



SMITHERS

A Town For All Seasons

2025

Annual Report



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About Smithers

Smithers has a population of 5,378 with another 5,587 individuals in the surrounding area as of the 2021 Census. Smithers offers a greater variety of amenities and services compared to other towns of similar size due in part to its central location and excellent transportation options: Highway 16, the Smithers Regional Airport, Canadian National Rail, VIA Rail, bus lines and the close proximity to the Port of Prince Rupert keep Smithers globally connected.

The Indigenous people of the area are the Wet'suwet'en. A carrier people of the Athapaskan language group, whose oral history recounts a story of their origins in the Village Dizlegh, on the Bulkley River just east of Hazelton.

The Town of Smithers is nestled in the Bulkley Valley between Hudson Bay Mountain, the Babine Mountains, the Telkwa Range, and the Hazelton Range. Proximity to these mountains offers outstanding outdoor recreational pursuits for both residents and visitors. Popular activities include downhill and cross-country skiing, golfing, mountain biking, kayaking, and canoeing, stand-up paddle boarding, camping, world-class fishing, hiking, and snowmobiling, along with a wide range of indoor recreation opportunities.

Smithers also boasts a rich culture in music and the arts. The Bulkley Valley is well known for its diverse economy. Agriculture, forestry, mining, guide outfitting, recreation, tourism, local, provincial and federal government offices, transportation, health care, education, service, and small business ventures all provide many employment options. With the recent port expansion on the province's west coast, Smithers is well-situated to tap into international trade opportunities.

The combination of services, recreation and cultural experiences creates an influx of people to the Valley. This phenomenon is termed 'amenity migration.' Smithers will continue to be a place to live by choice, in a beautiful mountain valley inhabited by friendly, vibrant people. For more information on Smithers, please visit www.smithers.ca for a full community profile.



Message from the Mayor

2025 was another year of growth, progress, and community connection in Smithers. As Mayor, I continue to be incredibly proud to serve this community and to work alongside residents, Council, Town staff, volunteers, local organizations, and businesses who care so deeply about the place we call home.

Council's 2023–2026 Strategic Priorities continued to guide our work throughout the year, with a focus on Economic Prosperity, Community Livability, Environmental Sustainability, Infrastructure and Asset Management, Partnerships, and Organizational Excellence. These priorities helped shape the projects, services, and initiatives delivered throughout 2025 as we worked to support both current and future community needs.

This year saw continued investment in important infrastructure, community services, and long-term planning. Key milestones included the purchase and planning work for the future Smithers Public Library, continued progress on upgrades to water and wastewater infrastructure, active transportation improvements, and increased road and sidewalk maintenance. Many of these projects have been supported through Northwest Resource Benefit Alliance funding, helping the Town advance critical infrastructure and community priorities.

Council and staff also continued work related to economic development, housing, community safety, climate readiness, and public engagement initiatives. A key focus throughout 2025 was advocacy to senior levels of government for increased housing supports, mental health and addictions services, healthcare resources, and broader community infrastructure investments needed to support the well-being of residents and the long-term sustainability of our community.

As Council moves into the final year of its current term and toward the October 2026 Municipal Election, the focus remains on advancing and completing key priority projects. Thank you to the residents of Smithers for your continued involvement, feedback, and support throughout the year. I would also like to recognize Council members John Buikema, Calvin Elliott, Laura Leonard, Genevieve Paterson, Sam Raven, and Deputy Mayor Frank Wray for their ongoing commitment to the community and the work of Council.

Sincerely



Mayor Atrill



Town Council Membership 2025



MAYOR GLADYS ATRILL

- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee (Alternate)
- Fall Fair Management Committee (Alternate)
- Ministry of Indigenous Relations and Reconciliation's - Skeena Roundtable
- Northwest Regional Advisory Committee (Northern Development Initiative Trust)
- Northwest Regional Hospital District Board
- Regional District of Bulkley Nechako Board
- Smithers District Transit Committee
- Telkwa Coal Project - Working Group/Mine Review Committee



COUNCILLOR JOHN BUIKEMA

- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee
- Finance Committee - Chair
- Select Committee on Community Safety and Well Being (alt)
- Smithers Skate Park Society
- Smithers District Chamber of Commerce



COUNCILLOR CALVIN ELLIOTT

- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee
- Cycle 16 Society
- Municipal Insurance Association of British Columbia (Alternate)
- Smithers Library Board



COUNCILLOR LAURA LEONARD

- Bulkley Valley Museum
- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee (Alternate)
- Finance Committee - Vice-Chair
- Municipal Insurance Association of British Columbia

Town Council Membership 2025



COUNCILLOR GENEVIEVE PATERSON

- Bulkley Valley Lakes District Airshed Management Society
- Fall Fair Management Committee
- Ministry of Indigenous Relations and Reconciliation's - Skeena Roundtable
- Select Committee on Community Safety and Well Being
- Smithers District Transit Committee
- Chair of the Bulkley Morice Forest Landscape Plan Stakeholder Review and Input Group



COUNCILLOR SAM RAVEN

- Accessibility Advisory Committee
- Access Smithers
- Advisory Planning Commission
- Dze L K'ant Friendship Centre - National Indigenous Peoples Day Committee
- Smithers Gallery Association
- Smithers Health Committee



COUNCILLOR FRANK WRAY

- Deputy Mayor
- Accessibility Advisory Committee (Alternate)
- Advisory Planning Commission (Alternate)
- Fall Fair Management Committee
- Northwest Regional Hospital District Board (Alternate)
- Northwest Regional Advisory Committee (Northern Development Initiative Trust) (Alternate)
- Regional District of Bulkley Nechako Board (Alternate)
- Smithers District Transit Committee
- Telkwa Coal Project - Working Group/ Mine Review Committee
- University of Northern British Columbia - Northern Medical Trust

Council's Strategic Priorities Plan 2022 - 2026

In early 2023, Council and senior management convened for two days in a strategic priorities workshop. The purpose of the workshop was to identify strategic priorities that Council and staff will focus on during the 4 year term.

Built on the recently adopted Official Community Plan and other significant Town projects, Council identified six Strategic Focus Areas and accompanying priorities for 2023-2026.

Economic Prosperity

1. ECONOMIC DEVELOPMENT

Support the growth and diversification of the local economy.

2. SMITHERS REGIONAL AIRPORT

Continue Smithers' tradition of being home to many services to the resource industry, entrepreneurs, and employees.



Community Livability

1. HOUSING AFFORDABILITY AND DIVERSITY

Strive for adequate, appropriate, and diverse housing for all.

2. ACTIVE TRANSPORTATION

Encourage active transportation modes of travel.

3. RECREATION

Provide recreation opportunities for residents and visitors of all ages, abilities, and income levels. Promote community health and wellbeing.

4. ACCESSIBILITY

Strive to be a more inclusive and accessible community for all ages and abilities.

5. CIVIC FACILITIES AND GATHERING PLACES

Support civic facilities and gathering places that meet the cultural, spiritual and social needs of the community and contributes to a vibrant, thriving downtown.

6. COMMUNITY WELL BEING

Advocate for the provision of services and adequate shelter for vulnerable populations.

7. CHILDCARE

Encourage home-based business and co-location opportunities for childcare.

8. COMMUNITY SAFETY

Engage with stakeholders and other levels of government regarding crime prevention strategies.

Environmental

1. SMITHERS COMMUNITY ENERGY EMISSIONS PLAN

Reduce Town greenhouse gas emissions by 40% below 2007 levels by 2030.

2. CLIMATE RESILIENCY

Reduce the risk of harm to public health and property by restricting development in areas prone to floods, wildfire, and erosion .

3. REMEDIATE CONTAMINATED LAND

Minimize the negative impacts on the environment.

4. MAINTAIN A GREEN CANOPY

Identify opportunities to increase tree cover and protect wetlands.

Infrastructure and Asset Management

1. TOWN ASSETS

Ensure the successful development and sustainability (environmental and fiscal) of the community by making wise asset management decisions.

2. WATER SUPPLY

Ensure a safe water supply for the residents of Smithers that is delivered and used with water conservation in mind. Reduce negative impacts of storm water discharge on the environment.

3. SEWER AND STORM

Operate and maintain an effective and efficient sanitary sewer and storm water system.

4. NATURAL ASSETS

Actively work to protect and maintain natural drainage courses and wetlands as natural assets.

Partnerships

1. OUR RELATIONSHIP WITH THE WET'SUWET'EN

Recognize and respect the traditional, ancestral territory of the Wet'suwet'en Nation. Commit to local actions that advance Truth and Reconciliation.

2. BUILD COMMUNITY PARTNERSHIPS

Foster an environment that relies on community dialogue, collaboration, innovation, and partnerships in continuing to build a stronger, resilient and more inclusive community.

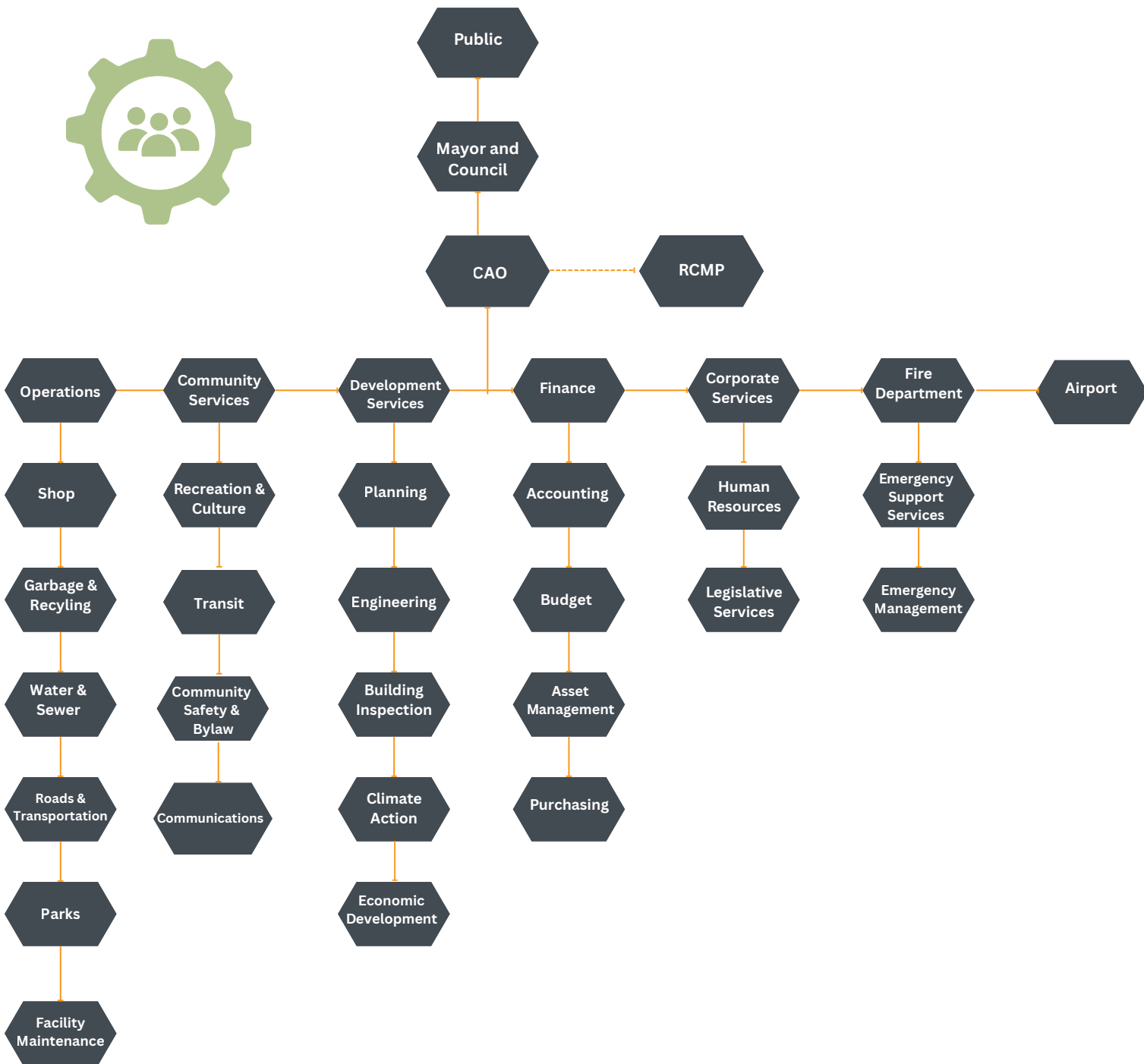
Organizational Excellence

1. CULTURE AND EFFECTIVENESS

Create an effective, accountable, and inclusive organization with strong governance structures. Strive to be an employer of choice.



