



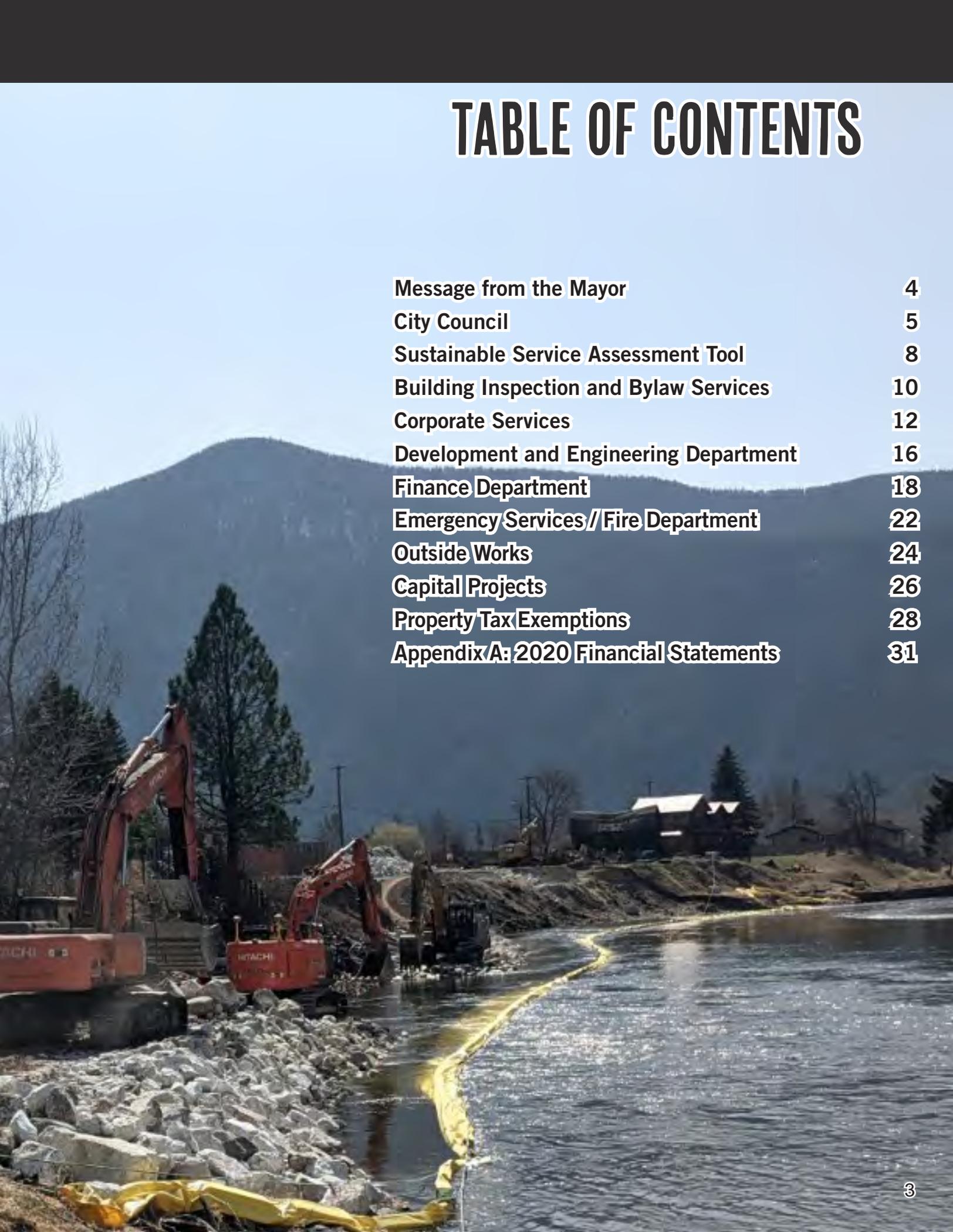
# 2021 ANNUAL REPORT



**GRAND FORKS**  
- BC -

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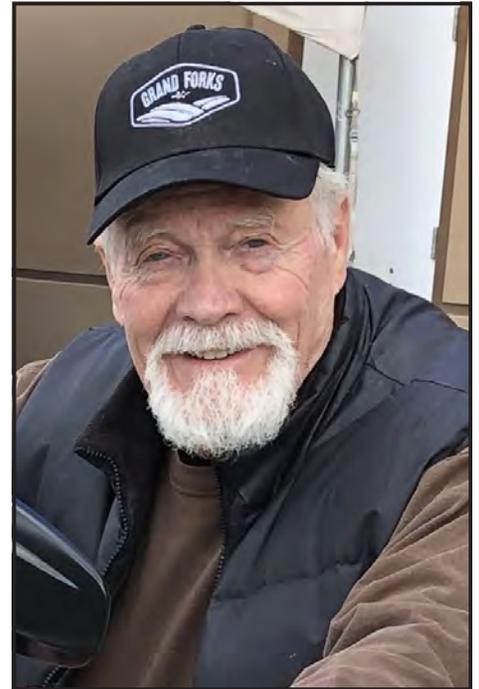


# MESSAGE FROM THE MAYOR

Planning work for the Disaster Mitigation and Adaptation Fund (DMAF) projects has been underway since 2019, but in 2021 residents finally saw visible signs of the work getting started. The years of planning, contracting, design, and permitting have allowed the project to proceed quickly once the heavy machinery was in place.

Housing continues to be a concern, and Council and Staff have been working hard with BC Housing and private developers to encourage the construction of new housing units, with permits for 50 new residential units issued in 2021. A unique partnership with the Osoyoos Indian Band Development Corporation was struck to relocate a number of houses from North Ruckle to City-owned lots in other parts of town (Donaldson Drive, McCallum View Drive, and 72nd Avenue), which will help reduce the loss of housing stock as a result of the floodworks construction in North Ruckle. Council is also continuing to push for seniors housing, supportive housing, and other forms of affordable housing.

The City was awarded a grant to help fund downtown stormwater infrastructure upgrades which will be completed at the same time as the DMAF construction work is underway. Council and Staff seek opportunities to get infrastructure projects funded through grants when available. We've had good success in recent years with our applications, getting significant projects completed with the lowest financial burden on local taxpayers as possible.



Brian Taylor  
Mayor  
June 2022

# CITY COUNCIL



Brian Taylor  
Mayor



Settle down.



Everett Baker  
Councillor



Neil Krog  
Councillor



Zak Eburne-Stoodley  
Councillor



Chris Moslin  
Councillor



Cathy Korolek  
Councillor



Christine Thompson  
Councillor





# SUSTAINABLE SERVICE ASSESSMENT TOOL

In 2017 the City, along with Urban Systems, began a project to measure the performance of the Municipality. The Sustainable Service Assessment Tool (SSAT) was the outcome of this project, for which the City and Urban Systems received the ACEC-BC Award of Merit. This SSAT was completed in the spring of 2021 for the preceding year. Departmental staff, the Chief Financial Officer, and Council independently scored the Service Delivery, Finance, and Governance sections for each of the 8 services measured.

The overall results for 2021 are below.

		CURRENT PERFORMANCE	PREPAREDNESS FOR THE FUTURE	OVERALL SUSTAINABILITY	TREND
	Water	69%	51%		
	Wastewater	59%	60%		
	Drainage and Flood Protection	65%	48%		
	Parks and Recreation	51%	40%		
	Civic Facilities	67%	50%		
	Transportation	52%	44%		
	Fire Protection	70%	57%		
	Solid Waste	72%	50%		



A more in depth look into the scoring of each service for Service Delivery (completed by the individual departments), Finance (completed by the Chief Financial Officer), and Governance (completed by Council).



Water	Current Performance	Preparedness For The Future
Service Delivery	72%	52%
+ Finance	67%	33%
+ Governance	67%	67%
	<b>69%</b>	<b>51%</b>



Parks & Recreation	Current Performance	Preparedness For The Future
Service Delivery	58%	20%
+ Finance	50%	33%
+ Governance	44%	67%
	<b>51%</b>	<b>40%</b>



Wastewater	Current Performance	Preparedness For The Future
Service Delivery	61%	57%
+ Finance	50%	67%
+ Governance	67%	56%
	<b>59%</b>	<b>60%</b>



Civic Facilities	Current Performance	Preparedness For The Future
Service Delivery	67%	27%
+ Finance	67%	67%
+ Governance	67%	56%
	<b>67%</b>	<b>50%</b>



Drainage and Flood Protection	Current Performance	Preparedness For The Future
Service Delivery	56%	54%
+ Finance	50%	33%
+ Governance	89%	56%
	<b>65%</b>	<b>48%</b>



Transportation	Current Performance	Preparedness For The Future
Service Delivery	33%	33%
+ Finance	67%	67%
+ Governance	56%	33%
	<b>52%</b>	<b>44%</b>



Fire Protection	Current Performance	Preparedness For The Future
Service Delivery	67%	72%
+ Finance	67%	33%
+ Governance	78%	67%
	<b>70%</b>	<b>57%</b>



Solid Waste	Current Performance	Preparedness For The Future
Service Delivery	94%	83%
+ Finance	67%	33%
+ Governance	56%	33%
	<b>72%</b>	<b>50%</b>



# BUILDING INSPECTION

## Building Inspection

The department is responsible for the full range of tasks associated with the City of Grand Forks Building Bylaw. Issuing building and plumbing permits, and performing the associated inspections, is the primary focus. Additionally, assisting developers and property owners with their construction concepts, and working closely with all other municipal departments to ensure all other city interests are observed, plays a large role.

## 2021 Highlights

- Department staff researched, developed, and began implementation of the new Highway Use and Access Bylaw as adopted by Council:
  - Improves communication with contractors working on private property and interaction between that work and municipal concerns.
- Had a Senior Energy Specialist for most of the year through a funding agreement with Fortis BC whose primary objective was to research deep energy retrofit solutions for old homes, with the North Ruckle reinvestment strategy in mind.
  - The department also benefitted greatly with a deeper understanding of the upcoming Energy Step Code requirements.
- Cross-connection Control Program - Monitors the effectiveness of 240 various backflow prevention devices for water quality protection.

## Goals for 2022

- Continued training to achieve required advanced Building Official levels for staff.
- Provincial Building Code changes anticipated in 2022 - sharing knowledge and techniques community-wide through educational sessions and on-site training.



# AND BYLAW SERVICES

## Bylaw Services

Bylaw Services is a function which is focused towards understanding the reason for City bylaws. The department investigates complaints from citizens, City departments, Council, and other government agencies with respect to alleged infractions of the City's regulatory bylaws and undertakes appropriate action to gain compliance by education, engineering, and, as a last resort, enforcement.

Staff interpret, report, and provide advice on a variety of bylaw matters, develop solutions to difficult issues, work cooperatively in joint problem solving with community agencies, and use persuasive diplomacy when recommending, clarifying, or negotiating issues.

A proactive approach towards bylaw appreciation and compliance is preferred. Public education is the key to success.



## 2021 Highlights

- Granby River clean-up - restoring the riverside environment from years of litter and transient camps.
- Created the Transient Population Liaison position through a grant from UBCM. This position works with the local homeless population to find solutions for those with complex housing needs.
- Work with the City's security contractor, RCMP, and local support agencies to find alternate housing options for those encamped on City property and to resolve trespassing on City property where appropriate.
- Research involving a number of bylaws or amendments : Signs, Business Licencing, Traffic Regulation.
- Provided information and assistance to residents regarding COVID-19 health orders.
- Enforcement of sprinkling regulations through the Yellow Flag program.

## Goals for 2022

- Staff will continue to work on developing new City bylaws, including:
  - Sign Bylaw
  - Business Licence Bylaw
  - Boulevard Maintenance Bylaw
- Staff will continue to look at all available options for restricting illegal campsites on municipal property and implement such measures throughout the year.

