

TOWN OF SMITHERS
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2021

TOWN OF SMITHERS

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2021

Contents

| | |
|--|----|
| Management Report | 1 |
| Independent Auditor's Report | 2 |
| Consolidated Financial Statements: | |
| Consolidated Statement of Financial Position | 3 |
| Consolidated Statement of Operations | 4 |
| Consolidated Statement of Change in Net Assets | 5 |
| Consolidated Statement of Cash Flows | 6 |
| Notes to the Consolidated Financial Statements | 7 |
| Schedule 1 - Schedule of Tangible Capital Assets | 19 |
| Schedule 2 - Schedule of Changes in Town Position | 20 |
| Schedule 3 - Schedule of Property Taxes and Grants in Lieu | 21 |
| Schedule 4 - Schedule of Government Transfers and Grants | 22 |
| Schedule 5 - Schedule of Expenses by Object | 23 |
| Schedule 6 - Northern Capital Planning Grant Reserve Fund | 24 |
| Schedule 7 - BC Covid Safe Restart Grant Reporting | 25 |

TOWN OF SMITHERS
MANAGEMENT REPORT
YEAR ENDED DECEMBER 31, 2021

The Consolidated Financial Statements of the Town of Smithers 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 implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council of the Town of Smithers is responsible for ensuring that management fulfils its responsibilities for financial reporting and maintaining internal controls and exercises this responsibility through Council.

The external auditors, Carlyle Shepherd & Co., conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Town's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to financial management of the Town of Smithers and meet when required.

On behalf of the Town of Smithers:



William D. Wallace, CPA, CA
Director of Finance
May 10, 2022

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
Town of Smithers

Opinion

We have audited the consolidated financial statements of the Town of Smithers, which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, changes in net financial assets, cash flows and schedules 1 to 7 for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town of Smithers as at December 31, 2021 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. We are independent of the Town 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.

Auditor's Responsibility 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 judgement and maintain professional skepticism throughout the audit.

Responsibilities of Management and Council for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Town'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 conditions exist that do not allow for the going concern basis to be used.

Mayor and Council are responsible for overseeing the Town's financial reporting process.

Smithers, BC
May 10, 2022

Carlyle Shepherd & Co.

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENDED DECEMBER 31

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | \$ | \$ |
| FINANCIAL ASSETS | | |
| Cash and Investments (Note 2) | 26,454,166 | 24,580,604 |
| Accounts Receivable (Note 3) | 2,018,349 | 791,003 |
| Deposits - Municipal Finance Authority (Note 5) | 80,398 | 79,054 |
| Investment in Wetzin'kwa Management Services Ltd. (Note 6) | <u>1</u> | <u>1</u> |
| | <u>28,552,914</u> | <u>25,450,662</u> |
| LIABILITIES | | |
| Accounts Payable and Accrued Liabilities (Note 7) | 4,120,690 | 3,544,609 |
| Restricted Revenue - Municipal Finance Authority (Note 5) | 80,398 | 79,054 |
| Deferred Revenues (Note 8) | 2,111,745 | 742,854 |
| Debt (Note 9) | <u>3,750,854</u> | <u>4,163,920</u> |
| | <u>10,063,687</u> | <u>8,530,437</u> |
| NET FINANCIAL ASSETS | <u>18,489,227</u> | <u>16,920,225</u> |
| Commitments and Contingencies (Note 12) | | |
| NON FINANCIAL ASSETS | | |
| Tangible Capital Assets (Schedule 1) | 66,904,438 | 62,052,280 |
| Prepaid Expenses and Supply Inventory (Note 4) | <u>476,574</u> | <u>395,829</u> |
| | <u>67,381,012</u> | <u>62,448,109</u> |
| TOWN POSITION (Note 10 and Schedule 2) | <u>85,870,239</u> | <u>79,368,334</u> |

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31

| | (Unaudited) | | |
|---|-------------------|-------------------|-------------------|
| | Budget | | |
| | 2021 | 2021 | 2020 |
| | \$ | \$ | \$ |
| REVENUE | | | |
| Property Taxes and Grants in Lieu (Schedule 3) | 7,478,990 | 7,549,104 | 6,830,257 |
| Municipal and Regional District Tax (Hotel Tax) | 190,000 | 250,551 | 191,997 |
| Interest and Penalties on Taxes | 75,000 | 92,481 | 57,769 |
| | <u>7,743,990</u> | <u>7,892,136</u> | <u>7,080,023</u> |
| Government Transfers and Grants (Schedule 4) | 20,527,210 | 8,488,818 | 7,119,911 |
| Service Charges and User Fees | 3,989,850 | 4,851,892 | 3,754,068 |
| Investment Income | 81,000 | 205,979 | 388,993 |
| Developer Contributed Tangible Capital Assets | - | 854,052 | 2,221,978 |
| Non-Government Contributions and Donations | 2,718,700 | 191,610 | 115,313 |
| Gain on Disposal of Tangible Capital Assets | - | 4,334 | 191,066 |
| | <u>35,060,750</u> | <u>22,488,821</u> | <u>20,871,352</u> |
| EXPENSES (Schedule 5) | | | |
| Council and Corporate Services | 2,272,580 | 2,288,572 | 1,976,710 |
| Planning and Development Services | 1,037,470 | 1,112,479 | 912,385 |
| Economic Development and Tourism | 493,010 | 451,264 | 372,016 |
| Smithers Regional Airport | 2,712,640 | 2,296,005 | 2,445,845 |
| Recreation and Cultural Services | 2,067,990 | 1,673,000 | 1,929,322 |
| Smithers Public Library | 263,610 | 413,930 | 411,385 |
| Protective Services | 3,710,540 | 3,326,285 | 2,820,019 |
| Transportation and Infrastructure Services | 2,819,480 | 2,645,724 | 2,167,599 |
| Utility Services | 1,773,200 | 1,477,921 | 1,406,171 |
| Solid Waste and Recycling Services | 205,240 | 234,127 | 280,971 |
| Public Health Services | 42,190 | 67,609 | 52,368 |
| | <u>17,397,950</u> | <u>15,986,916</u> | <u>14,774,791</u> |
| EXCESS OF REVENUE OVER EXPENSES | 17,662,800 | 6,501,905 | 6,096,561 |
| TOWN POSITION, BEGINNING OF YEAR | <u>79,368,334</u> | <u>79,368,334</u> | <u>73,271,773</u> |
| TOWN POSITION, END OF YEAR | <u>97,031,134</u> | <u>85,870,239</u> | <u>79,368,334</u> |

