



REGIONAL DISTRICT  
of Fraser-Fort George

REGIONAL DISTRICT OF FRASER-FORT GEORGE  
**2020 CONSOLIDATED  
FINANCIAL STATEMENTS**



*Front cover picture is an aerial view of Berman Lake, Electoral Area C taken by Darrin Rigo*



Hixon Fire Protection – New Frontline Engine



Valemount & District Fire Protection – New Frontline Engine



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### CONSOLIDATED FINANCIAL STATEMENTS

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## **REPORT FROM THE GENERAL MANAGER OF FINANCIAL SERVICES**

April 12, 2021

TO: Chairperson Art Kaehn and the Directors of the Regional District of Fraser-Fort George

The financial report and Consolidated Financial Statements for the Regional District of Fraser-Fort George ("Regional District") for the year ended December 31, 2020, are submitted pursuant to the requirements of the *Local Government Act*.

The enclosed information includes the Consolidated Financial Statements of the Regional District along with supplementary information in schedule format. The Consolidated Financial Statements have been prepared in accordance with the Public Sector Accounting Board recommendations for financial statement presentation. The objective of the Consolidated Financial Statements is to fairly present the consolidated financial position of the Regional District. The firm of KPMG LLP is responsible to report to the Regional District Board with the results of their audit. Their Independent Auditors' Report, with an unqualified opinion, is included in these Consolidated Financial Statements.

### **2020 HIGHLIGHTS**

The Regional District delivers ninety-two (92) services ranging from small local services such as a series of street lights in a rural area to large and complex region wide services such as Solid Waste Management and 9-1-1 Emergency Management. These services are delivered through a number of business units within the Regional District: Corporate Services, Community Services (includes Public Safety), Development Services, Environmental Services and Financial Services. The following is an overview of the focus and accomplishments of these business units.

### **CORPORATE SERVICES**

Corporate Services manages the Regional District's records, manages and responds to Freedom of Information requests, corporate records, policies and procedures, provides support for the Regional District Board operations and directors, manages the Regional District's staff resources, communications and external relations and processes a large variety of requests for information and assistance from staff and the general public.

In 2020, Corporate Services managed a number of processes on behalf of the Regional District, including:

- further development of a Records Management Program;
- continued management of FOI requests and related FOI matters and considerations;
- continued relationship building with Lheidli T'enneh First Nation, McLeod Lake Indian Band, the Simpcw First Nation and the West Moberly First Nations;
- continuation of the Regional Report; a quarterly external newsletter highlighting recent initiatives and projects underway within the Regional District;
- oversight and legislative support in the preparation of bylaws;
- oversight in policy, procedure and contract development;
- oversight and support in legal and insurance matters;



- ongoing support for Community Consultation Committees;
- continued implementation of the Regional District's Communications Plan;
- implementation of a rural broadband study to identify internet connectivity gaps;
- provided leadership in adjusting corporate wide business practices to allow for continued delivery of services during the 2020 COVID-19 pandemic;
- oversight on implementation of the Regional District's Corporate Climate Change Action Plan;
- oversight on implementation of the Regional District's Asset Management Strategy;
- oversight of the Cultural Endowment Fund Grant program;
- developed a new Regional Cultural Plan for 2021-2022 focused on supporting regional cultural organizations through the COVID-19 pandemic
- continued implementation of the Northern Routes cultural marketing program to promote museums, galleries and heritage sites within the region;
- implementation of public education and community engagement strategies for a number of Regional District programs and services;
- continued work in partnership with the Villages of McBride and Valemount to implement strategies from the Robson-Canoe Valley Economic Opportunities Plan; and
- being a resource to administrative colleagues in the Regional District's smaller member municipalities in sharing our knowledge and best practices in the operation and delivery of local government services.
- implement an Information Technology Strategy and Business Plan to work with departments to harness information technology to improve service delivery.

## **COMMUNITY SERVICES**

Community Services Administration assists community groups in the development and ongoing service delivery for the long-term sustainability of their community, through the provision of community and public safety services, as well as, the administration of the Community and Recreation Grant-in-Aid programs.

In 2020, Community Services Administration's focus was on:

- COVID-19 support for Robson Valley Recreation and Community Centres and community groups who operate Regional District facilities;
- completion of Tete Jaune Community Cemetery regulatory requirements and preparation for opening in 2021;
- assisting with grant applications, competitive bidding and associated project management and reporting requirements;
- continuation of investigating the feasibility of a community hall service for the Miworth community;
- continuation of investigating the feasibility of a natural gas extension for Lambertus Road in Electoral Area A;



- continued evaluation of Reid Lake Community Hall service (survey distributed);
- overhead street light inventory reconciliation for street lighting local service areas with BC Hydro, preparing for transition from high pressure sodium to LED overhead street lights;
- evaluation of Robson Valley facilities contract, rate sheet, and risk mitigation forms in preparation for rates and regulation bylaw;
- updating the Community Grants-in-Aid and Recreation Grants policies; and
- supporting the ongoing Emergency Operations Centre activation.

### *Grants*

Each year, the Regional District provides community grants to organizations in its electoral areas that will benefit residents. In 2020, \$681,734 was provided through 89 Community Grant-in-Aid requests, and \$74,655 through 15 Recreation Grant-in-Aid requests to various organizations within the Regional District.

### *Recreation Service*

The Canoe Valley Recreation Centre, Robson Valley Recreation Centre, and Robson Valley Community Centre are all operated and maintained in a safe and efficient manner to provide Electoral Area H with a wide range of year-round activities and opportunities to benefit residents and visitors.

In 2020, the focus of the Canoe Valley and Robson Valley Recreation Centres and Robson Valley Community Centre was on COVID-19 support to keep the facilities operating. Planning has begun to support upcoming capital and asset management replacement items, focusing on chiller replacement, along with structural and electrical upgrade projects at the two recreation centres.

## **PUBLIC SAFETY**

### *9-1-1 Emergency Response*

The 9-1-1 Emergency Response Service provides for emergency 9-1-1 call taking services, transfer of emergency calls to the appropriate downstream agency, and coordinated fire dispatch and communications services of eighty fire/rescue agencies. The 9-1-1 Emergency Response service budget supports the administration and operation of the primary 9-1-1 call answer function and the centralized fire/rescue dispatch communication system. The 9-1-1 Service further supports the operation, maintenance, and development of a fire/rescue radio dispatch and communications system for fire/rescue services in the Regional District and a centralized fire dispatch facility located in the Fire Operations Communications Centre (FOCC).

9-1-1 services are provided to over 210,000 residents within the Regional District of Fraser-Fort George, Cariboo Regional District, Regional District of Kitimat-Stikine, Regional District of Bulkley-Nechako and a portion of the Regional District of Central Kootenay.



In 2020, Public Safety Administration's focus was on:

- development of the Public Safety Operations Quality Assurance Coordinator position;
- large tower maintenance of the radio communications system and sites;
- providing expertise to radio contractors working on the field radio systems in Partner Regional Districts;
- providing expertise to Prince George Fire Rescue and RDFFG volunteer fire services on radio specifications, requirements, and programming;
- ensuring the continued operation of the fire/rescue agencies' field radio system and the dispatch radio console at the FOCC;
- negotiation of a two-year extension to the E-Comm Call Answer contract;
- computer aided dispatch and records management system maintenance and design planning for new systems infrastructure;
- execution of planned procurement and construction activities in support of the 9-1-1 Infrastructure Upgrade Implementation (IUI) Strategy.

#### *Fire Department Coordination Service*

The Fire Department Coordination Service oversees the Regional District's fire and rescue services to help ensure high service levels; that the standards are implemented, followed, and maintained; and that required training and certification is readily available and affordable.

In 2020, Fire Department Coordination's focus was on:

- ordering of new frontline water tenders for the Pilot Mountain Volunteer Fire Department and Shell-Glen Volunteer Fire/Rescue Department, a new rescue unit for Shell-Glen Volunteer Fire/Rescue Department, a new Command Vehicle for Area D Rescue/Pineview Volunteer Fire Department, and a new engine for Ferndale/Tabor Volunteer Fire Department;
- completion of the roof replacement at the Salmon Valley Fire Hall;
- completion of the buried water tank project at the Salmon Valley Fire Hall;
- taking delivery of new engines for the Valemount & District Volunteer Fire Department and the Hixon Volunteer Fire Department;
- coordination of regional training opportunities;
- supporting the development of the Fire and Rescue Coordinator position;
- development and modification of delivery of public safety programs; and
- assisting fire/rescue agencies with 2020 budgeted projects.





### *Emergency Preparedness Service*

The Emergency Preparedness Service provides the operational capability of the Emergency Management Program which has been established to fulfill the requirements of the Regional District under the *Emergency Program Act*.

The Emergency Management Program encompasses the strategic and operational development of the components of the emergency management plans. The components of the program are mitigation, planning, preparedness, response and recovery. The emergency plans outline the authority and responsibility to act in emergencies and communicate the policies and procedures to be followed.

Currently, there are twenty-nine staff members available to work in the Emergency Operations Centre. Staff provide evacuee support services, with eight Evacuee Support Program volunteers that provide emergency services.

In 2020, the Emergency Management Program's focus was on:

- preparation and modified roll-out of the FireSmart education campaign (distribution of educational information and advertising campaign) due to COVID;
- weekly spring hazard readiness EOC meetings were conducted (when possible);
- ongoing development of the EOC's Activation Guide;
- preparation of joint participation and coordination with the City of Prince George (Community Resiliency Investment Program Grant) and joint exercise planning occurred;
- completion of the UBCM grant funded video conferencing equipment installation in our McBride and Valemount EOCs;
- development of COVID-19 safety protocols, PPE readiness, and outfitting the Boardroom to safely operate the EOC during freshet activation; and
- After Action Review (AAR) of this year's EOC responses to ensure response learnings are incorporated in future emergency responses.

## **DEVELOPMENT SERVICES**

### *Land Use Planning*

The Regional District's Land Use Planning Service is a region wide service fulfilling the obligations of land use planning under Part 14 of the *Local Government Act*. Planning is an integral part of Development Services which also includes civic addressing, building inspection and bylaw compliance. Development Services works closely with the Economic Development Service, Community Services, Information Technology Service (Geographic Information System) and outside agencies, such as the Northern Health Authority; the Ministries of Transportation and Infrastructure, Municipal Affairs and Housing, Environment and Climate Change Strategy; Forest, Lands and Natural Resource Operations and Rural Development; and the Provincial Agricultural Land Commission in order to provide efficient public service.





In 2020, the focus of Land Use Planning was on:

- intake and processing of approximately seventy-five (75) land use applications (including applications for: Agricultural Land Reserve, Zoning Bylaw, Official Community Plan, Temporary Use Permit, Development Variance Permit and Development Permit). This is down slightly from approximately eighty (80) land use applications processed in 2019;
- providing referral responses to provincial ministries, such as: Forests, Lands and Natural Resource Operations and Rural Development and Ministry of Transportation and Infrastructure for various proposed land use and development;
- development of an Agricultural Land Reserve Exclusion Policy;
- updating secondary suite regulations within the Regional District;
- participation in consultation of Addition to Reserve referrals from Indigenous partners;
- starting the process to commission a housing needs assessment report;
- continued dialogue with various utility operators regarding development in the Regional District;
- continued partnership with the Prince George Air Improvement Roundtable; and
- public consultation on amendments to Development Services procedures to address the COVID-19 pandemic.

#### *Economic Diversification*

Development Services works with Regional District member municipalities in the development and delivery of economic development programs and initiatives.

