



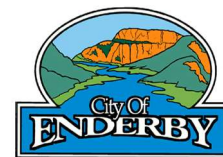
CITY OF ENDERBY

2024 ANNUAL REPORT

MISSION STATEMENT

OUR MISSION IS TO DELIVER HIGH QUALITY AND AFFORDABLE SERVICES TO ENHANCE A HEALTHY AND SUSTAINABLE, INCLUSIVE COMMUNITY FOR TODAY AND TOMORROW.

Published by the Corporation of the City of Enderby
in accordance with Part 4, Division 5 of the *Community Charter*



City of Enderby

2024 Annual Report

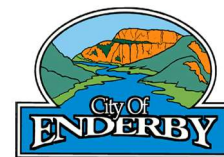
AUDITED FINANCIAL STATEMENTS

- The 2024 Audited Financial Statements were presented and approved by Council on April 22, 2025 and are included at the end of this Annual Report.

PERMISSIVE PROPERTY TAX EXEMPTIONS

- The following properties in the City of Enderby were provided permissive tax exemptions by Council in 2024. The dollar value to the right indicates the amount of property taxes that would have been imposed on the property in that year, had it not been granted a permissive property tax exemption.

Name	Civic Address	Amount (\$)
Turning Points Collaborative Society (Pioneer Place)	1104 Belvedere Street	11,756
Enderby & District Senior Citizen's Complex	606 Stanley Avenue	2,268
Enderby & District Senior Citizen's Complex	1011 George Street	3,613
Enderby Seniors Housing Society (Phase 2)	708 Granville Avenue	15,202
Enderby Fraternal Hall Society	507 Mill Avenue	1,443
Royal Canadian Legion Branch # 98	909 Belvedere Street	1,678
St. Andrew's United Church	606 Regent Avenue	1,204
St. Andrew's United Church	1110 Belvedere Street	768
Enderby Evangelical Chapel	706 Mill Avenue	997
Synod Diocese Kootenay (St. George Anglican Church)	602 Knight Avenue	1,239
Synod Diocese Kootenay (St. George Anglican Church)	608 Knight Avenue	727
Enderby Congregation of Jehovah's Witnesses	115 George Street	4,146
Roman Catholic Bishop of Kamloops	1406 George Street	1,585
Seventh-Day Adventist Church	703 Old Vernon Street	2,799
Imperial Oil Ltd. (City Hall parking lot)	907 George Street	2,950
City of Enderby (Enderby Drill Hall Committee)	208 George Street	3,511
City of Enderby (Enderby Drill Hall Committee)	206 George Street	1,180
City of Enderby (Enderby Drill Hall Committee)	204 George Street	1,914
City of Enderby (Enderby & District Museum Society)	903 George Street	6,388
Total Tax Exemptions provided for 2024		\$65,368



REPORT ON SERVICES AND OPERATIONS IN 2024

Administration and Governance

- Continued to build dialogue and foster opportunities for cooperation and collaboration with neighbouring and regional partners.
- Hosted a “coffee with Mayor & Council” event.
- Participated in the regional accessibility committee.
- Staff participated in indigenous cultural safety and cultural humility training.

Economic

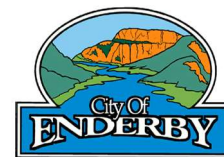
- Continued to offer case managed planning services for development.
- Continued to offer perpetual business licenses to cut red tape for businesses.
- Continued to provide office space in City Hall for Community Futures small business advisors.
- Completed and promoted a community marketing video.
- Conducted a Business Walk to engage local businesses.

Emergency Management and Community Safety

- Continued to enhance relationships with neighbouring jurisdictions involved in emergency management.
- Purchased a new pumper/rescue truck for the Fire Department.
- Purchased a new command/utility truck for the Fire Department.
- Tested the emergency siren at the Fire Hall and developed protocols for future use.
- Continued to participate in inter-agency meetings of community support and social service groups.
- Initiated the development of a Community Wildfire Resiliency Plan.
- Participated in the North Okanagan Community FireSmart and Resiliency Committee.
- Continued to implement a local FireSmart program, which included hosting FireSmart events and fostering education and awareness of FireSmart principles.
- Initiated the implementation of the indigenous engagement requirements within the Emergency and Disaster Management Act.
- Purchased and deployed traffic calming equipment including a radar unit for the collection of traffic data and a radar speed sign for deployment in critical areas, including school zones.
- Continued to work with the RCMP to sustain and enhance a safe community.

Environment

- Continued to reduce emissions by operating a biomass heating system at the City's public works yard, which services the public works shop, sewer treatment plant, and dog pound, and participating in a biomass district heating system for the Enderby Pool.



- Hosted the annual Our Enderby Cleanup Challenge.
- Implemented a water conservation and drought management framework.
- Continued to provide the curbside spring pruning and garden waste collection program.

Infrastructure and Asset Management

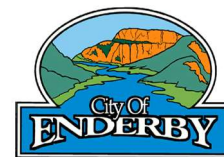
- Completed reconstruction of the 700 block of Russell Avenue.
- Planned for the reconstruction of Reservoir #1.
- Continued to invest 1% new taxation in asset management.
- Completed a review, verification and update to the City of Enderby's asset inventory.
- Updated the City's Geographic Information System and deployed to Public Works workstations.
- Continued concept design work for expansion of the water treatment plant and water distribution system.

Recreation, Events, and Public Spaces

- Completed the design and construction documents for the new pool.
- Restored the refrigeration system at the Enderby & District Sports Complex to operating condition.
- Completed the distribution of Community Better Challenge funds to various recreation opportunities in the community.
- Provided support to the Shuswap River Ambassadors.
- Expanded the cremation garden at the cemetery.
- Provided an annual grant for the Shuswap Trails Roundtable.
- Completed the renewal of street banners in various locations in the City.
- Continued the operational agreement with Shuswap Trail Alliance for trail planning and development services.
- Sponsored the Garden Club's installation of a feature sign at Cornerstone Garden.
- Established a Public Art Select Committee to review existing public art within the community, and identify opportunities for new, improved or changed public art.
- Installed stone planters at Veterans Park.

Social Health, Food Security, and Housing

- Continued to recognize community volunteers.
- Continued to provide space to the Harvest Hut in the Maud Street parking lot.
- Continued to provide space on Cliff Avenue to support the Enderby Farmers Market.
- Updated the Zoning Bylaw to permit small-scale, multi-unit housing in single-family/two-family zoning designations, consistent with provincial legislation.
- Updated the Housing Needs Assessment Report consistent with provincial legislation.