Organizational Chart



2025 By The Numbers

2024 vs 2025



90 new business licenses issued in 2025 vs 61 in 2024



70,248 passengers in 2025 vs 76,366 in 2024



67 building permits issued in 2025 vs 67 in 2024



354 Fire Rescue incidents in 2025 vs 404 in 2024



Residential building construction values in 2025 = \$4,707,692 vs \$4,684,444 in 2024



20 Planning and Development permits in 2025 vs 17 in 2024



2,231 reservations made at Riverside Municipal Campground in 2025 vs 2,620 in 2024



16 Bulkley Emergency Support Service incident responses



805 requests for services in 2025 vs 1,402 in 2024

Corporate Services



The Corporate Services Department is responsible for Human Resources, Labour Relations, Corporate Administration, Freedom of Information and Protection of Privacy, Information Technology, and Occupational Health and Safety.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Organizational Excellence
- Partnerships
- Community Livability

Strategic Priorities

- Our Relationship with the Wet'suwet'en - recognize and respect the traditional, ancestral territory of the Wet'suwet'en Nation. Commit to local actions that advance Truth and Reconciliation.
- Build Community Partnerships.
- Culture and Effectiveness - create an effective, accountable and inclusive organization with strong governance structures. Strive to be an employer of choice.
- Community Safety.

2025 Summary

- Substantially advanced a comprehensive privacy and FOI Project.
- Onboarded a grant funded Occupational Health and Safety (OH&S) Coordinator to begin revitalizing the Towns OH&S system.
- Completed an Information Technology Upgrade at the Operations Yard to provide workstations for Operations employees.
- Finalized Safety Training GAP analysis requirements for all positions within the Town of Smithers.
- Continue to support the Town of Smithers' ongoing reconciliation responsibilities and work to align Town practices with the requirements of the Declaration on the Rights of Indigenous Peoples Act.
- Support Council's advocacy efforts at the North Central Local Government Association and the Union of British Columbia Municipalities.
- Continued to review and amend leases to implement asset management principles and considerations.

2025 Summary

- Initiated negotiations to renew the Collective Agreement between the Town of Smithers and CUPE Local 1570.
- Completed a review of the Town's clerical support model and implemented a revised system with greater resilience, flexibility, and depth of knowledge.
- Renovated the Town Hall Annex located at 3866 Railway Avenue to accommodate up to four workstations and a new meeting room.
- Held our Annual Service Recognition to honour employees celebrating their 5, 10, 15, 20, etc. years of service with the Town of Smithers.
- Complete recruitment efforts for a Chief Financial Officer and Airport Manager.
- Implemented a Social Committee to improve organizational culture and improve staff appreciation efforts.
- Roll out and completion of organization-wide, legislatively required compliance training through the Citation-Atlas portal.



- **21 Regular Meetings of Council**
- **11 Committee of the Whole Meetings**
- **8 Special Open Meetings of Council**
- **24 Closed Meetings of Council**
- **6 Finance Committee Meetings**



2026 Major Projects and Strategies

- Deliver the 2026 General Municipal Election in a manner that ensures it is fair, transparent, and compliant with all legislative requirements.
- Complete a review of the Town's exempt compensation and Council remuneration.
- Finalize updates to Town Hall office space to accommodate new municipal employees.
- Review Agenda Processes and develop an improved agenda and report management system.
- Conclude the Town's comprehensive Privacy/ FOI Project through the adoption of a Freedom of Information and Protection of Privacy Bylaw, implementing improved cybersecurity practices and integrating Privacy Impact Assessments.
- Continue to support the Town of Smithers' ongoing reconciliation responsibilities.
- Onboard a Wet'suwet'en Ambassador position to support improved indigenous and municipal relations.
- Continue to enhance and implement asset management planning practices for all Town Leases to ensure their long-term sustainability.
- Conclude Negotiations with CUPE Local 1570 to renew the Collective Agreement.
- Complete the iCompass transition project by moving staff reports from manual Word-based submission to a standardized, phased process using the iCompass online report generation tool.
- Facilitate and support the Town of Smithers in meeting Pay Transparency reporting requirements.



Development Services



The Development Services Department is responsible for the following functions: Planning and Development, Engineering, including Capital Projects and Asset Management, Building Inspection, Business Licensing, and Cemetery Administration.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Infrastructure and Asset Management
- Environmental Sustainability and Responsibility
- Community Livability

Strategic Priorities

- Housing affordability and diversity - strive for adequate, appropriate, and diverse housing for all.
- Active transportation - encourage active transportation modes of travel.
- Accessibility - strive to be a more inclusive and accessible community for all ages and abilities.
- Civic facilities and gathering places - support civic facilities and gathering places that meet the cultural, spiritual, and social needs of the community and contributes to a vibrant, thriving downtown.
- Community well-being - advocate for the provision of services and adequate shelter for vulnerable populations.
- Childcare - encourage home-based business and co-location opportunities for childcare.
- Smithers Community Energy and Emissions Plan - reduce town greenhouse gas emissions by 40% below the 2007 levels by 2030, and net-zero by 2050.
- Climate resiliency - reduce the risk of harm to public health and property by restricting development in areas prone to floods, wildfire, and erosion.
- Remediate contaminated land - minimize the negative impacts on the environment.
- Maintain a green canopy - identify opportunities to increase tree cover and protect wetlands (carbon sinks) to support greenhouse gas reduction targets.
- Town assets - ensure the successful development and sustainability (environmental and fiscal) of the community by making wise asset management decisions.
- Water supply - ensure a safe water supply for the residents of Smithers that is delivered and used with water conservation in mind.
- Sewer and storm - operate and maintain effective and efficient sanitary sewer and stormwater systems.
- Natural assets - actively work to protect and maintain natural drainage courses and wetlands as natural assets.

Planning

2025 Summary

- Completed the Age-friendly Wayfinding Project (initiated in 2024) with \$15,000- funding received from BC Healthy Communities under the Age-friendly Communities Program. Through this project, the Town replaced all the existing 33 trail signs with new accessible ones, supporting inclusive recreation.
- Completed the Accessible Bench Project (initiated in 2024) with \$25,000-funding available from SPARC BC under the Local Government Accessibility Grant Program. Including the 3 accessible benches installed at various prominent locations in 2025, the Town installed a total of 5 accessible benches through this project.
- Completed a status check of the 15 action items listed in the Town’s joint Accessibility Plan with Smithers Public Library and presented to the Accessibility Advisory Committee (AAC).
- Secured \$20,000 from NDIT as part of the Façade Improvement Program, directly benefiting 6 local businesses based in the downtown core.
- Initiated and completed the adoption process of the Zoning Bylaw No. 1987, helping to address implementation challenges or other issues identified in the Zoning Bylaw, including modification of the newly created LDR-1 Low Density Residential zone regulations to support flexibility in housing design and choices.
- Tightened the Town’s Short-term Rental (STR) regulations by adding new sections while also creating new resources to guide applicants/public.
- Worked with the provincial STR Branch team to jointly create a list of STRs operating from within the Town to help the provincial team initiate the necessary steps to remove unlawfully operating STRs from various STR listing platforms. As part of this process, the Town created an interim licensing and approval process for non-conforming STRs, balancing the various public interest considerations.
- The Town actively participated in the Heritage Conservation Transformation Project and provided feedback on the proposed changes, primarily expressing concerns regarding ‘intangible heritage, clarity on enforcement responsibilities, the need for additional resources and training, and more clarity on the First Nation approval requirements.
- Completed the development approval requirements, such as OCP/Zoning bylaw amendments and road closing for the Long Term Care Facility Project.



Planning 2026 Major Projects and Strategies

- Update the Accessibility Plan prior to the legislated timeline of October 10, 2026.
- Contingent on approval of the grant application submitted to the UBCM Local Government Development Approval Program (LGDAP), initiate the ‘Smithers Development Process Improvement Initiative’.
- Initiate and complete the Manufactured Home Park Regulations Update Project, which intends to modernize the existing mobile home park regulations adopted in 1989.
- Review and complete the Sign Bylaw update to address the gaps identified and support regulatory flexibility.
- Update the Town’s Development Procedures Bylaw No. 1908 to integrate the legislative changes introduced as part of Bill 44, and ensure meaningful community engagement in the development approval process.
- Update the OCP Bylaw to establish a ‘Minor Development Permit’ category and corresponding guidelines for application review and approval. If Town receives the LGDAP grant, this update will be undertaken as part of the ‘Smithers Development Process Improvement Initiative’.
- Develop a strategy for the Town’s crown land acquisition initiative.
- Review the designated mobile vending locations established by the Town’s Mobile Vending Bylaw to identify any issues and make amendments.
- Continue collaborating with NDIT, private developers, and non-profit housing providers to secure funding through the Northern Housing Incentive Program. In May 2026, NDIT approved a \$100,000 grant in support of the Town’s application for the 10-unit Parkside Pato Home Development Project.



2025 Awards of Excellence

The annual Awards of Excellence are presented by the Advisory Planning Commission in conjunction with the Smithers and District Chamber of Commerce to project proponents in recognition of newly completed projects that have demonstrated an excellence in commitment to improving the community. Merit is assessed based on aesthetics, sustainability, community value, renewal, and preservation.

2025 Residential Winner: 3037 Meadow Place



2025 Best Commercial / Institutional / Industrial project: 2941 Nineteenth Avenue and 2949 Nineteenth Avenue



2025 Best Mixed-Use project: 3860 Third Avenue



Engineering

2025 Summary

- Completed construction on the Fulton Ave Cycle16 Connector Multi-use pathway funded by the Northern Capital Planning Grant and a grant from the MoTI Active Transportation Fund.
- Completed the Carnaby St water looping. A water system improvement to improve local water quality and flow capacity for fire protection and future development.
- Completed approximately 80% of the Princess St redevelopment project. Improving storm drainage and active transportation accessibility along Princess St.
- Completed a record 936m of sidewalk replacements as part of the annual sidewalk maintenance program due to additional funds allocated from the RBA. Additional localized repairs on several areas of redbrick sidewalk.
- Constructed a 230m long revetment to prevent the erosion of Rosenthal Road.
- Design and permitting work started on the CN Watermain to replace a watermain under the CN Rail yard from Railway Ave at Manitoba St that connects the water distribution network to the Hudson Bay Mountain Reservoir. Construction is planned for the summer of 2026.
- Began work on construction of a new Fire Training Centre on the Smithers Regional Airport property. Expected completion summer/fall 2026.
- Conducted annual maintenance programs flushing and videoing sanitary mains and repainting traffic markings on Town roadways.
- Responded to 402 BC1Call utility locate requests.
- Processed 29 Highway Use Permits.
- Processed 42 Cemetery purchase contracts.
- Conducted annual inspections on critical Town infrastructure including 125 blocks of sidewalks, 6 major culverts, and 5 bridges.