In 2020, the focus of Economic Diversification was on:

- continued partnership with the Villages of Valemount and McBride regarding the Robson Valley Region program with the Regional District responsible for the overall delivery of the program, Steering Committee and Advisory Committee;
- development of marketing materials for the Robson Valley Region program; and
- continued partnership with the City of Prince George for marketing industrial lands within the Regional District's Electoral Areas.

#### *Building Inspection*

The Regional District regulates the construction, alteration, repair or demolition of buildings and structures for the health, safety and protection of persons and property in accordance with the BC Building Code and through the Regional District Building Bylaw No. 1561.

In 2020, the focus of Building Inspection was on:

- inspections throughout the Regional District with a total of 301 permits being issued in its electoral areas with 41 of them being for new homes. Total permit values in 2020 were \$75,413,750 with \$16,452,000 of that value for new homes;
- continuing the partnership with the Villages of McBride and Valemount to maintain office hours at each location for the Robson Valley/Canoe Valley Building Inspector, allowing for a cohesive approach and consistency to building inspections in Electoral Area 'H';



- continuation of a project to move from paper copies of inspection certificates to completing the inspections on an electronic tablet. The change will provide better consistency during inspections and deliver immediate notification to the owner and/or contractor and update the Regional District system. This project is expected to be implemented in 2021; and
- reviewing the Regional District Building Bylaw No. 1561 to reflect the new BC Building Code and *Building Act*. The new Building Bylaw is proposed to be introduced in 2021.

### *Untidy and Unsightly Premises*

The Regional District regulates unsightly premises within the Electoral Areas through this service. Authority for this regulation is provided through Unsightly Premises Regulation Bylaw No. 3194, 2020.

In 2020, the focus of Untidy and Unsightly Premises was on:

- updating the Unsightly Premises Regulation Bylaw;
- updating the Regional District's bylaw enforcement policy; and
- adopting the bylaw notice enforcement system in accordance with the *Local Government Bylaw Notice Enforcement Act*.

## **ENVIRONMENTAL SERVICES**

### *Solid Waste Management*

Solid Waste Management is a region wide service and includes residual waste management and waste diversion following the 2015 Regional Solid Waste Management Plan and 2016 Waste Diversion Implementation Plan. This service encompasses operation and maintenance of 17 transfer stations, one recycling facility, 2 select landfill sites and one municipal solid waste landfill.

In 2020, the focus of Solid Waste Management was on:

- remediation earthworks at the Foothills Boulevard Regional Landfill
- closing the loop on the landfill gas main header at Foothills Boulevard Regional Landfill
- expanding the landfill gas well field to the south of cell 1 at Foothills Boulevard Regional Landfill
- Emergency Response Plan completion for Foothills and Mackenzie landfill facilities
- permitted leachate discharge from the Foothills facility to the wastewater treatment facility at the City of Prince George
- advancement of Demolition, Land clearing, Construction waste diversion program
- continuation of yard & garden waste diversion with successful compost sales
- initiation of developing a mandatory Rural Landfill Closure Plan for 13 closed rural landfills
- implementing COVID-19 measures at all solid waste facilities for uninterrupted and safe, service provision



Ongoing operation and maintenance tasks at all transfer station and active landfill facilities were conducted and the following reporting requirements met:

- 2019 Annual Reports for all three landfill facilities
- 2019 Annual Groundwater Monitoring Reports for five closed and active landfill facilities
- 2019 Greenhouse Gas Emission Reduction Report for Foothills Boulevard Regional Landfill
- 2019 Landfill Gas Generation Assessment

The programs and policies introduced by the Regional District through its Regional Solid Waste Management Plan have resulted in considerable success towards waste diversion.

### *Regional Parks*

The Regional District operates and maintains 11 regional parks located throughout the Regional District encompassing a total of 330 hectares of land. In addition to routine maintenance work, several improvement projects were undertaken at a variety of parks including:

- continuation of Regional Parks Plan review and update with 2 public consultations conducted under COVID-19 measures
- shoreline mitigation works successfully conducted at Harold Man Regional Park
- improvement to trail system and signage

In addition to these works, 2020 saw a steady number in visitation at various parks, thereby incurring slightly higher maintenance costs.

### *Utilities*

The Regional District operates two small community water systems and five community sewer systems. The Regional District operates these systems in accordance with provincial regulatory requirements to meet public health, safety and environmental protection objectives.

The main roles of the Regional District at these sites for 2020 included:

- operating spray irrigation systems for the community sewer systems at three of the five systems
- operating the wastewater system at Baldy Hughes on a contract basis for BC Housing
- performing routine sampling and monitoring of the two community water systems
- completing a Well Head Protection Plan for Azu and Bear Lake drinking water systems

Ongoing operation and maintenance tasks at all utilities were conducted year-round.



## **FINANCIAL SERVICES**

### **FINANCIAL MANAGEMENT AND CONTROL**

The Regional District's Board adopts five-year financial plans for each Service. These five-year financial plans provide the budget for the current year, the financial plan for the next four years, and incorporate both operating and capital components. The budget process commences in the fall and the five-year financial plan bylaw must be adopted by March 31<sup>st</sup> of each year.

Management is responsible for the preparation, monitoring and management of their operating and capital budgets. There were ninety-two operating budgets prepared in 2020 for the various Services offered by the Regional District.

Financial Services is responsible for compiling the budgets and preparing the five-year financial plan for presentation to the Board. This Service is also responsible for analyzing the budget and making recommendations to the Administrator.

Financial Services has established an accounting system and internal controls to provide reasonable assurance for the safekeeping of assets and the reliability of the financial records. The financial management system allows all Services ready access to current financial and budget information. Authorized users have on-line access to a wide variety of financial information that is pertinent to their duties, such as payroll information, accounts payable, accounts receivable and general account and budget detail.

### **SIGNIFICANT ACTIVITIES**

- 1) Reserve Funds: Each year the Regional District budgets for annual contributions to be made into the reserve funds. This allows the Regional District to internally finance, for specific purposes, such as the purchase of capital equipment and landfill closure and post-closure costs. These funds are accounted for separately for each Service and the monies are invested until such time as they are required.

At December 31, 2020, the Regional District held approximately 220 unique reserve funds. In 2020, \$8,807,164 was contributed from Operating Funds to Reserve Funds and \$1,509,432 was earned in interest. During the year, \$3,722,971 in total was transferred from reserves to fund various projects within Regional District Services. This included funds for Valemount Volunteer Fire Department and Hixon Volunteer Fire Department to purchase new front-line engines, along with funds from the landfill closure reserve to fund progressive closure related costs at the Foothills Boulevard Regional Landfill. At December 31, 2020, the total in the Reserve Funds is \$67,649,816.





- 2) Debt: The Regional District borrows on behalf of the municipalities within its boundaries and for its own use. Debentures are issued to the Municipal Finance Authority of British Columbia for these funds. Although the Regional District is ultimately responsible for the retirement of the debenture debt, the municipalities are responsible for repayment to the Regional District of their share of this liability.

Each year, principal payments are made from the Operating Funds to repay the Regional District's portion of the debenture debt. Of the \$60,367,242 in debenture debt at December 31, 2020, the Municipalities (City of Prince George and the Village of Valemount) are responsible for the retirement of \$57,334,468.

- 3) The Audit: The Regional District is required by the Section 169 of the *Community Charter* to appoint an external auditor. The auditor is required to give an opinion as to whether the Consolidated Financial Statements present fairly, in all material respects, the consolidated financial position of the Regional District as at December 31<sup>st</sup>, including the consolidated results of operations, consolidated changes in net financial assets, consolidated remeasurement gains and losses and the consolidated cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

The independent auditor's role is to examine the consolidated financial statements, procedures, documentation, systems and other matters in order to form an opinion on the Regional District's Consolidated Financial Statements. The Consolidated Financial Statements are prepared by, and are the responsibility of, the management of the Regional District.

Respectfully submitted,

***“Chris Calder”***

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Chris Calder, CPA, CA  
General Manager of Financial Services



***BOARD OF DIRECTORS AS OF DECEMBER 31, 2020***

Chairperson..... Art Kaehn

Vice Chairperson..... Lara Beckett

***Municipal Directors***

City of Prince George ..... Lyn Hall (Mayor)

..... Murry Krause

..... Terri McConnachie

..... Kyle Sampson

District of Mackenzie ..... Joan Atkinson (Mayor)

Village of McBride ..... Allan Frederick

Village of Valemount..... Owen Torgerson (Mayor)

***Electoral Area Directors***

Area A – Salmon River – Lakes..... Warren Wilson

Area C – Chilako River – Nechako ..... Lara Beckett

Area D – Tabor Lake – Stone Creek..... Bill Empey

Area E – Woodpecker – Hixon ..... Art Kaehn

Area F – Willow River – Upper Fraser ..... Kevin Dunphy

Area G – Crooked River – Parsnip ..... Pat Crook

Area H – Robson Valley – Canoe ..... Dannielle Alan

Letters patent were issued in 1967 to create the Regional District of Fraser-Fort George. The Regional District has powers and authority as set out in the *Local Government Act*. The governing board of the Regional District is composed of fourteen directors: four selected by the City of Prince George from amongst its council, one selected by each of the councils of the District of Mackenzie, Village of McBride and Village of Valemount, and seven directors elected from within each of the seven electoral areas which cover the unincorporated portions of the Regional District.



***BOARD CHAIRPERSON SINCE INCORPORATION***

|                       |                |
|-----------------------|----------------|
| Paul Klotz .....      | 1967           |
| George McAndrew.....  | 1968 - 1970    |
| Levi Johnson .....    | 1971 - 1973    |
| Len Proppe.....       | 1974 - 1977    |
| Harold Mann.....      | 1978 - 1979    |
| Art Stauble .....     | 1980 - 1981    |
| George McKnight ..... | 1982           |
| Art Stauble .....     | 1983 - 1986    |
| Monica Becott.....    | 1987 - 1988    |
| Colin Kinsley.....    | 1989 - 1992    |
| Bob Headrick.....     | 1993 - 2000    |
| Colin Kinsley.....    | 2001 - 2006    |
| Art Kaehn .....       | 2007 - Present |

***REGIONAL DISTRICT OFFICERS***

|  |              |
|--|--------------|
| Chief Administrative Officer .....   | Jim Martin   |
| General Manager of Legislative and<br>Corporate Services (Corporate Officer) ..... | Karla Jensen |
| General Manager of Financial Services<br>(Financial Officer) .....                 | Chris Calder |



## ***REGIONAL DISTRICT FUNCTIONS***

### ***GENERAL GOVERNMENT SERVICES***

Administration  
Bear Lake Community Commission  
Regional District Board  
Community Services  
Electoral Area Administration  
Community Grants-in-Aid  
Regional Grants-in-Aid

### ***PROTECTIVE SERVICES***

Bear Lake Fire Protection  
Beaverly Fire Protection  
Buckhorn Fire Protection  
Emergency Preparedness Service  
Ferndale/Tabor Fire Protection  
Fire Department Coordination  
Hixon Fire Protection  
Inspection Services  
McBride District Fire Protection  
Ness Lake Fire Protection  
Pilot Mountain Fire Protection  
Pineview Fire Protection  
Red Rock/Stoner Fire Protection  
Salmon Valley Fire Protection  
Shell-Glen Fire/Rescue Protection  
Unsightly and Untidy Premises  
Valemount and District Fire Protection

### ***TRANSPORTATION SERVICES***

Bear Lake Street Lighting  
Buckhorn Street Lighting  
Hixon Street Lighting  
McLeod Lake Street Lighting  
Pineview Street Lighting  
Red Rock Street Lighting  
Shelley Street Lighting  
Syms Road Street Lighting  
Willow River Street Lighting