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS
YEAR ENDED DECEMBER 31

| | (Unaudited) Budget 2021 \$ | 2021 \$ | 2020 \$ |
|---|--|--------------------------|--------------------------|
| Excess of revenue over expenses | <u>17,662,800</u> | <u>6,501,905</u> | <u>6,096,561</u> |
| Acquisition of tangible capital assets | (35,435,600) | (7,139,984) | (1,168,437) |
| Contributed tangible capital assets | - | (854,052) | (2,221,978) |
| Proceeds on disposal of tangible capital assets | - | 27,500 | 488,458 |
| Gain on disposal of tangible capital assets | - | (4,334) | (191,067) |
| Amortization of tangible capital assets | <u>3,487,740</u> | <u>3,118,712</u> | <u>3,332,384</u> |
| | <u>(31,947,860)</u> | <u>(4,852,158)</u> | <u>239,360</u> |
| Use (acquisition) of prepaid expenses | - | 8,602 | 18,563 |
| Use (acquisition) of supply inventory | <u>-</u> | <u>(89,347)</u> | <u>(5,118)</u> |
| | <u>-</u> | <u>(80,745)</u> | <u>13,445</u> |
| Net change in net assets | (14,285,060) | 1,569,002 | 6,349,366 |
| Net assets, beginning of year | <u>16,920,225</u> | <u>16,920,225</u> | <u>10,570,859</u> |
| Net assets, end of year | <u>2,635,165</u> | <u>18,489,227</u> | <u>16,920,225</u> |

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31

| | 2021 | 2020 |
|---|--------------------|-------------------|
| | \$ | \$ |
| OPERATING TRANSACTIONS | | |
| Excess of revenue over expenses | 6,501,905 | 6,096,561 |
| Items not involving cash: | | |
| Actuarial adjustment | (93,316) | (81,914) |
| Amortization | 3,118,712 | 3,332,384 |
| Gain on disposal of tangible capital assets | (4,334) | (191,067) |
| Contributed capital assets | (854,052) | (2,221,978) |
| Changes in non-cash assets and liabilities: | | |
| Receivables | (1,227,346) | 55,798 |
| Prepays | 8,602 | 18,563 |
| Supply inventory | (89,347) | (5,118) |
| Accounts payable and accrued liabilities | 576,081 | 1,511,083 |
| Deferred revenues | <u>1,368,891</u> | <u>68,851</u> |
| | <u>9,305,796</u> | <u>8,583,163</u> |
| CAPITAL ACTIVITIES | | |
| Acquisition of tangible capital assets | (7,139,984) | (1,168,437) |
| Proceeds on disposal of tangible capital assets | <u>27,500</u> | <u>488,458</u> |
| | <u>(7,112,484)</u> | <u>(679,979)</u> |
| FINANCING TRANSACTIONS | | |
| Repayment of debt | <u>(319,750)</u> | <u>(225,180)</u> |
| NET CHANGE IN CASH AND INVESTMENTS | 1,873,562 | 7,678,004 |
| CASH AND INVESTMENTS, BEGINNING OF YEAR | <u>24,580,604</u> | <u>16,902,600</u> |
| CASH AND INVESTMENTS, END OF YEAR | <u>26,454,166</u> | <u>24,580,604</u> |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

Management's Responsibility for the Consolidated Financial Statements

The consolidated financial statements are the representation of management. The financial statements have been prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town of Smithers are as follows:

(a) Reporting Entity

The Town of Smithers is a municipality that was incorporated in 1921 under the laws of the Province of British Columbia and operates under the provisions of the *Community Charter* and the *Local Government Act*.

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in fund balances, and change in financial position of the reporting entity. This entity is comprised of the municipal operations that are owned or controlled by the Town, which includes the Smithers Public Library. Interfund transactions have been eliminated on consolidation. The financial statements exclude trust assets that are administered by the Town for the benefit of external parties.

(b) 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 upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties that are restricted by agreement and/or legislation are accounted for as deferred revenue until used for the purpose specified.

(c) Revenue Recognition

The Town of Smithers follows the restricted contribution method for recording revenues. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Taxation revenue is recognized at the time of issuing the annual property tax notices for the year. Sale of services and user fee revenues are recognized when the Town renders the service or product.

(d) Government Transfers

Government transfers are recognized as revenues, or expenses, in the period the events giving rise to the transfer occurs.

(e) Financial Assets and Liabilities

The Town of Smithers is not subject to significant risk from market, foreign currency, or price changes. The financial risks to which the Town is exposed includes the following:

(i) Interest Rate Risk:

The Town is exposed to interest rate risk to the extent that the cash and investments it maintains at financial institutions is subject to a floating rate of interest. Fixed interest instruments subject the Town to a fair value risk, while floating rate instruments subject it to a cash flow risk.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) Credit Risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge their obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Town to a concentration of credit risk consist primarily of cash, term deposits, fixed income pooled investment fund units, and accounts receivable. The Town limits its exposure to credit loss by placing its cash and deposits with Canadian financial institutions or in investment funds for local governments offered by the Municipal Finance Authority of BC. Credit risk to cash and deposits is concentrated as the Town's positions are held primarily by two regulated financial institutions. Management believes the risk from concentration loss is low. The Town limits credit risk associated with accounts receivable, by limiting credit to non-government parties where the account receivable is not ultimately secured through a connected property tax account, and by following timely collection procedures. Consequently, management believes the remaining credit risk on accounts receivable is not significant.

(iii) Liquidity Risk:

Liquidity risk is the risk the Town will not be able to meet its financial obligations as they fall due. The Town's approach to managing liquidity is to evaluate current and expected liquidity requirements under both normal and stressed conditions to ensure that it maintains sufficient reserves of cash or will have access to an available credit facility to meet its liquidity requirements in the short and long term.

(f) Financial Instruments

(i) Measurement of Financial Instruments:

The Town of Smithers initially measures its financial assets and financial liabilities at fair value. The Town subsequently measures all of its financial assets and financial liabilities at amortized cost, except for investments in an active market, which are measured at fair value. Changes in fair value are recognized in revenue or expenses.

