



**FORT ST JAMES**  
DISTRICT

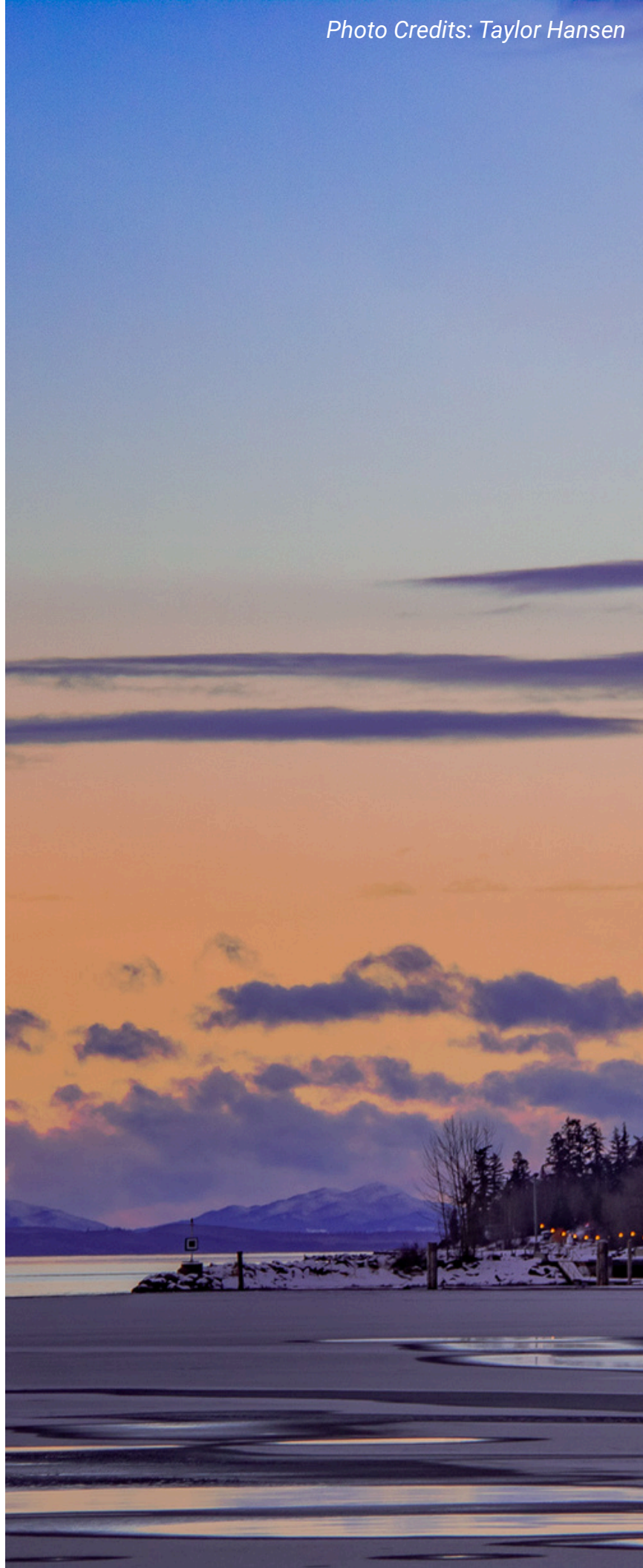
# 2025 Annual Report

For the year ending December 31, 2025

*historic and resourceful!*

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# Mayor's Report

## Message from the Mayor

The District's Strategic Plan for 2023-2026 is always on Council's mind prior to decisions being made. Our current Plan includes community resilience, managing municipal assets, Indigenous relations, and organizational effectiveness with the overarching goal to balance fiscal responsibility. The Resource Benefits Alliance signing in 2024 has allowed us to accomplish these goals. These funds permit us to develop infrastructure projects without raising municipal taxes.

Some of 2025 projects include Goodwin Park Tennis/Basketball Court resurfacing complete with a lighted walking trail, the Fort Forum front concourse was started and is to be completed in early 2026, and the Curling Rink Project was finished. It saw HVAC upgrades, heaters and accessibility improvements throughout.

The second phase of water hookups and paving was completed in the Dogwood and Birch Street area. The entire community should be completed in the next few years. A new First Response fire truck is a welcome addition to the fleet and will ensure our BC Municipal Fire safety certification. Numerous other projects were completed throughout year that will make a difference to our everyday life.

From Council and Staff, we would like to thank all our residents as well as Nak'azdli, RDBN Area C and the other First Nations in working together to make "The Fort" feel like there's no place like home.

*Martin Elphee*



In the words of  
Helen Keller



***Alone we  
can do so  
little,  
together  
we can do  
so much.***



# District Council 2022 to 2026



1

Councillor  
Corbett Boschman

2

Councillor  
Jennifer Howell

3

Mayor  
Martin Elphee

4

Councillor  
Judith Friesen

4

5

Councillor  
Kris Nielsen

5

# Message from the Chief Administrative Officer

On behalf of District staff, I am pleased to present the 2025 Annual Report. This report highlights the year and shows the District's progress in advancing the priorities set by Council through their 2023–2026 Strategic Plan.

As outlined in this report, 2025 was a year of meaningful progress, with many strategic priorities either advanced or achieved. Staff completed the Corporate Plan this year which provides a clear roadmap for implementing the Strategic Plan and strengthens our ability to measure and report progress to Council and the Community.

Several major capital projects were advanced, launched, or completed this year, alongside planning for future infrastructure initiatives in support of Council's goal of taking a systematic and proactive approach to developing, maintaining, and replacing our assets and infrastructure. I am proud of our staff's ability to navigate the complexity of these projects, identify practical solutions, and adapt as needed to support their successful delivery.

One of my favourite projects this year was the improvements to Goodwin Park with the addition of an asphalt walking path with lighting and benches, and the resurfacing of the tennis and basketball court. Together, with the new water park, these enhancements have created a more welcoming and active space for residents of all ages to gather and enjoy throughout the year. It is encouraging to see how these improvements have significantly increased community use of the park. We look forward to continuing to create opportunities that enhance the resident and visitor experience and contribute to quality of life in Fort St. James.

I sincerely thank District staff for their dedication and hard work in keeping our community safe, maintaining the services and infrastructure residents rely on every day, and continually finding ways to strengthen the level of service we provide. Without their commitment, advancing the priorities set out in the Strategic Plan would not be possible. I also thank Council for their continued leadership and support in setting the vision and direction for the District through the 2023–2026 Strategic Plan and for providing the resources needed for success. Council's commitment to these priorities continues to guide our work and support positive change in the community.

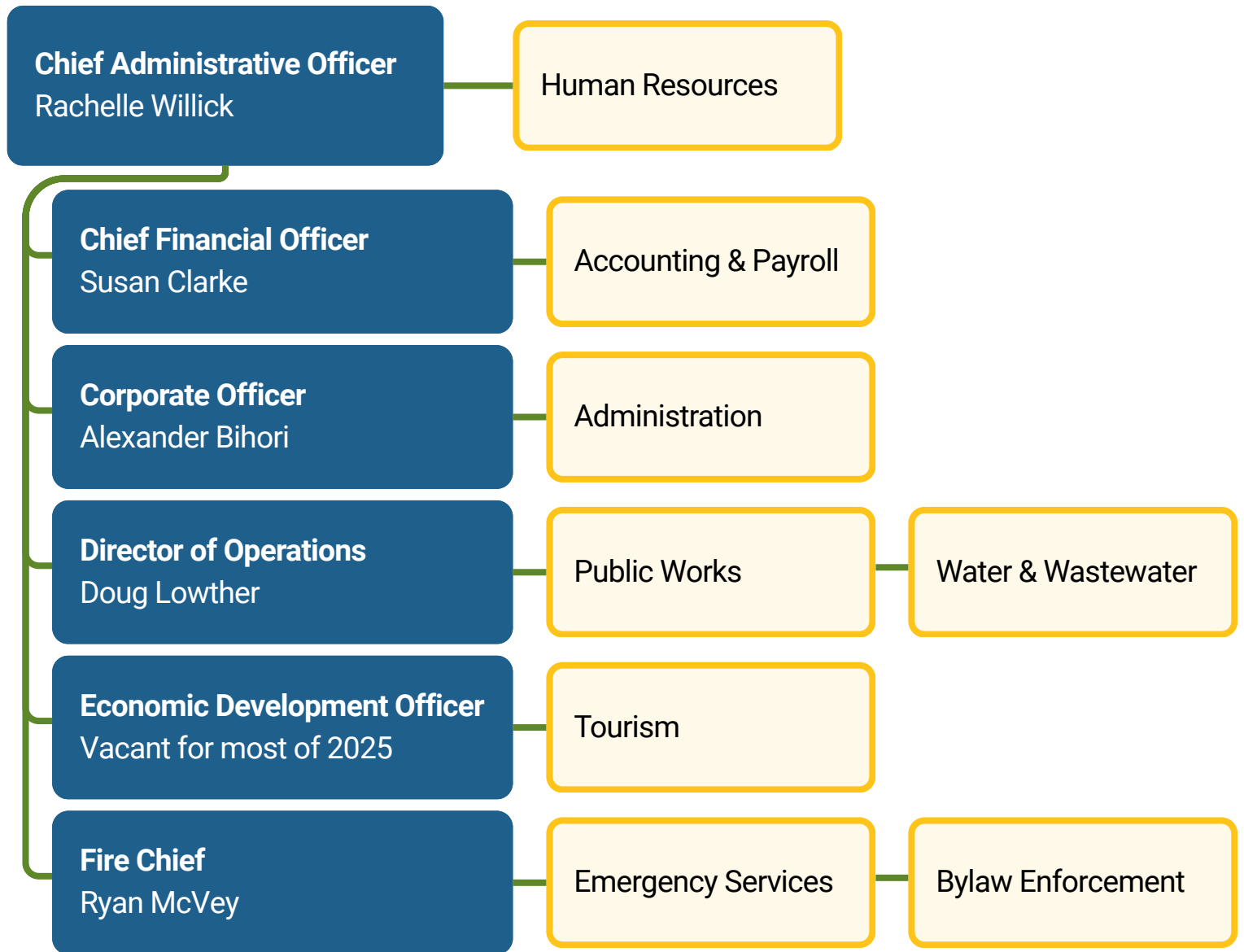
I look forward to the continued progress we will make in 2026 and to the meaningful improvements it will bring to our community.