Engineering 2026 Major Projects and Strategies

- Complete construction on the CN Watermain Replacement with funds from the RBA.
- Complete the Princess St upgrades.
- Complete the Main St Multi-use pathway construction from Highway 16 to 10th Avenue.
- Complete the Airport Fire Training Centre construction.
- Begin work on a detailed Asset Management Plan.
- Update Utility Infrastructure Master Plans.
- Complete update of the Subdivision Servicing and Development Standards Bylaw.



Building Inspection / Business Licensing

2025 Summary

- Helped communicate changes to the BC Building Code to the local construction industry.
- Worked with other Development Services Staff to evolve processes and regulation in alignment with changing Provincial regulations.
- Helped develop and administer new processes regarding Short Term Rental regulations.
- Continued enforcement of the Town's Secondary Suites Policy by decommissioning or legalizing illegal suites.
- Completed the Fire Inspector 1 course and evolve how Business License Inspections are performed and administered.
- Initiated and oversaw construction projects at Town-owned buildings, such as creating additional 2 offices in Town Hall and replacing the roof on the Old Church.
- Monitored the development of a Provincial Digital Permit Hub that may affect permit applications in Smithers.
- Monitored the ongoing development of the Low Carbon Code and Retrofit Code, which are anticipated to become mandatory for all areas in the future.

Building Inspection / Business Licensing - 2026 Major Projects and Strategies

- Integrate with Smithers Fire Rescue on fire inspections/business license inspections.
- Systemic organization of historical drawings and plans.
- Work with other Town staff to assess and improve buildings at the Fall Fair Grounds.



Climate Action

2025 Summary

- Energy Efficiency and Building Assessment reports used to identify and prioritize Energy Conservation Measure (ECM) and GHG emissions reduction opportunities.
- GHG Emissions Reduction Pathway Feasibility Study completed.
- Town Hall HVAC upgrade contract awarded and work substantially completed.
- Organic Waste Feasibility Study completed.
- Installation of Hydrogen Fuel Enhancement Systems on two of the Town's heavy-duty diesel fleet units.
- Climate Change Integrated Natural Asset Management Plan grant funded through the Ministry of Emergency Management and Climate Readiness, and consultant contract awarded.
- The Town cohosted the Northern Energy Dialogues Project in collaboration with researchers and community organizations, including UVic, UNBC, the Town of Smithers, and Smithers Climate Action. Event attended by 36 community members.
- Reporting: GHG reporting to LGCAP, Recycle BC and LCFS (carbon credits) programs.

Climate Action 2026 Major Projects and Strategies

- Continued prioritization of ECM and GHG emissions reduction strategies with use of Energy Efficiency, Building Assessment and GHG reduction reports.
- Access rebate and grant funding to support the New Library renovations with energy efficiency and low-carbon upgrades.
- Access rebate and grant funding to support the Fire Hall with an electrical service upgrade to meet National Fire Protection Association (NFPA) 1851 requirements and future GHG emissions reduction measures.
- REALice water filtration system installation at the two Ice Arenas, accessing BC Hydro and PNG rebates.
- Follow recommendations from the Organic Waste Diversion Feasibility Study to investigate options for a local pilot project and funding availability.
- Installation of a Hydrogen Fuel Enhancement System on a third heavy-duty diesel fleet unit, with continued support from Innovate BC.
- Complete and implement the Town's Climate Change Integrated Natural Asset Management Plan.
- Engage with community and community organizations to support climate action programs and initiatives, e.g. 2026 Earth Day Event.

Economic Development



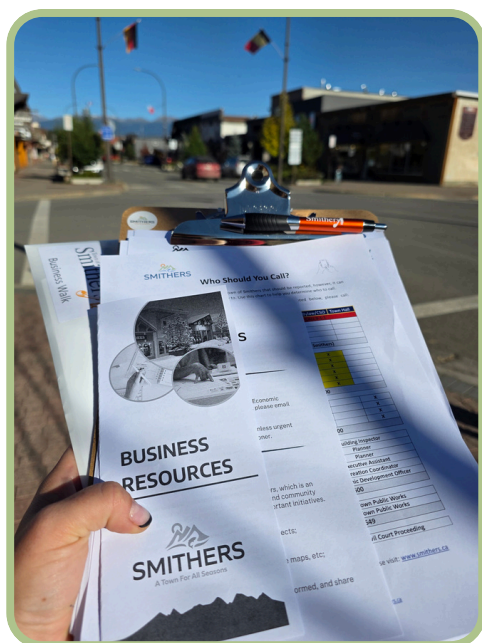
The Economic Development Officer provides business development support, including information on available land, statistics, grant opportunities and business workshops. We are proud to support a strong and diverse economy, reflected in the innovation of local businesses in the community.

2025 Summary

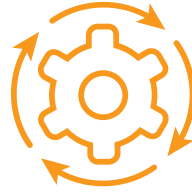
- Finalized the Town's Economic Development Plan for 2025 to 2030, which was adopted by Council in March 2025 and commenced implementing action items listed in the Economic Development Plan.
- Issued a Request for Proposal to attract an operator for the Smithers Regional Airport café; the Town subsequently entered into a contract with Runway Café & Bar.
- Finalized and commenced marketing the River Routes shop local program, in collaboration with the Village of Telkwa.
- Continued to enhance the Business Retention and Expansion Program to support local businesses.
- Conducted the annual Business Walk on October 9 to identify priority business issues.
- Enhanced the Economic Development page on the Town's website to include business resources for forestry resiliency and impacts of USA tariffs.
- Continued to distribute the quarterly Economic Development newsletter to Smithers businesses.
- Obtained Rural Economic Diversification and Infrastructure Program (REDIP) funding to conduct an Airport Leakage & Catchment Analysis and Air Service Overview. Subsequently hired an airline research company to present their findings.
- Obtained Rural Economic Diversification and Infrastructure Program (REDIP) and subsequently issued a Request for Proposal to hire a consultant to conduct a Residential, Civic, Commercial and Industrial Land Inventory Assessment, detailing how the Town should approach and inventory residential and employment space within the Town boundary.
- Submitted a bid to host the Minerals North Conference and Tradeshow in 2026.
- Supported Tourism Smithers through the collection of the 3% Hotel Tax collected by the Province of British Columbia and \$10,000 provided by the Town to Tourism Smithers.
- To ensure fairness and compliance with the Town's Purchasing Policy, a Request for Proposal was issued for a non-profit organization to operate the Smithers Visitor Information Centre when the Smithers District Chamber of Commerce requested additional funding to continue operating the Visitor Information Centre.

2026 Major Projects and Strategies

- Continue implementing action items listed in the Town's Economic Development Plan.
- Host the Minerals North Conference and Tradeshow, May 6 to 8, 2026.
- Finalize a marketing campaign in conjunction with Northern Health to attract healthcare workers to the community.
- Complete a comparative municipal business cost competitive assessment.
- Collaborate with Coast Mountain College to launch a business survey for employee training opportunities, which was requested in the 2025 Business Walk survey.
- Enhance the Economic Development page on the Town's website with additional statistics through LocalIntel's Early Access Program.
- Create key sector profiles for investment opportunities.
- Organize a Fall 2026 Smithers Business Walk with elected officials and business support organizations to compile trends, challenges and opportunities, share resources and create a Business Walk Report based on the results.
- Explore lease-based logistics/warehousing land development opportunities at the Smithers Regional Airport.
- Create Smithers Regional Airport development materials to market the Airport and industrial land availability.
- Work with the Smithers Regional Airport manager to attract an additional carrier or route to Smithers.
- Work with Northern BC Tourism, Tourism Smithers, and the Office of the Wet'suwet'en to implement iconic signage in Smithers as part of the Northern Circle Route Signage program



Operations



The Operations Department is responsible for the operation and maintenance of the Town's infrastructure including all municipal facilities, parks and trails systems, the cemetery, solid waste services including garbage collection and curbside recycling, streets and sidewalks, snow removal and sanding, municipal vehicle and equipment fleet, and utility services.



2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Infrastructure and Asset Management
- Environmental Sustainability and Responsibility
- Community Livability

Strategic Priorities

- Sewer and Storm - operate and maintain an effective and efficient sanitary sewer and stormwater system.
- Water Supply - ensure a safe water supply for the residents of Smithers that is delivered and used with water conservation in mind. Reduce the negative impacts of stormwater discharge on the environment.
- Maintain a Green Canopy - identify opportunities to increase tree cover and protect wetlands.
- Civic Facilities and Gathering Places - support civic facilities and gathering places.

2025 Summary

- Processed 805 requests for service, which were in addition to regular communications.
- The detailed design for wastewater treatment plant upgrades is underway, supported by an ICIP grant.
- Arena workers have undergone refrigeration operator training.
- Brought the new Smithers Airport Water Treatment Plant fully online, significantly improving water service reliability and capacity.
- Received key equipment upgrades across operations departments and provided employee training to ensure safe and effective use of new equipment.
- Increased tent uplifts at the Temporary Overnight Sheltering Area.
- The annual road paving program, valued at \$1.7 million, was completed.
- Policy OPS-012 Snow and Ice Control updated.
- Main Street seasonal decorations were upgraded.



2026 Major Projects and Initiatives

- Amend the Solid Waste Bylaw.
- Acquire a new automated garbage truck to improve the efficiency of garbage and recycling service, as well as reduce the weekly trips to Witset Recycling Facility.
- Replacement of the Riverside well pump.
- Acquire a new knife aerator and provide further field maintenance training for staff.
- Undertake the snow dump relocation project.



Aerial view of the Wastewater Treatment Plant



Finance



The Finance Department is responsible for Town financial planning, risk monitoring, and overseeing resources approved for expenditure on service delivery and investment in infrastructure/ equipment. The Town has an annual operating budget of ~ \$20 million, an investment in capital assets at historical costs of ~ \$155 million, to support properties in the Town valued at \$1.5 billion (BC Assessment).

The Town operates with an annual operating budget of approximately \$20 million and a capital program of approximately \$26 million, supporting a growing asset base with historical cost of approximately \$155 million and servicing properties valued at \$1.406 billion (BC Assessment). Capital investment in 2026 is focused on infrastructure renewal, regulatory requirements, and previously approved strategic projects, with an emphasis on sustainability and long-term asset management.

Finance produces annual public process documents including a Five-Year Financial Plan Bylaw, Tax and Utility Rate Bylaws, Audited Financial Statements, and Statement of Financial Information disclosures.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Town Assets - ensure the successful development and sustainability (environmental and fiscal) of the community by making wise asset management decisions.
- Culture and Effectiveness - create an effective, accountable and inclusive organization with strong governance structures. Strive to be an employer of choice.

Strategic Priorities

- Advocate for alternate Airport Funding (Regional District of Bulkley-Nechako business case and cost-sharing).
- Implementation of the Childcare Plan (BC New Spaces Fund 100% grant funding).
- Explore the feasibility of Curbside Organics Waste Diversion (Regional District of Bulkley-Nechako business case).

2025 Summary

- Built out the Finance Department team - Director of Finance and Payroll Coordinator were hired.
- Continued the Municipal Services Assessment (MSA) Finance reorganization - balance workloads, optimize roles, and improve team performance.
- Introduced new payroll procedures.
- Created opportunities for public engagement for the 2026 budget process.

2026 Major Projects and Strategies

- Modernize accounting systems and processes to produce quarterly financial reports for Council.
- Review and update the procurement policy.
- Implement a digital purchase order system.
- Hire a consultant to develop a long-term financial plan, as required for the Northwest BC Regional Funding Agreement.
- Increase public engagement in the budget process.



