

2021 Annual Report

CASTLEGAR

THRIVING
AND RESILIENT





Mission

To provide open and responsive government and well-planned and delivered services to the citizens of Castlegar.

Community Vision

Castlegar is a small city with a big heart and big Ideas. It's a place where opportunity meets lifestyle. Our community is shaped through innovation: innovation in sustainability, regional servicing, and technology.

We are a community with a sense of place, created by people with purpose and passion. Surrounded by trees, mountains, and water, we have a consistently high quality landscape and local airshed.

Excellence in energy action and conservation showcases our leadership in environmental stewardship. Our economic environment is adaptable to fluctuating market conditions and attracts creative entrepreneurship.

Living is affordable, housing forms are diverse, neighbourhoods are complete and inclusive and the community is well serviced. We are a connection point that unites the region – a hub from which to explore life's adventure. Nature and technology are our enablers.

CASTLEGAR

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Together, we achieved great things in 2021.

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Photo credit: Nel Vandergaag

Inside the City



We are a service centre within British Columbia's West Kootenay Region



Two great rivers meet at a unique place in the Southern Interior of British Columbia where people have lived for millennia, and others have brought traditions from around the world.

This is a place that values creativity, individuality, innovation, and education. It is a place of multi-generational family and love. From the converging energy of these two rivers springs the creativity and unique culture that makes the City of Castlegar an idyllic place to live, work, and grow. *Creativity leads us here.*

We are a population of 13,700 City and area and a trade area of 70,000. The economy is diversified and growing, focused on forestry (Mercer-Celgar Mill, Interfor), energy (Columbia Power, FortisBC and BC Hydro), mining (Teck), and commercial services in the City. Quality of life features backcountry adventure and an increasingly dynamic urban culture, including the very popular Millennium Park & Ponds and the annual Sculpture Walk event.

The City's desirability as an affordable business and lifestyle choice will continue to grow with anticipated investments in commercial development, housing, and technology and broadband service.

Castlegar in a Snapshot

HOUSING



Average home value in 2021

\$422,000

↑21% from 2020

Number of single-family dwellings units

2,837



DEVELOPMENT

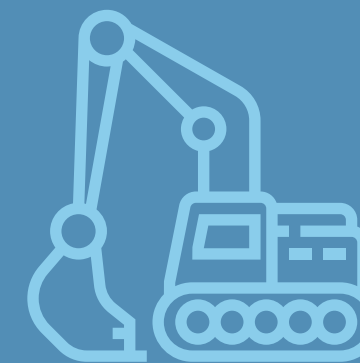


218 building permits issued, a decrease of

↓14% from 2020

711 business licenses issued, an increase of

↑4% from 2020



TOURISM



Total visitors at Visitor Centre

8,107

EDUCATION



Students enrolled in K-12

3,895

DEVELOPMENT

Number of parks in the city

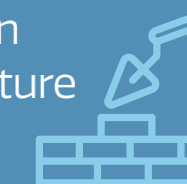
24



ENGINEERING

City investment in capital infrastructure

\$7.5m



COMMUNITY

Population with library card

32%



LOCATION

City's elevation

450m



DEMOGRAPHICS

Estimated population

8,600



DEVELOPMENT

Value of construction

\$14.1m

Down from \$16.3m in 2020



REFERENCES



Columbia Basin Rural Development Institute. (2021). 2020 Community profile report: Castlegar. stateofthebasin.ca

Strategic Plan



This 2019–2023 Strategic Plan was developed by Council and staff following a two-day workshop. Strategic planning is an important step for the City of Castlegar to set priorities, allocate scarce resources, measure success, guide the work of staff and communicate to citizens.

It outlines the priorities of the City of Castlegar and guides both short and long-term decisions. The strategic plan provides direction, so that the organization can focus on the most important initiatives and manage its resources to their greatest potential.

Strategic planning is a long-term ongoing process; it is more than a few days of workshops. It will take time and effort for the Council and staff to continue to develop the organization's strategic plan, to ensure it is a living and working document and an essential road map for the organization. The following pages provide an update on the City's progress toward delivering on its Strategic Plan.



Engaged and Informed Citizens and Strong Civic Organization

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Expanded Communications	Expanded communications will provide resources and guidance for the City to continue to build relationships with our community through strategic and relevant communications	Continued to expand communications by including regular and timely Council Highlights, quarterly newsletters, and increased social media presence. Shared weekly updates throughout Phase 2 of the Columbia Avenue Redevelopment Project. Distributed the following publications to all homes and businesses in Castlegar: · Quarterly newsletters · Winter operations mailer · First annual year-in review message from Council Issued a Request for Proposals and selected a contractor for the Website Redevelopment Project.
Evaluate Staffing Levels to Meet Service Demand	Continue to evaluate service levels of Castlegar and ensure that the union and staff levels are appropriate to accomplish the Community's expectations.	Initiated a corporate-wide roles and responsibility exercise to support clarity. Initiated and completed a study to evaluate staffing levels at City Hall and Civic Works in comparison to similar-sized municipalities.
Develop and Finalize Taxation Policy	The lifeblood of a growing and evolving City is its financial system. Long-term financial planning and policies that support the Community's vision shape responsible use of scarce resources today and tomorrow.	Adopted a new Reserve Fund Establishment Bylaw to guide reserve funding levels and appropriate uses.
Records Management	Information and records are key strategic assets of an organization. These assets need to be actively managed to maintain and improve value. Policy and software upgrades will support an effective and modern records management system.	Hired a consultant to work with staff to establish a modern records management system and assembled a team of cross-departmental champions that will drive the new program. The Records Management classification system was updated and the City adopted a new: · Records Information Management Bylaw · Records and Information Management Policy · Privacy Policy
Increase City Services Online	The future City will interact more and more with its citizens online and through apps and devices. As a priority, the City will consider opportunities to modernize its online services.	Implemented online applications for building and development permits and business licenses. Added the option to pay for business licenses online.



Thriving and Resilient Business and Industry

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Complete Airport Master Plan & Implementation	Expand the Airport's importance as an economic driver for the Community and guide the growth of West Kootenay Regional Airport over the next 25 years.	Approved funding the pre-design of two major capital projects: the expansion of terminal building and airport access improvements. Awarded a 5-year maintenance contract to Dexterra Group.
Keep Advocating for Increased Reliability at West Kootenay Regional Airport	Year round airport reliability remains a top priority of Council.	Invested in a Required Navigational Performance solution to reduce the number of cancellations due to river/valley fog, improve customer confidence in the airport, increase bookings, and reduce carbon emissions by minimizing flight times and the need for circling.
Complete and Implement Planning for the Airport Lands	The Airport Lands represent the largest flat developable, serviced section of lands in the West Kootenays.	Continued negotiations with developers interested in the Airport Lands.
Redevelop Strategic Plan	A 5-year Strategic Plan developed in partnership with the Castlegar and District Economic Development Committee. Implementation of the Plan begins in 2021.	Adopted the Castlegar & District Economic Development Strategy. Pursued inclusion in the Regional District of Central Kootenay - Area I and J - joint economic development service.



Wellbeing Hub and Safe Community

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Continue to Advocate for Expanded Health Care Services	Demographics and Health Care are changing in BC and Castlegar. The City will continue to pursue all options to increase ambulatory and primary care services.	Continued to pursue opportunities for enhanced primary care in the community.
Continue to Advocate for Affordable Housing and Ensure City's Regulations Support the Development of Such	Complete the Housing Needs assessment and develop next steps to address affordable and all other identified housing needs. Strategically work with community, provincial and federal partners to improve housing in the City.	Adopted the Housing Strategy. The City purchased a former prominent downtown building and issued an RFP to seek partnership for redevelopment of new art gallery space and affordable housing. Closed an unused portion of City street to provide land to Habitat for Humanity to build four units. Exchanged land with Kootenay Society for Community Living to facilitate the construction of a care facility and eight units for affordable housing.
Update Community Wildfire Protection Plan	The Community Wildfire Protection Plan, which identifies the wildfire risks within and surrounding a community, and describes the consequences if a wildfire was to impact the community and to examine ways to reduce the wildfire risk, is complete. Implementation of the Plan begins in 2021.	Applied for grant funding through the Union of British Columbia Municipalities Firesmart Community Funding Program for source water protection in the event of a forest fire. Assisted Development Services in mitigating wildfire risks and hazards for new development areas. Partnered with Selkirk College to provide fire mitigation education. Recognized an additional neighborhood committee for their FireSmart initiatives.



Solid and Sustainable Civic Infrastructure

OBJECTIVES

Columbia Avenue Phase 2 – Infrastructure Renewal Project

DESIRED OUTCOME

Complete the second Phase of the Columbia Avenue corridor, including improvements to underground and surface infrastructure.

PROGRESS

Construction was completed on schedule and on budget. The redevelopment of Columbia Avenue between 18th and 24th Street was the second of several phases to replace aging infrastructure and giving the primary transportation route in Castlegar a makeover. The overall development went very well from a construction management, budget and public relations perspective.

Columbia Avenue Phase 3 Design – Infrastructure Renewal Project

Complete the design work and cost estimating for the third Phase of the Columbia Avenue corridor, including improvements to underground and surface infrastructure.

Applied to the Rural and Northern Communities Infrastructure Grant Program for the design costs of Phase 3.



Creating Special Places and Recreation for Everyone

OBJECTIVES

Improve the Economic Vitality and Attractiveness of the City's Downtown Area Through the Development of a Downtown Area Plan

DESIRED OUTCOME

PROGRESS

Extended the Open Streets Pilot to support businesses looking for creative solutions to doing business outdoors.

