



PEACE RIVER REGIONAL DISTRICT

Annual Financial Report 2025

For fiscal year ended December 31, 2025

Peace River Regional District, British Columbia, Canada

Beaton Provincial Park, Charlie Lake 

Annual Financial Report for the fiscal year ended
December 31, 2025

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Produced by the Finance and Corporate Administration
Department of the Peace River Regional District, in
cooperation with service departments.

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Cultural Safety Mission Statement

The Peace River Regional District (PRRD) is situated on the traditional territory of the Dane-zaa (Beaver), signatories of Treaty 8 and the Métis Nation BC Region 7. We value the significant contributions of Indigenous Peoples who have lived and worked on the land for time immemorial.

The PRRD is committed to meaningful reconciliation by applying the principles of cultural safety to create a mutual path forward with all of our neighbours. We are an organization that appreciates cultures in all its forms. We value respect, trust, care and transparency and act in accordance with these values. We seek to understand each other's cultures and worldviews in order to enhance inclusion, trust and relationships.

Our First Nations partners include:

- Blueberry River First Nations
- Doig River First Nation
- Halfway River First Nation
- Kwadacha Nation
- Saulteau First Nations
- Tsay Keh Dene Nation
- West Moberly First Nations

We Are Diverse

The Peace River region is a place where history and community are intertwined. The region is home to the Indigenous groups of the Beaver (Dane-zaa), Cree, Dene and Métis peoples, who's rich and **diverse** history spans thousands of years. Today, the PRRD is a thriving cultural mosaic, bringing opportunity to new residents and visitors while remaining vital to the seven First Nations communities who have long stewarded the land.



We Are Vast

Charlie Lake 

Nestled within the rugged landscapes of northeast British Columbia, our region is a boundless expanse of breathtaking beauty. Here, **vast** horizons meet the energy of vibrant growing communities.



We Are Abundant

📍 Rolla, Electoral Area D

We are an economic powerhouse driven by a portfolio of **abundant** resource-driven sectors. Our industries in natural gas, agriculture, forestry, hydro-electric power and mining are essential contributors to Canada's export market. This industrial strength is balanced by a thriving tourism market that brings waves of visitors and new residents each year in search of outdoor adventure and new opportunities. Our region being an important piece of provincial prosperity creates an excellent quality of life for our residents and invites investment.



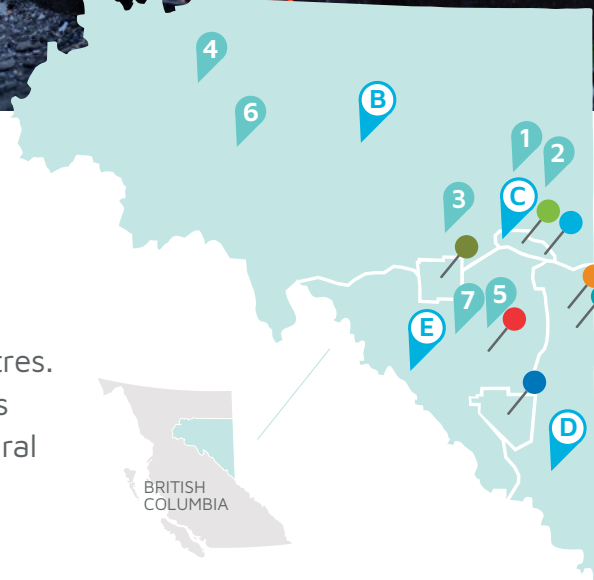
Spencer Tuck Regional Park, Moberly Lake



Northern Goshawk



Peace Island Park, Taylor



The Peace River Regional District was established in 1987, and is geographically the largest Regional District in BC, encompassing over 119,000 kilometres. The PRRD serves seven incorporated communities and four electoral areas that represent over 40 rural or unincorporated communities. There are seven First Nations communities within the Regional District's boundaries.

Incorporated Communities

- District of Chetwynd
- City of Dawson Creek
- City of Fort St. John
- District of Hudson's Hope
- Village of Pouce Coupe
- District of Taylor
- District of Tumbler Ridge

Electoral Areas

- Electoral Area 'B' (18 unincorporated communities)
- Electoral Area 'C' (6 unincorporated communities)
- Electoral Area 'D' (12 rural communities)
- Electoral Area 'E' (10 rural communities)

First Nations Communities

The Peace River Regional District is situated on the traditional territory of the Dane-zaa (Beaver), signatories of Treaty 8 and the Métis Nation BC Region 7.

- 1 Blueberry River First Nations
- 2 Doig River First Nation
- 3 Halfway River First Nation
- 4 Kwadacha Nation
- 5 Saulteau First Nations
- 6 Tsay Keh Dene Nation
- 7 West Moberly First Nations



Services

The Regional District drives services to rural and unincorporated areas. These include:

- Building Inspection
- Community Recreation
- Emergency Services and Management
- Fire Protection
- Noxious (Invasive) Weed Control
- Parks and Community Recreation
- Recycling and Composting Initiatives
- Rural Water and Wastewater Treatment
- Sewage Collection and Disposal
- Solid Waste Management

Economy

The Peace River Regional District has a diverse economy and a strong resource sector. Economic drivers of our region include:

- Agriculture
- Forestry
- Hydro-Electric Power Generation
- Manufacturing
- Mining
- Oil and Gas
- Solar Power
- Tourism
- Wind Power



Montney Centennial Park, Charlie Lake



Vision

The Peace River Regional District (PRRD) provides regional and sub-regional public services that are socially, environmentally and economically sustainable in response to expressed needs in the region.



Mission

A strong, diverse and sustainable Peace River region inspired by innovative leadership that promotes livable and safe communities within a healthy environment.



Our Role

The Peace River Regional District is dedicated to fostering a high quality of life for all residents by providing essential regional, sub-regional and local services. We achieve this through robust collaboration with local governments, First Nations, various agencies and volunteer organizations, working together to effectively deliver services and address the unique challenges and evolving needs of our region. As a regional government, the PRRD provides crucial leadership and leverages its collective voice to advocate vigorously on behalf of our residents, businesses and industries to support a prosperous regional economy.



Our Approach

As we fulfill our obligations and responsibilities as a regional government, the PRRD will:

- communicate and engage with our constituents to understand their interests, and foster a better understanding of the Regional District's role and services
- collaborate and cooperate with our partners to enhance the effectiveness of our efforts and resources
- be consistent in the application of our policies and decisions

Board of Directors



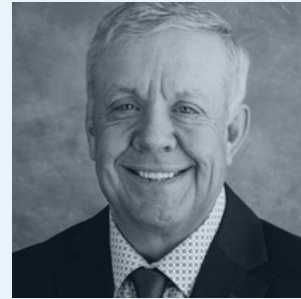
Brad Sperling, Board Chair
Electoral Area C



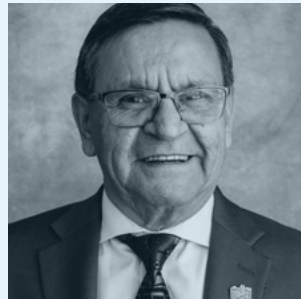
Leonard Hiebert, Vice Chair
Electoral Area D



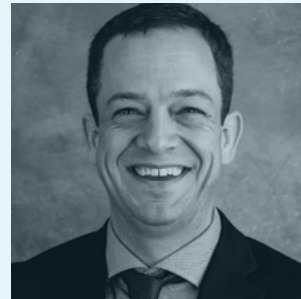
Reid Graham
Electoral Area B



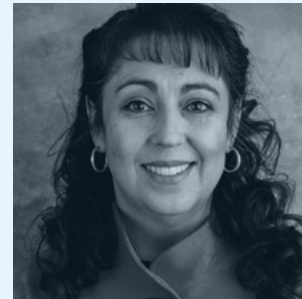
Dan Rose
Electoral Area E



Allen Courtoreille
District of Chetwynd



Darcy Dober
City of Dawson Creek



Lilia Hansen
City of Fort St. John



Tony Zabinsky
City of Fort St. John



Travous Quibell
District of Hudson's Hope



Danielle Veach
Village of Pouce Coupe



Brent Taillefer
District of Taylor



Darryl Krakowka
District of Tumbler Ridge

The Peace River Regional District is governed by a twelve (12) member Board of Directors representing seven (7) member municipalities and four (4) electoral areas.

The four Electoral Area Directors are elected to represent residents of the unincorporated communities in the electoral areas (Area 'B', Area 'C', Area 'D' and Area 'E') of the Peace River Regional District. The eight Municipal Directors are appointed by the councils of the seven member municipalities in the region. The Directors also serve as members of the Peace River Regional Hospital District.

Message from the Board Chair

On behalf of the Regional Board of Directors, I'm proud to share our 2025 Annual Financial Report. The year began with an early fire season—a reminder of how quickly conditions can change here in our region and how important it is to stay prepared, connected and looking out for one another.

This report goes beyond finances. It reflects a year of steady decisions, careful planning and a continued commitment to serving the residents and communities of the Peace River Regional District.

We remained focused on accountability while planning for the future. Despite rising costs in essential services such as fire protection and wastewater treatment, the Regional Board was able to approve a 2026 budget that is 2.79 percent lower than the previous year. Achieving this requires disciplined financial management, thoughtful decision-making and open discussions about priorities that impact residents, families and businesses across the region.

A major milestone in 2025 was the adoption of the Regional Growth Strategy. Developed through extensive collaboration and community input, this long-term plan provides a shared vision for the next 20 years—guiding how we grow while respecting the land, supporting economic resilience and preserving the values that define our region.

We made significant strides in how we connect with residents. The launch of our new website, prrd.bc.ca, modernized our digital presence and made it easier to access essential information about board meetings, services and community events. Enhancements include dedicated emergency subscription options, particularly for wildfires and evacuations, along with tools that improve transparency and help residents stay informed and engaged.

Advocating for the needs of our region remains a priority. We continued to push for improved access



to healthcare, including the removal of interprovincial licensing barriers to better support workforce availability in rural communities.

At the same time, we remain committed to supporting residents directly. Our Seniors Aging in Place program delivered more than 953 meals in Electoral Areas D and parts of Electoral Area E, helping our region's pioneers remain comfortable in their homes.

We also continue advancing regional connectivity. Working with Planetworks Consulting Ltd., we are finalizing a Regional Connectivity Strategic Report to guide investment in high-speed internet—an essential service for work, education, healthcare and overall quality of life, especially in underserved areas.

As an industrial region, we remain focused on responsible growth and environmental stewardship. Following the Site C Dam becoming fully operational, we reached an agreement with BC Hydro to monitor regional wastewater systems. We continue to advocate for strong reclamation practices to ensure long-term protection from orphaned infrastructure. Studies are also underway to assess the feasibility of independent water services in Electoral Areas C, D and E.



Public safety remains top of mind. In response to the early 2025 wildfire season, we expanded our communications approach to include video updates and launched a “Register Now” campaign for the NEBC Alerts app. These efforts are helping residents to receive timely, location-based notifications.

Our FireSmart program continues to be a leader in wildfire mitigation. Since 2021, 529 Home Ignition Zone assessments have been completed, alongside numerous infrastructure projects. In 2025 alone, 75 mitigation projects supported seniors and residents with mobility challenges through services such as gutter cleaning, landscaping and fuel-load reduction.

We also made meaningful progress on the Regional Zoning Bylaw update, advancing the draft through second reading. This work will consolidate five outdated

bylaws into a single, modern framework—reducing red tape and streamlining processes for residents and industry.

This Annual Financial Report reflects what we can achieve through collaboration, steady leadership and shared commitment to our communities. Thank you for your continued trust and for contributing to the strength and resilience that makes the Peace River region an exceptional place to call home.

Brad Sperling

Brad Sperling,
Board Chair,
Peace River Regional District
May 14, 2026

Message from the Chief Administrative Officer

The 2025 Annual Financial Report provides a comprehensive overview of the Peace River Regional District’s (PRRD) operational performance, financial position and progress toward key priorities over the past year. It reflects not only what was achieved, but also the challenges we navigated and the deliberate steps taken to ensure stability and continuity of services for residents across our region.