Community Services



The Community Services Department is responsible for Community Safety and Bylaw Enforcement, Recreation & Culture, Communications and Engagement, Economic Development, and Transit Services.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Community Livability - continue to make Smithers a place where people want to live and visit.
- Economic Prosperity - support the growth and diversification of the local economy.
- Organizational Excellence - create an effective, accountable and inclusive organization with strong governance structure.

Strategic Priorities

- Enhance the vitality of downtown, including Central Park.
- Enhance community life, culture, and recreation.
- Develop an Economic Development Plan.
- Advocate to attract air carriers to Smithers Regional Airport.
- Advocate for alternative airport funding and governance.
- Develop and implement a Communication Strategy.
- Support community crime prevention programs.
- Support education for citizens regarding community safety.

Recreation & Culture

Recreation, Parks, and Culture is responsible for the provision of programs, services, and facilities focused on active living, healthy lifestyles, and building community. Facilities managed within this area include the Civic Centre, New Arena, Riverside Municipal Campground and RV Park, Heritage Park Fields, Ranger Park Building, Chandler Park Soccer Fields, Elks Park Ball Diamonds, Bovill Square, and a dozen other developed parks and playgrounds.

2025 Summary

Arenas and Public Skating

- Both arena facilities were well utilized throughout the 2024 ice season by regular ice users, private users, and public skating programs.
- Funding from local community sponsors supported the 2025-2026 free public skating and family stick-and-puck programs. This funding supported free skating rentals, skate sharpening and increasing total skate aids in the New Arena.
- Opened the outdoor rink for public use throughout the winter season.
- The Seniors Walk Loop in the New Arena was well utilized.

Programming and Community Events

- Hosted the following programs throughout the year:

1. Turf Tots Soccer
2. Rugby 7's
3. Zumba for Pre-Teens
4. Pickleball Clinic
5. 7x7 Soccer Tournament
6. Kids Tap Dancing
7. Yoga in the Park
8. The Next Steps (Indoor walking loop)
9. Choose to Move
10. Family Day Free Skate
11. Main Street Market
12. Canada Day Event



Riverside Municipal Campground & RV Park

- Riverside Municipal Campground was well visited in 2025 with 2,231 bookings.



2026 Major Projects and Strategies

- Build on and develop recreation and events within the Town of Smithers to meet the needs of the community.
- Continue to build positive relationships with contract instructors to provide ongoing and quality programming.
- Increase presence on the Town website, social media, and other online platforms regarding recreation programming, local parks/facilities that are available, local community groups, and upcoming opportunities/events.
- Enter into a Joint-Use-Agreement with the Bulkley Valley Christian School for use of the gymnasium.
- Increase community connectedness through planned events and collaborations with other local organizations.
- Streamline Riverside Municipal Campground operations.



Communications

The Engagement and Communications Officer is responsible for managing the Town of Smithers' internal and external communications, ensuring clear, consistent messaging across various platforms. This includes developing and implementing communication strategies and community engagement initiatives, coordinating media relations, and producing communication materials. The division supports a wide range of Town projects with public outreach, civic engagement efforts, and the dissemination of important information.

2025 Summary




- Adopted the Communications Plan.
- Implement the Communications Plan goals and initiatives.
- Completed the Brand Refresh Project and gradually integrated new brand standards and the updated logo.
- Developed standardized internal documents and templates.
- Actively participate in community events.
- Introduced Engage Smithers, a public participation online tool.
- IAp2 Public Participation Training and best practice implementation
- Supported the New Smithers Public Library and Community Space Development Plan engagement.
- Participated in crisis communication training.
- Developed an internal newsletter.

2026 Major Projects and Strategies

- Develop a crisis communications plan.
- Launch a quarterly community newsletter.
- Implement the Communications Plan goals and initiatives.
- Actively participate in community events.
- Undertake a website audit.
- Implement a new process for public budget engagement.

Smithers Talks – Community Engagement Platform

Ongoing Projects

 <p>Last updated: May 1, 2025</p> <p>Smithers Public Library New Building</p> <p>The Town of Smithers is excited to announce the acquisition of 3761 3rd Avenue, the current location of Heartbrings Home Decor & Gifts.</p>	 <p>Last updated: Apr 15, 2026</p> <p>2026 Budget</p> <p>The Town of Smithers is beginning work on the 2026 municipal budget.</p>	 <p>Last updated: Mar 9, 2026</p> <p>Airport Master Plan</p> <p>The Airport Master Plan will provide a long-term roadmap for the future of Smithers Regional Airport (YVD).</p>
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Transit

Since 1991 the Smithers and District Transit Service, operated by the Smithers Community Services Association, has provided public transportation services through a BC Transit agreement. The service consists of a combination of curb-to-curb service and scheduled routes operating between the Town of Smithers and the Village of Telkwa, as well as Smithers and Witset. Service is provided six days per week. The service is established through a partnership agreement between the Town of Smithers and BC Transit, the Town of Smithers, the Village of Telkwa, the Regional District of Bulkley-Nechako and the Witset First Nation.



Community Safety and Bylaw

The Community Safety Office helps keep Smithers a safe and enjoyable place to live by promoting and supporting compliance with local bylaws. The focus is on education and collaboration, working with residents and businesses to address concerns and find solutions that maintain community standards. From parking and property maintenance to public safety, the Community Safety Office helps preserve the quality of life in Smithers while ensuring a fair and friendly approach to enforcement.

2025 Summary

- Responded to 207 requests for service.
- Hired and trained a second Community Safety Officer (CSO II).
- Actively monitored the Temporary Overnight Sheltering Area (TOSA) and other increased hot spots around town with twice-daily patrols.
- Maintained a visible downtown presence through joint foot patrols with the RCMP.
- Managed 6 mini clean-ups and 5 full uplifts at the TOSA.
- Completed improvements to the TOSA.
- Introduced and managed the private security contract around the TOSA and downtown area.
- Moved the Community Safety Office to the Town Hall Annex Building.
- Took part in the Smithers Situation Table with other community service providers.
- Participated in community events like Main Street Market and Canada Day.

2026 Major Projects and Strategies

- Amend the Traffic Bylaw, Bylaw Notice of Enforcement Bylaw, and Solid Waste Bylaw.
- Introduce new organization-wide software for reporting, enforcement, and file management.
- Continue working towards short-term and long-term housing solutions for vulnerable individuals in the community.
- Host a bike rodeo.
- Engage in “positive ticketing” around the community.
- Take part in comprehensive Situation Table training.
- Completed monthly uplifts and/or clean-ups in the TOSA.
- Work closely with the RCMP and Bylaw Department to resolve property-related issues.
- Increase training opportunities for Community Safety Officers.

Regional Airport



Smithers Regional Airport became a municipal service in 1999 with its transfer from Transport Canada. This significant milestone was complemented by the strong focus on improving and upgrading facilities and infrastructure positioning our regional airport as a viable economic development entity into the future.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Smithers Regional Airport - continue Smithers' tradition of being home to many services to the resource industry, entrepreneurs, and employees.

Strategic Priorities

- Advocate to air carriers.
- Advocate for alternate airport funding and governance.

2025 Summary

- \$7.5M Airport Water Treatment Plan completed
- \$3.6M ACAP funded Airside lighting/electrical upgrades project awarded and commenced
- \$35K BCAAP funded Airport Master Plan awarded and commenced
- New Airport Manager (APM) hired in August/September
- Transport Canada Process Inspection (PI) audit successfully conducted



2026 Major Projects and Strategies

- Airport Environmental Sites Assessment (ESA) – ongoing work and REDIP grant extended
- Relocation of Fire Training Centre to Airport
- Terminal (Boarding Lounge) cooling updates
- Airport partnership announced with “Not In My City” (campaign for ending human trafficking and sexual exploitation in Canada)
- InterVISTAS Market Analysis and Catchment Area analysis studies completed
- InterVISTAS Fee Incentives analysis (advocacy efforts to attract new air carriers)
- Ongoing and renewed advocacy effort to attract new/additional air carriers to YYD
- Approach Limits Study (aimed at lowering current approach limits/decision height)
- New Airport leases signed with Summit Air and Enterprise
- Purchase of new groundside plow truck and material spreader for Airport Maintenance
- External audit (airport SMS & QA) successfully conducted
- Baggage handling systems serviced (C2 conveyor belt and C3 motor replacement)
- Airport partnership and promotion via Minerals North conference booth, including arranging scenic flights and airport lunch at Runway Café for conference delegates
- Completion of ACAP funded airside lighting/electrical upgrades project
- Completion of updated Airport Master Plan



Fire Rescue



Smithers Fire Rescue has consistently strived to maintain a volunteer force of 42 firefighters over the years. Organizationally, Smithers Fire Rescue fosters the Town's commitment to a positive, trusting, and collaborative environment.

Firefighters provide services beyond structural firefighting such as: First Responder (pre-hospital care); Highway Rescue; Wildland Firefighting; Aircraft Firefighting; Fire Prevention; and Public Fire Safety Education. Fire prevention focuses on areas such as code enforcement and fire inspection services. Public fire safety education provides general information on preventing accidents in the home and workplace through FireSmart, lectures, tours, printed materials, and fire extinguisher demonstrations. We have seen significant success in our education of children in the elementary school setting.

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Culture and Effectiveness – create an effective, accountable and inclusive organization with strong governance structures. Strive to be an employer of choice.

Strategic Priorities

- Strengthen organizational effectiveness and culture.

2025 Summary

- Responded to 354 calls with over 9300 volunteer hours.
- Organized and hosted one of the largest emergency simulation events in Northern BC alongside multiple partner agencies and first responders.
- Seven recruit Fire Fighters started their training.
- Started work on the Town of Smithers Cold Weather Response Plan.
- Comenced the Smithers Fire Rescue Core Service Review project.
- Hired a Deputy Fire Chief, Training and Operations.
- Repeater installed on Hudson Bay Mountain.

2026 Major Projects and Strategies

- Acquire a new fire truck.
- Relocate the Fire Training Centre
- Train recruit volunteer firefighters to meet the NFPA 1001 Firefighter Training Standard.
- Complete the Town of Smithers Cold Weather Response Plan
- Take part in the Indigenous Engagement Project under the Emergency and Disaster Management Act.
- Train senior firefighters in Interior Team Lead and/or Fire Officer 1 and 2
- Continue training with BC Wildfire Service and strengthen local partnerships.
- Adopt and implement the Core Service Review Plan.
- Continue to participate in public service activities and public education/awareness initiatives for fire safety and emergency preparedness.



Emergency Support Services



2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Culture and Effectiveness – create an effective, accountable and inclusive organization with strong governance structures. Strive to be an employer of choice.

Strategic Priorities

- Strengthen organizational effectiveness and culture.

2025 Summary

- Received the 2025 UBCM CEPF ESS Grant
- Hosted New Volunteer Retention Events
- 47 volunteers
- 16 event call-outs
- 1762 training hours
- New Strategic Call Response Planning for Regional Program
- Volunteer Recruitment for Houston, Granisle and Witset took place.
- NESST Conference 2025 – 18 Volunteers Attended

2026 Major Projects and Strategies

- Building community partnerships with other emergency response agencies.
- Continue to build on mobile deployment assets.
- Apply for UBCM Emergency Support Services Grant to further develop the response readiness of Bulkley ESS Team and invest in public education.
- Provide training, retention, and recognition opportunities for current Bulkley ESS volunteers; and to recruit new volunteers when required.
- Continue to participate in public service activities and public education initiatives to increase awareness of Bulkley ESS and emergency preparedness.
- Recruit new volunteers.



Library



The Smithers Public Library became a municipal service in 2001 and is governed and operated by a volunteer Board of Directors appointed by Council.

