

*Financial Statements of*

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

*For the Year Ended December 31, 2022*

**THE CORPORATION OF THE CITY OF GRAND FORKS**  
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**For the Year Ended December 31, 2022**

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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, 2022, 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, 2022, 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.

### **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

April 25, 2023

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

<b><i>As at December 31</i></b>	<b>2022</b>	2021
<b>Financial Assets</b>		
Cash (note 3)	\$ 11,769,952	\$ 17,830,505
Accounts receivable (note 5)	9,758,095	10,877,239
Portfolio Investments (note 6)	3,335,216	3,275,279
Municipal Finance Authority deposit (note 7)	43,497	42,547
Inventories for resale	18,232	21,144
	<b>24,924,992</b>	32,046,714
<b>Liabilities</b>		
Accounts payable and accrued liabilities (note 8)	8,338,938	2,522,195
Employee future benefits (note 9)	350,096	356,031
Deferred revenues (note 10)	2,238,127	12,923,315
Development cost charges (note 11)	925,803	845,393
Long-term debt (note 12)	2,907,151	3,049,175
	<b>14,760,115</b>	19,696,109
<b>Net financial assets</b>	<b>10,164,877</b>	12,350,605
<b>Non-financial assets</b>		
Prepaid expenses	129,060	131,523
Inventory of parts and supplies	384,122	373,386
Tangible capital assets (note 13)	64,712,710	43,555,821
	<b>65,225,892</b>	44,060,730
<b>Accumulated surplus (note 14)</b>	<b>\$ 75,390,769</b>	\$ 56,411,335

*[Original signed by]*

Juliette Rhodes, CPA, CGA  
 Chief Financial Officer

*[Original signed by]*

Everett Baker  
 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>	2022 Budget (Note 19)	<b>2022 Actual</b>	2021 Actual
<b>Revenue</b>			
Property taxation (note 15)	\$ 4,176,204	\$ 4,174,548	\$ 4,097,472
Sales of services (note 16)	7,548,167	7,790,267	7,571,925
Other revenues (note 17)	517,585	710,760	732,112
Development cost charges	850,000	-	-
Government transfers (note 18)	24,357,423	20,364,064	7,218,732
Contributions from others	-	352,401	97,217
Interest income	156,000	313,250	179,269
Investment income on sinking fund	-	27,880	22,919
	37,605,379	<b>33,733,170</b>	19,919,646
<b>Expenses</b>			
General government	1,635,072	1,448,230	1,481,306
Protective services	1,249,466	1,278,017	1,002,979
Disaster response and recovery	-	95,547	248,523
Environmental health services	270,250	265,134	266,315
Public health and welfare	102,190	81,645	105,038
Planning and development	1,364,463	810,882	968,919
Transportation services	1,350,823	1,275,402	1,120,972
Recreation and cultural services	1,057,715	1,051,765	996,491
Public real estate	329,679	390,260	378,424
Electrical services	4,102,925	4,080,938	3,913,163
Water services	789,303	735,080	681,501
Wastewater services	877,875	996,680	923,752
Amortization	2,055,194	2,068,656	1,965,610
Loss on disposal of tangible capital assets	-	-	19,114
Write-down of tangible capital assets	-	-	167,509
Write-down of assets (note 27)	-	175,500	3,059,300
	15,184,955	<b>14,753,736</b>	17,298,916
<b>Annual Surplus</b>	22,420,424	<b>18,979,434</b>	2,620,730
Accumulated surplus, beginning of year	56,411,335	<b>56,411,335</b>	53,790,605
<b>Accumulated surplus, end of year</b>	\$ 78,831,759	\$ 75,390,769	\$ 56,411,335