Adopted the Downtown Area Plan.

The City purchased a prominent downtown building and issued an RFP to seek partnership for redevelopment of new art gallery space and affordable housing.

Continue to Support Recreation Upgrades with the Recreation Commission

Continue to pursue upgrades at the Castlegar Community Complex and explore alternative sources of funding.

Supported the Recreation Commission's grant application for a new fitness centre and asset renewal.

Millennium Park & Ponds Washroom Upgrades

With the expansion of Millennium Park and increase in year-round services. The current washroom no longer meets capacity as a washroom or change room.

Completed upgrades to the Millennium Park & Ponds washroom on schedule and on budget.

The Highlights

Millennium Park & Ponds washroom facilities upgrade complete

With the increased popularity of Millennium Park & Ponds the City has upgraded the existing washroom facilities to include all-season washrooms, change-rooms and outdoor showers. The new facilities feature a dedicated family/disabled accessible room, two family-focused rooms (one washroom and one change room) and three outdoor showers for rinsing off sand. Thank you to the Columbia Basin Trust for its support of this project.





City Council

Our Council is comprised of the Mayor and six Councillors, each elected for a four-year term.

From the Mayor



2021 was another busy year for the City and an extraordinary year for our community.

The 2021 by-election brought new faces to your City Council, including myself as Mayor and Councillor, Brian Bogle. The COVID-19 pandemic created an opportunity to offer mail-in ballots. We saw a voter turnout rate of 37.1 per cent and hope to increase this in the 2022 Election.

On July 1, a wildfire broke out just above Meadowbrook Drive and we issued evacuation orders and alerts to keep the community safe. Thanks to the support from 18 agencies on the ground and in the air, all homes were protected.

Following the dry weather conditions, our community was impacted by the extreme heatwave. In response, we partnered with three community groups to provide Cooling Centre Services for future heatwaves.

We completed phase 2 of the Columbia Avenue Redevelopment Project on time and within budget. This renews the life of underground utilities, improves transportation for pedestrians, bicycles, and drivers, improves community safety and accessibility, and provides more mobility options.

We also initiated the Castlegar Collaborative so community groups could use an integrated approach to support Castlegar's most vulnerable population, received provincial recognition as a Bear Smart community, and helped improve over 500 gardens by giving away free, high-quality compost.

The Annual Report highlights the day-to-day operational and long-term planning initiatives accomplished by the City in 2021. These efforts are significant, and I thank our staff, Council and the community for thriving this year.

Regards,

Kirk Duff
Mayor

Meet the Councillors



Sue Heaton-Sherstobitoff has lived in Castlegar since 1988. Sue and her husband Curtis have two daughters. Councillor Heaton-Sherstobitoff has an extensive history of volunteering within the community from Chairing the Selkirk College Foundation Board, to President of Selkirk Challengers Gymnastics Club to currently fundraising for Juvenile Diabetes Research Foundation.



Dan Rye and his wife Randi moved to Castlegar 13 years ago from Vancouver Island. Before moving to Castlegar, he spent eight years on Municipal Council in Gold River, BC. Dan previously managed Kootenay Market in Castlegar and has been actively involved with the Rotary Club (President 2005-2006), the Chamber of Commerce (President 2009-2011), the United Way, the Castlegar Curling Club and the Castlegar Golf Club. Councillor Rye is the alternate director for the RDCK Board.



Maria McFaddin was born and raised in Castlegar. She went away to pursue her education and start a family, but the joy of mountain living called her home. She has since been active in the community as a business owner, working with vulnerable young adults, and serving as a pastor. Life in Castlegar has afforded her many opportunities to reach out and reach in as she has developed leadership teams, trained for critical incident management, and passionately parented her children. Maria and her husband, James, are thankful to be a part of such an incredible, growing community.



Bergen Price moved to Castlegar when he was 10 years old. His main interests growing up were sports – organized hockey, golf, basketball, volleyball and baseball. In the summer months he enjoyed wakeboarding, slalom skiing and wakesurfing. Post high school he received a hockey and golf scholarship to the US and graduated with a Business Degree. He was a Financial Consultant for Krueckl Financial, then Chamber of Commerce CEO in Prince Albert, Saskatchewan and is now a Senior Purchaser at Mercer Celgar. His favourite things to do include taking his dog Dimer for a walk at Millennium Park with his beautiful wife Sara and their little girl, Lola, and playing hockey and golf.



Cheryl MacLeod and her husband, Murray, have four grown children, who along with their spouses and their five amazing grandchildren are truly the light of her life. Community is very important to Cheryl and she has been volunteering in this community since moving here in 1975. She started with coaching T-Ball, girls softball, soccer and joined Parent Advisory Council, Castlegar and District Community Justice Program and is continuing with others including the Kootenay Festival. When she is not volunteering she loves to spend time in her gardens or baking with her grandchildren. Cheryl is a Child and Youth Care Worker who has worked in the Castlegar school system for 27 years.



Brian Bogle was elected to Council in 2021. Councillor Bogle and his wife moved to Castlegar in 2005. They have a daughter and a son, two granddaughters and a grandson. Councillor Bogle managed the Castlegar Safeway from 2005 to September 2019 when he retired after 43 years of service with Safeway in various locations in the Interior of BC.

Committees & Senior Staff

The City of Castlegar has eight Standing Committees of Council that serve as advisory bodies to Council, pursuant to the Community Charter. Members of Council are appointed annually by the Mayor and serve as liaisons to various community groups, organizations and societies.

Cultural and Civic Pride

Chair, Councillor Bogle

Deputy Chair, McFaddin

Finance and Corporate Services

Chair, Councillor Price

Deputy Chair, Councillor MacLeod

Community Wellness and Social Services

Chair, Councillor Heaton-Sherstobitoff

Deputy Chair, Councillor Rye

Green and Technology

Chair, Councillor MacLeod

Deputy Chair, Councillor Heaton-Sherstobitoff

Municipal Services

Chair, Councillor McFaddin

Deputy Chair, Mayor Duff

Stage IV Labour/Management Committee

Chair, Mayor Duff

Member, Councillor Bogle

Planning, Development and Sustainability

Chair, Councillor Rye

Deputy Chair, Councillor Price

Public Safety/Protective Services

Chair, Mayor Duff

Deputy Chair, Councillor Bogle

Senior Staff

Chief Administrative Officer

Chris Barlow

Director of Corporate Services

Tracey Butler

Director of Finance & Chief Financial Officer

Ola Oladele

Director of Protective Services & Fire Chief

Sam Lattanzio

Director of Municipal Services

Chris Hallam

Communications Manager

Bree Seabrook

**Committees were updated January 1, 2022. Find information on current Committee membership at castlegar.ca*

Below: City Hall guest service area. Clear plexiglass screens were installed to protect staff and visitors. Citizens were encouraged to do City business online.



The Highlights

Columbia Avenue: managing our assets for the future of the City

The City and Ministry of Transportation and Infrastructure recently upgraded Columbia Avenue/Highway 22 from 18th to 24th Street, which renewed the life of underground water and storm utilities, improved transportation facilities for pedestrians and highway users, improved community safety and accessibility, and provided more mobility options. Learn more at castlegar.ca/phase2.

Two-way centre
Turn lane
to improve safety & traffic flow



Active transportation
Cycle lanes
to increase safety



Water, storm & sewer main
1,470m
replaced/added



New storm
Drainage
including curb & gutter



Columbia Avenue
Repaving



Addition of new
Sculpture pads
to promote SculptureWalk



Planted
40 trees



Photo credit: Nel Vandergaag



Our Chief Administrative Officer (CAO) is the link between Council and staff.

The primary role of the CAO is to provide policy options and recommendations to Mayor and Council and to ensure that their priorities and policies are implemented. In addition, the CAO provides overall leadership and direction for the administration of the City and acts as the City's liaison for collaboration with outside agencies and community partners.

Message from the Chief Administrative Officer



Chris Barlow
Chief Administrative Officer

I am proud to bring you the City of Castlegar's 2021 Annual Report. 2021 was a transitional year for us. As a community, we began transitioning from responding to the COVID-19 pandemic to focusing on recovery and growth.

The theme of our 2021 Annual Report is Thriving and Resilient because we believe the City positioned itself well to fully recover and thrive into the future. Both our community and our organization are growing into our potential. The strategic advantage of our central location and natural beauty are paying dividends attracting businesses and residents alike. City staff have been working hard to proactively prepare for the needs of a growing community.

Housing remains the biggest need for most cities and Castlegar is no exception. In 2021, the City adopted its first-ever Housing Strategy. The strategy gives the City and developers strategic insight into our biggest needs. To boost housing, the City took on three major initiatives:

- * purchased the old Eremenko building downtown with support from Columbia Basin Trust, and sought proposals from developers to build a new building that included a new Art Gallery at street level and affordable housing above;
- * closed an unused portion of City street to provide land to Habitat for Humanity to build four units; and
- * exchanged land with Kootenay Society for Community Living to facilitate the construction of a care facility and four units of affordable housing.

In 2021 the City also adopted a Downtown Area Plan. The bones of a vibrant downtown are in place, it's an exciting time. The Downtown Area plan highlights the need for increased and denser forms of housing in the downtown core. More people living downtown will result in better viability for restaurants, cafes, stores, and nightlife and the City is committed to improving the economic vitality and attractiveness of the downtown core.

Another important long-term planning document adopted by the City in 2021 was the Castlegar & District Economic Development Strategy. The strategy reaffirmed the importance of the forestry industry in our community and highlighted bold ways to leverage existing industry, diversify the economy, and grow into our potential as the service and business centre of the Kootenays.