The Library is a bustling community hub, providing free Wi-Fi and public computers; popular reading material in print, digital, and audio formats; current and historical information about the area; technology kits for people to borrow and experiment with at home; DVDs; and free programs and events for all ages throughout the year, from infant and toddler programs to author readings and teen nights, in an inclusive, welcoming atmosphere. The Library also participates in offsite community events such as the Farmers' Market, Pride Day, and National Indigenous Peoples Day, to reach more community members and add value to these collaborative events.

In May of 2026, the Town announced the acquisition of 3761 Third Avenue, to be the new home of the Smithers Public Library!

2022-2026 COUNCIL STRATEGIC PLAN

Focus Areas

- Civic Facilities and Gathering Places - support civic facilities that meet the cultural, spiritual, and social needs of the community and contributes to a vibrant, thriving downtown.

Strategic Priorities

- Explore opportunities to build a new library.



2025 YEAR IN REVIEW



57,004

VISITORS TO THE LIBRARY

205

PROGRAMS/
FACILITY USAGE



6,058

PROGRAM
ATTENDEES



39,053

CATEGORY WITH THE
MOST CIRCULATIONS: JUNIOR
FICTION!

116

TECH
TUTOR
SESSIONS



107,926

ITEMS WERE CHECKED OUT



26,639

PUBLIC COMPUTER
& WIFI SESSIONS



1.9K

FACEBOOK
FOLLOWERS



16,162

WEBSITE VISITS



34,134

eBOOKS, eAUDIOBOOKS
& eMAGS CHECKED OUT

**NEW
MEMBERS**

339

NEW ACCOUNTS
CREATED



41

EXAMS WRITTEN AT
THE LIBRARY



1,651

OPEN HOURS
(GENERAL)



5,508

INTERLIBRARY LOANS SENT &
RECEIVED IN 2025

2,246

ITEMS USED
IN HOUSE



Smithers Public Library


3817 Alfred Avenue, PO Box 55 | Smithers, BC V0J 2N0 | 250-847-3043
smithers.bc.libraries.coop

2026 Major Projects and Strategies

In May 2025, the Town of Smithers purchased the former Heartstrings Home Decor & Gifts building at 3761 3rd Avenue to be the Library's new home. An in-depth public consultation followed the acquisition, with FaulknerBrowns Architects surveying the community and meeting with the Library staff, Board, and focus groups. A design was approved by Council in spring 2026, with renovations projected from the fall of 2026 until spring 2027. The Library's primary focus for the next year and a half is on the new building: fundraising for and selecting new furnishings and equipment; preparing for the move; setting up in the new building; and adjusting our workflow to the new space and services it will enable the Library to provide. The new location is twice the size of the current Library, allowing for a Teen Room; small and large meeting rooms for exams, tutoring and after-hours usage; a separate program room; onsite storage; adequate office space; more books; and accessible shelving. We thank the Town of Smithers and all of the donors who have contributed towards the purchase of this much-needed facility!






 250-847-1600

 general@smithers.ca

 www.smithers.ca

 PO Box 879, 1027 Aldous Street,
Smithers, BC V0J 2N0



Permissive Property Tax Exemptions

In accordance with Section 224 of the *Community Charter*, the following properties in the Town of Smithers were provided Permissive Property Tax Exemptions for 2025 by Council.

Roll #	Organization	Extent of Exemption	Value
Partnering Agreements			
0655-000	Cenovus Energy Inc. (GL Williams Park) (2023-2032 agreement – property for Town use)	100% land and improvements	\$13,480

Non-Profit Organizations			
0238-200	Wet'suwet'en Treaty Office Society (First Avenue)	100% land and improvements	\$31,378
1223-900	Central Park Building Society (Town - Central Park)	100% of the leased area	\$24,930
7000-800	Wet'suwet'en Treaty Office Society (Highway 16)	100% land and improvements	\$20,062
7002-195	Bulkley Valley Search and Rescue Society (Venture)	100% land and improvements	\$16,039
0154-020	Bulkley Valley Museum Society (Town - Old Church)	100% of the leased area	\$6,623
0411-001	Bulkley Valley Museum Society (Town Office - Storage)	100% of the leased area	\$1,723

Permissive Property Tax Exemptions (2025)	Total	\$114,235
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Revitalization Tax Exemptions (Downtown)

In accordance with Section 226 of the *Community Charter*, the following properties in the Town of Smithers were provided revitalization tax exemptions for 2025 by Council.

Roll #	Organization	Extent of Exemption	Value
0114-000	Oscar's Adventure Shop Ltd.	75% exempt (expires 2025)	\$6,349
0046-000	Michael P. Bleau Professional Corp.	100% exempt (expires 2025)	\$9,452
0164-000	Salt Boutique	75% exempt (expires 2026)	\$7,327
0044-000	Edward Jones	75% exempt (expires 2027)	\$9,558
649-001	Hung Thai Tran & Oanh Hoang Thi Huynh	75% exempt (expires 2028)	\$12,183
0203-002	Wilderness Systems Inc.	50% exempt (expires 2029)	\$5,019

Revitalization Tax Exemptions (2025)	Total	\$49,888
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Consolidated Financial Statements

Town of Smithers

December 31, 2025

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TOWN OF SMITHERS

MANAGEMENT REPORT

YEAR ENDED DECEMBER 31, 2025

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, Doane Grant Thornton LLP, 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 the financial management of the Town of Smithers and meet when required.

On behalf of the Town of Smithers:



Michael Dewar
Chief Administrative Officer
May 22, 2026

Independent Auditor's Report

Doane Grant Thornton LLP
1245 Main Street #201
Smithers, BC
V0J 2N0
T +1 250 847-3228

To the Mayor and Council of the Town of Smithers

Qualified Opinion

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

In our opinion, except for the possible effect of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2025, the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Management has determined that the Town has shared control over Wetzin'kwa Management Services Ltd., a business partnership, however, the Town has accounted for this investment at cost. This constitutes a departure from Canadian public sector accounting standards which requires that business partnerships be accounted for in the Town's consolidated financial statements utilizing the modified equity method applied using the Town's share of the partnership. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were unable to determine what adjustments were necessary to the investment in Wetzin'kwa Management Services Ltd., financial assets and net assets as at December 31, 2025 and January 1, 2025, and income from investment in Wetzin'kwa Management Services Ltd., annual surplus, and cash flows for the year ended December 31, 2025.

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 Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

Other matter – previous auditor

The consolidated financial statements for the year ended December 31, 2024 were audited by another auditor who expressed an unqualified opinion on May 14, 2025.

Other matter – supplementary information

We draw attention to the fact that the supplementary information included in Schedules 6 to 8 are for information purposes only and do not form part of the consolidated financial statements. We have not audited or reviewed this supplementary information and accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Town'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 Town'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 consolidated 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 Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group consolidated financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

Doane Grant Thornton LLP

Smithers, Canada
May 22, 2026

Chartered Professional Accountants

Town of Smithers

Consolidated Statement of Financial Position

As at December 31

2025

2024

Financial Assets

Cash and cash equivalents (Note 2)	\$ 35,222,238	\$ 32,182,521
Investments (Note 3)	442,140	-
Grants and accounts receivable (Note 4)	3,998,922	3,660,151
Deposits - Municipal Finance Authority (Note 6)	59,502	57,320
Investment in Wetzin'kwa Management Services Ltd. (Note 7)	1	1
	<u>\$ 39,722,803</u>	<u>\$ 35,899,993</u>

Liabilities

Accounts payables and accrued liabilities (Note 8)	\$ 4,696,635	\$ 3,904,684
Restricted revenue - Municipal Finance Authority (Note 6)	59,502	57,320
Deferred revenues (Note 9)	4,938,164	5,087,039
Debt (Note 10)	5,053,882	2,747,813
Asset retirement obligations (Note 11)	2,215,482	2,123,737
	<u>16,963,665</u>	<u>13,920,593</u>

Net Financial Assets

	<u>22,759,138</u>	<u>21,979,400</u>
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Non Financial Assets

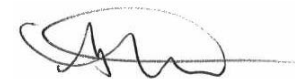
Tangible capital assets (Schedule 1)	98,207,664	81,953,341
Prepaid expenses and supply inventory (Note 5)	1,069,007	916,112
	<u>99,276,671</u>	<u>82,869,453</u>

Net Assets (Note 13 and Schedule 2)

	<u>\$ 122,035,809</u>	<u>\$ 104,848,853</u>
--	-----------------------	-----------------------

Commitments and Contingencies (Note 15)

Approved by:


 _____ Mayor


 _____ Director of Finance

Town of Smithers

Consolidated Statement of Operations

Year ended December 31	Budget		
	2025	2025	2024
Revenue (Note 14)			
Property Taxes and Grants in Lieu (Schedule 3)	\$ 10,221,200	\$ 10,723,942	\$ 9,807,481
Municipal and Regional District Tax (Hotel Tax)	415,000	358,888	359,390
Interest and Penalties on Taxes	107,100	88,354	109,453
Government Transfers and Grants (Schedule 4)	25,079,945	19,494,484	10,396,721
Service Charges and User Fees	5,756,600	6,741,124	6,569,476
Investment Income	100,000	1,152,809	1,539,837
Developer Contributed Tangible Capital Assets	274,500	90,564	1,944,495
Non-Government Contributions and Donations	80,000	422,814	166,563
Gain on Disposal of Tangible Capital Assets	-	200,332	76,850
	<u>42,034,345</u>	<u>39,273,311</u>	<u>30,970,266</u>
Expenses (Note 14 and Schedule 5)			
Council and Corporate Services	2,836,300	2,608,632	2,354,504
Planning and Development Services	1,333,400	1,048,603	1,140,300
Economic Development and Tourism	851,400	800,584	879,400
Smithers Regional Airport	3,428,500	3,247,821	3,325,139
Recreation and Cultural Services	2,384,800	2,850,860	2,641,536
Smithers Public Library	654,000	584,634	613,034
Protective Services	4,428,500	4,559,327	4,126,475
Transportation and Mobility Services	3,290,000	3,691,736	3,099,194
Utility Services	2,185,000	2,136,127	1,620,258
Solid Waste and Recycling Services	463,800	477,626	535,789
Public Health Services	76,100	80,405	67,258
	<u>21,931,800</u>	<u>22,086,355</u>	<u>20,402,887</u>
Annual Surplus	20,102,545	17,186,956	10,567,379
Net Assets, Beginning of year	104,848,853	104,848,853	94,281,474
Net Assets, End of year	<u>\$ 124,951,398</u>	<u>\$ 122,035,809</u>	<u>\$ 104,848,853</u>

Town of Smithers

Consolidated Statement of Changes in Net Financial Assets

Year ended December 31

	Budget 2025	2025	2024
Annual surplus	\$ 20,102,545	\$ 17,186,956	\$ 10,567,379
Acquisition of tangible capital assets	(38,228,620)	(20,921,721)	(10,003,991)
Contributed tangible capital assets	(274,500)	-	(2,078,702)
Proceeds on disposal of tangible capital assets	-	511,592	-
(Gain) loss on disposal of tangible capital assets	-	(200,332)	146,266
Amortization of tangible capital assets	-	4,356,138	3,963,269
	(38,503,120)	(16,254,323)	(7,973,158)
Use (acquisition) of prepaid expenses	-	(53,225)	206,995
Use (acquisition) of supply inventory	-	(99,670)	(34,800)
	-	(152,895)	172,195
Net changes in Net financial assets	(18,400,575)	779,738	2,766,416
Net financial assets, beginning of year	21,979,400	21,979,400	19,212,984
Net financial assets, end of year	3,578,825	22,759,138	21,979,400

Town of Smithers

Consolidated Statement of Cash Flows

Year ended December 31

2025

2024

Operating Activities		
Annual Surplus	\$ 17,186,956	\$ 10,567,379
Items not involving cash:		
Actuarial adjustment	(60,466)	(77,122)
Amortization	4,356,138	3,963,269
Accretion	91,745	87,947
(Gain) loss on disposal of tangible capital assets	(200,332)	146,266
Contributed capital assets	-	(2,078,702)
Changes in non-cash assets and liabilities:		
Receivables	(338,771)	(2,081,664)
Prepays	(53,225)	206,993
Supply Inventory	(99,670)	(34,800)
Accounts payable and accrued liabilities	791,951	327,990
Deferred revenue	(148,875)	849,512
	<u>21,525,451</u>	<u>11,877,068</u>
Capital Activities		
Acquisition of tangible capital assets	(20,921,721)	(10,003,991)
Proceeds on disposal of tangible capital assets	511,592	-
	<u>(20,410,129)</u>	<u>(10,003,991)</u>
Investing Activities		
Purchase of investments	(442,140)	-
Financing Activities		
Additional financing	2,721,406	-
Repayment of debt	(354,871)	(196,969)
	<u>2,366,535</u>	<u>(196,969)</u>
Net change in Cash and cash equivalents	3,039,717	1,676,108
Cash and cash equivalents, Beginning of year	<u>32,182,521</u>	<u>30,506,413</u>
Cash and cash equivalents, End of Year	<u>\$ 35,222,238</u>	<u>\$ 32,182,521</u>

See accompanying notes to the consolidated financial statements.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies

Basis of presentation

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 (the "Town") 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

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.