# CORPORATE SERVICES AND

Corporate Services' main function is to ensure that the Corporation is meeting its legislative obligations. The primary functions include records management and retention of documents, responsibility for preparation of agendas and minutes of Council, providing administrative support for Mayor and Council, assisting the public with Freedom of Information requests, and assisting in the development of policies, bylaws, and contracts.

Community Services falls under the Corporate Services blanket and involves the coordination and leadership of events that are City initiatives and other community events that arise. Communications plays a major factor and has been an additional and important role in the department that provides an integral information exchange with Council, staff and the public. Corporate Services also oversees all Information Technology activity for the organization, and frequently assists with other areas of the City's operation as needed.

## 2021 Highlights

- Bylaw reviews - Fire and Life Safety, Council Procedure
- Policy consolidation and transfer of some Council Policies to Administrative Policies
- Lease agreement for Court Services at 555 Central Ave
- Worksafe - transition from COVID policies to general Communicable Disease Prevention policy
- Managed Rural Dividend Fund projects
- Secured a grant for \$330,000 from the Tourism-Dependant Community Fund
  - Gallery 2 (Old Courthouse) exterior masonry refurbishment
  - Wayfinding signage program
- Outdoor watering guidelines for 2021 in preparation for new updated bylaw
- Staff safety training moved to a new platform
- FOI and related third-party consultations



### Council Meetings

- 10 Committee-of-the-Whole Meetings
- 20 Regular Meetings
- 10 Special Meetings
- 22 In-Camera Meetings
- 4 Public Hearings
- 1 Public Feedback Session

## Goals for 2022

### Corporate & Legislative Services

- General Municipal Election - preparation, venues, review of election bylaws.
- Update of Council Procedure Bylaw
- Records Management - continued roll-out throughout organization.

### Community Services

- Funding Agreements with community partners
- Support community groups as required

### Economic Development

- Manage grant from Tourism-Dependent Communities Fund for projects including wayfinding signage. Rural Dividend Fund grant ends.
- Engage with, and continue to foster relationships with, local non-profit partners
- Support Discover Grand Forks and the Marketing Strategy (Council Strategic Goal)



### Corporate Services

- 49 Weekly Information Summaries
- 46 Weekly Organization Updates
- 20 Council Meeting Highlight Reports
- 3 Media Releases
- 185 Social Media Posts

# INFORMATION TECHNOLOGY

## 2021 Highlights

- Security at remote sites, first and second phases of camera installation
- Migration of campground booking system to a new platform.
- Electrical utility SCADA system upgraded



### Information Technology

- 73 Computers and Laptops
- 56 Desk Phones
- 30 Mobile Devices
- 20 Fibre Connected Facilities  
(Community Fibre Network)
- 18 Virtual Servers
- 11 Cyber Security Campaigns
- 540 Security Phishing Tests
- 2.5 TB of Backups

## Goals for 2022

### Information Technology

- Online cybersecurity training continues for all employees.
- Upgrade office machinery (copier, postage and folding machines), computers, mobile devices.
- Connect rural fire halls to City network.

### Communications

- Continue updates to the City website (Council Strategic Goal) and marketing material
- Social media presence on multiple platforms.
- Ongoing Communications development training
- Support the Disaster Mitigation and Adaptation Fund (DMAF) Program





# DEVELOPMENT, ENGINEERING AND PLANNING

The primary goal of the department is to direct development in such a manner that it results in a thriving community. This is largely done by actively engaging with current and long-term plans which manage essential community functions such as land use, infrastructure and asset management, and environmental protection. Operationally, the department is responsible for maintaining, updating, and administering land use related bylaws and policies while adhering to legislated requirements. Some common processes handled by the department include subdivisions, servicing, rezoning, land title permits and charges, and bylaw interpretation.

The Manager of Strategic Initiatives / Flood Recovery coordinates land acquisition, land management and ecosystem planning, and development initiatives related to flood recovery and mitigation. The Manager also supports the Department in long range planning, major development and capital project review, and sustainability and asset management planning.

## 2021 Highlights

- Continued implementation of provincial policy directives regarding liquor licence operations during COVID restrictions.
- Continued implementation of the records management project.
- Received approval for a grant developed and submitted for ICIP funding for \$4.65 million toward downtown stormwater infrastructure project.
- Official Community Plan (OCP) update project, addressing: Market District; Housing Needs: Form and Character definitions and expectations; Active Transportation
- Coordinated development of phase 1 of the reinvestment program for relocating acquired homes to development sites within the City.
- Negotiated and completed Contribution Agreement with Government of Canada.
- Initiated planning with conservation partners and stakeholders on City wetland and floodplain restoration and rural riparian restoration coordination.

## Goals for 2022

- Initiation of Project OMNII: Optimized Municipal Network of Integrated Information through a grant in the amount of \$500,000 through the UBCM Local Government Development Approvals program. This program presents the opportunity for the City to support the implementation of established best practices and test innovative approaches to improve development approvals processes.
- With 21 land administration applications & land tenures in progress coming into 2022, it is expected the workload for the year will far exceed previous years.



### Development, Engineering, and Planning

**81 New Business Licences Processed**  
**7 Development Permits**  
**0 Strata Sub-division**

**2 Zoning Bylaw amendments**  
**2 Temporary Use Permits**  
**0 Residential Sub-division**



- Affordable attainable housing marketing material/communications strategy development.
- Complete hiring process for a permanent position for a Planning Technician or Senior Planner.
- Adoption of the Intercommunity Business Licence Bylaw early in 2022 – was a pilot project in 2021.
- Processing of business licences and relevant enquiries
- Administration of liquor and cannabis licence processes.
- Statutory rights of way establishment and administration.
- Road dedications and closures – clean-up
- Administration of land use planning processes including: development permits, Development Variance Permits, Strata Conversions, Subdivisions, Temporary Use Permits, Zoning Amendments/Update and OCP Amendments/Update.
- Administration of land tenure processes including leases, licences of occupation, stewardship agreements, statutory rights-of-way, cannabis licences, liquor licences, road dedications, road closures, etc...
- Registration of permits and charges at the Land Titles Office
- Completion of the Official Community Plan update.
- Completion of Wayfinding Strategic Plan and Implementation.
- Completion of West End Development Plan.
- Scoping of major updates to Zoning Bylaw and Subdivision, Development and Servicing Bylaw for consistency with updated Official Community Plan.
- South Ruckle and Granby property acquisition (pending final flood protection design)
- Completion of subdivision, servicing and development plan for OIB joint venture properties

# FINANCE DEPARTMENT

The Finance Department has six staff members that include the Chief Financial Officer, an Accountant/Comptroller, a Payments Clerk, a Revenue Clerk, an Accounting Clerk, and an Administrative Assistant.

The Financial Services Department is responsible for all aspects of financial administration, including financial planning and reporting, debt administration, risk management, and safekeeping and investing of financial assets. The department's six staff members provide services such as revenue billing and collections, property tax, cemetery and business licence administration, and payroll and payments processing.

## Financial Services

- Legislative and Internal Financial Reporting
- Financial Plan and Budget Preparation
- Financial Policy and Bylaw Development
- Revenue Billing and Collection
- Property Tax Administration
- Cemetery Administration
- Business Licence Administration
- Accounts Payable
- Payroll
- Reception Services

## Goals for 2022

- Prepare new Revenue Anticipation Borrowing bylaw to obtain short-term funding for the flood construction works
- Complete detailed financial process documentation for new audit firm
- Prepare for implementation of new accounting standard PS 3280 Asset Retirement Obligations
- Continue with ongoing projects including policy revisions, payroll processes, fixed asset ledger restructuring

## 2021 Highlights

- Rollout of the Province's new online system for claiming and reporting homeowner grants
- Continued to provide support for the DMAF Land Acquisition Program with buyout payment processing and claims preparation
- Conducted RFP process for engagement of new audit firm for the 2021-2023 fiscal years



### Financial Services

**2,500 Utility Accounts**  
**2,900 Property Tax Folios**  
**400 Business Licences**

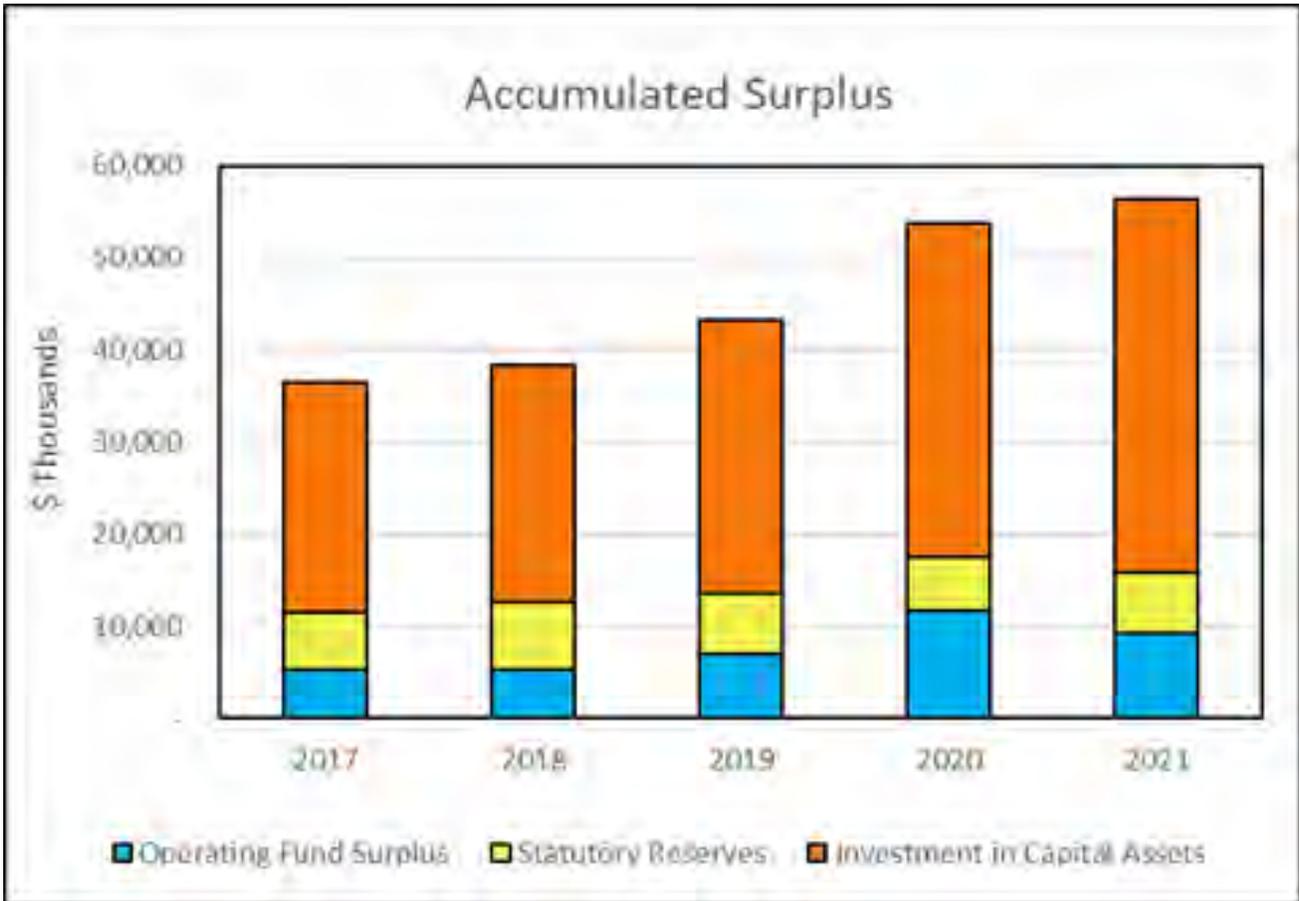
## Operating expenditures

- \$1,481,306 for general government services
- \$1,002,979 for protective services - fire rescue, security, building inspection and bylaw enforcement.
- \$1,120,972 for transportation services – roads and fleet
- \$ 996,491 for recreation and culture – parks maintenance and contributions to Gallery 2, Boundary Museum, Search and Rescue, and the Boundary Regional Chamber of Commerce
- \$ 248,523 for flood related expenses and buyout compensation
- \$ 378,424 for City owned facilities, including \$104,013 for the housing rental program.  
The City received \$143,882 in rental revenue to offset these expenses.
- \$ 266,315 for solid waste management services
- \$ 105,038 for cemetery maintenance and upkeep
- \$ 968,919 for engineering, planning and development services
- \$5,518,416 of operating expenditures for the electrical, water and wastewater utilities