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>	2022 Budget (Note 21)	<b>2022 Actual</b>	2021 Actual
Annual Surplus	\$ 22,420,424	\$ <b>18,979,434</b>	\$ 2,620,730
Acquisition of tangible capital assets	(27,487,857)	<b>(23,225,545)</b>	(6,248,798)
Amortization of tangible capital assets	2,055,194	<b>2,068,656</b>	1,965,610
(Gain) loss on disposal of assets	-	-	(3,202)
Proceeds from sale of assets	-	-	9,702
Write-down of tangible capital assets	-	-	167,509
Change in land under development	-	-	3,315,000
Net change in prepaid expenses and supplies inventory	-	<b>(8,273)</b>	177,010
Increase (decrease) in Net Financial Assets	(3,012,239)	<b>(2,185,728)</b>	2,003,561
Net Financial Assets, beginning of year	12,350,605	<b>12,350,605</b>	10,347,044
Net Financial Assets, end of year	\$ 9,338,366	\$ <b>10,164,877</b>	\$ 12,350,605

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



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

<i>For the year ended December 31</i>	<b>2022</b>	<b>2021</b>
<b>Operating transactions</b>		
Annual surplus	\$ 18,979,434	\$ 2,620,730
Adjustment for non-cash items		
Amortization of tangible capital assets	2,068,656	1,965,610
(Gain) loss on disposal of assets	-	(3,202)
Decrease in prepaid expenses	2,463	99,255
Decrease in land held for resale	-	211,036
(Increase) decrease in supplies inventory	(10,736)	77,756
Actuarial adjustments on long term debt	(26,605)	(21,688)
Write-down of tangible capital assets	-	167,509
Write-down of buildings for resale	175,500	3,059,300
 (Increase) decrease in assets		
Accounts receivable	1,119,144	(1,587,785)
Lease receivable	-	21,597
MFA deposits	(950)	(712)
Inventories for resale	2,912	(2,313)
Buildings for resale	(175,500)	255,700
 Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	5,816,743	(1,049,834)
Deferred revenues	(10,685,188)	(1,729,076)
Employee future benefits	(5,935)	809
Deferred development cost charges	80,410	49,017
	<u>17,340,348</u>	<u>4,133,709</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(23,225,545)	(6,248,798)
Proceeds on disposal of tangible capital assets	-	9,702
	<u>(23,225,545)</u>	<u>(6,239,096)</u>
<b>Investing transactions</b>		
Increase in portfolio investments	(59,937)	(766,927)
	<u>(59,937)</u>	<u>(766,927)</u>
<b>Financing transactions</b>		
Repayment of long-term debt	(115,419)	(149,272)
	<u>(115,419)</u>	<u>(149,272)</u>
 Net (decrease) increase in cash	 (6,060,553)	 (3,021,586)
Cash, beginning of year	17,830,505	20,852,091
<b>Cash, end of year</b>	<u>\$ 11,769,952</u>	<u>\$ 17,830,505</u>

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, 2022*

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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. 2087 which was adopted on April 11, 2022. 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, 2022*

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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.

### 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.

### 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:

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

*For the year ended December 31, 2022*

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<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 20.

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, 2022*

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**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.

	<b>2022</b>	2021
Restricted cash		
Statutory Reserves	<b>\$ 6,530,256</b>	\$ 6,534,077
Development Cost Charges (see Note 11)	<b>925,803</b>	845,393
	<b><u>7,456,059</u></b>	<u>7,379,470</u>
Unrestricted cash	<b><u>4,313,893</u></b>	<u>10,451,035</u>
Total cash	<b><u>\$ 11,769,952</u></b>	<u>\$ 17,830,505</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, 2022, the balance outstanding on the operating line of credit was \$Nil (2021 - \$Nil).

**5. Accounts Receivable**

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

	<b>2022</b>	2021
Property taxes	<b>\$ 535,980</b>	\$ 476,235
Utility accounts receivable	<b>1,294,753</b>	1,288,039
Due from other governments (Note 27)	<b>7,681,514</b>	8,577,021
Trade and other receivables	<b><u>245,848</u></b>	<u>535,944</u>
	<b><u>\$ 9,758,095</u></b>	<u>\$ 10,877,239</u>

**6. Portfolio Investments**

	<b>2022</b>	2021
Term deposit, maturing December, 2023	<b>\$ 738,307</b>	\$ 735,000
MFA Short Term Bond Fund	<b>1,575,348</b>	1,538,118
MFA Money Market Fund	<b><u>1,021,561</u></b>	<u>1,002,161</u>
	<b><u>\$ 3,335,216</u></b>	<u>\$ 3,275,279</u>

The market value of portfolio investments at December 31, 2022 was \$3,206,456 (2021 - \$3,233,843), with yields from 0.3% to 5.3%.