Service charges and user fees are recorded on the accrual basis and recognized when performance obligations are met, which is usually when services are provided or facilities are utilized.

Investment income is recorded on the accrual basis and recognized when earned.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies (continued)

(c) Revenue Recognition (continued)

Service charges and user fees and investment income transactions with performance obligations are recognized when the Town satisfies the performance obligations, which occur when control of the benefits associated with the promised goods and services have passed to a payor. Transactions without performance obligations are recognized at realizable value when the Town has the authority to claim or retain an inflow of economic resources and a past event has occurred.

(d) Government Transfers

Government transfers are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

(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, investments and debt 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.

(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, 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 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.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies (continued)

(f) Financial Instruments

(i) Measurement of Financial Instruments:

All financial instruments are recorded at their cost or amortized cost. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

(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 cash equivalents

Cash and cash equivalents include short-term investments with maturity dates within 90 days of acquisition and liquid pooled funds administered by Municipal Finance Authority of British Columbia.

(h) Investments

Investments are comprised of money market instruments, term deposits, banker's acceptances and corporate, federal and provincial bonds with maturity dates greater than 90 days after acquisition.

(i) Inventory

Inventory is comprised of supplies inventory to be used by the municipality and valued at the lower of cost or replacement cost. Cost is determined by the average cost method.

(j) 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. Contributed tangible capital assets are recorded at fair market value at the time of contribution. Tangible capital assets are classified according to their functional use.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies (continued)

(j) Tangible Capital Assets (continued)

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>Capital Assets Categories:</u>	<u>Useful Life Range:</u>
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	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 the circumstances indicate their recorded value may not be recoverable.

Natural Assets Category:

The Town of Smithers is fortunate to have many natural assets that reduce the need for engineered infrastructure and costs that would otherwise be required. Natural assets form an integral part of the Town's service delivery infrastructure and the Town is dependent on them. They include two Ground Water Aquifers that filter, store and supply water to the Smithers Community Water System and the Smithers Regional Airport System. The Aquifers are both in part recharged by the Bulkley River. The Dahlie, Seymour and Lake Kathlyn Creeks, along with the Willowvale Wetlands and the Bulkley River supply drainage and storm water management, including flood, drought and climate resiliency. The Town's Urban Forests and Treescapes also support drainage and storm water management and contribute to carbon sequestration. Canadian public sector accounting standards currently exclude the recognition of non-purchased natural assets in the Town's financial statements. Nevertheless, the Town acknowledges the importance of considering these assets in financial planning and management and the need to manage and invest in them in conjunction with engineered infrastructure.

(k) Debt

Debt is recorded at cost net of principal repayments and adjustments in accordance with the Municipal Finance Authority of BC.

(l) Asset Retirement Obligations

Asset Retirement Obligations ("ARO") represent the legal obligations associated with the retirement of a tangible capital asset that result from its acquisition, construction, development, or normal use. The tangible capital assets ("TCA") include but are not limited to assets in productive use, assets no longer in productive use, and leased tangible capital assets.

The liability associated with an asset retirement obligation is measured with reference to the best estimate of the amount required to ultimately remediate the liability at the financial statement date to the extent that all recognition criteria are met. Asset retirement obligations are only recognized when there is a legal obligation for the Town to incur costs in relation to a specific TCA, when the past transaction or event causing the liability has already occurred,

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies (continued)

(l) Asset Retirement Obligations (continued)

when economic benefits will need to be given up in order to remediate the liability and when a reasonable estimate of such amount can be made. The best estimate of the liability includes all costs directly attributable to the remediation of the asset retirement obligation, based on the most reliable information that is available as at the applicable reporting date. Where cash flows are expected over future periods, the liability is recognized using a present value technique.

When a liability for an asset retirement obligation is initially recognized, a corresponding adjustment to the related TCA is also recognized for underlying assets that have been recorded and reported within the TCA values presented in the financial statements. Through the passage of time in subsequent reporting periods, the carrying value of the liability is adjusted to reflect accretion expenses incurred in the current period. This expense ensures that the time value of money is considered when recognizing outstanding liabilities at each reporting date. The capitalized asset retirement cost within tangible capital assets is also simultaneously depreciated on the same basis as the underlying asset to which it relates. In circumstances when the underlying asset is fully depreciated, the ARO will be amortized over the estimated future life until the cash disbursement is made in the future to settle the obligation.

At remediation, the Town derecognizes the liability that was established. In some circumstances, gains or losses may be incurred upon settlement related to the ongoing measurement of the liability and corresponding estimates that were made and are recognized in the statement of operations.

(m) Pension Plan and Deferred Employee Benefit Liabilities

The Town of Smithers and its employees participate in the Municipal Pension Plan. The Municipal Pension Plan is a multi-employer contributory defined benefit pension plan. Payments in the year are expensed.

Employees are entitled to earned benefits related to vesting and accumulated sick leave credits for 20% of the balance upon retirement, and non-vesting accumulating sick leave for the remaining balance. The cost of post-employment benefits is estimated based on service provided, a best estimate of retirement ages, and expected future salary and wage increases. The liability under these benefit plans is accrued based on projected benefits as the employees render service necessary to earn the future benefits.

(n) 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 of 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 valuation of contributed assets 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.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

1. Significant accounting policies (continued)

(o) Budget Presentation

Budget figures are from the Town of Smithers Bylaw No. 1992 – Five-Year Financial Plan (2025 - 2029) adopted by Council on May 6, 2025. The Smithers Public Library's 2025 budget, as approved by the Library's Board of Directors and by Town Council, is included in the Town's budget figures.

(p) Future Accounting Changes

PS 1000 Financial Statement Concepts, PS 1100 Financial Statement Objectives and PS 1202 Financial statement presentation will be effective for years beginning on or after April 1, 2026. The new standards will require updated classification of assets and liabilities amongst other changes.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

2. Cash and cash equivalents

	2025	2024
Cash and investments	\$ 34,854,698	\$ 31,815,300
Smithers Public Library - Cash	231,950	236,468
Smithers Public Library - Investments	<u>135,590</u>	<u>130,753</u>
	<u>35,222,238</u>	<u>32,182,521</u>

Cash and investments include \$34,417,321 (2024: \$30,711,470) invested in Municipal Finance Authority of BC pooled funds – Money Market Fund.

3. Investments

Investments include a \$442,140 (2024: \$nil) non-redeemable deposit with Bulkley Valley Credit Union that matures on December 31, 2026.

4. Grants and Accounts Receivable

	2025	2024
Due from Federal Government	\$ 435,241	\$ 250,510
Due from Provincial Government	11,347	420,313
Due From Other Gov. Bodies/ Orgs.	2,698,668	2,154,803
Taxes Receivable	523,678	433,430
Utility Billings Receivable	17,377	32,132
Trade and Accrued Receivables	306,539	359,647
Smithers Public Library - Accounts Receivable	<u>6,072</u>	<u>9,316</u>
	<u>3,998,922</u>	<u>3,660,151</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

5. Prepays Expenses and Supply Inventory

	2025	2024
	\$	\$
Prepaid Expenses	443,773	388,034
Deposits	-	5,000
Inventory of Supplies	621,960	522,290
Smithers Public Library - Prepaid Expenses	<u>3,274</u>	<u>788</u>
	<u>1,069,007</u>	<u>916,112</u>

6. Municipal Finance Authority Deposits and Restrictive Revenue

	2025	2024
Cash Deposits	<u>\$ 59,502</u>	<u>\$ 57,320</u>
Demand Notes (not part of financial statements)	<u>120,317</u>	<u>120,317</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, the deposits are refunded to the Town with interest and the demand notes are cancelled. The MFA Deposits and Restricted Revenue are included as an offsetting financial asset and liability in the financial statements. The demand notes are not included in the financial statements.

7. Investment in Wetzin'kwa Management Services Ltd.

Pursuant to Section 185 of the Community Charter, the Town of Smithers and the Village of Telkwa received approval from the BC Inspector of Municipalities in 2007 to form two corporations: Wetzin'kwa Management Services Ltd. ("WMSL") and Wetzin'kwa Community Forest Corporation ("WCFC"). The shareholders of WMSL are the Town of Smithers and the Village of Telkwa, each holding 100 shares valued at \$1. By WMSL shareholders agreement a nominee from each of the Town, the Village and the Wet'suwet'en Treaty Office Society form the Board of Directors of WMSL. WMSL is the sole shareholder of the WCFC. The Town does not control or operate either of the companies and has no direct right to their assets or retained earnings. Based on assessment of control factors, the Town's investment is accounted for by the cost method. Additional disclosure from WCFC's unaudited financial statements as at June 30th is provided below.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

7. Investment in Wetzin'kwa Management Services Ltd. (continued)

<u>Wetzin'kwa Community Forest Corporation (Years ended June 30)</u>	2025	2024
	(Unaudited)	(Unaudited)
Total Assets	\$ 10,456,867	\$ 11,566,846
Total Liabilities	334,001	691,966
Total Equity (Retained Earnings)	10,122,866	10,874,880
Total Revenues	1,151,184	2,509,449
Total Expenses	1,431,752	2,302,269
Total Distributions - Community Organizations	291,445	384,215
Total Distributions - Stakeholders	180,000	180,000

8. Accounts Payable and Accrued Liabilities

	2025	2024
Payroll Payable and Accrued Payroll Benefits	\$ 594,647	\$ 697,999
Trade Payables and Accrued Liabilities	2,554,558	2,092,663
Contract Holdbacks and Refundable Securities Payable	1,138,391	747,807
Due to Provincial Government	356,305	317,239
Smithers Public Library - Accounts Payable	52,734	48,976
	<u>4,696,635</u>	<u>3,904,684</u>

9. Deferred Revenues

	2025	2024
Deferred Tax Revenue	\$ 658,987	\$ 621,873
Operating Revenue Received in Advance	151,464	46,732
Operating Project Grants Received in Advance	615,940	440,471
Capital Project Grants Received in Advance	3,511,098	3,871,183
Smithers Public Library - Deferred Revenue	675	106,780
	<u>4,938,164</u>	<u>5,087,039</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

10. Debt

	Town Bylaw	Maturity Date	Interest Rate	2025	2024
<u>Debenture Debt - Tax Supported</u>					
General Capital					
4200 Block 2nd Avenue	1657	April 2033	3.15%	72,828	80,602
New Arena	1508	April 2034	3.30%	354,860	387,929
<u>Debenture Debt - Fee Supported</u>					
Utility Capital					
South Trunk Storm Sewer	1601	April 2026	4.20%	68,546	134,774
Airport Capital					
Terminal Modernization	1808	Oct 2037	3.15%	<u>2,007,197</u>	<u>2,144,508</u>
				2,503,431	2,747,813
Loan No. Maturity Interest					
 Date Rate					
<u>MFA Equipment Financing Loans</u>					
Vactor Truck	0001-0	Jun 2030	2.81%	687,662	-
Multi-use Tractors	0002-0	Aug 2030	2.81%	422,013	-
Fire Truck	0003-0	Aug 2030	2.81%	978,784	-
Sweeper	0004-0	Nov 2030	2.81%	<u>461,992</u>	<u>-</u>
				<u>5,053,882</u>	<u>2,747,813</u>

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

	Principal	Actuarial	Interest
2026	709,002	68,333	183,852
2027	681,124	48,455	174,813
2028	696,441	54,356	171,242
2029	712,424	60,442	167,168
2030	499,236	66,719	145,356
	<u>3,298,225</u>	<u>298,305</u>	<u>842,434</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

11. Asset Retirement Obligations

The Town of Smithers owns and operates assets that are known or are likely to contain asbestos, lead, and other materials which represent a health hazard upon renovation or demolition of the assets. There is a legal obligation to remove and dispose of these hazardous materials. The recognition of asset retirement obligations also involved an accompanying increase in the cost value of Town capital assets (primarily to buildings). The increase in capital costs is amortized on a straight-line basis over the remaining expected useful life of the related assets.