(ii) Impairment:

Financial assets measured at amortized cost are tested for impairment in value when there are indicators of impairment. The amount of a write-down is recognized as an expense. A previously recognized impairment may be reversed and the amount of a reversal is recognized in revenue.

(iii) Fair Value:

The Town estimates the fair value of its financial instruments that are not part of an active market based on current interest rates and/or the market pricing of comparable financial instruments.

(g) Cash and Investments

Cash and investments is comprised of cash, term deposits held with Canadian financial institutions, and investment fund units held with the Municipal Financial Authority of BC. Deposits are recorded at cost. MFA investment fund units are carried at market value.

(h) Inventory

Inventory is comprised of supplies inventory. Inventory is valued at the lower of cost or net realizable value and is recorded at weighted average. No items were written down to net realizable value.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Tangible Capital Assets

Tangible capital assets are comprised of capital assets and capital projects work-in-progress. Tangible capital assets are recorded at cost, net of capital asset disposals, write-downs and accumulated amortization. Donated tangible capital assets are recorded at fair market value at the time of donation. Tangible capital assets are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put into service. Estimated useful lives are as follows:

| <u>Major Asset Category:</u> | <u>Useful Life Range:</u> |
|--|---------------------------|
| Land | Unlimited |
| Utility Systems (Water, Sanitary & Storm Sewers) | 20 to 100 years |
| Engineered Structures (Roads, Sidewalks) | 10 to 75 years |
| Buildings, Facilities, Parks | 15 to 50 years |
| Machinery, Equipment, Vehicles | 5 to 20 years |
| Office Equipment and Computers | 5 to 10 years |

An impairment loss is recognized when the carrying amount of a tangible capital asset is not fully recoverable. The loss is measured as the excess carrying amount over its fair value. The fair value is market value or the sum of the undiscounted cash flows expected to result from its use or eventual disposition. Tangible capital assets are tested for impairment when events or changes in circumstances indicate their recorded value may not be recoverable.

(j) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenue and expenditures for the reporting period. Significant areas requiring the use of estimates include employee benefit plans (E.g.: accrued pension obligations), provision for contingencies (E.g.: environmental, legal, regulatory compliance matters), and tangible capital asset valuations and asset life expectancies. Actual results will differ from management's estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period a change in estimate is made.

(k) Budget Presentation

Budget figures are from the Town of Smither's Bylaw No. 1906 2021-2025 Five-Year Financial Plan adopted by Council on May 11, 2021. The Smithers Public Library's 2021 budget, as approved by the Library's Board of Directors and by Town Council, is included in the Town's budget figures.

(l) Comparative Figures

Certain prior year comparative figures have been reclassified to conform to the current year's presentation.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

| 2. CASH AND INVESTMENTS | 2021 | 2020 |
|---------------------------------------|-------------------|-------------------|
| Cash and Investments - Unrestricted | 10,823,747 | 10,935,830 |
| Cash and Investments - Restricted | 15,417,593 | 13,464,909 |
| Smithers Public Library - Cash | 94,771 | 62,776 |
| Smithers Public Library - Investments | <u>118,055</u> | <u>117,089</u> |
| | <u>26,454,166</u> | <u>24,580,604</u> |

Cash and Investments include \$10,042,192 (2020: \$2,111,117) placed in Term Deposits with the Bulkley Valley Credit Union and Haventree Bank.

Cash and Investments include \$15,526,987 (2020: \$22,060,433) invested in Municipal Finance Authority of BC pooled funds - Money Market Fund, Ultra-Short Bond Fund, and Short Term Bond Fund.

| 3. ACCOUNTS RECEIVABLE | 2021 | 2020 |
|---|------------------|----------------|
| Due from Federal Government | 766,147 | 52,879 |
| Due from Provincial Government | 245,338 | 26,344 |
| Due From Other Gov. Bodies/ Orgs. | 292,213 | 93,920 |
| Taxes Receivable | 342,309 | 369,220 |
| Utilities Billings Receivable | 40,202 | 21,710 |
| Trade and Accrued Receivables | 328,624 | 219,447 |
| Smithers Public Library - Accounts Receivable | <u>3,516</u> | <u>7,483</u> |
| | <u>2,018,349</u> | <u>791,003</u> |

| 4. PREPAID EXPENSES AND SUPPLY INVENTORY | 2021 | 2020 |
|---|----------------|----------------|
| Prepaid Expenses | 144,068 | 149,996 |
| Inventory of Supplies | 330,258 | 240,911 |
| Smithers Public Library - Prepaid Exp. | <u>2,248</u> | <u>4,922</u> |
| | <u>476,574</u> | <u>395,829</u> |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

5. MUNICIPAL FINANCE AUTHORITY DEPOSITS AND RESTRICTED REVENUE

| | 2021 | 2020 |
|---|----------------|----------------|
| Cash Deposits | <u>80,398</u> | <u>79,054</u> |
| Demand Notes (not part of financial statements) | <u>169,244</u> | <u>169,244</u> |

The Town of Smithers issues its debt instruments through the Municipal Finance Authority of BC. As a condition of these borrowings, a portion of long term debenture proceeds is withheld by the MFA as a debt reserve fund and demand notes are required from the Town. These deposits and notes are held by the MFA to act as security against the possibility of a debt repayment default. When the debt is repaid without default, the deposits are refunded to the Town with interest and the demand notes are cancelled. The MFA Deposits are included as a financial asset in the financial statements. The demand notes are not included in the financial statements.