**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, 2022*

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:

	DemandCash	Deposits	2022	2021
	Notes			
General Fund	\$ 17,929	\$ 12,092	\$ <b>30,021</b>	\$ 29,757
Water Fund	10,024	7,158	<b>17,182</b>	17,025
Wastewater Fund	48,787	24,247	<b>73,034</b>	72,505
	<b>\$ 76,740</b>	<b>\$ 43,497</b>	<b>\$ 120,237</b>	<b>\$ 119,287</b>

**8. Accounts Payable and Accrued Liabilities**

Accounts payable and accrued liabilities comprise the following:

	<b>2022</b>	2021
Wages and benefits	\$ <b>686,041</b>	\$ 666,652
Trade payables	<b>7,391,025</b>	1,626,566
Other taxing authorities	<b>242,204</b>	208,033
Accrued interest	<b>19,668</b>	20,944
	<b>\$ 8,338,938</b>	<b>\$ 2,522,195</b>

**9. 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, 2022*

**10. 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	\$ 362,672	\$ 368,881	\$ (362,672)	<b>\$ 368,881</b>
Prepaid utilities	56,954	44,461	(56,954)	<b>44,461</b>
Library maintenance contract	41,163	13,000	(23,469)	<b>30,694</b>
Disaster mitigation grant (Note 27)	10,708,824	-	(10,708,824)	-
Other grants	1,723,100	-	(274,786)	<b>1,448,314</b>
Deposits and other	30,602	453,897	(138,722)	<b>345,777</b>
	<u>\$ 12,923,315</u>	<u>\$ 880,239</u>	<u>\$ (11,565,427)</u>	<u><b>\$ 2,238,127</b></u>

**11. 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>2022</b>	2021
Balance, beginning of year	<b>\$ 845,393</b>	\$ 796,376
Contributions from developers	<b>58,934</b>	41,162
Interest on investments	<b>21,476</b>	7,855
Balance, end of year	<u><b>\$ 925,803</b></u>	<u>\$ 845,393</u>

The balance of deferred development cost charges comprises the following:

	<b>2022</b>	2021
Water development cost charges	<b>\$ 383,679</b>	\$ 345,083
Wastewater development cost charges	<b>539,425</b>	497,676
Parkland development cost charges	<b>2,699</b>	2,634
	<u><b>\$ 925,803</b></u>	<u>\$ 845,393</u>

**12. 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, 2022*

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	<b>Balance, End of Year</b>	2022 Interest
<b>General</b>								
Roads - NW 79th Bylaw 1887; MFA Issue #112	3.73%	15 yrs	2025	\$ 22,801	\$ 3,757	\$ 1,652	\$ <b>17,392</b>	\$ 896
General Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	986,199	28,644	1,744	<b>955,811</b>	23,393
<b>Water Utility</b>								
Emergency Water Supply Bylaw 1922; MFA Issue #149	2.24%	25 yrs	2044	401,336	11,657	710	<b>388,969</b>	9,520
Water Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	233,364	6,778	413	<b>226,173</b>	5,536
<b>Sewer Utility</b>								
City Park Lift Station Bylaw 1873; MFA Issue #126	3.85%	20 yrs	2033	1,213,277	59,001	21,746	<b>1,132,530</b>	67,642
Sewer Fund Capital Renewal Bylaw 1923; MFA Issue #149	2.24%	25 yrs	2044	192,198	5,582	340	<b>186,276</b>	4,559
<b>Total Long Term Debt</b>				<b>\$ 3,049,175</b>	<b>\$ 115,419</b>	<b>\$ 26,605</b>	<b>\$ 2,907,151</b>	<b>\$ 111,546</b>

