

**Saturna Island Fire Protection Society (SIFPS)**  
**Annual General Meeting**  
**Treasurer's Report for the Year Ended December 31, 2025**

As in prior years, Doane Grant Thornton, Chartered Professional Accountants, were engaged to compile the 2025 annual financial statements based on information provided by SIFPS (the "Society"). This report should be read in conjunction with the accompanying 2025 annual financial statements.

The following commentary provides financial highlights from 2025 and the comparative year of 2024.

Revenues exceeded expenditures by an amount of \$62,984 in the current year, a slight decrease from the excess of revenues over expenditures of \$64,406 reported in 2024.

Total revenues in 2025 were \$426,240 as compared to \$365,884 in 2024, an increase of \$60,356 or 16.5%. Donations increased by \$24,312, property tax assessments increased by \$19,448, and the release of deferred grant revenues increased by \$17,316. The property tax assessments remain the largest revenue component representing 75.5% of total reported revenues (82.7% in 2024).

Total expenditures in 2025 amounted to \$363,256 as compared to expenditures of \$301,478 in 2024, an increase of \$61,778 or 20.5%. The increase in expenditures was offset by the increase in revenues. The main expenditure categories with large variances compared to the prior year are highlighted below:

**a) Stipends, Wages and Benefits – An increase of \$22,550**

Honorariums have been renamed as stipends. In recognition of their steadfast dedication of the two service chiefs undertaking their extensive workloads, annual stipends were increased effective January 1, 2025. This was the second of three annual increases approved by the board in 2023. Health Spending Account expenditures increased in both services, driven by the additional numbers of eligible volunteers. Increases in total firefighter compensation included payments to volunteers who attended off-island training and paid in accordance with policy.

**b) Amortization – An increase of \$21,916**

Amortization expenditure each year is writing down the original cost of property, plant and equipment assets on a straight-line basis over each asset's estimated useful life. The increase in amortization in 2025 was reflective of increased total capital purchases. It should be noted that for capital purchases funded with grant award monies, a partial offset to amortization expenditure is recorded under revenues. Capital grant funds are treated as deferred capital contributions when received and released in proportion to the amortization of the respective asset.

**c) Vehicles – An increase of \$20,438**

Vehicle expenditures represent the operating costs, e.g. repairs, inspections, insurance and fuel, of the Society's vehicles. Of note in 2025, fire department vehicle repair costs were \$25,517 as compared to \$5,869 in the prior year. There is no consistent pattern to when vehicles require costly repairs, but the vehicle fleet continues to age. The replacement water tender delays necessitated keeping the existing tender in service which required repairs to pass its annual commercial vehicle inspection.

**d) Protective Gear & Uniforms – An increase of \$10,342**

Growth in volunteer numbers leads to increased spending on personal protective gear and uniforms. Firefighters turn-out gear and helmets are expensive and must be periodically replaced in accordance with regulations. Increased costs in 2025 were primarily for new or replacement firefighters' turn-out gear.

**e) WorkSafe BC – An increase of \$4,625**

WorkSafe BC has a special low monthly premium rate for volunteer firefighters. However, if individual firefighter compensation in a month exceeds the special rate, the compensation amount forms the basis for the monthly premium. Since introducing modest volunteer compensation several years ago, one of the downsides is that WorkSafe BC premiums have increased for the Society.

**f) Training – A decrease of \$17,051**

Training costs decreased in 2025 compared to costs in 2024, mostly attributed to less firefighter training. Three new SIR recruits and three firefighters attended a First Responder course held on Saturna which was funded entirely by BCEHS. This was a funding first that may not be repeatable.

**g) Insurance – A decrease of \$10,345**

In late 2024, the Society changed insurance broker which provided access to an insurance provider better aligned with the provision of emergency fire and rescue services. A significant reduction in general liability insurance premiums resulted from the change which was evident in 2025 costs.

Capital purchases in 2025 amounted to \$309,031 which were considerable. The most significant purchase, a replacement water tender and associated equipment, had a total cost \$252,526 (including a deposit of \$10,000 paid in 2024) of which \$130,000 was funded by a Community Gaming Capital Projects grant awarded in late 2023. Despite conducting due diligence prior to purchasing the tender, a third routine commercial vehicle inspection identified National Safety Code deficiencies. Those deficiencies are being fixed at the seller's expense.

Other capital purchases of fire department equipment included a new air compressor (\$29,536) and nine sets of reconditioned cylinders and valves (\$12,814), both forming part of the department's self-contained breathing apparatus assets. In addition, a portable lean-to shelter for ESB2 and some other smaller value equipment replacements were also purchased.

Cash and term deposits decreased by \$165,411 in 2025. The decrease was already built into the Society's financial plans, so it was not unexpected. The Society had no long-term debt in 2025.

The restricted capital reserve account which had a balance of \$260,000 at the end of 2024 decreased by \$130,000 in 2025 as the Community Gaming Capital Projects grant funds were used. Term deposits consisted of investments in risk-free Guaranteed Investment Certificates with varying terms to maturity.

The Society's financial position remains robust and closely aligned with board approved financial plans. The 2025 annual property tax requisition nudged closer to the maximum allowed under the current CRD financing bylaw. Following notable increases over several years, to build reserves for required capital purchases, the Society's financial plans over the next few years incorporate more modest tax funding increases and we are cautiously optimistic that capital and operating costs can be managed accordingly.

New challenges emerge each year that add to challenges which are ever present. The resulting strain placed on a volunteer organization tasked with delivering critical emergency services is very significant. Notwithstanding, the incredible intensity behind delivering those services on Saturna is testimony to the commitment and dedication of all frontline and backroom volunteers who contribute precious time and energy to make positive things happen every day. A grateful thanks goes out to all of the volunteers.

Respectfully submitted,  
Stephen Hardy, SIFPS Treasurer  
May 30, 2026