6. INVESTMENT IN WETZIN'KWA MANAGEMENT SERVICES LTD.

Pursuant to Section 185 of the *Community Charter*, the Town of Smithers and the Village of Telkwa were given approval by the BC Inspector of Municipalities in 2007 to form two corporations: Wetzin'kwa Management Services Ltd. and Wetzin'kwa Community Forest Corporation. The sole shareholders of Wetzin'kwa Management Services Ltd. are the Town of Smithers and the Village of Telkwa, at 100 shares valued at \$1. Wetzin'kwa Management Services Ltd. is the sole shareholder of the Wetzin'kwa Community Forest Corporation.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

| | 2021 | 2020 |
|---|------------------|------------------|
| Payroll Payable and Accrued Payroll Benefits | 553,798 | 558,200 |
| Trade Payables and Accrued Liabilities | 1,889,719 | 1,029,273 |
| Holdbacks and Refundable Contracts Securities Payable | 1,446,846 | 1,241,616 |
| Due to Provincial Government | 196,897 | 685,353 |
| Smithers Public Library - Accounts Payables | <u>33,430</u> | <u>30,167</u> |
| | <u>4,120,690</u> | <u>3,544,609</u> |

8. DEFERRED REVENUES

| | 2021 | 2020 |
|--|------------------|----------------|
| Deferred Tax Revenue | 485,625 | 446,974 |
| Operating Revenue Received in Advance | 83,952 | 206,496 |
| Operating Project Grants Received in Advance | 1,494,119 | 34,563 |
| Capital Project Grants Received in Advance | 43,600 | 43,600 |
| Smithers Public Library - Deferred Revenue | <u>4,449</u> | <u>11,221</u> |
| | <u>2,111,745</u> | <u>742,854</u> |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

9. DEBT

| | Town Bylaw | Maturity Date | Interest Rate | 2021 | 2020 |
|--|---------------|------------------|------------------|-----------|-----------|
| <u>Debenture Debt - Tax Supported</u> | | | | | |
| General Capital | | | | | |
| Highway 16 (1st instalment) | 1402 | June 2022 | 1.75% | 38,211 | 74,602 |
| Highway 16 (2nd instalment) | 1407 | June 2023 | 2.10% | 74,602 | 109,260 |
| Highway 16 (3rd instalment) | 1328 | April 2024 | 2.40% | 109,260 | 142,268 |
| 4200 Block 2nd Avenue | 1657 | April 2033 | 3.15% | 101,955 | 108,479 |
| New Arena | 1508 | April 2034 | 3.30% | 477,595 | 505,214 |
| <u>Debenture Debt - Fee Supported</u> | | | | | |
| Utility Capital | | | | | |
| South Trunk Storm Sewer | 1601 | April 2026 | 4.20% | 320,321 | 377,187 |
| Airport Capital | | | | | |
| Terminal Modernization | 1808 | Oct 2037 | 3.15% | 2,532,910 | 2,654,910 |
| <u>Other Debt - Fee Supported</u> | | | | | |
| Airport Capital | | | | | |
| Airside Sweeper | 1833 | Dec 2023 | variable | 96,000 | 192,000 |
| | | | | 3,750,854 | 4,163,920 |

Principal and interest payments due on debt over the next five years are as follows:

| | Principal | Actuarial | Interest |
|------|-----------|-----------|----------|
| 2022 | 226,742 | 103,422 | 145,236 |
| 2023 | 111,621 | 91,165 | 137,986 |
| 2024 | 196,500 | 77,419 | 139,486 |
| 2025 | 181,378 | 62,105 | 132,361 |
| 2026 | 181,378 | 70,140 | 126,481 |
| | 897,620 | 404,252 | 681,548 |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

10. TOWN POSITION

Town Position consists of reserves, which are funds committed and set aside for future expenditures, equity in tangible capital assets, and unrestricted surpluses as follows:

| | 2021 | 2020 |
|--|-------------------|-------------------|
| Operating Reserve Accounts | | |
| Municipal Elections Reserve | 16,000 | 10,500 |
| Legal Reserve | 14,549 | 14,549 |
| Contaminated Sites Reserve | 175,000 | 175,000 |
| Economic Development Reserve | 29,973 | 29,973 |
| Fire and Emergency Services Reserve | 86,440 | 25,985 |
| Snow Removal Reserve | 15,000 | 15,000 |
| Solid Waste and Recycling Reserve | 80,929 | 80,929 |
| Skateboard Park Donations Reserve | 39,000 | 58,800 |
| Capital Reserve Funds | | |
| Canada Community-Building Fund (UBCM) | 772,402 | 375,437 |
| Facility Maintenance Capital Reserve | 201,318 | 175,016 |
| Debenture Surplus Fund | 62,089 | 62,089 |
| Wetzin'kwa Community Forest Fund | 218,528 | 171,201 |
| Cemetery Capital Development Fund | 37,617 | 21,918 |
| Library Art Gallery Donations Reserve | 409,041 | 407,478 |
| Statutory Reserve Funds | | |
| BC Northern Capital and Planning Grant Reserve Fund (Schedule 6) | 9,831,530 | 10,082,800 |
| GHG Emissions Reserve | 105,923 | 89,104 |
| Equipment Replacement Reserve (Muni. Ops. and Utility) | 462,627 | 447,064 |
| Fire and Rescue Equipment Replacement Reserve | 150,225 | - |
| Airport Machinery and Equipment Reserve | 67,591 | 41,660 |
| Facility Replacement Reserve | 57,773 | 51,616 |
| Recreational Facilities Reserve | 20,911 | 20,880 |
| Roads Infrastructure Reserve | 502,048 | 272,961 |
| Airport Infrastructure Reserve | 459,084 | 766,942 |
| Utility Infrastructure Reserve | 1,167,098 | 546,084 |
| Capital Works / Land Sales Reserve | 624,674 | 731,734 |
| Parking In-Lieu Reserve | 30,455 | 30,409 |
| Park Land Reserve | 52,884 | 37,804 |
| Forestry Reserve Fund | 146,175 | 145,956 |
| Ambleside Reserve Fund | 211,340 | 211,024 |
| Local Area Service Fund | 131 | 131 |
| Off-Site Works and Services Reserve | 39,773 | 48,463 |
| | <u>16,088,128</u> | <u>15,148,507</u> |
| Equity in Tangible Capital Assets (Schedule 2) | | |
| Tangible Capital Assets | 140,139,199 | 132,376,822 |
| Amortization | (73,234,761) | (70,324,542) |
| Debt | (3,750,854) | (4,163,920) |
| | <u>63,153,584</u> | <u>57,888,360</u> |
| Restricted Surplus Accounts | | |
| BC COVID Safe Restart Grant (Schedule 7) | 316,867 | 544,660 |
| Unrestricted Surplus Accounts | | |
| General Municipal | 2,298,546 | 2,008,030 |
| RCMP Municipal Budget | 316,236 | 574,815 |
| Smithers Regional Airport | 1,468,914 | 1,051,868 |
| Utility | 2,064,319 | 2,013,558 |
| Smithers Public Library - Surplus | 163,645 | 138,536 |
| | <u>6,628,527</u> | <u>6,331,467</u> |
| | <u>85,870,239</u> | <u>79,368,334</u> |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

11. SEGMENTED INFORMATION

The Town of Smithers is a diversified municipal government institution that provides a wide range of services for its citizens, businesses, and regional communities. Functional segments of the Town's operations have been identified. A description of the segments and the service areas they cover are as follows:

Council and Corporate Services

This segment includes the revenue and expenses for Council, Town Hall Function, Local Government and Corporate Administration, Human Resources, Finance, Information Technology, and Municipal Buildings property management services.