DECLARATION OF DISQUALIFIED COUNCIL MEMBERS

- None.

DEVELOPMENT COST CHARGES

	<i>Balance Dec 31/23</i>	<i>Received in 2024</i>	<i>Interest Earned in 2024</i>	<i>Expended / Credited in 2024</i>	<i>Balance Dec 31/24</i>
Sewer	273,089	7,722	13,992	0	294,803
Water	522,353	7,220	26,609	0	556,182
Storm Sewer	2,878	0	146	0	3,024
Roads/Curbs	217,821	0	11,035	0	228,856
Total	1,016,141	14,942	51,782	0	1,082,865

OFF-STREET PARKING RESERVE FUND

- There are no funds in this reserve.

OBJECTIVES AND PROGRESS MEASURES FOR 2025

Administration and Governance

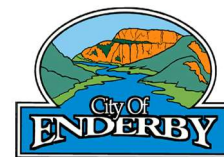
- Continue to build dialogue and foster opportunities for cooperation and collaboration with neighbouring and regional partners.
- Host “coffee with Mayor & Council” events.
- Participate in the regional accessibility committee.

Economic

- Continue to offer case managed planning services for development.
- Continue to offer perpetual business licenses to cut red tape for businesses.
- Continue to provide office space in City Hall for Community Futures small business advisors.
- Support Community Futures North Okanagan with the Rail Trail business readiness initiative.
- Hold another Business Walk to engage with local businesses.

Emergency Management and Community Safety

- Continue to enhance relationships with neighbouring jurisdictions involved in emergency management.



- Install backup power for the Fire Hall.
- Install new gear racking in the Fire Hall.
- Continue to participate in inter-agency meetings of community support and social service groups.
- Finalize the Community Wildfire Resiliency Plan.
- Continue to participate in the North Okanagan Community FireSmart and Resiliency Committee.
- Continue to implement a local FireSmart program and bolster the program by applying for funding through the FireSmart Community Funding and Supports grant program.
- Continue to implement the indigenous engagement requirements within the Emergency and Disaster Management Act.
- Continue to work with the RCMP to sustain and enhance a safe community.
- Purchase additional equipment and supplies for the City's primary Emergency Operations Centre in order to strengthen the resiliency of the facility.

Environment

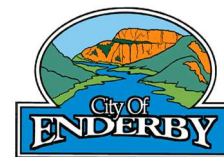
- Continue to reduce emissions by operating a biomass heating system at the City's public works yard, which services the public works shop, sewer treatment plant, and dog pound, and participating in a biomass district heating system for the Enderby Pool.
- Host the annual Our Enderby Cleanup Challenge.
- Continue to provide the curbside spring pruning and garden waste collection program.

Infrastructure and Asset Management

- Reconstruct Granville Avenue, west of George Street.
- Reconstruct Reservoir #1.
- Continue to invest 1% new taxation in asset management.
- Complete concept design work and develop a financial strategy to support the expansion of the water treatment plant.
- Complete design work for the renewal of King Avenue between Vernon Street and George Street.
- Commence design work for the reconstruction of Brickyard Road north of Danforth Avenue.

Recreation, Events, and Public Spaces

- Commence construction on the new outdoor pool.
- Provide support to the Shuswap River Ambassadors.
- Provide annual grant for the Shuswap Trails Roundtable.
- Plant new trees at Barnes Park, Riverside Park, and Cliff Avenue.
- Replace the dugout roofs at Diamond 1 and Diamond 2 at Riverside Park.
- Purchase a new digital sign for the John Pritchard Memorial Sports Complex.
- Complete the construction of a pedestrian walkway along the unpaved portion of Waterwheel Street in order to improve pedestrian safety.



- Implement the City of Enderby Public Art Sculpture Program.
- Continue the operational agreement with Shuswap Trail Alliance for trail planning and development services.

Social Health, Food Security, and Housing

- Continue to recognize community volunteers.
- Continue to provide space to the Harvest Hut in the Maud Street parking lot.
- Continue to provide space on Cliff Avenue to support the Enderby Farmers Market.
- Complete updates to the Zoning Bylaw and Official Community Plan to align with the Housing Needs Report, consistent with provincial housing legislation.
- Install a water connection in the Mill Avenue road dedication in support of a future community garden.

**THE CORPORATION OF THE CITY
OF ENDERBY**

FINANCIAL STATEMENTS

For the year ended December 31, 2024

THE CORPORATION OF THE CITY OF ENDERBY

December 31, 2024

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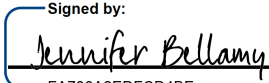
Management's Responsibility for Financial Reporting

These financial statements and accompanying schedules of the City of Enderby are the responsibility of management and have been prepared in accordance with generally accepted accounting principles for local governments as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Management is responsible for implementing and maintaining a system of internal controls that are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are regularly monitored and evaluated by management.

These financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the City of Enderby. The following Independent Auditor's Report describes their responsibilities, scope of examination and opinion on the City's financial statements. The auditors have full and free access to the accounting records and Council.

Signed by:



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Chief Financial Officer

April 22, 2025



Tel: 250 545 2136
Fax: 250 545 3364
www.bdo.ca

BDO Canada LLP
2706 - 30th Avenue
Suite 202
Vernon BC V1T 2B6 Canada

Independent Auditor's Report

To the Mayor and Council of the Corporation of the City of Enderby

Opinion

We have audited the financial statements of the Corporation of the City of Enderby (the City), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2024, and the statements of operations, change in net financial assets, and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in Schedule II - Enderby/Area F Services of the City's financial statements. Our audit report is not modified in respect of this.

