,854
Government grants and transfers	7,728,258	13,379,513	2,381,382
Sales of services	3,767,221	3,812,704	3,822,410
Other revenue	661,512	523,682	701,321
Contributions from others	1,186,140	123,500	297,200
Gain (Loss) on disposal of tangible capital assets	6,697	-	-
Interest earned	1,402,432	708,017	2,033,922
Actuarial adjustment of debenture debt	13,535	-	11,568
<b>Total revenue</b>	<u><u>35,532,610</u></u>	<u><u>39,227,198</u></u>	<u><u>27,318,759</u></u>
<b>Expense</b>			
General government services	6,167,157	7,668,554	4,820,300
Protective services	5,731,430	6,333,112	3,382,333
Environmental health services	2,170,400	2,345,493	2,282,982
Health, social services & housing	18,691	710,603	31,275
Development services	788,783	1,357,180	963,744
Parks, recreation and cultural services	8,922,782	10,561,025	8,316,637
Transportation services	355,105	331,160	297,261
<b>Total expense</b>	<u><u>24,154,348</u></u>	<u><u>29,307,127</u></u>	<u><u>20,094,532</u></u>
<b>Annual surplus</b>	<u><u>11,378,262</u></u>	<u><u>9,920,071</u></u>	<u><u>7,224,227</u></u>
<b>Accumulated surplus, beginning</b>	<u><u>77,464,163</u></u>	<u><u>77,464,163</u></u>	<u><u>70,239,936</u></u>
<b>Accumulated surplus, ending</b>	<u><u>\$ 88,842,425</u></u>	<u><u>\$ 87,384,234</u></u>	<u><u>\$ 77,464,163</u></u>

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

**Strathcona Regional District**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year ended December 31, 2025**

	<u>2025</u> <u>Actual</u>	<u>2025</u> <u>Budget</u> <u>(Note 21)</u>	<u>2024</u> <u>Actual</u>
<b>Annual surplus</b>	<b>\$ 11,378,262</b>	<b>\$ 9,920,071</b>	<b>\$ 7,224,227</b>
Acquisition of tangible capital assets	(37,039,433)	(87,978,723)	(6,961,211)
Disposal of tangible capital assets	-	-	194,132
Amortization of tangible capital assets	1,681,814	-	1,391,031
Change in prepaid expenses	(2,734)	-	(6,877)
<b>Increase (decrease) in net financial assets</b>	<b>(23,982,091)</b>	<b>(78,058,652)</b>	<b>1,841,302</b>
<b>Net financial assets, beginning</b>	<b>33,626,424</b>	<b>33,626,424</b>	<b>31,785,122</b>
<b>Net financial assets, ending</b>	<b>\$ 9,644,333</b>	<b>\$ (44,432,228)</b>	<b>\$ 33,626,424</b>

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

**Strathcona Regional District**  
**Consolidated Statement of Cash Flows**  
**Year ended December 31, 2025**

	<u>2025</u>	<u>2024</u>
<b>Operating activities</b>		
Annual surplus	\$ 11,378,262	\$ 7,224,227
Items not affecting operating activities:		
Actuarial adjustment of debenture debt	(13,535)	(11,568)
Amortization of tangible capital assets	1,681,814	1,391,031
Change in prepaid expenses	(2,734)	(6,877)
Loss (gain) on disposal of tangible capital asset	(6,697)	-
Decrease (increase) in non-cash financial assets:		
Receivables	(2,227,996)	(1,002,851)
Inventory for resale	(1,640)	532
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	4,022,137	1,917,800
Deferred revenue	(4,345,130)	758,571
<b>Cash provided by operating activities</b>	<u>10,484,481</u>	<u>10,270,865</u>
<b>Investing activities</b>		
Acquisition of investments	(3,040,443)	(10,000,000)
<b>Cash applied to investing activities</b>	<u>(3,040,443)</u>	<u>(10,000,000)</u>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(37,039,433)	(6,961,211)
Proceeds on disposition of tangible capital asset	6,697	194,132
<b>Cash applied to capital activities</b>	<u>(37,032,736)</u>	<u>(6,767,079)</u>
<b>Financing activities</b>		
Debt principal repaid	(53,649)	(53,649)
Proceeds for borrowing	30,000,000	-
<b>Cash applied to financing activities</b>	<u>29,946,351</u>	<u>(53,649)</u>
<b>Net change in cash and cash equivalents</b>	<b>357,653</b>	<b>(6,549,863)</b>
<b>Cash and cash equivalents, beginning of year</b>	<u>33,205,541</u>	<u>39,755,404</u>
<b>Cash and cash equivalents, ending of year</b>	<u>\$ 33,563,194</u>	<u>\$ 33,205,541</u>
<b>Supplemental information</b>		
Interest received	<u>\$ 1,055,278</u>	<u>\$ 2,024,859</u>
Interest paid	<u>\$ 412,259</u>	<u>\$ 73,235</u>

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

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**1. Purpose**

The Strathcona Regional District (Regional District) was incorporated on February 15, 2008 by letters patent issued by the Province of British Columbia. Its principal activities are the provision and coordination of local government services to the residents of four unincorporated electoral areas, one First Nation, and five municipalities within its boundaries. These services include general government administration, bylaw enforcement, planning and development services, building inspection, fire protection and emergency response planning, public transportation, parks and recreation, water distribution and sewer collection and disposal, solid waste collection and disposal and street lighting.

**2. Significant accounting policies**

**a) Principles of consolidation**

The consolidated financial statements are prepared in accordance with the recommendations of the Public Sector Accounting Board (PSAB). The consolidated financial statements include the activities related to all funds of the Regional District, as well as its wholly owned subsidiary, Strathcona Connected Coast Network Corp. (SCCNC). Inter-fund transactions, fund balances and all transactions with SCCNC have been eliminated on consolidation.

**b) Cash equivalents**

Cash equivalents are comprised primarily of Municipal Finance Authority (MFA) pooled investments including money market, intermediate and bond funds. Regional District funds invested with MFA are pooled with other local governments and managed independently by Phillips, Hager & North Investment Management. The investments are carried at cost.

**c) Inventory for resale**

Inventory for resale is recorded at the lower of cost or net realizable value as a financial asset.

**d) Non-financial assets**

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

**e) Tangible capital assets**

Tangible capital assets are recorded at cost, net of tangible capital asset disposals, write-downs and amortization. The cost of the tangible capital assets, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, is amortized on a straight line basis over their estimated useful lives as follows:

Land improvements	20 to 50 years
Buildings	40 to 50 years
Building improvements	20 years
Machinery, equipment, vehicles and fixtures	5 to 20 years
Water systems	50 years
Sewer system	15 to 50 years

Assets under construction are not amortized until the asset is put into use. Assets contributed to the Regional District are recorded at fair value at the time of contribution.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**2. Significant accounting policies (continued)**

**f) Accrued employee benefits**

Based on obligations as determined by collective agreements and contractual arrangements, employee benefit accruals, which include an allowance for vacation entitlement, are recorded in the year in which they are earned. Non-vesting short-term disability income benefits and health benefits that continue during disability are recorded when the event occurs and the obligation arises.

**g) Post employment benefits**

The long-term post-employment benefit liability of the Regional District is primarily met through the Municipal Pension Plan, to which both employees and the Regional District contribute. The Regional District is only liable for interim retirement benefits for early retirees from the date of retirement to the effective start date of the Municipal Pension Plan.

The Regional District also provides a retiree health and dental benefit option for eligible Directors through a retiree class under the Regional District's existing benefits provider. Coverage may include Extended Health Care, Dental benefits, and travel coverage for a period of up to four years following retirement or until the Director reaches age 80, whichever occurs first. Directors who do not meet the eligibility criteria may instead receive a one-time taxable payment equivalent to the annual premium cost for up to four years.

Liabilities for these post-employment benefits are recognized in the period in which the obligation arises.

**h) Government transfers**

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and 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 the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulations are settled.

**i) Revenue recognition**

Sources of revenue are recorded on an accrual basis and recognized in the period in which the performance obligation to the customer is satisfied. Property tax requisition revenue is recognized in the year the requisitions are levied. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable. User fees for water, sewer and solid waste services are recognized as revenue when the performance obligation to the customer is satisfied, amounts are known and collection is reasonably assured.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**2. Significant accounting policies (continued)**

**j) Liability for contaminated sites**

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Regional District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2025.

At each financial reporting date, the Regional District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Regional 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. As at December 31, 2025 no such contamination in excess of an environmental standard requiring remediation exists.