## Financial Highlights

Annual surplus for 2021 was \$2,620,730

Accumulated surplus increased from \$53,790,605 in 2020 to \$56,411,335 at the end of 2021

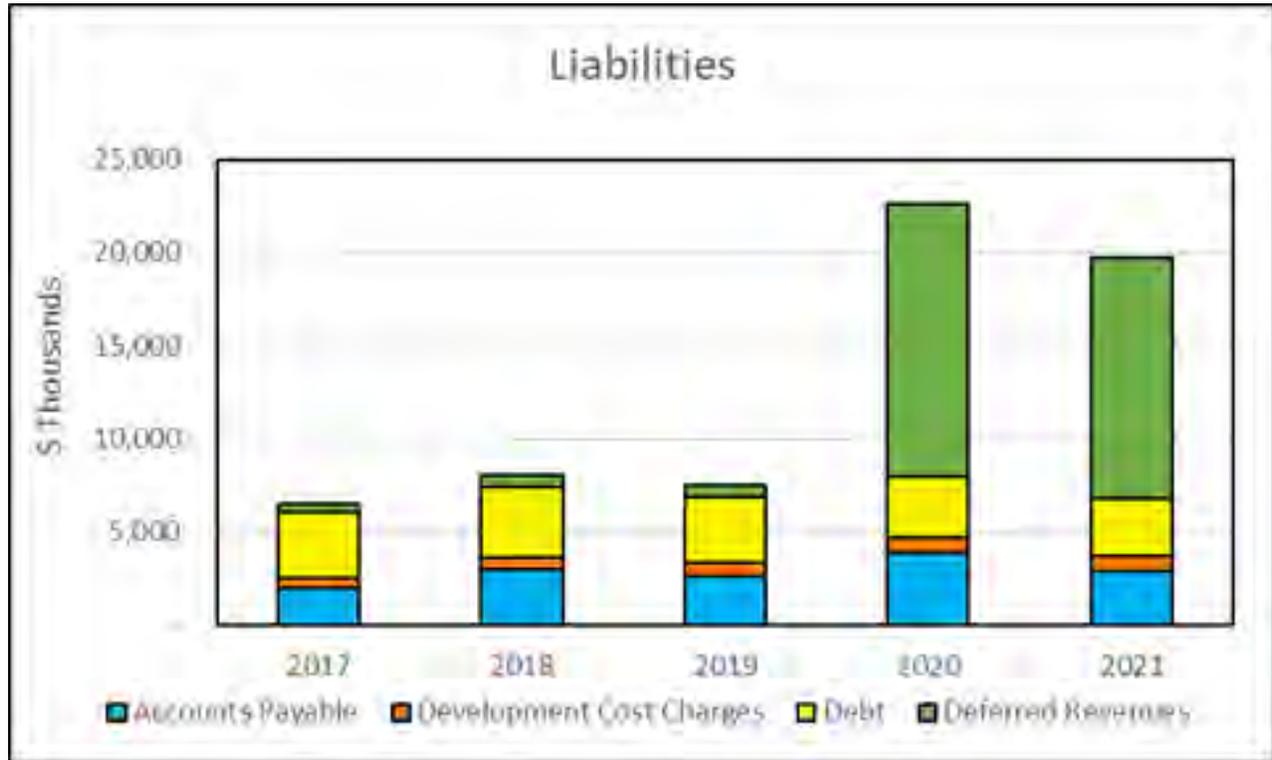


Net financial assets increased from \$10,347,044 in 2020 to \$12,350,605 at the end of 2021

Reserve funds increased from \$5,892,919 to \$6,534,176 with \$867,063 contributed into reserves and \$225,806 used to fund 2021 capital projects



\$10,708,824 of the cash advance received from the Province for the DMAF program in 2020 is recorded as deferred revenue, to be recognized in future years as further eligible expenditures are incurred.

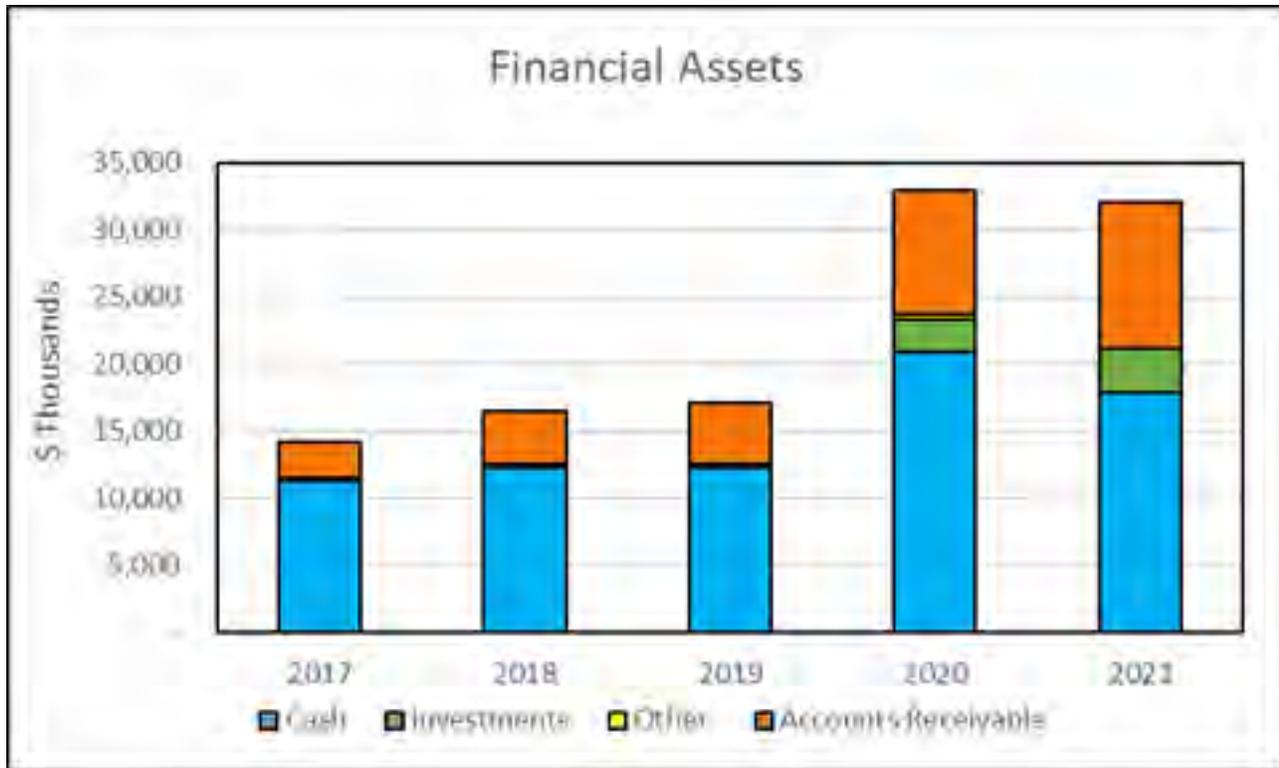


Cash and investments decreased by \$2,254,659 to \$21,105,784.

Accounts receivable include \$8,158,952 for the federal portion of the DMAF grant. Other grants and receivables have declined by \$505,924 from 2020.

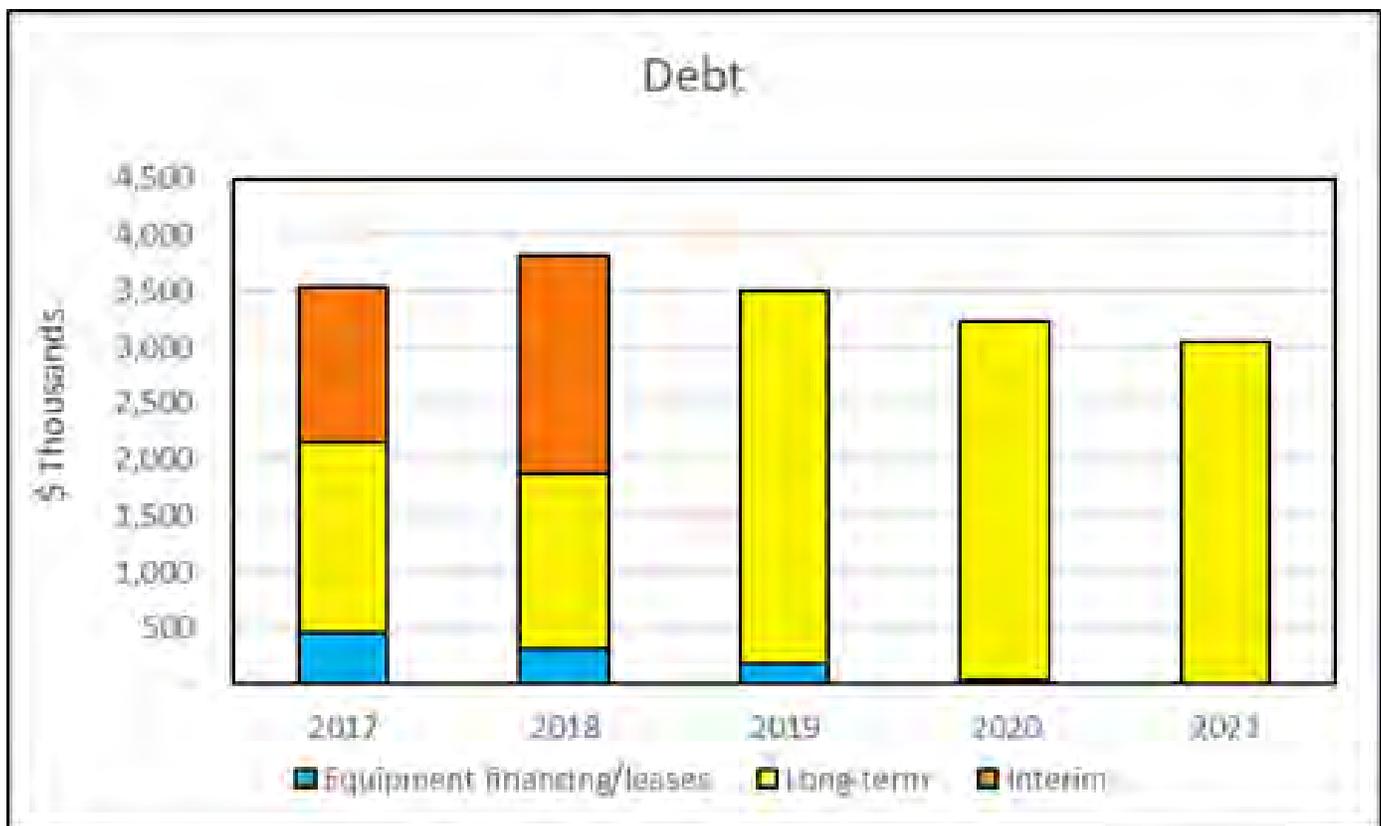
**Financial Services**

- 4,300 Accounts Payable Invoices over 500 Supplier Accounts
- 1,460 Homeowner Grant Applications



Debt has decreased by \$170,960, from \$3,220,135 to \$3,049,175.