*Rachelle Willick*

# Organizational Structure

How District services were supported in 2025



The Economic Development Officer position was vacant for most of 2025. Economic Development, tourism, and grant administration were supported through existing staff capacity where possible.

# 2025 By the Numbers



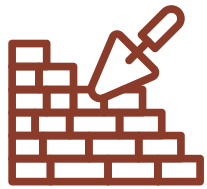
## Water Consumption

2024: 217,840 m3  
2025: 234,492 m3



## Fire Calls

2024: 107  
2025: 111



## Construction Values

2024: \$1,531,400  
2025: \$1,084,000



## Development Fees

2024: \$12,690  
2025: \$10,280



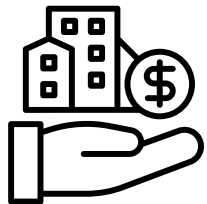
## Medical Transits

2024: 294  
2025: 294



## Facebook Reach

2025: 544,412



## Capital Investment

2024: \$3,410,579.04  
2025: \$8,986,164.97



## Dogs Impounded

2025: 46

## Resident Submissions Received

Complaints: **313**    Appreciation: **5**    Requests: **57**

Public Works	Fire	Animal	Bylaw	Administration	Finance
183	0	73	47	10	0

# 2025 Highlights

## January

In January, the District received a letter from Graham Group Ltd. pledging to donate \$50,000 towards a fitness related project of the District's choosing. This donation would later be utilized to purchase all equipment in the Fort Forum's Dry Land Training Room, and go towards building the Goodwin Park Walking Path.



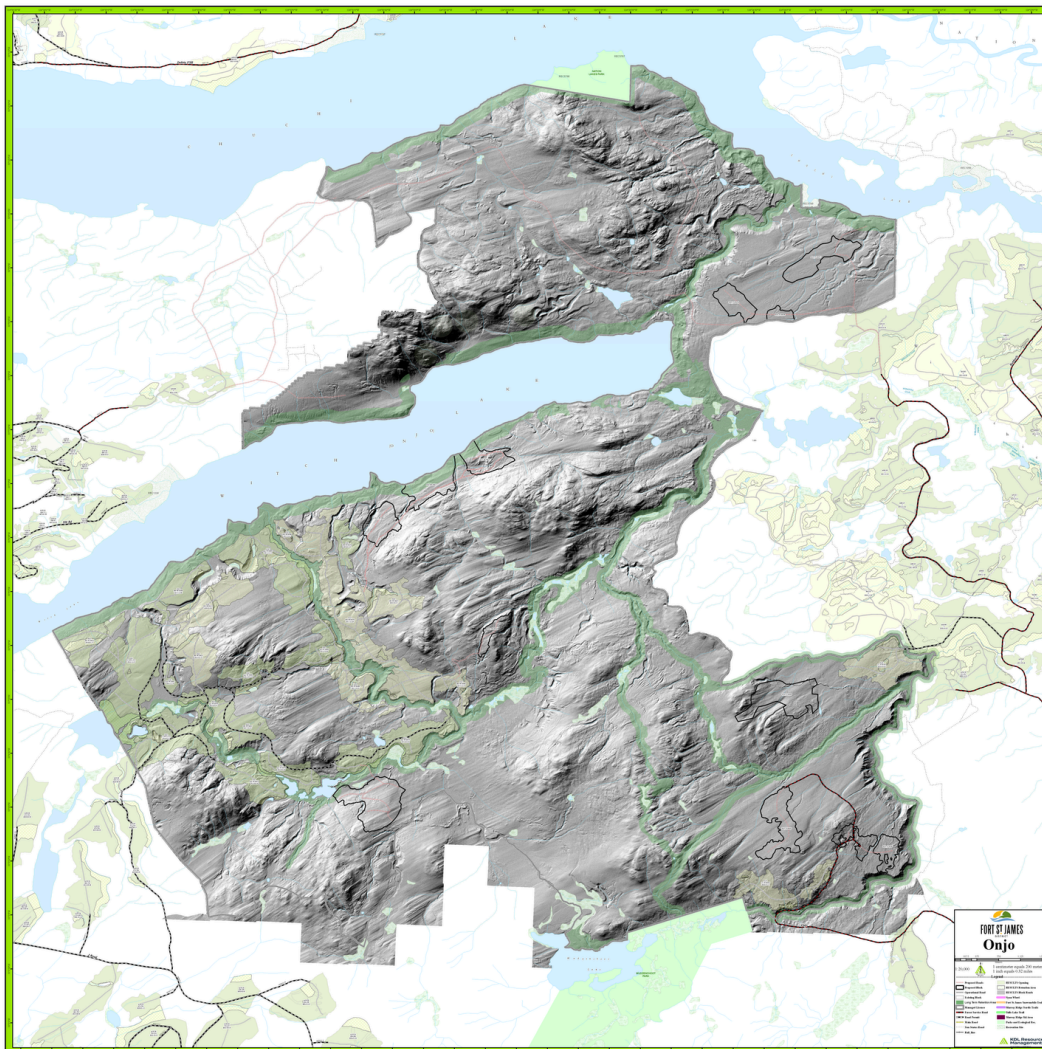
The District requested that the Ministry of Attorney General amend the Bylaw Notice Enforcement Regulation to allow the District to utilize the *Local Government Bylaw Notice Enforcement Act*.

The District removed the Tourism & Marketing Supervisor Role, and moved to operating the Visitor Information seasonally from June to September.

# 2025 Highlights

## February

The District began a new direction in governing the Community Forest, disbanding the Community Forest Commission, and opting to begin the transition to establishing a Limited Liability Company to manage the Community Forest.



Council brought forward a resolution to the North Central Local Government Association Annual General Meeting urging the Province to undertake a feasibility study and develop a long-term plan for the twinning of Highway 16.

# 2025 Highlights

## March

The District completed and adopted the Spirit Square Feasibility study, which included opportunities and constraints, engagement summary, and the Spirit Square Concept Design and considerations.



The District, in 2024, applied for funding from the Green Municipal fund to cover \$200,000 for a Feasibility and Design study for a new Fort St. James Fire Hall. In March, the District was approved for up to \$152,380 to cover 50% of the costs associated with this feasibility and design study.

# 2025 Highlights

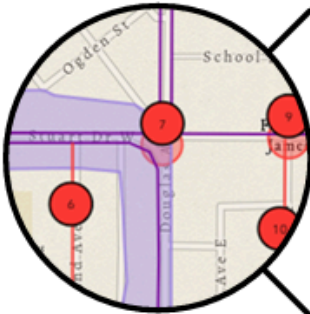
## April

The District, through funding from the British Columbia Active Transportation Infrastructure Grant Program, completed and adopted an Active Transportation Feasibility Study.



### Historical Site Multiuse Pathway / Access Upgrade

Stuart Drive West to the Historic Park [Improvement 5 from *Figure 6*]



### Four Corners Intersection Improvements and Sidewalk Upgrades

Safer pedestrian crossings and walkability improvements at the Four Corners, Highway 27 at Douglas Ave [Improvement 7 from *Figure 6*]



### Downtown to Cottonwood Sidewalk & Crossing Improvements

Highway 27, south of Birch Street W to the west edge of the Downtown (includes the bridge structure over Nahounli Creek) [Improvements 3 and 4 from *Figure 6*]



The District designated 450 Stuart Drive East, the park beside the ball field, as a off-leash dog park.

# 2025 Highlights

## May

The District entered into an Agreement with the Regional District of Bulkley-Nechako to utilize the Voyent Alert System as our Regional Mass Notification System.



## June

With grant funding from the Union of British Columbia Municipalities, the District completed and adopted the Development Documentation Revitalization Report. This report highlighted 13 actions that the District can take to improve the development process in Fort St. James.

## July

The District had to complete two emergency repairs, the first being an \$11,000 furnace replacement in the Music Makers building, and the second being a communications failure at the Birch Street Wellhouse that required a \$25,000 repair.

# 2025 Highlights

## August

Nearly a year and a half after applying, the District was successful for a Crown Land Grant for 17.5 hectares of land around the Fort St. James Perison Airport.

The District hired a third party building inspector to complete audits on four District buildings, the Music Makers, Old Legion, Spirit Square building, and Pope Mountain Arts.

Building	Estimated Repairs
Music Makers	\$391,400
Legion	\$458,000
Spirit Square	\$110,300
Pope Mountain Arts	\$91,900

## September

Council members for the District made a trip to Victoria to advocate for Fort St. James. Council had a total of 7 meetings, and met with 5 Cabinet Ministers regarding: Provincial Policy impacts on Rural BC, Equitable Crown Land Wildfire Risk Reduction, Tenure Hoarding after Mill Closures, BCTS Sales and Responding to Post-Fire Timber Waste, Search and Rescue Capabilities, Emergency Room Diversions, Harms Reduction, Reimbursement of Travel for Medical Care, Cellular Connectivity, and Highspeed Internet.