**k) Measurement uncertainty**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Significant areas requiring management estimates are the estimated useful lives of tangible capital assets, asset retirement obligations, actuarial adjustments and provisions for contingencies. Actual results may vary from the estimates and adjustments will be reported and reflected in operations as they become known. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provisions recognized.

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Regional District is responsible for.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**2. Significant accounting policies (continued)**

**l) Financial instruments**

Effective January 1, 2023, the Regional District adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 Financial Instruments. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

The Regional District recognizes its financial instruments when the Regional District becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Regional District may irrevocably elect to subsequently measure any financial instrument at fair value. The Regional District has not made such an election during the year.

The Regional District subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The Regional District has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

**m) Asset retirement obligation**

Asset Retirement Obligations represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. Where cash flows are expected over future periods, the liability is recognized using a present value technique wherein cash flows are discounted based on the period remaining for retirement of an asset from the year of recognition and the estimated liabilities at retirement. As at December 31, 2025 no such obligations exist.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**3. Cash and cash equivalents**

Included in cash and cash equivalents is \$2,008,794 (2024 – \$1,952,670) of short-term investments held with the Municipal Finance Authority in money market, intermediate and bond funds. These investments are carried at market value which approximates cost.

Also included in cash and cash equivalents is \$1,784,759 (2024 – \$2,720,978) that is externally restricted by contribution agreements for wharves contributed to the Regional District from Transport Canada.

**4. Receivables**

	<u>2025</u>	<u>2024</u>
Government of Canada	\$ 516,172	\$ 242,110
Province of British Columbia	1,489,822	1,126,372
Regional and local governments	211,227	77,558
Utility service customers	200,357	230,895
Other trade receivables	3,667,995	2,180,640
	<u>\$ 6,085,572</u>	<u>\$ 3,857,576</u>

**5. Portfolio investments**

Portfolio investments include a two-year 4.0% non-redeemable Guaranteed Investment Certificate at a cost of \$149,985 (2024 – \$149,985) which matures on September 8, 2026. This amount is externally restricted by an agreement between the Regional District, Tides Foundation, 0793406 BC Ltd., and TLC The Land Conservancy of British Columbia for the preservation of the land on Cortes Island known as Hank's Beach as a forest conservation area and public park in perpetuity.

**Guaranteed Investment**

<b>Certificate issuer</b>	<b>Rate</b>	<b>Maturity</b>	<b>Principal</b>
National Bank	4.00%	9/8/2026	\$ 149,985
BMO Bank	3.91%	3/26/2026	1,000,000
Windsor Family Credit Union	3.90%	9/10/2026	1,000,000
BMO Bank	3.66%	10/13/2026	1,000,000
BMO Bank	3.67%	10/22/2026	1,000,000
Provincial Credit Union	3.85%	3/17/2027	1,000,000
Provincial Credit Union	3.85%	4/19/2027	1,040,443
Your Neighbourhood Credit Union	3.85%	9/10/2027	1,000,000
Kawartha Credit Union	4.05%	9/27/2027	500,000
Windsor Family Credit Union	4.00%	9/27/2027	500,000
National Bank	3.60%	10/12/2027	2,000,000
BMO Bank	3.60%	10/23/2028	1,000,000
BMO Bank	3.61%	10/22/2029	2,000,000
			<u>\$ 13,190,428</u>

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**6. Loan receivable**

The Regional District has entered into a loan agreement with City West Cable & Telephone Corp (“City West”) to assist with the completion of Last Mile Network Infrastructure for the Connected Coast fibre optic network project. The Regional District has borrowed \$7,794,000 (2024 - \$7,794,000) of MFA short term debt (see Note 23) on behalf of City West. City West agrees to pay the loan amounts under the MFA borrowing, in accordance with the terms of the MFA debt, and as collateral has granted the Regional District an underlying security interest in the physical assets that form the network infrastructure constructed by City West. Interest on the short-term financing accrues daily at the MFA Floating Daily Rate. As at December 31, 2025 the rate was 2.85% (2024 - 4.05%).

The Regional District has entered into a loan agreement with Vancouver Island Regional Library (“VIRL”) to assist with construction costs of a local branch located within the City of Cambell River. The Regional District has borrowed \$1,217,907 (2024 - \$1,250,000) of MFA long term debt on their behalf. The term of the loan is 25 years at an interest rate of 3.83%. VIRL agrees to pay the loan amounts under the MFA borrowing, in accordance with the terms of the MFA debt, and as collateral has granted the Regional District an underlying security in the constructed building.

	<u>2025</u>	<u>2024</u>
City West	\$ 7,794,000	\$ 7,794,000
Vancouver Island Regional Library	1,217,907	1,250,000
	<u>\$ 9,011,907</u>	<u>\$ 9,044,000</u>

**7. Other jurisdictions debt receivable**

Pursuant to the Local Government Act, the Regional District acts as the agency through which other jurisdictions are able to borrow funds from the Municipal Finance Authority (MFA). The annual cost of servicing this other jurisdictional debt is recovered entirely from the jurisdiction borrowing the funds. However, in the event of default the Regional District is contingently liable to the MFA for this debt.

	<u>2025</u>	<u>2024</u>
City of Campbell River	\$ 7,219,622	\$ 8,086,526
Village of Sayward	-	11,171
Village of Tahsis	1,240,000	-
	<u>\$ 8,459,622</u>	<u>\$ 8,097,698</u>

**8. Accounts payable and accrued liabilities**

	<u>2025</u>	<u>2024</u>
Government of Canada	\$ -	\$ 6,326
Province of British Columbia	182,415	111,072
Regional and local governments	174,788	115,867
Accrued interest on long-term debenture debt	19,666	19,756
Payroll liabilities	698,704	617,318
Other trade payables	6,780,196	2,963,293
	<u>\$ 7,855,769</u>	<u>\$ 3,833,632</u>

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**9. Deferred revenue**

	<u>2025</u>	<u>2024</u>
Deferred grants	\$ 1,671,020	\$ 5,056,228
Transport Canada (Note 10)	1,784,759	2,720,978
Parkland acquisition	-	-
Unearned revenue	61,160	84,861
	<u>\$ 3,516,938</u>	<u>\$ 7,862,067</u>

**10. Transport Canada port divestiture contributions**

On November 14, 2014 Transport Canada divested the Owen Bay, Port Neville and Surge Narrows Port Facilities to the Strathcona Regional District. Divestiture funds are used for eligible operations and maintenance expense, net of any input tax credits or rebates, up to the period ending November 14, 2026. The unused portions of the contributions have been deposited in separate Canadian interest-bearing bank accounts dedicated exclusively for the operation and upgrade of the Ports.

	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 2,720,978	\$ 2,707,518
Add: Interest earned on funds	88,411	141,917
Add: Other revenue	245	245
Less: Eligible expenses	(1,024,875)	(128,702)
Ending balance	<u>\$ 1,784,759</u>	<u>\$ 2,720,978</u>

**11. Short-term debt**

Under Bylaw 635, the Regional District has borrowed \$30,000,000 to finance the construction of capital upgrades to the Strathcona Gardens Recreation Complex. Interest on short-term debt recorded in the Consolidated Statement of Operations in 2025 was \$339,025 (2024 - \$0).

Interest on short-term debt borrowed through the Municipal Finance Authority is subject to a variable interest rate. As at December 31, 2025, the applicable rate on short-term borrowings was 2.85%.

**12. Long-term debt**

**a) Long-term debt, third party entities**

	<u>2025</u>	<u>2024</u>
Vancouver Island Regional Library	\$ 1,217,907	\$ 1,250,000
	<u>\$ 1,217,907</u>	<u>\$ 1,250,000</u>

**b) Long-term debt other jurisdictions**

	<u>2025</u>	<u>2024</u>
City of Campbell River	\$ 7,219,622	\$ 8,086,526
Village of Sayward	-	11,172
Village of Tahsis	1,240,000	-
	<u>\$ 8,459,622</u>	<u>\$ 8,097,698</u>

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**12. Long-term debt (continued)**

**c) Long-term debt, Regional District**

Details of long-term debt, including maturity dates, interest rates and outstanding amounts, are summarized in Schedule 4 – Consolidated Schedule of Debt.

Payments of principal on issued debt of the Regional District, not including other jurisdictional debt, for the next five years are:

2026	69,212
2027	61,118
2028	62,867
2029	64,667
2030	66,520
Thereafter	<u>1,511,201</u>
<b>Total</b>	<b><u>\$ 1,835,585</u></b>

Interest on long-term debt recorded in the Consolidated Statement of Operations in 2025 is \$73,235 (2024 – \$73,235). The above figures do not include anticipated actuarial earnings on debenture sinking funds.