Knowing the importance of reliable air travel for the growth of Castlegar and the region, City Council prioritized recommendations from the West Kootenay Regional Airport Master Plan, including:

- * hiring a full-time airport manager;
- * funding Required Navigational Performance improvements that will allow increased year-round reliability; and
- * receiving two grants to install runways edge lighting and replace the terminal building roof.

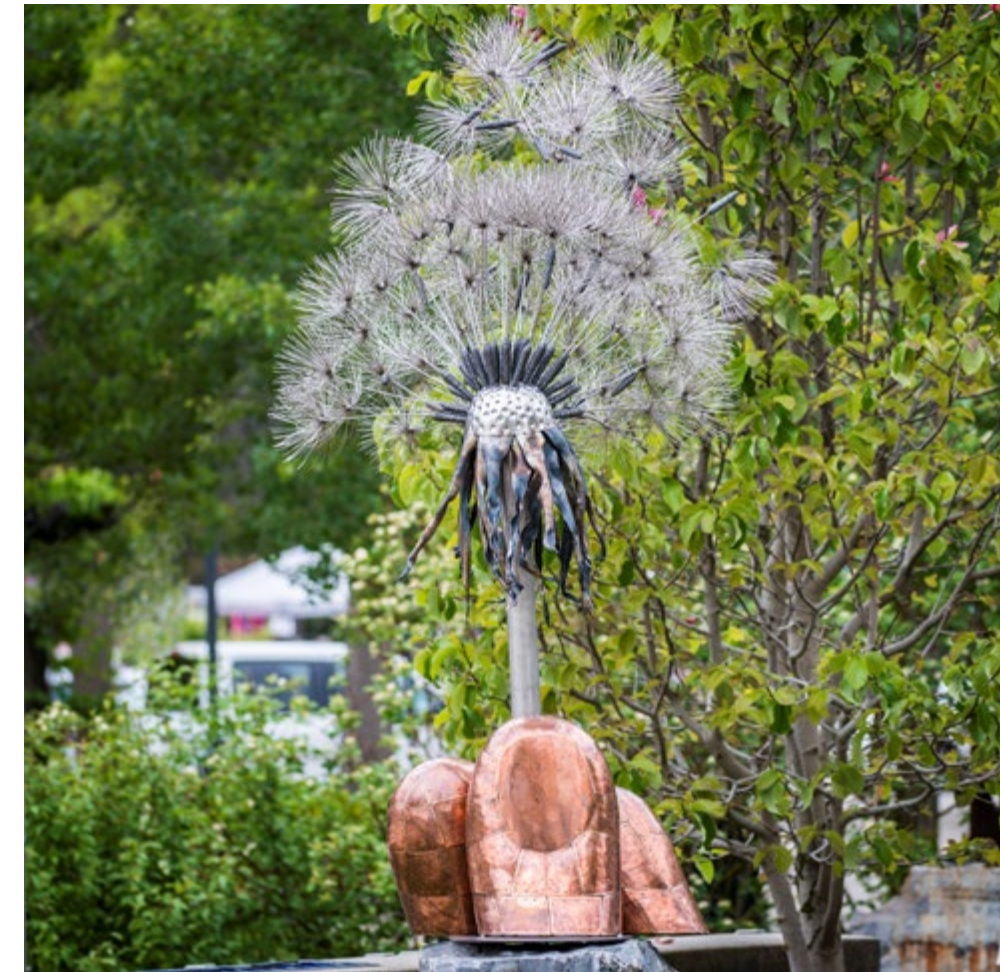
New and old residents alike have appreciated our continued efforts to increase our communication and engagement with our community. We heard from you that you want to know what we are up to as a City. In 2021 we increased social media posts, shared highlights after Council meetings, and sent quarterly and annual updates to residents. We also started providing regular updates during large projects like phase 2 of the Columbia Avenue Redevelopment Project.

This major project has transformed the southern entrance to our City. It was delivered on time and on budget. This project, and many others, have been made possible by the Infrastructure Investment Levy which is in the third of a 7-year implementation schedule. The levy allows the City to make strategic investments in underground infrastructure and build projects that enhance the quality of life for our residents like expanding the City's Greenline with additional bike lanes.

2021 has been a very busy year, and 2022 is shaping up to follow that pace. I am thankful for the strong support and forward-thinking guidance Council has provided to the organization and community throughout its term. I am extremely proud of our staff and the work they do every day that makes Castlegar a great City. We are excited for Castlegar to take the next step toward its potential.

Regards,

Chris Barlow
Chief Administrative Officer



Above: 2021 Sculpturewalk People's Choice Winner, Choosing Hope by Kyle Thornley

Corporate Services



Corporate Services ensures the effective and efficient overall management of the administrative operations of the City, including protocol, legal matters, records management, the publication of official notices and requests under the Freedom of Information and Protection of Privacy legislation.

Corporate Services provides legislative services, and is responsible for the preparation and dissemination of Council agendas and minutes, maintenance and access to corporate records (including bylaws, policies and procedures and contract administration), provides support, advice and parliamentary responsibilities to Council and the CAO, and administers local government and school district elections. As well, Corporate Services oversees human resources, bylaw enforcement, and safety and wellness.

Key Facts & Stats

Hours recording & taking minutes

112 for Council meetings



Bylaws adopted

30



Jobs posted

21



2021 Accomplishments

- Introduced a new Records and Information Management System including: adopting a new Bylaw and two supporting Policies.
- Completed the 2021 By-election.
- Made significant progress on the destruction of old archived files.
- Began updating PDFs on the website and began creating fillable PDFs where possible.
- Began updating job descriptions and City policies.

2022 Priorities

- Implement and train on the Records and Information Management System.
- Organize and administer the 2022 Local General Election.
- Integrate Microsoft 365 with the Records and Information Management System.
- Continue updating job descriptions and City policies.

The Highlights

Merry Creek Wildfire

On July 1, the Merry Creek Wildfire broke out just above the City. The City issued Evacuation Orders and Alerts to keep the community safe. Thanks to support on the ground and in the air, all homes were protected.



Communications



Bree Seabrook
Communications
Manager

In Communications, we focus on getting residents the information they need – when and how they want it – and engaging with residents so they can inform the City’s decision making.

In addition, we work closely with all other departments throughout the City to deliver public awareness, advertising, and education campaigns that support Council initiatives and City of Castlegar services, programs, projects and events.

Key Facts & Stats


Weekly Project Updates
30
during phase 2 of the Columbia Avenue Redevelopment Project



Facebook Posts
281
52,839 likes and reactions
8,382 comments



News stories released
93



2021 Accomplishments

- Issued a Request for Proposal to redevelop the City’s website, which is coming to its end of life and make improvements to usability, online services, and security.
- Developed a program outline for a Faces of the City campaign to highlight and showcase staff and the work they do on behalf of the community in the City’s marketing and promotions.
- Completed four newsletters that were included with quarterly utility bills.
- Completed a 2021 year in review and look ahead to 2022 communications piece that was sent to all homes and businesses.
- Continued with frequent in-person staff meetings and improved email communication to staff to support increased awareness and boost morale.

2022 Priorities

- Launch a new City website to replace the existing site which is coming to its end of life and make improvements to usability, online services, and security.
- Support community engagement and consultation for Millennium Park & Ponds Phase 3, Official Community Plan and Zoning Bylaw update, and Liquid Waste Management Plan.
- Improve emergency preparedness communications based on the learnings from the 2021 Merry Creek Wildfire.
- Support implementation of the Castlegar Economic Development Plan.
- Continue to improve internal communications and engagement with staff at City Hall and Civic Works.



Planning and Development Services is responsible for ensuring that the community grows in a manner that meets the basic needs of all residents by ensuring that our community is resilient, connected, inclusive and accessible to everyone.

The department is responsible for sustainability initiatives, community planning and land use regulation, building inspection, business licensing and mapping. This work is guided by the vision and objectives for the community as stated in the Official Community Plan and achieved through facilitation and collaboration with other departments, agencies, community groups and residents.


Key Facts & Stats

Development approvals
30
↑11 from 2020



Applications received
6 Subdivisions
↑5 from 2020
24 Lots
↑22 from 2020

Average home value in 2021
↑21%
\$422,000



2021 Accomplishments

- Completed the Downtown Area Plan, which will help guide the form, character and revitalization of the City’s downtown core.
- Adopted the Housing Strategy with substantial community engagement including a community survey, phone line, and targeting several focus groups.
- Modernized the City’s Zoning Bylaw to align with the City’s strategic objectives as identified during the engagement for the Housing Strategy and Downtown Area Plan.
- Extended the Open Streets Pilot Project to make our outdoor spaces more vibrant.
- Completed new user-friendly application forms, easy-to-read development approval checklists, and enhanced community participation in the development approval process.
- Completed preliminary cost estimates for servicing the remainder of Orchard Avenue.

2022 Priorities

- Implement the Downtown Area Plan including:
 - Development Incentive Program for multi-family, commercial and light industrial developments.
 - Development of Downtown Area Design Guidelines to guide future developments.
- Implement the Housing Strategy including:
 - Transfer city-owned properties at 560 8th Street and 1101 2nd Street for non-profit housing developments.
 - Review of City’s Official Community Plan and Zoning Bylaw to provide greater flexibility for infill housing.
 - Land Acquisition and Disposition Policy.
 - Sidewalk Vendor Bylaw
 - Continued efforts to identify gaps in the development approval process.
 - Pursue developers to construct on the Airport Lands.



Municipal Services

Municipal Services develops and maintains the City's infrastructure and municipal facilities. Operational areas include roads, sewers, waterlines and parks.