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

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

In preparing the financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Vernon, British Columbia
April 23, 2025

THE CORPORATION OF THE CITY OF ENDERBY

Statement of Financial Position

As at December 31, 2024

	2024	2023
Financial assets		
Cash	\$ 3,442,874	\$ 4,284,427
Portfolio investments (Note 3)	11,814,347	9,412,016
Accounts receivable (Note 4)	1,533,211	1,098,424
Deposit - Municipal Finance Authority (Note 5)	39,080	37,765
	16,829,512	14,832,632
Liabilities		
Accounts payable and accrued liabilities (Note 6)	718,359	510,053
Deferred revenue (Note 7)	2,577,335	2,234,307
Reserve - Municipal Finance Authority (Note 5)	39,080	37,765
Long-term debt (Note 8)	1,911,248	2,037,132
Asset retirement obligations (Note 9)	1,317,848	1,062,656
	6,563,870	5,881,913
Net financial assets	10,265,642	8,950,719
Non-financial assets		
Prepaid expenses	80,375	95,764
Tangible capital assets (Note 10)	34,797,559	31,054,563
Accumulated surplus (Note 11)	\$ 45,143,576	\$ 40,101,046

Contingent Liabilities (Note 13)

Chief Financial Officer  Signed by:
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THE CORPORATION OF THE CITY OF ENDERBY

Statement of Operations

For the year ended December 31, 2024

	2024 Budget	2024 Actual	2023 Actual
	(Note 19)		
Revenue			
Taxation - net (Note 14)	\$ 2,776,200	\$ 2,742,880	\$ 2,558,390
Grants and subsidies (Note 15)	5,117,920	2,708,278	3,323,472
Sale of services (Note 16)	2,426,263	2,605,841	2,213,943
Other revenue from own sources	104,780	114,627	200,377
Interest and penalties	521,900	704,305	548,643
Developer contributions	-	2,125,862	-
	10,947,063	11,001,793	8,844,825
Expenses (Note 17)			
General government services	1,371,299	1,030,104	921,045
Protective services	624,100	362,641	379,515
Transportation services	723,119	1,003,129	958,087
Solid waste services	122,000	118,239	115,751
Community development services	53,700	26,352	30,887
Recreational and cultural services	204,600	127,828	107,173
Riverside RV Park & tourism services	299,400	255,537	242,668
Enderby / Area F services	1,077,740	1,100,351	1,033,728
Water supply	744,910	1,167,592	914,479
Sewer services	680,828	758,544	789,248
	5,901,696	5,950,317	5,492,581
Excess revenue over expenses	5,045,367	5,051,476	3,352,244
Loss on disposal of tangible capital assets	-	(8,946)	(15,131)
Annual surplus	\$ 5,045,367	\$ 5,042,530	\$ 3,337,113
Accumulated surplus, beginning of year	40,101,046	40,101,046	36,763,933
Accumulated surplus, end of year	\$ 45,146,413	\$ 45,143,576	\$ 40,101,046

THE CORPORATION OF THE CITY OF ENDERBY

Statement of Change in Net Financial Assets

For the year ended December 31, 2024

	2024	2023
Annual surplus	\$ 5,042,530	\$ 3,337,113
Amortization of tangible capital assets	1,308,668	1,312,955
Change in prepaid expenses	15,389	(22,144)
Increase in tangible capital assets due to asset retirement obligations	-	(1,018,807)
Disposal of tangible capital assets	27,326	15,131
Acquisition of tangible capital assets	<u>(5,078,990)</u>	<u>(695,582)</u>
Increase in net financial assets	1,314,923	2,928,666
Net financial assets, beginning of year	<u>8,950,719</u>	<u>6,022,053</u>
Net financial assets, end of year	\$ 10,265,642	\$ 8,950,719

THE CORPORATION OF THE CITY OF ENDERBY

Statement of Cash Flows

For the year ended December 31, 2024

	2024	2023
Cash flows from operating activities		
Cash received from:		
Taxation	\$ 2,776,696	\$ 2,479,476
Grants and subsidies	2,866,329	3,587,647
Sale of services and other revenues	2,436,842	2,931,288
Interest received	704,305	548,643
Cash paid for:		
Cash payments to suppliers and employees	(3,994,738)	(3,931,766)
Interest paid	(168,021)	(151,387)
	4,621,413	5,463,901
Financing activities		
Debt repayment	(125,887)	(119,208)
Capital activities		
Purchase of tangible capital assets	(2,953,129)	(695,582)
Proceeds on disposition of tangible capital assets	18,381	
Investing activities		
Increase (decrease) in portfolio investments	(2,402,331)	(695,290)
Increase (decrease) in cash	(841,553)	3,953,821
Cash, beginning of year	4,284,427	330,606
Cash, end of year	\$ 3,442,874	\$ 4,284,427

THE CORPORATION OF THE CITY OF ENDERBY

Summary of Significant Accounting Policies

For the year ended December 31, 2024

1. Status of the City of Enderby

The City of Enderby ("the City") is a municipality that was created on March 1, 1905 under the laws of British Columbia. The City provides municipal services such as public works, sewer, water, urban planning, fire protection services, and recreational and cultural services and other general government operations.

2. Significant Accounting Policies

a. Basis of Accounting

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. The financial statements include the accounts of all funds of the City. All interfund transfers have been eliminated. The significant policies are summarized as follows:

b. School Taxes

The City is required by *The School Act* to bill, collect, and remit provincial education support levies for properties on behalf of the Province, and school division special levies on behalf of school divisions. The City has no jurisdiction or control over the school division's operations or their mill rate increases. Therefore, the taxation, other revenues, expenses, assets and liabilities with respect to the operations of school boards are not reflected in these financial statements.

c. Portfolio Investments

Portfolio investments consist of term deposits in Canadian Chartered Banks and Canaccord Genuity, and deposits with the Municipal Finance Authority pooled investment money market fund and are recorded at cost plus earnings reinvested in the funds, which approximates their quoted market value. These investments have an effective average interest rate of 4.9% (2023 - 4.9%).

d. Deferred Revenue

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or tangible capital assets are acquired or constructed.

e. Financial Instruments

Financial instruments include cash, portfolio investments, accounts receivable, accounts payable, deferred revenue, deposits and long-term debt.

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. There are no unrealized changes in fair value as at December 31, 2024 and December 31, 2023. As a result, the City does not have a statement of remeasurement gains and losses.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the

THE CORPORATION OF THE CITY OF ENDERBY

Summary of Significant Accounting Policies

For the year ended December 31, 2024

period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

f. Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses provides the Change in Net Financial Assets for the year.

i. Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset. The cost, less residual value, of the tangible capital assets are amortized on a straight line basis over their estimated useful life as follows:

Buildings	20 to 50 years
Engineering structures	15 to 65 years
Machinery and equipment	6 to 30 years
Hydrants	40 years
Planters	15 to 25 years
Roads	15 to 75 years
Storm system	25 to 80 years
Water mains	50 to 80 years
Water system	15 to 50 years
Sanitary sewer system	5 to 30 years
Sewer mains and lift stations	30 to 80 years

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

ii. Contributions of tangible capital assets

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

iii. Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

g. Asset Retirement Obligations

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

1. There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
2. The past transaction or event giving rise to the liability has occurred;
3. It is expected that future economic benefits will be given up; and

THE CORPORATION OF THE CITY OF ENDERBY

Summary of Significant Accounting Policies

For the year ended December 31, 2024

4. A reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date, which is amortized in accordance with the significant accounting policies.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the asset. The obligation is adjusted annually for accretion to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

h. Revenue Recognition

Taxation is recognized as revenue in the year it is levied. Sale of services and user fees are recognized when the service or product is provided by the City. Interest and penalties and all other revenue is recognized as it is earned and when it is measurable.