**13. Accumulated Surplus**

	<b>2025</b>	<b>2024</b>
Equity in tangible capital assets	<b>\$ 49,992,908</b>	\$ 41,886,701
Capital funds	<b>122,712</b>	122,712
Appropriated surplus	<b>4,163,185</b>	3,304,307
Reserve funds (Note 14) (Note 22)	<b>29,069,575</b>	26,342,329
Operating funds	<b>5,494,045</b>	5,808,114
Accumulated surplus	<b><u>\$ 88,842,425</u></b>	<b><u>\$ 77,464,163</u></b>

**14. Community Works Fund**

Community Works Fund is a component of the Canada Community Building Fund (Formally Gas Tax Agreement) provided by the Government of Canada and administered through the Union of British Columbia Municipalities (UBCM). Community Works Funds transfers are recorded as revenue when received, then held as reserves until spent on eligible expenditures and projects. The Community Works Fund is included in the reserve funds.

	<b>2025</b>	<b>2024</b>
Beginning balance	<b>\$ 7,641,066</b>	\$ 7,144,290
Add: Amounts received during the year	<b>542,974</b>	542,974
Add: Interest earned on funds	<b>246,430</b>	371,861
Less: Eligible expenses spent	<b>(882,592)</b>	(418,059)
Ending balance	<b><u>\$ 7,547,878</u></b>	<b><u>\$ 7,641,066</u></b>

**15. Contingent liability**

There were various claims made against the Regional District as at December 31, 2025 for incidents that arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are not determinable at this time, no amount has been accrued in the consolidated financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**16. Municipal Finance Authority debt reserve funds**

The Regional District secures its long-term borrowing through the Municipal Finance Authority (MFA). As a condition of these borrowings, a portion of the debenture proceeds is retained by MFA as debt reserve funds. As at December 31, 2025 the Regional District had debt reserve funds of \$28,631 (2024 – \$27,799).

**17. Pension liability**

The Regional District and its employees contribute to the Municipal Pension Plan, a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has approximately 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 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, 2024, indicated a \$2.375 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2027.

The Regional District paid \$502,130 (2024 - \$482,122) for employer contributions while employees contributed \$457,043 (2024 - \$444,524) to the plan in fiscal 2025.

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

**18. Comox-Strathcona Regional Hospital District**

The board members of the Strathcona Regional District sit on the board of the Comox-Strathcona Regional Hospital District (CSRHD) together with the board members of the Comox Valley Regional District. The Regional District and the CSRHD are separate legal entities as defined by separate letters patent and authorized by separate legislation.

**19. North Island 911 Corporation**

The 911 emergency answering and fire dispatch services for northern Vancouver Island and part of the Sunshine Coast are provided by the North Island 911 Corporation which is owned by the Regional Districts of Alberni-Clayoquot, Comox Valley, Mount Waddington, Nanaimo, qathet, and Strathcona. The Strathcona Regional District owns four of the twenty-one shares in the corporation which are recorded at cost.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**20. Segmented information**

The Strathcona Regional District is a diversified local government providing a wide range of services to 44,500 residents, including parks, recreation centre, community halls, fire protection, emergency programs, and water and sewer services. As a requirement of the Local Government Act, separate financial records must be kept for each service providing detailed allocations of assets and liabilities, revenues and expenses, information concerning reserve funds and other pertinent financial details. For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment and also amounts that are allocated on a reasonable basis.

Segmentation has been determined on a functional basis with consideration to service delivery and departmental accountabilities. The following is a description of the types of services included in each of the main service segments of the Regional District's consolidated financial statements. A detailed summary of the 2025 revenues and expenses can be found in Schedule 1 of the accompanying consolidated financial statements, Schedule 2 contains 2024 comparative figures.

General Government Services

General government comprises member municipality and electoral area governance, general administration which includes corporate services, finance, human resources and information systems, feasibility studies and grants in aid.

Protective Services

Protective services include fire protection services, emergency programs, 911 emergency answering service, building inspection and various bylaw compliance services.

Transportation Services

Transportation services include a rural transit service, street lighting, flood and river bank protection.

Environmental Health Services

The environmental health segment includes solid waste collection and disposal, liquid waste management planning, water distribution, and wastewater collection and disposal for participating electoral areas.

Health, Social Services & Housing

Health, Social Services & Housing services include local and regional housing provisions, along with initiatives aimed at improving the delivery of social services within the region.

Development Services

Development services consist of rural land use planning, economic development, geographic information systems and house numbering.

Parks, Recreation and Culture Services

Recreation and cultural services include a full-service recreation facility offering fitness, ice and aquatic programs, community parks and trail networks and contributions towards the operations of many community halls, heritage conservation, as well as Vancouver Island Regional Library services.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**21. Reconciliation to 2025 Budget Bylaw**

The budget amounts presented throughout these consolidated financial statements are audited and represent the 2025-2029 Financial Plan and Capital Expenditure Program Bylaw No. 591, as approved by the Regional District Board on March 31, 2025.

The financial plan bylaw was prepared on a modified accrual basis while Canadian public sector accounting standards require consolidated financial statements to be prepared on a full accrual basis. The financial plan anticipated the use of surpluses accumulated in prior years to reduce the current year revenues to fund current year expenditures. In addition, capital acquisitions are recognized as expenditures in the financial plan rather than including amortization expense, and debt proceeds and principal payments are excluded from the Statement of Operations on the consolidated financial statements.

The summary below reconciles the 2025 adopted financial plan to the consolidated financial statement budget figures on Statement B:

	<b>2025</b>
Balanced Financial Plan Bylaw	\$ -
Add:	
Debt principal payments	776,878
Capital acquisitions	87,978,723
Deficit prior year	44,521
Budgeted transfers to reserves/appropriated surplus	6,690,797
Less:	
Proceeds from borrowing	(72,453,365)
Budgeted transfers from prior year surpluses	(5,046,845)
Budgeted transfers from reserves/appropriated surplus	(8,070,638)
Statement of Operations Budgeted Surplus	<b>\$ 9,920,071</b>

**22. Growing Communities Fund**

The Province of British Columbia distributed conditional 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 Strathcona Regional District received \$2,638,000 of GCF funding in March 2023.

Received in 2023	\$ 2,638,000
Eligible costs	
Capacity assessments	48,000
Subregional fire and EOC services	902,565
Recreation fleet	50,000
Transit infrastructure	763
	1,001,328
Interest earned	285,253
Balance, end of year	<b>\$ 1,921,925</b>

Capacity assessments include feasibility study costs for septic infrastructure and other early stage development work in conjunction with Ka:'yu:'k't'h'/Che:k'tles7et'h' First Nations. Subregional fire service expenditures include infrastructure upgrades for Sayward Valley Fire Service. Recreation fleet includes purchase of transit bus to offer student shuttle services to the Strathcona Gardens Recreation Complex.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**23. Financial instruments**

Except as noted below, it is management's opinion that the Regional District is not exposed to significant interest, currency, liquidity or other price risk from its financial instruments.

**Credit Risk:**

The Regional District is exposed to credit risk arising from loans and accounts receivable from City West Cable & Telephone Corp in the amount of \$8,277,402 (2024 - \$8,591,545). Included in these amounts are loans receivable of \$7,794,000 (2024 - \$7,794,000) secured by collateral assets and \$634,946 (2024 - \$987,506) of unsecured receivables.

**Interest Rate Risk:**

Interest rate risk arises when the fair value or future cash flows of a financial instrument 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.

**Market Risk:**

Market risk arises when the value of an investment fluctuates 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. The Regional District manages its market risk by holding cash balances with top rated Canadian Schedule I financial institutions. Investments are managed in accordance with the investment requirements of the Local Government Act. The Regional District periodically reviews its investments and is satisfied that they are being managed in compliance with the Act.

**Liquidity Risk:**

Liquidity risk is the risk that the Regional District will not be able to meet its obligations as they become due. The Regional District manages liquidity risk by monitoring actual and forecasted cash flows and maintaining adequate levels of working capital to ensure all its obligations can be met when they fall due.

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**24. Consolidated Subsidiary**

On September 7, 2018 Strathcona Connected Coast Network Corp (SCCNC) was incorporated. SCCNC was formed for the purpose of constructing a Broadband network in the coastal waters of BC and entering a joint venture partnership with City West Management Corp for its operation. The partnership, known as Connected Coast Network Partnership, was agreed to on December 4, 2020 and registered with the Province of BC on June 6, 2022 with each partner having a 50% interest in the partnership.

