

## District of Saanich

# 2024 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 2024 were largely as planned. We used reserve funds to invest in new assets such as lands, park infrastructure, roads and sidewalks as well as facility replacement. Our operations were consistent with plans established in the budget. We had revenue increases in fees and charges collected by the recreation facilities and our transfers from other governments decreased from the prior year due to an unusual one-time transfer from the Province for the Growing Communities fund. 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)	2024	2023	Change
This chart describes the 2024 year end balances and changes to Saanich's assets and liabilities from last year.			
<b>Total Cash and Investments</b>			
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.	\$ 325,789,410	\$ 315,712,211	\$ 10,077,199
<b>Receivables</b>			
Changes in receivables include an increase in interest earned on investments that haven't been received yet and utility bills that have been sent out to customers but haven't been paid at the end of the year. It can also include grants payments that we are waiting for senior governments to send us.	\$ 25,780,959	\$ 21,823,620	\$ 3,957,339
<b>Accounts Payable and Accrued Liabilities</b>			
The increase in amounts owing at the end of the year compared to last year is due in part to accrued retroactive wages for IAFF personnel. Lastly there were some large trade payables for construction projects outstanding at the end of the year with the resulting accrued expense and payable set up as of December 31, 2024.	\$ 39,492,888	\$ 29,429,113	\$ 10,063,775
<b>Accrued Employee Benefits Obligations</b>			
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.	\$ 22,293,239	\$ 21,560,239	\$ 733,000
<b>Debt</b>			
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.	\$ 82,635,421	\$ 57,735,841	\$ 24,899,580
<b>Deferred Revenue</b>			
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 2024 for 2025. 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.	\$ 29,433,231	\$ 23,916,119	\$ 5,517,112
<b>Deposits and Prepayments</b>			
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.	\$ 29,494,474	\$ 26,154,566	\$ 3,339,908
<b>Asset Retirement Obligation</b>			
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.	\$ 10,517,129	\$ 10,214,709	\$ 302,420

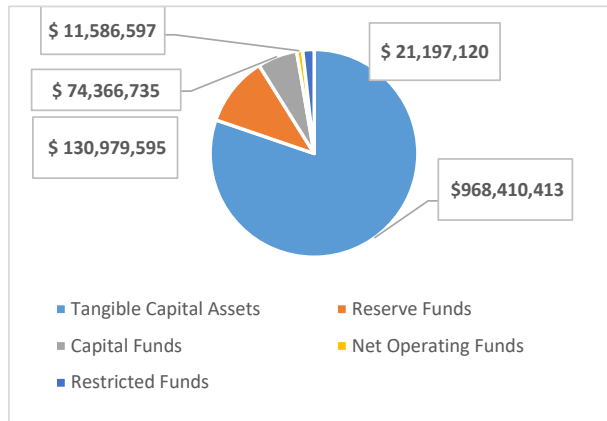
## District of Saanich

# 2024 Financial Results at a Glance

Deposits and Prepayments	2024	2023	Change
These are monies paid and held for the future transaction to take place. During 2023 this included a deposit for the purchase of the land and building for the future Parks administration site on Lochside Drive and for a deposit on a new fire truck; both transactions were executed during 2024. At the end of 2024 there were no other deposits on record.	\$ -	\$ 3,251,101	\$ (3,251,101)
Tangible Capital Assets			
The total addition to capital infrastructure, buildings and equipment is approximately \$93.3M which was offset by \$26.3M 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.	\$ 1,061,185,573	\$ 991,647,994	\$ 69,537,579
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.	\$ 1,206,540,465	\$ 1,171,328,357	\$ 35,212,108

### Accumulated Surplus detail:

Tangible Capital Assets	\$ 968,410,413
Reserve Funds	130,979,595
Capital Funds	74,366,735
Net Operating Funds	11,586,597
Restricted Funds	21,197,120
	<u>\$ 1,206,540,460</u>



## 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.

<b>2024 Annual Surplus as per Financial Statements (page 8)</b>		<b>\$ 35,212,103</b>
<b>Remove Reserve Funds Transactions</b>		
Fund Revenues (Investment Income, Grants, Developer Contributions)	(13,406,120)	
Net Transfers to/from Reserve Fund Established in the Budget	(14,961,891)	(28,368,011)
<b>Remove Capital Fund Transactions</b>		
Fund Revenues (Grants, Developer Contribution, Asset Disposals)	(10,539,177)	
Capital Expenses (Not Capitalized as an Asset)	15,357,016	
Amortization Expense (Non-Cash)	26,341,748	
Accretion Expense (Non-Cash, Asset Retirement Obligations)	326,075	
Net Transfers to/from Capital Fund Established in Budget	(40,613,237)	(9,127,575)
<b>Add Back</b>		
Funds Set Aside for Commitments, One-Time Resource Requests	4,175,320	
Change in Accrued Employee Benefits	547,763	4,723,083
<b>2024 Operating Surplus</b>		<b>\$ 2,439,600</b>