### ***ENVIRONMENTAL HEALTH SERVICES***

Adams Road Community Sewer System  
Azu Water System  
Bear Lake Water System  
Bendixon Community Sewer System  
Blackburn Water System  
Buckhorn Community Sewer System  
Rural Transfer Station Service  
Sewage Service – Holding Tanks  
Shelly Riverbank Erosion Protection  
Solid Waste Management  
Special Events Regulation  
Tabor Lake Sewer System  
Tallus Road Community Sewer System  
Waste Reduction  
West Lake Community Sewer System

### ***PUBLIC HEALTH AND WELFARE SERVICES***

9-1-1 Emergency Response  
Area D Rescue Service  
Bear Lake Ambulance Station  
Bear Lake Cemetery  
Chilako/Nechako Rescue Service  
Tete Jaune Cemetery  
Valemount and District Rescue Service

### ***ENVIRONMENTAL DEVELOPMENT SERVICES***

Economic Development Commission  
House Numbering  
Noise Control  
Regional Land Use Planning

### ***FISCAL SERVICES***

Debt Charges – Member Municipalities





*RECREATION AND CULTURAL SERVICES*

Area H Arenas  
Bear Lake Recreation Facility  
Canoe Valley Recreation Centre  
Dome Creek Recreation Facility  
East Line Community Facilities  
Heritage Conservation  
Nukko Lake Community Hall  
Prince George/Mackenzie Libraries  
Recreation Programs  
Regional Parks  
Reid Lake Community Hall  
Robson Valley/Canoe Libraries  
Robson Valley Exploration and Learning  
Robson Valley Recreation Centre  
Robson Valley TV Rebroadcasting  
Sinclair Mills Community Hall  
Tete Jaune Community Hall  
Valemount and District TV Rebroadcasting

*OTHER SERVICES*

Dome Creek Telephone  
Feasibility Studies



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## **MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying consolidated financial statements of the Regional District of Fraser-Fort George (the "Regional District") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 2 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Regional District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Regional District. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Regional District's consolidated financial statements.

***"Chris Calder"***

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Chris Calder, CPA, CA  
*General Manager of Financial Services*



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## INDEPENDENT AUDITORS' REPORT

To the Chairperson and Directors of the Regional District of Fraser-Fort George

### ***Opinion***

We have audited the consolidated financial statements of Regional District of Fraser-Fort George (the "Regional District"), which comprise:

- the consolidated statement of financial position as at December 31, 2020
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Regional District as at December 31, 2020 and its consolidated results of operations, change in net consolidated financial assets and its consolidated 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 "***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***" section of our auditors' report.

We are independent of the Regional District in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





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

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

In preparing the consolidated financial statements, management is responsible for assessing the Regional District'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 Regional District or to cease operations, or has no realistic alternative but to do so.

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

## ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the consolidated financial statements.

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

We also:

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

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants  
Prince George, Canada  
April 22, 2021



# REGIONAL DISTRICT of Fraser-Fort George

## Consolidated Statement of Financial Position

As at December 31, 2020

|  | 2020                 | 2019                 |
|--|----------------------|----------------------|
| <b>FINANCIAL ASSETS</b>                                  |                      |                      |
| Cash and cash equivalents (Note 3)                       | \$ 15,993,210        | \$ 25,228,100        |
| Portfolio investments (Note 4)                           | 59,220,177           | 43,136,443           |
| Accounts receivable (Note 5)                             | 2,854,921            | 2,431,245            |
| Deposits - Municipal Finance Authority (Note 6)          | 42,021               | 41,174               |
| Debt recoverable - member municipalities (Note 7)        | 57,334,468           | 66,030,495           |
| <b>Total financial assets</b>                            | <b>135,444,797</b>   | <b>136,867,457</b>   |
| <b>LIABILITIES</b>                                       |                      |                      |
| Accounts payable and accrued liabilities (Note 8)        | 4,985,657            | 4,125,548            |
| Provision for landfill closure and post-closure (Note 9) | 27,098,611           | 26,739,503           |
| Deferred revenue (Note 10)                               | 98,808               | 16,150               |
| Reserve - Municipal Finance Authority (Note 6)           | 42,021               | 41,174               |
| Debt, net of sinking funds (Note 11)                     | 60,367,242           | 68,259,410           |
| <b>Total liabilities</b>                                 | <b>92,592,339</b>    | <b>99,181,785</b>    |
| <b>NET FINANCIAL ASSETS</b>                              | <b>42,852,458</b>    | <b>37,685,672</b>    |
| <b>NON-FINANCIAL ASSETS</b>                              |                      |                      |
| Tangible capital assets (Schedule 2)                     | 43,320,271           | 39,889,991           |
| Prepaid expenses   | 463,444              | 291,303              |
| <b>Total non-financial assets</b>                        | <b>43,783,715</b>    | <b>40,181,294</b>    |
| <b>ACCUMULATED SURPLUS</b>                               | <b>86,636,173</b>    | <b>77,866,966</b>    |
| <b>Accumulated surplus consists of:</b>                  |                      |                      |
| Accumulated surplus (Note 12)                            | 86,820,635           | 78,504,630           |
| Accumulated remeasurement losses                         | (184,462)            | (637,664)            |
| <b>ACCUMULATED SURPLUS</b>                               | <b>\$ 86,636,173</b> | <b>\$ 77,866,966</b> |
| Commitments (Note 17)                                    |                      |                      |
| Contractual obligations (Note 18)                        |                      |                      |
| Contractual rights (Note 19)                             |                      |                      |

***"Chris Calder"***

Chris Calder, CPA, CA, General Manager of Financial Services

***"A. Kaehn"***

Art Kaehn, Chair

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



## REGIONAL DISTRICT of Fraser-Fort George

### **Consolidated Statement of Operations and Accumulated Surplus**

| <i>For the year ended December 31, 2020</i>        | <b>2020 Budget<br/>(Note 14)</b> | <b>2020</b>                 | <b>2019</b>                 |
|--|----------------------------------|-----------------------------|-----------------------------|
| <b>REVENUES</b>                                    |                                  |                             |                             |
| Requisition and parcel taxes                       | \$ 19,931,670                    | \$ 19,931,670               | \$ 19,418,640               |
| Municipal debt recovery                            | 10,730,010                       | 10,681,103                  | 10,666,415                  |
| Sale of services, utilities and rentals            | 8,114,760                        | 7,605,714                   | 7,949,191                   |
| Government transfers (Note 13)                     | 2,603,480                        | 3,482,889                   | 7,484,020                   |
| Grants-in-lieu                                     | 1,065,000                        | 1,378,803                   | 1,321,000                   |
| Permit fees  | 186,200                          | 412,030                     | 238,122                     |
| Return on investments                              | -                                | 1,202,003                   | 1,042,681                   |
| Gain (loss) on disposal of tangible capital assets | -                                | 791                         | (20,314)                    |
| Other revenue                                      | 470,371                          | 1,198,167                   | 478,220                     |
| <b>Total revenues</b>                              | <b>43,101,491</b>                | <b>45,893,170</b>           | <b>48,577,975</b>           |
| <b>EXPENSES</b>                                    |                                  |                             |                             |
| General government services                        | 6,740,115                        | 6,213,783                   | 5,913,432                   |
| Protective services                                | 3,745,761                        | 4,239,597                   | 3,377,451                   |
| Transportation services                            | 78,670                           | 68,230                      | 74,789                      |
| Environmental health services                      | 9,727,094                        | 7,888,082                   | 11,084,150                  |
| Public health and welfare services                 | 3,888,699                        | 3,594,600                   | 3,485,050                   |
| Environmental development services                 | 926,205                          | 646,978                     | 730,040                     |
| Fiscal services                                    | 10,730,010                       | 10,681,103                  | 10,666,415                  |
| Recreation and cultural services                   | 4,491,174                        | 4,244,792                   | 4,204,667                   |
| <b>Total expenses</b>                              | <b>40,327,728</b>                | <b>37,577,165</b>           | <b>39,535,994</b>           |
| <b>ANNUAL SURPLUS</b>                              | <b>2,773,763</b>                 | <b>8,316,005</b>            | <b>9,041,981</b>            |
| <b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>      | <b>78,504,630</b>                | <b>78,504,630</b>           | <b>69,462,649</b>           |
| <b>ACCUMULATED SURPLUS, END OF YEAR</b>            | <b><u>\$ 81,278,393</u></b>      | <b><u>\$ 86,820,635</u></b> | <b><u>\$ 78,504,630</u></b> |

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





## REGIONAL DISTRICT of Fraser-Fort George

### *Consolidated Statement of Changes in Net Financial Assets*

| <i>For the year ended December 31, 2020</i>        | <b>2020<br/>Budget<br/>(Note 14)</b> | <b>2020</b>          | <b>2019</b>          |
|--|--------------------------------------|----------------------|----------------------|
| <b>Annual surplus</b>                              | \$ 2,773,763                         | \$ 8,316,005         | \$ 9,041,981         |
| Acquisition of tangible capital assets             | (23,379,985)                         | (2,076,605)          | (3,410,113)          |
| Increase in capital projects in progress           | -                                    | (3,219,444)          | (236,344)            |
| Proceeds on disposal of tangible capital assets    | -                                    | 1,791                | -                    |
| Amortization of tangible capital assets            | -                                    | 1,864,769            | 1,624,477            |
| (Gain) loss on disposal of tangible capital assets | -                                    | (791)                | 20,314               |
| Acquisition of prepaid expenses                    | -                                    | (463,444)            | (291,303)            |
| Use of prepaid expenses                            | -                                    | 291,303              | 258,176              |
| Net remeasurement gains and losses                 | -                                    | 453,202              | 418,526              |
|  | (23,379,985)                         | (3,149,219)          | (1,616,267)          |
| <b>(DECREASE) INCREASE IN NET FINANCIAL ASSETS</b> | (20,606,222)                         | 5,166,786            | 7,425,714            |
| <b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>     | <u>37,685,672</u>                    | <u>37,685,672</u>    | <u>30,259,958</u>    |
| <b>NET FINANCIAL ASSETS, END OF YEAR</b>           | <u>\$ 17,079,450</u>                 | <u>\$ 42,852,458</u> | <u>\$ 37,685,672</u> |

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



***Consolidated Statement of Remeasurement Gains and Losses***

***For the Year Ended December 31, 2020***

|  | <b>2020</b>                       | <b>2019</b>                       |
|--|-----------------------------------|-----------------------------------|
| Accumulated remeasurement losses, beginning of year  | \$ (637,664)                      | \$ (1,056,190)                    |
| Remeasurement losses realized and reclassified to the Consolidated Statement of Operations and Accumulated Surplus | 261,238                           | 428,083                           |
| Change in unrealized loss on portfolio investments   | <u>191,964</u>                    | <u>(9,557)</u>                    |
| <b>ACCUMULATED REMEASUREMENT LOSSES, END OF YEAR</b>   | <b><u><u>\$ (184,462)</u></u></b> | <b><u><u>\$ (637,664)</u></u></b> |