# 2025 Highlights

## October

Council passed a resolution requesting that the Regional District of Bulkley-Nechako increase their contributions to the Fort Forum Arena, due to their funding remaining stagnant since 2018, and further requested that this be brought forward as a referendum question in the 2026 General Local Elections.



## November

After staff negotiated with Nak'azdli Whut'en, Council approved and entered into a new Fire Services Agreement with Nak'azdli Whut'en, this agreement was retroactive to January 1, 2025, and ends on December 31, 2029.

## December

The District entered into a new agreement with the Regional District of Bulkley-Nechako to continue the building inspector services in Fort St. James. This agreement ensures that the District remains with a building inspector until December 31, 2030.

# Strategic Focus Areas



## Managing our Assets

**Goal:**

To undertake a systematic and proactive approach to developing, maintaining and replacing our assets and infrastructure.



## Indigenous Relations & Reconciliation

**Goal:**

To explore and advance opportunities to work together with Indigenous governments on mutual goals and priorities for the benefit of our respective communities.



## Adapting to a Changing Climate

**Goal:**

To understand the impacts of climate change on our community and take appropriate measures to protect our citizens and infrastructure.



## Organizational Effectiveness

**Goal:**

To provide quality governance and service delivery for our community.

As we look to the future, we envision a growing community that is culturally integrated, with a diverse and vibrant economy that provides employment opportunities for our citizens. The community has embraced a common theme, creating a strong 'sense of place' that is a catalyst for growth and new investment in services sectors and tourism. The municipal infrastructure that serves our citizens is stable, resilient and sustainable and the community has access to robust and reliable internet connectivity that supports businesses and virtual work. The community is increasingly self-sufficient with access to locally grown food, adequate housing options for all citizens, and resilience and preparedness in response to a changing climate and resulting emergencies and events.



# Managing Our Assets

## Goal:

To undertake a systematic and proactive approach to developing, maintaining and replacing our assets and infrastructure.

## Why:

The District has significant investment in assets and infrastructure that provide essential services to our community. We have a responsibility to plan and manage our assets effectively to ensure continuity of service and to mitigate future costs to our citizens.



## 2025 Progress



### Completed in 2025



**Waterline replacement and road paving completed on 2<sup>nd</sup> Ave W, 4<sup>th</sup> Ave W, 6<sup>th</sup> Ave W, 7<sup>th</sup> Ave W, Birch St, Dogwood St, and Douglas St (Elm to Carnell).**



**85 residential garbage bins replaced with bear-resistant containers.**



**Water reservoir cleaning completed.**



**Goodwin Park Tennis & Basketball Courts resurfaced.**



**196 facility inspections completed.**



**Lagoon Desludging completed on Cells 1 & 2.**



**Sidewalk replacement completed from Douglas St Bridge to Fort St. James Secondary School.**



**Wildlife exclusion and security fencing installed at Perison Airport.**



**Public Works Fleet Replacement Plan implemented into the 2025-2029 Financial Plan.**



**Asset Management Software advanced with foundational linear asset data and GPS Mapping.**



# Managing Our Assets

## Goal:

To undertake a systematic and proactive approach to developing, maintaining and replacing our assets and infrastructure.

## Why:

The District has significant investment in assets and infrastructure that provide essential services to our community. We have a responsibility to plan and manage our assets effectively to ensure continuity of service and to mitigate future costs to our citizens.



## 2025 Progress

### ✓ Completed in 2025



**Asset Management Training** workshop completed by the Director of Operations, Chief Financial Officer, and Capital Assets and Projects Coordinator.



**Long-Term Development Plan** created for Northwest BC Funding, which is approximately \$9 million dollars received from the Province of British Columbia for 2024 - 2029.



Continue implementing the District's **Airport Masterplan**, prioritizing a fueling station.



Continue implementing **Asset Management** in order to create Asset Management Plans linked to Long-Term Financial Plans.

## 2026 and Beyond

### ➔ Looking Ahead



Continue **Waterline & Paving project**, completing Morice Ave, 2nd Ave W, Stuart Dr E, 2nd Ave E, and 3rd Ave E.



Complete **Water Reservoir Camera Inspection** by 2027 and on regular interval thereafter.



Complete **Lagoon Desludging** cells 3, 4, and 5 in 2026, and define the future of the Lagoon, and continuously improve the Lagoon.



Continue following the **Public Works Fleet Replacement Plan**, which in 2026 includes a Pickup Truck, Tool Cat, and Vacuum Truck.



Continue replacing **Residential Garbage Bins** with Bear Resistant Bins at a rate of 85 per year.



# Indigenous Relations and Reconciliation

## Goal:

To explore and advance opportunities to work together with Indigenous governments on mutual goals and priorities for the benefit of our respective communities.

## Why:

We are stronger as a community when we work together and building strong and respectful relationships through sharing, learning and understanding.



## 2025 Progress

### ✓ Completed in 2025



The District hosted one **Council to Council** meeting between the District's Council and Nak'azdli Whut'en Chief and Council.



The District and Nak'azdli Whut'en negotiated a new **Fire Services Agreement** until December 31<sup>st</sup>, 2029.



The District and Nak'azdli Whut'en held a joint **Wastewater Open House** at Kwah Hall regarding potential paths forward for the Lagoon.



The District and Nak'azdli Whut'en's Emergency Support Services Teams held a total of **20 Joint Training Sessions**.



The District and Nak'azdli Whut'en hosted a total of **8 Joint Events**.

## 2026 and Beyond

### ➔ Looking Ahead



Continue **Council to Council** meetings between the District's Council and Nak'azdli Whut'en Chief and Council, aiming to meet quarterly.



Continue operating **Joint Emergency Operations Centres and Emergency Support Services** whenever beneficial.



Update and enter into a new **Protocol on Cooperation and Communications Agreement**.



Negotiate and enter into new **Water & Sewer Service Agreements**.



Define and action the **Future of the Lagoon**.



Implement the Nak'azdli Whut'en **Hatchery Well as a backup well** to the Birch St Well.



# Adapting to a Changing Climate

## Goal:

To understand the impacts of climate change on our community and take appropriate measures to protect our citizens and infrastructure.

## Why:

Our community and many of our assets are vulnerable to the impacts of climate change. We must be proactive and plan ahead in order to protect our citizens, prevent service disruptions and avoid future costs.



## 2025 Progress



### Completed in 2025



**14.2 hectares of fuel mitigation works completed at Treatment Unit 1-B**, North East of the Nats'oojeh Hospital and Health Clinic, where mechanical treatment was completed in-line with the District's prescription and WFMP.



Began actioning our Corporate Energy and Emissions Plan by purchasing **Two used hybrid vehicles** for the Public Works Fleet, one pickup and one SUV.



Incorporated **environmental considerations** into the evaluation criteria for Bidding Opportunities.

## 2026 and Beyond



### Looking Ahead



Continue advancing the District's **Community Wildfire Resiliency Plan**, which has identified 6 Treatment Units, for a total of 157.1 hectares.



Work in collaboration with Nak'azdli Whut'en on an updated **Emergency Plan**, in order to effectively operate our **Joint Emergency Operations Centres** when required.



Utilize the baseline **Hazard, Risks & Vulnerability Analysis** completed by the Regional District of Bulkley-Nechako, to develop a more detailed Fort St. James Analysis.



Action the identified action items within the **Corporate Energy & Emissions Plan** to reach the District's Corporate Emission targets.



# Organizational Effectiveness

## Goal:

To provide quality governance and service delivery for our community.

## Why:

We want to be effective in our service to the community, and our citizens to have confidence in their local government.



## 2025 Progress

### Completed in 2025

Adopted a new **Officers Bylaw** which provides the Chief Administrative Officer, Corporate Officer, and Chief Financial Officer with clear powers, duties and responsibilities that align with operational and legislative requirements.



Completed a **Development Documentation Revitalization Report**, which provided 13 action items to improve the Development Process in Fort St. James.



Introduced a new bylaw enforcement tool through the adoption of a **Bylaw Notice Enforcement Bylaw**, allowing the District to fine for Bylaw offenses through Bylaw Notices.



## 2026 and Beyond

### Looking Ahead



Complete the transition of governance over the **Community Forest to a Limited Liability Company**.



Complete and action a **Policy Inventory Review** for the District's 80+ active policies.



Adopt a new **Council Procedures Bylaw**, that is more detailed prior to the 2026 General Local Elections.



Review the current Administrative Fees and Charges Bylaw, and create a new **Comprehensive Fees and Charges Bylaw** with all Fees and Charges for the District.



Based on the 2024 Organizational Assessment Report, create an Organizational Assessment Action Plan.



Complete new Council Orientation and create a new Strategic Plan.