The District owns 100% of all outstanding SCCNC shares. All of the Board members are appointed by the District. SCCNC does not prepare individual audited financial statements.

The Regional District consolidates the assets, liabilities and operating results of SCCNC in these consolidated financial statements. Any transactions between SCCNC and the Regional District are eliminated on consolidation. A summary of the financial position and operating results of SCCNC is as follows:

	<b>2025</b>	<b>2024</b>
<b>Statement of Financial Position</b>		
<b>As At December 31</b>		
Total Assets	<b>\$ 10,338,502</b>	<b>\$ 10,802,851</b>
Total Liabilities	1,157,458	657,767
Total Shareholder Equity	9,181,043	10,145,084
	<b>\$ 10,338,502</b>	<b>\$ 10,802,851</b>
<b>Statement of Operations</b>		
<b>For the Year ended December 31</b>		
Revenue	\$ 309,591	\$ 500,033
Expenses	1,273,631	341,767
<b>Net Income</b>	<b>\$ (964,041)</b>	<b>\$ 158,266</b>
<b>Statement of Changes in Shareholder Equity</b>		
<b>For the Year ended December 31</b>		
Accumulated net equity income, beginning of year	\$ 10,145,083	\$ 9,986,817
Net income	(964,041)	158,266
	<b>\$ 9,181,043</b>	<b>\$ 10,145,083</b>

**Strathcona Regional District**  
**Notes to Consolidated Financial Statements**  
**Year ended December 31, 2025**

**25. Joint venture partnership**

The Regional District, through its wholly owned subsidiary Strathcona Connected Coast Network Corporation, entered into a Joint Venture arrangement with City West Management Corp (CityWest) on December 4, 2020 which was subsequently registered with the Province of BC on June 6, 2022 . The agreement is for a 7-year term that includes two years to build a fibre optic network and five years of operating as required under the Federal and Provincial funding agreements. All operating expenses and revenues of the Connected Coast Project will be shared equally under the Joint Venture agreement. CityWest will provide sales, marketing and operational services, while the Regional District, through Strathcona Connected Coast Network Corporation, will retain interest in the related tangible capital assets.

The Regional District proportionately consolidates its 50% share of the Joint Venture's assets, liabilities and operating results in these consolidated financial statements. Any transactions between the Regional District and the JV are eliminated proportionally on consolidation.

	<b>2025</b>	2024
<b>Statement of Financial Position</b>		
<b>As At December 31</b>		
Total Assets	<b>\$ 175,758</b>	\$ 219,218
Total Liabilities	24,339	96,337
Total Shareholder Equity	151,419	122,881
	<b>\$ 175,758</b>	\$ 219,218
<b>Statement of Operations</b>		
<b>For the Year ended December 31</b>		
Revenue	\$ 76,285	\$ 26,815
Expenses	47,748	65,488
<b>Net Income</b>	<b>\$ 28,537</b>	\$ (38,673)
<b>Statement of Changes in Shareholder Equity</b>		
<b>For the Year ended December 31</b>		
Accumulated net equity income, beginning of year	\$ 122,881	\$ 161,554
Net income	28,537	(38,673)
	<b>\$ 151,419</b>	\$ 122,881

**26. Comparative Figures**

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

**Strathcona Regional District**  
**Consolidated Schedule of Segment Disclosure by Service**  
**Year ended December 31, 2025**

	General Government Services	Protective Services	Environmental Health Services	Health, Social Services & Housing	Development Services	Parks, Recreation and Cultural Services	Transportation Services	2025 Actual	2025 Budget
(Note 21)									
<b>Revenue</b>									
Frontage and parcel taxes	\$ -	\$ -	\$ 29,573	\$ -	\$ -	\$ -	\$ -	\$ 29,573	\$ 29,573
Grants in lieu of taxes	202,965	10,441	717	3,523	-	102,752	28	320,426	233,170
Property tax requisition	3,406,467	2,486,448	589,166	404,388	635,569	12,568,102	326,676	20,416,816	20,417,039
Government grants and transfers	1,699,057	2,909,713	2,746,962	-	49,484	323,042	-	7,728,258	13,379,513
Sales of services	49,167	65,094	1,847,726	-	738	1,804,496	-	3,767,221	3,812,704
Other revenue from own sources	351,746	171,083	21,498	-	44,610	72,217	358	661,512	523,682
Contributions from others	127,000	146,794	-	844,248	-	68,098	-	1,186,140	123,500
Gain on disposal of tangible capital assets	-	6,697	-	-	-	-	-	6,697	-
Interest earned	783,788	52,652	95,430	-	14,340	451,604	4,618	1,402,432	708,017
Actuarial adjustment of debenture debt	8,330	-	5,205	-	-	-	-	13,535	-
<b>Total revenue</b>	<b>6,628,520</b>	<b>5,848,922</b>	<b>5,336,277</b>	<b>1,252,159</b>	<b>744,741</b>	<b>15,390,311</b>	<b>331,680</b>	<b>35,532,610</b>	<b>39,227,198</b>
<b>Expense</b>									
Labour and benefits	3,055,960	815,973	156,909	8,093	649,169	4,504,333	3,760	9,194,197	10,774,720
Grants	398,094	1,761,435	-	-	13,829	789,699	292,032	3,255,089	3,965,960
Goods and services	1,911,252	3,045,011	1,861,641	10,598	105,643	2,628,641	48,203	9,610,989	12,943,810
Interest	65,349	-	7,885	-	-	339,025	-	412,259	1,622,637
Amortization of tangible capital assets	736,502	109,011	143,965	-	20,142	661,084	11,110	1,681,814	-
<b>Total expense</b>	<b>6,167,157</b>	<b>5,731,430</b>	<b>2,170,400</b>	<b>18,691</b>	<b>788,783</b>	<b>8,922,782</b>	<b>355,105</b>	<b>24,154,348</b>	<b>29,307,127</b>
<b>Surplus</b>	<b>\$ 461,363</b>	<b>\$ 117,492</b>	<b>\$ 3,165,877</b>	<b>\$ 1,233,468</b>	<b>\$ (44,042)</b>	<b>\$ 6,467,529</b>	<b>\$ (23,425)</b>	<b>\$ 11,378,262</b>	<b>\$ 9,920,071</b>

**Strathcona Regional District**  
**Consolidated Schedule of Segment Disclosure by Service**  
**Year ended December 31, 2024**

	General Government Services	Protective Services	Environmental Health Services	Health, Social Services & Housing	Development Services	Parks, Recreation and Cultural Services	Transportation Services	2024 Actual	2024 Budget
<b>Revenue</b>									
Frontage and parcel taxes	\$ -	\$ -	\$ 19,649	\$ -	\$ -	\$ -	\$ -	\$ 19,649	\$ 19,649
Grants in lieu of taxes	191,399	9,239	511	854	3	82,419	28	284,453	226,080
Property tax requisition	2,600,670	2,556,588	662,060	100,206	697,196	10,878,690	271,444	17,766,854	17,766,631
Government grants and transfers	1,011,120	1,040,558	49,301	-	162,339	108,064	10,000	2,381,382	14,363,616
Sales of services	88,504	48,640	1,847,628	-	18,223	1,819,415	-	3,822,410	3,668,288
Other revenue from own sources	512,063	48,581	27,440	-	74,435	38,444	358	701,321	516,239
Contributions from others	294,241	-	-	-	-	2,959	-	297,200	319,438
Interest earned	1,172,130	76,490	118,339	-	24,583	635,100	7,280	2,033,922	115,000
Actuarial adjustment of debenture debt	6,837	-	4,731	-	-	-	-	11,568	-
<b>Total revenue</b>	<b>5,876,964</b>	<b>3,780,096</b>	<b>2,729,659</b>	<b>101,060</b>	<b>976,779</b>	<b>13,565,091</b>	<b>289,110</b>	<b>27,318,759</b>	<b>36,994,941</b>
<b>Expense</b>									
Labour and benefits	3,127,861	517,133	211,161	10,250	712,580	4,520,710	-	9,099,695	10,329,516
Grants	134,801	1,647,758	-	-	2,700	706,756	208,704	2,700,719	3,482,358
Goods and services	1,035,394	1,153,029	1,910,357	21,025	228,322	2,404,086	77,640	6,829,853	12,186,024
Interest	65,349	-	7,885	-	-	-	-	73,234	73,234
Amortization of tangible capital assets	456,895	64,413	153,579	-	20,142	685,085	10,917	1,391,031	-
<b>Total expense</b>	<b>4,820,300</b>	<b>3,382,333</b>	<b>2,282,982</b>	<b>31,275</b>	<b>963,744</b>	<b>8,316,637</b>	<b>297,261</b>	<b>20,094,532</b>	<b>26,071,132</b>
<b>Surplus</b>	<b>\$ 1,056,664</b>	<b>\$ 397,763</b>	<b>\$ 446,677</b>	<b>\$ 69,785</b>	<b>\$ 13,035</b>	<b>\$ 5,248,454</b>	<b>\$ (8,151)</b>	<b>\$ 7,224,227</b>	<b>\$ 10,923,809</b>