I am grateful for the opportunity to serve alongside a Board of Directors that provides clear, thoughtful direction while maintaining a disciplined and forward-looking approach to regional governance. Their commitment to responsible decision-making continues to guide the organization through an increasingly complex operating environment. I would also like to recognize the ongoing dedication of PRRD staff. Their professionalism, adaptability and resilience are essential to maintaining consistent service delivery across a geographically large and diverse region.

Rising cost pressures in key service areas require careful planning and oversight. Working closely with the Regional Board, administration developed a 2026 budget that is projected to come in lower than the previous year. This reflects a continued focus on responsible fiscal management, ongoing service evaluation and balancing current needs with long-term sustainability.

Several major planning initiatives reached important milestones. The adoption of the Regional Growth Strategy establishes a coordinated framework to guide land use, infrastructure investment and development decisions over the next 20 years. In parallel, completion of the Regional Climate Resiliency Plan strengthens the PRRD’s capacity to anticipate, prepare for, and respond to climate-related risks that may affect infrastructure and service delivery.

It was a significant year for regional capital planning with a comprehensive review of existing and potential funding sources in support of a strategic approach to long-term infrastructure investments. We prioritized



assets in poor condition for replacement, renewal and upgrades, while also identifying future opportunities for growth-related investments across the region. This process included evaluating asset condition and remaining service life, exploring innovative approaches to asset improvement and advancing planning efforts on potential new services. This work is vital as inflation and construction costs continue to place pressure on both the organization and the residents we serve. Our goal is to establish a stronger foundation for informed asset management decision-making, ensuring investments are cost-effective, sustainable and responsive to community needs.

As administration, our role is to translate policy direction into action while remaining accountable to both the Regional Board and residents. This responsibility is strengthened through ongoing collaboration with the Board of Directors, First Nations neighbours, partner agencies and residents. Together, these relationships support thoughtful decision-making and reinforce our shared commitment to the long-term health and vitality of our region.

Shawn Dahlen

Shawn Dahlen,
Chief Administrative Officer,
Peace River Regional District
May 14, 2026



Clayhurst, Electoral Area B



Whiskey Jack Nordic Ski Club, Beaton Provincial Park

Leadership

Shawn Dahlen, Chief Administrative Officer

Ashley Murphey, General Manager of Development Services
 Bryna Casey, General Manager of Community Services
 Kari Barber, Interim Chief Financial Officer
 Kari Bondaroff, General Manager of Environmental Services
 Mike Watkins, General Manager of Protective Services
 Tyra Henderson, Corporate Officer

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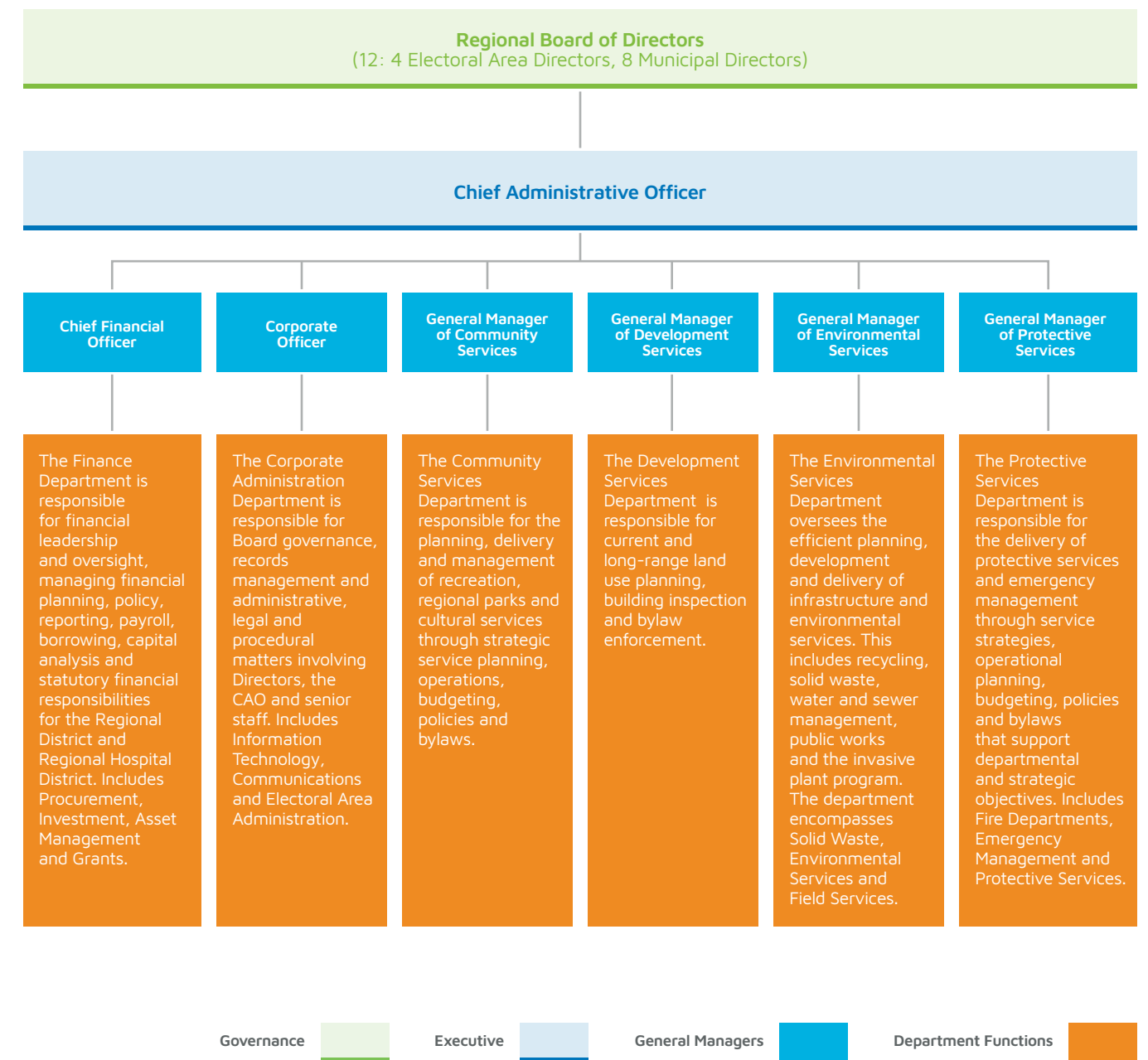
Charlie Lake Volunteer Fire Department
 Box 99, 13065 Fire Hall Road
 Charlie Lake, BC VOC 1H0
 250-785-1424
 prrd.dc@prrd.bc.ca

Fort St. John Branch Office
 9505 100 Street
 Fort St. John, BC V1J 4N4
 250-785-8084
 800-670-7773 (Toll Free)
 250-785-1125 (Fax)
 prrd.fsj@prrd.bc.ca

Moberly Lake Volunteer Fire Department
 6492 Lakeshore Drive
 Moberly Lake, BC
Mailing Address:
 Box 58, Moberly Lake, BC VOC 1X0
 250-219-8245
 prrd.dc@prrd.bc.ca

Organizational Chart

The Peace River Regional District currently employs approximately 75 staff to perform the day-to-day services and operations needed to achieve the strategic plan set by the Board of Directors. The Peace River Regional District is led by the Chief Administrative Officer, who reports to the Regional Board, and is supported by six general managers, each responsible for an array of services within their departments as shown below.



Governance (Green box) Executive (Blue box) General Managers (Light Blue box) Department Functions (Orange box)

The 2023-2026 Strategic Plan is developed by the Board to ensure that our decisions, activities and policies are aligned with our vision and goals.

The plan addresses the most significant opportunities and challenges facing the region.

The plan informs the development of our annual budgets and departmental work plans. Quarterly reports to the Board and the Annual Financial Report provides an opportunity to review and communicate progress in achieving the Board's goals and update the plan as necessary.

Strategic Focus Areas

📍 Lone Prairie, Electoral Area E



1. Asset and Infrastructure Management

To effectively plan for and manage the PRRD’s assets and infrastructure to ensure they provide the desired levels of service to our residents, now, and in the future.

STRATEGIES	TARGETS	TIMELINE
1.1 Undertake Condition Assessments for All PRRD Owned Assets	• Submission of bids for bleacher repairs	Complete
	• Adeline Kelly Building architectural and engineering assessment	Complete
	• Pineview Hall upgrade to public occupancy standard (NPFSS-led)	Q2 2026
	• Jackfish Hall structural assessment	Q2 2026
1.2 Determine Service Expectations for All Assets	• Service level framework	Complete
	• Lifecycle framework and financial strategy	Complete
	• Asset management strategy, plans and LOS development	Q4 2026
1.3 Identify Funding and Investment Strategies	• Osborn property community engagement, demolition	Complete
	• Osborn Property concept design and cost estimates for development options	Q1 2026
	• Golata Creek facility community engagement, demolition	Complete
	• Golata Creek facility concept design and cost estimates for development options	Q1 2026
	• Kelly Lake Community Hall: planning critical facility upgrades project	Q2 2026
	• North Peace Park master plan study and funding transition	Complete
	• Jackfish Hall engagement and funding exploration	Complete
1.4 Implement Asset Management Software Program	• Software procurement and implementation	Complete
	• Add-on financial planning tools under review	Q3 2026
	• Public portal for maintenance requests	Q2 2026



2. Human Resource Management

To enhance our human resource management practices and programs to ensure our employees are motivated, engaged and supported in the work they do.

STRATEGIES	TARGETS	TIMELINE
2.1 Establish a Corporate Employee Development Program	• Create development plan	Q2 2026
	• Policies and procedures for training and development	Q2 2026
2.2 Review and Update Performance Review Process	• Implement new performance review process	Q2 2026
	• Department head 360 review implementation	Complete
	• Union staff review process	Q2 2026
2.3 Develop an Employee Retention and Recruitment Strategy	• Review Health & Wellness Program	Q2 2026
	• Establish annual firefighter engagement survey	Complete
	• Department feedback opportunity	Q2 2026
	• Organizational retention plan	Q2 2026
	• Department head 360 review	Complete



3. Collaboration and Cooperation with First Nations

To further our relationships with the First Nations governments and pursue opportunities for partnerships and governance participation.

STRATEGIES	TARGETS	TIMELINE
3.1 Advance the Development of Individual Memorandums of Understanding (MOUs)	• Saulteau First Nation MOU - ongoing	Q3 2026
	• West Moberly First Nation MOU renewal – ongoing	Q3 2026
	• Doig River First Nation MOU updates	Ongoing
	• Emergency Planning MOU with First Nations	Q2 2026
	• Tsay Keh Dene and Regional District of Fraser-Fort George Emergency and Disaster Management Act Obligations MOU	Complete
	• Tsay Keh Dene and Regional District of Fraser-Fort George Emergency Planning and Response MOU	Q2 2026
3.2 Share the PRRD’s Strategic Goals with First Nations to Identify Opportunities for Cooperation and Collaboration	• Share PRRD Strategic Plan with First Nations	Q4 2026
	• Regional Growth Strategy and Regional Climate Resiliency Plan	Complete
	• West Moberly quarterly meeting with Area E	Complete
	• Invitations for Community-to-Community meetings sent to all First Nations	Complete
	• Invite First Nations to share concerns re: wind projects assessment	Complete
	• Request First Nations support for broadband permitting streamlining	Complete
3.3 Investigate Governance Participation Models Under the Local Government Act	• Emergency management coordination agreements with Indigenous governing bodies across PRRD and adjacent areas	Complete



4. Inter-Provincial Collaboration

To explore and realize opportunities and advantages through cooperation and collaboration with neighbouring local governments in Alberta.

STRATEGIES	TARGETS	TIMELINE
4.1 Coordinate the Re-establishment of Interprovincial Meetings	• Coordinated interprovincial meetings with County of Grande Prairie	Complete
	• Interprovincial staff-to-staff meeting for solid waste topics	Complete
	• Interprovincial meeting hosted by Saddle Hills County	Complete
	• PRRD to host interprovincial meeting in Dawson Creek	Q1 2026



5. Emergency Management

To ensure the PRRD's interests are articulated and considered in response to proposed amendments to the *Emergency Program Act* and *Fire Services Act*.