Estimated costs of \$4,002,389 have been discounted using a present value calculation with a discount rate of 4.32% and inflation rate of 3%. The timing of these expenditures is expected to occur between 2026 and 2053 with the regular replacement, renovation, or disposal of assets.

12. Pension Liability

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

The Town of Smithers paid \$424,268 (2024: \$421,273) for employer contributions to the plan in fiscal 2025.

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.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

13. Town Position

Town Position consists of reserves for future expenditures, equity in tangible capital assets, and unrestricted surpluses as follows:

	2025	2024
<u>Operating Reserve Accounts</u>		
Municipal Elections Account	\$ 32,783	\$ 22,783
New Councils Account	30,000	20,000
Labour Agreements Account	10,805	16,000
Official Community Plan Account	82,000	57,000
Legal Expenses Reserve	14,549	14,549
Economic Development Reserve	5,973	5,973
Fire and Emergency Services Reserve	24,527	24,527
Snow Removal Reserve	15,000	15,000
Solid Waste and Recycling Reserve	184,796	184,796
Contaminated Sites Reserve	58,304	75,000
Wetzin'kwa Distributions Reserve	160,000	120,000
<u>Capital Reserve Funds</u>		
Canada Community-Building Fund Reserve (Community Works)	274,988	324,435
Facility Maintenance Capital Reserve	169,314	113,596
Library Art Gallery Donations Reserve	50,046	543,944
Debenture Surplus Fund	111,054	107,013
Wetzin'kwa Community Forest Fund	240,698	233,961
Cemetery Capital Development Fund	26,041	25,311
<u>Statutory Reserve Funds</u>		
BC Northern Capital and Planning Grant Reserve (Schedule 6)	3,081,823	6,973,193
Growing Communities Reserve Fund (Schedule 7)	577,852	1,131,497
Capital Works / Land Sales Reserve	1,111,051	1,738,674
GHG Emissions Reserve	88,187	85,719
Off-Site Works and Services Reserve	80,211	56,703
Parking In-Lieu Reserve	35,153	34,169
Park Land Reserve	101,903	99,051
Forestry Reserve Fund	168,726	164,002
Ambleside Reserve Fund	362,609	285,389
Local Area Service Fund	135	131
Roads Infrastructure Reserve	247,264	261,342
Facility Replacement Reserve	176,907	152,248
Recreational Facilities Reserve	75,179	88,820
Equipment Replacement Reserve (Muni. Ops., Utility, Waste)	2,280,322	1,833,598
Fire and Rescue Equipment Replacement Reserve	471,714	335,169
Utility - Infrastructure Reserve	2,458,323	1,866,229
Airport - Machinery and Equipment Reserve	135,280	164,636
Northwest Resource Benefits Alliance Reserve	10,651,269	4,380,215
Airport - Infrastructure Reserve	387,826	391,012
	<u>23,982,610</u>	<u>21,945,686</u>
<u>Equity in Tangible Capital Assets</u>		
Tangible Capital Assets	186,351,074	166,543,165
Amortization	(88,143,409)	(84,589,824)
Amount of Debt Proceeds not secured	-	(1,641,541)
Debt	(5,053,882)	(2,747,813)
Asset Retirement Obligations	(2,215,482)	(2,123,738)
	<u>90,938,301</u>	<u>75,440,250</u>
<u>Restricted Surplus Accounts</u>		
BC COVID Safe Restart Grant (Schedule 8)	49,826	49,826
<u>Unrestricted Surplus Accounts</u>		
General Municipal	2,754,806	3,252,654
RCMP Municipal Budget	322,385	305,836
Utility	3,037,673	2,876,144
Smithers Regional Airport	626,730	756,887
Smithers Public Library - Surplus	323,477	221,569
	<u>7,114,898</u>	<u>7,462,918</u>
	<u>122,035,809</u>	<u>104,848,853</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

14. Segmented Information

The Town of Smithers is a diversified municipal government institution that provides a wide range of services for its residents/ visitors, 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 Planning, Building Permitting/Inspection, Business Licencing, and Engineering services.

Economic Development and Tourism

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

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 Mobility

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

Utility Services

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

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

14. Segmented Information (continued)

	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 Mobility Services	Utility Services	Solid Waste and Recycling Services	Public Health Services	2025 Total \$	2024 Total \$
REVENUE													
Property Taxes and Grants in Lieu	7,082,812	-	-	-	-	-	2,573,387	1,067,743	-	-	-	10,723,942	9,807,481
Municipal and Regional District Tax	-	-	358,888	-	-	-	-	-	-	-	-	358,888	359,390
Interest and Penalties on Taxes	88,354	-	-	-	-	-	-	-	-	-	-	88,354	109,453
Government Transfers and Grants	13,207,554	706,185	78,085	1,910,220	790,062	302,515	1,420,473	398,443	597,911	83,036	-	19,494,484	10,396,721
Service Charges and User Fees	228,271	347,674	-	2,043,738	644,069	16,235	78,311	40,923	2,823,254	481,799	36,850	6,741,124	6,569,476
Investment Income	1,143,549	-	-	331	-	-	8,929	-	-	-	-	1,152,809	1,539,837
Developer Contributed Tangible Capital Assets	-	90,564	-	-	-	-	-	-	-	-	-	90,564	1,944,495
Non-Government Contributions and Donations	-	-	-	-	400,018	22,796	-	-	-	-	-	422,814	166,563
Gain on Disposal of Tangible Capital Assets	-	133,740	-	-	-	-	-	66,592	-	-	-	200,332	76,850
	21,750,540	1,278,163	436,973	3,954,289	1,834,149	350,475	4,072,171	1,573,701	3,421,165	564,835	36,850	39,273,311	30,970,266
EXPENSES													
Salaries, Wages and Benefits	1,481,436	777,216	185,080	916,539	1,114,529	430,164	1,091,334	1,034,186	590,716	378,077	66,200	8,065,477	7,396,782
Training, Travel, Memberships	131,162	28,955	8,359	12,237	13,075	2,454	58,383	15,822	13,584	244	-	284,275	255,928
Telephone and Internet	22,584	5,681	578	27,217	13,305	4,527	14,278	12,287	9,561	-	-	110,018	104,651
Advertising and Promotion	35,233	3,618	10,228	924	300	644	252	1,299	188	-	-	52,686	38,952
Materials and Supplies	120,221	14,435	2,606	149,752	98,458	87,497	174,631	448,217	184,553	1,526	8,017	1,289,913	1,372,405
Miscellaneous Expenses	30,350	-	-	9,362	5,708	-	-	-	6,678	-	1,645	53,743	53,363
Community Grants	-	-	-	-	97,549	-	-	-	111,167	-	-	208,716	198,758
Contracted Services	638,710	106,734	493,091	443,456	268,321	39,824	284,118	663,257	291,359	49,601	-	3,278,471	2,414,696
RCMP Contract	-	-	-	-	-	-	2,309,240	-	-	-	-	2,309,240	2,045,972
Special Projects	41,321	97,246	91,168	63,984	96,985	472	215,304	-	-	9,952	-	616,432	1,236,570
Utilities - Hydro	19,052	-	-	60,502	117,043	3,749	7,958	149,328	133,091	-	136	490,859	463,220
Utilities - Natural Gas	6,785	-	-	25,052	85,406	5,066	15,467	9,686	-	-	-	147,462	151,138
Utilities - Water, Sewers, Garbage	2,266	-	-	2,476	54,974	1,596	2,068	2,640	948	-	-	66,968	54,139
Insurance	21,418	2,546	1,017	116,646	158,307	6,495	84,959	80,120	36,792	2,546	289	511,135	420,509
Interest on Long-Term Debt	-	-	-	94,500	29,380	-	12,496	6,673	11,760	-	-	154,809	144,587
Amortization	58,094	12,172	6,596	1,304,734	643,443	2,146	281,150	1,261,846	744,427	35,680	4,118	4,354,406	3,963,270
Accretion	-	-	1,861	20,440	54,077	-	7,689	6,375	1,303	-	-	91,745	87,947
	2,608,632	1,048,603	800,584	3,247,821	2,850,860	584,634	4,559,327	3,691,736	2,136,127	477,626	80,405	22,086,355	20,402,887
SURPLUS / (DEFICIT)	19,141,908	229,560	(363,611)	706,468	(1,016,711)	(234,159)	(487,156)	(2,118,035)	1,285,038	87,209	(43,555)	17,186,956	10,567,379

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

15. Commitments and Contingencies

(a) Financial Contracts

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

	RCMP	Other
2026	\$ 2,658,500	\$ 534,466
2027	2,719,600	561,314
2028	2,782,100	371,245
2029	2,846,100	220,419
2030	<u>2,911,600</u>	<u>129,035</u>
	<u>13,917,900</u>	<u>1,816,479</u>

(b) RCMP Contract (BC Ministry of Public Safety and Solicitor General)

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

(c) Smithers Regional Airport (Transport Canada)

The Government of Canada transferred the Smithers Regional Airport to the Town of Smithers in 1999. Should the Town or its contractors cease to manage, operate and maintain the Airport, Canada has the option to purchase the Airport from the Town. The Town is reliant on grant funding from senior governments' airport capital assistance programs to maintain the Airport's lands, improvements, and equipment. Operationally, Transport Canada continues to perform or oversee its contractor's performance of air navigation and air traffic control, civil aviation security, Canadian inspection services, and passenger check-in screening. The Airport does not pay for Transport Canada services.

(d) Legal Claims (Uninsured Risks)

The Town of Smithers has been named as a defendant in legal actions. No liability is recognized in the financial statements for claims or possible claims where the amount of the loss is indeterminable. Settlements, if any, of claims or actions against the Town are charged current expenditures when the outcome is known.