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

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
General	\$ 32,402	\$ 32,402	\$ 32,402	\$ 28,644	\$ 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
	<b>\$ 115,420</b>	<b>\$ 115,420</b>	<b>\$ 115,420</b>	<b>\$ 111,662</b>	<b>\$ 111,662</b>



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

*For the year ended December 31, 2022*

**13. Tangible Capital Assets**

Tangible capital assets consist of the following:

	<b>Net Book Value 2022</b>	<b>Net Book Value 2021</b>
<b>General</b>		
Land	\$ 6,975,632	\$ 6,933,132
Land improvements	302,918	324,086
Buildings	3,862,666	3,138,254
Machinery and equipment	1,043,004	925,961
Engineering structures	10,245,971	8,822,932
Storm structures	68,901	72,870
Protective services vehicles	839,769	929,273
Public works vehicles	880,279	1,004,752
Assets under construction	24,947,349	5,694,814
	<b>49,166,489</b>	<b>27,846,074</b>
<b>Water Utility</b>		
Plant and equipment	3,936,429	4,253,617
Assets under construction	123,948	34,148
	<b>4,060,377</b>	<b>4,287,765</b>
<b>Electrical Utility</b>		
Plant and equipment	2,057,653	2,118,233
Assets under construction		49,429
	<b>2,057,653</b>	<b>2,167,662</b>
<b>Wastewater Utility</b>		
Plant and equipment	9,267,017	9,254,320
Assets under construction	161,174	-
	<b>9,428,191</b>	<b>9,254,320</b>
<b>Total Tangible Capital Assets</b>	<b>\$ 64,712,710</b>	<b>\$ 43,555,821</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, 2022*

**14. Accumulated Surplus**

Accumulated surplus comprises the following:

	<b>2022</b>	2021
<b>Operating</b>	<b>\$ 7,031,959</b>	\$ 9,340,513
<b>Statutory Reserves</b>		
Capital	1,598,325	1,579,441
Community Works Fund	1,432,129	1,738,497
Slag sales	1,226,927	1,010,700
Land sales	858,107	1,026,632
Electrical capital	817,702	798,400
Equipment replacement	404,224	199,063
Water capital	113,412	110,735
Climate action	42,548	41,536
Wastewater capital	25,292	24,695
Cash in lieu of parking	4,585	4,477
	<b>\$ 6,523,251</b>	\$ 6,534,176
<b>Non-Statutory Reserves</b>		
Election reserve	30,000	30,000
	<b>\$ 30,000</b>	\$ 30,000
<b>Investment in Non-Financial Assets</b>		
Investment in tangible capital assets	61,805,559	40,506,646
	<b>\$ 75,390,769</b>	\$ 56,411,335

**15. Property Tax Revenues**

Municipal taxation revenues consist of the following:

	<b>2022</b>	2021
Property taxes	\$ 4,037,894	\$ 3,957,316
Parcel and frontage taxes	5,826	5,774
1% utilities tax	98,469	101,513
Grants and payments in lieu of taxes	32,359	32,869
	<b>\$ 4,174,548</b>	\$ 4,097,472

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

*For the year ended December 31, 2022*

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**16. Sale of Services**

	<b>2022</b>	2021
Electrical utility user fees	\$ 5,230,099	\$ 5,039,483
Water utility user fees	955,467	1,012,362
Wastewater utility user fees	944,333	902,503
Solid waste collection	275,379	275,251
Slag sales	181,888	195,008
Campground fees	86,269	55,760
Airport (net of cost of fuel sold)	41,421	31,743
Cemetery	25,946	37,544
Sundry and other	49,465	22,271
	<u>\$ 7,790,267</u>	<u>\$ 7,571,925</u>