Planning and Development Services

This segment includes the revenue and expenses for Engineering, Planning, Building Permitting/Inspection, and Business Licencing services.

Economic Development and Tourism

This segment includes the revenue and expenses for Economic Development and Tourism. Service delivery partners include the Smithers and District Chamber of Commerce and Tourism Smithers.

Smithers Regional Airport

This segment includes the revenue and expenses for municipal operations at the Smithers Regional Airport.

Recreation and Cultural Services

This segment includes the revenue and expenses for operating the Town's Arenas, Parks and Playgrounds, and Recreational and Cultural Programs and Facilities.

Smithers Public Library

This segment includes the revenue and expenses for the Smithers Public Library.

Protective Services

This segment includes the revenue and expenses for the Smithers RCMP Detachment's municipal officers and staff, the Smithers Fire and Rescue Department, Bylaw Enforcement, and Animal Control services. Municipal taxation collected for RCMP services is allocated to Protective Services.

Transportation and Infrastructure

This segment includes the revenue and expenses for Municipal Operations (Public Works admin.), Equipment/ Fleet, Buildings/ Facilities, Roads/ Streets/ Hwy. 16 Blvd. (snow removal/ sanding, water drainage/ ditching, sweeping/ dust control, line marking, sidewalks, street lighting, landscaping/ placemaking). Taxation collected for Road Infrastructure (Capital) is allocated to the Roads/ Sidewalks Program capital budget. Smithers and District Transit Service delivery partners include the Smithers Community Services Association and BC Transit.

Utility Services

This segment includes the revenue and expenses for Water, Sanitary Sewer and Storm Sewer services.

Solid Waste and Recycling Services

This segment includes the revenue and expenses for Solid Waste (Garbage) and Recycling collection and transfer to solid waste station and recycling depot facilities.

Public Health Services

This segment includes the revenue and expenses for Smithers Cemetery services.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

11. SEGMENTED INFORMATION

| | Council and Corporate Services | Planning and Development Services | Economic Development and Tourism | Smithers Regional Airport | Recreation and Cultural Services | Smithers Public Library | Protective Services | Transportation and Infrastructure | Utility Services | Solid Waste and Recycling Services | Public Health Services | 2021 Total | 2020 Total |
|---------------------------------------|--------------------------------|-----------------------------------|----------------------------------|---------------------------|----------------------------------|-------------------------|---------------------|-----------------------------------|------------------|------------------------------------|------------------------|------------------|------------------|
| | | | | | | | | | | | | \$ | \$ |
| REVENUE | | | | | | | | | | | | | |
| Property Taxes and Grants in Lieu | 5,079,170 | - | - | - | - | - | 1,761,494 | 708,440 | - | - | - | 7,549,104 | 6,830,257 |
| Municipal and Regional District Tax | - | - | 250,551 | - | - | - | - | - | - | - | - | 250,551 | 191,997 |
| Interest and Penalties on Taxes | 92,481 | - | - | - | - | - | - | - | - | - | - | 92,481 | 57,769 |
| Government Transfers and Grants | 1,232,729 | 194,947 | 76,396 | 6,044,508 | 283,870 | 158,087 | 389,532 | 59,270 | - | 49,479 | - | 8,488,818 | 7,119,911 |
| Service Charges and User Fees | 202,864 | 428,289 | - | 1,167,877 | 407,054 | 16,634 | 377,874 | 28,205 | 1,818,483 | 326,447 | 78,165 | 4,851,892 | 3,754,068 |
| Investment Income | 205,979 | - | - | - | - | - | - | - | - | - | - | 205,979 | 388,993 |
| Developer Contributed Tangible Assets | - | - | - | - | - | - | - | 494,154 | 359,898 | - | - | 854,052 | 2,221,978 |
| Non-Gov. Contributions and Donations | 21,630 | - | - | - | 52,663 | 582 | - | 116,735 | - | - | - | 191,610 | 115,313 |
| Gain on Disposal of Tangible Assets | - | - | - | - | - | - | - | 4,334 | - | - | - | 4,334 | 191,066 |
| | 6,834,853 | 623,236 | 326,947 | 7,212,385 | 743,587 | 175,303 | 2,528,900 | 1,411,138 | 2,178,381 | 375,926 | 78,165 | 22,488,821 | 20,871,352 |
| EXPENSES | | | | | | | | | | | | | |
| Salaries, Wages and Benefits | 1,326,977 | 701,598 | 85,186 | 689,172 | 669,954 | 309,834 | 769,510 | 851,565 | 436,623 | 160,085 | 51,537 | 6,052,041 | 5,784,318 |
| Training, Travel, Memberships | 38,771 | 5,395 | 3,143 | 9,569 | 8,418 | 1,577 | 18,095 | 8,059 | 1,307 | - | - | 94,334 | 101,784 |
| Telephone and Internet | 19,417 | 1,855 | 626 | 25,086 | 9,090 | 2,420 | 16,477 | 7,945 | 9,143 | - | - | 92,059 | 88,705 |
| Advertising and Promotion | 19,280 | 6,841 | - | 3,771 | 250 | 30 | 2,962 | - | 331 | - | - | 33,465 | 49,460 |
| Materials and Supplies | 73,465 | 11,238 | 85 | 107,611 | 70,980 | 68,261 | 119,519 | 387,751 | 132,813 | 18,641 | 13,274 | 1,003,638 | 983,818 |
| Miscellaneous Expenses | 20,774 | - | - | 6,916 | - | 1,005 | 22,622 | - | 926 | 4,875 | - | 57,118 | 71,042 |
| Community Grants | 130,637 | - | - | - | 92,644 | - | 4,050 | - | 71,688 | - | - | 299,019 | 220,859 |
| Contracted Services | 416,414 | 43,341 | 349,030 | 183,289 | 86,385 | 19,263 | 281,106 | 370,746 | 142,572 | - | 560 | 1,892,706 | 1,561,816 |
| RCMP Contract | - | - | - | - | - | - | 1,793,804 | - | - | - | - | 1,793,804 | 1,417,556 |
| Special Projects | 88,188 | 333,375 | 12,654 | 8,000 | 2,800 | - | 97,810 | - | - | - | - | 542,827 | 159,980 |
| Utilities - Hydro | 18,767 | - | - | 55,768 | 98,999 | 4,080 | 5,921 | 154,440 | 145,226 | - | 137 | 483,338 | 469,802 |
| Utilities - Natural Gas | 6,567 | - | - | 19,516 | 65,615 | 1,585 | 11,056 | 9,967 | - | - | - | 114,306 | 97,059 |
| Utilities - Water, Sewers, Garbage | 1,679 | - | - | 1,775 | 24,229 | 1,086 | 1,429 | 665 | 668 | - | - | 31,531 | 42,985 |
| Insurance | 27,926 | - | 540 | 59,992 | 44,265 | 3,091 | 18,796 | 33,721 | 19,125 | - | 85 | 207,541 | 201,415 |
| Interest on Long-Term Debt | - | - | - | 95,914 | 21,450 | - | - | 30,433 | 22,680 | - | - | 170,477 | 191,808 |
| Amortization | 99,710 | 8,836 | - | 1,029,626 | 477,921 | 1,698 | 163,128 | 790,432 | 494,819 | 50,526 | 2,016 | 3,118,712 | 3,332,384 |
| | 2,288,572 | 1,112,479 | 451,264 | 2,296,005 | 1,673,000 | 413,930 | 3,326,285 | 2,645,724 | 1,477,921 | 234,127 | 67,609 | 15,986,916 | 14,774,791 |
| SURPLUS / (DEFICIT) | 4,546,281 | (489,243) | (124,317) | 4,916,380 | (929,413) | (238,627) | (797,385) | (1,234,586) | 700,460 | 141,799 | 10,556 | 6,501,905 | 6,096,561 |