# Public Works: Overview



## PUBLIC WORKS BY THE NUMBERS



**3,600 Im**

Water service line replaced



**1,000 Im**

Sanitary Sewer line replaced



**15,000 m2**

Road Paving completed



**168**

Curb Stops replaced/installed



**50 Im**

150mm water mainline replaced



**9**

Hydrants replaced or rebuilt



**10**

Culverts replaced



**4**

Main Valves replaced



**12**

Service Line Failures



**0**

Water Main Failures or Repairs

## CAPITAL PROJECTS ADVANCED OR COMPLETED

- Lagoon desludging completed in cells 1 & 2
- Water Reservoir cleaned & vacuumed
- Curling rink HVAC, Accessibility, and keyless entry improvements completed
- Arena Foyer Revitalization nearly completed
- Airport Phase 2 Wildlife Exclusion and Security Fencing completed
- New Bulk Water Station installed
- Goodwin Park Tennis & Basketball Court resurfaced
- Spirit Square Phase 1 improvements started
- Douglas Street Sidewalk replaced



# Administration: Overview



**18**

Bylaws  
Adopted



**73**

Dog Tags  
issued



**75**

Community Hall  
Rentals Managed



**5**

Policies  
Changed



**\$71,430**

Grants in Aid  
Dispersed

## BYLAW HIGHLIGHTS

Bylaw Name	Bylaw Number	Purpose Statement
Sign Regulation Bylaw	1080	A Bylaw of the District of Fort St. James to regulate the placement, maintenance, and enforcement of signs.
Officers Bylaw	1089	A Bylaw to provide for the appointment of Officers, and to Delegate certain Powers, Duties and Responsibilities to such Officers and other Employees.
Bylaw Notice Enforcement Bylaw	1091	A Bylaw to establish a process for enforcing bylaws through the issuance of a Bylaw Notice.
Water Rates Bylaw	1096	A Bylaw to amend "District of Fort St. James Water Connection and Regulation Bylaw No. 808, 2004" to impose new Water Rates for 2026 to 2029.
Sewer Rates Bylaw	1097	A Bylaw to amend "District of Fort St. James Sewer Connection and Regulation Bylaw No. 835, 2006" to impose new Sewer Rates for 2026 to 2029.
Solid Waste Rates Bylaw	1098	A Bylaw to amend "District of Fort St. James Garbage Collection and Disposal Bylaw No. 832, 2006" to impose new Solid Waste Rates for 2026 to 2029.



# Fire: Overview



**111**

Fire Callouts Received



**2,002**

Hours Trained



**25**

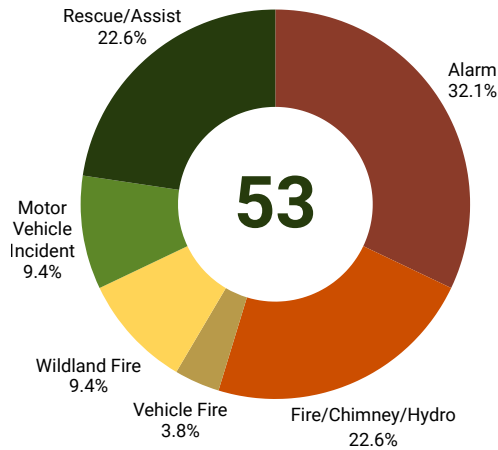
Total Members



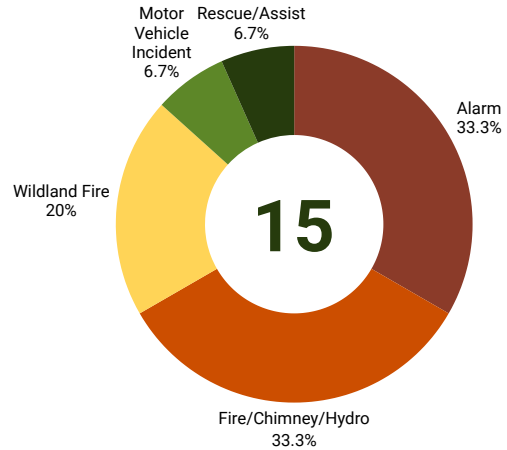
**47%**

Callouts between 4:00pm - 12:00am

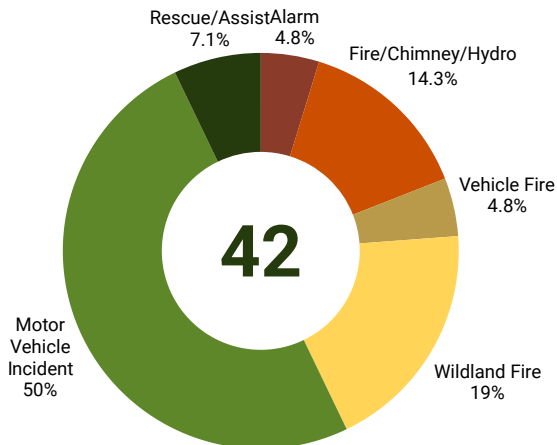
## Fort St. James



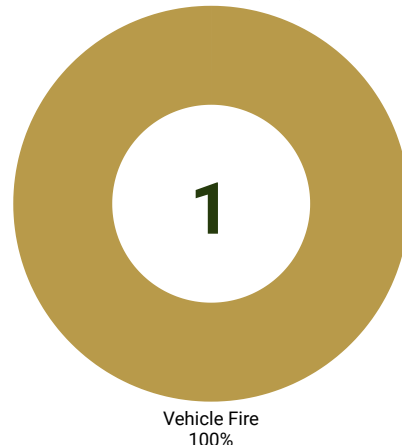
## Nak'azdli Whut'en



## Regional District



## Luck Bay



# Financial Overview



## Report from the Chief Financial Officer

I am pleased to present the Financial Statements and Auditors' Report for the year ending December 31, 2025, for the District of Fort St. James. The statements have been prepared in compliance with Section 167 of the Community Charter, and in accordance with generally accepted accounting principles approved by the Public Sector Accounting Board.

In 2025, the District built its reserves, renewed assets and increased its operational effectiveness while maintaining low long-term debt. The District holds tangible assets of \$42.3 million, current assets of \$20.7 million, and has long-term debt of \$180,700.



TANGIBLE CAPITAL ASSETS

**\$42.3M**



CURRENT ASSETS

**\$20.7M**



LONG-TERM DEBT

**\$180,700**



GRANT REVENUE

**\$9.8M**

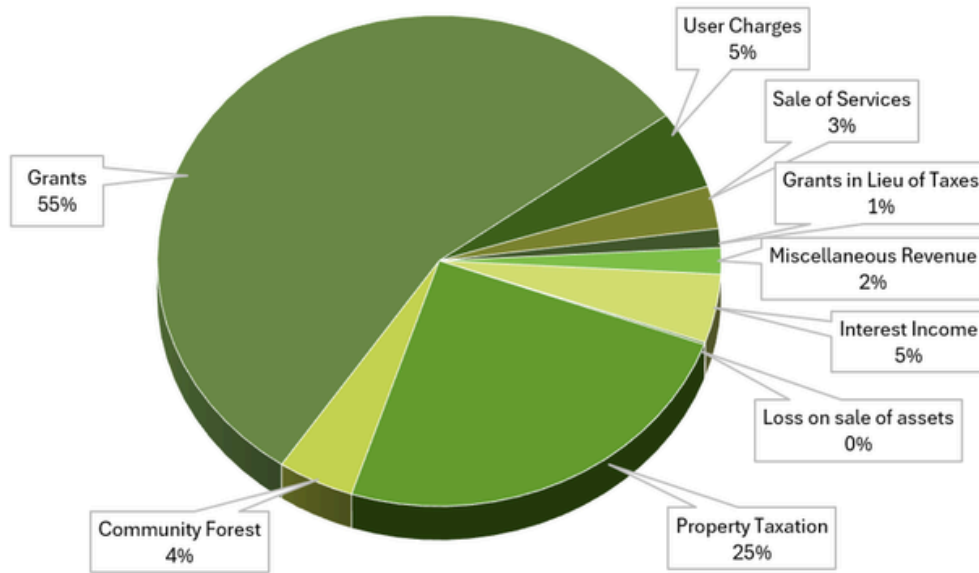
“ This year's revenues included significant grant funding, including \$2.7 million from the “Investing in Canada's Infrastructure Fund” grant awarded for the Fort Forum renovation. Three years of funding, or \$5.5 million, was received from Northwest BC Resource Benefits Alliance, \$290K from BC Aviation Council, and \$179K from UBCM Community Resiliency Investment Funds. Those are just a few of the over thirty grants we manage.

# Financial Overview

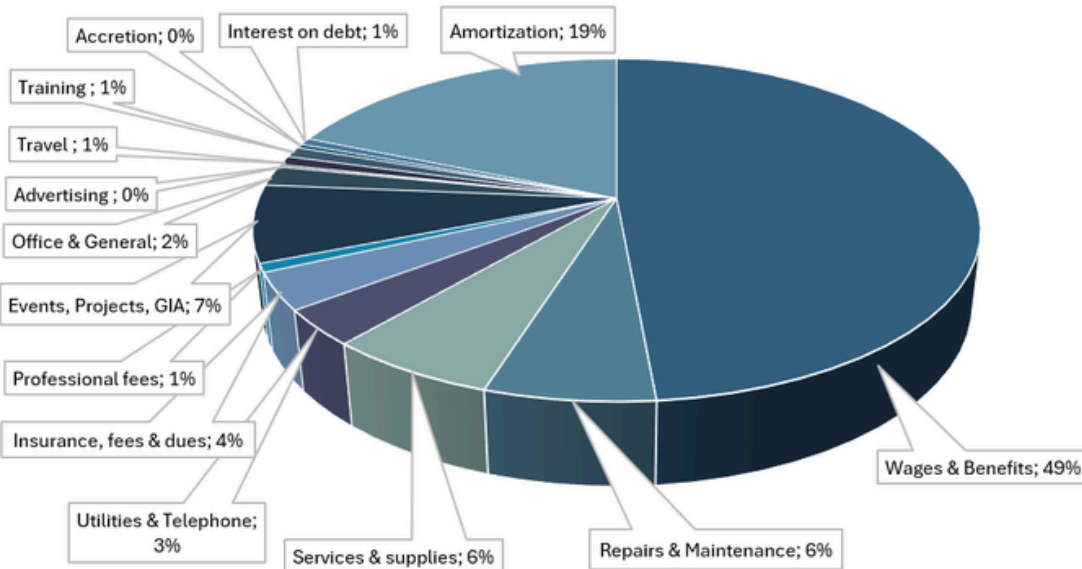


## Report from the Chief Financial Officer

District of Fort St. James: 2025 Revenue by Source



District of Fort St James: 2025 Operating Expenses by Type



Does not include investments in Capital Assets \$8,870,113



District expenses wages and benefits continue to be the highest operating expense. After amortization, the next largest expense is “Events, Projects and Grants in Aid”. This involves not only hosting community celebrations, but also the District’s support of local non-profits, service organizations and teams through Grants in Aid. Repairs and Maintenance expenses have declined year over year.