Government grants and transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for expenditures not yet incurred are included in deferred revenue.

i. Debt Charges

Debt charges, including principal, interest and foreign exchange are charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

j. Reserves

Reserves for future expenditures are included in accumulated surplus and represent amounts set aside for future operating and capital expenditures.

k. Retirement Benefits

The City participates in a multi-employer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting. Therefore, the City accounts for the plan as if it were a defined contribution plan. As such, no pension liability is included in the City's financial statements and contributions are recognized as an expense in the year to which they relate. All full-time employees are eligible to participate in the plan. Contributions are defined amounts based upon a set percentage of salary.

Employees are entitled to sick leave benefits, accrued monthly, to a maximum of 120 days. Sick leave benefits are not paid out at retirement and can only be taken during the term of employment.

l. Liability for Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the City is directly responsible or accepts responsibility, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

m. Government Transfers

When the City is the recipient, government transfers are recognized as revenue in the financial statements when the

THE CORPORATION OF THE CITY OF ENDERBY

Summary of Significant Accounting Policies

For the year ended December 31, 2024

transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

n. Budget Figures

The budget figures are from the Financial Plan Bylaw No. 1788, 2024 adopted May 6, 2024. They have been reallocated to conform to PSAB financial statement presentation. Subsequent amendments, if any, have been made by Council to reflect changes in the budget as required by law.

o. Use of Estimates

The financial statements of the City have been prepared by management in accordance with Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board. As such, management is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates and assumptions are based on the City's best information and judgment and may differ significantly from actual results. The financial statements have, in the opinion of management, been prepared using careful judgment within the reasonable limits of materiality and within the framework of the accounting policies identified.

Notes to Financial Statements

3. Portfolio Investments

The term deposits mature between February 3, 2025 and November 16, 2026 with interest rates varying from 3.8% to 5.7%.

	2024	2023
Federal Government	\$ 51,341	\$ 25,005
Trade receivables	1,285,958	853,631
Taxes receivable - current	168,765	188,769
arrears	27,147	31,019
	<u>\$ 1,533,211</u>	<u>\$ 1,098,424</u>

The City issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature and are not reflected in the accounts. The details of the cash deposits and demand notes at the year end are as follows:

6. Accounts Payable and Accrued Liabilities

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THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

7. Deferred Revenue

Deferred revenue consists primarily of Development Cost Charges (DCCs), refundable deposits for building permits, conditional grants and prepaid revenues. DCCs are restricted by bylaw in their use for road, drainage, sewer and water expenses and the revenue is deferred until expenses are incurred. Refundable deposits include security deposits and building inspection surcharges that are refundable to the applicant if all conditions of the building permit are completed within 24 months of issuance. Conditional grants are recognized as revenue when all criteria have been met. Prepaid revenues are recognized in the year that the associated fee is levied.

	December 31, 2023	Inflows	Outflows	Interest	December 31, 2024
Development cost charges	\$ 1,016,141	\$ 14,942	\$ -	\$ 51,782	\$ 1,082,865
Refundable deposits	712,266	253,074	(326,159)	37,543	676,724
Conditional grants	196,036	391,837	(58,825)	-	529,048
Prepaid revenues	309,864	253,894	(283,830)	8,770	288,698
	<u>\$ 2,234,307</u>	<u>\$ 913,747</u>	<u>\$ (668,814)</u>	<u>\$ 98,095</u>	<u>\$ 2,577,335</u>

8. Long-Term Debt

Bylaw number	Purpose	Term remaining	% Rate	2024	2023
General fund					
1590	Road upgrades	12	2.10	\$ 312,454	\$ 333,828
1544	Road upgrades	11	2.20	285,012	305,965
1525	Road upgrades	10	4.52	186,206	201,119
1494	Storm system upgrade	19	4.52	644,418	668,040
1502	Road upgrades	9	4.52	371,240	405,833
1503	Road upgrades	9	4.52	111,918	122,347
				<u>\$ 1,911,248</u>	<u>\$ 2,037,132</u>

The municipality is committed to principal requirements, including sinking fund additions, over the next 5 years and thereafter as follows:

	General fund
2025	\$ 130,624
2026	135,085
2027	139,700
2028	144,473
2029	149,409
2030 and subsequent periods	<u>1,211,957</u>
	<u>\$ 1,911,248</u>

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

9. Asset Retirement Obligations

The City's asset retirement obligation consists of several obligations as follows:

a) Asbestos obligations

The City owns and operates several buildings and structures that are known to have asbestos, which represents a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials and as such, the liability for asbestos removal has been recognized under *PS280 - Asset Retirement Obligations*. The assets have estimated remaining useful lives ranging from 10 to 40 years.

b) Lease obligations

The City holds several long-term lease properties, which there is a legal obligation to remove improvements on the property upon the termination of the lease and as such, the liability for the costs of removal have been recognized under *PS280 - Asset Retirement Obligations*. The assets have estimated remaining useful lives ranging from 14 to 78 years.

Estimated future cash flows totaling \$3,894,453 have been discounted using a present value calculation with a discount rate of 4.4% to provide an estimate of the City's current asset retirement obligation. No recoveries on the obligations are expected at this time.