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

12. COMMITMENTS AND CONTINGENCIES

BC Ministry of Public Safety and Solicitor General

Under an agreement with the BC Ministry of Public Safety and Solicitor General, the Town is obligated to pay for municipal policing services comprised of eleven officers, two clerks, one court liaison officer and a proportionate share of RCMP Smithers Detachment accommodation, information technology, and prisoner costs.

Transport Canada

With respect to the Town of Smithers ownership and operation of the Smithers Regional Airport, Transport Canada continues to perform or oversee its contractors performance of air navigation and air traffic control, civil aviation security and Canadian inspection services. The Town and the Airport do not pay for Transport Canada connected services. The Town and the Airport pay for security costs on the ground side of Airport operations but not including passenger check-in screening.

Financial Contracts

The Town of Smithers financial commitments under service contracts for the next five years is as follows:

| | |
|------|----------------|
| 2022 | 315,800 |
| 2023 | 216,957 |
| 2024 | 200,631 |
| 2025 | 41,941 |
| 2026 | <u>261</u> |
| | <u>775,590</u> |

Municipal Pension Plan

The Town of Smithers 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, 2020, the plan has about 220,000 active members and 112,000 retired members. Active members include approximately 42,000 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, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Town of Smithers paid \$373,603 (2020: \$370,571) for employer contributions while employees contributed \$323,977 (2020: \$323,874) to the plan in 2021.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the 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.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

12. COMMITMENTS AND CONTINGENCIES (continued)

Contract of Purchase and Sale with Ambleside Projects Ltd.

In 2013 the Town of Smithers signed a 15-year purchase/sale agreement with Ambleside Projects Ltd. allowing Ambleside to purchase and develop 18 hectares of Town owned Land adjacent to the Willowvale Neighbourhood. As at December 31, 2021, Ambleside has purchased 8.6 hectares.

Legal Actions

The Town of Smithers has been named as a defendant in legal actions. No liability or reserve has been recorded regarding actions or possible claims because the amount of loss, if any, is indeterminable. Settlement, if any, made with respect to actions against the Town would be accounted for as a charge to expenditures when an outcome is known.

Waste Water Effluent

The Town of Smithers received notice from Environment Canada in 2020 that effluent being discharged by the Town (Utility Sanitary Sewer system) into the Bulkley River periodically exceeds Canada's regulation on non-toxic thresholds for Total Suspended Solids and Carbonaceous Biochemical Oxygen Demand.

The Town is acting to bring the system's effluent into compliance with regulatory limits by way of a major upgrade of its Waste Water Treatment Facility at a current cost estimate of \$8 million. An Investing in Canada Infrastructure Program ("ICIP") grant application to fund 70% of the project's cost was resubmitted in 2022. The other 30% of the project's cost to be funded from the Town's Northern Capital and Planning Grant Reserve. Commencement of construction is currently scheduled for 2024 but is contingent on a positive ICIP grant decision by BC and Canada.

Although Environment Canada has the authority to issue fines and other orders for non-compliance, management is keeping the agency updated on the Town's plans and efforts and believes this is an unlikely outcome.

Water Manganese Level

The Town of Smithers received notice from the Northern Health Authority in 2022, that Manganese levels in the Town Utility Water System exceeds Canada's regulation for maximum manganese levels in municipal water systems.

Northern Health has advised the Town it is to mitigate the manganese level in the water system. Accordingly, the Town is engaging engineering support to prepare a feasibility study advising on options to reduce manganese levels in the Town's water system, so the system will comply with the regulation.

Engineering study options will include preliminary cost projections for their implementation. Until a best option is determined, the Town does not know what the cost of upgrading the Town water system will be. Northern Health has the authority to issue orders to the Town on the water system, management is keeping the agency updated on the Town's plans and efforts and believes this is an unlikely outcome.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2021

13. CEMETERY AND COLUMBARIUM CARE TRUST FUND

The Town of Smithers operates and maintains the Smithers Cemetery. As required under Provincial legislation, a portion of the plot sales and marker installation fees must be retained for the future maintenance of the cemetery.