STRATEGIES	ACTIONS	TARGETS
5.1 Engage in <i>Emergency Program Act</i> and <i>Fire Services Act</i> Amendment Processes	• <i>Emergency and Disaster Management Act</i> updates to Board	Complete
	• Implementation planning for new regulations	Ongoing
	• Collaboration with Blueberry River First Nations and Halfway River First Nation	Complete
	• Implementation planning for engagement during interim period	Ongoing
5.2 Explore Opportunities for New or Enhanced Mutual Aid Agreements	• Cross-jurisdictional discussions with County of Grande Prairie	Complete
	• OFC confirmation on mutual aid approach	Ongoing
	• ESS agreements with municipalities	Complete
	• Industry collaboration and emergency planning	Complete



6. Advocacy

To represent and advance the interests of the region with other levels of government and agencies responsible for providing governance and services in our region.

STRATEGIES	DESCRIPTION	MINISTRY	TIMELINE
6.1 <i>Emergency Program Act</i> and <i>Fire Services Act</i> Amendments	Ongoing engagement on impacts of <i>Emergency Program Act</i> and <i>Fire Services Act</i> amendments	<ul style="list-style-type: none"> • Ministry of Emergency Management and Climate Readiness • North Central Local Government Association • Union of BC Municipalities 	Ongoing
6.2 <i>Agriculture and Food Security</i>	Regional Growth Strategy and Climate Resiliency Plan adopted supporting agriculture	• Ministry of Agriculture and Food	Complete
6.3 <i>Seniors Housing</i>	Policy and advocacy through Regional Growth Strategy; legislative review input (e.g., Bill M216)	<ul style="list-style-type: none"> • Northern Health • Ministry of Housing • Community partners and agencies • Developers 	Complete
6.4 <i>Blueberry River FN</i>	Ongoing awareness and advocacy; upcoming election Jan 2026	<ul style="list-style-type: none"> • Province of British Columbia • Blueberry River First Nations 	Ongoing
6.5 <i>Homelessness, Mental Health and Addictions, Crime</i>	Continued regional awareness and support for services	• Regional Board/Directors	Ongoing
6.6 <i>Aggregate Security</i>	Advocacy for supply to support infrastructure and construction	<ul style="list-style-type: none"> • Agricultural Land Commission • Ministry of Energy, Mines and Low Carbon Innovation 	Complete



Giving Back

Beaton Provincial Park, Charlie Lake 



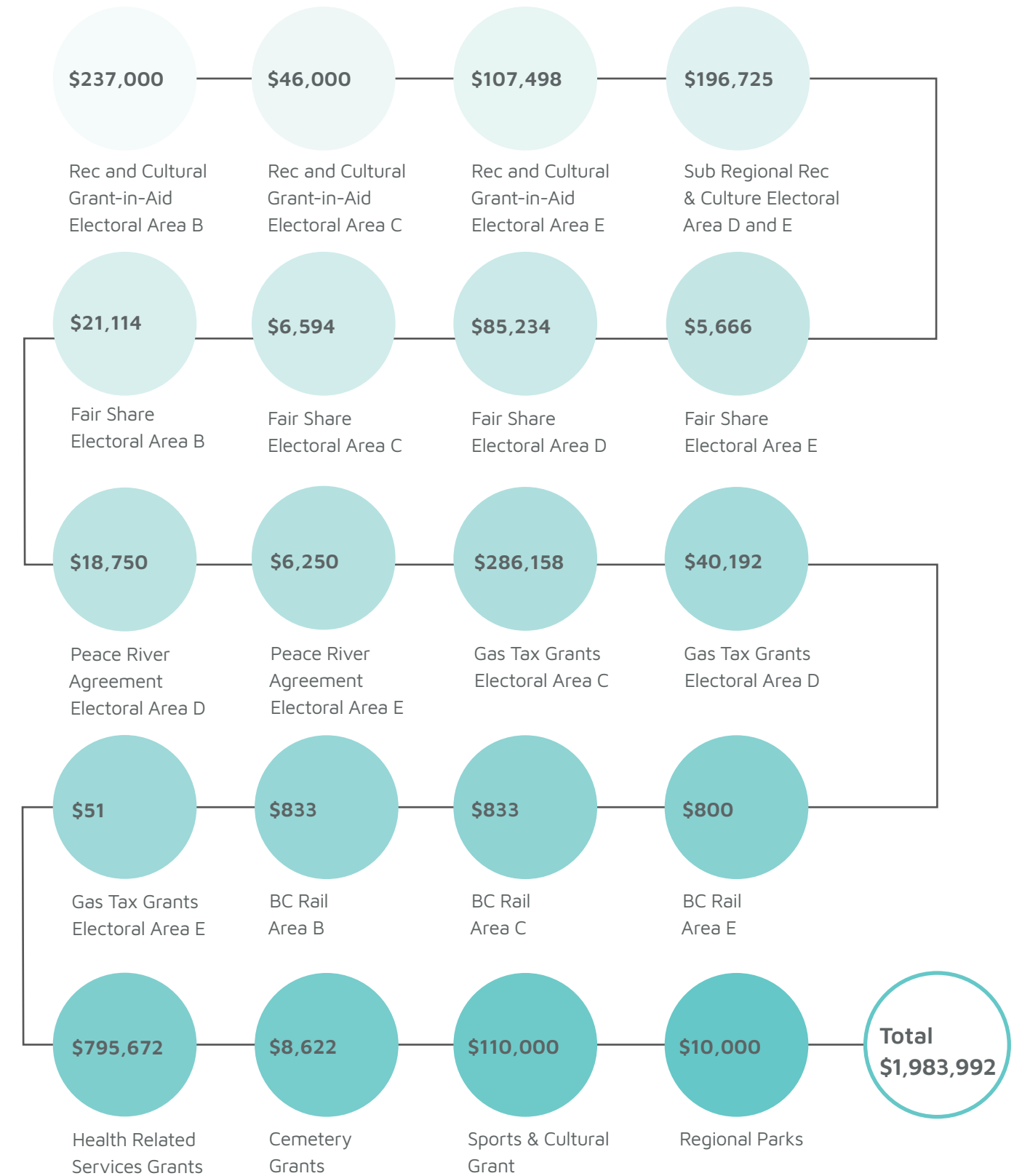
Beatton Provincial Park, Charlie Lake

Regional and Electoral Area Grants

The Peace River Regional District is pleased to provide regional and electoral area grants to support communities in our region.

Regional grants create an opportunity to provide grant-in-aid to assist eligible organizations with projects, programs, services or initiatives that are regional in scope and benefit residents throughout the PRRD or in multiple electoral areas and municipalities. Approved by the Regional Board, funding for regional grants is provided through taxation and is awarded in accordance with the guidelines set out in each grant policy.

Electoral Area grants offer a way to support the emerging needs and unique opportunities in the rural communities in Electoral Area 'B', 'C', 'D' and 'E'. These grants are available to eligible organizations to assist with community-led capital projects, programs, services and/or initiatives that directly serve or benefit the rural communities of the PRRD. Approved by the Rural Budgets Administration Committee (RBAC), funding is provided through electoral area funding reserves or taxation and is awarded in accordance with the guidelines set out in each grant policy.





Financial Statements

📍 Sunset Prairie, Electoral Area E

For the fiscal year ended December 31, 2025

Message from the Chief Financial Officer

I am pleased to submit the Financial Section of the 2025 Annual Financial Report for the Peace River Regional District (PRRD). The purpose of this report is to present the financial results for the fiscal year ending December 31, 2025, including the Audit Report, Financial Statements, and supplementary information comprised of Notes to the Financial Statements.

Financial Statement

The Financial Statements are the responsibility of PRRD's management and have been prepared in compliance with Section 376/377 of the Local Government Act, Section 167 of the Community Charter, and in accordance with Generally Accepted Accounting Principles approved by the Public Sector Accounting Board and the Chartered Professional Accountants of Canada. The PRRD maintains a system of internal accounting controls, including policies and procedures, designed to safeguard the assets of the organization as well as provide timely and reliable financial information.

Beswick Hildebrandt Lund (BHL) Chartered Professional Accountants audited these financial statements. As the external auditor, BHL is responsible for inspecting the PRRD's financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and expressing their opinion on whether the statements are presented accurately. BHL has expressed that, in their opinion, the statements present fairly, in all material aspects, the financial position of the PRRD as of December 31, 2025.

Financial Highlights

The PRRD operates 58 separate services that each function with their own revenue and expenses. Residents of the four electoral areas and seven municipalities pay only for the services in which they participate. These services include General Government, Protective Services, Environmental Services, Planning and Development, Recreation and Culture, and Sewer and Water Utilities.

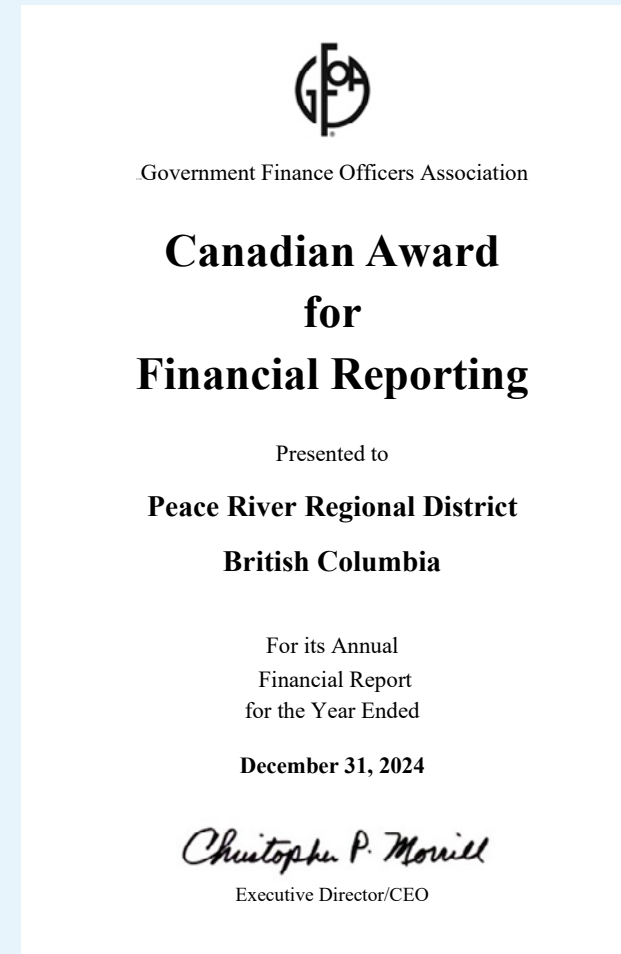
For the fiscal year ended December 31, 2025, the following changes in the Statement of Financial Position are positive indicators for the PRRD:



- Increase in Cash and cash equivalents \$25.05M
- Repayment of Long-Term Debt \$2.29M
- Increase in Net Financial Assets \$11.22M

The PRRD is in a Net Asset position, which means that there are sufficient financial assets (\$180.0 million) to settle existing liabilities (\$108.9 million). The net financial assets have increased from \$59.87 million in 2024 to \$71.09 million in 2025. This improvement is largely due to an increase in cash and cash equivalents of \$25.05 million. The positive trend reflects our responsible debt management and commitment to strategic long-term capital planning and asset management.

The PRRD's reserve balances grew by \$6.9 million, from \$83.1 million to \$90 million in 2025. These reserves provide stability for capital expenditures, improved service delivery, and funding for emergencies. The 2025 annual operating surplus of \$18.03 million increased the overall Accumulated Surplus to \$161.9 million. Accumulated surplus is largely comprised of \$58 million in net investments in tangible capital assets and \$90 million in reserves.



Award for Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the Peace River Regional District for its annual financial report for the fiscal year ended December 31, 2024. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high-quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of Generally Accepted Accounting Principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Financial Planning Process

The Local Government Act requires Regional Districts to complete a five-year Financial Plan and implement a public participation process to explain the plan. The Financial Plan Bylaw must be adopted by March 31st of each year. The PRRD adopted its 2025-2029 Financial Plan Bylaw on March 6, 2025. Details of the plan are located at prrd.bc.ca/our-government/budgets-and-finances/financial-documents/.