Through the technical expertise and skill of thirty individuals, this team implements the City's public works policies, directions and bylaws. The Department plans, designs, constructs and maintains all City-owned assets with effective coordination to enhance and maintain service delivery to the community in a cost-effective manner. In addition, the department provides professional services and advice to Council, the public, and the development/building industry on a broad range of items related to planning, building, capital construction, maintenance and operations. The department provides policy and strategic advice to Council and the Chief Administrative Officer.

Key Facts & Stats

Our department maintains

126
vehicles & 118
pieces of equipment



Water meters investigated

75



City trash cans maintained

137



Hanging flower baskets installed

68
annually



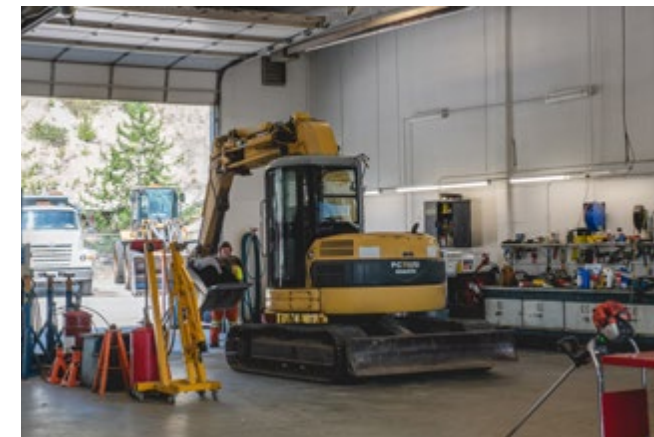
Km of buried sewage lines maintained

75



Km of paved road maintained

85



2021 Accomplishments

- Continued planning for the Airport Lands.
- Completed Phase 2 of the Columbia Avenue Redevelopment Project which renews the life of underground water and storm utilities and improves transportation facilities for both pedestrians and highway users.
- Received grant of \$322,000 for the expansion of Millennium Park & Ponds washroom.
- Completed Millennium Park & Ponds washroom upgrades.
- Approved several subdivisions and developments, currently under construction.
- Completed a septage consolidation study. Determined that a Liquid Waste Management Plan is best suited to guide the City for long-term decision making.

2022 Priorities

- Create a Pavement Management Plan to prioritize pavement renewal and remediation.
- Initiate the Liquid Waste Management Plan.
- Complete design of the Columbia Avenue Phase 3 Redevelopment project.
- Initiate the Millennium Park Phase 3 project.
- Create a Parks Asset Management Plan to inventory and assess condition of all park infrastructure.
- Develop Engineering Design Guidelines to modernize engineering infrastructure standards.



Protective Services

Our Castlegar Fire Department operates out of a centrally located fire station at 2161 6th Avenue that was built in 1999 and a satellite station located at the West Kootenay Regional Airport.

The department consists of a Fire Chief, two Deputy Fire Chiefs and 33 Paid-On-Call Officers and Firefighters. This group of dedicated personnel represent the diversity of the community and work every day of the year to ensure the service provides high-quality fire protection and life safety to meet the needs of the community. Our values are diversity, respect, trust, equality, and teamwork. Our team members are our most valuable assets, and we strive for excellence.

2021 Accomplishments

- Completed the Emergency Operations Centre Furniture upgrade project.
- Continued to train department members to National Fire Protection Association (NFPA) standards. Five new members successfully completed training and are now fully qualified NFPA level 1 and 2 firefighters, giving the Department a total of 25 current qualified serving members.
- Completed the Emergency Support Services Modernization Project.
- Completed the Fire Dispatching Services contract agreement extension for 2021 to June 30, 2026.
- Completed the breathing air compressor replacement project.
- Prepared the specifications documentation to replace the 2008 Dodge Ram 2500 Command Unit #2. Anticipated delivery fall 2022.
- Awarded a \$10,000 Road Rescue grant for vehicle stabilization equipment from the Fire Chiefs' Association of B.C.

2022 Priorities

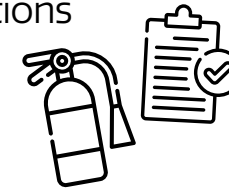
- Prepare for replacement extrication equipment in 2023, including cutters, spreaders and ram.
- Recruit new members and complete ongoing NFPA training.
- Begin replacement of the 2004 Spartan Engine one which is near its end of life.
- Activate a new wildfire skid unit funded by Fire Chiefs' Association of B.C., Union of British Columbia Municipalities, and Red Cross grants.
- Continue to work with the Regional District of Central Kootenay Wildfire Mitigation Specialist on FireSmart Canada and community recognition within the city.
- Engage more neighborhood committees into the FireSmart Initiatives Recognition.
- Bring commercial and business inspections back up to pre-pandemic levels.
- Continue to develop wildfire education partnerships with Selkirk College and expand the program to include partnership with other agencies.



Key Facts & Stats

Commercial and business fire inspections

35
↓72 from 2020



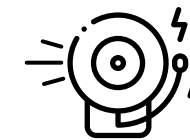
Hours for callouts

3,295



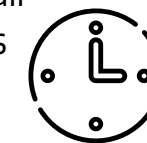
Call responses

759
↑134 from 2020



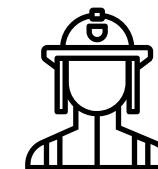
Total paid on-call firefighter hours

5,871



Paid on-call firefighters

33



Response Type Breakdown

	2020	2021
Fire Response	76	92
Emergency Management BC Responses	30	20
Rescue	72	137
Motor Vehicle Accidents	37	38
Hazardous Materials Response Calls	14	26
First Responder Medical Calls	21	36
False Alarms	35	73
Standby	123	118
Public Service Responses	44	45
Complaints	45	37
Other	128	137
Total	625	759

West Kootenay Regional Airport



The West Kootenay Regional Airport is owned and operated by the City of Castlegar.

The Airport is used by a passenger air carrier, general aviators, medevac, and the Southeast Fire Centre which is operated by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development. It provides air travel services for residents throughout the entire West Kootenay region. The West Kootenay Regional Airport is the local gateway to the world and an economic generator for our region.

Key Facts & Stats

Reliability
83%



Passengers through airport
10,010
↑3,242 from 2020



Larger aircraft
Bombardier Q400
started servicing the airport

2021 Accomplishments

- Hired a new, full time Airport Manager.
- Hired consultant to lead the RNP design and application process.
- Received grant funding for Solar LED runway edge lights and airport specific snow plough.
- Navigated federal and provincial COVID-19 regulations.
- Funded the design of a Required Navigational Performance route that will improve year-round reliability.
- Saw the return of Air Canada with the newer and larger Q400 aircraft.

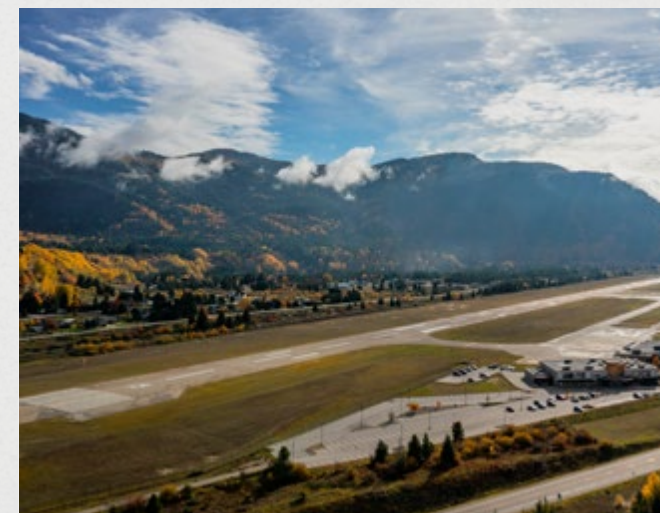
2022 Priorities

- Prioritize airport regulatory compliance, reliability, safety and revenue generation.
- Submit and receive Transport Canada Exemption for the Required Navigational Performance route.
- Review fees, leases and business development opportunities of comparable airports and evaluate WK Regional Airport revenue sources.
- Apply for grant funding to support ground and airside improvements, including expansion of the terminal building, and airport access improvements.

The Highlights

Things are taking off at West Kootenay Regional Airport

The City has a long-term strategic priority to improve seasonal reliability at the West Kootenay Regional Airport. This year we initiated a Required Navigational Performance (RNP) project to reduce cancellations during poor weather conditions. Regulator approvals and final documentation are expected to be complete in 2022 and the RNP solution could be operational in early 2023.



Information Technology

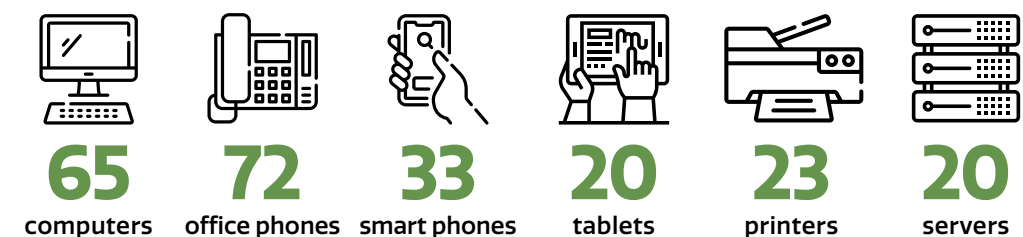


David Bristow
Manager of Information Technology

The Information Technology (IT) Department builds and maintains technology systems consisting of equipment, software, internet connectivity, and security that deliver the tools needed to facilitate communication within the organization and to the public.