**Strathcona Regional District  
Consolidated Schedule of Tangible Capital Assets  
Year ended December 31, 2025**

	Land and Improvements	Buildings and Improvements	Machinery Equipment Vehicles and Fixtures	Water Infrastructure	Sewer Infrastructure	Capital Projects in Progress	2025	2024
<b>Cost</b>								
<b>Balance, beginning</b>	\$ 10,292,086	\$ 24,437,997	\$ 14,867,492	\$ 4,654,953	\$ 2,475,020	\$ 10,685,071	<b>\$ 67,412,619</b>	\$ 60,645,540
Add:								
Additions during year	305,688	1,387,749	290,012	-	-	35,055,984	<b>37,039,433</b>	6,961,211
Less:								
Disposals or write downs	-	-	(15,147)	-	-	-	<b>(15,147)</b>	(194,132)
Completed during year	91,316	48,050	19,356	-	-	(158,722)	-	-
<b>Balance, ending</b>	<b>10,689,090</b>	<b>25,873,796</b>	<b>15,161,712</b>	<b>4,654,953</b>	<b>2,475,020</b>	<b>45,582,333</b>	<b>104,436,905</b>	<b>67,412,619</b>
<b>Accumulated amortization</b>								
<b>Balance, beginning</b>	2,211,928	13,891,663	3,275,384	3,348,693	895,477	-	<b>23,623,145</b>	22,232,113
Add:								
Amortization for the year	166,985	557,368	813,495	83,492	60,474	-	<b>1,681,814</b>	1,391,031
Less:								
Accumulated amortization on disposals	-	-	(15,147)	-	-	-	<b>(15,147)</b>	-
<b>Balance, ending</b>	<b>2,378,913</b>	<b>14,449,031</b>	<b>4,073,732</b>	<b>3,432,185</b>	<b>955,951</b>	<b>-</b>	<b>25,289,812</b>	<b>23,623,144</b>
<b>Net book value</b>	<b>\$ 8,310,177</b>	<b>\$ 11,424,765</b>	<b>\$ 11,087,980</b>	<b>\$ 1,222,768</b>	<b>\$ 1,519,069</b>	<b>\$ 45,582,333</b>	<b>\$ 79,147,093</b>	<b>\$ 43,789,475</b>
<b>Net book value prior year</b>	<b>\$ 8,080,158</b>	<b>\$ 10,546,334</b>	<b>\$ 11,592,108</b>	<b>\$ 1,306,260</b>	<b>\$ 1,579,543</b>	<b>\$ 10,685,071</b>	<b>\$ 43,789,474</b>	

**Strathcona Regional District  
Consolidated Schedule of Debt  
As at December 31, 2025**

Bylaw #	Maturity Date	Rate	Beginning Balance	Debt Proceeds	Principal Payments	Actuarial Adjustments	Ending Balance
<b>Capital</b>							
<b>General Administration</b>							
BL261	09/2048	3.20%	\$ 1,764,506	\$ -	\$ (42,925)	\$ (8,330)	\$ 1,713,251
<b>Craig Road Water</b>							
BL2789	04/2027	4.75%	19,210	-	(4,648)	(4,768)	<b>9,794</b>
<b>Quathiaski Cove Sewer Extension #1</b>							
BL197	10/2040	0.91%	119,052	-	(6,076)	(436)	<b>112,540</b>
<b>Strathcona Gardens Recreation Complex</b>							
BL569	On demand	variable	-	30,000,000	-	-	<b>30,000,000</b>
<b>Total debt</b>			<b>\$ 1,902,768</b>	<b>\$ 30,000,000</b>	<b>\$ (53,649)</b>	<b>\$ (13,534)</b>	<b>\$ 31,835,585</b>

**Strathcona Regional District**

**Supplementary Information and  
Information Pursuant to the *Financial Information Act***

**Year ended December 31, 2025**

## Statement of Financial Information Approval

The information that follows includes schedules that have been prepared under the *Financial Information Act* for the year ended December 31, 2025.

Approved in accordance with the requirements of Financial Information Regulation 371/93, Schedule 1, Section 9.

A handwritten signature in black ink, appearing to read 'Mark Baker', followed by a long horizontal line extending to the right.

Mark Baker  
Chair of the Board

A handwritten signature in black ink, appearing to read 'Mike Harmston', followed by a long horizontal line extending to the right.

Mike Harmston, CPA, CGA  
Chief Financial Officer

**Strathcona Regional District**  
**Consolidated Summary of Surpluses and Reserves**  
**As at December 31, 2025**  
**(Unaudited)**

Function	Appropriated Surplus <i>Note a</i>	Reserves <i>Note b</i>	Accumulated Surplus <i>Note c</i>	2025 Total	2024 Total
<b>General Government Services</b>					
Grant in Aid Area A	\$ -	\$ -	\$ 4,879	\$ 4,879	\$ 13,526
Grant In Aid Area B	-	-	24,314	24,314	4,569
Grant In Aid Area C	-	-	34,446	34,446	15,524
Grant In Aid Area D	-	-	20,621	20,621	21,800
Electoral Area Administration	146,316	9,469,804	116,675	9,732,795	9,968,618
Feasibility Studies - Electoral Area A	-	-	20,438	20,438	24,583
Feasibility Studies - Electoral Area D	-	-	97,914	97,914	74,907
Feasibility Studies - Electoral Area B	-	-	20,007	20,007	20,001
Feasibility Studies - Electoral Area C	-	-	116,283	116,283	58,736
Feasibility Studies - Regional	-	-	43,827	43,827	82,091
Regional Broadband	577,310	-	532,204	1,109,514	1,048,769
Administration - General Government	704,528	1,147,138	1,547,204	3,398,870	2,664,185
Municipality Administration	50,291	-	132,078	182,369	155,890
	1,478,445	10,616,942	2,710,890	14,806,276	14,153,198
<b>Protective Services</b>					
911 Answering Service	4,952	-	4,695	9,646	10,399
Electoral Area D Animal Control	57,653	-	(8,309)	49,344	54,904
Noise Control - Area A	-	-	5,057	5,057	2,000
Oyster River Flood Protection	-	-	4,212	4,212	895
Building Inspection	56,176	132,333	77,061	265,571	296,579
Electoral Area D Fire Protection	458,999	-	13,449	472,448	298,283
Duncan Bay Area Fire Protection	-	-	9,152	9,152	-
Cortes Island First Responder	18,580	-	(71)	18,509	24,187
Kyuquot Nootka Emergency Program	5,227	-	2,723	7,950	6,157
Noise Control - Area D	-	-	2,050	2,050	2,006
North Quadra Assistance Response	-	1,805	252	2,057	1,911
Sayward Volunteer Fire Department	22,435	419,094	29,047	470,575	356,267
South Cortes Fire Protection	10,150	385,781	6,065	401,996	430,446
Strathcona Emergency Program	86,219	44,800	57,329	188,348	153,934
Unsightly Premises	-	4,897	522	5,419	5,010
	720,390	988,710	203,234	1,912,335	1,798,868
<b>Transportation Services</b>					
Electoral Area C Street Lighting Service	3,422	-	709	4,131	1,724
Electoral Area D Street Lighting Service	23,473	-	3,097	26,570	18,225
Transit - Area D	39,940	-	(17,840)	22,100	22,139
Oyster River Bank Protection	99	78,687	-	78,786	103,249
	66,934	78,687	(14,033)	131,588	145,337

**Strathcona Regional District**  
**Consolidated Summary of Surpluses and Reserves**  
**As at December 31, 2025**  
**(Unaudited)**