(e) Wastewater Treatment Facility (Environment Canada)

The Town of Smithers received notice from Environment Canada in 2020 that effluent being discharged by the Town into the Bulkley River periodically does not comply with regulations; Environment Canada has the authority to issue fines and orders for non-compliance. The Town is upgrading its Water Treatment Facility at an estimated cost of \$8 million. Funding includes an Investing in Canada Infrastructure Program ("ICIP") grant of \$5.6 million and \$2.4 million from the Town's BC Northern Capital and Planning Grant Reserve. To obtain the ICIP grant, the Town committed to funding project costs above \$8 million. The project is in its detailed design phase and once tendered its actual construction cost and the Town's project funding obligation will be known. Project construction is projected to commence and be completed in 2026.

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

15. Commitments and Contingencies (continued)

(f) Water Treatment Plants (Northern Health Authority)

The Town of Smithers received notices (2022/2023) from the Northern Health Authority (“NHA”) that manganese levels in its water systems exceed regulation. NHA requires the Town to bring the manganese levels into compliance. The Town is upgrading the Smithers Regional Airport area water system at a cost of \$6.95 million. Funding including a Canada Community Building Fund (“CCBF”) grant of \$2.5 million and \$3.7 million from the Town’s BC Northern Capital and Planning Grant Reserve. The project was completed in 2025. To bring the Smithers Community Water System into compliance will require the construction of a Water Treatment Plant at an estimated cost of \$20 million. Senior government project grant funding at the 73% level is projected. The Town’s 27% project share is currently projected to be funded by long term debt. Subject to project funding, construction is projected to commence in 2029.

16. Cemetery Trust Funds

The Town of Smithers operates and maintains the Smithers Cemetery. As required under Provincial legislation, a portion of plot sales and marker installation fees must be retained for the future maintenance of the cemetery. Further, funds received for cemetery services sold for delivery at a future date must also be retained until the services have been delivered. The Town has excluded the Cemetery and Columbarium Care Trust Fund, the Cemetery Preneed Trust, and associated cash from the Statement of Financial Position and related interest earnings and transactions from the Statement of Operations.

Cemetery and Columbarium Care Trust Fund	2025	2024
Balance, beginning of year	\$ 125,714	\$ 123,799
Contributions and interest	63	1,915
Services charged	(96)	-
	<u>125,681</u>	<u>125,714</u>
Cemetery Preneed Trust	2025	2024
Balance, beginning of year	28,169	28,283
Contributions and interest	14	14
Services charged	-	(128)
	<u>28,183</u>	<u>28,169</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

SCHEDULE 1 - TANGIBLE CAPITAL ASSETS

2025

	Land	Utility Systems	Engineered Structures	Buildings	Machinery, Equipment, Vehicles	Office Equipment	Library Equipment	Work in Progress	Total \$
Cost, beginning of year	8,479,021	37,357,037	60,832,103	37,283,149	14,409,403	833,013	147,971	7,201,467	166,543,164
Acquisitions	1,414,793	7,546,541	5,888,275	825,295	1,732,850	-	-	14,344,062	31,751,816
Transfer - Work In Progress	-	-	-	-	-	-	-	(10,830,094)	(10,830,094)
Disposals	(193,114)	-	-	-	(920,698)	-	-	-	(1,113,812)
Cost, end of year	9,700,700	44,903,578	66,720,378	38,108,444	15,221,555	833,013	147,971	10,715,435	186,351,074
Accumulated amortization, beginning of year	-	23,650,659	32,514,097	17,930,711	9,623,832	731,736	138,788	-	84,589,823
Amortization	-	802,884	1,887,297	1,058,158	573,275	32,378	2,146	-	4,356,138
Disposals	-	-	-	-	(802,552)	-	-	-	(802,552)
Accumulated amortization, end of year	-	24,453,543	34,401,394	18,988,869	9,394,554	764,115	140,934	-	88,143,409
Net carrying amount, end of year	9,700,700	20,450,035	32,318,984	19,119,575	5,827,001	68,898	7,037	10,715,435	98,207,664

2024

	Land	Utility Systems	Engineered Structures	Buildings	Machinery, Equipment, Vehicles	Office Equipment	Library Equipment	Work in Progress	Total \$
Cost, beginning of year	8,114,172	35,621,553	59,928,391	36,733,333	12,025,544	769,215	147,971	1,266,560	154,606,739
Acquisitions	511,115	912,484	106,093	91,734	2,383,860	63,797	-	6,158,992	10,228,075
Contributed Assets	-	823,000	797,620	458,082	-	-	-	-	2,078,702
Transfer - Work In Progress	-	-	-	-	-	-	-	(224,085)	(224,085)
Disposals	(146,266)	-	-	-	-	-	-	-	(146,266)
Cost, end of year	8,479,021	37,357,037	60,832,104	37,283,149	14,409,404	833,012	147,971	7,201,467	166,543,165
Accumulated amortization, beginning of year	-	23,057,908	30,855,000	16,805,853	9,071,793	699,358	136,643	-	80,626,555
Amortization	-	592,751	1,659,098	1,124,857	552,040	32,378	2,145	-	3,963,269
Disposals	-	-	-	-	-	-	-	-	-
Accumulated amortization, end of year	-	23,650,659	32,514,098	17,930,710	9,623,833	731,736	138,788	-	84,589,824
Net carrying amount, end of year	8,479,021	13,706,378	28,318,006	19,352,439	4,785,571	101,276	9,183	7,201,467	81,953,341

Town of Smithers
Notes to the Consolidated Financial Statements

December 31, 2025

SCHEDULE 2 - CHANGES IN TOWN POSITION

YEAR ENDED DECEMBER 31

	Restricted & Unrestricted Surplus	Reserves	Equity in Capital Assets	2025 Total	2024 Total
				\$	\$
Balance, beginning of year	<u>7,462,916</u>	<u>21,945,687</u>	<u>75,440,250</u>	<u>104,848,853</u>	<u>94,281,474</u>
Excess of revenue over expenses	17,186,956	-	-	17,186,956	10,567,379
Amortization	4,356,138	-	(4,356,138)	-	-
Accretion	91,745	-	(91,745)	-	-
Disposal of tangible capital assets at net book value	311,261	-	(311,261)	-	-
Actuarial adjustment	(60,466)	-	60,466	-	-
Long-term debt repayment	(354,871)	-	354,871	-	-
Funds designated for future use	(18,240,892)	18,240,892	-	-	-
Tangible capital assets funded by operations	(3,637,890)	-	3,637,890	-	-
Restricted funds used for tangible capital assets	<u>-</u>	<u>(16,203,968)</u>	<u>16,203,968</u>	<u>-</u>	<u>-</u>
	<u>(348,019)</u>	<u>2,036,924</u>	<u>15,498,051</u>	<u>17,186,956</u>	<u>10,567,379</u>
Balance, end of year	<u>7,114,897</u>	<u>23,982,611</u>	<u>90,938,301</u>	<u>122,035,809</u>	<u>104,848,853</u>

Town of Smithers
Notes to the Consolidated Financial Statements
December 31, 2025

SCHEDULE 3 - PROPERTY TAXES AND GRANTS IN LIEU

YEAR ENDED DECEMBER 31

	Budget 2025	2025	2024
	\$	\$	\$
Taxes Collected			
Municipal Property Taxes	10,221,200	10,199,034	9,288,684
Grants in Lieu of Taxes	329,100	341,784	329,082
1% Utility Taxes	183,800	172,295	180,088
Local Service Area Taxes	9,600	9,627	9,627
	<u>10,743,700</u>	<u>10,722,740</u>	<u>9,807,481</u>
 Taxes Collected for Other Taxing Authorities	 -	 6,573,884	 5,973,697
	<u>10,743,700</u>	<u>17,296,624</u>	<u>15,781,178</u>
 Less:			
Transfers to Other Taxing Authorities			
BC Ministry of Finance - School Taxes	-	3,252,359	2,984,100
Regional District of Bulkley Nechako	-	2,271,752	2,079,011
North West Regional Hospital District	-	974,455	844,048
BC Assessment Authority	-	73,751	66,202
Municipal Finance Authority of BC	-	365	336
	<u>-</u>	<u>6,572,682</u>	<u>5,973,697</u>
	<u>10,743,700</u>	<u>10,723,942</u>	<u>9,807,481</u>

Town of Smithers
Notes to the Consolidated Financial Statements
December 31, 2025

SCHEDULE 4 - GOVERNMENT TRANSFERS AND GRANTS

YEAR ENDED DECEMBER 31

	Budget 2025	2025	2024
	\$	\$	\$
Transfers for Operating			
Federal Government	74,400	2,232,593	460,009
Provincial Government	15,721,345	939,545	1,075,793
First Nation Government	11,000	14,861	11,736
Regional District	778,600	1,115,325	887,561
Municipal Government	25,000	67,088	35,440
School District	5,000	-	-
Other Government Organizations	-	685,951	727,569
Wetzin'kwa Community Forest	60,000	40,000	60,000
	<u>16,675,345</u>	<u>5,095,363</u>	<u>3,258,108</u>
Transfers for Capital			
Federal Government - Capital	3,490,800	368,619	2,122,238
Provincial Government - Capital	4,913,800	14,030,502	4,927,723
Other Government Organizations - Capital	-	-	88,652
	<u>8,404,600</u>	<u>14,399,121</u>	<u>7,138,613</u>
	<u>25,079,945</u>	<u>19,494,484</u>	<u>10,396,721</u>

Town of Smithers

Notes to the Consolidated Financial Statements

December 31, 2025

SCHEDULE 5 - EXPENSES BY OBJECT

YEAR ENDED DECEMBER 31

	Budget 2025	2025	2024
	\$	\$	\$
Consolidated Expenses by Object			
Salaries, Wages and Benefits	8,244,700	8,065,477	7,396,781
Training, Travel, Memberships	388,700	284,275	255,928
Telephone and Internet	107,200	110,018	104,651
Advertising and Promotion	50,300	52,686	38,952
Materials and Supplies	1,990,900	1,289,913	1,372,405
Miscellaneous Expenses	114,000	53,743	53,363
Community Grants	405,900	208,716	198,759
Contracted Services	4,486,100	3,278,471	2,414,696
RCMP Contract	2,597,300	2,309,240	2,045,972
Special Projects	1,835,400	616,432	1,236,570
Utilities - Hydro	492,500	490,859	463,220
Utilities - Natural Gas	113,800	147,462	151,138
Utilities - Water, Sewers, Garbage	91,200	66,968	54,139
Insurance	532,400	511,135	420,509
Interest on Long-term Debt	179,000	154,809	144,587
Amortization	-	4,354,406	3,963,270
Accretion	-	91,745	87,947
	21,629,400	22,086,355	20,402,887

Town of Smithers
Notes to the Consolidated Financial Statements
December 31, 2025

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

YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
Balance, beginning of year	6,973,193	8,359,978
Contribution	-	148,168
Capital and planning project funding	(4,039,814)	(2,044,653)
Investment income	148,444	509,700
	<u>3,081,823</u>	<u>6,973,193</u>

Town of Smithers
Notes to the Consolidated Financial Statements
December 31, 2025

SCHEDULE 7 - BC GROWING COMMUNITIES RESERVE FUND

YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
Balance, beginning of year	1,131,497	1,079,364
Capital project funding:		
- Airport WWTP	(577,200)	-
Investment income	<u>23,555</u>	<u>52,133</u>
Closing balance	<u>577,852</u>	<u>1,131,497</u>

Town of Smithers
Notes to the Consolidated Financial Statements
December 31, 2025

SCHEDULE 8 - BC COVID SAFE RESTART GRANT REPORTING

YEAR ENDED DECEMBER 31, 2025

	2025	2024
	\$	\$
Balance, beginning of year	49,826	149,435
Expenditures coverage:		
- Information technology upgrades	-	(60,208)
- NCLGA 2024 Conference Attendance	-	(39,401)
	<hr/>	<hr/>
	49,826	49,826
	<hr/>	<hr/>