Of the total \$6,248,798 capital expenditures for 2021, \$5,002,037 was funded through grants and government transfers, and \$1,246,761 from reserves and operating funds.



# EMERGENCY SERVICES / FIRE DEPARTMENT

The Emergency Services department provides fire and emergency protective services to the City of Grand Forks, and to the Regional District of Kootenay Boundary (Area "D") under contract.

The Chief and two Deputy Chiefs supervise a group of 40 volunteers who provide firefighting, medical and hazardous material response, and road, low- and high-angle rope, and confined space rescue services.

## 2021 Highlights

- Completion of phase one of three of the Self-Contained Breathing Apparatus replacement
- 7 Members completed the level 2 of NFPA 1001 (Structural Firefighter) training
- 4 members completed their Engine Boss training with the Office of the Fire Commissioner
- Accomplished NFPA standard 1403 for interior burn cells at the training grounds
- Assisting and training 6 members of our mutual aid partners Greenwood Fire department to achieve exterior firefighter level as required in the BC Playbook.
- Worked with the RDKB to close the Nursery fire hall as per the 2018 modernization plan



### Volunteer Hours

Response: 2808

Training: 1960



## Goals for 2022

- Review and revise City / RDKB fire protection agreement
- Review and revise Fire and Life Safety Bylaw No. 1965
- Release RFQ to replace Engine 351 located at Station 351 (North Fork)
- Close Station 353 (Big Y)
- Continue work to ensure compliance with the OFC fire department audit report
- Install a self-locking system in the front vestibule of Station 354 (City) to allow for security when responding to fire calls, increased accessibility to the public, and enhanced staff safety
- Evaluate and update fire dispatch radio communications system
- Replace Station 354 (City) hose tower roof
- Purchase 10 of 30 new Self-Contained Breathing Apparatus (SCBA) units (year 2 of a 3-year program)
- Continue to revitalize volunteer firefighter recruitment program
- Fire inspections and public education
  - 200+ fire inspections projected to be completed annually
  - Training of firefighters to assist with pre-plans and inspections.
  - Annual Open House for Fire Prevention Week
  - Annual smoke alarm campaign
  - Monthly media safety messaging
  - Analysis of monthly false alarms



### Calls - 2021

Structure Fire:	14
Car Fire:	8
Other Fire:	274
MVI/Rescue:	77
Medical:	65

Total:  
**438**



### Fire Prevention

131 Inspections  
25 Public Education Events  
Fire extinguisher training  
for community groups.

# OUTSIDE WORKS

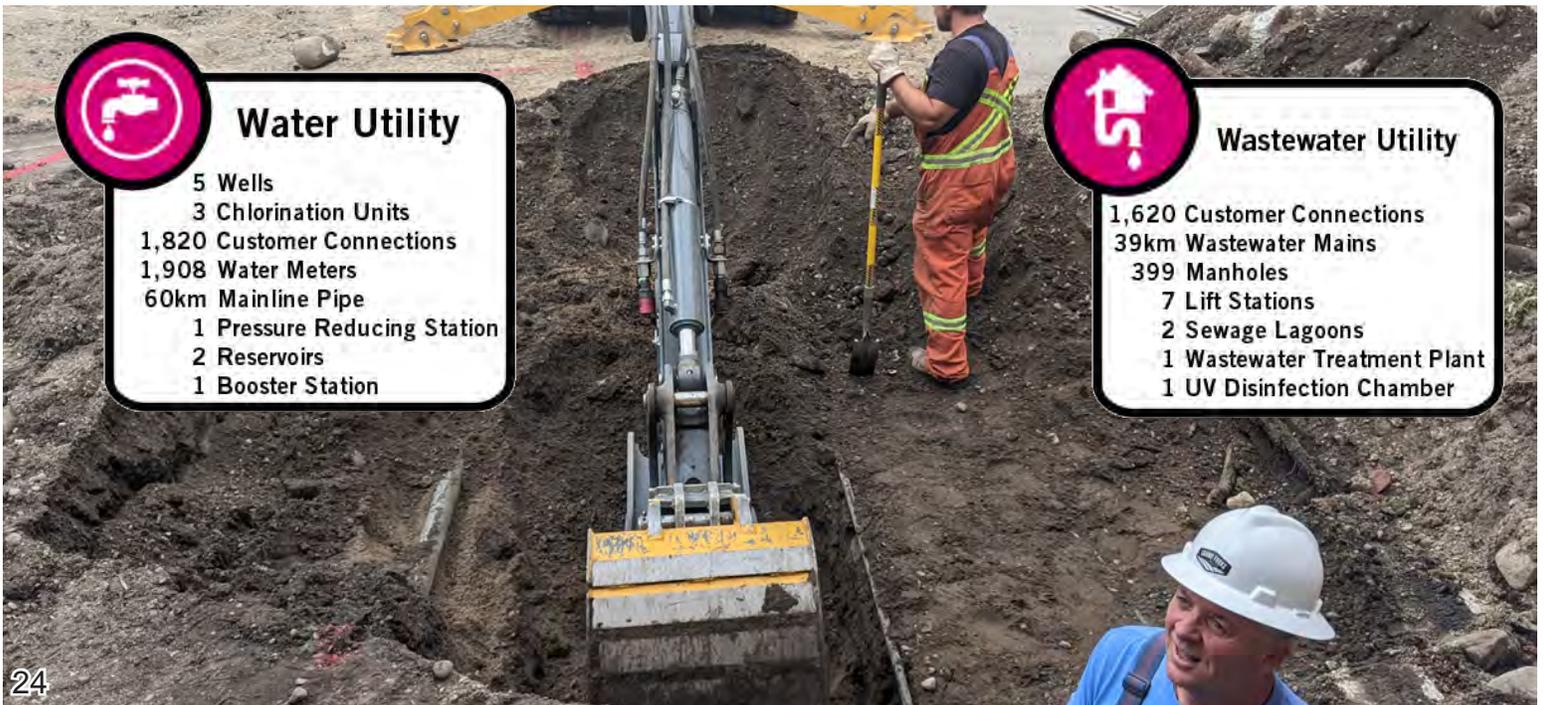
The City of Grand Forks Outside Works Department employs 20 unionized employees and two managers committed to delivering superior and economically feasible levels of service to residents.

The City is one of five municipalities in the province that operates its own electrical utility, providing fair and equitable rates to customers in Grand Forks.



## 2021 Highlights

- Outside Works roof replacement project was completed.
- In order to extend the life of the Airport Runway/Taxiway, crack sealing program was completed.
- Corrected drainage issues at various locations throughout the City.
- Riverside Drive Electrical Line Diversion to eliminate one of the electrical river crossings.
- Fortis Electric Vehicle Charger installation in the parking lot of Gallery 2.
- Disconnection of electrical services in North Ruckle.
- Identified, repaired/replaced problem Sanitary & Water Services, at various locations throughout the City.
- Completed meter installations for unmetered properties.
- Well 1 Investigation.



# Goals for 2022

## All departments

- Maintain or improve service levels
- Asset Management
- Implementing internal work order system as part of the GIS program.

## Public Works (Roads, Parks, Airport)

- Continue annual paving program and sidewalk replacement for sections which have exceeded their useful lifecycle.
- Implement recommendations from the Airport Operations and Infrastructure review (2021)
- Ongoing maintenance for City-owned facilities, including replacement of Courthouse roof.
- Continue tree replacement program for parks and boulevards.
- Install beautiful, interesting xeriscapes to support water conservation.
- Upgrade the central irrigation control system at Public Works and in-ground infrastructure in parks and fields.

## Water

- Initiate the feasibility and engineering for the new Grand Forks Reservoir
  - Options for water mixing and monitoring prior to distribution.
  - Evaluate sizing of reservoir to meet future city demands for consumption and emergency use.

## Wastewater

- Shift strategic plan from “reactionary” to “planned” maintenance operations.
- Identify and focus resources on larger and historically problematic sections within the Wastewater Infrastructure.
- Support flood mitigation projects.

## Electrical

- Implement short to medium-term repair solutions through Valley Heights neighbourhood
- Continue to support engineering and undertake relocation of main feeder lines through City Park to allow for construction of Work Package #1 and #2 dikes.
- Continue and increase pace of replacement of aging pole and cross-arm infrastructure.



# CAPITAL

## 2021 Capital Projects

- Public Works Roof Replacement
- Cemetery Storage Building
- Firehall Vestible Security
- Airport Crack Sealing
- Paving Program
- Donaldson Drive Paving Assessment
- Downtown Sidewalk Drops
- 22nd Street Drainage
- Storm Drainage
- Fire Services SCBA Replacements
- Fire Services Air Compressor Upgrade
- IT Equipment
- Security System
- Flood Plain Risk Management
- Fleet Replacement
- Wastewater Treatment Plant UV & Upgrades
- Central Avenue Sewer Line

# PROJECTS

The background image shows a construction site. In the foreground, a large, dark-colored excavator bucket is suspended in the air, having just emptied or about to empty. Below the bucket, a circular concrete manhole cover with a black metal grate is visible, set into a hole in the ground. The ground around the manhole is dirt and some sparse grass. In the background, there are green bushes and a white building with a dark roof. The overall scene is outdoors during the day.

## 2021 Projects Still in Progress

- Public Works Seacan Roof
- Gallery2 Masonry
- Wayfaring Signs
- East Side Reservoir Upgrades
- Water/Sewer Scada
- Donaldson Drive Infrastructure
- Sewer Main River Crossing
- DMAF Flood Mitigation

## 2022 New Capital Projects

- Courthouse Roof
- Seniors Centre
- Airport Fuel System
- Paving Program
- Playground Equipment
- Irrigation Central Command
- Fire Services SCBA Replacements
- Fire Services Airbag and Extrication Tools
- Office Equipment & Technology
- Firehall Network Connectivity
- Project OMNII Technology
- Fleet Replacement
- Riverside Sanitary Main
- Granby Road/Highway 3 Sewer
- 68th Ave/Black Train Bridge Sewer
- Valley Heights Electrical
- Emergency Repairs

# PROPERTY TAX

In accordance with Division 7 of Part 7 of the Community Charter, permissive property tax exemptions by Council in 2021.