Key Facts & Stats

The IT Department looks after the following equipment, spread over five municipal buildings:



2021 Accomplishments

- Upgraded the server used for financial transactions and reporting.
- Moved City emails and local drives to the Microsoft Canada Cloud.
- Implemented 365 Office applications for staff.
- Completed setup of an asset renewal plan and vendor contract for staff laptops and other devices.

2022 Priorities

- Upgrade firewall, cameras, and wireless equipment at West Kootenay Regional Airport.
- Set up Maestrovision–Zoom hybrid system for broadcasting and recording City Council meetings.
- Set up 365 Intune system for securing and managing computers, mobile phones, and tablets.
- Set up multi-factor authentication for securing staff login accounts and City data.
- Set up technology and devices for newly elected City Council members.



Financial Services

The Finance Department provides financial expertise, risk management, and guidance to support all City operations.

In addition to leading process improvements, it sets and maintains best financial practices, policies and standards. This department's core services include: accounting services, budgeting, long-range financial planning, revenue services, and procurement & risk management.

Key Facts & Stats

Utility bills issued

13,345



Accounts payable invoices

4,973
processed



Property tax notices issued

3,614



2021 Accomplishments

- Updated the City's Cemetery Bylaw.
- Hired a full-time Procurement and Contracts Clerk to centralize the City's procurement and contracts administration.
- Updated the City's budget process and timeline to allow for in-depth budget research and planning.
- Implemented credit card payment option for pet and business licenses, property taxes and utilities.

2022 Priorities

- Update the City's Pre-authorized Property Tax Prepayment Bylaw.
- Expand financial policies to include: Accounts Receivable, Leak Adjustment, Investment, Grant, and Procurement.
- Transition to electronic time sheets for payroll.
- Centralize the City's grant application and administration process.
- Continue evaluating financial services that could be transitioned online for residents.

Message from the Chief Financial Officer



Ola Oladele
Chief Financial Officer

It is my pleasure to present the 2021 Annual Report for the City of Castlegar. The Report provides an update on City services, projects, and results of the consolidated financial statements, and Auditor's Report, pursuant to Sections 98 and 167 of the Community Charter.

The audited financial statements in this report have been prepared in compliance with Section 167 of the *Community Charter*, and in accordance with Canadian public sector accounting standards. Preparation of the financial statements is the responsibility of Council and management. Management is also responsible for implementing and maintaining a system of internal controls for the safeguarding of assets and to provide reasonable assurance that reliable information is produced for sound decision-making.

The 2021 financial statements were audited by Grant Thornton LLP who conducted an independent examination in accordance with the Canadian auditing standards. In their opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City of Castlegar as at December 31, 2021, representing an unqualified audit opinion.

The consolidated statement of financial position presents the total assets and total liabilities of the City at the end of the year.

The City has a healthy balance of financial assets which consist of cash and receivables, at \$20.4M (2020 - \$19.4M). The City's debt has increased to \$12.3M (2020 - \$6.1M), primarily to fund the Columbia Avenue Phase 2 project which was completed in October 2021.

In 2021, the City made significant investments in tangible capital assets. The Columbia Avenue Phase 2 project was a substantial investment in the City's infrastructure. In addition, the City acquired four parcels of land, and new equipment. These combined make up most of the \$9.5M investment in tangible capital assets. Overall, the total annual investment in tangible capital assets exceeded the annual amortization costs, and the net book value of tangible capital assets increased by \$5.3M.

Reserve balances are an important tool that the City maintains so it can fund future capital projects and thrive through unforeseen circumstances, such as the COVID-19 pandemic. The total of the City's statutory and discretionary reserves at the end of 2021 is \$14.7M, a net increase of \$1.1M from 2020. The increases in reserve balances are mainly from operating surpluses from both the general fund and utilities (water, sewer) funds.

The consolidated statement of operations presents the City's activity during the year and includes all revenues earned and expenses incurred.

Overall, the City's revenues and expenses were in line with budgeted figures. Of note, the City received gaming host revenue in 2021 with the re-opening of Chances Gaming Centre, signalling a recovery from COVID-19. The water and sewer funds saw higher than budgeted revenues, and building permit and business license fees increased over 2020.

Despite the small upturn from COVID-19, the airport continues to see lower than projected revenues. Airport revenue in 2021 was down 70 per cent from where it was projected pre-pandemic; however, as Air Canada continue to increase services with additional flights to Calgary and impending changes to the fee structure, the airport is expected to return to pre-pandemic revenue levels by the end of 2023.

In addition to other budgeted government grants, the City also received an additional \$411,000 for Community Works Funding after the budget was approved. Most of this was transferred into reserves to be used for future eligible projects.

In closing, the City continued to experience the adverse financial effects of the COVID-19 pandemic in 2021, but as life started to return to normal towards the end of the year, so did the City's financial outlook. With healthy reserves and continued focus on efficiencies and cost reduction, the City is in a strategic position to continue to provide services to the residents of Castlegar and is well positioned to address future unforeseen circumstances.

Regards,

Ola Oladele
Chief Financial Officer

The results of the 2021 financial audit shows the City continues to be in a strong position to keep supporting the community and responding to the challenges of the COVID-19 pandemic.

Below: 2022 Sculpturewalk display near City Hall, Perun (a Scandinavian pole) by Olav Roaldson.



Financial Statements



Independent Auditor's Report

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To the Mayor and Council of
City of Castlegar

Opinion

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

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

Basis for Opinion

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

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

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

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

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

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



Chartered Professional Accountants

Castlegar, Canada
May 2, 2022

Audited Financial Statements

Statement of Financial Position

AS OF DECEMBER 31, 2021	2021	2020
Financial Assets		
Cash and investment deposits, note 1	17,214,850	16,515,693
Taxes and accounts receivable, note 2	3,157,971	2,809,769
Deposit – municipal finance authority, note 3	110,902	110,902
	\$ 20,483,723	\$ 19,436,364
Liabilities		
Accounts payable and accrued liabilities, note 5	2,654,368	2,943,114
Deferred revenue, note 6	3,258,993	2,740,262
Holdbacks, refundable, and other deposits	475,777	440,820
Equipment financing loans, note 7	155,815	415,656
Reserve – municipal finance authority, note 3	110,902	110,902
Long term debt, note 7	12,356,738	6,103,513
	19,012,593	12,754,267
	\$ 1,471,130	\$ 6,682,097
Net Financial Assets		
Non Financial Assets		
Tangible capital assets, note 13	83,166,977	77,798,408
Work in progress, note 14	1,616,118	1,988,820
Inventory of supplies	124,073	124,073
Prepaid expenses	184,235	102,192
	\$ 85,091,403	\$ 80,013,493
	\$ 86,562,533	\$ 86,695,590
Accumulated Surplus – note 9		
Contingencies, note 4		
Commitments, note 17		
Segmented Information, note 18		
COVID-19 Impact on City Operations, note 20		
Contractual Rights, note 22		

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements

Statement of Operations

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021, note 19	Actual 2021	Actual 2020
Revenues			
Taxation, note 10	10,629,327	10,749,056	10,312,286
Government transfers, note 16	3,830,860	2,348,482	4,635,600
Fees and service charges, note 10	4,501,355	4,900,471	4,678,636
Community works funding	394,000	805,355	393,663
Other revenue	307,900	536,558	831,335
Gain on sale of tangible capital assets	-	-	677,729
Interest and other investment income	65,500	126,606	129,891
	\$ 19,728,942	\$ 19,466,528	\$ 21,659,141
Expenses, note 15			
General government	2,816,007	2,653,954	2,815,364
Environmental development	561,450	575,528	429,882
Transportation and civic works	3,050,024	3,431,254	2,586,693
Waste disposal and recycling	616,094	653,136	605,661
Protection	3,429,930	3,028,313	2,895,038
Public health and welfare	212,356	132,126	139,586
Recreation and culture	1,653,021	1,380,636	1,305,047
Water system	1,074,282	1,187,607	1,001,946
Sewer system	890,664	928,951	931,461
Storm system	126,404	39,311	39,427
Airport	1,148,010	1,393,908	1,221,693
Interest on long term debt and agreements payable	3,000	156,804	134,112
Amortization	3,840,000	4,038,057	3,839,550
	\$ 19,421,242	\$ 19,599,585	\$ 17,945,460
Annual surplus (deficit)	307,700	(133,057)	3,713,681
Accumulated surplus, beginning of year	\$ 86,695,590	\$ 86,695,590	\$ 82,981,909
Accumulated surplus, end of year – note 9	\$ 87,003,290	\$ 86,562,533	\$ 86,695,590

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements

Statement of Change in Net Financial Assets

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021, note 19	Actual 2021	Actual 2020
Annual surplus (deficit)	307,700	(133,057)	3,713,681
Acquisition of tangible capital assets	(14,677,563)	(9,406,626)	(6,099,689)
Work in progress, construction of tangible capital assets	(1,861,160)	372,702	(50,786)
Amortization of tangible capital assets	3,840,000	4,038,057	3,839,550
Proceeds on sale of tangible capital assets	-	-	708,500
Gain on disposition of tangible capital assets	-	-	(677,729)
Change in prepaid expense	-	(82,043)	(55,506)
Change in property acquired for taxes	-	-	66,957
Increase (Decrease) in Net Financial Assets	\$ (12,391,023)	\$ (5,210,967)	\$ 1,444,978
Net Financial Assets, beginning of year	\$ 6,682,097	\$ 6,682,097	\$ 5,237,119
Net Financial Assets, end of year	\$ (5,708,926)	\$ 1,471,130	\$ 6,682,097