**17. Other Revenues**

	<b>2022</b>	2021
Leases and rentals	\$ 229,462	\$ 264,301
Donations and grants	134,750	106,310
Licences and permits	91,612	125,814
Penalties and interest	81,633	83,249
Franchise fees	73,641	62,529
Other revenues	94,260	20,425
Insurance and other recoveries	5,402	69,484
	<u>\$ 710,760</u>	<u>\$ 732,112</u>

**18. Government Transfers**

In 2022 the City received and recorded the following transfers from other governments:

	<b>2022</b>	2021
<b>Operating transfers</b>		
Provincial	\$ 926,604	\$ 800,844
Regional	645,614	311,248
	<u>\$ 1,572,218</u>	<u>\$ 1,112,092</u>
<b>Capital transfers</b>		
Federal	\$ 4,408,132	\$ 2,574,112
Provincial	14,058,945	3,469,102
Regional	324,769	63,426
	<u>\$ 18,791,846</u>	<u>\$ 6,106,640</u>
<b>Total government transfers</b>	<u>\$ 20,364,064</u>	<u>\$ 7,218,732</u>

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

*For the year ended December 31, 2022*

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**19. Reconciliation to Budget**

The following reconciles the balanced statutory budget adopted by Council on April 11, 2022 with the budgeted surplus reported on the statement of operations and accumulated surplus:

Budget surplus as per the statement of operations and accumulated surplus	\$ 22,420,424
Add: Amortization expense	2,055,194
Transfers from reserves and surplus	3,127,397
Subtract: Debt principal repayments	(115,158)
Tangible capital asset expenditures	(27,487,857)
Financial Plan Balance per Bylaw No. 2087	<u>\$ -</u>

**20. 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>2022</b>	2021
Cemetery Care Fund	\$ 197,562	\$ 181,117
Employee Assistance Program	8,319	6,514
Slag Remediation Trust	<u>22,079</u>	<u>21,554</u>
	<u>\$ 227,960</u>	<u>\$ 209,185</u>

**21. 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.

**22. 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, 2022*

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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, 2021, the plan has about 227,000 active members and approximately 118,000 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The City paid \$343,897 (2021 - \$345,749) for employer contributions to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 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.

### **23. 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 \$45,000 per year for these services to the end of 2027.

In 2022 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 2022 were \$213,183 (2021 - \$207,579).

The City has significant contractual commitments for incomplete capital acquisitions and construction projects in progress. As at the end of December 2022, the City had entered into contracts totalling \$29,650,100, with expenditures to date of \$23,654,672. These contracts are planned for completion during 2023, 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, 2022*

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**24. Contingent Assets**

In 2021, the City 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.

**25. 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:

2023	215,119
2024	199,211
2025	120,963
2026	109,147
2027	<u>109,477</u>
Total	\$753,917

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. \$363,793 of revenue was recorded in 2022 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 \$476,436 has been recognized based on eligible expenditures, leaving \$7,593,841 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
Tourism Dependent Community Fund	159,500
Strengthening Communities' Services Program	17,146
Local Government Development Approvals Program	376,918

The City is also expected to receive approximately \$246,700 of grant funding in 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, 2022

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### 26. 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, 2022*

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### **27. 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 2022, the City incurred \$21,170,485 (2021 - \$5,680,451) of expenditures under the DMAF program, including \$20,901,076 (2021 - \$3,343,539) for program design and construction and \$36,161 (2021 - \$165,012) for additional buyout compensation. The City recorded \$42,500 (2021 - \$1,482,600) for land and \$175,500 (2021 - \$3,071,300) for residential improvements acquired under the program.

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. The City initiated a salvage program for the resale, relocation or demolition of these residential improvements, with revenues of \$20,800 received during the year. The City has written off an additional \$175,500 for the improvements acquired in 2022 (2021 - \$3,059,300). Any additional 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. \$14,040,735 was recognized as revenue in 2022 (2021 - \$3,387,312), with \$10,708,824 of this amount applied to deferred revenue (Note 10) and \$3,331,911 receivable at the end of 2022. \$4,408,132 was recorded as federally eligible grant revenue in 2022 (2021 - \$2,093,709), with a remaining receivable balance of \$3,962,431.