Conclusion

Under the direction of the Board, the PRRD will continue its dedication to providing high-quality services for its interest groups. Directed by a Board approved strategic plan and a sound financial plan, we look forward to another year of success in 2026. I would like to thank

the members of the Board and staff for their efforts in making 2025 a successful year. I would also like to recognize the incredible team effort throughout the year resulting in this report and the information it contains.

Kari Barber

Kari Barber, CPA
Interim Chief Financial Officer,
Peace River Regional District
May 14, 2026

Statement of Management’s Responsibility

The accompanying financial statements of the Peace River Regional District (“Regional District”) are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with the significant accounting policies as set out in Note 2 to the financial statements and comply with the Canadian Public Sector Accounting Standards (“PSAS”) as set by the Public Sector Accounting Board (“PSAB”) of the Chartered Professional Accountants of Canada and the governing legislation. The financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Directors are composed entirely of individuals who are neither management nor employees of the Regional District. Directors are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. Directors fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Directors are also responsible for recommending the appointment of the Regional District’s external auditors.

The financial statements have been audited by Beswick Hildebrandt Lund (BHL) CPA in accordance with Canadian generally accepted auditing standards on behalf of the Regional District. BHL CPA has full access to the Board of Directors.

Shawn Dahlen

Shawn Dahlen, Chief Administrative Officer

Kari Barber

Kari Barber, Interim Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Peace River Regional District,

Opinion

We have audited the financial statements of Peace River Regional District (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and accumulated surplus, remeasurement gains and losses, changes 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 (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian Public Sector Accounting Standard.

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 Organization 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.

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

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

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

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

Partners
Allison Beswick CPA, CA
Norm Hildebrandt CPA, CA
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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 Organization'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 Organization'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 Organization 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.

Beswick Hildebrandt Lund

Chartered Professional Accountants

Prince George, British Columbia

May 14, 2026

Peace River Regional District Statement of Financial Position

AS AT DECEMBER 31, 2025

	2025	2024
Financial Assets		
Cash and Cash Equivalents (Note 4)	52,392,395	27,346,757
Accounts Receivable (Note 5)	2,703,227	3,015,104
Investments (Note 6)	59,422,257	75,645,303
Reserve Deposits (Note 7)	1,759,102	1,944,899
Financial Assets Before Member Municipalities	116,276,981	107,952,063
Loans Receivables (Note 8 and 12)	63,699,911	59,759,192
	179,976,892	167,711,255
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	5,229,836	5,753,859
Deferred Revenue (Note 10)	1,089,561	611,317
Asset Retirement Obligations (Note 11)	31,106,473	31,530,989
Debt (Note 12)	5,016,917	7,302,223
Other Liabilities (Note 13)	2,739,440	2,879,303
Financial Liabilities Before Member Municipalities	45,182,227	48,077,691
Other Debt (Note 8 and 12)	63,699,911	59,759,192
	108,882,138	107,836,883
Net Financial Assets	71,094,754	59,874,372
Non-Financial Assets		
Tangible Capital Assets (Note 26)	90,542,926	83,656,881
Prepaid Expenses	308,047	285,269
	90,850,973	83,942,150
Accumulated Surplus	161,945,727	143,816,522
Accumulated Surplus is Comprised of (Note 15):		
Accumulated Surplus	162,288,891	144,257,101
Accumulated Remeasurement Gains (Losses)	(343,164)	(440,579)
	161,945,727	143,816,522

COVID-19 (Note 17)
 Growing Communities Fund (Note 18)
 Capacity Funding for Housing Initiatives (Note 19)
 Contingent Liabilities (Note 20)
 Budget (Note 21)
 Municipal Pension Plan (Note 22)
 Related Parties (Note 23)
 Comparative Figures (Note 24)
 Segment Reporting (Note 25)

Brad Sperling
 Chairperson

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Peace River Regional District Statement of Operations and Accumulated Surplus

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

	2025 Budget (Note 21)	2025	2024
Revenue (Schedule 1)			
Requisitions	39,994,921	39,994,923	38,971,172
Grants-in-Lieu	1,470,360	3,272,585	2,059,463
Interest Income	-	3,841,231	5,004,599
Fees, Charges and Other	7,508,672	10,082,308	10,976,404
Government Transfers (Note 16)	906,780	814,991	1,088,667
	49,880,733	58,006,038	58,100,305
Expenses (Schedule 1)			
General Government	35,970,084	10,069,394	9,542,883
Environmental Services	10,597,011	10,288,385	11,345,524
Protective Services	5,903,705	5,828,082	5,120,885
Planning and Development	1,953,343	1,333,662	1,341,902
Recreation and Culture	15,696,700	14,254,519	14,425,579
Sewer Utilities	1,406,602	1,709,249	1,705,281
Water Utilities	1,150,014	868,707	1,160,027
	72,677,459	44,351,998	44,642,081
Annual Surplus (Deficit), Before Other	(22,796,726)	13,654,040	13,458,224
Other			
Government Transfers Related to Capital (Note 16)	4,358,176	4,377,750	4,591,931
Member Municipalities Interest Received	3,858,704	4,312,413	3,834,776
Less: Member Municipalities Interest Expense	(3,858,704)	(4,312,413)	(3,834,776)
	4,358,176	4,377,750	4,591,931
Annual Surplus (Deficit)	(18,438,550)	18,031,790	18,050,155
Accumulated Surplus, Beginning of Year	144,257,101	144,257,101	126,206,946
Accumulated Surplus, End of Year (Note 14 and 15)	125,818,551	162,288,891	144,257,101

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Peace River Regional District Statement of Remeasurement Gains and Losses

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

	2025	2024
Accumulated Remeasurement Gains (Losses) at Beginning of Year	(440,579)	(675,345)
Unrealized Gains (Losses) Attributable to:		
Portfolio Investments	93,793	234,766
Amounts Reclassified to the Statement of Operations:		
Portfolio Investments	3,622	-
Net Remeasurement Gains and (Losses) for the Year	97,415	234,766
Accumulated Remeasurement Gains (Losses) End of Year	(343,164)	(440,579)

Peace River Regional District Statement of Change in Net Financial Assets

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

	2025 Budget (Note 21)	2025	2024
Annual Surplus (Deficit)	(18,438,550)	18,031,790	18,050,155
Change in Tangible Capital Assets	(20,436,871)	(10,147,749)	(10,795,399)
Amortization of Tangible Capital Assets	-	3,698,712	3,659,809
Change in Prepaid Expense	-	(22,778)	(1,219)
Loss on Disposal of Tangible Capital Assets	-	118,332	94,643
Other Non-Cash Charges to Operations	-	(555,340)	(454,019)
Net Remeasurement Gains	-	97,415	234,766
Change in Net Financial Assets	(38,875,421)	11,220,382	10,788,736
Net Financial Assets, Beginning of Year	59,874,372	59,874,372	49,085,636
Net Financial Assets, End of Year	20,998,951	71,094,754	59,874,372

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Peace River Regional District Statement of Cash Flows

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

	2025	2024
Operating		
Annual Surplus (Deficit)	18,031,790	18,050,155
Non-Cash Items:		
Amortization	3,698,712	3,659,809
Loss on Disposal of Tangible Capital Assets	118,332	94,643
Net Remeasurement Gains	97,415	234,766
Other Non-Cash Items	(555,340)	(454,019)
Decrease (Increase) in Non-Cash Assets:		
Accounts Receivables	200,373	39,205
Prepaid Expenses	(22,778)	(1,219)
Increase (Decrease) in Non-Cash Liabilities:		
Accounts Payable and Accrued Liabilities	(524,023)	(75,621)
Deferred Revenue	478,244	512,347
Landfill Closure and Post-Closure Care	(424,516)	1,724,377
Other Liabilities	(28,359)	(43,744)
	21,069,850	23,740,699
Financing		
Change in Reserve Deposits	185,797	71,986
Repayment of Debt	(2,285,306)	(2,842,461)
Change in Municipal Debt	3,940,719	3,432,124
Decrease in Municipal Debt Charges Recoverable	(3,940,719)	(3,432,124)
	(2,099,509)	(2,770,475)
Capital		
Net Sale (Purchase) of Tangible Capital Assets	(10,147,749)	(10,795,399)
Investing		
Decrease (Increase) in Investments	16,223,046	(12,558,035)
Change in Cash and Cash Equivalents	25,045,638	(2,383,210)
Cash and Cash Equivalents, Beginning of Year	27,346,757	29,729,967
Cash and Cash Equivalents, End of Year	52,392,395	27,346,757

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Peace River Regional District Notes to the Financial Statements

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

The accompanying notes are an integral part of these financial statements. The following explains the significant accounting policies and reporting principles underlying these statements. The notes also provide relevant supplementary information and explanations.

1. The Peace River Regional District

The Peace River Regional District (the "Regional District") was incorporated on October 31, 1987 under the provisions of the Local Government Act, a statute of the Province of British Columbia. The Regional District provides regional services such as: protective services, environmental services, community planning and development, recreation and culture, water and sewer utilities, debt and general government operations. Per the province of British Columbia, the Regional District has three roles: provide regional wide services, provide inter-municipal or sub-regional services, and act as the general local government for electoral areas. A key responsibility of the Regional District is to provide debt financing to member municipalities through the Municipal Finance Authority of British Columbia (MFA).

The Regional District is governed by a twelve-member Board of Directors representing seven member municipalities and four electoral areas. The Directors also serve as members of the Peace River Regional Hospital District. The board votes on resolutions and bylaws governing the region on all matters delegated to regional districts under provincial statutes.

2. Significant Accounting Policies

The financial statements of the Regional District are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Regional District are as follows:

(a) Reporting Entity

The financial statements include all the assets, liabilities, accumulated surplus, revenue and expenses of the Regional District's service activities and funds.

(b) Basis of Accounting

The Regional District follows the accrual method of accounting for revenue and expenses. Revenues are accounted for in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Inter-entity balances and transactions are eliminated.

(c) Cash and Cash Equivalents

Cash is held by the Regional District in its general bank, MFABC Money Market Fund, and other high-interest savings accounts.

2. Significant Accounting Policies (continued)

(d) Estimates

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 disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating useful lives of tangible capital assets, estimating provisions for accrued liabilities, estimating the remaining useful life of the landfill and related post-closure liability as well as estimating the costs associated with the retirement, decommissioning or otherwise removing certain assets from productive service. Actual results could differ from these estimates.

(e) Requisitions

The Regional District requisitions taxation from each member municipality and the electoral areas for their portion of services for which they participate. These requisitions are levied through the municipalities and the Province's Surveyor of Taxes (for electoral areas) to tax payers and funds are provided to the Regional District by August 1 of each year.

(f) Employee Future Benefits

The Regional District and its employees make contributions to the Municipal Pension Plan ("The Plan"), as a multi-employer, defined benefit pension plan. Contributions are expensed as incurred.

(g) Government Transfers

Government transfers are transfers of monetary assets to the Regional District that are not the result of an exchange transaction, a direct financial return, or is expected to be repaid in the future. Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized, and any eligibility criteria have been met and reasonable estimates of amounts can be determined.

If transfer stipulations give rise to an obligation that meets the definition of a liability, the resulting liability is deferred in the financial statements and recognized in the Statement of Operations as the stipulation liabilities are settled.

(h) Loans Receivable

Loans receivable consists of amounts that are recoverable from member municipalities or other local governments with respect to outstanding debentures or other long-term debt. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

(i) Asset Retirement Obligations

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

2. Significant Accounting Policies (continued)

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

Liabilities are recognized for statutory, contractual, or legal obligations associated with the retirement of tangible capital assets when those obligations arise from the acquisition, construction or development and normal use of an asset. Asset retirement obligation liabilities for the closure and post-closure care of landfill sites, facilities containing asbestos, well and holding pond decommissioning, and post lease requirements are initially recognized at the best estimate of future expenses.