	December 31, 2023	Accretion	December 31, 2024
Asbestos obligations	\$ 260,948	\$ 76,720	\$ 337,668
Lease obligations	801,708	178,472	980,180
	<u>\$ 1,062,656</u>	<u>\$ 255,192</u>	<u>\$ 1,317,848</u>

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

10. Tangible Capital Assets

<u>2024</u>	Historical Cost					Accumulated Amortization				Net Book Value
	Opening	Additions	Additions due to ARO	Disposals	Closing	Opening	Additions	Disposal	Closing	
General fund										
Land	\$ 1,648,517	\$ -	\$ -	\$ -	\$ 1,648,517	\$ -	\$ -	\$ -	\$ -	\$ 1,648,517
Building sites and parks	2,953,287	81,585	-	-	3,034,872	1,999,925	87,549	-	2,087,474	947,398
Engineering structures	1,039,037	18,001	-	-	1,057,038	396,939	38,905	-	435,844	621,194
Furniture and equipment	325,767	144,998	-	6,827	463,938	242,976	28,123	6,826	264,273	199,665
Hydrants	186,643	-	-	-	186,643	160,181	2,460	-	162,641	24,002
Machinery and equipment	2,519,032	869,053	-	239,131	3,148,954	1,824,884	96,058	217,714	1,703,228	1,445,726
Planters	118,329	-	-	-	118,329	111,037	1,215	-	112,252	6,077
Roads	18,060,670	1,777,877	-	36,273	19,802,274	8,247,359	436,734	33,656	8,650,437	11,151,837
Storm system	9,788,303	784,884	-	49,575	10,523,612	4,475,000	108,509	49,575	4,533,934	5,989,678
Assets under construction	511,397	687,863	-	389,584	809,676	-	-	-	-	809,676
	37,150,982	4,364,261	-	721,390	40,793,853	17,458,301	799,553	307,771	17,950,083	22,843,770
Water fund										
Buildings	1,132,931	-	-	-	1,132,931	750,030	33,049	-	783,079	349,852
Water mains	12,119,040	488,694	-	34,704	12,573,030	6,908,257	188,091	34,704	7,061,644	5,511,386
Water system	4,132,248	-	-	-	4,132,248	3,189,930	64,936	-	3,254,866	877,382
Assets under construction	96,208	123,078	-	-	219,286	-	-	-	-	219,286
	17,480,427	611,772	-	34,704	18,057,495	10,848,217	286,076	34,704	11,099,589	6,957,906
Sewer fund										
Buildings	133,966	-	-	-	133,966	66,985	3,349	-	70,334	63,632
Sanitary sewer system	4,919,328	-	-	-	4,919,328	3,135,614	137,157	-	3,272,771	1,646,557
Sewer mains and lift stations	5,847,714	492,543	-	9,081	6,331,176	2,984,111	82,534	5,789	3,060,856	3,270,320
Assets under construction	15,374	-	-	-	15,374	-	-	-	-	15,374
	10,916,382	492,543	-	9,081	11,399,844	6,186,710	223,040	5,789	6,403,961	4,995,883
	\$ 65,547,791	\$ 5,468,576	\$ -	\$ 765,175	\$ 70,251,192	\$ 34,493,228	\$ 1,308,669	\$ 348,264	\$ 35,453,633	\$ 34,797,559

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

10. Tangible Capital Assets - continued

2023	Historical Cost					Accumulated Amortization				Net Book Value
	Opening	Additions	Additions due to ARO	Disposals	Closing	Opening	Additions	Disposal	Closing	
General fund										
Land	\$ 1,648,517	\$ -	\$ -	\$ -	\$ 1,648,517	\$ -	\$ -	\$ -	\$ -	\$ 1,648,517
Building sites and parks	2,766,117	-	187,170	-	2,953,287	1,908,213	91,712	-	1,999,925	953,362
Engineering structures	1,008,562	-	30,475	-	1,039,037	358,613	38,326	-	396,939	642,098
Furniture and equipment	325,767	-	-	-	325,767	201,740	41,236	-	242,976	82,791
Hydrants	186,643	-	-	-	186,643	157,721	2,460	-	160,181	26,462
Machinery and equipment	2,478,919	40,113	-	-	2,519,032	1,726,135	98,749	-	1,824,884	694,148
Planters	118,329	-	-	-	118,329	106,506	4,531	-	111,037	7,292
Roads	17,882,299	213,729	-	35,358	18,060,670	7,837,707	429,879	20,227	8,247,359	9,813,311
Storm system	9,597,111	188,835	2,357	-	9,788,303	4,368,364	106,636	-	4,475,000	5,313,303
Assets under construction	457,720	78,983	-	25,306	511,397	-	-	-	-	511,397
	36,469,984	521,660	220,002	60,664	37,150,982	16,664,999	813,529	20,227	17,458,301	19,692,681
Water fund										
Buildings	966,257	-	166,674	-	1,132,931	717,555	32,475	-	750,030	382,901
Water mains	11,443,274	72,464	603,302	-	12,119,040	6,728,271	179,986	-	6,908,257	5,210,783
Water system	4,132,248	-	-	-	4,132,248	3,124,994	64,936	-	3,189,930	942,318
Assets under construction	14,721	81,487	-	-	96,208	-	-	-	-	96,208
	16,556,500	153,951	769,976	-	17,480,427	10,570,820	277,397	-	10,848,217	6,632,210
Sewer fund										
Buildings	133,966	-	-	-	133,966	63,636	3,349	-	66,985	66,981
Sanitary sewer system	4,900,991	-	18,337	-	4,919,328	2,999,074	136,540	-	3,135,614	1,783,714
Sewer mains and lift stations	5,791,945	45,277	10,492	-	5,847,714	2,901,971	82,140	-	2,984,111	2,863,603
Assets under construction	15,374	-	-	-	15,374	-	-	-	-	15,374
	10,842,276	45,277	28,829	-	10,916,382	5,964,681	222,029	-	6,186,710	4,729,672
	\$ 63,868,760	\$ 720,888	\$ 1,018,807	\$ 60,664	\$ 65,547,791	\$ 33,200,500	\$ 1,312,955	\$ 20,227	\$ 34,493,228	\$ 31,054,563

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

11. Accumulated Surplus

The accumulated surplus consists of individual fund balances and reserves as follows:

Surplus	2024	2023
Invested in tangible capital assets	\$ 31,867,510	\$ 27,998,626
General surplus	3,611,703	3,661,553
Enderby / Area F Joint Services surplus	668,038	655,556
Sewer surplus	1,423,174	1,285,696
Water surplus	452,248	534,891
	38,022,673	34,136,322
Reserve Funds		
Animal Control	32,796	30,358
Asset Management	333,676	278,384
Capacity Building	390,268	186,547
Cemetery	101,517	79,014
Community Works Fund (Gas Tax)	228,965	396,014
Computer Equipment	54,693	48,249
Equipment	774,174	643,665
Fire Department	264,759	456,775
Fortune Parks	1,054,163	626,237
Growing Communities Fund *	1,634,060	1,672,413
Parks	196,984	175,113
Riverside RV Park	97,445	75,614
Sewer System	1,140,313	591,317
Water System	817,090	705,024
	7,120,903	5,964,724
	\$ 45,143,576	\$ 40,101,046