### **28. 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, 2022*

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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 and 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, 2022*

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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, 2022

	General Fund						Electrical Utility	Water Utility	Wastewater Utility	2022 Total	2021 Total
	General Government Services	Protective Services	Environment and Public Health	Planning and Development Services	Transportation Services and Public Works	Recreation Culture & Public Real Estate					
<b>Revenue</b>											
Taxation	\$ 4,174,548									\$ 4,174,548	\$ 4,097,472
Sale of services	191,046		301,325	35,943	41,421	90,632	5,230,099	955,467	944,334	7,790,267	7,571,925
Other revenues	262,368		1,275	55,162		364,211	20,052	3,724	3,968	710,760	732,112
Government transfers	970,084	721,712		130,691	18,541,577					20,364,064	7,218,732
Contributions from others		933			28,000	323,468				352,401	97,217
Interest income	312,564							156	530	313,250	179,269
Investment income					3,648			1,256	22,976	27,880	22,919
	<u>\$ 5,910,610</u>	<u>\$ 722,645</u>	<u>\$ 302,600</u>	<u>\$ 221,796</u>	<u>\$ 18,614,646</u>	<u>\$ 778,311</u>	<u>\$ 5,250,151</u>	<u>\$ 960,603</u>	<u>\$ 971,808</u>	<u>\$ 33,733,170</u>	<u>\$ 19,919,646</u>
<b>Expenses</b>											
Wages & benefits	1,393,420	802,587	52,217	520,548	930,122	330,477	516,143	236,138	309,337	5,090,989	4,779,037
General Services	111,564	82,093	53,556	27,982	22,954	10,171	21,927	4,299	9,893	344,439	342,478
Professional and Contract Services	221,120	174,558	213,703	229,372	139,738	195,939	32,071	38,477	67,298	1,312,276	1,387,779
Materials & Supplies	194,162	96,064	2,413	7,398	441,453	119,133	130,494	181,695	77,230	1,250,042	1,082,734
Telephone & Utilities	12,668	41,128		4,298	30,073	49,628	3,363	1,381	93,800	236,339	183,398
Insurance	25,162	8,132	203		52,315	93,613	7,013	27,815	57,869	272,122	227,727
Labour, utility and IT cost allocations	(509,866)	132,841	24,687	21,284	(365,542)	161,607	(4,283)	230,220	309,052	-	-
Purchased for resale							3,374,210			3,374,210	3,304,547
Grants & fee for service						481,457				481,457	503,083
Other expenses		36,161								36,161	165,012
Interest					24,289			15,055	72,201	111,545	111,588
Amortization		89,504			963,471	196,082	112,306	355,218	352,075	2,068,656	1,965,610
Loss on disposal of assets										-	19,114
Write-down of assets					175,500					175,500	3,226,809
	<u>\$ 1,448,230</u>	<u>\$ 1,463,068</u>	<u>\$ 346,779</u>	<u>\$ 810,882</u>	<u>\$ 2,414,373</u>	<u>\$ 1,638,107</u>	<u>\$ 4,193,244</u>	<u>\$ 1,090,298</u>	<u>\$ 1,348,755</u>	<u>\$ 14,753,736</u>	<u>\$ 17,298,916</u>
<b>Net surplus (deficit)</b>	<u>\$ 4,462,380</u>	<u>(740,423)</u>	<u>(44,179)</u>	<u>(589,086)</u>	<u>\$ 16,200,273</u>	<u>(859,796)</u>	<u>\$ 1,056,907</u>	<u>(129,695)</u>	<u>(376,947)</u>	<u>\$ 18,979,434</u>	<u>\$ 2,620,730</u>