For assets in productive use, asset retirement obligations are discounted using present value methodology and recorded as a liability with an annual adjustment for accretion expense. As a result, there is a corresponding increase to the associated tangible capital asset which is then expensed over the useful life of the tangible capital asset in accordance with the policies outlined in (n i). For assets that are no longer in productive use or were never recorded, the liability is offset against accretion expense in the period. In subsequent periods, the liability is adjusted for any changes in the amount or timing of the underlying future cash flows.

(j) Financial Instruments

The Regional District recognizes its financial instruments when the Regional District becomes party to the contractual provisions of the financial assets and liabilities originated and issued in a related party transaction with management. Financial instruments consist of cash, portfolio investments, receivables, debt and accounts payable. The Regional District is exposed to various risks through its financial instruments including credit risk, liquidity risk, and market and interest rate risk. Qualitative and quantitative analysis of the significant risks from the Regional District's financial instruments is presented below by risk type.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk primarily arises from the Regional District's cash and cash equivalents, portfolio investments, and accounts receivables. The Regional District has a significant number of customers which minimizes the concentration of credit risk. Portfolio investment credit risk is minimized by limiting investments to securities of high credit worthiness and diversifying the investment portfolio to minimize potential losses.

Liquidity Risk

Liquidity risk is the risk that the Regional District will not be able to meet its obligations associated with financial liabilities. The Regional District is exposed to liquidity risk through its accounts payable and long-term debt. The Regional District manages the risk by continually monitoring cash flows and maintaining an adequate balance of liquid investments.

2. Significant Accounting Policies (continued)

Market and Interest Rate Risk

Market risk is the risk that changes in market prices and inputs, such as interest rates, will affect the Regional District's income. The Regional District manages market risk for portfolio investments by following the Investment Policy and applicable legislation. Interest rate risk on long-term debt is managed by holding all debt through the MFA at a fixed rate.

Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant credit risk, interest rate or liquidity risk from these financial instruments.

(k) Debt and Other Debt

The Regional Districts long-term debt and the member municipalities long-term debt are recorded net of repayments and actuarial adjustments.

(l) Demand Notes

The Regional District's debt instruments through the MFA require execution of demand notes. Management has reported the demand notes as contingent liabilities in compliance with PSAS (Note 20).

(m) Segmented Information

The Regional District's segments are distinguishable activities or groups of activities for which it is reasonable to separately report financial information. The Regional District provides segmented information in schedules to the financial statements.

(n) Non-financial Assets

Non-financial assets are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life extending beyond the current year and are not intended for sale in the ordinary course of the Regional District's operations.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset.

The cost, less the residual value of the tangible capital asset (excluding land), is amortized on a straight-line basis over the estimated useful life as follows:

Land	---
Parks Infrastructure	15 years
Buildings	30 - 50 years
Equipment (Machinery and Other)	10 - 15 years
Equipment (Vehicles)	10 - 20 years
Equipment (Computers)	5 years
Water and Sewer Utilities	40 years
Solid Waste	25 - 100 years
Transfer Stations	50 years

2. Significant Accounting Policies (continued)

Tangible capital assets, including assets under construction, are recorded at cost. Amortization is charged over the asset's useful life and commences when the asset is acquired. Full amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the assets are available for use.

(ii) Contributions of Tangible Capital Assets

Contributed tangible capital assets are recognized at fair value (using various methods such as actual developer costs, appraisals, assessed values or professional estimates) at the date of contribution and are also recognized as revenue. When an estimate of fair market value cannot be made, the tangible capital asset is recognized at a nominal value.

(o) Revenue Recognition

Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied.

Revenue from transactions with no performance obligations is recognized when:

- a transaction or event has occurred; and
- the Regional District expects to obtain future economic benefits.

(p) Future Accounting Pronouncements

The standards noted below were not in effect for the year ended December 31, 2025, therefore, have not been applied in preparing these financial statements. Management is assessing the impact of these standards on future statements.

Standards Applicable for Fiscals Years Beginning on or After April 1, 2026:

PS 1202 Financial Statement Presentation replaces and builds upon PS 1201 Financial Statement Presentation. The key changes are a significantly restructured Statement of Financial Position, a new Statement of Net Financial Assets (Net Financial Liabilities), removal of the existing Statement of Change in Net Financial Assets, a new Statement of Changes in Net Assets (Net Liabilities), a restructured Statement of Cash Flows, and new budget requirements.

The Conceptual Framework defines the nature, function and limits of financial accounting and reporting in the public sector. It is the foundation for which PSAS are developed and professional judgement is applied. It will replace the conceptual components of PS 1000 - Financial Statement Concepts and PS 1100 - Financial Statement Objectives.

3. Change in Accounting Policy

Effective January 1, 2024, the Regional District adopted Public Sector Guideline 8 (PSG-8) Purchased Intangibles. PSG-8 establishes guidelines on how to account for intangible assets, identifiable, non-monetary economic resources without physical substance, acquired through an arm's length exchange. The implementation of this guideline did not have any financial impact to the Regional District.

4. Cash and Cash Equivalents

	2025	2024
Cash	8,882,238	9,648,361
Cash Equivalents	43,510,157	17,698,396
	52,392,395	27,346,757

The Regional District's cash is held for general operations and delivery of regional services. The cash is held at a Canadian chartered bank and earns interest at the current prevailing rates.

Cash equivalents are held in High Interest Savings Accounts (HISA). Investments with an original maturity of three months or less are considered cash equivalents.

5. Accounts Receivable

	2025	2024
Provincial Government	2,236	5,256
Goods and Services Tax	453,246	437,843
Trade Receivables	952,112	1,274,084
Other	1,295,633	1,297,921
	2,703,227	3,015,104

6. Investments

	2025	2024
MFABC	11,885,379	12,014,639
MFABC Unrealized Gain/(Loss)	(343,164)	(440,577)
	11,542,215	11,574,062
Canaccord Investments	27,964,877	25,398,471
BMO	-	10,964,322
Scotiabank	19,915,165	20,372,937
CIBC	-	7,335,511
	59,422,257	75,645,303

The Regional District has invested in Guaranteed Investment Certificates (GIC) managed by Canaccord Genuity Corp. and Scotiabank. The interest accrued and the interest rates on these investments vary as follows:

Investment Description	Principal	Interest	Purchase Date	Maturity Date	Interest Rate
GIC - BSHORE	\$5,767,166	\$250,552	10/25/2024	10/26/2026	3.65%
GIC - PROSPERA CU	6,181,076	408,997	7/31/2024	7/31/2026	4.60%
GIC - KHALSA CU	5,000,000	85,068	7/05/2025	7/06/2026	3.45%
GIC - PROSPERA CU	5,000,000	83,836	7/04/2025	7/05/2027	3.40%
GIC - SUNSHINE	5,185,000	3,182	12/24/2025	12/24/2026	3.20%
	\$27,133,242	\$831,635			
GIC - SCOTIABANK	\$7,165,852	\$219,067	2/18/2025	2/18/2027	3.52%
GIC - SCOTIABANK	5,000,000	85,016	7/03/2025	1/04/2027	3.41%
GIC - SCOTIABANK	7,000,000	445,230	8/14/2024	2/17/2026	4.54%
	\$19,165,852	\$749,313			

6. Investments (continued)

The Regional District also has financial assets held by MFABC in various accounts that earn between 2.54-4.10 percent.

7. Reserve Deposits

	2025	2024
Member Municipalities - MFA Debt Reserve Deposits		
MFA Debt Resv Dep - District of Chetwynd	52,581	51,052
MFA Debt Resv Dep - City of Dawson Creek	474,901	492,685
MFA Debt Resv Dep - City of Fort St John	988,254	859,781
MFA Debt Resv Dep - District of Taylor	36,901	35,828
	1,552,637	1,439,346
Regional District - MFA Debt Reserve Deposits		
MFA Debt Resv Dep - Regional District	206,465	505,553
	206,465	503,553
	1,759,102	1,944,899

MFA is required to establish a Debt Reserve Fund. Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. MFA pays into the Debt Reserve Fund these monies from which interest earned thereon less administration expenses becomes an obligation to the regional district. The demand notes payable to the MFA and receivable from member municipalities are callable only if there are additional requirements to be met to maintain the level of the debt reserve fund.

If, at any time, the MFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments or sinking fund contributions shall be made from the Debt Reserve Fund.

The Regional District debt, under provisions of the Local Government Act, is a direct, joint and several liability of the Regional District and each member municipality within the Peace River Regional District. The demand notes on all debt are contingent in nature and therefore, excluded from the Statement of Financial Position under the provisions of PS 3300 Contingent Liability (Note 20).

8. Loans Receivables

	2025	2024
Dawson Creek	15,409,459	17,996,047
Chetwynd	2,716,833	2,910,899
Fort St. John	42,154,631	35,307,927
Taylor	3,418,988	3,544,319
	63,699,911	59,759,192

Under the Local Government Act and Community Charter, member municipalities are required to secure borrowing arrangements with the MFA through the Regional District. Under these terms, member municipalities are required to pay the Regional District amounts required to discharge their obligations respectively. Any default in payment is the liability of the Regional District.

9. Accounts Payable and Accrued Liabilities

	2025	2024
Federal Government	5,949	4,406
Grants In-Aid	-	25,703
Employee Vacation and Banked Overtime	82,951	72,005
Trade Payables	4,244,479	5,262,714
Other	896,457	389,031
	5,229,836	5,753,859

10. Deferred Revenue

	December 31, 2024	Externally Restricted Inflows	Revenue Earned	December 31, 2025
Bldg Insp-Demo & Temp Deposits	226,474	2,393	-	228,867
Deferred Revenue - Other	357,780	630,347	(156,118)	832,009
Deferred Revenue - Water Credits	27,063	77,317	(75,695)	28,685
	611,317	710,057	(231,813)	1,089,561

Monies received for specific purposes that are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the Statement of Financial Position. The revenue is recognized on the Statement of Operations in the period when related expenses are incurred and/or services performed and certain stipulations have been met.

11. Asset Retirement Obligations

The Regional District owns and operates the following assets that have asset retirement obligations associated with them:

Landfill obligation

The Ministry of Environment and Climate Change Strategy (MoECCS) Landfill Criteria for Municipal Solid Waste outlines regulations for the closure and care of both active and inactive landfill sites. These requirements encompass activities such as final covering and landscaping, leachate treatment and monitoring, groundwater and surface water monitoring, gas monitoring and recovery, and ongoing maintenance of various control and drainage systems. Estimated liabilities for closure and post-closure care are based on assumptions and information available to management, covering a period ranging from 100 – 200 years depending on the capacity of the landfill. Future events may alter these estimates, leading to adjustments in recognized liabilities as changes in estimates occur.

Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure monitoring activities using an assumed rate of 3.09% (2024 – 3.09%) for inflation and a discount factor of 2.9% (2024 – 2.9%). The Regional District currently has 3 active and 26 inactive landfill sites.

11. Asset Retirement Obligations (continued)

Landfills	2025	2024
Fort St. John	16,895,057	17,194,400
Bessborough	6,579,533	6,647,492
Chetwynd	5,099,439	5,028,474
Dawson Creek	165,273	134,457
Closed	400,586	390,561
	29,139,888	29,395,384

Well and Holding Pond Decommissioning

The Groundwater Protection Regulation provides specific guidelines for decommissioning wells and holding ponds which give rise to a retirement obligation. The Regional District must recognize an asset retirement obligation related to seven wells and two holding ponds owned by the Regional District that will be required to be decommissioned at the end of life. The asset retirement obligation associated with the decommissioning of these wells and holding ponds is currently valued at \$303,593 (2024 - \$380,676).

Asbestos Obligation

Asbestos and other designated hazardous materials represent a health hazard upon disturbance and as a result carry a legal obligation to remove them when a facility undergoes a significant renovation or demolition. The Regional District owns and operates several facilities that are known to have asbestos and as a result recognized an obligation relating to the removal of the hazardous materials that will be required at the end of life. The asset retirement obligation associated with the removal of asbestos and other hazardous materials within facilities is currently valued at \$1,625,394 (2024 - \$1,712,992).