Function	Appropriated Surplus <i>Note a</i>	Reserves <i>Note b</i>	Accumulated Surplus <i>Note c</i>	2025 Total	2024 Total
<b>Environmental Health Services</b>					
Electoral Area D Water	267,596	2,457,514	225,773	2,950,883	2,209,611
Cortes Island Refuse Collection	103,397	(0)	(15)	103,382	108,778
Area B Refuse Disposal	21,777	-	4,102	25,879	24,957
Craig Road Water	-	-	339	339	266
Area A Kyuquot Nootka Solid Waste	24,599	-	4,516	29,115	23,667
Liquid Waste Planning	34,821	-	(1,208)	33,613	39,435
Quathiaski Cove Sewer	67,203	217,389	61,702	346,294	180,651
Quathiaski Cove Sewer Ext #1	-	-	1,920	1,920	1,736
Solid Waste Local Service - Sayward Valley	30,645	-	8,771	39,416	26,538
Sayward and Area A Sayward Refuse	9,475	15,131	6,970	31,576	24,330
	559,513	2,690,034	312,870	3,562,417	2,639,969
<b>Health, Social Services &amp; Housing</b>					
Strathcona Community Health Network	187,117	-	35,859	222,976	-
Regional Housing	-	-	307,035	307,035	348,913
Just Like Home	-	-	489,925	489,925	348,913
	187,117	-	832,819	1,019,936	697,826
<b>Development Services</b>					
House Numbering Area D	-	-	5	5	1
House Numbering Area A Sayward	-	-	4	4	-
House Numbering Area B	-	-	5	5	-
House Numbering Area C	-	-	5	5	1
Planning	87,927	274,121	281,355	643,404	822,418
Planning (Non Part 26)	-	-	1,502	1,502	1,504
Economic Development - Area A Sayward	35,769	-	543	36,312	43,804
Economic Development - Area C	62,833	-	33,873	96,706	70,375
	123,696	274,121	283,410	681,228	867,726
<b>Recreation and Cultural Services</b>					
Community Parks Area B	16,156	468,402	41,842	526,399	501,709
Heritage Conservation - Area B	-	4,264	3	4,267	3,925
Heritage Conservation - Area C	-	13,813	139	13,952	11,056
Community Parks Area C	69,779	302,091	87,144	459,014	296,385
Community Parks Area D	507,576	1,081,232	100,431	1,689,239	1,250,723
Cortes Island Community Halls	46,584	-	-	46,584	33,535
Kyuquot Community Hall	-	-	2,513	2,513	2,474
Quadra Island Community Hall Subsidy	-	174,125	21,469	195,594	120,313
Sayward Valley Heritage Hall	36,057	114,060	1,646	151,763	139,708
Strathcona Gardens	288,106	12,263,095	874,353	13,425,554	11,443,232
Vancouver Island Regional Library	-	-	1,432	1,432	223
	964,258	14,421,080	1,130,972	16,516,310	13,803,284
	\$ 4,163,186	\$ 29,069,575	\$ 5,494,044	\$ 38,726,805	\$ 34,020,694

**Strathcona Regional District**  
**Consolidated Summary of Surpluses and Reserves**  
**As at December 31, 2025**  
**(Unaudited)**

**Notes:**

- a) Appropriated surpluses are internally restricted funds accumulated through planned contributions identified in the financial plan, and may be used for emergencies, contingencies, requisition smoothing or any other designated purpose within the function. These amounts are not automatically carried forward to offset future operational expense or supplement revenue.
- b) Reserves are established by bylaw or Provincial statute for specific purposes such as unforeseen future expenditures, capital works, machinery and equipment, and parkland acquisition. Use of reserves is identified in the financial plan as "transfers from reserves". Reserves may include externally restricted funds, such as endowments. Schedule II *Schedule of Changes in Reserve Fund Balances* provides details about reserve fund changes in the current year.
- c) Accumulated surpluses are the net result of operating activities and may be used in future years to offset operational expense or supplement revenue. A surplus occurs if projects are not completed by the end of the fiscal year, if revenue exceeds expectations, or when cost savings are realized. A deficit, indicated by a bracketed amount, occurs if expense exceeds expectations, or there is a revenue shortfall. A deficit must be repaid in the following year.

**Strathcona Regional District**  
**Schedule of Changes in Reserve Fund Balances**  
**As at December 31, 2025**  
**(Unaudited)**

Reserve Type and Function	Beginning Balance	Interest and Transfers from (to) Operating	Transfers from (to) Capital	Ending Balance
<b>Capital works, machinery &amp; equipment reserves</b>				
Community Parks Area B	\$ 82,025	\$ 23,037	\$ -	\$ 105,062
Community Parks Area C	213,802	17,220	-	231,022
Community Parks Area D	755,863	24,943	-	780,806
Electoral Area D Water	1,745,755	530,713	(35,495)	2,240,972
Building Inspection	49,325	1,628	-	50,953
General Administration	1,268,263	330,085	(681,231)	917,117
Administration - Information Services	143,093	(26,747)	(9,018)	107,327
Administration - Vehicle Pool	51,007	40,564	-	91,571
Oyster River Bank Protection	54,761	1,807	-	56,568
Planning	127,241	4,199	-	131,440
Quadra Island Community Hall Subsidy	57,523	27,311	-	84,834
Quathiaski Cove Sewer	151,403	65,986	-	217,389
Sayward Volunteer Fire Department	329,828	89,266	-	419,094
Sayward Valley Heritage Hall	23,317	769	-	24,086
Sayward and Area A Sayward Refuse	14,648	483	-	15,131
South Cortes Fire Protection	321,188	28,557	-	349,745
Cortes Island First Responder	43,369	1,431	-	44,800
Strathcona Gardens	9,440,749	5,840,451	(3,174,022)	12,107,178
	<u>14,873,161</u>	<u>7,001,703</u>	<u>(3,899,766)</u>	<u>17,975,097</u>
<b>Future expenditure reserves</b>				
Community Parks Area B	78,464	2,589	-	81,053
Heritage Conservation - Area B	4,128	136	-	4,264
Heritage Conservation - Area C	12,388	1,425	-	13,813
Community Parks Area C	34,345	1,133	-	35,478
Community Parks Area D	263,727	8,703	-	272,430
Electoral Area D Water	209,624	6,918	-	216,542
Building Inspection	78,780	2,600	-	81,380
General Administration	30,128	994	-	31,122
North Quadra Assistance Response	1,747	58	-	1,805
Oyster River Bank Protection	25,052	(2,933)	-	22,119
Planning	197,165	(54,484)	-	142,681
Quadra Island Community Hall Subsidy	86,439	2,852	-	89,291
Sayward Valley Heritage Hall	87,099	2,874	-	89,973
South Cortes Fire Protection	47,369	(11,333)	-	36,037
Strathcona Gardens	150,936	4,981	-	155,917
Unightly Premises	4,741	156	-	4,897
	<u>1,312,134</u>	<u>(33,331)</u>	<u>-</u>	<u>1,278,803</u>

**Strathcona Regional District**  
**Schedule of Changes in Reserve Fund Balances**  
**As at December 31, 2025**  
**(Unaudited)**

Reserve Type and Function	Beginning Balance	Interest and Transfers from (to) Operating	Transfers from (to) Capital	Ending Balance
<b>Community parkland acquisition reserves</b>				
Community Parks Area B	124,743	4,117	-	128,860
Community Parks Area C	16,393	29,619	(10,423)	35,590
Community Parks Area D	1,060	26,935	-	27,995
	<u>142,197</u>	<u>60,671</u>	<u>(10,423)</u>	<u>192,445</u>
<b>Endowments</b>				
Area B Community Parks-Hank's Beach Forest Conservation Park	156,852	(313)	(3,113)	153,426
	<u>156,852</u>	<u>(313)</u>	<u>(3,113)</u>	<u>153,426</u>
<b>Community Works Fund</b>				
Community Works Fund	7,641,066	545,694	(638,881)	7,547,878
	<u>7,641,066</u>	<u>545,694</u>	<u>(638,881)</u>	<u>7,547,878</u>
<b>Growing Communities Fund</b>				
Growing Communities Fund	2,216,920	53,209	(348,204)	1,921,925
	<u>2,216,920</u>	<u>53,209</u>	<u>(348,204)</u>	<u>1,921,925</u>
	<u>\$ 26,342,330</u>	<u>\$ 7,627,633</u>	<u>\$ (4,900,387)</u>	<u>\$ 29,069,575</u>

**Strathcona Regional District**  
**Schedule of Service Requisition Limits**  
**As at December 31, 2025**  
**(Unaudited)**

