District of Saanich

2025 Financial Results at a Glance

Summary

The purpose of this document is to provide a high level overview of our financial statements and make it easier to understand. The financial results for 2025 were largely as planned. We used reserve funds to invest in new assets such as equipment, drainage, buildings and improvements as well as facility replacement. Our operations were consistent with plans established in the budget. We had revenue increases in property taxes, utility fees in addition to fees and charges collected by the recreation facilities. On the operating expenditure side total expenditures increased mainly due to higher costs in Police Services, increased volume of services provided in recreation programs, bylaw services and park operations and higher inflationary costs for facilities, road, sewer and water maintenance.

Statement of Financial Position (000s)	2025	2024	Change
This chart describes the 2025 year end balances and changes to Saanich's assets and liabilities from last year.			
Total Cash and Investments			
Saanich's cash and investments increase as we set money aside in reserves to manage large expenditures coming up. We collect property taxes in June and July, so funds are required to hold us over until then.	**$ 333,458,515**	**$ 325,789,410**	**$ 7,669,105**
Receivables			
Changes in receivables include an increase in regular trades that have not been received by the end of the year. It can include services we have provided to other governement entities, with payments still pending and expected to be received. Water and sewer flat rates have also increased this year, which in turn led to higher accruals.	**$ 26,693,507**	**$ 25,780,959**	**$ 912,548**
Accounts Payable and Accrued Liabilities			
The increase in amounts owing at the end of the year compared to last year is due in part to accrued retroactive wages for CUPE and Police. Lastly there were some large trade payables and contract holdbacks for construction projects outstanding at the end of the year with the resulting accrued expense and payable set up as of December 31, 2025.	**$ 47,973,843**	**$ 39,492,888**	**$ 8,480,955**
Accrued Employee Benefits Obligations			
These amounts represent an estimation of the benefits that the District is obligated to pay employees upon retirement. Accounting rules require that we base the calculation on current value of expected payout upon retirement for all employees. The increase is due to the continuation of benefits to disabled employees, an increase in the number of disabled employees, and a decrease in the discount rate which has the impact of increasing the liability calculation.	**$ 22,966,239**	**$ 22,293,239**	**$ 673,000**
Debt			
The increase in debt is attributed to a mixture of short and long term borrowing for capital infrastructure projects in transportation, parks, drain and sewer, as well as, facilities.	**$ 104,920,616**	**$ 82,635,421**	**$ 22,285,195**
Deferred Revenue			
Deferred revenues are monies received for a specific service that will be provided in the future. Common deferred revenues are recreation registration fees, passes and rentals as well as permit revenue received in 2025 for 2026. In addition, accounting rules require that Development Cost Charges (DCC) and Sub-regional Park Reserves (SPR) be reported as deferred revenue. Additional information is available in note 6 of the Financial Statements.	**$ 32,057,294**	**$ 29,433,231**	**$ 2,624,063**
Deposits and Prepayments			
Deposits are funds paid to the District as a promise to get specific work done, such as promise to plant trees in a development; The deposit is returned to the depositor once that work is performed.	**$ 32,219,634**	**$ 29,494,474**	**$ 2,725,160**
Asset Retirement Obligation			
Public Sector Accounting Board standard, PS3280, requires us to record an estimated liability of the costs required to remove asbestos, hazardous materials, and contamination from land and buildings the District owns. As old buildings get redeveloped, the asset retirement obligations related to those buildings will be removed.	**$ 10,838,193**	**$ 10,517,129**	**$ 321,064**

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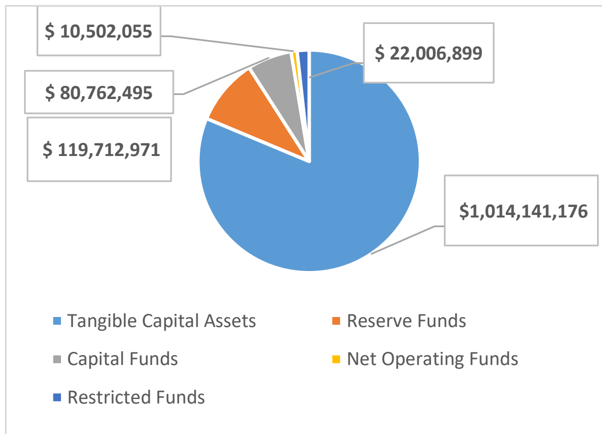
Tangible Capital Assets			
The total addition to capital infrastructure, buildings and equipment is approximately $93M which was offset by $27.2M in depreciation. Additions included were for roads, buildings and improvements and vehicles, machinery and equipment with more detail information provided in note 9 of the Financial Statements.	**$ 1,129,610,157**	**$ 1,061,185,573**	**$ 68,424,584**

Accumulated Surplus			
The accumulated surplus reported in the financial statements is often thought to be money on hand; however, this is not the case. The majority of the balance is the value of assets that have been acquired or built. There is a portion where money is invested in reserve funds, but these funds are set aside for very specific uses and cannot be accessed to pay for operations. The breakdown is shown below.	**$ 1,247,125,596**	**$ 1,206,540,465**	**$ 40,585,131**

Accumulated Surplus detail:

Tangible Capital Assets	$ 1,014,141,176
Reserve Funds	119,712,971
Capital Funds	80,762,495
Net Operating Funds	10,502,055
Restricted Funds	22,006,899
	$ 1,247,125,596



Statement of Operations and Accumulated Surplus

This table describes the difference between the annual surplus shown in the financial statements and the operating surplus which reflects the results of actual revenue and expenditures that relate to the annual budget.

2025 Annual Surplus as per Financial Statements (page 8)		**$ 40,585,136**
Remove Reserve Funds Transfers and Transactions		
Fund Revenues (Investment Income, Grants, Developer Contributions)	(11,372,089)	
Net Transfers to/from Reserve Fund Established in the Budget	(17,077,154)	(28,449,243)
Remove Capital Fund Transfers and Transactions		
Fund Revenues (Grants, Developer Contribution, Asset Disposals)	(15,018,705)	
Capital Expenses (Not Capitalized as an Asset)	19,590,297	
Amortization Expense (Non-Cash)	27,228,853	
Accretion Expense (Non-Cash, Asset Retirement Obligations)	328,031	
Net Transfers to/from Capital Fund Established in Budget	(44,532,874)	(12,404,398)
Add Back		
Funds Set Aside for Commitments, One-Time Resource Requests	3,281,341	
Change in Accrued Employee Benefits	441,980	3,723,321
2025 Actual Operating Surplus		**$ 3,454,816**