## Athletic, Charitable, or Philanthropic Organizations

Legal Description	Civic Address	Organization	Value of Permissive Exemption
Lot 1, Plan KAP54909, DL 380, S.D.Y.D.	7230 21st Street	Grand Forks Curling Club	\$11,505
Lot 5, Block 10, Plan KAP23, DL 108, S.D.Y.D.	366 Market Avenue	Grand Forks Masonic Building Society	\$508
Lot A, Plan KAP38294, DL 108, S.D.Y.D.	978 72nd Avenue	Sunshine Valley Child Care Society	\$2,028
Lot 8, Block 25, Plan KAP23, DL 108, S.D.Y.D.	686 72nd Avenue	Grand Forks Slavonic Senior Citizens Society	\$722
Parcel A, Plan KAP6691, DL 108, S.D.Y.D.	7239 2nd Street	Grand Forks Auxiliary to the Boundary Hospital Society	\$2,297
Lots 23, 24, 25, 26, Block 29, Plan KAP121, DL 108, S.D.Y.D.	7353 6th Street	Royal Canadian Legion Branch 59	\$3,489
Parcel B, Block 45, Plan KAP72, DL 108, S.D.Y.D.	876 72nd Avenue	Phoenix Manor Society	\$3,085
Lot A, Plan KAP29781, DL 108, S.D.Y.D.	7130 9th Street	Provincial Rental Housing Corp.	\$1,267
Lot 1, Plan KAP59893, DL 520, S.D.Y.D.	8120 Donaldson Drive	Kootenay Boundary Animal Control	\$3,611



# EXEMPTIONS

the following properties in the City of Grand Forks were provided

## Hospital and Public Worship Organizations

Legal Description	Civic Address	Organization	Value of Permissive Exemption
Parcel D, Block 24, Plan KAP23, DL 108, S.D.Y.D.	7252 7th Street	Synod of the Diocese of Kootenay	\$271
Lot 1, Plan KAP45199, DL 108, S.D.Y.D.	7525 4th Street	Grand Forks Christian Centre Society	\$40
Lots 1 & 2, Block 36, Plan KAP72, DL 108, S.D.Y.D.	920 Central Avenue	Trustees of the Congregation of United Church of Canada	\$178
Lots 30, 31, 32, Block 36, Plan KAP72, DL 108, S.D.Y.D.	7249 9th Street	Roman Catholic Bishop of Nelson	\$218
Parcel A, Block 16, Plan KAP35, DL 380, S.D.Y.D.	7328 19th Street	Christ Lutheran Church of Grand Forks	\$66
Lot G, Plan KAP56079, DL 380, S.D.Y.D.	7048 Donaldson Drive	BC Conference of Mennonite Brethren Churches	\$121
Lot 2, Plan KAP53800, DL 520, S.D.Y.D.	7680 Donaldson Drive	Jehovah's Witnesses Church	\$67
Lot 1, Plan KAP8653, DL520, S.D.Y.D.	2826 75th Avenue	Pentecostal Assemblies of Canada	\$89
Lot 1, Plan KAP27903, DL 585, S.D.Y.D.	7850 2nd Street	Grand Forks Baptist Church	\$1,217

## Declaration of disqualified council members

There were no disqualified council members in 2021





*Financial Statements of*

**THE CORPORATION OF THE CITY OF GRAND FORKS**

*For the Year Ended December 31, 2021*

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
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**For the Year Ended December 31, 2021**

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# THE CORPORATION OF THE CITY OF GRAND FORKS

## Management Report

Management is responsible for the preparation of the accompanying financial statements. The financial statements have been prepared in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management has established and maintained a system of internal accounting controls which are designed to provide reasonable assurance that assets are safeguarded, transactions are authorized and recorded properly, and reliable financial information is produced.

The independent external auditors, BDO Canada LLP., have conducted an independent examination in accordance with Canadian auditing standards and expressed their opinion in the accompanying report.

*[Original signed by]*

Juliette Rhodes  
Chief Financial Officer

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## Independent Auditor's Report

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To the Mayor and Council of The Corporation of the City of Grand Forks

### Opinion

We have audited the financial statements of The Corporation of the City of Grand Forks (the "City"), which comprise the statement of financial position as at December 31, 2021, and the statement of operations and accumulated surplus, the statement of changes in net financial assets and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matters

The financial statements for the year end December 31, 2020 were audited by another practitioner who expressed an unmodified opinion on those financial statements on May 12, 2021.

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedule 3 of the financial statements.

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

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

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

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



### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*BDO Canada LLP*

**Chartered Professional Accountants**  
Kelowna, British Columbia  
May 9, 2022

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Statement of Financial Position**

<b>As at December 31</b>	<b>2021</b>	<b>2020</b>
<b>Financial Assets</b>		
Cash (note 3)	\$ 17,830,505	\$ 20,852,091
Accounts receivable (note 5)	10,877,239	9,289,454
Portfolio Investments (note 6)	3,275,279	2,508,352
Municipal Finance Authority deposit (note 7)	42,547	41,835
Inventories for resale	21,144	18,831
Land held for resale	-	211,036
Lease receivable (note 8)	-	21,597
	<b>32,046,714</b>	<b>32,943,196</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 9)	2,522,195	3,572,028
Employee future benefits (note 10)	356,031	355,222
Deferred revenues (note 11)	12,923,315	14,652,391
Development cost charges (note 12)	845,393	796,376
Long-term debt (note 13)	3,049,175	3,220,135
	<b>19,696,109</b>	<b>22,596,152</b>
<b>Net financial assets</b>	<b>12,350,605</b>	<b>10,347,044</b>
<b>Non-financial assets</b>		
Prepaid expenses	131,523	230,778
Land under development (note 14)	-	3,315,000
Inventory of parts and supplies	373,386	451,142
Tangible capital assets (note 15)	43,555,821	39,446,641
	<b>44,060,730</b>	<b>43,443,561</b>
<b>Accumulated surplus (note 16)</b>	<b>\$ 56,411,335</b>	<b>\$ 53,790,605</b>

*[Original signed by]*

Juliette Rhodes, CPA, CGA  
 Chief Financial Officer

*[Original signed by]*

Brian Taylor  
 Mayor, City of Grand Forks

The accompanying notes are an integral part of these financial statements.

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Statement of Operations and Accumulated Surplus**

<i>For the year ended December 31</i>	2021 Budget (Note 21)	2021 Actual	2020 Actual
<b>Revenue</b>			
Property taxation (note 17)	\$ 4,107,957	\$ 4,097,472	\$ 4,221,996
Sales of services (note 18)	7,476,559	7,571,925	7,397,240
Other revenues (note 19)	384,670	732,112	818,118
Government transfers (note 20)	11,519,810	7,218,732	18,333,685
Contributions from others	100,000	97,217	15,630
Interest income	116,146	179,269	272,575
Investment income on sinking fund	-	22,919	18,288
	23,705,142	19,919,646	31,077,532
<b>Expenses</b>			
General government	1,470,464	1,481,306	1,439,631
Protective services	1,060,385	1,002,979	991,203
Disaster response and recovery	-	248,523	2,638,624
Environmental health services	289,080	266,315	257,941
Public health and welfare	77,134	105,038	83,256
Planning and development	1,158,749	968,919	699,419
Transportation services	1,419,235	1,120,972	1,272,056
Recreation and cultural services	1,070,174	996,491	836,405
Public real estate	263,988	378,424	298,561
Electrical services	4,133,777	3,913,163	3,936,182
Water services	795,750	681,501	675,941
Wastewater services	840,369	923,752	823,523
Amortization	1,799,564	1,965,610	1,795,069
Loss on disposal of tangible capital assets	-	19,114	3,900
Write-down of tangible capital assets	-	167,509	-
Write-down of assets (note 29)	-	3,059,300	4,756,485
	14,378,669	17,298,916	20,508,196
<b>Annual Surplus</b>	9,326,473	2,620,730	10,569,336
Accumulated surplus, beginning of year	53,790,605	53,790,605	43,221,269
<b>Accumulated surplus, end of year</b>	\$ 63,117,078	\$ 56,411,335	\$ 53,790,605

The accompanying notes are an integral part of these financial statements.

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Statement of Changes in Net Financial Assets**

<i>For the year ended December 31</i>	2021 Budget (Note 21)	2021 Actual	2020 Actual
Annual Surplus	\$ 9,326,473	\$ 2,620,730	\$ 10,569,336
Acquisition of tangible capital assets	(12,837,488)	<b>(6,248,798)</b>	(8,089,797)
Amortization of tangible capital assets	1,799,564	<b>1,965,610</b>	1,795,069
(Gain) loss on disposal of assets	-	<b>(3,202)</b>	3,900
Proceeds from sale of assets	-	<b>9,702</b>	30,312
Write-down of tangible capital assets	-	<b>167,509</b>	-
Change in land under development	-	<b>3,315,000</b>	(3,315,000)
Net change in prepaid expenses and supplies inventory	-	<b>177,010</b>	(200,979)
Increase (decrease) in Net Financial Assets	(1,711,451)	<b>2,003,561</b>	792,841
Net Financial Assets, beginning of year	10,347,044	<b>10,347,044</b>	9,554,203
Net Financial Assets, end of year	<b>\$ 8,635,593</b>	<b>\$ 12,350,605</b>	<b>\$ 10,347,044</b>

The accompanying notes are an integral part of these financial statements.

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Statement of Cash Flow**

*For the year ended December 31*

	2021	2020
<b>Operating transactions</b>		
Annual surplus	\$ 2,620,730	\$ 10,569,336
Adjustment for non-cash items		
Amortization of tangible capital assets	1,965,610	1,795,069
(Gain) loss on disposal of assets	(3,202)	3,900
Decrease in prepaid expenses	99,255	69,290
Decrease in land held for resale	211,036	-
Decrease (increase) in supplies inventory	77,756	(270,269)
Actuarial adjustments on long term debt	(21,688)	(17,134)
Write-down of tangible capital assets	167,509	-
Write-down of buildings for resale	3,059,300	4,756,485
 (Increase) decrease in assets		
Accounts receivable	(1,587,785)	(4,832,982)
Lease receivable	21,597	24,841
MFA deposits	(712)	(843)
Inventories for resale	(2,313)	10,000
Buildings for resale	255,700	(8,071,485)
 Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(1,049,834)	1,287,481
Deferred revenues	(1,729,076)	14,039,725
Employee future benefits	809	39,330
Deferred development cost charges	49,017	21,629
	<u>4,133,709</u>	<u>19,424,373</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(6,248,798)	(8,089,797)
Proceeds on disposal of tangible capital assets	9,702	30,312
	<u>(6,239,096)</u>	<u>(8,059,485)</u>
<b>Investing transactions</b>		
Increase in portfolio investments	(766,927)	(2,508,352)
	<u>(766,927)</u>	<u>(2,508,352)</u>
<b>Financing transactions</b>		
Repayment of long-term debt	(149,272)	(262,543)
	<u>(149,272)</u>	<u>(262,543)</u>
 Net (decrease) increase in cash	 (3,021,586)	 8,593,993
Cash, beginning of year	20,852,091	12,258,098
<b>Cash, end of year</b>	<b>\$ 17,830,505</b>	<b>\$ 20,852,091</b>

The accompanying notes are an integral part of these financial statements

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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The notes to the financial statements are an integral part of these statements. They explain the significant accounting and reporting policies and the principles that form the basis of these financial statements, as well as providing supplementary information and explanations which cannot be conveniently integrated into the statements.

### 1. Nature of Entity

The Corporation of the City of Grand Forks ("the City") was incorporated in 1897 under the Municipal Act (now a combination of the Community Charter and the Local Government Act), a statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These services include protective, community planning, transportation, recreational, solid waste collection, water, wastewater and electrical services.

### 2. Significant Accounting Policies

#### Basis of Presentation

The financial statements are the responsibility of and are prepared by management in accordance with Canadian Public Sector Accounting Standards and prescribed by the Public Sector Accounting Board ("PSAB").

The City's operations and resources are segregated into various funds for accounting and financial reporting purposes, with each fund treated as a separate entity with responsibility for the assets allocated to it. Inter-fund transactions and balances have been eliminated in the preparation of these financial statements.

#### Budget Figures

The budget figures are from the 5-Year Financial Plan Bylaw, No. 2078 which was adopted on March 22, 2021. Subsequent budget amendments adopted by Council have not been included in these financial statements.

#### Revenue Recognition

Taxation revenues are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxation event occurs. Revenues from the sale of services and user fees are recognized when the service or product is provided by the City. Franchise and other revenues are recorded as they are earned and measurable. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the City fulfills its obligations related to the provision of those services.

Transfers from other governments are recognized as revenue in the period that the transfer is authorized, eligibility criteria have been met, and a reasonable estimate of the amount can be made. If transfer agreements contain stipulations that would give rise to obligations which meet the definition of a liability, revenue is deferred and recognized as the stipulations are met.

Insurance proceeds are recognized when the amount of recovery is determinable and there is a high degree of certainty with respect to the receipt of funds.

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

#### Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue. The associated revenue is recognized in the year in which it is used for the specified purpose.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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### Expenses

Expenses are generally recognized as they are incurred based upon receipt of the goods and services and/or a legal obligation to pay is established.

### Inventories for Resale

Inventories for resale consist of aviation fuel which is held at the lower of historical and replacement cost, using a weighted average basis.