<b>Service</b>	<b>Requisition Limits</b>
<b>General Government Administration</b>	
General Administration	No stated limit
Grants in Aid – Areas A, B, C and D	\$0.10 per \$1,000 net taxable assessment
Electoral Areas Administration and Election Services	No stated limit
Feasibility Study – Electoral Areas and Regional	No stated limit
Member Municipalities Administration	No stated limit
Regional Broadband	\$0.25 per \$1,000 net taxable assessment
Public Library Facilities	\$0.10 per \$1,000 net taxable assessment
<b>Protective Services</b>	
911 Emergency Answering	\$0.35 per \$1,000 net taxable assessment
Area D Animal Control	\$0.323 per \$1,000 net taxable assessment
Building Inspection	No stated limit
Campbell River Area D Fire Protection	No stated limit
Duncan Bay Area Fire Protection	\$11,840 or \$0.47 per \$1,000 net taxable assessment, whichever is greater
Kyuquot/Nootka Emergency Program	\$6,000 or \$0.25 per \$1,000 net taxable assessment, whichever is greater
Noise Control - Area A	\$0.01 per \$1,000 net taxable assessment
Noise Control - Area D	\$0.01 per \$1,000 net taxable assessment
North Quadra Assistance Response	\$0.02 per \$1,000 net taxable assessment
Oyster River Flood Protection	\$8,350 or \$0.027 per \$1,000 net taxable assessment, whichever is less
Sayward Valley Fire Protection	\$2.00 per \$1,000 net taxable assessment
Soil Deposit and Removal Control	\$25,000 or an amount equal to the actual costs for the prior year, whichever is less
South Cortes Island Fire Protection	\$94,500 or \$1.00 per \$1,000 net taxable assessment, whichever is greater
South Cortes Island First Responder	\$45,000 or \$0.14 per \$1,000 net taxable assessment, whichever is greater
Strathcona Emergency Program	\$0.03 per \$1,000 net taxable assessment; minimum \$1,000 per participating area
Unightly Premises	\$25,000 or \$0.002 per \$1,000 net taxable assessment, whichever is greater
<b>Transportation Services</b>	
Area C Street Lighting	\$9,850 total maximum
Area D Street Lighting	\$0.20 per \$1,000 net taxable assessment
Area D Transit	\$0.20 per \$1,000 net taxable assessment
Oyster River Bank Protection	\$18,000 total maximum

**Strathcona Regional District**  
**Schedule of Service Requisition Limits (continued)**  
**As at December 31, 2025**  
**(Unaudited)**

<b>Service</b>	<b>Requisition Limits</b>
<b>Development Services</b>	
Area A Economic Development	\$0.05 per \$1,000 net taxable assessment
Area C Economic Development	\$0.278 per \$1,000 net taxable assessment
House Numbering	\$0.0277 per \$1,000 net taxable assessment
Planning	No stated limit
Planning – Non-Part 26	No stated limit
<b>Environmental Health Services</b>	
Area D Water	\$23,000 or \$1.00 per \$1,000 net taxable assessment, whichever is greater
Cortes Island Refuse Collection	No stated limit
Cortes Island Refuse Disposal	\$0.50 per \$1,000 net taxable assessment
Craig Road Water	\$36,000 total maximum
Kyuquot/Nootka Solid Waste Disposal	\$18,750 total maximum
Liquid Waste Management Plan	\$0.05 per \$1,000 net taxable assessment
Liquid Waste Management - Area B	\$0.05 per \$1,000 net taxable assessment
Liquid Waste Management - Area D	\$0.05 per \$1,000 net taxable assessment
Electrol Area D Wood Debris Removal	\$0.032 per \$1,000 net taxable assessment
Quathiaski Cove Sewer	\$30,000 total maximum
Quathiaski Cove Sewer Extension #1	\$30,080 total maximum
Sayward Valley Refuse Collection	\$0.286 per \$1,000 net taxable assessment
Sayward Valley Refuse Disposal	\$0.344 per \$1,000 net taxable assessment
<b>Health, social services &amp; housing</b>	
Just Like Home	\$0.023 per \$1,000 net taxable assessment
Regional Housing	\$0.05 per \$1,000 net taxable assessment
<b>Recreation and Cultural Services</b>	
Areas B and C Heritage Conservation	\$0.25 per \$1,000 net taxable assessment
Areas B, C and D Community Parks	\$0.50 per \$1,000 net taxable assessment
Cortes Island Community Halls	\$80,000 or \$0.24 per \$1,000 net taxable assessment
Kyuquot Community Hall	\$0.50 per \$1,000 net taxable assessment
Quadra Island Community Hall	\$0.50 per \$1,000 net taxable assessment
Sayward Valley Recreation and Community Hall	\$1.75 per \$1,000 net taxable assessment
Strathcona Gardens Recreation Complex	\$1.588 per \$1,000 net taxable assessment
Vancouver Island Regional Library	No stated limit

**Strathcona Regional District**  
**Schedule of Guarantee and Indemnity Agreements**  
**As at December 31, 2025**  
**(Unaudited)**

The Strathcona Regional District has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

**Strathcona Regional District**  
**Schedule of Remuneration and Expenses**  
**As at December 31, 2025**  
**(Unaudited)**

Schedule V

<b>Name</b>	<b>Position/Area Represented</b>	<b>Remuneration</b>	<b>Expenses</b>	<b>Total</b>
<b>Elected and Appointed Officials</b>				
Baker, M.	Director, Village of Sayward, Board Chair	\$ 56,804	\$ 17,070	\$ 73,874
Browne, T.	Alternate Director - Area D	320	-	320
Chapman, D.	Director, City of Campbell River	21,743	-	21,743
Colborne, J.	Director, Village of Zeballos	23,598	3,480	27,078
Dahl, K.	Director, City of Campbell River	23,564	-	23,564
Davis, M.	Director, Village of Tahsis	23,686	2,708	26,394
Fowler, S.	Alternate Director, Village of Tahsis	340	497	837
Grunerud, C.	Commissioner, Strathcona Gardens Commission	1,280	-	1,280
Jack, M.	Director, Ka:'yu:'k't'h'/Che:k:tles7et'h' First Nations	24,418	-	24,418
Johnson, J	Alternate Director, Village of Sayward	220	-	220
Kerr, R.	Director, City of Campbell River	23,068	-	23,068
Lanyon, B.	Director, City of Campbell River	20,844	-	20,844
Lott, M.	Director, Village of Gold River	21,441	1,004	22,445
Mawhinney, R.	Director, Electoral Area C	71,480	8,600	80,081
Rice, J.	Director, Electoral Area D	68,636	5,581	74,217
Sinnott, S.	Director, City of Campbell River, Vice Chair	24,140	-	24,140
Smyth, S.	Alternate Director, City of Campbell River	1,368	-	1,368
Vonesch, M.	Director, Electoral Area B	72,446	6,520	78,967
Whalley, G.	Director, Electoral Area A	71,900	11,169	83,069
		<b>\$ 551,300</b>	<b>\$ 56,629</b>	<b>\$ 607,929</b>
<b>Employees</b>				
Barber, J	Senior Building Official, Level III	95,394	2,188	97,582
Blanchard, J.	Parks & Facilities Technician	90,123	20	90,144
Chamberlain, K	Land Use Planner II	93,380	2,713	96,094
Clark, K.	Senior Accountant	99,936	2,494	102,430
Fisher, S.	Manager Strategic Initiatives	109,312	2,007	111,319
Girdler, A	Land Use Planner II	100,985	3,237	104,222
Harmston, M.	Chief Financial Officer	162,958	2,291	165,248
Heath, A.	Senior Human Resources Manager	122,094	1,589	123,683
Holloway, K	Wildfire Risk Reduction Coordinator	86,932	7,255	94,187
Kentrop, R. *	Senior Manager Strathcona Gardens	140,533	-	140,533
Koopman, S.	Manager Emergency Services	107,942	3,560	111,502
Leitch, D.*	Chief Administrative Officer	244,336	11,561	255,897
Longhurst, C	Emergency Support Services Assistant	79,645	7,262	86,907
Madelung, S.	Manager Aquatics & Fitness	112,961	2,824	115,785
Mack, A	Facility Operations Supervisor	78,341	1,669	80,010
Matheson, N.	Facility Operations Supervisor	91,506	-	91,506
McCaughan, B	Manager Information Technology	101,915	-	101,915
Movold, D	Rehabilitation and Fitness Coordinator	74,709	912	75,621
Nelson, A.	Senior Manager Community Services	162,958	28	162,986
Parada, W.	Senior Manager Engineering Services	162,958	6,573	169,530