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



# REGIONAL DISTRICT of Fraser-Fort George

## Consolidated Statement of Cash Flows

For the year ended December 31, 2020

|   | 2020                 | 2019                 |
|---|----------------------|----------------------|
| <b>OPERATING TRANSACTIONS</b>                               |                      |                      |
| Annual surplus  | \$ 8,316,005         | \$ 9,041,981         |
| <b>Non-cash items included in annual surplus:</b>           |                      |                      |
| Amortization of tangible capital assets                     | 1,864,769            | 1,624,477            |
| (Gain) loss on disposal of tangible capital assets          | (791)                | 20,314               |
| Increase in provision for landfill closure and post-closure | 359,108              | 3,885,209            |
| Decrease in accumulated remeasurement loss                  | 453,202              | 418,526              |
| <b>Non-cash charges to operations (net change):</b>         |                      |                      |
| Increase in accounts receivable                             | (423,676)            | (582,143)            |
| Increase in prepaid expenses                                | (172,141)            | (33,127)             |
| Increase in accounts payable and accrued liabilities        | 860,109              | 674,308              |
| Increase (decrease) in deferred revenue                     | 82,658               | (652,543)            |
| <b>Net change in cash from operating transactions</b>       | <b>11,339,243</b>    | <b>14,397,002</b>    |
| <b>CAPITAL TRANSACTIONS</b>                                 |                      |                      |
| Acquisition of tangible capital assets                      | (2,076,605)          | (3,410,113)          |
| Increase in capital projects in progress                    | (3,219,444)          | (236,344)            |
| Proceeds from disposal of tangible capital assets           | 1,791                | -                    |
| <b>Net change in cash from capital transactions</b>         | <b>(5,294,258)</b>   | <b>(3,646,457)</b>   |
| <b>INVESTING TRANSACTIONS</b>                               |                      |                      |
| (Increase) decrease in portfolio investments                | (16,083,734)         | 4,702,629            |
| <b>Net change in cash from investing transactions</b>       | <b>(16,083,734)</b>  | <b>4,702,629</b>     |
| <b>FINANCING TRANSACTIONS</b>                               |                      |                      |
| Long-term debt proceeds                                     | 1,088,370            | -                    |
| Repayment of long-term debt                                 | (284,511)            | (347,663)            |
| <b>Net change in cash from financing transactions</b>       | <b>803,859</b>       | <b>(347,663)</b>     |
| <b>NET CASH AND CASH EQUIVALENTS (DECREASE) INCREASE</b>    | <b>(9,234,890)</b>   | <b>15,105,511</b>    |
| <b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>         | <b>25,228,100</b>    | <b>10,122,589</b>    |
| <b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>               | <b>\$ 15,993,210</b> | <b>\$ 25,228,100</b> |

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

## ***Notes to the Consolidated Financial Statements***

**For the year ended December 31, 2020**

### **GENERAL**

The notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements. They explain the significant accounting and reporting policies, and the principles that form the basis for these Consolidated Financial Statements. The notes also provide important supplementary information and explanations, which cannot be conveniently integrated into the Consolidated Financial Statements.

### **1. DESCRIPTION OF BUSINESS**

The Regional District of Fraser – Fort George (the "Regional District") was incorporated by Letters Patent of the Province of British Columbia on March 8, 1967. The Regional District's principal activities are the provision of regional, sub-regional and local government services to the residents of the four municipalities and seven electoral areas within its boundaries.

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in governments worldwide, including the Canadian Federal and Provincial governments, enacting emergency measures to combat the spread of the virus. The current economic climate may have a direct impact on the Regional District's operating results and financial position in the future. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Regional District is not known at this time. There have been no significant adverse impacts on the Regional District's business to date.

The following steps have been taken at the Regional District's landfills and transfer stations:

- i) All landfills and transfer stations remain open.
- ii) Physical distancing protocols are in place with fewer vehicles on site at one time.
- iii) Members of the public are advised to wear a mask at all Regional District facilities.

The following steps have been taken at the Regional District's recreational facilities in the Robson Valley:

- i) No walk-in traffic permitted for the arenas or fitness facilities.
- ii) Face masks are required in all areas of the facility, except when using exercise equipment.
- iii) Adult team sports are suspended until further notice.
- iv) Child and youth programs continue on ice (in winter season) without spectators allowed unless the presence of a spectator is necessary in order to provide care to a child or youth.

The following steps have been taken at the Regional District's corporate office:

- i) The Regional District office at 155 George Street is only accessible to those with scheduled appointments.
- ii) Essential services have been maintained with employees temporarily relocated to work from home.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **a. Basis of presentation**

The Consolidated Financial Statements of the Regional District are prepared by management in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The Consolidated Financial Statements reflect the combined results and activities of the Regional District's Operating, Capital, and Reserve Funds. The purpose of these funds is as below:

- i) Operating Funds – These funds include the General, Water, and Sewer operations of the Regional District. Operating funds are used to record the costs associated with providing Regional District services.
- ii) Capital Funds – These funds include the General, Water, and Sewer Capital Funds. These funds track the acquisition costs of various tangible capital assets and the funding of these assets including related long-term debt.
- iii) Reserve Funds – Under the *Local Government Act* of British Columbia, the Board of Directors of the Regional District may, by bylaw, establish Reserve Funds for specific purposes. Money in a Reserve Fund and interest thereon must be used only for the purpose for which the fund was established. If the amount in a Reserve Fund is greater than required, the Board of Directors may, by bylaw, transfer all or part of the balance to another Reserve Fund.

#### **b. Basis of accounting**

The Regional District follows the accrual method of accounting for revenue and expenses. Revenues are normally recognized in the period when they are earned, can be measured and there is reasonable assurance that they will be collected. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

#### **c. Revenue recognition**

Each municipality and electoral area within the Regional District is requisitioned for their portion of each service in which they participate. These funds are then levied by the municipalities and the Province for electoral areas to individual taxpayers and are to be remitted to the Regional District by August 1 of each year. Requisition and parcel tax revenues are recognized in the year in which they are levied.

Operating grants are recognized as earned. Capital grants are recognized as revenues in the year in which the related expenditures are incurred. Sale of services and user fee revenues are recognized when the service or product is provided by the Regional District.

Government transfers are recognized as revenues in the period in which events giving rise to the transfer occur in accordance with PS 3410 Government Transfers. PS 3410 Government Transfers requires recognition when a transfer is authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Grants in lieu of taxes are recorded on an accrual basis when it is possible to reasonably estimate the amounts receivable.

***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)****d. Return on investments**

Return on investments is recognized as revenue in the period the investment income is earned. A portion of the return on investments is allocated to all the functions based on the average function balances throughout the year.

**e. Financial instruments**

Financial instruments are classified into two categories: fair value or cost.

- i) Fair value category: portfolio investments quoted in an active market are reflected at fair value as at the reporting date. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are recorded as an expense. Unrealized gains and losses on financial assets are recognized in the Consolidated Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus and related balances reversed from the Consolidated Statement of Remeasurement Gains and Losses.
- ii) Cost category: portfolio investments not quoted in an active market, financial assets and liabilities are recorded at cost or amortized cost. Gains and losses are recognized in the Consolidated Statement of Operations and Accumulated Surplus when the financial asset is derecognized due to disposal or impairment. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of financial assets are included in the cost of the related instrument.

Financial assets are assessed for impairment on an annual basis. If there is an indicator of impairment, the Regional District determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Regional District expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

**f. Deferred revenue**

Deferred revenue represents amounts received from outside funding sources in anticipation of specific future project expenditures. These amounts are recognized as revenues in the period that the related expenditures are incurred and eligibility criteria are met.

**g. Cash and cash equivalents**

Cash and cash equivalents include cash and short term investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.



## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **h. Debt**

Debt is recorded net of related sinking fund balances.

#### **i. Tangible capital assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

|                        |                |
|------------------------|----------------|
| Land improvements      | 20 - 100 years |
| Buildings              | 20 - 50 years  |
| Equipment              | 5 - 35 years   |
| Engineering structures | 50 years       |
| Historical artifacts   | not amortized  |
| Sewer systems          | 50 years       |
| Water systems          | 50 years       |

Half a year of amortization is charged in the year of acquisition and half a year in the year of disposal. Capital projects in progress are not amortized until the tangible capital asset is available for productive use. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

#### **j. Equity in tangible capital assets**

Equity in tangible capital assets reflects the accumulated historical cost of tangible capital assets for which there is no outstanding debt, less accumulated amortization.

#### **k. Provision for landfill closure and post-closure**

The liability for closure of operational landfill sites and post-closure care has been recognized based on estimated future expenses, estimated inflation and the site's estimated remaining capacity at the end of the year. The change in this liability during the year is recorded as a charge to operations in the Consolidated Statement of Operations and Accumulated Surplus. These estimates are reviewed and adjusted annually.

***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)****I. Employee future benefits**

The Regional District and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other benefits are available to the Regional District's employees. The cost of these benefits are determined based on service and best estimates of retirement ages and wages. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

**m. Segmented information**

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The Regional District has provided definitions of the Regional District's segments as well as presented financial information in segmented format in Note 16.

**n. Contaminated sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. 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 Regional District is directly responsible or accepts responsibility;
- iv) future economic benefits will be given up; and
- v) a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring.

***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)****o. Financial risks and concentration of risk**

The Regional District is potentially exposed to credit risk, market and interest rate risk, liquidity risk, and foreign exchange risk from the entity's financial instruments. Qualitative and quantitative analysis of the significant risks from the Regional District's financial instruments is provided below by type of risk.

**i) Credit risk**

Credit risk primarily arises from the Regional District's cash and cash equivalents, accounts receivable and portfolio investments. The risk exposure is limited to their carrying amounts at the date of the statement of financial position. Accounts receivable primarily consist of amounts receivable from government organizations, residents and other customers. To reduce the risk, the Regional District regularly reviews the collectability of its accounts receivable and if needed, will establish an allowance based on its best estimate of potentially uncollectible amounts. As at December 31, 2020, the amount of allowance for doubtful debts was nil (2019 - nil). The Regional District historically has not had difficulty collecting receivables, nor have counterparties defaulted on any payments.

**ii) Market and interest rate risk**

Market risk is the risk that changes in market prices and inputs, such as interest rates, will affect the Regional District's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk. The Regional District manages market risk by holding cash balances with top rated Canadian Schedule I and II financial institutions and local credit unions. The portfolio investments are managed following the investment policy which is approved by the Regional District's Board of Directors. The Regional District periodically reviews its investments and is satisfied that the portfolio investments are being managed in accordance with the investment policy. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Regional District's portfolio investments are disclosed in Note 4 and changes in the fair value of portfolio investments have parallel changes in unrealized gains or losses until realized on disposal. There has been no change to the interest rate risk exposure from 2019.

**iii) Liquidity risk**

Liquidity risk is the risk that the Regional District will not be able to meet its financial obligations as they become due. The Regional District manages liquidity risk by continually monitoring actual and forecasted cash flows from operations, anticipated investing, and financial activities to ensure that its financial obligations are met.

**iv) Foreign exchange risk**

The Regional District has not entered into any agreements or purchased any foreign currency hedging arrangements to hedge possible currency risks, as management believes that the foreign exchange risk derived from currency conversions is not significant.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### **p. Use of estimates**

The preparation of the Consolidated Financial Statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the provision for landfill closure and post closure costs, determination of accrued sick benefits and vacation liability, collectibility of accounts receivable, useful life of tangible capital assets and provisions for commitments, contractual obligations, contractual rights and contingent assets. Actual results could differ from estimates. Adjustments, if any, will be reflected in the Consolidated Statement of Operations and Accumulated Surplus in the period of settlement.

### **3. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents is comprised of operating and savings account balances plus amounts held with CIBC in a pooled high interest savings account.

|  | <b>2020</b>          | <b>2019</b>          |
|--|----------------------|----------------------|
| Operating                              | \$ 3,171,940         | \$ 2,114,796         |
| CIBC Savings                           | 1,000,000            | -                    |
| CIBC High Interest Savings Account     | 11,821,270           | 23,113,304           |
| <b>Total cash and cash equivalents</b> | <b>\$ 15,993,210</b> | <b>\$ 25,228,100</b> |

### **4. PORTFOLIO INVESTMENTS**

Portfolio investments are comprised of investments held with the Municipal Finance Authority ("MFA") in money market, government focused ultra-short bond, short-term bond and mortgage pooled investment funds along with term deposits of varying maturity held with federal and provincial credit unions. MFA Government Focused Ultra-Short Bond Fund (formerly MFA Intermediate Fund), Short-Term Bond Fund and Mortgage Fund investments are quoted in an active market and therefore are recorded at fair market value. Term deposits are recorded at cost and interest is accrued as earned.