### Land Held For Resale

Land held for resale is recorded at the lower of cost, including transaction fees directly attributable to the acquisition and improvements to prepare the land for sale, or net realizable value. Donated land for resale has been recorded at a nominal value where its historical value is unknown.

### Lease Receivable

Leases receivable are initially recorded at cost. Valuation allowances are made when collection is in doubt. Interest revenue in relation to the lease is recorded at the time it is received.

### Employee Future Benefits

The City and its employees participate in the Municipal Pension Plan, a jointly trustee, multi-employer contributory defined benefit pension plan. Payments made to the pension plan are expensed as incurred.

The City provides accumulated sick leave and certain other benefits to its unionized employees upon retirement. In addition, certain other post-employment benefits are provided to management staff. The liabilities and expenses for these benefits are accrued in the financial statements in the period in which they are earned.

Expenses for management sick leave are not accrued, but recognized at the time they are paid.

### Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, water or sediment of a chemical, organic or radioactive material or live organism that exceeds the maximum acceptable concentrations under an environmental standard. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the City is directly responsible or accepts responsibility, and a reasonable estimate of the amount can be made.

The liability includes costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

### Inventory of Parts and Supplies

Inventories held for consumption include materials and repair parts held for use by the electrical and water utilities, fuel for consumption and other items used in operations, and are valued at replacement cost.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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### Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset, but excluding interest. The cost of tangible capital assets is amortized on a straight-line basis over the estimated useful life of the asset as follows:

<b>Asset Class</b>	<b>Estimated Useful Life</b>
Land	Not amortized
Land Improvements	20 - 50 years
Buildings	40 - 50 years
Engineering Structures	10 - 50 years
Machinery & Equipment	3 - 25 years
Vehicles	8 - 40 years
Electrical Utility Plant & Equipment	5 - 40 years
Water Utility Plant & Equipment	10 - 50 years
Wastewater Utility Plant & Equipment	10 - 50 years

Donated tangible capital assets are recorded at their fair value at the date of receipt.

Work in progress, which represents capital projects under construction but not yet completed, is not amortized until construction is complete and the asset is available for productive use.

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

### Long-Term Debt

Outstanding long-term debt is reported net of applicable sinking fund balances.

### Debt Charges

Interest on debt is charged to current operations. Interest charges are accrued for the period from the date of the latest interest payment to the end of the year.

### Trust Funds

These funds hold cash assets that must be used for specific purposes and/or beneficiaries according to agreements or legislated requirements. The City administers trust funds for its Employee Assistance Program, Slag Remediation, and Cemetery Care Fund. In accordance with public sector accounting standards, trust funds administered by the City are not included in the City's financial statements, other than as disclosed in Note 22.

### Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the financial reporting period. Significant areas requiring the use of estimates include the determination of accrued payroll liabilities and employee future benefits, tangible capital asset useful lives and amortization expense, utility revenue accruals, amounts receivable from insurance, provisions for contingencies, and costs recoverable from the salvage of residential housing. Actual results could differ from management's best estimates as additional information becomes available in the future.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

**3. Cash**

Cash is comprised of unrestricted cash for operations and restricted cash for reserve funds and deferred development cost charges which are held in segregated accounts.

	2021	2020
Restricted cash		
Statutory Reserves	\$ 6,534,077	\$ 7,435,094
Development Cost Charges (see Note 12)	<u>845,393</u>	<u>796,376</u>
	7,379,470	8,231,470
Unrestricted cash	<u>10,451,035</u>	12,620,621
Total cash	<u>\$ 17,830,505</u>	<u>\$ 20,852,091</u>

**4. Operating Line of Credit**

The City has an operating line of credit with Grand Forks Credit Union for an authorized amount of \$2,000,000, secured by a promissory note and bearing interest at the base lending rate less 0.5%. At December 31, 2021, the balance outstanding on the operating line of credit was \$Nil (2020 - \$Nil).

**5. Accounts Receivable**

Accounts receivable are recorded net of allowances and comprise the following:

	2021	2020
Property taxes	\$ 476,235	\$ 603,372
Utility accounts receivable	1,288,039	1,300,013
Due from other governments (Note 29)	8,577,021	7,068,083
Trade and other receivables	<u>535,944</u>	<u>317,986</u>
	<u>\$ 10,877,239</u>	<u>\$ 9,289,454</u>

**6. Portfolio Investments**

	2021	2020
Term deposit, maturing December, 2022	\$ 735,000	\$ -
MFA Short Term Bond Fund	1,538,118	1,507,720
MFA Money Market Fund	<u>1,002,161</u>	<u>1,000,632</u>
	<u>\$ 3,275,279</u>	<u>\$ 2,508,352</u>

The market value of portfolio investments at December 31, 2021 was \$3,233,843 (2020 - \$2,509,693), with yields from 0.3% to 1.4%.

**7. Municipal Finance Authority Debt Reserve Fund**

The Municipal Finance Authority (MFA) provides capital funding for regional districts and their member municipalities through the issuance of debenture debt. The Debt Reserve Fund established by the Municipal Finance Authority is security held in trust to meet its obligations to debenture holders.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

Municipalities sharing in the proceeds of a debt issue are required to contribute certain amounts to the debt reserve fund in the form of cash withheld from the loan proceeds and a non-interest bearing demand note. Monies paid into the Debt Reserve Fund are obligations of the Municipal Finance Authority and are refunded, with interest, upon maturity of the debt.

Only the cash portion of MFA deposits is included as a financial asset. The demand notes are contingent in nature and not reflected in the financial statements.

The details of the cash deposits and demand notes at year end are as follows:

	Demand Notes	Cash Deposits	<b>2021</b>	2020
General Fund	\$ 17,929	\$ 11,828	<b>\$ 29,757</b>	\$ 29,559
Water Fund	10,024	7,001	<b>17,025</b>	16,908
Wastewater Fund	48,787	23,718	<b>72,505</b>	72,108
	<b>\$ 76,740</b>	<b>\$ 42,547</b>	<b>\$ 119,287</b>	<b>\$ 118,575</b>

**8. Lease Receivable**

During the year, the City concluded a long-term lease agreement with the Regional District of Kootenay Boundary for the lease of a building and lands. The term of the agreement was 12 years commencing August 1, 2010, with annual payments of \$27,000 including interest at 4.65%. Interest of \$1,005 (2020 - \$2,159) was received during the year.

**9. Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities comprise the following:

	<b>2021</b>	2020
Wages and benefits	<b>\$ 666,652</b>	\$ 708,672
Trade payables	<b>1,626,566</b>	1,640,808
Property purchase agreements (Note 14)	-	933,000
Other taxing authorities	<b>208,033</b>	267,374
Accrued interest	<b>20,944</b>	22,174
	<b>\$ 2,522,195</b>	<b>\$3,572,028</b>

**10. Employee Future Benefits**

Sick leave benefits for union employees are accumulated as earned, based on provisions of the collective agreement, years of service and current wage rates, less leave taken during the year. The amount reported as employee future benefits represents sick leave allowances which have been fully accrued to the level of the employees' current accumulated entitlement. These amounts will require funding in future accounting periods as cash payments are made to employees retiring from service.

Other post-employment benefits are accrued based on the relevant agreements, using current rates of pay and vacation entitlement credits, and estimates of remaining years of service. Vacation pay accruals and other post-employment benefits payable are included in the balance of accounts payable and accrued liabilities.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

**11. Deferred Revenues**

The City records deferred revenue for funds received in advance of services being rendered. These amounts are shown as liabilities until the services are rendered or related costs are incurred.

	Balance, Beginning of Year	Contributions Received/ Returned	Revenue Earned	<b>Balance, End of Year</b>
Prepaid taxes	\$ 323,608	\$ 362,672	\$ (323,608)	<b>\$ 362,672</b>
Prepaid utilities	44,276	56,954	(44,276)	<b>56,954</b>
Library maintenance contract	41,058	13,000	(12,895)	<b>41,163</b>
Disaster mitigation grant (Note 29)	14,096,136	-	(3,387,312)	<b>10,708,824</b>
Other grants	131,600	1,841,896	(250,396)	<b>1,723,100</b>
Deposits and other	15,713	21,214	(6,325)	<b>30,602</b>
	<b>\$ 14,652,391</b>	<b>\$ 2,295,736</b>	<b>\$ (4,024,812)</b>	<b>\$ 12,923,315</b>

**12. Development Cost Charges (DCCs)**

Pursuant to the provisions of the Local Government Act, development cost charges are held in separate reserve funds for the purpose for which the charges have been imposed. When the related costs are incurred, the DCCs are recognized as revenue. Due to the restrictive nature of these funds, they are shown as liabilities.

	<b>2021</b>	2020
Balance, beginning of year	<b>\$ 796,376</b>	\$ 774,747
Contributions from developers	<b>41,162</b>	10,389
Interest on investments	<b>7,855</b>	11,240
Balance, end of year	<b>\$ 845,393</b>	\$ 796,376

The balance of deferred development cost charges comprises the following:

	<b>2021</b>	2020
Water development cost charges	<b>\$ 345,083</b>	\$ 320,988
Wastewater development cost charges	<b>497,676</b>	472,779
Parkland development cost charges	<b>2,634</b>	2,609
	<b>\$ 845,393</b>	\$ 796,376

**13. Long-Term Debt**

The City has financed certain capital expenditures by means of long-term debenture debt obtained from the Municipal Finance Authority through the Regional District of Kootenay Boundary. These loans range in term from fifteen to twenty-five years, with maturity dates from 2025 to 2044. The terms of the loan agreement require the City to provide security in the form of demand notes payable to the MFA and to deposit cash representing 1% of the gross proceeds into a debt reserve fund (see note 7).

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

The City also funded the purchase of assets through the MFA's equipment financing program, which takes the place of the former MFA leasing program. This debt, consisting of a five-year loan payable in monthly installments at a variable interest rate based on the monthly Canadian Dealer Offered Rate, was retired during 2021.

The following is a summary of the City's long-term debt obligations:

	Current Interest Rate	Term	Maturity	Balance, Beginning of Year	Payments of Principal	Actuarial Adjustment	Balance, End of Year	2021 Interest
<b>General</b>								
Roads - NW 79th Bylaw 1887; MFA Issue #112	3.73%	15 yrs	2025	\$ 28,028	\$ 3,758	\$ 1,469	\$ 22,801	\$ 896
General Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	1,015,702	28,644	859	986,199	23,393
<b>Water Utility</b>								
Emergency Water Supply Bylaw 1922; MFA Issue #149	2.24%	25 yrs	2044	413,343	11,657	350	401,336	9,520
Water Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	240,345	6,778	203	233,364	5,536
<b>Sewer Utility</b>								
City Park Lift Station Bylaw 1873; MFA Issue #126	3.85%	20 yrs	2033	1,290,917	59,000	18,640	1,213,277	67,642
Sewer Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	197,948	5,583	167	192,198	4,559
<b>Long term loan financing</b>				\$ 3,186,283	\$ 115,420	\$ 21,688	\$ 3,049,175	\$ 111,546
<b>Equipment financing</b>								
2015 Cobra Ladder Truck MFA Loan #0001-0	1.22%	5 yrs	2021	\$ 33,852	\$ 33,852	\$ -	\$ -	\$ 42
<b>Total Long Term Debt</b>				\$ 3,220,135	\$ 149,272	\$ 21,688	\$ 3,049,175	\$ 111,588

The estimated requirements for future repayments of principal on existing debt for the next five years are as follows:

	2022	2023	2024	2025	2026
General	\$ 32,402	\$ 32,402	\$ 32,402	\$ 32,402	\$ 28,644
Water Utility	18,435	18,435	18,435	18,435	18,435
Sewer Utility	64,583	64,583	64,583	64,583	64,583
	\$ 115,420	\$ 115,420	\$ 115,420	\$ 115,420	\$ 111,662

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

**14. Land Under Development**

During 2021, the City completed purchase transactions which were the subject of prior year Right to Purchase Agreements with property owners for the acquisition of land and improvements under the Disaster Mitigation and Adaptation Land Acquisition program (note 29). \$933,000 was paid during the year for the outstanding contract payments under these agreements.