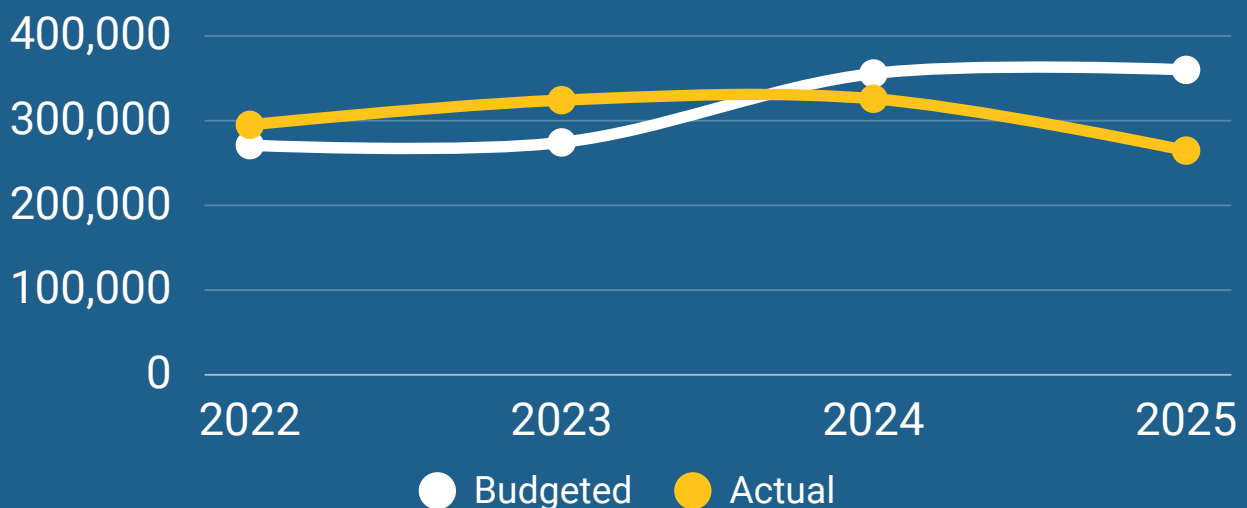
# Financial Overview

## Report from the Chief Financial Officer

**Water Lines and Paving:** Community feedback has clearly told us that water and roads are high priority. In the last three years, the District has spent \$4.3 million on the replacement of failing water infrastructure and road paving. The coordinated, “replace then repave” approach ensures that water line replacement and paving projects are done in a logical order, with traffic and noise disruptions planned and minimized.

**Fleet:** Proactive fleet planning is contributing to operational efficiency. The results of retiring aging equipment on schedule include fewer major maintenance costs, less downtime, lower fuel consumption and reduced emissions. We can flag vehicles with high maintenance costs to consider early disposal instead of incurring expensive major repairs. In 2025, operational costs for the public works fleet came in significantly under budget, with savings of over \$95K. Despite inflation and an increase in fleet size, 2025 operational costs fell to less than our 2022 spend.

### Public Works Fleet: Operational Expenses 2022 to 2025



**DISTRICT OF FORT ST. JAMES**

**Financial Statements**

**December 31, 2025**

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**MANAGEMENT REPORT**  
**For the year ended December 31, 2025**

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies is described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. Mayor and Council reviews external audited financial statements yearly. Mayor and Council also discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Beswick Hildebrand Lund, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the District and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the District of Fort St. James,

Rachelle Willick  
Chief Administrative Officer



CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of District of Fort St. James,

### Opinion

We have audited the financial statements of District of Fort St. James (the "Organization"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (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.

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#### Partners

Allison Beswick 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.



CHARTERED PROFESSIONAL ACCOUNTANTS

*Beswick Hildebrandt Lund*

Chartered Professional Accountants

Prince George, British Columbia

May 12, 2026

**DISTRICT OF FORT ST. JAMES**  
**STATEMENT OF FINANCIAL POSITION**

December 31, 2025

	2025	2024
<b>FINANCIAL ASSETS</b>		
Cash	\$ 17,481,282	\$ 15,624,439
Accounts receivable (Note 8)	3,259,370	2,136,461
MFA Deposit	4,268	4,268
	20,744,920	17,765,168
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	787,017	450,836
Deferred revenue (Note 4)	571,716	684,855
Asset retirement obligations (Note 9)	504,047	503,502
Long term debt (Note 7)	180,692	206,170
	2,043,472	1,845,363
<b>NET FINANCIAL ASSETS</b>	<b>18,701,448</b>	<b>15,919,805</b>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	94,553	65,846
Tangible capital assets (Schedule 3)	42,327,964	34,882,742
	42,422,517	34,948,588
<b>ACCUMULATED SURPLUS (Note 13)</b>	<b>\$ 61,123,965</b>	<b>\$ 50,868,393</b>

**CONTINGENT LIABILITIES (Note 5)**

Approved by:

\_\_\_\_\_  
 Mayor

*Jason Clarke*  
 \_\_\_\_\_  
 Chief Financial Officer

DISTRICT OF FORT ST. JAMES

STATEMENT OF OPERATIONS

For the year ended December 31, 2025

	2025		2024
	Budget (Note 10)	Actual	Actual
<b>REVENUE</b>			
Taxation (Note 3)	\$ 4,349,379	\$ 4,351,922	\$ 3,646,608
Community forest	-	782,547	906,301
Grants (Schedule 1)	11,258,750	9,863,195	4,059,280
User charges	866,896	922,895	886,905
Sale of services	520,277	498,670	382,100
Grants in lieu of taxes	223,407	221,319	218,685
Miscellaneous	760,018	309,084	115,985
Frontage tax	-	-	67,374
Interest and investment income	28,948	801,530	762,385
Gain (loss) on sale of tangible capital assets	75,000	(28,520)	31,139
	18,082,675	17,722,642	11,076,762
<b>EXPENSES</b>			
General (Schedule 2)	6,695,439	6,559,140	5,930,423
Water system	406,151	374,106	461,186
Sewer system	429,353	533,824	535,721
	7,530,943	7,467,070	6,927,330
<b>TOTAL EXPENDITURES (Schedule 4)</b>			
<b>ANNUAL SURPLUS</b>	\$ 10,551,732	10,255,572	4,149,432
<b>ACCUMULATED SURPLUS AT BEGINNING OF THE YEAR</b>		50,868,393	46,718,961
<b>ACCUMULATED SURPLUS AT END OF THE YEAR</b>		\$ 61,123,965	\$ 50,868,393

**DISTRICT OF FORT ST. JAMES**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**

For the year ended December 31, 2025

	<u>2025</u>		<u>2024</u>
	<u>Budget</u> (Note 10)	<u>Actual</u>	<u>Actual</u>
<b>ANNUAL SURPLUS</b>	\$ 10,551,732	\$ 10,255,572	\$ 4,149,432
Acquisition of tangible capital assets	(13,850,039)	(8,870,113)	(3,313,145)
Amortization of tangible capital assets	-	1,396,371	1,226,452
Proceeds on tangible capital asset sales	-	-	85,457
(Gain) Loss on tangible capital asset sales	(75,000)	28,520	(31,139)
Acquisition of prepaid expenses, net	-	(28,707)	10,605
<b>CHANGE IN NET FINANCIAL ASSETS</b>	(3,373,307)	2,781,643	2,127,662
<b>NET FINANCIAL ASSETS</b>			
AT BEGINNING OF THE YEAR	<u>15,919,805</u>	<u>15,919,805</u>	<u>13,792,143</u>
<b>NET FINANCIAL ASSETS</b>			
AT END OF THE YEAR	<u>\$ 12,546,498</u>	<u>\$ 18,701,448</u>	<u>\$ 15,919,805</u>

**DISTRICT OF FORT ST. JAMES**

**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2025

	<b>2025</b>	<b>2024</b>
<b>OPERATING ACTIVITIES</b>		
Cash received from taxation and government agencies	\$ 15,697,503	\$ 9,658,652
Cash paid to employees and suppliers	(5,735,712)	(6,444,239)
Interest paid	(18,611)	(20,084)
Interest received	801,530	762,385
	<b>10,744,710</b>	<b>3,956,714</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long term debt	(17,754)	(17,754)
MFA Deposits	-	-
	<b>(17,754)</b>	<b>(17,754)</b>
<b>CAPITAL ACTIVITIES</b>		
Proceeds on sale of tangible capital assets	-	85,457
Acquisition of tangible capital assets	(8,870,113)	(3,313,145)
	<b>(8,870,113)</b>	<b>(3,227,688)</b>
<b>INCREASE IN CASH DURING THE YEAR</b>	<b>1,856,843</b>	<b>711,272</b>
<b>CASH AT BEGINNING OF THE YEAR</b>	<b>15,624,439</b>	<b>14,913,167</b>
<b>CASH AT END OF THE YEAR</b>	<b>\$ 17,481,282</b>	<b>\$ 15,624,439</b>

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 2025**

**1. SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The District of Fort St. James (the District) is a local government in the Province of British Columbia. The District prepares its financial statements in accordance with Canadian Public Sector Accounting Standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based on receipt of goods or services and/or the creation of a legal obligation to pay.

No Statement of Remeasurement Gains and Losses has been included because the District does not own assets that would result in unrealized gains or losses. The function of this statement is to reconcile the accumulated surplus between operating and remeasurement gains and losses.

Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Revenue generated by property taxes and utilities, including interest and penalties calculated on amounts in arrears, is recognized in the year they are levied.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligible criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulated liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

The District earns revenue from a third party for the licensing of the rights to harvest timber under the District's Community Forest license. The District receives a percentage, determined on a project basis, of the third party's net profit from the harvested timber sales. Community Forest revenue is recognized when the revenue amounts are measurable and ultimate collection is reasonably assured.

Cash and Temporary Investments

Cash and temporary investments includes cash on hand and amounts held in regular bank accounts. Cash and temporary investments are recorded at cost and adjusted for interest earned.

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2025

**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

Reserves

Reserves consist of funds set aside from current and prior years' operations as well as third party contributions and are available for future expenditures.

Deferred Revenue

Certain contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement. These amounts may only be used to conduct certain programs, complete specific work, or to purchase tangible capital assets, as specified by the transferring party. In addition, certain user fees and charges are collected, for which the related services have yet to be performed. These revenues are recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

Measurement Uncertainty

The preparation of financial statements 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 amount of revenues and expenses during the year. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. The main estimates relate to the useful life of tangible capital assets.

Non-financial Assets

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

Tangible Capital Assets and Amortization

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

The costs of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

	<u>YEARS</u>
Parks Infrastructure	15 - 20
Building and Improvements	10 - 40
Engineered Structures	10 - 100
Furniture and Equipment	7 - 15
Vehicles	5 - 20
Infrastructure	10 - 100

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

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2025**

**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

Tangible capital assets received as contributions or donations are recorded at their fair value at the date of receipt, with a corresponding amount recorded as revenue.

Contributed tangible capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where there are stipulations on their use or where fair value cannot be reasonably determined, in which case they are recognized at a nominal value.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Financial Instruments and Fair Values

*Measurement of financial instruments*

The District initially measures its financial assets and financial liabilities at fair value. The District subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash, accounts receivable and Municipal Finance Authority cash deposits.

Financial liabilities measured at cost include accounts payable and accrued liabilities, unearned revenues, unearned grants, Municipal Finance Authority cash reserves, asset retirement obligations and long-term debt.

*Impairment*

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

*Transaction costs*

The District recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

Asset Retirement Obligations

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the District will be required to settle. The District recognizes asset retirement obligations when 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.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

**DISTRICT OF FORT ST. JAMES**

**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2025

**1. SIGNIFICANT ACCOUNTING POLICIES, continued**

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

**2. STANDARDS APPLICABLE FOR FISCAL 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.

**3. TAXATION**

	2025		2024
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
	(Note 10)		
General municipal purposes	\$ 4,349,379	\$ 4,351,922	\$ 3,646,608
Collection for other governments:			
School District No. 91	963,476	1,005,957	962,192
Regional District	433,989	433,984	427,988
Northern Interior Regional Hospital District	486,228	486,224	471,100
Police taxes	113,668	121,588	113,515
BC Assessment Authority	32,752	32,872	29,963
Municipal Finance Authority	87	86	80
	6,379,579	6,432,633	5,651,446
Less: Disbursements to other governments	2,030,200	2,080,711	2,004,838
Net taxation available for municipal purposes	\$ 4,349,379	\$ 4,351,922	\$ 3,646,608

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2025

**4. DEFERRED REVENUE**

	<u>2025</u>	<u>2024</u>
Gas Tax	\$ 365,975	\$ 230,836
Rural transit feasibility	50,000	-
Fire Department	40,000	40,000
Municipal Tax Prepayment	33,885	42,562
Resident Attraction Pilot Grant	32,802	33,057
Medical recruitment	30,000	-
Local Housing Grant	9,744	112,133
Utilities Prepayment	5,085	4,979
Other	2,480	1,800
Participation	1,412	-
Arena advertisement	333	5,029
Community resiliency	-	125,000
Marina revitalization	-	63,457
SPARC Accessibility	-	20,000
Transportation Network Plan	-	3,769
Aboriginal tourism	-	2,233
	<u>\$ 571,716</u>	<u>\$ 684,855</u>

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreements between the District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity buildings projects, as specified in the funding agreements.

**5. CONTINGENT LIABILITIES**

Regional District of Bulkley-Nechako

The District is responsible as a member of the Regional District for its proportional share of operating deficits related to functions in which it participates. Under the provisions of the Local Government Act, the Regional District's debt is a joint and severable liability of the Regional District and each of its member municipalities including the District.

Municipal Finance Authority

The District has a contingent liability with respect to the Municipal Finance Authority of BC (MFA) Debt Reserve Fund Demand Note. As a condition of the borrowing undertaken by the District, the 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, under joint and several agreements of the Regional District, defaults on the loan obligation. Upon this action of the default, the MFA may call the outstanding demand notes of the deficient Regional District, at which point the demand notes then become an asset and a liability of the associate members. 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.

**DISTRICT OF FORT ST. JAMES**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 2025**

**5. CONTINGENT LIABILITIES, continued**

Municipal Insurance Association

The Municipal Insurance Association is a self-liability insurance plan formed by several local governments including the District. The District is obligated under the plan, to pay a percentage of its fellow insured's losses. The District pays an annual premium, which is anticipated to be adequate to cover any losses incurred.

**6. MUNICIPAL PENSION PLAN**

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry- age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2.675 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$221,361 for employer contributions to the plan in fiscal 2025 (2024 - \$198,943).

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 cost to individual employers participating in the plan.

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 2025**

**11. FINANCIAL INSTRUMENTS**

The District is exposed to various risks through its financial instruments without being exposed to concentrations of risks. The following analysis provides a measure of the District's risk exposure as at the balance sheet date of December 31, 2025.

Liquidity Risk

Liquidity risk is the risk that a District will encounter difficulty in meeting obligations associated with financial liabilities. The District is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and long-term debt. Management deems this risk to be minimal.

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. The District's main credit risk relates to its accounts receivable. The District provides credit to its clients in the normal course of operations and carries out specific procedures to minimize the risk.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The District has minimal exposure to currency risk, interest rate risk and other price risk.

**12. COMPARATIVE FIGURES**

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

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2025

**13. ACCUMULATED SURPLUS**

	<u>2025</u>	<u>2024</u>
<b>Operating Surpluses</b>		
General Fund	\$ 1,593,654	\$ 1,067,252
Water Fund	1,022,543	849,782
Sewer Fund	<u>863,057</u>	<u>829,710</u>
	<u>3,479,254</u>	<u>2,746,744</u>
<b>Reserve Funds</b>		
Fire department (machinery, equipment and capital)	149,360	955,628
Ambulance station	201,069	176,905
Park equipment	51,415	54,092
Public works (machinery and equipment)	220,804	(168,878)
Land development	24,304	23,429
Indoor pool	18,024	17,375
Arena (equipment and capital)	23,982	13,479
Community forest	6,876,139	6,211,893
General municipal building	34,860	147,835
Roads	140,144	435,287
Sanitation	13,838	36,425
SHS van replacement	154	148
Fire dept. emergency response	-	-
Sidewalks	41,208	39,725
Airport	65,677	61,111
NWBC Resource Benefit Alliance	6,458,573	1,928,132
Stabilization	614,730	592,610
Northern Capital and Planning	1,080,019	2,635,773
Water	110,061	102,073
Sewer	236,836	202,079
Carbon reducing	207,771	288,595
Covid Safe Restart	59,584	240,317
Growing Our Communities	<u>772,510</u>	<u>1,338,759</u>
	17,401,062	15,332,792
<b>Investment in Tangible Capital Assets</b>	<u>40,243,649</u>	<u>32,788,857</u>
<b>Accumulated Surplus</b>	<u>\$ 61,123,965</u>	<u>\$ 50,868,393</u>

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2025

**14. TRUST FUNDS**

	2025	2024
Cemetery care	\$ 25,800	\$ 51,424
CISM team	3,146	3,033
Disaster relief	4,329	4,173
	\$ 33,275	\$ 58,630

Trust funds administered by the District have not been included in the Financial Statements in accordance with Public Sector Accounting Standards.

**15. CONTRACTUAL OBLIGATIONS AND CONTRACTUAL RIGHTS**

The District has a 25 year Community Forest license with the Province of BC that was entered into on February 3, 2010. The agreement grants the District the rights to harvest an annual allowable volume of timber on designated crown land and requires the District to manage, develop and reforest the areas harvested by the District.

The District has subcontracted with a third party to manage, develop, harvest, and carry out the reforestation responsibilities under the Community Forest license. The subcontract is negotiated on a periodic basis with the most recent contract commencing September 1, 2021 and ending on August 31, 2026. With the option to renegotiate and/or extend the term. Under the subcontract agreement, the District receives a percentage of the third party's net profit of the harvested timber sold. The percentage received by the District is determined on a project basis. The volumes harvested annually depend on decisions made by the third party and the District and are not subject to any minimum amounts.

**16. NOTHERN CAPITAL PLANNING GRANT RESERVE**

Northern Capital and Planning funding is provided by the Province of British Columbia. The Northern Capital and Planning funding may be used towards infrastructure and eligible projects include engineering, infrastructure planning, pipes, wells, treatment facilities, building, roads, machinery, equipment, vehicles, and other associated capital that are owned and controlled by the District of Fort St. James. This can also include the cost of land associated with developing the above capital investment.

	2025	2024
Opening balance	\$ 2,635,773	\$ 2,943,048
Add: Amounts received in the year	-	-
Interest earned	98,382	124,445
	98,382	124,445
Less: Amounts spent in the year	(1,654,136)	(431,720)
Closing balance	\$ 1,080,019	\$ 2,635,773

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2025

**17. COVID RESTART GRANT RESERVE**

COVID Restart funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the District and the Union of British Columbia Municipalities. COVID Restart funding may be used towards qualifying expenditures as specified in the funding agreement.