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements

Statement of Cash Flows

FOR THE YEAR ENDED DECEMBER 31, 2021	2021	2020
Cash provided by (used for):		
Operating Activities		
Annual surplus (deficit)	(133,057)	3,713,681
Change in non cash items:		
Amortization	4,038,057	3,839,550
Loss (gain) on disposition of tangible capital assets	–	(677,729)
Decrease (increase) in pre-paid expenses	(82,043)	(55,506)
Change in financial assets and liabilities:		
Decrease (increase) in taxes and accounts receivable	(348,202)	74,649
Increase (decrease) in accounts payable and accrued liabilities	(288,746)	(350,541)
Increase (decrease) in deferred revenue	518,731	562,692
Increase (decrease) in holdbacks, refundable and other deposits	34,957	(6,185)
	3,739,697	7,100,611
Investing Activities		
Acquisition of tangible capital assets and work in progress	(9,033,924)	(6,150,475)
Proceeds from sale of tangible capital assets	–	708,500
Proceeds from sale of property acquired for taxes	–	66,957
	(9,033,924)	(5,375,018)
Financing Activities		
Proceeds from long term borrowing	7,800,000	2,231,718
Repayment of long term borrowing	(1,546,775)	(112,386)
Proceeds from equipment financing	370,000	154,741
Repayment of equipment financing obligations	(629,841)	(139,151)
	\$ (5,993,384)	\$ 2,134,922
Increase in cash	699,157	3,860,515
Cash and investment deposits, beginning of year	\$ 16,515,693	\$ 12,655,178
Cash and investment deposits, end of year	\$ 17,214,850	\$ 16,515,693

The accompanying summary of significant accounting policies and notes are an integral part to these financial statements

Notes to the Financial Statements

Significant Accounting Policies

The Corporation of the City of Castlegar (the "City") is incorporated by Letters Patent under the laws of British Columbia and its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, infrastructure, environmental, planning, building, recreational, waterworks, sanitary sewer and storm services.

The following is a summary of significant accounting policies of the City:

a. Basis of Presentation

The financial statements of the City of Castlegar are the responsibility of, and prepared by, management in accordance with Canadian Public Sector Accounting Standards (PSAS). The financial statements include the result of operations for all functions.

b. Investment Deposits are Recorded at Cost.

c. Inventories are Recorded at the Lower of Cost, Determined on a First in, First out Basis, or Replacement Cost.

d. Tangible Capital Assets

Purchased or constructed tangible capital assets are recorded at cost in the period they are put into use. The cost of a tangible capital asset includes the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation, insurance costs, and duties. Contributed tangible capital assets are recorded at fair value at the date of the contribution. Amortization is provided on a straight-line basis over their estimated useful lives, as follows:

Asset	Rate
Buildings	10-70 years
Roads & road features	15-40 years
Water	10-60 years
Storm Sewers	40-50 years
Parks & recreation	5-25 years
Traffic control & lightning including Airport Hazard Beacons	15 years
Vehicles and equipment	6-25 years
Sanitary Sewers	5-50 years
Fibre Optics cable	20 years
Furniture & office equipment	10 years
Technology & computer equipment	5-10 years
Other	5-40 years

Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset and enhance the service potential of capital assets are capitalized.

When a tangible capital asset no longer contributes to the City's ability to provide services, its carrying amount is written down to its residual value with no reversals of such write downs in subsequent periods.

The City holds and maintains a collection of eighteen sculptures as works of art. Works of art, artifacts, cultural and historical assets are not recorded as assets in the financial statements.

e. Use of Estimates

The preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as disclosure of contingent assets and liabilities in the financial statements. Actual results may differ from these estimated amounts. Significant areas requiring the use of management estimates include the determination of the estimated useful life of tangible capital assets and accrued liabilities included in accounts payable and accrued liabilities.

f. Financial Instruments

The City carries several financial instruments. The fair value of these assets and liabilities approximate their carrying values. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency or credit risk arising from these financial instruments.

g. Expenses

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

h. Budget Figures

The budget figures are from the Annual Five Year Financial Plan Bylaw adopted by May 15 of each year. Subsequent amendments to the Five Year Financial Plan may have been made by Council to reflect budgetary changes as required by Council.

i. Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

j. Revenue Recognition

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

Restricted grants or contributions received under funding agreements which relate to a subsequent period are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met, is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred.

Taxation revenue is recognized as revenue in the year it is levied. Fees and service charges and other revenue are recognized when the services are rendered.

Community works funding is recognized when received or receivable.

Interest and other investment income is recorded on the accrual basis and recognized when earned.

k. Government Transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events give rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

l. Contaminated Sites

Accrued liabilities for the costs to remediate a contaminated site are recognized when an environmental standard exists, contamination exceeds the standard, the City has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities including, sites that are no longer in productive use and sites which the City accepts responsibility. There are no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized as at December 31, 2021.

1 Cash and Investment Deposits

Cash and investment deposits are held in Canadian Chartered Bank current bank accounts earning interest at a rate of prime minus 1.75% and in a short-term Municipal Finance Authority (MFA) money market fund. Included in cash and investment deposits is \$2,759,718 (2020 - \$3,772,647) held for statutory reserves.

The Canada Deposit Insurance Corporation (CDIC) insures each of the Canadian Chartered Bank current accounts up to \$100,000. The aggregate funds held in one account may exceed the CDIC insured limit from time to time and funds held by the institution may not be covered by CDIC insurance. The MFA money market funds are not insured. Management does not anticipate any material effect on the financial position of the City as a result of this concentration.

2 Taxes and Accounts Receivable

	2021	2020
Taxes, current	327,576	279,078
Taxes, arrears	190,246	162,369
Province of British Columbia	1,039	(287)
Federal Government	225,267	134,354
Other Receivables	2,413,843	2,234,255
	\$3,157,971	\$2,809,769

3 Deposit and Reserve – Municipal Finance Authority

The City issues its debt instruments through the MFA. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the MFA as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The details of the cash deposits and demand notes at year end are as follows:

	2021	2020
Demand notes	69,387	69,387
Cash deposits	41,515	41,515
	\$110,902	\$110,902

4 Contingencies**Regional District of Central Kootenay Debt**

Regional District debt is, under the provisions of the *Local Government Act* and the *Community Charter*, a direct joint and severable liability of the District and each City within the District, including the City of Castlegar.

Claims for Damages

Certain claims, suits, and complaints arising in the ordinary course of operations have been filed or are pending against the City of Castlegar. The City cannot predict, with any certainty, the outcome of such litigation. Management is of the opinion, based upon information presently available, that it is unlikely that any liability, to the extent not provided through insurance or otherwise, would be material in relation to the City's financial position.

5 Accounts Payable and Accrued Liabilities

	2021	2020
Province of British Columbia	9,726	5,847
Regional and other levels of government	(6,927)	7,541
Other payables	1,909,361	1,958,148
Wages, vacation, sick and banked liabilities	742,209	971,579
	\$2,654,368	\$2,943,114

6 Deferred Revenue

a.	2021	2020
Development cost charges, note 11	1,765,146	1,414,760
Prepaid taxes	894,082	887,526
Prepaid utility rates	36,871	31,982
Other	562,894	405,994
	3,258,993	2,740,262

b. Restricted flows

In "Other" Deferred Revenue is certain government transfers with certain restrictions that have not been realized in fiscal 2021. Deferred Revenues will be recognized in the year that the approved project is undertaken. The following provides a summary of funds received that are included in "Other" Deferred Revenue on the Statement of Financial Position.

	Airfield Lighting BCAA Grant	BC Air Access Grant	Kootenay Gallery of Art and Affordable Housing	Regional Parks Plan
December 31, 2020	375,000	–	–	–
Externally restricted inflows	–	180,000	390,000	350,000
Revenue earned	–	–	(390,000)	(350,000)
December 31, 2021	\$ 375,000	\$ 180,000	–	–

7 Equipment Financing Loans, Long-Term Debt and Temporary Borrowing

a. Equipment Financing Loans

Equipment financing loans are demand loans payable to the MFA in monthly installments with an interest rate at December 31, 2021 of 0.90% (December 31, 2020 - 1.24%). They are repayable in blended monthly principal and interest payments and are approved under section 175 of the Community Charter. The following equipment loans are outstanding:

	2021	2020
Monthly installments of \$3,532, paid off during the year	–	41,750
Monthly installments of \$1,569, paid off during the year	–	21,557
Monthly installments of \$1,735, paid off during the year	–	23,814
Monthly installments of \$4,281, paid off during the year	–	131,744
Monthly installments of \$929, paid off during the year	–	42,051
Monthly installments of \$1,396, paid off during the year	–	81,196
Monthly installments of \$1,264, maturing in 2025	58,351	73,544
Monthly installments of \$2,049, maturing in 2026	97,465	–
	\$ 155,815	\$ 415,656

b. Long-Term Debt and Temporary Borrowing

The City issues debt instruments through the MFA, pursuant to loan security issuing bylaws under the authority of section 179 of the Local Government Act, to finance certain capital expenditures. Debenture debt principal is disclosed net of sinking fund balances managed by the MFA.

The City has temporary borrowing through the MFA. Temporary borrowing financing agreements provide cash flow for ongoing projects, with a maximum term of five years during which the regular principal payments are not required. These loans must either be repaid or converted to long-term borrowing through a debenture issue at maturity, with interest at a variable rate calculated daily and payable monthly.