**15. Tangible Capital Assets**

Tangible capital assets consist of the following:

	Net Book Value 2021	Net Book Value 2020
<b>General</b>		
Land	\$ 6,933,132	\$ 5,344,730
Land improvements	324,086	345,254
Buildings	3,138,254	2,837,300
Machinery and equipment	925,961	844,351
Engineering structures	8,822,932	9,003,244
Storm structures	72,870	12,495
Protective services vehicles	929,273	967,890
Public works vehicles	1,004,752	1,016,311
Assets under construction	5,694,814	2,455,815
	<b>27,846,074</b>	<b>22,827,390</b>
<b>Water Utility</b>		
Plant and equipment	4,253,617	4,619,469
Assets under construction	34,148	-
	<b>4,287,765</b>	<b>4,619,469</b>
<b>Electrical Utility</b>		
Plant and equipment	2,118,233	2,230,108
Assets under construction	49,429	216,937
	<b>2,167,662</b>	<b>2,447,045</b>
<b>Wastewater Utility</b>		
Plant and equipment	9,254,320	8,841,462
Assets under construction	-	711,275
	<b>9,254,320</b>	<b>9,552,737</b>
<b>Total Tangible Capital Assets</b>	<b>\$ 43,555,821</b>	<b>\$ 39,446,641</b>

See Schedule 2 for additional information on the City's tangible capital assets.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

16. Accumulated surplus comprises the following:

	2021	2020
<b>Operating</b>	<b>\$ 9,340,513</b>	<b>\$ 11,654,897</b>
<b>Statutory Reserves</b>		
Community works gas tax	1,738,497	1,421,148
Capital	1,579,441	1,586,939
Land sales	1,026,632	1,016,929
Slag sales	1,010,700	847,550
Electrical capital	798,400	790,212
Equipment replacement	199,063	62,659
Water capital	110,735	109,524
Climate action	41,536	29,080
Wastewater capital	24,695	24,444
Cash in lieu of parking	4,477	4,434
	<b>\$ 6,534,176</b>	<b>\$ 5,892,919</b>
<b>Non-Statutory Reserves</b>		
Election reserve	30,000	15,000
Fire department - EOC reserve	-	1,283
	<b>\$ 30,000</b>	<b>\$ 16,283</b>
<b>Investment in Non-Financial Assets</b>		
Investment in tangible capital assets	40,506,646	36,226,506
	<b>\$ 56,411,335</b>	<b>\$ 53,790,605</b>

**17. Property Tax Revenues**

Municipal taxation revenues consist of the following:

	2021	2020
Property taxes	\$ 3,957,316	\$ 3,881,394
Parcel and frontage taxes	5,774	154,153
1% utilities tax	101,513	144,859
Grants and payments in lieu of taxes	32,869	41,590
	<b>\$ 4,097,472</b>	<b>\$ 4,221,996</b>

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

**18. Sale of Services**

	2021	2020
Electrical utility user fees	\$ 5,039,483	\$ 4,840,946
Water utility user fees	1,012,362	1,003,661
Wastewater utility user fees	902,503	931,329
Solid waste collection	275,251	276,157
Slag sales	195,008	242,169
Campground fees	55,760	40,152
Cemetery	37,544	28,010
Airport (net of cost of fuel sold)	31,743	21,186
Sundry and other	22,271	13,630
	<u>\$ 7,571,925</u>	<u>\$ 7,397,240</u>

**19. Other Revenues**

	2021	2020
Leases and rentals	\$ 264,301	\$ 154,814
Licences and permits	125,814	55,241
Donations and grants	106,310	37,300
Penalties and interest	83,249	79,548
Insurance recoveries	69,484	385,217
Franchise fees	62,529	62,814
Other revenues	20,425	27,022
Other recoveries	-	16,162
	<u>\$ 732,112</u>	<u>\$ 818,118</u>

**20. Government Transfers**

In 2021 the City received and recorded the following transfers from other governments:

	2021	2020
<b>Operating transfers</b>		
Provincial	\$ 800,844	\$ 2,335,436
Regional	311,248	327,852
	<u>\$ 1,112,092</u>	<u>\$ 2,663,288</u>
<b>Capital transfers</b>		
Federal	\$ 2,574,112	\$ 6,219,358
Provincial	3,469,102	9,451,039
Regional	63,426	-
	<u>\$ 6,106,640</u>	<u>\$ 15,670,397</u>
<b>Total government transfers</b>	<u>\$ 7,218,732</u>	<u>\$ 18,333,685</u>

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

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**21. Reconciliation to Budget**

The following reconciles the balanced statutory budget adopted by Council on March 22, 2021 with the budgeted surplus reported on the statement of operations and accumulated surplus:

Budget surplus as per the statement of operations and accumulated surplus	\$ 9,326,473
Add: Amortization expense	1,799,564
Transfers from reserves and surplus	1,834,388
Proceeds from borrowing	26,114
Subtract: Debt principal repayments	(149,051)
Tangible capital asset expenditures	(12,837,488)
	<hr/>
Financial Plan Balance per Bylaw No. 2078	\$ -
	<hr/>

**22. Trust Funds**

Funds held in trust and administered by the City, which are not included in these financial statements, include the following:

<b>Fund Balance</b>	<b>2021</b>	<b>2020</b>
Cemetery Care Fund	\$ 181,117	\$ 179,409
Employee Assistance Program	6,514	5,556
Slag Remediation Trust	<u>21,554</u>	<u>21,350</u>
	<u>\$ 209,185</u>	<u>\$ 206,315</u>

**23. Liability for Contaminated Sites**

Management has prepared an inventory of sites that are no longer in productive use. Some sites have been identified to be at risk of contamination, but remediation is not required at this time and therefore no liability has been recognized. An environmental liability could result if there is a change in land use.

**24. Contingent Liabilities**

**Regional District of Kootenay Boundary**

Under the provisions of the *Local Government Act*, Regional District debt is a direct, joint and several liability of the Regional District and each member municipality including the City. The loan agreements with the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligation with respect to such borrowing, the resulting deficiency becomes the liability of the member municipalities.

**Legal Actions**

The City is currently engaged in certain legal actions, the outcome of which is not determinable at this time. Accordingly, no provision has been made in the accounts for these actions. The amount of loss, if any, arising from these actions will be recorded in the accounts in the period in which the loss is realized.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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### **Pension Liability**

The City and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$345,749 (2020 - \$334,102) for employer contributions to the plan in fiscal 2021.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

### **25. Contractual Obligations and Commitments**

The City has entered into an agreement with School District No. 51 for the latter to provide technical and operational support for the City's computer and telephone network systems. Under the terms of the agreement, the City has agreed to pay \$60,000 per year from 2022 to 2023 and \$45,000 in 2024 for these services.

In 2017 the City entered into a five-year agreement with the Regional District of Kootenay Boundary for the latter to provide solid waste collection services for the City on a per unit basis through a third party contractor. The City's expenses incurred under this contract for 2021 were \$207,579 (2020 - \$206,803).

The City has significant contractual commitments for incomplete capital acquisitions and construction projects in progress. As at the end of December 2021, the City had entered into contracts totalling \$3,778,948, with expenditures to date of \$2,608,154. These contracts are planned for completion during 2022, with unexpended funds carried forward and included in the next year's annual Financial Plan.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

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**26. Contingent Assets**

The City has entered into a partnership agreement with the Osoyoos Indian Band (OIB) to relocate up to 10 residential buildings from flood prone areas to other locations within the City. Under the terms of the agreement, the City will contribute the houses and development lands, with OIB providing the development services for relocation and reconstruction of the properties for resale. Sale proceeds, net of development costs, will be shared equally by the City and OIB. An estimate of the City's share of proceeds cannot be made, due to the volatility of commodity prices and uncertainties in the current real estate market.

**27. Contractual Rights**

The City has entered into property lease and utility franchise and pole agreements with terms of up to twenty years. The City has contractual rights to receive the following estimated payments with respect to these agreements for the next five years:

2022	190,300
2023	187,500
2024	174,200
2025	96,000
2026	<u>67,800</u>
Total	\$715,800

The City is entitled to minimum annual payments of \$116,000 for a land lease and the removal of material from City-owned slag piles under the terms of an agreement ending in March 2036.

On November 1, 2006, the City entered into a twenty-five year agreement to provide fire protection services for the Grand Forks Rural Fire Protection District. Under the terms of the agreement, the Fire Protection District will contribute towards a share of the City's operating costs for the municipal fire department. \$287,133 of revenue was recorded in 2021 for the portion of municipal operating costs shared with the district.

The City has entered into funding agreements with the Federal and Provincial governments with respect to various City infrastructure projects and economic development programs. To date, grant revenue of \$490,596 has been recognized based on eligible expenditures, leaving \$7,951,481 of revenue to be realized as the remaining expenditures are incurred over the next few years, as follows:

Investing in Canada Infrastructure Program	\$7,040,277
Rural Dividend Fund	7,609
BC Community Grants Project	18,210
Tourism Dependent Community Fund	209,500
Strengthening Communities' Services Program	175,885
Local Government Development Approvals Program	500,000

The City is also expected to receive approximately \$482,800 of grant funding from 2022 to 2023 under the Community Works Fund.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

For the year ended December 31, 2021

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### 28. Future Accounting Changes

#### PS 3280 – Asset Retirement Obligations

This section establishes standards on how to account for and report a liability for asset retirement obligations, which are legal obligations associated with the retirement of a tangible capital asset. This standard applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

#### PS 3400 - Revenues

This new section establishes standards on how to account for and report on revenue, specifically with respect to differentiation between revenue arising from transactions that include performance obligations (exchange transactions) and those that do not have performance obligations (unilateral transactions). A performance obligation is an enforceable promise to provide specific goods or services to a specific payor, and can take many forms. This section applies to fiscal years beginning on or after April 1, 2023, with earlier adoption permitted.

#### PS 2601 - Foreign Currency Translation

This section applies to transactions which are denominated in a currency other than its reporting currency, including those which arise when a government borrows or lends funds for which the amounts payable or receivable are denominated in a foreign currency, or when it becomes party to a contract involving foreign currencies. This section revised and replaces the existing section PS 2600 *Foreign Currency Translation* and applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

#### PS 3450 - Financial Instruments

This section establishes standards for recognizing and measuring all types of financial instruments, including derivatives. Financial instruments include primary instruments, such as receivables, payables and equity instruments, as well as derivatives such as financial options, futures and forwards, interest rate swaps and currency swaps. This section applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

#### PS 3041 - Portfolio Investments

This section establishes standards on accounting and reporting for portfolio investments, Portfolio investments are investments in organizations which do not form part of the government reporting entity, such as equity or debt instruments issued by the investee. This section revises and replaces section PS 3040 *Portfolio Investments* and section PS 3030 *Temporary Investments* and applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

#### PS 1201 - Financial Statement Presentation

This section introduces a new statement of remeasurement gains and losses to report the accumulated and annual impact of:

- unrealized gains and losses for financial instruments in the fair value category unless subject to external restrictions and unrealized foreign currency gains and losses
- amounts reclassified to the statement of operations upon derecognition or settlement
- other comprehensive income from GBEs and GBPs consolidated using the modified equity method.

This new section revises and replaces the existing PS 1200 *Financial Statement Presentation*, and must be adopted at the same time as PS 2601, PS 3041, and PS 3450.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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### 29. Impact of the 2018 Boundary Region Floods

On May 10/11, 2018 a major flood event occurred in the Kootenay Boundary Regional District, impacting more than two hundred and fifty properties within the municipal boundaries, and causing considerable damage to several City owned properties and municipal infrastructure.