The portfolio investments measured at fair value held within each investment are classified according to a hierarchy which includes three levels, reflecting the reliability of the inputs involved in the fair value determination.

## **Notes to the Consolidated Financial Statements**

For the year ended December 31, 2020

### **4. PORTFOLIO INVESTMENTS (Continued)**

The different levels are defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

|   | <b>Fair Value<br/>Hierarchy</b> | <b>Maturity</b> | <b>Interest<br/>Rate</b> | <b>2020</b>          | <b>2019</b>          |
|---|---------------------------------|-----------------|--------------------------|----------------------|----------------------|
| Term deposit - Spruce Credit Union              | Level 1                         | January 2021    | 2.65%                    | \$ 2,000,000         | \$ -                 |
| Term deposit - Coast Capital Savings            | Level 1                         | May 2021        | 2.55%                    | 2,000,000            | -                    |
| Term deposit - Coast Capital Savings            | Level 1                         | August 2021     | 1.70%                    | 3,082,952            | 3,000,000            |
| Term deposit - Coast Capital Savings            | Level 1                         | September 2021  | 1.60%                    | 2,567,685            | 2,500,000            |
| Term deposit - Coast Capital Savings            | Level 1                         | September 2021  | 1.60%                    | 2,000,000            | -                    |
| Term deposit - Spruce Credit Union              | Level 1                         | September 2021  | 1.20%                    | 1,566,250            | 2,500,000            |
| Term deposit - Spruce Credit Union              | Level 1                         | January 2022    | 2.70%                    | 2,000,000            | -                    |
| Term deposit - Coast Capital Savings            | Level 1                         | May 2022        | 2.55%                    | 2,000,000            | -                    |
| Term deposit - Spruce Credit Union              | Level 1                         | September 2022  | 1.30%                    | 1,000,000            | -                    |
| MFA Money Market Fund                           | Level 1                         |                 |                          | 6,057,071            | 4,646,850            |
| MFA Government Focused Ultra-Short<br>Bond Fund | Level 2                         |                 |                          | 18,124,903           | 30,489,593           |
| MFA Short-Term Bond Fund                        | Level 2                         |                 |                          | 12,915,475           | -                    |
| MFA Mortgage Fund                               | Level 3                         |                 |                          | 3,905,841            | -                    |
| <b>Total portfolio investments</b>              |                                 |                 |                          | <b>\$ 59,220,177</b> | <b>\$ 43,136,443</b> |

The following table reconciles the changes in fair value of the financial instruments classified as level 3 during the year.

|                                   | <b>2020</b>         |
|-----------------------------------|---------------------|
| <b>Balance, beginning of year</b> | <b>\$ -</b>         |
| Unrealized gains                  | 155,841             |
| Purchases                         | 3,750,000           |
| <b>Balance, end of year</b>       | <b>\$ 3,905,841</b> |

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **5. ACCOUNTS RECEIVABLE**

Accounts receivable is comprised of the following:

|                                  | <b>2020</b>         | <b>2019</b>         |
|----------------------------------|---------------------|---------------------|
| Federal Government               | \$ 243,433          | \$ 851,788          |
| Province of British Columbia     | 733,799             | 153,623             |
| Local governments                | 1,180,216           | 1,015,529           |
| Accrued interest                 | 212,953             | 65,973              |
| Trade                            | 484,520             | 344,332             |
| <b>Total accounts receivable</b> | <b>\$ 2,854,921</b> | <b>\$ 2,431,245</b> |

### **6. MUNICIPAL FINANCE AUTHORITY - DEPOSITS AND RESERVES**

The MFA provides long term capital financing for Regional Districts and their Member Municipalities. As protection against loan default, the MFA is required to establish a debt reserve fund into which Regional Districts and Member Municipalities contribute amounts set out in each respective loan agreement. Cash deposits (including investment earnings) are an obligation of the MFA to the Regional District. Demand notes are contingent on the MFA calling the outstanding notes in the event of a loan default. Cash deposits of Member Municipalities are not recorded in these consolidated financial statements.

|                          | <b>2020</b> | <b>2019</b> |
|--------------------------|-------------|-------------|
| <b>Regional District</b> |             |             |
| Cash deposits            | \$ 42,021   | \$ 41,174   |

### **7. DEBT RECOVERABLE - MEMBER MUNICIPALITIES**

The debt, net of sinking funds liability in the Consolidated Statement of Financial Position reflects the total debenture debt offset by the principal payments made to date. The Regional District's portion of the debenture debt will be retired by future contributions from the general operating fund, funded through tax requisitions. The debenture debt liability on behalf of the member municipalities is offset by a corresponding receivable from the municipalities.

|   | <b>2020</b>          | <b>2019</b>          |
|---|----------------------|----------------------|
| <b>Debt recoverable from member municipalities</b>    |                      |                      |
| City of Prince George                                 | \$ 56,775,966        | \$ 65,413,725        |
| Village of Valemount                                  | 558,502              | 616,770              |
| <b>Total debt recoverable - member municipalities</b> | <b>\$ 57,334,468</b> | <b>\$ 66,030,495</b> |



## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable is comprised of the following:

|   | <b>2020</b>         | <b>2019</b>         |
|---|---------------------|---------------------|
| Trade payables  | \$ 1,813,130        | \$ 1,401,378        |
| Accrued liabilities                                   | 1,258,705           | 966,252             |
| Accrued wages and benefits                            | 1,720,122           | 1,421,952           |
| Holdbacks payable                                     | 130,930             | 279,785             |
| Taxes payable   | 45,573              | 38,984              |
| Accrued debt interest                                 | 17,197              | 17,197              |
| <b>Total accounts payable and accrued liabilities</b> | <b>\$ 4,985,657</b> | <b>\$ 4,125,548</b> |

### **9. PROVISION FOR LANDFILL CLOSURE AND POST-CLOSURE**

The Regional District is responsible for the closure and post-closure care of two landfill sites: Foothills and Mackenzie. British Columbia environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

In 2019, the Mackenzie Regional Landfill ("Mackenzie") was transitioned from a full service landfill to receiving only demolition, land clearing and construction ("DLC") refuse with the construction of a transfer station on the same site that opened in December 2019 to accept non DLC waste. The Mackenzie Regional Landfill continues to operate in a limited capacity, thereby extending the estimated remaining useful life of this site. The remaining capacity and the effect of the change to a transfer station model on Mackenzie's accrued closure liability will be assessed in greater detail in a future period.

At the Foothills Boulevard Regional Landfill ("Foothills"), the closure and post closure costs outlined are for Cell 1 of the landfill. Cell 2 is planned to be built towards the end of the useful life of Cell 1 to maintain uninterrupted site continuity. Cell 2 is estimated to have a capacity of 3 million cubic metres and no costs have been incurred in relation to Cell 2 as of December 31, 2020. Therefore, all provisions as of December 31, 2020 relate to the closure and post closure of Cell 1 only. Once expenses are incurred for Cell 2 and there is a viable estimate for closure costs, this estimate will be added to the provision for landfill closure and post closure.

The estimated total liability provision is based on the sum of discounted future cash out-flows for closure and post-closure activities for 30 years after closure using a discount rate of 2.0% (2019 - 3.0%) and a projected annual inflation rate of 2.0% (2019 - 2.0%) for a net discount rate of 0.0% (2019 - 1.0%). The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. The total capacity of Cell 1 at the Foothills site is estimated at 4 million cubic metres. The estimated remaining capacity of Cell 1 is 0.817 (2019 – 0.915) million cubic metres. Based on current projections, Cell 1 at Foothills is expected to reach capacity in approximately the year 2029. Remediation work is planned within Cell 1 that is expected to result in additional capacity, thereby extending the useful life of Cell 1 to reach capacity in approximately the year 2035. The accrued liability calculation will be updated accordingly once the remediation work is complete.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **9. PROVISION FOR LANDFILL CLOSURE AND POST-CLOSURE (CONTINUED)**

| <b>Foothills Regional Landfill</b>                                   | <b>2020</b>          | <b>2019</b>          |
|--|----------------------|----------------------|
| Estimated closure costs  | \$ 27,329,666        | \$ 29,158,536        |
| Estimated post-closure costs   | 4,650,000            | 3,431,888            |
| <b>Total discounted closure and post-closure costs for Foothills</b> | <b>\$ 31,979,666</b> | <b>\$ 32,590,424</b> |
| <br>Estimated capacity used at Foothills at December 31              | <br>79.6 %           | <br>77.1 %           |
| <br>Accrued liability for Foothills Regional Landfill                | <br>\$ 25,448,611    | <br>\$ 25,139,503    |
| Accrued liability for Mackenzie Regional Landfill                    | 1,650,000            | 1,600,000            |
| <b>Total provision for landfill closure and post-closure</b>         | <b>\$ 27,098,611</b> | <b>\$ 26,739,503</b> |

The recorded liability of \$27,098,611 (2019 - \$26,739,503) represents the portion of the estimated total future costs recognized as at December 31, 2020. Landfill expenses are included in environmental health services expense on the Consolidated Statement of Operations and Accumulated Surplus. The Regional District has established Landfill Closure Reserve Funds that are restricted for the purposes of funding future landfill closure and post-closure costs. The balance of this funding as at December 31, 2020, is \$25,771,006 (2019 - \$22,615,195), resulting in a current funding shortfall of \$1,327,605 (2019 - \$4,124,308).

### **10. DEFERRED REVENUE**

Deferred revenue is comprised of the following:

|                               | <b>2020</b>      | <b>2019</b>      |
|-------------------------------|------------------|------------------|
| Province of British Columbia  | \$ 43,758        | \$ -             |
| Local governments             | 40,000           | -                |
| Sewer parcel taxes            | 8,750            | 10,500           |
| Refundable deposits           | 6,300            | 5,650            |
| <b>Total deferred revenue</b> | <b>\$ 98,808</b> | <b>\$ 16,150</b> |