*In 2023, the City received funding from the Province of British Columbia to assist in funding for capital infrastructure and amenities for future growth. The following shows how these funds were expended and the amount available for future years:

	2024	2023
Balance, beginning of year	\$ 1,672,413	\$ -
Funds received in March 2023	-	1,707,000
Interest earned	84,725	46,900
Eligible costs incurred:		
Drinking water supply and distribution	(123,078)	(81,487)
Balance, end of year	\$ 1,634,060	\$ 1,672,413

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

12. COVID-19 Safe Restart Grant

The City received funding from the Province of British Columbia to fund increased operating costs and revenue shortfalls due to COVID-19. The following shows how these funds were expended and the amount available for future years:

	2024	2023
Balance, beginning of year	\$ 418,239	\$ 546,660
Eligible costs incurred:		
Computer and technology costs	(30,470)	(45,374)
Facility operating costs	(80,548)	(51,700)
Protective services	(65,945)	(31,347)
Total eligible costs incurred	(176,963)	(128,421)
Balance, end of year	\$ 241,276	\$ 418,239

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

13. Contingent Liabilities

- (a) Regional District of North Okanagan: The City is a member of the Regional District of North Okanagan and is liable for its portion of any operating deficits or long-term debt related to functions in which it participates.
- (b) Municipal Insurance Association of BC: Commencing December 31, 1987, the City of Enderby entered into a self insurance scheme with British Columbia municipalities and regional districts. The City is obliged under the scheme to pay a percentage of its fellow insurers' losses. The City pays an annual premium, which is anticipated to be adequate to cover any losses incurred.
- (c) Pension Liabilities: The 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 next valuation will be as at December 31, 2024.

The Corporation of the City of Enderby paid \$96,720 (2023 - \$90,983) for employer contributions to the plan in fiscal 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.

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

14. Taxation

Taxation revenue comprises the following amounts raised less transfers:

	Budget	2024	2023
Taxation			
General municipal purposes	\$ 2,080,850	\$ 2,047,157	\$ 1,900,165
1% utility taxes	73,650	73,665	72,634
Water parcel	337,000	337,242	311,919
Sewer parcel	284,700	284,742	273,661
Collections for other governments			
School District	1,308,754	1,319,138	1,234,245
Policing	218,903	220,777	204,830
Regional District	488,154	492,334	465,111
Regional Hospital District	199,845	201,556	197,809
Municipal Finance Authority	174	176	168
B.C. Assessment Authority	31,687	31,961	29,900
Okanagan Regional Library	121,989	123,053	116,492
	5,145,706	5,131,801	4,806,934
Transfers			
School District	1,308,754	1,319,138	1,234,245
Policing	218,903	220,777	204,830
Regional District	488,154	492,300	465,119
Regional Hospital District	199,845	201,536	197,783
Municipal Finance Authority	174	176	168
B.C. Assessment Authority	31,687	31,961	29,900
Okanagan Regional Library	121,989	123,033	116,499
	2,369,506	2,388,921	2,248,544
	\$ 2,776,200	\$ 2,742,880	\$ 2,558,390

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

15. Government Grants and Transfers

	Budget	2024	2023
Federal			
Community works fund - Gas tax	\$ 197,500	\$ 201,288	\$ 196,917
Provincial			
Conditional	505,800	56,999	1,689,691
Fortune Parks - conditional	3,056,310	1,011,300	24,672
Sewer - conditional	3,350	3,333	-
Small communities protection	484,000	530,700	484,000
Street lighting	1,400	1,395	1,395
Water - conditional	3,350	3,333	81,487
	4,054,210	1,607,060	2,281,245
Other			
Animal control	6,540	20,890	19,160
Cemetery	34,730	54,100	51,640
Fortune Parks	824,940	824,940	774,510
	866,210	899,930	845,310
	\$ 5,117,920	\$ 2,708,278	\$ 3,323,472

16. Sales of Service

	Budget	2024	2023
Animal control	\$ 12,000	\$ 12,741	\$ 12,090
Building permits	53,700	103,295	71,406
Business licenses	16,400	19,025	20,275
Cemetery	23,500	25,057	17,993
Fire protection	400,950	421,590	155,937
Fortune Parks	272,200	247,304	290,867
Garbage collection and disposal	120,375	119,280	115,552
Riverside RV Park & tourism	300,600	300,320	299,824
Sewer user fees	624,978	653,314	616,955
Water user fees	601,560	703,915	613,044
	\$ 2,426,263	\$ 2,605,841	\$ 2,213,943

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

17. Expenses by Object

	Budget	2024	2023
Accretion	\$ -	\$ 255,192	\$ 43,849
Advertising and publications	19,700	11,639	16,691
Amortization	-	1,308,668	1,312,955
Contracted services	964,450	557,749	516,481
Council grants	66,840	67,459	66,184
Insurance	81,150	75,113	64,727
Interest and bank charges	166,030	168,021	151,387
Maintenance	1,327,550	1,142,418	1,176,441
Materials and supplies	1,320,510	496,825	346,056
Professional fees	37,850	29,611	22,967
Salaries and benefits	1,841,319	1,785,497	1,686,102
Training, travel and conferences	99,800	73,755	98,255
Transfers	(23,503)	(21,630)	(9,514)
	\$ 5,901,696	\$ 5,950,317	\$ 5,492,581

18. Funds Held in Trust

The City operates and maintains the Cliffside Cemetery. As required under Provincial legislation, the City holds in trust a Cemetery Perpetual Care Fund for the future maintenance of the cemetery. The City has excluded the trust fund and associated cash from the Statement of Financial Position and related interest earnings and transactions from the Statement of Operations and Accumulated Surplus:

Cemetery Perpetual Care Fund:

	2024	2023
Balance, beginning of year	\$ 265,947	\$ 250,544
Care fund contributions	4,087	2,595
Interest earned	13,758	12,808
Balance, end of year	\$ 283,792	\$ 265,947

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

19. Financial Plan

The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenses in excess of current year revenues. The following shows how these amounts were combined:

	2024	2023
Budget surplus per Statement of Operations	\$ 5,045,367	\$ 4,279,453
Less:		
Capital expenditures	(7,729,000)	(4,361,500)
Debt principal payments	(93,560)	(88,645)
Transfers to reserve funds	(2,587,130)	(3,373,416)
Add back:		
Borrowing proceeds	-	400,000
Transfers from accumulated surplus and reserve funds	5,364,323	3,144,108
Budget surplus per Financial Plan Bylaw	\$ -	\$ -

20. Financial Instruments

The City is exposed to interest rate risk, credit risk, and liquidity risk from its financial instruments. The City has practices in place to identify major risks, which are monitored and managed to the best of its ability.