	<b>2025</b>	<b>2024</b>
Opening balance	<u>\$ 240,317</u>	<u>\$ 424,324</u>
Add: Amounts received in the year	-	-
Interest earned	<u>8,970</u>	<u>11,346</u>
	<u>8,970</u>	<u>11,346</u>
Less: Amounts spent in the year	<u>(189,703)</u>	<u>(195,353)</u>
Closing balance	<u><u>\$ 59,584</u></u>	<u><u>\$ 240,317</u></u>

**18. GROWING COMMUNITIES RESERVE**

The Province of British Columbia distributed conditional Growing Communities Fund grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The Growing Communities Fund provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. The District received \$1,476,000 in funding in March 2023.

	<b>2025</b>	<b>2024</b>
Opening balance	<u>\$ 1,338,759</u>	<u>\$ 1,288,370</u>
Add: Amounts received in the year	-	9,825
Interest earned	<u>49,970</u>	<u>63,208</u>
	<u>49,970</u>	<u>73,033</u>
Less: Amounts spent in the year	<u>(616,219)</u>	<u>(22,644)</u>
Closing balance	<u><u>\$ 772,510</u></u>	<u><u>\$ 1,338,759</u></u>

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended December 31, 2025**

**19. SEGMENT REPORTING**

The District provides a wide range of municipal services. These services have been grouped into related service areas for segment reporting purposes. The various segments are as follows:

**General**

This segment consists of multiple smaller departments that administer services in the District. The General segment is made up of the following departments:

General Government Services

This segment administers services that relate to the legislative function as well as the administrative and financial management of the District.

Environmental Health

This segment administers services including solid and liquid waste management, recycling, invasive plant control and developing the District's Corporate Energy and Emissions Plan.

Recreation and Cultural

This segment administers services that relate to recreational and cultural, activities and organizations within the District.

Protective Services

This segment administers services related to rural fire protection and rescue services, 9-1-1 services, emergency preparedness and support services, and health and safety planning.

Public Works

This segment is comprised of services for street lighting and transportation within the District.

Public Health

This segment provides for the Cemetery and maintenance of the grounds.

**Sewer**

This segment provides services for the collection and treatment of wastewater.

**Water**

This segment includes services that provide potable water to the District.

**DISTRICT OF FORT ST. JAMES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2025

**19. SEGMENT REPORTING, continued**

	<u>General</u>	<u>Water</u>	<u>Sewer</u>	<u>2025</u>	<u>2024</u>
<b>Revenue</b>					
Taxation	4,351,922	-	-	\$ 4,351,922	\$ 3,646,608
Community forest	782,547	-	-	782,547	906,301
Grants	9,822,195	41,000	-	9,863,195	4,059,280
User charges	-	416,945	505,950	922,895	886,905
Sale of services	498,670	-	-	498,670	382,100
Grants in lieu of taxes	221,319	-	-	221,319	218,685
Miscellaneous	254,429	-	54,655	309,084	115,985
Frontage tax	-	-	-	-	67,374
Interest income	801,530	-	-	801,530	762,385
Gain on sale of capital assets	(28,520)	-	-	(28,520)	31,139
	<u>16,704,092</u>	<u>457,945</u>	<u>560,605</u>	<u>17,722,642</u>	<u>11,076,762</u>
<b>Expenses</b>					
Wages and benefits	3,355,812	150,203	119,026	3,625,041	3,507,510
Events, projects and grants	517,847	12,156	13,917	543,920	268,558
Services and supplies	467,240	8,351	3,692	479,283	355,905
Repairs and maintenance	275,300	38,631	162,503	476,434	529,319
Insurance, fees and dues	208,123	10,189	41,484	259,796	257,161
Utilities and telephone	176,856	19,040	55,540	251,436	261,959
Office and general	137,703	22	2,354	140,079	119,093
Training and development	73,153	1,414	525	75,092	69,214
Travel	64,566	-	-	64,566	58,266
Professional fees	60,279	-	-	60,279	217,024
Interest on long-term debt	48,530	-	-	48,530	20,084
Accretion	27,214	1,081	356	28,651	23,382
Advertising and promotion	17,592	-	-	17,592	13,403
Amortization	1,128,925	133,019	134,427	1,396,371	1,226,452
	<u>6,559,140</u>	<u>374,106</u>	<u>533,824</u>	<u>7,467,070</u>	<u>6,927,330</u>
<b>Net Revenue</b>	<u>\$ 10,144,952</u>	<u>\$ 83,839</u>	<u>\$ 26,781</u>	<u>\$ 10,255,572</u>	<u>\$ 4,149,432</u>

**20. RELATED PARTY TRANSACTIONS**

During the year \$2,451,867 (2024 - \$nil) of services was purchased from a company which is controlled by a member of management of the District. Related party transactions are conducted as arm's length transactions, at fair market value.

DISTRICT OF FORT ST. JAMES

Schedule 1

SCHEDULE OF GRANTS

For the year ended December 31, 2025

	2025		2024
	Budget (Note 10)	Actual	Actual
<b>OPERATING - PROVINCIAL GOVERNMENT</b>			
GENERAL CURRENT FUND			
Strategic communities investment	\$ 426,000	\$ 396,000	\$ 471,000
Hello BC Tourism Grant	18,750	15,000	18,750
UBCM Funding	313,910	236,070	94,266
Growing Communities Fund	-	-	-
Resident Attraction and Retention Grant	-	-	6,603
Carbon tax grant	-	-	158,464
NWBC Funding	5,511,291	5,511,291	1,837,097
Northern Development Initiative Trust	161,500	22,605	54,961
Local Government Housing Initiatives	112,133	102,389	45,220
Miscellaneous	40,000	1,109	2,556
	<u>6,583,584</u>	<u>6,284,464</u>	<u>2,688,917</u>
<b>OPERATING - FEDERAL GOVERNMENT</b>			
GENERAL CURRENT FUND			
Canada summer jobs	15,002	12,450	-
Seniors helping seniors	11,200	11,335	12,175
Miscellaneous	50,000	500	-
Canada Day	3,000	7,995	5,000
	<u>79,202</u>	<u>32,280</u>	<u>17,175</u>
<b>OPERATING - OTHER</b>			
GENERAL CURRENT FUND			
Regional District - Fire protection	207,731	239,404	191,472
- Arena benefit area	38,250	37,500	37,500
- Other	67,725	62,757	79,728
Other	385,000	33,821	19,967
	<u>698,706</u>	<u>373,482</u>	<u>328,667</u>
<b>WATER CURRENT FUND</b>			
RDBN	-	-	-
<b>SEWER CURRENT FUND</b>			
Sewer Grant	-	-	94,223
<b>TOTAL OPERATING GRANTS</b>	<u>7,361,492</u>	<u>6,690,226</u>	<u>3,128,982</u>
<b>CAPITAL FUND</b>			
Provincial			
Northern Communities Grant	2,733,806	2,733,806	130,167
Gas tax	-	-	-
Rural Dividend	-	-	-
UBCM	-	-	530,288
Resident attraction and retention grant	-	-	-
Airport Grant	800,000	290,004	1,059
RDBN Water capital grant	41,000	41,000	-
NDIT	3,494	3,494	116,410
	<u>3,578,300</u>	<u>3,068,304</u>	<u>777,924</u>
Federal			
COVID-19 Infrastructure	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Other			
Marina Revitalization	51,146	19,586	19,643
Regional District	45,049	45,049	84,951
Donation - Splash Park	-	-	-
Other	222,763	40,030	47,780
	<u>318,958</u>	<u>104,665</u>	<u>152,374</u>
<b>TOTAL CAPITAL GRANTS</b>	<u>3,897,258</u>	<u>3,172,969</u>	<u>930,298</u>
<b>RESERVE FUND</b>			
Other			
Regional District Bulkley Nechako	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL RESERVE GRANTS</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL GRANTS</b>	<u>\$ 11,258,750</u>	<u>\$ 9,863,195</u>	<u>\$ 4,059,280</u>

DISTRICT OF FORT ST. JAMES

Schedule 2

SCHEDULE OF GENERAL DEPARTMENTAL EXPENDITURES

For the year ended December 31, 2025

	2025		2024
	<u>Budget</u> (Note 10)	<u>Actual</u>	<u>Actual</u>
<b>GENERAL GOVERNMENT SERVICES</b>			
Administrative	\$ 1,719,343	\$ 1,577,043	\$ 1,365,625
Economic development	221,414	56,805	106,728
Accretion	-	27,214	21,935
Legislative council indemnity	243,146	229,960	260,460
	<u>2,183,903</u>	<u>1,891,022</u>	<u>1,754,748</u>
<b>PROTECTIVE SERVICES</b>			
Fire protection	674,279	510,404	495,176
Fire training facility	15,689	13,184	6,775
Animal control	12,444	14,301	20,109
Building inspection	31,902	31,902	29,156
Ambulance station	4,501	1,643	2,115
Municipal emergency program	663,033	214,891	144,748
Bylaw enforcement	4,470	3,007	2,777
	<u>1,406,318</u>	<u>789,332</u>	<u>700,856</u>
<b>PUBLIC WORKS</b>			
Roads and streets	1,033,147	678,898	767,207
Common services	769,765	766,162	536,594
Air and water transport	125,255	123,015	89,356
Seniors helping seniors	63,940	37,368	59,426
Special projects	5,025	10,899	8,192
Traffic services	20,007	22,541	18,775
	<u>2,017,139</u>	<u>1,638,883</u>	<u>1,479,550</u>
<b>ENVIRONMENTAL HEALTH</b>			
Garbage disposal	153,605	171,516	142,597
Garbage discounts	4,488	5,204	4,997
	<u>158,093</u>	<u>176,720</u>	<u>147,594</u>
<b>PUBLIC HEALTH</b>			
Cemetery	26,362	34,169	22,106
	<u>26,362</u>	<u>34,169</u>	<u>22,106</u>
<b>Balance carried forward</b>	<u>\$ 5,791,815</u>	<u>\$ 4,530,126</u>	<u>\$ 4,104,854</u>