The Town has excluded the Cemetery and Columbarium Care Trust Fund and associated cash from the Statement of Financial Position and related interest earnings and transactions from the Statement of Operations.

| | 2021 | 2020 |
|----------------------------|----------------|----------------|
| Balance, beginning of year | 101,903 | 98,229 |
| Contributions | <u>7,491</u> | <u>3,674</u> |
| | <u>109,394</u> | <u>101,903</u> |

TOWN OF SMITHERS

SCHEDULE 1 - TANGIBLE CAPITAL ASSETS

2021

| | Land | Utility Systems | Engineered Structures | Buildings | Machinery, Equipment, Vehicles | Office Equipment, Computers | Library Equipment | Work in Progress | Total \$ |
|--|------------------|----------------------------|----------------------------------|-------------------|---|--|------------------------------|-----------------------------|---------------------|
| Cost, beginning of year | 7,682,683 | 34,430,774 | 46,134,301 | 31,588,910 | 11,538,786 | 725,176 | 143,442 | 132,750 | 132,376,822 |
| Acquisitions | 372,454 | 16,775 | 650,372 | 114,651 | 328,995 | - | 800 | 5,655,937 | 7,139,984 |
| Contributed Assets | - | 359,898 | 494,154 | - | - | - | - | - | 854,052 |
| Transfer - Work In Progress | 70,100 | - | - | 2,700 | - | - | - | (72,800) | - |
| Disposals | - | - | - | - | (231,659) | - | - | - | (231,659) |
| Cost, end of year | 8,125,237 | 34,807,447 | 47,278,827 | 31,706,261 | 11,636,122 | 725,176 | 144,242 | 5,715,887 | 140,139,199 |
| Accumulated amortization, beginning of year | - | 21,409,626 | 26,520,805 | 13,772,420 | 7,826,130 | 661,680 | 133,881 | - | 70,324,542 |
| Amortization | - | 529,626 | 1,101,554 | 925,502 | 545,483 | 14,849 | 1,698 | - | 3,118,712 |
| Disposals | - | - | - | - | (208,493) | - | - | - | (208,493) |
| Accumulated amortization, end of year | - | 21,939,252 | 27,622,359 | 14,697,922 | 8,163,120 | 676,529 | 135,579 | - | 73,234,761 |
| Net carrying amount, end of year | 8,125,237 | 12,868,195 | 19,656,468 | 17,008,339 | 3,473,002 | 48,647 | 8,662 | 5,715,887 | 66,904,438 |

2020

| | Land | Utility Systems | Engineered Structures | Buildings | Machinery, Equipment, Vehicles | Office Equipment and Computers | Library Equipment | Work in Progress | Total \$ |
|--|------------------|----------------------------|----------------------------------|-------------------|---|---|------------------------------|-----------------------------|---------------------|
| Cost, beginning of year | 7,906,779 | 33,357,586 | 44,426,257 | 31,473,534 | 11,420,516 | 725,176 | 139,410 | - | 129,449,258 |
| Acquisitions | - | - | 617,048 | 57,582 | 357,025 | - | 4,032 | - | 1,035,687 |
| Contributed Assets | - | 1,073,188 | 1,090,996 | 57,794 | - | - | - | - | 2,221,978 |
| Transfer - Work In Progress | - | - | - | - | - | - | - | 132,750 | 132,750 |
| Disposals | (224,096) | - | - | - | (238,755) | - | - | - | (462,851) |
| Cost, end of year | 7,682,683 | 34,430,774 | 46,134,301 | 31,588,910 | 11,538,786 | 725,176 | 143,442 | 132,750 | 132,376,822 |
| Accumulated amortization, beginning of year | - | 20,819,914 | 25,272,970 | 12,842,753 | 7,445,632 | 644,423 | 131,926 | - | 67,157,618 |
| Amortization | - | 589,712 | 1,247,835 | 929,667 | 545,958 | 17,257 | 1,955 | - | 3,332,384 |
| Disposals | - | - | - | - | (165,460) | - | - | - | (165,460) |
| Accumulated amortization, end of year | - | 21,409,626 | 26,520,805 | 13,772,420 | 7,826,130 | 661,680 | 133,881 | - | 70,324,542 |
| Net carrying amount, end of year | 7,682,683 | 13,021,148 | 19,613,496 | 17,816,490 | 3,712,656 | 63,496 | 9,561 | 132,750 | 62,052,280 |

TOWN OF SMITHERS

SCHEDULE 2 - CHANGES IN TOWN POSITION

YEAR ENDED DECEMBER 31

| | Restricted & Unrestricted Surplus \$ | Reserves \$ | Equity in Capital Assets \$ | 2021 \$ | 2020 \$ |
|---|---|------------------------|--|--------------------|--------------------|
| Balance, beginning of year | 6,331,467 | 15,148,507 | 57,888,360 | 79,368,334 | 73,271,773 |
| Excess of revenue over expenses | 323,346 | - | 6,178,559 | 6,501,905 | 6,096,561 |
| Amortization | 3,118,712 | - | (3,118,712) | - | - |
| Net gain on disposal of tangible capital assets | (4,334) | 27,500 | (23,166) | - | - |
| Actuarial adjustment | (93,316) | - | 93,316 | - | - |
| Unrestricted funds designated for future use | (2,928,851) | 2,928,851 | - | - | - |
| Unrestricted funds designated for tangible capital assets | (270,943) | - | 270,943 | - | - |
| Restricted funds used for operations | 472,196 | (472,196) | - | - | - |
| Restricted funds used for tangible capital assets | - | (1,544,534) | 1,544,534 | - | - |
| Long-term debt repayment | (319,750) | - | 319,750 | - | - |
| | <u>297,060</u> | <u>939,621</u> | <u>5,265,224</u> | <u>6,501,905</u> | <u>6,096,561</u> |
| Balance, end of year | <u>6,628,527</u> | <u>16,088,128</u> | <u>63,153,584</u> | <u>85,870,239</u> | <u>79,368,334</u> |