There have not been any changes from the prior year in the City's exposure to these risks, or the policies, procedures and methods it uses to manage and measure the risks.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to interest rate risk through its long-term debt and through the value of portfolio investments.

The City manages interest rate risk on its long-term debt by holding all debt through the Municipal Finance Authority at a fixed rate, with refinancing typically being completed at the ten or fifteen year mark following the date of the original debt issuance. See Note 8 for interest rates and maturity dates for long-term debt.

Investments are primarily comprised of term deposits and are deemed to be low risk and not subject to significant changes in value due to changes in interest rates.

Credit Risk

Credit risk is the risk that the City will incur financial losses if a debtor fails to make payments when due. The City is exposed to credit risk from its cash, portfolio investments and accounts receivable.

The City manages its credit risk with respect to cash and portfolio investments by maintaining its investments with reputable financial institutions, while ensuring that investments are made in accordance with Section 183 of the *Community Charter*. The maximum exposure to credit risk to cash is limited to the balance held at year end and the maximum exposure to credit risk to portfolio investments is outlined in Note 3.

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

Financial Instruments - continued

The City manages its credit risk with respect to accounts receivable through signed agreements and credit policies. The City also has the ability to recover receivables associated with properties, such as utility fees, through the property tax collection process. The maximum exposure to credit risk to accounts receivable is outlined in Note 4.

Liquidity Risk

Liquidity risk is the risk that the City will not be able to meet its financial obligations as they become due. The City is exposed to liquidity risk through its accounts payable and long-term debt.

The City manages this risk by maintaining a balance of short term and/or highly liquid investments and closely monitoring cash flows and staggering maturity dates of its investment portfolio to meet cash flow needs. The City also has the ability to adopt a Revenue Anticipation Borrowing Bylaw under Section 177 of the *Community Charter* to borrow short term to finance its operations until revenue from property taxes is received.

The timing of cash flows to meet its financial obligations are within one year in relation to accounts payable, as outlined in Note 6 and the timing of principal payments in relation to long-term debt are outlined in Note 8.

It is management's opinion that the City is not exposed to significant interest, credit or liquidity risks arising from these financial instruments.

21. Comparative Figures

Certain comparative figures have been reclassified to conform to the financial presentation adopted for the current year.

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

22. Segmented Information

The City of Enderby is a municipality that is responsible for the good government of the community. This includes providing services, laws and other matters for community benefit, as well as providing stewardship of public assets and fostering economic well-being. The City fulfills these responsibilities through a range of services. For management reporting purposes, the City's services are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain defined objectives in accordance with special regulations, restrictions or limitations.

General Government

General Government is comprised of Executive and Administrative functions. The Executive function includes Mayor and Council, who are responsible for considering the well-being and interests of the municipality and the community, including contributing to the development and evaluation of the policies, programs, and bylaws of the municipality respecting its services, in accordance with governing legislation. The Administrative function is responsible for the overall management of the operations of the municipality and is responsible for ensuring that the policies, programs, and bylaws of Council are implemented. The Administrative function is also responsible for ensuring sound and effective financial management of the municipality, which includes functions such as financial planning, collecting taxes, and the investment of municipal funds.

Protective Services

Protective Services includes fire suppression, prevention and inspection services, community safety services, and emergency management including mitigation and prevention, preparedness, response, and recovery services.

Transportation Services

Transportation Services includes the design, operation, and maintenance of roads and drainage, including street sweeping, line painting, and snow and ice clearing.

Solid Waste Services

Solid Waste Services provides for the collection and disposal of residential solid waste, including curbside collection of garbage and the annual curbside collection of yard and garden waste.

Enderby / Area F Services

Enderby / Area F Services includes Fortune Parks, which is responsible for the administration, stewardship, and operation of park services that are shared with Area F of the Regional District of North Okanagan, including the pool, spray park, ball diamonds, and arena. Other services provided include Animal (Dog) Control within the City and part of Area F, and Cemetery Services for the City and Area F.

Riverside RV Park & Tourism

The Riverside RV Park is a campground operated by the City, which supports tourism and community events, including the operation of the Visitor Centre.

Community Development Services

Community Development Services provides for the City's current and long-range planning functions. Services include land use regulation, subdivision, and planning for future growth in accordance with the needs and goals of the community.

Recreational and Cultural Services

Recreational and Cultural Services provides for the planning, operation, and maintenance of City parks, such as Tuey Park, Belvedere Park, the Riverwalk, Veterans Park, and Johnston Park.

THE CORPORATION OF THE CITY OF ENDERBY

Notes to Financial Statements

For the year ended December 31, 2024

Segmented Information - continued

Water Services

Water Services provides for the treatment and distribution of safe, clean drinking water to the citizens of Enderby as well as nearby communities in accordance with the Drinking Water Protection Act and the *Guidelines for Canadian Drinking Water Quality*.

Sewer Services

Sewer Services provides for the collection and treatment of liquid waste, or sanitary wastewater, in accordance with the Environmental Management Act and the City's permit requirements.

The accounting policies used in these segments are consistent with those followed in preparation of the financial statements as disclosed in Note 2. For additional information see the Schedule of Segment Disclosure - Service (Schedule 1).