**Strathcona Regional District**  
**Schedule of Remuneration and Expenses (continued)**  
**As at December 31, 2025**  
**(Unaudited)**

Schedule V

<b>Name</b>	<b>Position/Area Represented</b>	<b>Remuneration</b>	<b>Expenses</b>	<b>Total</b>
Popove, E.	Manager Communications and Engagement	106,966	2,983	109,949
Robertson, C.	Manager Arenas & Administration	117,229	438	117,667
Robinson, K.	Indigenous Engagement Coordinator	86,750	5,920	92,669
Sauer, D.	Geographic Information Systems Analyst	99,936	-	99,936
Snow, S.	Financial Services Technician II	78,223	249	78,472
Starkey, M.	Manager Planning and Parks	121,022	832	121,854
Stewart, M.	Social Planner	95,041	7,272	102,313
Wasyliw, B.	Corporate Services Assistant	78,835	3,961	82,796
Watson, E.	Manager Corporate Operations	106,494	2,930	109,424
Yates, T.	Senior Manager Corporate Services	176,596	309	176,905
<i>* Includes accrued vacation payout</i>		<b>\$ 3,386,007</b>	<b>\$ 83,078</b>	<b>\$ 3,469,085</b>

Add: employees with remuneration less than \$75,000

\$ 3,648,943	\$ 69,334	\$ 3,718,276
<b>\$ 7,034,950</b>	<b>\$ 152,411</b>	<b>\$ 7,187,361</b>

**Total remuneration and expenses for elected officials and employees**

<b>\$ 7,586,250</b>	<b>\$ 209,040</b>	<b>\$ 7,795,290</b>
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Reconciling items, including adjustments for accrual-based accounting.

1,607,947

**Total Labour and Benefits per Schedule 1 of Financial Statements**

<b>\$ 9,194,197</b>
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ation Regulation, Schedule 1, section 6(2), (3), (4), (5), and (6)

**Strathcona Regional District  
Statement of Severance Agreements  
As at December 31, 2025  
(Unaudited)**

There were no severance agreements made between the Strathcona Regional District and its non-unionized employees during the year ended December 31, 2025.

**Strathcona Regional District**  
**Schedule of Payments to Suppliers**  
**As at December 31, 2025**  
**(Unaudited)**

<b>Service Supplier Name</b>	<b>Amount Paid</b>
0932591 BC LTD dba MSA Ford Sales	\$ 85,752
43K Wilderness Solutions Inc	35,410
Acklands-Grainger Inc	30,325
1561097 BC Ltd O/A Advanced Builders &	248,173
All Clear Septic Services	59,112
Avon Russell	45,511
B.C. Hydro	398,517
Blue Water Systems Ltd	210,189
BMG Industries Inc dba 72 Hours	67,936
Broadstreet Properties	632,932
Bunzl Cleaning and Hygiene	34,661
Centra Construction Ltd	591,855
Cortes Island Fire-Fighting Association	426,102
Cimco Refrigeration	72,580
City of Campbell River	2,774,883
Citywest Cable & Telephone Co	439,909
ClearTech Industries Inc	45,069
Container Bros Towing and Transport	33,631
Campbell River Search & Rescue Society	26,903
Comox Valley Regional District	100,489
Denham Cathy	37,449
Edgett Excavating Ltd	2,515,935
Energy In-Hybrid Solutions Inc	113,400
Essential Water Works Inc.	97,077
Fine-Line Septic and Drainage	37,065
FortisBC-Natural Gas	226,051
Friends of Cortes Island Society	25,858
Geowest Engineering Ltd.	27,065
HCMA Architecture & Design	609,565
Heatherbrae Builders Co. Ltd.	26,836,211
Homalco First Nation (Xw malhkwu)	332,150
Houle Electric Limited	169,203
Islandscape Contracting	35,808
ISL Engineering and Land Services Ltd.	31,708
Ka:'yu:'k't'h'/Che:k'tles 7et'h' First Nations	295,235
Kendrick Equipment (2003) Ltd	55,260
Kerr Wood Leidal Associates Ltd	68,185
Koers & Associates Engineering Ltd	85,950
Kyline Construction Ltd	170,656
Andrew LaCroix Law Corporation	38,797

*Prepared pursuant to the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2*

**Strathcona Regional District**  
**Schedule of Payments to Suppliers (continued)**  
**As at December 31, 2025**  
**(Unaudited)**

<b>Service Supplier Name</b>	<b>Amount Paid</b>
E. Lees & Associates Consulting Ltd.	\$ 79,272
Lewkowich Engineering Associates Ltd	48,884
LIT Aquatics Ltd	28,466
Master Care Janitorial and Facility Services Inc	46,127
McElhanney Ltd	183,067
MNP LLP	31,339
Michael Oviatt Trucking Ltd	77,039
Minister of Finance - Employer Health Tax	202,906
Moneris Solutions	45,564
Municipal Finance Authority of BC	1,825,611
Municipal Insurance Association of British	87,257
Municipal Pension Plan	959,175
New-Line Products Ltd. DBA New-Line Hose &	48,943
North Island 911 Corporation	612,913
North Island Communications Inc.	51,054
Northwest Hydraulic Consultants Ltd	32,440
Nuchatlaht First Nation	327,351
Open Door Ventures	43,575
Osprey Electric Ltd	141,790
Peters Paul B	33,360
Pacific Industrial & Marine Ltd.	714,765
Polar Engineering	27,071
ProCanPlus - Procurement Canada Plus Inc	29,295
Quadra Island Recreation Society	266,944
Radioworks Communications Inc.	108,450
RBC Life Insurance Company-Group	463,305
Receiver General For Canada	2,231,725
Reef Point Falling Contractor Ltd	42,331
Rewilding Water & Earth Inc.	81,542
River Ink Printing and Signs Ltd	27,826
Rocky Mountain Phoenix	97,178
Ryzuk Geotechnical Ltd	41,881
Sayward Community Recreation Association	29,257
School District No. 72 - Campbell River	228,166
Seaway Diving Ltd.	47,385
Shaw Telecom GP	50,339
Sigma Saftey Corp.	81,729
Softchoice LP	35,711
SoftwareONE Canada Inc.	75,141

*Prepared pursuant to the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2*

**Strathcona Regional District**  
**Schedule of Payments to Suppliers (continued)**  
**As at December 31, 2025**  
**(Unaudited)**

<b>Grant Supplier Name</b>	<b>Amount Paid</b>
Southern Cortes Community Association	73,717
Steven Snyder Consulting	29,076
Sysco Victoria	34,102
TK Elevator (Canada) Limited	26,132
Total Prepare Inc	135,323
Uline Canada Corporation	142,945
Upanup Studios Inc.	50,203
Urban Systems Ltd	56,166
US Bank National Association	542,268
United Steelworkers - Local 1-1937	53,212
Verschuur Margaret dba VEM Contracting	70,867
Village of Port Alice	38,420
Village of Gold River	54,232
Village of Tahsis	1,281,655
Village of Sayward	38,297
VINCOVI Technology Solutions Inc.	98,550
Vancouver Island Regional Library	2,027,199
Waste Management of Canada Corporation	61,599
Navacord Insurance Services British Columbia	188,967
WFR Wholesale Fire & Rescue Ltd	30,964
Whaletown Community Club	30,275
WorkSafeBC	190,050
<b>Total suppliers over \$25,000</b>	<b>\$ 53,008,959</b>
Cortes Island Community Foundation	100,000
<b>Total grants over \$25,000</b>	<b>\$ 100,000</b>
<b>Total suppliers and grants under \$25,000</b>	<b>\$ 1,835,639</b>
<b>Total payments to suppliers and grants</b>	<b>\$ 54,944,598</b>
<b>Adjustments:</b>	
Debt principal repaid	(53,649)
Acquisition of tangible capital assets	(37,039,433)
Amortization expense on tangible capital assets	1,681,814
Labour and benefits	9,194,197
Change in accounts payable and accrued expenses, and payments for non-expense items	(4,573,179)
<b>Total Expense per Consolidated Financial Statements, Statement B</b>	<b>\$ 24,154,348</b>

*Prepared pursuant to the Financial Information Regulation, Schedule 1, section 7 and the Financial Information Act, section 2*



#301 – 990 Cedar Street,  
Campbell River, BC  
V9W 7Z8



[finance@srd.ca](mailto:finance@srd.ca)



Tel: 250-830-6700  
Toll free: 1-877-830-2990



[www.srd.ca](http://www.srd.ca)