# REGIONAL DISTRICT of Fraser-Fort George

## Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

### 11. DEBT, NET OF SINKING FUNDS

| Loan Authorization<br>Bylaw/ Resolution No. | Issue<br>No. | Purpose                                  | Maturing        | Interest<br>Rate  | 2020                 | 2019                 |
|---|--------------|--|-----------------|-------------------|----------------------|----------------------|
| <b>MFA Loan Debt</b>                        |              |  |                 |                   |                      |                      |
| 2249  | 101          | Valemount & District<br>Rescue           | 2022            | 2.25%             | \$ 36,403            | \$ 56,986            |
| 2293  | 101          | Heritage Conservation                    | 2027            | 2.25%             | 638,231              | 721,273              |
| 2095  | 104          | West Lake Sewer                          | 2033            | 2.90%             | 160,358              | 169,698              |
| 2558  | 116          | Shelley Riverbank<br>Erosion             | 2036            | 4.20%             | 47,364               | 49,536               |
| 2307  | 118          | Adams Road Sewer                         | 2037            | 3.40%             | 267,371              | 278,631              |
| 2309  | 118          | Tallus Road Sewer                        | 2037            | 3.40%             | 63,719               | 66,402               |
| 2971  | 141          | Robson Valley<br>Learning & Exploration  | 2042            | 2.80%             | 411,010              | 424,394              |
| 2971  | 146          | Robson Valley<br>Learning & Exploration  | 2043            | 3.20%             | 85,808               | 88,396               |
| Various                                     | Various      | Debt issued for<br>member municipalities | 2020 to<br>2039 | 1.75% to<br>5.10% | 57,334,468           | 66,030,495           |
| <b>Subtotal</b>                             |              |  |                 |                   | <b>\$ 59,044,732</b> | <b>\$ 67,885,811</b> |

| Loan Authorization<br>Bylaw/ Resolution No. | Issue<br>No. | Purpose                     | Maturing | Interest<br>Rate | 2020                | 2019             |
|---|--------------|-----------------------------|----------|------------------|---------------------|------------------|
| <b>MFA Short Term<br/>Financing</b>         |              |                             |          |                  |                     |                  |
| 2758  | N/A          | Tete Jaune Cemetery         | 2022     | 1.21%            | \$ 3,000            | \$ 12,000        |
| 3134  | N/A          | 9-1-1 Emergency<br>Services | 2025     | 1.21%            | 1,000,000           | -                |
| <b>Subtotal</b>                             |              |                             |          |                  | <b>\$ 1,003,000</b> | <b>\$ 12,000</b> |

| Loan Authorization<br>Bylaw/Resolution No. | Issue No. | Purpose      | Maturing | Interest<br>Rate | 2020    | 2019      |
|--|-----------|--------------|----------|------------------|---------|-----------|
| <b>MFA Equipment<br/>Financing</b>         |           |              |          |                  |         |           |
| 344/15                                     | N/A       | Beaverly VFD | 2020     | 1.21%            | \$ -    | \$ 20,039 |
| 1012/17                                    | N/A       | Pineview VFD | 2022     | 1.21%            | 58,322  | 86,183    |
| 1014/17                                    | N/A       | McBride VFD  | 2022     | 1.21%            | 101,200 | 149,546   |

## Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

### 11. DEBT, NET OF SINKING FUNDS (CONTINUED)

| Loan Authorization<br>Bylaw/Resolution No.  | Issue No. | Purpose               | Maturing | Interest<br>Rate | 2020                 | 2019                 |
|---|-----------|-----------------------|----------|------------------|----------------------|----------------------|
| 1010/17                                     | N/A       | Ness Lake VFD         | 2022     | 1.21%            | 71,618               | 105,831              |
| 775/20                                      | N/A       | Hixon Fire Protection | 2025     | 1.21%            | 88,370               | -                    |
| <b>Subtotal</b>                             |           |                       |          |                  | <b>319,510</b>       | <b>361,599</b>       |
| <b>Total Debt, Net of Sinking<br/>Funds</b> |           |                       |          |                  | <b>\$ 60,367,242</b> | <b>\$ 68,259,410</b> |

#### a. Principal repayments

Future principal payments due as a result of borrowing on behalf of member municipalities will be recovered by requisition from the municipalities (see note 7 – debt recoverable - member municipalities). Principal payments required over the next 5 years and thereafter on the remaining long-term debt obligations are as follows:

| Year         | Regional<br>District | Member<br>Municipalities | Total<br>Principal<br>Payments |
|--------------|----------------------|--------------------------|--------------------------------|
| 2021         | \$ 93,074            | \$ 6,275,005             | \$ 6,368,079                   |
| 2022         | 93,074               | 3,575,069                | 3,668,143                      |
| 2023         | 80,588               | 3,381,768                | 3,462,356                      |
| 2024         | 80,588               | 3,088,699                | 3,169,287                      |
| 2025         | 80,588               | 3,082,668                | 3,163,256                      |
| Thereafter   | 1,282,352            | 37,931,259               | 39,213,611                     |
| <b>Total</b> | <b>\$ 1,710,264</b>  | <b>\$ 57,334,468</b>     | <b>\$ 59,044,732</b>           |

#### b. Interest paid on long-term debt

During the year, gross interest paid or payable on long-term debt was \$4,579,213 (2019 - \$4,641,234). Of this, \$4,476,798 (2019 - \$4,550,718) was recovered from member municipalities and \$102,146 (2019 - \$119,301) was charged to Regional District operations.

## **Notes to the Consolidated Financial Statements**

For the year ended December 31, 2020

### **12. ACCUMULATED SURPLUS**

|  | <b>2020</b>          | <b>2019</b>          |
|--|----------------------|----------------------|
| Surplus within Regional District services                | \$ 6,065,838         | \$ 7,372,548         |
| Provision for landfill closure and post closure (Note 9) | (27,098,611)         | (26,739,503)         |
| <b>Subtotal - Operating fund deficit</b>                 | <b>(21,032,773)</b>  | <b>(19,366,955)</b>  |
| Reserve funds (Schedule 1)                               | 67,649,816           | 60,334,261           |
| Equity in Tangible Capital Assets                        | 40,203,592           | 37,537,324           |
| <b>Total accumulated surplus</b>                         | <b>\$ 86,820,635</b> | <b>\$ 78,504,630</b> |

### **13. GOVERNMENT TRANSFERS**

Government transfers are comprised of the following:

|                                   | <b>2020</b>         | <b>2019</b>         |
|-----------------------------------|---------------------|---------------------|
| Government of Canada              | \$ 51,518           | \$ 715,815          |
| Province of British Columbia      | 3,235,857           | 6,463,001           |
| Regional and local governments    | 10,000              | 70,000              |
| Rail tax mitigation               | 129,740             | 129,740             |
| Other                             | 55,774              | 105,464             |
| <b>Total government transfers</b> | <b>\$ 3,482,889</b> | <b>\$ 7,484,020</b> |

### **14. BUDGET INFORMATION**

The budget data presented in these consolidated financial statements is based upon the 2020 Financial Plan bylaw approved by the Board of Directors on March 19, 2020. The legislative requirements for the Financial Plan are that the cash inflows for the period must equal cash outflows.

Cash inflows and outflows include such items as: debt proceeds, transfer to and from reserves and surplus, grant funding previously recorded as revenue, debt principal repayment and asset purchases and sale proceeds. These items are not recognized as revenues and expenses in the Consolidated Statement of Operations and Accumulated Surplus as they do not meet the public sector accounting standard requirements. PSAB requires that budget figures be presented on the same basis of accounting as actual figures.

In addition, the financial plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. These prior year surpluses do not appear on the current year Consolidated Statement of Operations and Accumulated Surplus.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **14. BUDGET INFORMATION (CONTINUED)**

The legislation does not require the funding of non-cash items such as amortization or liability provisions to provide for future cash requirements, thus there is no legislative requirement to include these items in the Financial Plan. However, these items are recognized as expenses in the Consolidated Statement of Operations and Accumulated Surplus.

Amortization was not contemplated on the development of the approved 2020 Financial Plan and as such, has not been included. The chart below illustrates how the legislative requirement for a balanced Financial Plan has been met.

|  | <b>Budget<br/>Amount</b> |
|--|--------------------------|
| Financial Plan bylaw, surplus for the year   | \$ -                     |
| Adjust for budgeted cash items not included in Consolidated Statement of Operations and Accumulated Surplus: |                          |
| Acquisition of tangible capital assets   | 23,379,985               |
| Principal payments on long-term debt   | 177,590                  |
| Transfer to reserves   | 6,181,855                |
| Long-term debt proceeds  | (6,989,123)              |
| Transfer from reserves   | (14,995,990)             |
| Transfer from operating surplus  | (5,524,054)              |
| Internal expenditure for rural transfer stations   | 543,500                  |
| <b>Budgeted Annual Surplus on Consolidated Statement of Operations and Accumulated Surplus</b>               | <b>\$ 2,773,763</b>      |

### **15. CREDIT FACILITY**

The Regional District of Fraser-Fort George has available an authorized operating line of credit to a maximum of \$1,000,000. This facility bears interest at prime rate (December 31, 2020 – 2.45%) and is secured by the current borrowing resolution. This facility remained unused at year end.



## ***Notes to the Consolidated Financial Statements***

**For the year ended December 31, 2020**

### **16. SEGMENTED INFORMATION**

The Regional District of Fraser-Fort George is a diversified local government providing a wide range of services to approximately 100,000 residents, including parks, recreation centres, community halls, fire protection, water and sewer services. As a requirement of the *Local Government Act*, separate financial records must be kept for each service providing detailed allocation of assets and liabilities, revenues and expenses, information concerning reserve funds and other pertinent financial details. For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment and also amounts that are allocated on a reasonable basis.

Segmentation has been determined on a functional basis with consideration to service delivery and department accountabilities. The following is a description of the types of services included in each of the main service segments of the Regional District's consolidated financial statements. A detailed summary of the 2020 revenues and expenses can be found in Schedule 3, with 2019 comparative information in Schedule 4.

#### **General Government Services**

General government is comprised of board and electoral area governance, general administration which includes legislative services, finance, human resources and information technology systems, community services and grants in aid.

#### **Protective Services**

Protective services include volunteer fire departments, emergency programs, building inspection and various bylaw compliance services.

#### **Transportation Services**

Transportation services include street lighting.

#### **Environmental Health Services**

Environmental health services is responsible for regional solid waste management through collection, disposal services, waste reduction and education programs. Water and sewer systems are also included in this service.

#### **Public Health and Welfare Services**

Public health and welfare services includes 9-1-1 emergency response, cemetery service and search and rescue.

#### **Environmental Development Services**

Environmental development services includes regional land use planning, economic development, noise control and house numbering.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **16. SEGMENTED INFORMATION (CONTINUED)**

#### **Recreation and Cultural Services**

Recreation and cultural services include recreation facilities and programs, regional parks, community halls, TV rebroadcasting and contributions towards cultural facilities and libraries.

#### **Fiscal Services**

Fiscal services provides for debenture interest and principal repayment on debt incurred by the member municipalities.

### **17. COMMITMENTS**

#### **a. Pension Liability**

The Regional District 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 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 Regional District paid \$578,060 (2019 - \$520,455) for employer contributions while employees contributed \$513,142 (2019 - \$462,289) to the plan in fiscal 2020.

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

***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

**17. COMMITMENTS (CONTINUED)****b. Reciprocal insurance exchange agreement**

The Regional District is a subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Regional District is assessed a premium and a specific deductible for its claims, based on population. The obligation of the Regional District with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint-and-several. The Regional District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscribers may suffer.

**c. Litigation**

The Regional District is involved from time to time in litigation, which arises in the normal course of operations. Liabilities arising from any litigation are recognized in the consolidated financial statements when the outcome becomes reasonably determinable. In management's judgement, there is no material negative exposure at this time from existing litigations.

**d. Community Works Funding**

The Regional District receives funding from the Community Works Fund through the Union of British Columbia Municipalities ("UBCM"). As of December 31, 2020, the Regional District had committed \$810,205 of funds from the Community Works Fund reserve to facilitate qualifying capital projects within the Regional District.

**e. MFA demand notes**

The MFA holds demand notes related to the Regional District's debentures in the amount of \$4,081,356 (2019 - \$4,067,577), of which \$4,016,638 (2019 - \$4,002,859) is held by the Regional District for the member municipalities (see note 6). The demand notes are not recorded in the consolidated financial statements as they will only be called upon if the MFA does not have sufficient funds to meet its payment obligations.