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

**December 31, 2022**

	<b>Cost</b>				<b>Accumulated Amortization</b>				<b>Net</b>	<b>Net</b>
	Opening Balance	Additions	Transfers/ Disposals	Closing Balance	Opening Balance	Amortization Expense	Transfers/ Disposals	Closing Balance	<b>Book Value 2022</b>	Book Value 2021
<b>General</b>										
Land	\$ 6,933,132	\$ 42,500		\$ 6,975,632	\$ -			\$ -	<b>\$ 6,975,632</b>	\$ 6,933,132
Land improvements	432,302			432,302	108,216	21,168		129,384	<b>302,918</b>	324,086
Buildings	6,783,856	899,327		7,683,183	3,645,602	174,915		3,820,517	<b>3,862,666</b>	3,138,254
Machinery and equipment	2,994,369	266,568		3,260,937	2,068,408	149,525		2,217,933	<b>1,043,004</b>	925,961
Engineering structures	23,413,678	2,108,543		25,522,221	14,590,746	685,504		15,276,250	<b>10,245,971</b>	8,822,932
Storm structures	79,374			79,374	6,504	3,969		10,473	<b>68,901</b>	72,870
Protective services vehicles	1,854,845			1,854,845	925,572	89,504		1,015,076	<b>839,769</b>	929,273
Public works vehicles	3,353,854			3,353,854	2,349,102	124,473		2,473,575	<b>880,279</b>	1,004,752
Assets under construction	5,694,814	19,252,535		24,947,349	-			-	<b>24,947,349</b>	5,694,814
	<u>51,540,224</u>	<u>22,569,473</u>	<u>-</u>	<u>74,109,697</u>	<u>23,694,150</u>	<u>1,249,058</u>	<u>-</u>	<u>24,943,208</u>	<b><u>49,166,489</u></b>	<u>27,846,074</u>
<b>Water Utility</b>										
Plant and equipment	10,716,545	38,030		10,754,575	6,462,928	355,218		6,818,146	<b>3,936,429</b>	4,253,617
Assets under construction	34,148	89,800		123,948					<b>123,948</b>	34,148
	<u>10,750,693</u>	<u>127,830</u>	<u>-</u>	<u>10,878,523</u>	<u>6,462,928</u>	<u>355,218</u>	<u>-</u>	<u>6,818,146</u>	<b><u>4,060,377</u></b>	<u>4,287,765</u>
<b>Electrical Utility</b>										
Plant and equipment	4,527,475	51,726		4,579,201	2,409,242	112,306		2,521,548	<b>2,057,653</b>	2,118,233
Assets under construction	49,429		(49,429)	-					<b>-</b>	49,429
	<u>4,576,904</u>	<u>51,726</u>	<u>(49,429)</u>	<u>4,579,201</u>	<u>2,409,242</u>	<u>112,306</u>	<u>-</u>	<u>2,521,548</u>	<b><u>2,057,653</u></b>	<u>2,167,662</u>
<b>Wastewater Utility</b>										
Plant and equipment	14,241,694	364,771		14,606,465	4,987,374	352,074		5,339,448	<b>9,267,017</b>	9,254,320
Assets under construction	-	161,174		161,174					<b>161,174</b>	-
	<u>14,241,694</u>	<u>525,945</u>	<u>-</u>	<u>14,767,639</u>	<u>4,987,374</u>	<u>352,074</u>	<u>-</u>	<u>5,339,448</u>	<b><u>9,428,191</u></b>	<u>9,254,320</u>
	<u>\$ 81,109,515</u>	<u>\$ 23,274,974</u>	<u>\$ (49,429)</u>	<u>\$ 104,335,060</u>	<u>\$ 37,553,694</u>	<u>\$ 2,068,656</u>	<u>\$ -</u>	<u>\$ 39,622,350</u>	<b><u>\$ 64,712,710</u></b>	<u>\$ 43,555,821</u>

**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, 2022</b>	<b>\$ 295,000</b>
Revenue shortfalls	
Utilities	(174,000)
General government	(40,000)
Increased operating costs	
General government	(11,000)
Protective Services	(35,000)
Public works and utilities	(17,000)
Computer and technology costs	(18,000)
<b>Unspent balance, December 31, 2022</b>	<b>\$ -</b>