End of Lease Requirements

Lease agreements often contain requirements for the lessee to return the leased property to its pre-lease condition. End of lease work meets the criteria of an asset retirement obligation under PS 3280, and in the Regional District’s case, liabilities have been recognized in association with removing bins and signage, gravel pad cleanup, and gravel pad restoration at unattended bin sites. The asset retirement obligation associated with end of lease requirements is currently valued at \$37,598 (2024 - \$41,937).

Asset Retirement Obligations	Landfill Obligation	Well/Holding Pond Decommissioning	Asbestos Abatement	End of Lease Requirements	Balance
Opening Balance	29,395,384	380,676	1,712,992	41,937	31,530,989
Rate Adjustment	(1,101,631)	(67,574)	(95,710)	(399)	(1,265,314)
Disposals	-	(18,065)	(37,695)	(5,000)	(60,760)
Accretion Expense	846,135	8,556	45,807	1,060	901,558
Closing Balance at Dec 31, 2025	29,139,888	303,593	1,625,394	37,598	31,106,473

12. Debt and Other Debt

	2025	2024
South Peace Multiplex	-	1,167,695
Chetwynd Recreation Centre	2,312,769	2,729,472
Buick Creek Arena	750,078	885,224
Solid Waste	1,121,585	1,657,998
Dawson Creek/Pouce Coupe Fire	34,221	63,570
911 Emergency Telephone System	798,264	798,264
	5,016,917	7,302,223
Member Municipality Debt		
Chetwynd	2,716,833	2,910,899
Dawson Creek	15,409,459	17,996,047
Fort St. John	42,154,631	35,307,927
Taylor	3,418,988	3,544,319
	63,699,911	59,759,192
	68,716,828	67,061,415

Under the Local Government Act, the Regional District and member municipalities can secure financing for certain capital expenditures. This debt is noted above.

The following are the borrowing issues from MFA for the Regional District, which is comprised of the debt of the Regional District and its member municipalities.

Issue No.	SI Bylaw	Interest Rate	Maturity Date	Regional District	Member Municipality	Balance at Dec 31, 2025
ISSUE-0097	Bylaw 1618	1.53	Apr-26	-	44,784	44,784
ISSUE-0101	Bylaw 1693 & 1695	3.39	Apr-27	-	517,796	517,796
ISSUE-0102	Bylaw 1729 & 1737	3.90	Dec-27/Dec-37	-	7,187,306	7,187,306
ISSUE-0103	Bylaw 1777	3.79	Apr-28/Apr-38	-	5,008,255	5,008,255
ISSUE-0105	Bylaw 1844	4.1	Jun-29	-	157,318	157,318
ISSUE-0110	Bylaw 1879, 1880 & 1882	1.28/3.38	Apr-30	3,062,847	140,133	3,202,980
ISSUE-0118	Bylaw 1998 & 2000	3.39	Apr-32	-	143,411	143,411
ISSUE-0121	Bylaw 2024	3.39	Oct-32	-	1,755,161	1,755,161
ISSUE-0126	Bylaw 2084	4.52	Sep-33	-	2,713,078	2,713,078
ISSUE-0130	Bylaw 2138	4.10	Oct-34	-	254,182	254,182
ISSUE-0131	Bylaw 2188 & 2192	2.2/4.1	Apr-25/Apr-35	-	936,265	936,265
ISSUE-0133	Bylaw 2209 & 2210	2.75	Oct-25/Oct-35	-	8,088,508	8,088,508
ISSUE-0141	Bylaw 2270 & 2280	2.80	Apr-27/Apr-37	-	1,043,088	1,043,088
ISSUE-0142	Bylaw 2281 & 2293	3.15	Oct-27/Oct-37	1,121,585	1,464,010	2,585,595
ISSUE-0145	Bylaw 2313	3.15	Apr-38	-	776,970	776,970
ISSUE-0147	Bylaw 2347	2.66	Apr-39	-	294,818	294,818
ISSUE-0157	Bylaw 2469 & 2470	3.36	Apr-32/Apr-42	-	9,436,204	9,436,204
ISSUE-0158	Bylaw 2488	4.09	Sep-42	-	143,990	143,990
ISSUE-0159	Bylaw 2497	4.15	Jun-33	-	4,127,283	4,127,283
ISSUE-0162	Bylaw 2549 & 2552	3.83	Sep-44	-	9,717,351	9,717,351
ISSUE-0163	Bylaw 2549	4.66	Feb-45	-	9,750,000	9,750,000
				4,184,432	63,699,911	67,884,343
Equipment Financing		2.8	Sep-26	34,221	-	34,121
Short-term Financing		2.85	Dec-27	798,264	-	798,264
				5,016,917	63,699,911	68,716,828

12. Debt and Other Debt (continued)

The principal repayments and actuarial amounts recognized on the total debt outstanding for future years is as follows:

Year	Regional District	Member Municipality	Total
2026	1,956,154	5,402,243	7,358,397
2027	1,160,235	6,381,903	7,542,138
2028	611,845	5,061,594	5,673,439
2029	633,260	4,659,058	5,292,318
2030	655,423	4,752,383	5,407,806
2031 & Thereafter	-	37,442,730	37,442,730
Total	5,016,917	63,699,911	68,716,828

13. Other Liabilities

	2025	2024
Accrued Interest	980,338	934,404
Debt Reserves	1,759,102	1,944,899
	2,739,440	2,879,303

14. Reserve Funds

Capital Reserves:

	2025	2024
F100- Building Capital Reserve	5,360,949	2,060,952
F160- Fleet Vehicle Capital Reserve	245,460	236,863
F200- Regional Parks Capital Reserve	481,143	331,871
F225- Kelly Lake Community Hall Capital Reserve	127,311	114,640
F240- Chetwynd Pool Capital Reserve	2,716,835	2,533,231
F245- NP Leisure Pool Bldg Reserve	4,610,817	4,243,998
F245- NP Leisure Pool Capital Reserve	2,809,545	2,711,146
F255- Chetwynd Arena Capital Reserve	2,245,807	2,861,305
F265- Buick Creek Arena Capital Reserve	404,246	390,089
F290- Chetwynd Library Capital Reserve	161,642	92,998
F305- 911 Emerg. Capital Reserve	101,948	365,825
F315- Charlie Lake Fire Dept Capital Reserve	1,212,546	1,156,042
F320- Chetwynd Rural Fire Capital Reserve	90,170	308,295
F325- DC/PC Fire Capital Reserve	950,727	781,226
F335- MLFD Apparatus Capital Reserve	220,294	212,579
F335- MLFD Capital Reserve	135,276	22,226
F500- Solid Waste Capital Reserve	12,718,849	9,384,981
F601- Charlie Lake DCC Capital Reserve	379,302	357,770
F601- Charlie Lake Sewer Capital Reserve	858,460	828,394
F601- CL Treatment/Disposal Capital Reserve	432,888	417,727
F601- CL Truck Rec. Facility Capital Reserve	584,781	564,300
F602- Chilton Sewer Capital Reserve	128,627	104,398
F603- FSJ Sewer Capital Reserve	153,168	139,962

	2025	2024
F604- Friesen Sewer Capital Reserve	108,419	84,898
F605- Harper Sewer Capital Reserve	188,577	134,792
F606- Kelly Lake Sewer Capital Reserve	101,789	78,501
F607- Rolla Sewer Capital Reserve	100,199	76,750
F701- FSJ Airport Sub Capital Reserve	51,980	50,159
F702- Area B Potable H2O Capital Reserve	495,659	169,773
	38,177,414	30,815,691

Special Purpose Operating Reserves:

	2025	2024
F100- Admin Feasibility Spec Op Reserve	342,642	330,642
F100- Admin - Election Spec Op Reserve	116,874	112,781
F100- Admin Growing Comm Spec Op Reserve	1,360,256	2,237,385
F110- Med. Scholarship Spec Op Reserve	54,600	120,570
F120- Leg- EA - BCR/PRA Spec Op Reserve	141,281	138,744
F120- Leg- EA PRA Cmte Spec Op Reserve	1,258,066	1,214,004
F120- Leg- EA Area C CMA Spec Op Reserve	718,504	693,340
F120- Leg- EA- Covid Spec Op Reserve	46,542	170,399
F120- Leg- EA F/S Area B Spec Op Reserve	1,770	1,304,024
F120- Leg- EA F/S Area C Spec Op Reserve	57,153	1,086,137
F120- Leg- EA F/S Area D Spec Op Reserve	240,555	1,641,444
F120- Leg- EA F/S Area E Spec Op Reserve	59,517	3,031,219
F120- Leg- EA Gas Tax Spec Op Reserve	6,157,771	6,427,133
F120- Leg- EA Green Carbon Spec Op Reserve	-	877,193
F120- Leg- EA Insurance Spec Op Reserve	562,313	542,619
F120- Leg- EA Legacy Area B Spec Op Reserve	1,329,752	-
F120- Leg- EA Legacy Area C Spec Op Reserve	1,030,475	-
F120- Leg- EA Legacy Area D Spec Op Reserve	1,060,253	-
F120- Leg- EA Legacy Area E Spec Op Reserve	2,901,027	-
F120- Leg- EA PRA Area B Spec Op Reserve	3,678,071	3,052,541
F120- Leg- EA PRA Area C Spec Op Reserve	4,115,538	4,464,750
F120- Leg- EA PRA Area D Spec Op Reserve	3,172,623	3,587,763
F120- Leg- EA PRA Area E Spec Op Reserve	3,689,693	2,973,816
F120- Leg- EA Reg Legacy Spec Op Reserve	33,676	-
F120- Leg- EA Rural Loan Spec Op Reserve	6,161,980	5,946,169
F170- Gotta Go Spec Op Reserve	80,607	77,784
F190- Seniors in Place Spec Op Reserve	130,759	320,846
F221- Sub Reg Rec Ins Spec Op Reserve	259,401	250,316
F300- Leg Area C CMA Emerg. Spec Op Reserve	79,580	76,792
F500- Landfill Closure Spec Op Reserve	3,926,475	3,271,207
F525- North Pine TV Decom Spec Op Reserve	21,411	33,241
	42,789,165	43,982,859

	2025	2024
Operating Maintenance Reserve:		
F100- Admin - Finance Op Maint Reserve	136,008	131,245
F100- Admin - Human Res Op Maint Reserve	542,177	523,188
F100- Admin - IT Op Maint Reserve	491,004	454,083
F100- General Admin Op Maint Reserve	9,920	-
F110- Leg - Regional Op Maint Reserve	9,197	-
F120- Leg - Electoral Op Maint Reserve	42,426	-
F170- Gotta Go Op Maint Reserve	124,416	-
F180- Health Related Op Maint Reserve	2,245	-
F190- Seniors Aging Op Maint Reserve	6,557	-
F200- Regional Parks Op Maint Reserve	200,997	172,630
F210- Community Parks Op Maint Reserve	1,766	-
F222- Dinosaur Museum Op Maint Reserve	4,189	-
F223- Global Geopark Op Maint Reserve	3,689	-
F225- Kelly Lake Hall Op Maint Reserve	51,650	43,414
F230- Tate Creek Com Ct Op Maint Reserve	586	-
F240- Chet Leisure Cent Op Maint Reserve	175,934	169,773
F245- NP Leisure Pool Op Maint Reserve	234,894	168,073
F255- Chetwynd Arena Op Maint Reserve	255,215	226,552
F260- Clearview Arena Op Maint Reserve	102,712	98,464
F265- Buick Creek Arena Op Maint Reserve	153,187	162,405
F280- Recreation & Cult Op Maint Reserve	35,584	-
F290 - Chet Library Op Maint Reserve	38,947	27,173
F291- FSJ Library Op Maint Reserve	440	-
F295- Library Services Op Maint Reserve	586	-
F300- Emerg Planning Op Maint Reserve	185,783	422,436
F305- 911 Emergency Tel Op Maint Reserve	31,090	30,000
F315- Charlie Lake Fire Op Maint Reserve	149,989	143,221
F320- Chet Rural Fire Op Maint Reserve	7,103	1,536
F325 - DC/PC Rural Fire Op Maint Reserve	4,592	-
F330- FSJ Rural Fire Op Maint Reserve	6,131	-
F335- Moberly Lake Fire Op Maint Reserve	317	-
F340- Taylor Rural Fire Op Maint Reserve	4,763	-
F345- Tomslake Fire Op Maint Reserve	98,816	70,314
F400- Mgmt of Develop Op Maint Reserve	242,460	218,850
F405- Building Inspect Op Maint Reserve	3,484	-
F430- Rolla Dyking Op Maint Reserve	1,798	1,735
F500- Solid Waste Op Maint Reserve	4,338,947	4,132,871
F520- Weeds Op Maint Reserve	135,388	127,007
F601- CL Sewer Op Maint Reserve	155,386	201,262
F602- Chilton Sewer Op Maint Reserve	40,307	38,896
F603- FSJ Sewer Op Maint Reserve	93,429	82,879
F604- Friesen Sewer Op Maint Reserve	31,812	30,698

F605- Harper Sewer Op Maint Reserve	103,691	92,404
F606- Kelly Lake Sewer Op Maint Reserve	1,010	975
F607- Rolla Sewer Op Maint Reserve	11,522	1,251
F701- FSJ Water Op Maint Reserve	53,855	51,969
F702- Area B Potable H2O Op Maint Reserve	733,840	501,023
	9,059,839	8,326,327
	90,026,418	83,124,877

The Regional Districts Capital reserves were established by bylaw under section 377 of the Local Government Act. Legislation requires that money in the reserve fund must be used for the purpose for which the fund was established. The legislation allows for the establishment of operating and capital reserves which are important funding sources for the Regional District.