## ***Notes to the Consolidated Financial Statements***

For the year ended December 31, 2020

### **18. CONTRACTUAL OBLIGATIONS**

The Regional District has entered into various agreements and contracts for the provision of services and payment of grants that extend beyond the current year. Based on the agreements and contracts in place at December 31, 2020, future contractual obligations are estimated as follows:

|              |                      |
|--------------|----------------------|
| 2021         | \$ 12,604,193        |
| 2022         | 6,084,880            |
| 2023         | 285,011              |
| 2024         | 108,813              |
| 2025         | 108,587              |
| <b>Total</b> | <b>\$ 19,191,484</b> |

### **19. CONTRACTUAL RIGHTS**

The Regional District has entered into various agreements and contracts to provide services to third parties or receive grant funding for approved projects that extend beyond the current year. Based on the agreements and contracts in place at December 31, 2020, future contractual rights are estimated as follows:

|              |                     |
|--------------|---------------------|
| 2021         | \$ 2,411,843        |
| 2022         | 2,311,688           |
| 2023         | 763,571             |
| 2024         | 2,390               |
| 2025         | 700                 |
| <b>Total</b> | <b>\$ 5,490,192</b> |

### **20. RELATED PARTY TRANSACTIONS**

The Fraser-Fort George Regional Hospital District ("Hospital District") is related to the Regional District since the same individuals are members of the Board of Directors of both organizations. As legislated by the Hospital District Act, the officers and employees of the Regional District are the corresponding officers and employees of the Hospital District. Each of the Regional District and Hospital District are separate legal entities as defined by separate Letters Patent and authorized by separate legislation. During the year, the Hospital District purchased administrative support services from the Regional District at a cost of \$273,935 (2019 - \$267,255). These transactions are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.



***Notes to the Consolidated Financial Statements***

**For the year ended December 31, 2020**

**21. COMPARATIVE INFORMATION**

Certain 2019 comparative information has been reclassified to conform with the financial statement presentation adopted for the current year. The changes had no impact on prior year annual surplus.

**Schedule 1 - Reserve Funds**

|  | 2020                 | 2019                 |
|--|----------------------|----------------------|
| <b>General Capital</b>                           |                      |                      |
| Equipment replacement reserve                    | \$ 6,276,797         | \$ 6,185,973         |
| Truck replacement reserve                        | 4,692,999            | 4,456,164            |
| Office accommodation                             | 1,677,240            | 1,583,431            |
| Landfill closure and post-closure                | 25,771,006           | 22,615,195           |
| Park development                                 | 769,398              | 705,285              |
| Feasibility study                                | 152,912              | 149,221              |
| Budget revenue stabilization                     | 893,169              | 824,990              |
| Park land acquisition                            | 87,792               | 80,891               |
| Region wide fire protection                      | 49,149               | 47,963               |
| Cultural endowment                               | 1,449,118            | 1,394,550            |
| Exploration Place building                       | 100,487              | 86,309               |
| Northern Capital and Planning Grant (Schedule 5) | 5,693,671            | 4,259,296            |
| <b>Total general capital reserves</b>            | <b>47,613,738</b>    | <b>42,389,268</b>    |
| <b>Water Capital</b>                             |                      |                      |
| Bear Lake Water - equipment                      | 334,685              | 326,606              |
| Azu Water - equipment                            | 138,588              | 118,165              |
| <b>Total water capital reserves</b>              | <b>473,273</b>       | <b>444,771</b>       |
| <b>Sewer Capital</b>                             |                      |                      |
| Tabor Lake Sewer - equipment                     | 25,267               | 13,747               |
| Buckhorn Sewer - equipment                       | 22,147               | 14,294               |
| Bendixon Sewer - equipment                       | 12,878               | 5,736                |
| West Lake Sewer - equipment                      | 75,848               | 72,065               |
| Adams Rd Sewer - equipment                       | 163,264              | 159,323              |
| Tallus Rd Sewer - equipment                      | 68,701               | 67,043               |
| <b>Total sewer capital reserves</b>              | <b>368,105</b>       | <b>332,208</b>       |
| <b>Operating</b>                                 |                      |                      |
| Community Works Fund                             | 6,108,302            | 5,443,072            |
| General operating                                | 12,542,603           | 11,236,626           |
| Water operating                                  | 162,138              | 148,494              |
| Sewer operating                                  | 381,657              | 339,822              |
| <b>Total operating reserves</b>                  | <b>19,194,700</b>    | <b>17,168,014</b>    |
| <b>Total reserve funds</b>                       | <b>\$ 67,649,816</b> | <b>\$ 60,334,261</b> |



# REGIONAL DISTRICT of Fraser-Fort George

## Schedule 2 - 2020 Tangible Capital Assets

|   | Land and<br>Improvements | Buildings            | Equipment           | Engineering<br>Structures | Historical<br>Artifacts | Sewer<br>Systems    | Water<br>Systems    | Capital in<br>progress | Total<br>2020        |
|---|--------------------------|----------------------|---------------------|---------------------------|-------------------------|---------------------|---------------------|------------------------|----------------------|
| <b>Cost</b>                                   |                          |                      |                     |                           |                         |                     |                     |                        |                      |
| Balance, beginning of year                    | \$ 8,470,083             | \$ 25,070,132        | \$ 16,522,125       | \$ 5,036,946              | \$ 231,596              | \$ 5,515,494        | \$ 1,939,929        | \$ 338,305             | \$ 63,124,610        |
| Add: Additions                                | 230,154                  | 51,201               | 1,795,250           | -                         | -                       | -                   | -                   | 3,219,444              | 5,296,049            |
| Less: Disposals                               | -                        | -                    | (24,173)            | -                         | -                       | -                   | -                   | -                      | (24,173)             |
| <b>Balance, end of year</b>                   | <b>8,700,237</b>         | <b>25,121,333</b>    | <b>18,293,202</b>   | <b>5,036,946</b>          | <b>231,596</b>          | <b>5,515,494</b>    | <b>1,939,929</b>    | <b>3,557,749</b>       | <b>68,396,486</b>    |
| <b>Accumulated amortization</b>               |                          |                      |                     |                           |                         |                     |                     |                        |                      |
| Balance, beginning of year                    | 73,427                   | 9,970,988            | 9,669,177           | 1,309,150                 | -                       | 1,461,128           | 750,749             | -                      | 23,234,619           |
| Add: Amortization                             | 89,302                   | 715,047              | 784,667             | 106,803                   | -                       | 129,402             | 39,548              | -                      | 1,864,769            |
| Less: Disposals                               | -                        | -                    | (23,173)            | -                         | -                       | -                   | -                   | -                      | (23,173)             |
| <b>Balance, end of year</b>                   | <b>(162,729)</b>         | <b>(10,686,035)</b>  | <b>(10,430,671)</b> | <b>(1,415,953)</b>        | <b>-</b>                | <b>(1,590,530)</b>  | <b>(790,297)</b>    | <b>-</b>               | <b>(25,076,215)</b>  |
| <b>Net book value</b>                         | <b>8,537,508</b>         | <b>14,435,298</b>    | <b>7,862,531</b>    | <b>3,620,993</b>          | <b>231,596</b>          | <b>3,924,964</b>    | <b>1,149,632</b>    | <b>3,557,749</b>       | <b>43,320,271</b>    |
| <b>2019 net book value, beginning of year</b> | 6,690,603                | 14,550,249           | 7,074,397           | 3,827,023                 | 231,596                 | 4,183,768           | 1,228,728           | 101,961                | 37,888,325           |
| <b>2019 net book value, end of year</b>       | <b>\$ 8,396,656</b>      | <b>\$ 15,099,144</b> | <b>\$ 6,852,948</b> | <b>\$ 3,727,796</b>       | <b>\$ 231,596</b>       | <b>\$ 4,054,366</b> | <b>\$ 1,189,180</b> | <b>\$ 338,305</b>      | <b>\$ 39,889,991</b> |





# REGIONAL DISTRICT of Fraser-Fort George

## Schedule 3 - 2020 Segmented Information

| December 31, 2020                       | General<br>government<br>services | Protective<br>services | Transportation<br>services | Environmental<br>health services | Public<br>health and<br>welfare<br>services | Environmental<br>development<br>services | Fiscal<br>services | Recreation<br>and cultural<br>services | 2020<br>Total       | 2020<br>Budget      |
|---|-----------------------------------|------------------------|----------------------------|----------------------------------|---|--|--------------------|--|---------------------|---------------------|
| <b>Revenues</b>                         |                                   |                        |                            |                                  |   |  |                    |  |                     |                     |
| Requisition and parcel taxes            | \$ 4,387,520                      | \$ 3,669,905           | \$ 72,570                  | \$ 4,062,020                     | \$ 2,945,534                                | \$ 591,980                               | \$ -               | \$ 4,202,141                           | \$ 19,931,670       | \$ 19,931,670       |
| Municipal debt recovery                 | -                                 | -                      | -                          | -                                | -   | -  | 10,681,103         | -                                      | 10,681,103          | 10,730,010          |
| Sale of services, utilities and rentals | 160,532                           | 12,472                 | -                          | 6,067,498                        | 1,314,494                                   | -  | -                  | 50,718                                 | 7,605,714           | 8,114,760           |
| Government transfers + grants in lieu   | 4,286,367                         | 224,043                | 3,882                      | 103,036                          | -   | 147,870                                  | -                  | 96,494                                 | 4,861,692           | 3,668,480           |
| Other revenue                           | 1,549,726                         | 1,030,327              | 1,207                      | 101,891                          | 120   | 42,095                                   | -                  | 87,625                                 | 2,812,991           | 656,571             |
| <b>Total revenues</b>                   | <b>10,384,145</b>                 | <b>4,936,747</b>       | <b>77,659</b>              | <b>10,334,445</b>                | <b>4,260,148</b>                            | <b>781,945</b>                           | <b>10,681,103</b>  | <b>4,436,978</b>                       | <b>45,893,170</b>   | <b>43,101,491</b>   |
| <b>Expenses</b>                         |                                   |                        |                            |                                  |   |  |                    |  |                     |                     |
| Salaries and wages                      | 3,156,914                         | 723,321                | -                          | 2,327,298                        | 769,109                                     | 565,811                                  | -                  | 1,001,018                              | 8,543,471           | 9,192,321           |
| Debt charges - Regional District        | -                                 | 5,304                  | -                          | 29,267                           | 5,823                                       | -  | -                  | 61,752                                 | 102,146             | 219,450             |
| Debt charges - Municipal                | -                                 | -                      | -                          | -                                | -   | -  | 10,681,103         | -                                      | 10,681,103          | 10,730,010          |
| Amortization                            | 215,430                           | 653,576                | -                          | 441,765                          | 226,473                                     | -  | -                  | 327,525                                | 1,864,769           | -                   |
| Other expenses                          | 2,841,439                         | 2,857,396              | 68,230                     | 5,089,752                        | 2,593,195                                   | 81,167                                   | -                  | 2,854,497                              | 16,385,676          | 20,185,947          |
| <b>Total expenses</b>                   | <b>6,213,783</b>                  | <b>4,239,597</b>       | <b>68,230</b>              | <b>7,888,082</b>                 | <b>3,594,600</b>                            | <b>646,978</b>                           | <b>10,681,103</b>  | <b>4,244,792</b>                       | <b>37,577,165</b>   | <b>40,327,728</b>   |
| <b>Annual surplus</b>                   | <b>\$ 4,170,362</b>               | <b>\$ 697,150</b>      | <b>\$ 9,429</b>            | <b>\$ 2,446,363</b>              | <b>\$ 665,548</b>                           | <b>\$ 134,967</b>                        | <b>\$ -</b>        | <b>\$ 192,186</b>                      | <b>\$ 8,316,005</b> | <b>\$ 2,773,763</b> |