THE CORPORATION OF THE CITY OF ENDERBY

Schedule of Segment Disclosure - Service

For the year ended December 31, 2024

Schedule I

	General revenue fund									
	General Government	Protective Services	Transportation Services	Solid Waste Services	Enderby / Area F Services	Riverside RV Park & Tourism	Other general Services*	Water Services	Sewer Services	2024
Revenues										
Taxation	\$ 2,120,896	\$	\$	\$	\$	\$	\$	\$ 337,242	\$ 284,742	\$ 2,742,880
Grants and subsidies	105,790	142,827	532,095		1,911,230	9,670		3,333	3,333	2,708,278
Sales of services	122,320	421,590		119,280	285,102	300,320		703,915	653,314	2,605,841
Other revenue from own sources	114,627									114,627
Interest and penalties	655,709				36,290	12,306				704,305
Developer contributions	1,618,446							241,836	265,580	2,125,862
	4,737,788	564,417	532,095	119,280	2,232,622	322,296	-	1,286,326	1,206,969	11,001,793
Expenses										
Accretion	41,824	16,796	742		8,564			179,908	7,358	255,192
Advertising and publications	2,438				5,330	3,871				11,639
Amortization	101,636	65,019	570,759		62,138			286,076	223,040	1,308,668
Contracted services	89,070	44,729		115,021	116,269	65,069	127,591			557,749
Council grants	10,484				56,975					67,459
Insurance	48,783				24,540	1,790				75,113
Interest and bank charges	158,820				2,522	6,679				168,021
Maintenance	52,344	96,808	319,825		186,033	31,071		252,809	203,528	1,142,418
Material and supplies	87,978	7,656	22,515	105	161,972	132,357		51,599	32,643	496,825
Professional fees	28,597				1,014					29,611
Salaries and benefits	652,644	95,731	252,910	613	404,837	5,200	26,589	198,150	148,823	1,785,497
Training, travel and conferences	29,514	35,902	2,590		2,192			1,866	1,691	73,755
Transfers	(274,028)		(166,212)	2,500	67,965	9,500		197,184	141,461	(21,630)
	1,030,104	362,641	1,003,129	118,239	1,100,351	255,537	154,180	1,167,592	758,544	5,950,317
Excess (deficiency) of revenue over expenses	3,707,684	201,776	(471,034)	1,041	1,132,271	66,759	(154,180)	118,734	448,425	5,051,476
Loss on disposal of tangible capital assets	(8,946)									(8,946)
Annual surplus (deficit)	\$ 3,698,738	\$ 201,776	\$ (471,034)	\$ 1,041	\$ 1,132,271	\$ 66,759	\$ (154,180)	\$ 118,734	448,425	\$ 5,042,530

*Includes Community Development and Recreational and Cultural Services.

THE CORPORATION OF THE CITY OF ENDERBY

Schedule of Segment Disclosure - Service

For the year ended December 31, 2023

Schedule I (cont'd)

	General revenue fund									
	General Government	Protective Services	Transportation Services	Solid Waste Services	Enderby / Area F Services	Riverside RV Park & Tourism	Other General Services*	Water Services	Sewer Services	2023
Revenues										
Taxation	\$ 1,972,810	\$	\$	\$	\$	\$	\$	\$ 311,919	\$ 273,661	\$ 2,558,390
Grants and subsidies	1,734,111	142,827	485,395		869,982	9,670		81,487		3,323,472
Sales of services	91,681	155,937		115,552	320,950	299,824		613,044	616,955	2,213,943
Other revenue from own sources	200,377									200,377
Interest and penalties	515,667				32,976					548,643
	4,514,646	298,764	485,395	115,552	1,223,908	309,494	-	1,006,450	890,616	8,844,825
Expenses										
Accretion	4,556	1,066	28		469			36,955	775	43,849
Advertising and publications	2,946				7,909	5,836				16,691
Amortization	115,708	62,434	564,356		71,031			277,397	222,029	1,312,955
Contracted services	52,259	42,545		113,144	117,097	61,130	113,523	16,783		516,481
Council grants	8,229				57,955					66,184
Insurance	41,658				21,909	1,160				64,727
Interest and bank charges	142,951				2,356	6,080				151,387
Maintenance	64,087	105,216	290,862		191,796	35,435		229,150	259,895	1,176,441
Material and supplies	38,182	32,373	3,773	92	128,479	121,329		3,642	18,186	346,056
Professional fees	22,967									22,967
Salaries and benefits	607,065	106,896	245,474	515	364,825	3,698	24,537	182,809	150,283	1,686,102
Training, travel and conferences	63,507	28,985	2,031		2,132			800	800	98,255
Transfers	(243,070)		(148,437)	2,000	67,770	8,000		166,943	137,280	(9,514)
	921,045	379,515	958,087	115,751	1,033,728	242,668	138,060	914,479	789,248	5,492,581
Excess (deficiency) of revenue over expenses	3,593,601	(80,751)	(472,692)	(199)	190,180	66,826	(138,060)	91,971	101,368	3,352,244
Loss on disposal of tangible capital assets	(15,131)									(15,131)
Annual surplus (deficit)	\$ 3,578,470	\$ (80,751)	\$ (472,692)	\$ (199)	\$ 190,180	\$ 66,826	\$ (138,060)	\$ 91,971	\$ 101,368	\$ 3,337,113

*Includes Community Development and Recreational and Cultural Services.

THE CORPORATION OF THE CITY OF ENDERBY

Enderby/Area F Services (Unaudited)

For the year ended December 31, 2024

Schedule II

	Fortune Parks	Animal Control	Cemetery	2024	2023
Revenue					
Grants and subsidies	\$ 1,836,240	\$ 20,890	\$ 54,100	\$ 1,911,230	\$ 869,982
Sale of services	247,304	12,741	25,057	285,102	320,950
Interest and penalties	22,574	3,075	10,641	36,290	32,976
	2,106,118	36,706	89,798	2,232,622	1,223,908
Expenses					
Accretion	8,564			8,564	469
Advertising	5,330			5,330	7,909
Amortization	62,138			62,138	71,031
Contracted services	103,244	13,025		116,269	117,097
Grants	49,975		7,000	56,975	57,955
Insurance	24,540			24,540	21,909
Interest and bank charges	2,522			2,522	2,356
Maintenance	160,720	7,735	17,578	186,033	191,796
Materials and supplies	161,972			161,972	128,479
Professional fees	1,014			1,014	-
Salaries and benefits	393,346	1,930	9,561	404,837	364,825
Training, travel and conferences	2,192			2,192	2,132
	975,557	22,690	34,139	1,032,386	965,958
Annual surplus (deficit)	\$1,130,561	\$ 14,016	\$ 55,659	\$ 1,200,236	\$ 257,950
Transfer to/from general fund					
Computer support	\$ 9,250	\$	\$	\$ 9,250	\$ 8,900
Finance overhead charges	24,950	5,230	9,530	39,710	38,190
Insurance allocation	4,035		870	4,905	8,899
Public works equipment allocation			9,240	9,240	7,111
Lease		4,860		4,860	4,670
	38,235	10,090	19,640	67,965	67,770
Net change in financial assets	1,092,326	3,926	36,019	1,132,271	190,180
Opening surplus	408,038	55,642	191,876	655,556	629,673
Amortization	62,138			62,138	71,031
Capital expenditures	(748,326)		(18,001)	(766,327)	(25,791)
Transfer from (to) reserves	(396,200)	(900)	(18,500)	(415,600)	(209,537)
Enderby / Area F accumulated surplus	\$ 417,976	\$ 58,668	\$ 191,394	\$ 668,038	\$ 655,556