In 2019 the City submitted an application to Infrastructure Canada for grant funding through the Disaster Mitigation and Adaptation Fund (DMAF) to finance flood protection and natural infrastructure projects in the flood impacted areas. In 2020, the City finalized agreements for funding of \$51.7 million, with contributions of \$20 million from the Federal Government and \$31.7million from the Province of British Columbia.

During 2021, the City incurred \$5,680,451 (2020 - \$15,298,107) of expenditures under the DMAF program, including \$3,343,539 (2020 - \$2,394,641) for program design and construction and \$165,012 (2020 - \$2,169,981) for additional buyout compensation. The City recorded \$1,482,600 (2020 - \$3,595,000) for land and \$3,071,300 (2020 - \$4,756,485) for residential improvements acquired under the program, with \$2,382,000 of these amounts prepaid in 2020.

In order to proceed with the construction of flood protection works and natural infrastructure, the residential structures which the City acquired under the DMAF land acquisition program require removal from their current locations during 2022. The City has initiated a salvage program for the resale, relocation or demolition of these residential improvements. Because the salvage revenues are uncertain and expectations are that they will be minimal, the City has written off an additional \$3,059,300 for the improvements acquired in 2021 (2020 - \$4,756,485). Amounts recovered from the disposal of these assets will be recorded as revenue in the fiscal period they are received.

In early 2020, the City received a cash advance of \$23,194,000 from the Province to apply against eligible program expenses. \$3,387,312 was recognized as revenue in 2021 (2020 - \$8,981,017), with the remaining \$10,708,824 of the advance recorded as deferred revenue (Note 11). \$2,093,709 was recorded as federally eligible grant revenue in 2021 (2020 - \$5,987,345), with the \$8,158,952 total Federal contribution to date included in accounts receivable.

The City's final insurance claim was settled during the year, with \$63,505 of additional proceeds received and included in revenues.

### 30. Segmented Information

The City's operations and activities are organized into various funds and departments for management reporting. The costs related to the provision of services within a particular department or fund are disclosed in the segmented information presented below.

The General Fund includes services provided by the City such as general government services, protective services, development services, recreation and culture, transportation services and public works, and environmental health and public health services. The utility operations are comprised of the water, electrical and wastewater utilities, each accounting for its own operations and programs within their own funds.

Revenues within the General Fund have been allocated to the various activities where they are directly attributable to that department. Taxation and other revenues which are not directly related to a particular activity are reported under General Government Services and have not been apportioned to the other departments within the General Fund.

# THE CORPORATION OF THE CITY OF GRAND FORKS

## Notes to the Financial Statements

*For the year ended December 31, 2021*

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### **General Government Services**

General government operations are primarily funded by property taxation. The expenses within the department include those for legislative, general administration, finance, and communications.

### **Protective Services**

Protective services are comprised of fire protection services, building inspection, bylaw enforcement and emergency response. Grand Forks Fire/Rescue provides fire and emergency services to both the City and rural area through a contract for services with the Regional District of Kootenay Boundary. This segment also includes the expenses for additional buyout compensation paid as part of the DMAF flood protection works and natural infrastructure program.

### **Environmental and Public Health Services**

Environmental Health services include solid and yard waste collection services contracted through agreement between the City and the Regional District Of Kootenay Boundary. Public Health services relate to operation and maintenance of the cemetery.

### **Planning and Development Services**

The Planning and Development services department provides engineering services support to facilities, parks, roads, water, wastewater and electrical for infrastructure projects, as well as planning support for subdivisions and development, ensuring compliance with zoning and land use provisions of the community plan.

### **Transportation Services and Public Works**

The transportation and Public Works segment includes costs for the maintenance of city streets and sidewalks, snow removal services, airport operations, maintenance and operation of the vehicle fleet, and general administrative costs for Public Works. Expenses associated with the acquisition of land for the construction of flood protection works under the DMAF program, other than compensation costs, are also included in this segment.

### **Recreation, Culture and Public Real Estate**

This segment includes costs related to the maintenance and repair of publicly owned buildings, in addition to costs for operation of parks and the City campground, and for community events support and fee for service agreements.

### **Electrical Utility**

This segment includes all of the operating activities related to the provision of electrical services to the majority of properties within the City boundaries. Electricity is purchased from the FortisBC Inc. electrical utility for resale to the City's customers, while services are provided by the City's own electrical crews.

### **Water Utility**

This segment includes all of the operating activities related to the treatment and distribution of water throughout the City.

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Notes to the Financial Statements**

*For the year ended December 31, 2021*

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**Wastewater Utility**

This segment includes all of the operating activities related to the collection and treatment of wastewater throughout the City.

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Schedule of Segmented Information**

December 31, 2021

	General Fund							2021 Total	2020 Total	
	General Government Services	Protective Services	Environment and Public Health	Planning and Development Services	Transportation Services and Public Work	Recreation Culture & Public Real Estate	Electrical Utility			Water Utility
<b>Revenue</b>										
Taxation	\$ 4,097,472								\$ 4,097,472	\$ 4,221,996
Sale of services	202,389	1,890	312,795	13,000	31,743	55,760	5,039,483	1,012,362	902,503	7,397,240
Other revenues	164,555		1,285	93,014		433,381	24,312	11,331	4,234	818,118
Government transfers	1,142,903	539,686		83,991	5,452,152					7,218,732
Contributions from others				67,473					29,744	15,630
Interest income	145,823					1,005		43	471	147,342
Investment income	34,500							683	19,663	264,223
	<b>\$ 5,787,642</b>	<b>\$ 541,576</b>	<b>\$ 314,080</b>	<b>\$ 257,478</b>	<b>\$ 5,483,895</b>	<b>\$ 490,146</b>	<b>\$ 5,063,795</b>	<b>\$ 1,024,419</b>	<b>\$ 956,615</b>	<b>\$ 19,919,646</b>
										<b>\$ 31,077,532</b>
<b>Expenses</b>										
Wages & benefits	1,451,593	589,634	65,667	526,092	849,150	336,495	443,227	215,485	301,694	4,779,037
General Services	58,324	118,093	61,183	40,216	29,900	9,820	11,062	3,798	10,082	342,478
Professional and Contract Services	247,274	173,190	208,863	236,813	146,539	195,360	58,199	68,956	52,585	1,387,779
Materials & Supplies	207,393	68,758	3,065	3,885	306,876	170,616	131,457	116,587	74,097	1,082,734
Telephone & Utilities	11,961	36,284		6,528	34,668	39,207	4,314	1,799	48,637	183,398
Insurance	18,415	5,723	143		67,728	65,817	8,424	21,275	40,202	227,727
Labour, utility and IT cost allocations	(513,654)	94,808	32,432	24,885	(338,221)	185,017	(48,067)	238,546	324,254	-
Purchased for resale							3,304,547			3,304,547
Grants & fee for service		165,012		130,500		372,583				503,083
Other expenses										165,012
Interest								15,055	72,201	2,169,981
Amortization		85,021			24,332					111,588
Loss on disposal of assets		(6,226)			891,035	174,819	111,875	365,852	337,008	1,965,610
Write-down of assets					3,024				22,316	19,114
	<b>\$ 1,481,306</b>	<b>\$ 1,330,297</b>	<b>\$ 371,353</b>	<b>\$ 968,919</b>	<b>\$ 5,074,331</b>	<b>\$ 1,549,734</b>	<b>\$ 4,192,547</b>	<b>\$ 1,047,353</b>	<b>\$ 1,283,076</b>	<b>\$ 17,298,916</b>
										<b>\$ 20,508,196</b>
<b>Net surplus (deficit)</b>	<b>\$ 4,306,336</b>	<b>(788,721)</b>	<b>(57,273)</b>	<b>(711,441)</b>	<b>\$ 409,564</b>	<b>(1,059,588)</b>	<b>\$ 871,248</b>	<b>(22,934)</b>	<b>(326,461)</b>	<b>\$ 2,620,730</b>
										<b>\$ 10,569,336</b>

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
**Schedule of Tangible Capital Assets**

**December 31, 2021**

	Cost			Accumulated Amortization			Net			
	Opening Balance	Additions	Transfers/Disposals	Closing Balance	Opening Balance	Amortization Expense	Transfers/Disposals	Closing Balance	Book Value 2021	Net Book Value 2020
<b>General</b>										
Land	\$ 5,344,730	\$ 1,588,402		\$ 6,933,132	\$ -			\$ -	\$ 6,933,132	\$ 5,344,730
Land improvements	432,302			432,302	87,048	21,168		108,216	324,086	345,254
Buildings	6,361,916	454,605	(32,665)	6,783,856	3,524,616	153,651	(32,665)	3,645,602	3,138,254	2,837,300
Machinery and equipment	2,800,761	212,597	(18,989)	2,994,369	1,956,410	130,987	(18,989)	2,068,408	925,961	844,351
Engineering structures	22,955,878	457,800		23,413,678	13,952,634	638,112		14,590,746	8,822,932	9,003,244
Storm structures	17,850	61,524		79,374	5,355	1,149		6,504	72,870	12,495
Protective services vehicles	1,838,561	48,904	(32,620)	1,854,845	870,671	85,021	(30,120)	925,572	929,273	967,890
Public works vehicles	3,274,528	113,228	(33,902)	3,353,854	2,258,217	120,787	(29,902)	2,349,102	1,004,752	1,016,311
Assets under construction	2,455,815	5,965,023	(2,726,024)	5,694,814	-			-	5,694,814	2,455,815
	45,482,341	8,902,083	(2,844,200)	51,540,224	22,654,951	1,150,875	(111,676)	23,694,150	27,846,074	22,827,390
<b>Water Utility</b>										
Plant and equipment	10,716,545			10,716,545	6,097,076	365,852		6,462,928	4,253,617	4,619,469
Assets under construction	-	34,148		34,148					34,148	-
	10,716,545	34,148	-	10,750,693	6,097,076	365,852	-	6,462,928	4,287,765	4,619,469
<b>Electrical Utility</b>										
Plant and equipment	4,549,405		(21,930)	4,527,475	2,319,297	111,875	(21,930)	2,409,242	2,118,233	2,230,108
Assets under construction	216,937		(167,508)	49,429					49,429	216,937
	4,766,342	-	(189,438)	4,576,904	2,319,297	111,875	(21,930)	2,409,242	2,167,662	2,447,045
<b>Wastewater Utility</b>										
Plant and equipment	13,534,579	749,866	(42,751)	14,241,694	4,693,117	337,008	(42,751)	4,987,374	9,254,320	8,841,462
Assets under construction	711,275		(711,275)	-					-	711,275
	14,245,854	749,866	(754,026)	14,241,694	4,693,117	337,008	(42,751)	4,987,374	9,254,320	9,552,737
	\$ 75,211,082	\$ 9,686,097	\$ (3,787,664)	\$ 81,109,515	\$ 35,764,441	\$ 1,965,610	\$ (176,357)	\$ 37,553,694	\$ 43,555,821	\$ 39,446,641

Included in the cost of transfers/disposals are \$350,365 of disposals and \$3,437,299 of completed assets under construction.

**CORPORATION OF THE CITY OF GRAND FORKS**  
**Schedule of BC Safe Restart Grant Funding**  
**(Unaudited)**

<b>Safe Restart Grant received November 2020</b>	<b>\$ 1,359,000</b>
<b>Unspent balance, January 1, 2021</b>	<b>\$ 763,000</b>
Revenue shortfalls	
General government	(275,000)
Recreation, culture and public real estate	(23,000)
Increased operating costs	
General government	(25,000)
Protective services	(68,000)
Recreation, culture and public real estate	(15,000)
Public works and utilities	(25,000)
Computer and technology costs	(37,000)
<b>Unspent balance, December 31, 2021</b>	<b>\$ 295,000</b>



Post Office Grand Forks, B.C.