TOWN OF SMITHERS

SCHEDULE 3 - PROPERTY TAXES AND GRANTS IN LIEU

YEAR ENDED DECEMBER 31

| | (Unaudited) Budget | | |
|--|------------------------------|-------------------|-------------------|
| | 2021 | 2021 | 2020 |
| | \$ | \$ | \$ |
| Taxes Collected | | | |
| Municipal Property Taxes | 7,057,990 | 7,107,090 | 6,418,969 |
| Grants in Lieu of Taxes | 240,940 | 261,229 | 240,954 |
| 1% Utility Taxes | 170,450 | 171,159 | 160,707 |
| Local Service Area Taxes | 9,610 | 9,627 | 9,627 |
| | <u>7,478,990</u> | <u>7,549,104</u> | <u>6,830,257</u> |
| Taxes Collected for Other Taxing Authorities | 4,933,200 | 5,127,785 | 4,526,207 |
| | <u>12,412,190</u> | <u>12,676,889</u> | <u>11,356,464</u> |
| Less: | | | |
| Transfers to Other Taxing Authorities | | | |
| Ministry of Finance - School Taxes | 2,570,000 | 2,566,349 | 1,976,370 |
| Regional District of Bulkley Nechako | 1,640,000 | 1,816,610 | 1,830,227 |
| North West Regional Hospital District | 670,000 | 687,118 | 664,215 |
| BC Assessment Authority | 53,000 | 57,465 | 55,166 |
| Municipal Finance Authority of BC | 200 | 243 | 229 |
| | <u>4,933,200</u> | <u>5,127,785</u> | <u>4,526,207</u> |
| | <u>7,478,990</u> | <u>7,549,104</u> | <u>6,830,257</u> |

TOWN OF SMITHERS

SCHEDULE 4 - GOVERNMENT TRANSFERS AND GRANTS

YEAR ENDED DECEMBER 31

| | (Unaudited) Budget | | |
|--------------------------------|------------------------------|------------------|------------------|
| | 2021 | 2021 | 2020 |
| | \$ | \$ | \$ |
| Transfers for Operating | | | |
| Provincial Government | 1,530,270 | 1,512,575 | 6,042,571 |
| Federal Government | 3,600 | 580,960 | 286,172 |
| Regional District | 440,250 | 565,423 | 524,608 |
| Other Government Organizations | 396,020 | 374,825 | 186,289 |
| Wetzin'kwa Community Forest | - | 50,000 | 40,000 |
| Municipal Government | 16,610 | 24,381 | 22,612 |
| First Nation Government | 11,360 | 11,360 | 7,659 |
| School District | 10,000 | 10,000 | 10,000 |
| | <u>2,408,110</u> | <u>3,129,524</u> | <u>7,119,911</u> |
| Transfers for Capital | | | |
| Provincial Government | 11,372,700 | 34,787 | - |
| Federal Government | 6,621,400 | 5,324,507 | - |
| Other Government Organizations | 125,000 | - | - |
| | <u>18,119,100</u> | <u>5,359,294</u> | <u>-</u> |
| | <u>20,527,210</u> | <u>8,488,818</u> | <u>7,119,911</u> |

TOWN OF SMITHERS
SCHEDULE 5 - EXPENSES BY OBJECT
YEAR ENDED DECEMBER 31

| | (Unaudited) | | |
|--|-------------------|-------------------|-------------------|
| | Budget | | |
| | 2021 | 2021 | 2020 |
| | \$ | \$ | \$ |
| Consolidated Expenses by Object | | | |
| Salaries, Wages and Benefits | 6,019,160 | 6,052,041 | 5,784,318 |
| Training, Travel, Memberships | 188,720 | 94,334 | 101,784 |
| Telephone and Internet | 98,630 | 92,059 | 88,705 |
| Advertising and Promotion | 74,820 | 33,465 | 49,460 |
| Materials and Supplies | 1,088,890 | 1,003,638 | 977,231 |
| Miscellaneous Expenses | 30,540 | 57,118 | 77,629 |
| Community Grants | 451,170 | 299,019 | 220,859 |
| Contracted Services | 1,530,930 | 1,892,706 | 1,561,816 |
| RCMP Contract | 2,094,830 | 1,793,804 | 1,417,556 |
| Special Projects | 1,204,380 | 542,827 | 159,980 |
| Utilities - Hydro | 516,970 | 483,338 | 469,802 |
| Utilities - Natural Gas | 102,530 | 114,306 | 97,059 |
| Utilities - Water, Sewers, Garbage | 58,680 | 31,531 | 42,985 |
| Insurance | 258,210 | 207,541 | 201,415 |
| Interest on Long-term Debt | 191,750 | 170,477 | 191,808 |
| Amortization | 3,487,740 | 3,118,712 | 3,332,384 |
| | <u>17,397,950</u> | <u>15,986,916</u> | <u>14,774,791</u> |

TOWN OF SMITHERS

**SCHEDULE 6 - NORTHERN CAPITAL AND PLANNING GRANT
RESERVE FUND**

YEAR ENDED DECEMBER 31

| | 2021 | 2020 |
|---|------------------|-------------------|
| | \$ | \$ |
| Opening balance | 10,082,800 | 6,323,020 |
| Contribution from Provincial Government | - | 3,655,000 |
| Capital project funding | (265,996) | - |
| Investment income | 14,726 | 104,780 |
| Closing balance | <u>9,831,530</u> | <u>10,082,800</u> |

TOWN OF SMITHERS

SCHEDULE 7 - BC COVID SAFE RESTART GRANT REPORTING

YEAR ENDED DECEMBER 31

| | 2021 | 2020 |
|---|----------------|----------------|
| | \$ | \$ |
| Opening balance | 544,660 | - |
| Contribution from Provincial Government | - | 1,656,000 |
| COVID Revenue Losses Coverage: | | |
| - Smithers Regional Airport | - | (925,439) |
| - Recreation & Culture Facilities | (132,448) | (158,401) |
| COVID Expenditures Coverage: | | |
| - Staff Time on COVID Tasks | (20,000) | (20,000) |
| - Building/Office COVID Retrofits | (8,000) | (7,500) |
| - Computer & Technology Upgrades | (58,845) | - |
| COVID Non-Profit Org. Support Grants | (8,500) | - |
| Closing balance | <u>316,867</u> | <u>544,660</u> |