15. Accumulated Surplus

	2025	2024
Unappropriated Surplus (Deficit)	14,245,553	10,924,370
Reserve Funds (Note 14)	90,026,418	83,124,877
Equity in Tangible Capital Assets	58,016,920	50,207,854
	162,288,891	144,257,101

16. Government Transfers

	2025	2024
Operations		
Province of British Columbia	814,991	1,088,667
Capital		
Province of British Columbia	19,574	-
Federal	979,689	979,689
Other	3,378,487	3,612,242
	4,377,750	4,591,931
	5,192,741	5,680,598

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that the 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 and Accumulated Surplus as the stipulation liabilities are settled.

17. COVID-19

	2025	2024
Opening Balance	170,399	385,872
Add: Interest Earned	4,928	14,444
	175,327	400,316
Less: Amounts Spent in the Year	(128,785)	(229,917)
Closing Balance	46,542	170,399

The SARS-CoV-2 (COVID-19) outbreak was declared a pandemic by the World Health Organization and has had a significant global financial and economic impact. For the reporting date December 31, 2025, the COVID-19 is considered by management as a non-adjusting event. Consequently, there is no impact on the recognition and measurement of assets and liabilities. The following provides additional details of the COVID-19 financial transactions within Note 14.

18. Growing Communities Fund

	2025	2024
Opening Balance	2,237,385	2,479,054
Add: Interest Earned	73,355	122,039
	2,310,740	2,601,093
Less: Amounts Spent in the Year	(950,484)	(363,708)
Closing Balance	1,360,256	2,237,385

The Regional District has received an increase in cash flow as a result of government transfers to address unique infrastructure and amenity demands.

19. Capacity Funding for Housing Initiatives

	2025	2024
Opening Balance	138,388	-
Add: Amounts Received in the Year	-	217,309
Less: Amounts Spent in the Year	(16,538)	(78,921)
Closing Balance	121,850	138,388

In 2024, The Regional District received an increase in cash flow as a result of government transfers to support activities and projects to meet the new legislative requirements arising from Bill 44 Housing Statutes (Residential Development) Amendment Act, Bill 46 Housing Statutes (Development Financing) Amendment Act, and Bill 47 Housing Statutes (Transit-Oriented Areas) Amendment Act.

20. Contingent Liability

The Regional District has a contingent liability with respect to the MFA Debt Reserve Fund Demand Note. As a condition of the borrowing undertaken by the Regional District, the Regional District was required to contribute to the MFA Debt Reserve through a demand note. The demand note will only be recorded as an asset and liability if a local government defaults on the loan obligation. Upon this action of the default, the MFA may call the outstanding demand notes, at which point the demand notes then become an asset and a liability.

20. Contingent Liability (continued)

Once the defaulting local government repays in full the defaulted position, the MFA will refund all called demand notes. It is generally unlikely that the funds will be demanded by the MFA; therefore, the contingent liability has not been recorded in the financial statements.

21. Budget

The Regional District's unaudited budget figures shown represent the 2025 - 2029 budget adopted on March 20, 2025 as part of the Five Year Financial Plan Bylaw No. 2572, 2025. These figures do not reflect subsequent amendments made by the Board of Directors to reflect changes in the budget throughout the year as required by bylaw. The Regional District prepares its budget with consideration of revenues and expenditures without accrual adjustments. The Regional District's 2025 budget in the financial statements is adjusted for transactions such as debt and capital projects, which do not meet the definitions of revenues and expenditures under Canadian Public Sector Accounting Standards.

The following is a reconciliation between the budgeted amounts approved in the Financial Plan and presented in the financial statements:

2025 Annual Surplus per Financial Plan Bylaw #2572	-
2025 Annual Surplus as per Financial Statements	(18,438,550)
Revenue:	
Transfer From Surplus	3,779,961
Transfer From Reserve	50,835,326
Debt Servicing - Member Municipalities	4,214,470
Internal Charges	1,232,208
Total Revenue Budget	60,061,965
Expense:	
Debt Servicing - Member Municipalities	4,214,470
Debt Servicing - Regional District	1,924,825
Transfer to Reserve	13,841,127
Capital	20,436,871
Internal Charges	1,206,122
Total Expense Budget	41,623,415
2025 Annual Surplus After Adjustments	-

22. Municipal Pension Plan

The Peace River Regional District and its employees contribute to the Municipal Pension Plan (a jointly trusted 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-employers defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan had about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

22. Municipal Pension Plan (continued)

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 \$2,675 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2027.

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 costs to individual employers participating in the plan.

The Regional District paid \$538,928 (2024 - \$456,749) for employer contributions, while employees contributed \$491,800 (2024 - \$416,422) to the plan in fiscal 2025.

23. Related Party Transactions

The Peace River Regional Hospital District (Hospital District) is related to the Regional District since the same individuals are members of the Board of Directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the Regional District are the corresponding officers and employees of the Hospital District. Each of the Regional District and the Hospital District are separate legal entities as defined by separate Letters Patent and authorized by separate legislation. During the year, the Peace River Regional District provided administration and accounting services of \$30,000 (2024 - \$30,000) to the Peace River Regional Hospital District. These transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

24. Comparative Figures

Certain prior year figures, presented for comparative purposes, have been reclassified to conform to the current year's financial statement presentation.

25. Segment Reporting

The Regional District provides services to its members, that have been grouped into related departmental functions or service areas for segment reporting purposes. The various segments are as follows:

General Government

This segment is comprised of services that relate to the legislative function as well as the administrative and financial management of the Regional District. Legal administration, grants, records management, human resources management, information technology and elections all fall within General Government services.

25. Segment Reporting (continued)

Environmental Services

This segment administers services including solid and liquid waste management, recycling and invasive plant control.

Protective Services

This segment includes the revenue and expenses associated with fire protection, emergency services and 911 telephone services.

Planning and Development

This segment administers services related to long range and current community planning, geographical information services, building inspections, bylaw enforcement and building inspection services.

Recreation and Culture

This segment administers services that relate to the recreational and cultural activities and organizations within the Regional District including swimming pools, community halls, leisure centres and parks.

Sewer Utilities

This segment is comprised of services for providing sewer services.

Water Utilities

This segment is comprised of services for providing water services.

26. Tangible Capital Assets	2024 Cost		Current Additions		2024 Accumulated Amortization		2025 Cost		2024 Accumulated Amortization		2025 Accumulated Amortization		2025 Net Book Value		2024 Net Book Value	
Land	1,032,660	-	-	(3,894)	1,028,766	-	-	-	-	-	-	-	-	1,028,766	1,032,660	
Buildings	44,401,905	1,376,002	1,376,002	(389,546)	45,388,361	19,033,666	(293,836)	45,388,361	19,033,666	1,071,095	19,810,925	25,577,436	25,577,436	25,368,239		
Equipment																
Computer	936,817	58,735	58,735	(19,192)	976,360	687,475	(19,192)	976,360	687,475	110,954	779,237	197,123	197,123	249,342		
Machinery & Other	6,684,033	1,888,841	1,888,841	(75,595)	8,497,279	3,326,321	(41,244)	8,497,279	3,326,321	440,913	3,725,990	4,771,289	4,771,289	3,357,712		
Vehicles	5,411,435	1,294,044	1,294,044	(127,214)	6,578,265	2,488,781	(75,901)	6,578,265	2,488,781	400,046	2,812,926	3,765,339	3,765,339	2,922,654		
Solid Waste	36,041,665	63,278	63,278	-	36,104,943	7,177,907	-	36,104,943	7,177,907	1,121,989	8,299,896	27,805,047	27,805,047	28,863,758		
Parks	482,872	2,850	2,850	(26,171)	459,551	261,857	(6,835)	459,551	261,857	18,223	273,245	186,306	186,306	221,015		
Sewer	23,081,834	2,331,143	2,331,143	-	25,412,977	8,360,813	-	25,412,977	8,360,813	459,686	8,820,499	16,592,478	16,592,478	14,721,021		
Water	4,276,073	251,549	251,549	(49,863)	4,477,759	734,112	-	4,477,759	734,112	75,806	809,918	3,667,841	3,667,841	3,541,961		
Work in Progress	3,378,519	3,641,502	3,641,502	(68,720)	6,951,301	-	-	6,951,301	-	-	-	6,951,301	6,951,301	3,378,519		
	125,727,813	10,907,944	10,907,944	(760,195)	135,875,562	42,070,932	(437,008)	135,875,562	42,070,932	3,698,712	45,332,636	90,542,926	90,542,926	83,656,881		

Total contributed Tangible Capital Assets received during the year was \$0 (2024 - \$0).


Peace River Regional District Schedule 1. Revenue and Expenses by Segment

FOR THE FISCAL YEARS ENDED DECEMBER 31, 2025

	Budget		General Government		Environmental Services		Protective Services		Planning and Development		Recreation and Culture		Sewer Utilities		Water Utilities		2025 Total	
Revenue																		
Requisitions	39,994,921	8,173,041	9,340,602	4,937,500	763,031	15,213,651	480,255	1,086,843	39,994,923	38,971,172								
Grants-in-Lieu	1,470,360	1,207,828	1,489,912	220,590	101,954	252,301	-	-	3,272,585	2,059,463								
Interest Income	-	2,296,777	703,677	128,035	8,355	544,716	120,061	39,610	3,841,231	5,004,599								
Fees, Charges and Other	7,508,672	249,326	4,931,026	688,111	283,691	2,858,544	772,250	299,360	10,082,308	10,976,404								
Government Transfers	5,264,956	4,471,273	52,045	624,590	43,056	1,777	-	-	5,192,741	5,680,598								
	54,238,909	16,398,245	16,517,262	6,598,826	1,200,087	18,870,989	1,372,566	1,425,813	62,383,788	62,692,236								
Expenses																		
Wages & Payroll	9,297,266	4,515,166	896,490	918,088	1,083,659	492,754	216,717	84,989	8,207,863	7,088,627								
Advertising	368,238	70,283	-	14,405	-	7,201	-	315	92,204	118,222								
Banking Fees & Interest	1,349,630	2,065	198,844	28,021	3,019	918,647	3,724	2,911	1,157,231	1,224,321								
Studies, Committees & Meetings	780,408	113,435	9,610	188,033	32,214	782	-	320	344,394	366,733								
Professional Services	815,989	107,070	6,067	8,627	57,564	29,113	8,641	24,329	241,411	289,746								
Repair & Maintenance	986,389	181,829	21,482	209,626	-	33,781	33,438	3,876	484,032	441,724								
Insurance	559,271	95,759	25,051	91,967	7,752	196,725	44,242	15,148	476,644	468,556								
Office & Supplies	1,901,478	574,203	637,704	309,307	42,686	2,527	4,217	18,891	1,589,535	1,384,986								
Grants & Scholarships	28,586,243	1,325,167	-	11,000	-	3,661,817	-	-	4,997,984	4,995,239								
Operations	8,052,409	-	181,070	-	-	6,890,132	15,842	46,257	7,133,301	7,236,347								
Phone & Internet	524,747	165,842	37,292	188,424	6,018	3,724	4,178	578	406,056	466,895								
Travel, Meals & Memberships	431,006	178,132	17,725	49,831	19,836	6,373	2,700	1,043	275,640	314,098								
Consulting Fees	453,380	60,514	-	-	23,209	-	26,101	-	109,824	294,119								
Miscellaneous	6,408,372	750,177	2,079,850	960,351	57,705	698,351	786,953	60,481	5,393,868	4,847,538								
Contracting Fees	11,846,994	1,604,782	5,165,110	2,287,765	-	111,698	20,303	516,223	9,705,881	9,392,673								
Amortization	-	266,984	1,212,178	524,222	-	1,146,516	471,367	77,445	3,698,712	3,659,809								
Utilities	315,639	42,862	54,748	38,415	-	23,694	70,826	25,056	255,601	240,052								
Accretion	-	15,124	(254,836)	-	-	30,684	-	(9,155)	(218,183)	1,812,396								
	72,677,459	10,069,394	10,288,385	5,828,082	1,333,662	14,254,519	1,709,249	868,707	44,351,998	44,642,081								
Net Revenue (Expenditure)	(18,438,550)	6,328,851	6,228,877	770,744	(133,575)	4,616,470	(336,683)	557,106	18,031,790	18,050,155								