See notes to the consolidated financial statements

DISTRICT OF FORT ST. JAMES

Schedule 2

SCHEDULE OF GENERAL DEPARTMENTAL EXPENDITURES

For the year ended December 31, 2025

	2025		2024
	<u>Budget</u> (Note 10)	<u>Actual</u>	<u>Actual</u>
<b>Balance forward</b>	<u>\$ 5,791,815</u>	<u>\$ 4,530,126</u>	<u>\$ 4,104,854</u>
<b>RECREATIONAL AND CULTURAL</b>			
Arena	303,395	291,655	287,331
Community Centre	62,277	74,649	73,543
Library	308,704	297,036	280,745
Parks and programs	179,958	185,184	113,385
Summer recreation	30,000	3,035	26,511
	<u>884,334</u>	<u>851,559</u>	<u>781,515</u>
<b>TOTAL DEPARTMENTAL EXPENSES</b>	6,676,149	5,381,685	4,886,369
<b>INTEREST AND MISCELLANEOUS</b>	19,290	48,530	20,084
<b>AMORTIZATION (Schedule 3)</b>	-	1,128,925	1,023,970
<b>TOTAL GENERAL EXPENDITURES</b>	<u>\$ 6,695,439</u>	<u>\$ 6,559,140</u>	<u>\$ 5,930,423</u>

DISTRICT OF FORT ST. JAMES

Schedule 3

SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2025

	Balance Beginning of Year	Additions	Disposals	Write-downs	Balance End of Year	Amortization Beginning of Year	Amortization Reductions on Disposals	Amortization Expense	Accumulated Amortization End of Year	Net Carrying Amount End of 2025	Net Carrying Amount End of 2024
Land	\$ 1,309,686	\$ 62,818	\$ -	\$ -	\$ 1,372,504	\$ -	\$ -	\$ -	\$ -	\$ 1,372,504	\$ 1,309,686
Roads Infrastructure	15,293,305	810,918	-	-	16,104,223	8,855,615	-	337,668	9,193,283	6,910,940	6,437,690
Water Infrastructure	7,224,925	1,774,023	-	-	8,998,948	2,112,718	-	128,666	2,241,384	6,757,564	5,112,207
Sewer Infrastructure	5,489,024	778,537	-	-	6,267,561	1,675,350	-	115,087	1,790,437	4,477,124	3,813,674
Storm Sewer Infrastructure	1,153,148	-	-	-	1,153,148	686,515	-	15,368	701,883	451,265	466,633
Vehicles	4,938,826	1,355,721	77,477	-	6,217,070	2,516,582	(77,477)	362,681	2,801,786	3,415,284	2,422,244
Furniture and Equipment	1,588,350	157,884	-	-	1,746,234	978,406	-	78,005	1,056,411	689,823	609,944
Parks Infrastructure	1,014,436	188,642	129,900	-	1,073,178	242,498	(101,380)	19,599	160,717	912,461	771,938
Buildings and Improvements	13,253,541	3,018,357	-	-	16,271,898	3,695,949	-	211,108	3,907,057	12,364,841	9,535,885
Asset retirement obligations	457,825	20,350	38,202	-	439,973	66,959	(38,202)	55,543	84,300	355,673	390,866
Engineered Structures	4,476,414	702,863	-	-	5,179,277	486,146	-	72,646	558,792	4,620,485	4,011,975
<b>Total</b>	<b>\$ 56,199,480</b>	<b>\$ 8,870,113</b>	<b>\$ 245,579</b>	<b>\$ -</b>	<b>\$ 64,824,014</b>	<b>\$ 21,316,738</b>	<b>\$ (217,059)</b>	<b>\$ 1,396,371</b>	<b>\$ 22,496,050</b>	<b>\$ 42,327,964</b>	<b>\$ 34,882,742</b>

TANGIBLE CAPITAL ASSETS BY FUND

General	\$ 42,192,541	\$ 6,317,553	\$ 245,579	\$ -	\$ 48,264,515	\$ 16,821,448	\$ (217,059)	\$ 1,128,925	\$ 17,733,314	\$ 30,531,201	\$ 25,371,093
Water	7,302,004	1,774,023	-	-	9,076,027	2,123,625	-	133,019	2,256,644	6,819,383	5,178,379
Sewer	6,704,935	778,537	-	-	7,483,472	2,371,665	-	134,427	2,506,092	4,977,380	4,333,270
<b>Total</b>	<b>\$ 56,199,480</b>	<b>\$ 8,870,113</b>	<b>\$ 245,579</b>	<b>\$ -</b>	<b>\$ 64,824,014</b>	<b>\$ 21,316,738</b>	<b>\$ (217,059)</b>	<b>\$ 1,396,371</b>	<b>\$ 22,496,050</b>	<b>\$ 42,327,964</b>	<b>\$ 34,882,742</b>

See notes to the consolidated financial statements

THE DISTRICT OF FORT ST. JAMES

Schedule 4

SCHEDULE OF EXPENSES BY OBJECT

For the year ended December 31, 2025

	2025		2024
	<u>Budget</u> (Note 10)	<u>Actual</u>	<u>Actual</u>
Wages and benefits	\$ 2,643,944	\$ 3,625,041	\$ 3,507,510
Events, projects and grants	1,099,603	543,920	268,558
Purchased services and supplies	667,633	479,283	355,905
Repairs and maintenance	1,986,067	476,434	529,319
Insurance, fees and dues	233,159	259,796	257,161
Utilities and telephone	266,574	251,436	261,959
Office and general	226,169	140,079	119,093
Training and development	133,035	75,092	69,214
Travel	78,200	64,566	58,266
Professional fees	96,100	60,279	217,024
Interest on long-term debt	76,439	48,530	20,084
Accretion	-	28,651	23,382
Advertising and promotion	24,020	17,592	13,403
Amortization	-	1,396,371	1,226,452
	<u>\$ 7,530,943</u>	<u>\$ 7,467,070</u>	<u>\$ 6,927,330</u>

# Permissive Tax Exemptions

PUBLIC WORSHIP	LEGAL DESCRIPTION	CIVIC ADDRESS	EXEMPTION AMOUNT
United Church of Canada	LOT 17 & LOT 18, BLOCK 1, PLAN PRP1691, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT	222 2nd Ave W.	\$713.40
Pentecostal Assemblies of Canada	LOT 7 & LOT 8, BLOCK 2, PLAN PRP1691, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT	285 2nd Ave W.	\$956.04
Evangelical Free Church	LOT A, PLAN PRP4533, DISTRICT LOT 111, RANGE 5, COAST RANGE 5 LAND DISTRICT, SEE H7923	720 4th Ave W.	\$976.90
Hilde, Hilde, Marin (Victory Christian Centre)	LOT 16, PLAN PRP8411, DISTRICT LOT 4762, RANGE 5, COAST RANGE 5 LAND DISTRICT	400 Ash St. E.	\$671.68
Anglican Synod Diocese Caledonia	LOT 12, BLOCK 2, PLAN PRP3117, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT	271 Stuart Dr. W.	\$859.44
		<b>TOTAL FOR PUBLIC WORSHIP</b>	<b>\$4,177.46</b>

# Permissive Tax Exemptions

NON PROFIT	LEGAL DESCRIPTION	CIVIC ADDRESS	EXEMPTION AMOUNT
Fort St James Search and Rescue	LOT 1, LOT 2, & LOT 3, BLOCK 36, PLAN PRP1128, DISTRICT LOT 1267, RANGE 5, COAST RANGE 5 LAND DISTRICT	191 E 2nd Ave	\$1,082.58
Stuart Lake Golf Course	DISTRICT LOT 3183, RANGE 5, COAST RANGE 5 LAND DISTRICT, EXCEPT PLAN 4437 4994 5147, & EXC PLS 4994 5147	3100 Stones Bay Rd.	\$1,854.94
Nechako Valley Community Services Society	LOT A, PLAN PRP1541, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT, PL 1400	349 Stuart Dr W.	\$5,571.73
Nechako Valley Community Services Society	LOT A, PLAN PRP1541, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT, PL 1400	349 Stuart Dr W.	\$164.67
Music Makers of Fort St. James	LOT 6, BLOCK 2, PLAN PRP1691, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT	255 E 2ND AVE	\$2,618.47
Stuart Lake Seniors Association	LOT 1, BLOCK 0, PLAN PRP3304, DISTRICT LOT 110, RANGE 5, COAST RANGE 5 LAND DISTRICT	250 Simon Fraser Ave	\$1,607.03
Fort St. James Curling Club	PLAN PRP12398, DISTRICT LOT 1267, COAST RANGE 5 LAND DISTRICT	240 Stuart Dr E.	\$5,453.67
Community Arts Council	LOT 27, LOT 28, & LOT 29, PLAN PRP4084, DISTRICT LOT 111, RANGE 5, COAST RANGE 5 LAND DISTRICT	675 Birch St	\$4,098.62
Stuart Lake Recycling Co-op	PART OF LOT 2, BLOCK G, PLAN PRP3139, DISTRICT LOT 110, COAST RANGE 5 LAND DISTRICT, EXCEPT PLAN PRP8962, PURPOSE OF OPERATING A RECYCLING DEPOT	445 Morice Ave	\$2,555.03
		<b>TOTAL FOR NON PROFIT</b>	<b>\$25,006.74</b>
		<b>TOTAL</b>	<b>\$29,184.20</b>