# REGIONAL DISTRICT of Fraser-Fort George

## Schedule 4 - 2019 Segmented Information

| December 31, 2019                       | General<br>government<br>services | Protective<br>services | Transportation<br>services | Environmental<br>health<br>services | Public<br>health and<br>welfare<br>services | Environmental<br>development<br>services | Fiscal<br>services | Recreation<br>and cultural<br>services | 2019<br>Total       | 2019<br>Budget      |
|---|-----------------------------------|------------------------|----------------------------|-------------------------------------|---|--|--------------------|--|---------------------|---------------------|
| <b>Revenues</b>                         |                                   |                        |                            |                                     |   |  |                    |  |                     |                     |
| Requisition and parcel taxes            | \$ 4,300,690                      | \$ 3,557,120           | \$ 71,220                  | \$ 4,000,820                        | \$ 2,810,150                                | \$ 573,700                               | \$ -               | \$ 4,104,940                           | \$ 19,418,640       | \$ 19,418,640       |
| Municipal debt recovery                 | -                                 | -                      | -                          | -                                   | -   | -  | 10,666,415         | -                                      | 10,666,415          | 10,710,780          |
| Sale of services, utilities and rentals | 205,325                           | 17,795                 | -                          | 6,374,026                           | 1,268,462                                   | -  | -                  | 83,583                                 | 7,949,191           | 8,417,740           |
| Government transfers + grants in lieu   | 7,048,000                         | 75,768                 | 3,775                      | 1,403,040                           | -   | 150,000                                  | -                  | 124,437                                | 8,805,020           | 3,677,050           |
| Other revenue                           | 1,316,920                         | 310,966                | 1,116                      | 52,939                              | 1,884                                       | 29,050                                   | -                  | 25,834                                 | 1,738,709           | 525,200             |
| <b>Total revenues</b>                   | <b>12,870,935</b>                 | <b>3,961,649</b>       | <b>76,111</b>              | <b>11,830,825</b>                   | <b>4,080,496</b>                            | <b>752,750</b>                           | <b>10,666,415</b>  | <b>4,338,794</b>                       | <b>48,577,975</b>   | <b>42,749,410</b>   |
| <b>Expenses</b>                         |                                   |                        |                            |                                     |   |  |                    |  |                     |                     |
| Salaries and wages                      | 2,974,229                         | 658,481                | -                          | 1,804,403                           | 681,944                                     | 558,970                                  | -                  | 958,322                                | 7,636,349           | 8,636,440           |
| Debt charges - Regional District        | -                                 | 11,002                 | -                          | 29,267                              | 5,927                                       | -  | -                  | 73,105                                 | 119,301             | 219,450             |
| Debt charges - Municipal                | -                                 | -                      | -                          | -                                   | -   | -  | 10,666,415         | -                                      | 10,666,415          | 10,710,780          |
| Amortization                            | 198,569                           | 576,914                | -                          | 343,922                             | 220,753                                     | -  | -                  | 284,319                                | 1,624,477           | -                   |
| Other expenses                          | 2,740,634                         | 2,131,054              | 74,789                     | 8,906,558                           | 2,576,426                                   | 171,070                                  | -                  | 2,888,921                              | 19,489,452          | 20,457,910          |
| <b>Total expenses</b>                   | <b>5,913,432</b>                  | <b>3,377,451</b>       | <b>74,789</b>              | <b>11,084,150</b>                   | <b>3,485,050</b>                            | <b>730,040</b>                           | <b>10,666,415</b>  | <b>4,204,667</b>                       | <b>39,535,994</b>   | <b>40,024,580</b>   |
| <b>Annual surplus</b>                   | <b>\$ 6,957,503</b>               | <b>\$ 584,198</b>      | <b>\$ 1,322</b>            | <b>\$ 746,675</b>                   | <b>\$ 595,446</b>                           | <b>\$ 22,710</b>                         | <b>\$ -</b>        | <b>\$ 134,127</b>                      | <b>\$ 9,041,980</b> | <b>\$ 2,724,830</b> |



# REGIONAL DISTRICT of Fraser-Fort George

## **Schedule 5 - Northern Capital and Planning Grant**

In March 2019, the Regional District was the recipient of a \$4,182,000 grant under the Northern Capital and Planning Grant (NCPG) program from the Province of BC. This grant money was allocated by the Regional Board to uniquely identified capital and planning reserves prior to December 31, 2019. In March 2020, a second allocation of \$1,304,000 was received from the Province of BC. At the December 17, 2020 board meeting, the Regional Board approved a budget amendment that brought the \$1,304,000 of revenue into the 2020 budget as grant revenue and recorded the expenditures as transfers to reserve. From the date of receipt in March 2020 to the date of allocation, interest of \$21,500 was earned and this amount was included in the allocations for a total allocation to reserve of \$1,325,500. Interest of \$108,875 was earned by the reserves during 2020, resulting in a total of \$5,693,671 in NCPG reserves at December 31, 2020 as outlined below.

| <b>Service Name</b>                     | <b>NCPG Reserve<br/>at Dec 31, 2019</b> | <b>2020 Allocation<br/>by Board</b> | <b>2020 Interest<br/>Earned</b> | <b>NCPG Reserve<br/>at Dec 31, 2020</b> |
|---|---|-------------------------------------|---------------------------------|---|
| Administration                          | \$ 236,652                              | \$ 235,500                          | \$ 6,179                        | \$ 478,331                              |
| Community Services                      | 30,083                                  | 10,000                              | 758                             | 40,841                                  |
| Sustainability Practices                | 486,341                                 | -                                   | 12,031                          | 498,372                                 |
| Bear Lake Fire Protection               | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Buckhorn Fire Protection                | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Pineview Fire Protection                | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Valemount & District Fire Protection    | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Beaverly Fire Protection                | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Hixon Fire Protection                   | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Salmon Valley Fire Protection           | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Ness Lake Fire Protection               | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Red Rock/Stoner Fire Protection         | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Shell-Glen Fire/Rescue Protection       | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Pilot Mountain Fire Protection          | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Beaverly Fire Protection                | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Ferndale/Tabor Fire Protection          | 35,097                                  | 10,000                              | 882                             | 45,979                                  |
| Sewage Service - Holding Tanks          | 100,276                                 | 50,000                              | 2,550                           | 152,826                                 |
| Solid Waste Management                  | 330,912                                 | -                                   | 8,186                           | 339,098                                 |
| Bear Lake Water System                  | 72,700                                  | 15,000                              | 1,819                           | 89,519                                  |
| Azu Water System                        | 72,700                                  | 15,000                              | 1,819                           | 89,519                                  |
| Tabor Lake Community Sewer Service      | 110,304                                 | 15,000                              | 2,749                           | 128,053                                 |
| Buckhorn Community Sewer System         | 35,097                                  | 15,000                              | 888                             | 50,985                                  |
| Bendixon Road Community Sewer System    | 35,097                                  | 15,000                              | 888                             | 50,985                                  |
| West Lake Community Sewer System        | 35,097                                  | 15,000                              | 888                             | 50,985                                  |
| Adams Road Community Sewer              | 35,097                                  | 15,000                              | 888                             | 50,985                                  |
| 9-1-1 Emergency Response Service        | 573,131                                 | 250,000                             | 14,521                          | 837,652                                 |
| Bear Lake Cemetery - Board of Trustees  | 10,028                                  | -                                   | 248                             | 10,276                                  |
| Tete Jaune Cemetery - Board of Trustees | 10,028                                  | -                                   | 248                             | 10,276                                  |
| Regional Parks                          | 330,913                                 | 175,000                             | 8,426                           | 514,339                                 |
| Robson Valley Recreation Centre         | 411,134                                 | 100,000                             | 10,308                          | 521,442                                 |
| Nukko Lake Community Hall               | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Sinclair Mills Community Hall           | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Bear Lake Recreation Facilities         | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Canoe Valley Recreation Centre          | 360,995                                 | 100,000                             | 9,068                           | 470,063                                 |
| Reid Lake Community Hall                | 50,138                                  | -                                   | 1,241                           | 51,379                                  |
| Tete Jaune Community Hall               | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Dome Creek Recreation Facility          | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| East Line Community Facilities Service  | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Robson Valley Exploration and Learning  | 25,069                                  | 10,000                              | 634                             | 35,703                                  |
| Heritage Conservation                   | 300,829                                 | 100,000                             | 7,580                           | 408,409                                 |
| NCPG 2020                               | -                                       | -                                   | 1,688                           | 1,688                                   |
| <b>Total NCPG Reserve</b>               | <b>\$ 4,259,296</b>                     | <b>\$ 1,325,500</b>                 | <b>\$ 108,875</b>               | <b>\$ 5,693,671</b>                     |



## REGIONAL DISTRICT of Fraser-Fort George

### **Schedule 6 - COVID-19 Safe Restart Grants for Local Governments**

In November 2020, the Regional District was the recipient of a \$747,000 grant under the COVID-19 Safe Restart for Local Governments program from the Province of BC. This grant funding is required to be allocated by the Regional Board prior to December 31, 2021. At the December 17, 2020 board meeting, the Regional Board approved a budget amendment that allocated \$160,361 to the individual services outlined below to fund operational costs relating to technology, safety and overall pandemic response incurred by each service since the beginning of the pandemic in the spring of 2020. This leaves \$586,639 of this grant funding to be allocated in 2021 prior to the December 31, 2021 deadline. Due to the conditions for use of this grant funding allowing local governments to use the funding where the greatest need arises, the entire \$747,000 amount received was considered revenue in 2020 and included in grant revenue on the Consolidated Statement of Operations and Accumulated Surplus.

#### **Service Name**

|   |            |
|---|------------|
| Grant Funding Received - November 2020              | \$ 747,000 |
| <b>Less amounts allocated on December 17, 2020:</b> |            |
| Board   | 4,173      |
| Community Services                                  | 280        |
| Finance   | 3,567      |
| Corporate Services                                  | 9,517      |
| Office Building - George Street                     | 8,970      |
| Network   | 32,388     |
| Untidy & Unsightly                                  | 67         |
| Bear Lake Fire Protection                           | 36         |
| Buckhorn Fire Protection                            | 1,657      |
| Pineview Fire Protection                            | 613        |
| Valemount & District Fire Protection                | 27         |
| Beaverly Fire Protection                            | 688        |
| McBride & District Fire Protection                  | 408        |
| Ferndale/Tabor Fire Protection                      | 3,771      |
| Hixon Fire Protection                               | 657        |
| Salmon Valley Fire Protection                       | 582        |
| Ness Lake Fire Protection                           | 879        |
| Red Rock/Stoner Fire Protection                     | 614        |
| Shell-Glen Fire Protection                          | 2,294      |
| Pilot Mountain Fire Protection                      | 3,599      |
| Chilako/Nechako Rescue Service                      | 1,364      |
| Area D Rescue                                       | 454        |
| 9-1-1 Emergency Response Service                    | 189        |
| Fire Dept Coordination Service                      | 140        |
| Emergency Preparedness                              | 1,125      |
| Valemount & District Rescue Service                 | 324        |
| Inspection Services                                 | 476        |
| Solid Waste Management                              | 6,504      |
| Foothills Boulevard Landfill                        | 4,225      |
| Mackenzie Transfer Station                          | 355        |



## REGIONAL DISTRICT of Fraser-Fort George

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### ***Schedule 6 - COVID-19 Safe Restart Grants for Local Governments***

#### **Service Name**

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|   |        |                          |
|---|--------|--------------------------|
| Regional Land Use Planning  | 321    |                          |
| House Numbering   | 11     |                          |
| Regional Parks  | 573    |                          |
| Robson Valley Recreation Centre   | 31,974 |                          |
| Canoe Valley Recreation Centre  | 37,234 |                          |
| Robson Valley Community Centre  | 305    |                          |
|   |        |                          |
| <b>Total Allocation - December 17, 2020</b>                                   |        | \$ 160,361               |
| <b>Remaining COVID-19 Safe Restart Grant Available for Allocation in 2021</b> |        | <u><u>\$ 586,639</u></u> |



Construction of Public Safety Operations Building



Landfill Gas Header Extension at Foothills Landfill



Regional District of Fraser-Fort George  
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