Financial Statistics

North Pine, Electoral Area B 

Peace River Regional District Statement of Operations

	2021	2022	2023	2024	2025
Revenue					
Requisition From Members	27,680,275	32,007,367	37,269,182	38,971,172	39,994,923
Interest Income	569,477	2,009,526	3,550,561	5,004,599	3,841,231
Other Revenue	8,736,368	10,960,069	9,591,589	10,976,404	10,082,308
Government Grants	7,800,464	7,982,847	9,314,785	7,740,061	8,465,326
	44,786,584	52,959,809	59,726,117	62,692,236	62,383,788
Expenses by Function					
Administration	5,963,318	7,717,923	7,703,575	9,542,883	10,069,394
Environmental Services	11,839,303	8,530,146	29,971,473	11,345,524	10,288,385
Planning and Development	1,317,774	1,074,578	1,238,551	1,341,902	5,828,082
Protective Services	3,869,457	4,219,629	4,921,870	5,120,885	1,333,662
Recreation and Culture	11,717,681	11,915,673	12,774,605	14,425,579	14,254,519
Water and Sewer Utility Services	2,310,081	2,252,175	2,744,068	2,865,308	2,577,956
	37,017,614	35,710,124	59,354,142	44,642,081	44,351,998
Expenses by Object					
Wages and Benefits	5,806,997	6,203,530	6,168,006	7,088,627	8,207,863
Operations and Maintenance	6,573,340	6,988,547	7,714,706	7,678,071	7,617,333
Contract for Services	7,058,257	7,483,954	8,289,344	9,392,673	9,705,881
Amortization	2,610,572	2,828,553	3,275,001	3,659,809	3,698,712
Grants & Conditional Transfers	3,667,327	4,188,987	3,891,888	4,995,239	4,997,984
Other	11,301,121	8,016,553	9,780,521	10,015,266	10,342,408
Accretion	-	-	20,234,676	1,812,396	(218,183)
	37,017,614	35,710,124	59,354,142	44,642,081	44,351,998
Accumulated Surplus, Beginning of the Year	100,816,315	108,585,285	125,834,970	126,206,946	144,257,101
Annual Surplus	7,768,970	17,249,685	371,976	18,050,155	18,031,790
Accumulated Surplus, End of the Year	108,585,285	125,834,970	126,206,946	144,257,101	162,288,891
Accumulated Remeasurement Gains (Losses)		(1,262,983)	(675,345)	(440,579)	(343,164)
	108,585,285	124,571,987	125,531,601	143,816,522	161,945,727

Peace River Regional District Tax Assessments

	2021	2022	2023	2024	2025
Electoral Area B					
Land	617,496,764	648,431,559	682,109,806	708,846,705	742,752,745
Improvements	2,755,024,687	2,896,281,825	3,110,096,269	3,360,482,221	3,699,087,996
	3,372,521,451	3,544,713,384	3,792,206,075	4,069,328,926	4,441,840,741
Electoral Area C					
Land	476,648,287	487,703,618	515,408,028	525,212,551	541,969,995
Improvements	1,029,902,569	1,104,162,859	1,165,510,458	1,231,404,505	1,231,648,073
	1,506,550,856	1,591,866,477	1,680,918,486	1,756,617,056	1,773,618,068
Electoral Area D					
Land	343,310,384	379,266,796	390,828,809	400,783,337	431,387,350
Improvements	1,950,255,734	2,031,406,436	2,156,180,707	2,263,290,379	2,403,349,724
	2,293,566,118	2,410,673,232	2,547,009,516	2,664,073,716	2,834,737,074
Electoral Area E					
Land	206,615,324	211,929,022	245,727,617	248,412,361	258,122,689
Improvements	1,295,965,559	1,435,749,238	1,619,651,021	1,834,507,975	1,965,155,964
	1,502,580,883	1,647,678,260	1,865,378,638	2,082,920,336	2,223,278,653
District of Hudson's Hope					
Land	32,003,932	29,798,031	30,290,233	35,625,099	36,883,612
Improvements	152,151,728	160,078,612	177,189,853	190,420,882	191,305,906
	184,155,660	189,876,643	207,480,086	226,045,981	228,189,518
Village of Pouce Coupe					
Land	24,141,515	23,859,102	21,843,506	22,707,796	21,436,950
Improvements	68,094,499	72,815,086	73,536,746	79,810,482	81,967,049
	92,236,014	96,674,188	95,380,252	102,518,278	103,403,999
District of Tumbler Ridge					
Land	50,219,823	52,556,999	59,348,665	65,179,755	69,883,386
Improvements	273,369,791	291,916,575	297,711,767	338,769,737	419,953,076
	323,589,614	344,473,574	357,060,432	403,949,492	489,836,462
City of Dawson Creek					
Land	463,905,502	446,774,256	452,876,308	437,789,429	467,101,151
Improvements	1,269,571,934	1,365,934,935	1,450,457,957	1,453,514,029	1,466,530,476
	1,733,477,436	1,812,709,191	1,903,334,265	1,891,303,458	1,933,631,627
City of Fort St. John					
Land	1,219,603,304	1,343,611,354	1,426,443,214	1,352,246,547	1,301,418,667
Improvements	2,296,310,042	2,400,689,670	2,522,446,250	2,607,610,760	2,744,678,364
	3,515,913,346	3,744,301,024	3,948,889,464	3,959,857,307	4,046,097,031
District of Chetwynd					
Land	62,058,764	58,822,008	60,590,540	63,229,455	66,969,400
Improvements	296,463,927	311,550,638	332,256,546	338,588,766	344,366,466
	358,522,691	370,372,646	392,847,086	401,818,221	411,335,866
District of Taylor					
Land	50,800,702	52,090,827	52,031,261	53,653,541	54,129,542
Improvements	178,389,548	182,449,988	195,368,488	188,077,048	194,089,220
	229,190,250	234,540,815	247,399,749	241,730,589	248,218,762

Peace River Regional District Debt

	2021	2022	2023	2024	2025
Gross Outstanding Long-Term Debt Beginning of Year:					
Regional District	16,740,480	14,280,260	12,987,447	10,144,684	7,302,223
Member Municipalities	57,322,763	51,753,533	57,729,625	56,327,068	59,759,192
	74,063,243	66,033,793	70,717,072	66,471,752	67,061,415
Add: New Debt					
Regional District	151,600	1,608,264	-	-	-
Member Municipalities	-	11,765,724	5,000,000	10,073,563	10,000,000
Less: Principal Payments and Actuarial Adjustments for Debt					
Regional District	2,611,820	2,901,077	2,842,763	2,842,461	2,285,306
Member Municipalities	5,569,230	5,789,632	6,402,557	6,641,439	6,059,281
Net Long-Term Debt End of Year	66,033,793	70,717,072	66,471,752	67,061,415	68,716,828
General	14,066,865	12,987,447	10,144,684	7,302,223	5,016,917
Sewer	213,395	-	-	-	-
Water	-	-	-	-	-
Member Municipalities	51,753,533	57,729,625	56,327,068	59,759,192	63,699,911
Net Long-Term Debt	66,033,793	70,717,072	66,471,752	67,061,415	68,716,828
Property Tax Supported	3,171,669	3,171,669	2,865,265	2,775,501	2,687,142
Sewer Utility	37,992	211,521	-	-	-
Water Utility	-	-	-	-	-
Total Long-Term Debt Servicing Costs *	3,209,661	3,383,190	2,865,265	2,775,501	2,687,142
Total Expenses (Excluding Municipality Debt Payments)	37,017,614	35,710,124	59,354,142	44,642,081	44,351,998
Population	62,942	61,532	61,532	61,532	61,532
Net Long-Term Debt per Capita	1,049	1,149	1,080	1,090	1,117
Long-Term Debt Servicing per Capita *	51	55	47	45	44
Long-Term Debt Service as % of Expenses *	8.67%	9.47%	4.83%	6.22%	6.06%
Financial Assets	129,765,452	138,848,813	154,215,497	167,711,255	179,976,892
Financial Liabilities	82,399,189	85,742,700	105,129,861	107,836,883	108,882,138
Net Financial Assets/(Net Debt)	47,366,263	53,106,113	49,085,636	59,874,372	71,094,754

* Does not include Debt Servicing for Municipal Debt

Peace River Regional District Property Tax Collection

	2021	2022	2023	2024	2025
City of Dawson Creek	1,744,963	1,551,604	1,715,758	1,673,291	1,632,407
City of Fort St. John	2,574,245	2,885,111	3,614,193	3,724,029	3,626,812
District of Chetwynd	1,013,882	1,033,895	1,072,434	1,115,409	1,106,319
District of Hudson's Hope	178,210	205,526	240,602	253,311	254,090
District of Tumbler Ridge	285,886	328,406	358,799	382,032	487,171
District of Taylor	179,782	204,628	234,529	242,770	228,538
Village of Pouce Coupe	81,302	91,384	95,973	98,895	95,169
Electoral Area B	2,196,880	2,846,694	3,399,768	3,559,736	8,298,249
Electoral Area C	574,369	687,887	818,371	863,670	2,008,917
Electoral Area D	1,278,541	2,131,960	1,896,310	1,801,489	4,503,780
Electoral Area E	1,022,981	1,295,547	1,625,043	1,632,819	3,657,557
General Property Taxes	11,131,041	13,262,642	15,071,780	15,347,451	25,899,009
Local Service Area	16,549,234	18,744,725	22,197,402	23,623,721	14,095,912
Total Annual Property Tax	27,680,275	32,007,367	37,269,182	38,971,172	39,994,921

Peace River Regional District Acquisition of Tangible Capital Assets

	2021	2022	2023	2024	2025
Acquisition of Tangible Capital Assets	3,338,788	13,173,959	8,143,162	11,278,763	10,907,944

Peace River Regional District Reserves

	2021	2022	2023	2024	2025
General	62,986,215	64,711,641	72,693,406	80,455,893	86,614,688
Water	70,790	532,208	718,127	772,924	1,335,334
Sewer	1,114,899	1,258,758	1,617,357	1,896,060	2,076,396
	64,171,904	66,502,607	75,028,890	83,124,877	90,026,418

Peace River Regional District Staff and Other Stats

	2021	2022	2023	2024	2025
Number of Full-Time Staff	47	46	45	56	60
Northeast BC Unemployment Rate	4.2%	3.5%	4.9%	5.9%	8.8%

Key Industry Sectors:

- Agriculture
- Tourism
- Manufacturing
- Oil and Gas
- Hydro-Electric Power Generation
- Forestry
- Mining



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Blackfoot Regional Park, Electoral Area B 📍