	2021	2020
Temporary borrowing repayable to MFA, matures in the year 2025	–	2,231,718
Temporary borrowing repayable to MFA, matures in the year 2026	6,200,000	–
Debenture debt repayable to the MFA, through semi annual payments of \$41,790 in April (principal & interest) and \$9,648 in October (interest only). The existing debenture matures in the year 2041 and annual interest payable is \$19,297	800,700	–
Debenture debt repayable to the MFA, through semi annual payments of \$40,267 in April (principal & interest) and \$13,608 in October (interest only). The existing debenture matures in the year 2042 and annual interest payable is \$27,216	860,465	889,597
Debenture debt repayable to the MFA, through semi annual payments of \$124,884 in April (principal & interest) and \$40,782 in October (interest only). The existing debenture matures in the year 2044 and annual interest payable is \$81,564	2,895,573	2,982,198
Debenture debt repayable to the MFA, through semi annual payments of \$67,658 in April (principal & interest) and \$19,280 in October (interest only). The existing debenture matures in the year 2046 and annual interest payable is \$38,560	1,600,000	–
	\$ 12,356,738	\$ 6,103,513

c. Future Payments

Future minimum principal payments and actuarial additions on the equipment financing loans, long-term debt and temporary borrowing for the next five years and thereafter, including actuarial adjustments, are due as follows:

	Principal
2022	238,189
2023	243,940
2024	249,841
2025	255,352
2026	6,424,210
Thereafter and actuarial	5,101,021
	\$ 12,512,553



8 Reserve Funds

	2021	2020
Statutory Statutory reserves, note 9		
Cemetery Maintenance Fund	382,500	357,455
Regional Infrastructure	368,075	-
Property Tax Sale	113,958	5,525
Equipment Replacement	694,935	661,728
Parkland Acquisition	72,318	-
Cemetery Replacement Fund	7,034	248
Community Works Fund	1,573,853	-
Development Reserve Fund	-	1,512,576
Civic Improvement Fund	-	12
Land Sale	(183,702)	1,185,103
	\$3,028,971	\$3,722,647
Operating reserves, note 9		
General fund	4,914,996	4,556,218
Water fund	3,483,034	2,912,242
Sewer fund	1,939,141	1,510,896
Storm fund	905,389	820,383
Airport fund	512,415	79,192
	\$11,754,975	\$9,878,931
	\$14,783,946	\$13,601,578

Statutory reserves funds represent amounts that are restricted by the Community Charter and associated Municipal Bylaws. The funds are set aside for the specific purpose stipulated and can only be used for this purpose.

Operating reserves represent amounts that are set aside for anticipated future expenditures. The funds are not governed by bylaw and are not restricted.

In February 2021, council adopted Bylaw 1339 Reserve Fund Establishment. The Regional Infrastructure Reserve was separated from Development Reserve, and the Community Works Funding was re-allocated from Development Reserve to the Community Works fund. Parkland Acquisition was separated from Land Sale. The Civic Fund and Development Reserve fund are no longer in-use.

9 Accumulated Surplus

	2021	2020
Equity in tangible capital assets	72,270,542	73,268,059
Statutory reserve funds, note 8	3,028,971	3,722,647
Operating reserve funds, note 8	11,754,975	9,878,931
Current funds	(491,955)	(174,047)
	\$ 86,562,533	\$ 86,695,590

Equity in tangible capital assets represents the net book value of total tangible capital assets, plus work in progress, less long term debt obligations assumed to acquire tangible capital assets.

10 Taxation and Fees and Services Revenues

Taxation and fees and services revenues comprise the following amounts raised:

	2021		2020	
Collection for City purposes:				
General	9,354,787	40%	8,944,932	40%
Parcel Tax	542,250	2%	543,300	2%
Grants in lieu of taxes	852,019	4%	824,054	4%
	\$ 10,749,056	45%	\$ 10,312,286	46%
Waste disposal fees	381,121	2%	313,598	1%
Other fees and service charges	626,158	3%	576,028	3%
Water utility fees	2,055,210	9%	1,903,311	9%
Sewer utility fees	1,542,154	7%	1,499,218	7%
Airport fees	295,828	1%	386,480	2%
	\$ 4,900,471	21%	\$ 4,678,635	21%
Total for City purposes	\$ 15,649,527	66%	\$ 14,990,921	67%

The City is required to collect taxes on behalf of and transfer to the following government agencies:

	2021		2020	
Province of BC – School taxes				
Residential	2,448,227	10%	2,417,402	11%
Non-residential	2,098,412	9%	1,498,461	7%
	\$ 4,546,639	19%	\$ 3,915,863	18%
Regional District of Central Kootenay	2,873,554	12%	2,845,584	13%
Regional Hospital Districts	472,428	2%	505,578	2%
B.C. Assessment Authority	142,954	1%	139,731	1%
Municipal Finance Authority	428	0%	410	0%
	3,489,364	15%	3,491,303	16%
Total for Other Governments	8,036,003	34%	7,407,166	33%
Total Taxation	\$ 23,685,530	100%	\$ 22,398,087	100%

11 Development Cost Charges

The City collects development cost charges in accordance with the Local Government Act and the City's Development Cost Charge Bylaw. These funds must be used for specific purposes as stipulated by the Local Government Act and the Municipal Development Cost Charges Bylaw.

	Total	Road	Water	Sewer	Drainage	Open Space
Balance, beginning of year	1,414,760	698,704	209,422	437,315	53,123	16,196
Interest earned	9,931	4,904	1,470	3,070	373	114
Contributions	340,455	202,479	44,764	83,056	3,436	6,720
Transfers to Capital						
General	–	–	–	–	–	–
Water	–	–	–	–	–	–
Sewer	–	–	–	–	–	–
Balance, end of year	\$ 1,765,146	\$ 906,087	\$ 255,656	\$ 523,441	\$ 56,932	\$ 23,030

12 Pension Liability

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

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2.866 million funding surplus for basic pension benefits on a going concern basis.

The City of Castlegar paid \$440,231 (2020 - \$424,179) for employer contributions to the plan in fiscal 2021.

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

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

13 Schedule of Tangible Capital Assets – As at December 31, 2021

	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures			Other Tangible Capital Assets	2021 Total	
				Water	Roads	Drainage			
Cost									
Opening Balance	\$14,082,532	\$17,018,050	\$14,521,745	\$30,485,352	\$26,613,715	\$39,833,235	\$8,830,700	\$6,234,486	\$157,619,813
Add: Additions	750,522	709,008	383,661	1,581,433	65,779	4,744,845	374,588	796,790	9,406,626
Less: Disposals	-	-	93,164	-	-	-	-	-	93,164
Closing Balance	14,833,054	17,727,058	14,812,242	32,066,785	26,679,494	44,578,081	9,205,289	7,031,276	166,933,275
Accumulated Amortization									
Opening Balance	-	9,712,775	9,866,396	15,886,720	15,059,519	20,228,442	5,592,493	3,475,060	79,821,405
Add: Amortization	-	437,296	740,502	844,017	669,363	885,242	112,412	349,225	4,038,057
Less: Acc. Amortization on Disposals	-	-	93,164	-	-	-	-	-	93,164
Closing Balance	-	10,150,071	10,513,734	16,730,737	15,728,882	21,113,684	5,704,905	3,824,285	83,766,298

Net Book Value for year ended December 31, 2021 \$14,833,054 \$7,576,987 \$4,298,508 \$15,336,048 \$10,950,612 \$23,464,397 \$3,500,384 \$3,206,991 \$83,166,977

Net Book Value for year ended December 31, 2020 14,082,532 7,305,275 4,655,349 14,598,632 11,554,196 19,604,793 3,238,207 2,759,426 77,798,408

13 Schedule of Tangible Capital Assets – As at December 31, 2020

	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures			Other Tangible Capital Assets	2020 Total	
				Water	Roads	Drainage			
Cost									
Opening Balance	\$14,047,938	\$15,786,745	\$13,048,313	\$30,337,876	\$26,517,054	\$36,775,536	\$8,830,699	\$6,206,733	\$151,550,894
Add: Additions	65,365	1,231,305	1,473,432	147,476	96,661	3,057,698	-	27,753	6,099,689
Less: Disposals	30,771	-	-	-	-	-	-	-	30,771
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	14,082,532	17,018,050	14,521,745	30,485,352	26,613,715	39,833,235	8,830,700	6,234,486	157,619,813
Accumulated Amortization									
Opening Balance	-	9,291,685	9,152,889	15,082,638	14,393,036	19,509,996	5,509,521	3,042,088	75,981,853
Add: Amortization	-	421,090	713,507	804,082	666,483	718,446	82,972	432,972	3,839,552
Less: Acc. Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Balance	-	9,712,775	9,866,396	15,886,720	15,059,519	20,228,442	5,592,493	3,475,060	79,821,405
Net Book Value for year ended December 31, 2020	\$14,082,532	\$7,305,275	\$4,655,349	\$14,598,632	\$11,554,196	\$19,604,793	\$3,238,207	\$2,759,426	\$77,798,408
Net Book Value for year ended December 31, 2019	14,047,938	6,495,061	3,895,424	15,255,238	12,124,018	17,265,540	3,321,178	3,164,645	75,569,040

14 Work in progress

Work in progress are tangible capital assets that are not being amortized because they are under construction. Work in progress will be included in the tangible capital asset inventory and amortized when the project is complete and operating at full capacity. The book values of work in progress and their expected in-service dates are as follows:

	2021	2020	Expected in-service date
Airport Required Navigational Performance	754,247	–	2023
Castlegar River Estates Subdivision	326,022	140,962	2022
Pressure Reducing Valves/Confined Space Elimination	224,118	186,281	2022
City Wide Signage	165,814	165,814	2022
North Sewer Lagoon Safety Fence	33,760	33,760	2022
MCC Meadowlark Upgrades	30,095	–	2022
2nd and 5th Avenue Storm Sewer	24,603	24,603	2022
2nd Ave Wall and Road Upgrade	20,921	19,200	2022
Airport Land Plan	10,007	10,007	2022
Schulte Crescent Storm Project	9,011	9,011	2022
Highland Booster	7,568	–	2022
Civic Works Washbay & Pipe Racks	6,173	–	2023
South Sewage Treatment Plant Cover All Building	3,780	3,780	2022
Columbia Ave Phase II	–	821,294	–
Millennium Park & Ponds Upgrade	–	447,902	–
Columbia Ave Detailed Design	–	64,692	–
Cemetery Columbarium	–	45,372	–
Firehall Basement Renovation	–	16,142	–
	\$1,616,118	\$1,988,820	

15 Expenses by Object

	2021	2020
Salary, wages and taxable employee benefits	6,326,004	5,822,946
Materials, goods, utilities, services, contracts	9,078,720	8,148,852
Amortization	4,038,057	3,839,550
Interest on long term debt and agreements payable	156,804	134,112
Total Expenses	\$19,599,585	\$17,945,460

16 Government Transfers

In 2021, the City received and recorded as revenue the following transfers:

	2021	2020
Provincial Unconditional Transfers		
Traffic Fine Revenue Sharing Grant	95,539	72,112
Small Community Grant	455,000	462,934
Climate Action Revenue Incentive Program	24,522	21,186
COVID-19 Safe Restart Grant, note 21	–	2,184,000
	\$575,061	\$2,740,232
Federal Conditional Transfers		
Airports Capital Assistance Program	–	1,181,835
COVID-19 Airport Relief	720,000	–
Other Conditional Transfers	179,060	–
	\$899,060	\$1,181,835
Regional and Other External Conditional Transfers		
Kootenay Gallery of Art and Affordable Housing	390,000	–
Other Conditional Transfers	484,361	713,533
	\$874,361	\$713,533
Total Government Transfers	\$2,348,482	\$4,635,600

17 Contracts and Commitments

West Kootenay Regional Airport

In October 2021, the City of Castlegar and Dexterra Integrated Facilities Management entered into a five year agreement to operate and maintain the West Kootenay Regional Airport.

The terms of the contract require that Dexterra Integrated Facilities Management provide all labour, materials, superintendence and other services necessary to provide operations and maintenance services at the Airport.

Minimum payments required under the contract with Dexterra Integrated Facilities Management are as follows:

Year	Amount
2022	649,521
2023	661,951
2024	674,630
2025	687,563
2026	583,962

18 Segmented Information

The City of Castlegar is a diversified municipal government institution that provides a wide range of services to its citizens such as police, fire, water, sewer and roads maintenance. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services:

This item is related to the revenues and expenses that relate to the operations of the Municipality itself and cannot be directly attributed to specific segments.

Protection Services:

Protection Services is comprised of police services, fire protection, municipal emergency programming, building inspection and animal control. The police services department is responsible for ensuring the safety of the lives and property of citizens, preserving the peace and good order, preventing crimes from occurring, detecting offenders, and enforcing the law. Police services are contracted, under a Municipal Police Service Agreement with the Province of British Columbia, to the Royal Canadian Mounted Police. The Fire Department is responsible for providing fire suppression services, fire prevention programs, training and education. The members of the fire department consist of a Fire Chief, two Deputy Fire Chiefs and a

number of volunteer fire fighters. Building inspection ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards, and by-laws for the protection of occupants.

Transportation and Civic Works:

The Department of Transportation and Civic Works is responsible for the delivery of municipal public works services relating to the development and maintenance of roadway systems, the maintenance and development of parks and open space, street lighting, and storm sewer systems.

Waste Disposal and Recycling:

Waste disposal and recycling consists of providing waste disposal services to citizens.

Public Health and Welfare:

Public Health and Welfare consists of the operation, maintenance, and development of a public cemetery and community health care initiatives.

Environmental Development Services:

The Environmental Development Services Department provides a diverse bundle of services such as city planning, urban development for business interests, environmental concerns, and downtown planning. It facilitates economic development by providing services for the approval of all land development plans, and the application and enforcement of zoning by-laws. It processes building permits and business licenses, develops the City's geographic information systems and provides by-law enforcement services.

Recreation and Cultural Services:

The municipality owns facilities which house The Castlegar and District Heritage Museum, The Kootenay Gallery of Arts, The Doukhobor Discovery Centre and The Castlegar and District Public Library. The City also provides funding to these organizations. The Recreation and Cultural Services also provides maintenance of City parks.

Water, Sewer and Storm:

The Water Service provides the City's drinking water. The Sewer Service processes and cleans sewage. The Storm Services provides storm water drainage.

Airport:

The City owns and operates the West Kootenay Regional Airport. Operation and maintenance of the Airport is contracted to a third party (note 17).

18 Schedule of Segment Disclosure – For the Year Ended December 31, 2021

	General Government Services	Protection Services	Transportation and Civic Works	Waste Disposal and Recycling	Public Health and Welfare	Environmental Development Services	Recreation and Cultural Services	Water, Sewer and Storm	Airport	2021 Total
Taxation	1,695,808	2,445,489	4,788,371	-	62,861	403,126	1,353,401	-	-	10,749,056
Government Grants	390,000	570,539	30,909	-	19,318	14,022	424,634	-	899,060	2,348,482
Community works funding	805,355	-	-	-	-	-	-	-	-	805,355
Fees and charges	239,160	27,299	7,655	524,837	49,947	158,380	-	3,597,364	295,828	4,900,471
Other revenue	424,481	112,077	-	-	-	-	-	-	-	536,558
Interest, actuarial, other income	95,764	-	-	-	-	-	-	30,116	725	126,606
	3,650,569	3,155,404	4,826,935	524,837	132,126	575,528	1,778,035	3,627,481	1,195,614	19,466,528
Salaries and benefits	1,767,701	1,196,515	1,462,862	53,182	75,606	287,567	471,585	952,550	58,435	6,326,004
Goods and services	886,253	1,831,798	1,968,392	599,954	56,520	287,961	909,051	1,203,319	1,335,473	9,078,720
Interest and Other Charges	156,804	-	-	-	-	-	-	-	-	156,804
Amortization	387,489	127,091	1,395,681	-	-	-	397,399	1,625,792	104,603	4,038,057
	3,198,247	3,155,404	4,826,935	653,136	132,126	575,528	1,778,035	3,781,661	1,498,511	19,599,585
Annual Surplus (Deficit)	\$ 452,322	-	-	\$(128,299)	-	-	-	\$(154,180)	\$(302,897)	\$(133,057)

19 Budget

The Financial Plan (Budget) By-Law adopted by Council on February 16, 2021 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result the budget figures presented in the statements of operations and change in net financial assets (debt) represent the Financial Plan adopted by Council on May 19, 2020 with adjustments as follows:

	2021
Financial Plan (budget) Bylaw surplus for the year	–
Budgeted Transfers	(2,827,287)
Amortization	(3,840,000)
Debt Proceeds	(8,926,236)
Capital expenditures	16,538,723
Internal Recharges	(637,500)
Budgeted surplus per statement of operations	\$ 307,700

20 COVID-19 Impact on City Operations

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

As one of the few municipalities in Canada with an Airport, the City experienced significant revenue losses as a result of the pandemic. The Airport's main sources of revenues from passenger fees, concession and commissions were all impacted resulting in revenue losses.

21 COVID-19 Safe Restart Grant

In 2020, the City received a \$2,184,000 COVID-19 Safe Restart Grant from the province as part of its response to the COVID-19 pandemic. The purpose of this grant is to support local governments as they deal with increased operating costs and lower revenue due to COVID-19. It will also ensure local governments can continue to deliver the services people depend on in their communities throughout the pandemic and the post-COVID recovery period. Eligible costs are response costs related to COVID-19 and include, but are not limited to the following:

- Facility reopening and operating costs
- Emergency planning and response costs
- Protective services and bylaw enforcement costs
- Programs that support vulnerable populations
- Computer and other electronic technology costs
- Budgeted revenues that have not been collected

22 Contractual Rights

The City has leased multiple properties to third parties with the following terms:

Lease Expiry Date	Minimum Annual Lease Payment
December 31, 2029	40,872
February 28, 2025	39,440
April 1, 2054	38,244
July 31, 2025	12,968

Unaudited Financial Statements

1 Reserve Fund Balance Sheets – As at December 31, 2021 (unaudited)

	Regional Infrastructure		Development		Community Works Fund		Equipment Replacement		Parkland Acquisition	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Assets										
Cash and deposits	1,523,199	–	–	1,512,576	–	–	666,372	661,728	–	–
Due from other funds	(1,155,124)	–	–	–	1,573,853	–	28,563	–	72,318	–
	\$ 368,075	–	–	\$ 1,512,576	\$ 1,573,853	–	\$ 694,935	\$ 661,728	\$ 72,318	–

Liabilities and fund balances

Liabilities

Due to other funds	–	–	–	–	–	–	–	–	–	–
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Fund Balances

Balance, beginning of year	–	–	1,512,576	1,436,140	–	–	661,728	577,382	–	–
Re-classification of reserves	317,072	–	(1,512,576)	–	1,190,997	–	59,292	–	72,090	–
Balance, beginning of year, revised	317,072	–	–	1,436,140	1,190,997	–	721,020	–	72,090	–
Contributions	50,000	–	–	443,663	805,355	–	46,216	378,392	–	–
Interest on investments	1,003	–	–	15,103	3,766	–	4,645	6,146	228	–
Sale of Assets	–	–	–	–	–	–	–	–	–	–
Transfers to operating funds	–	–	–	–	–	–	–	–	–	–
Transfers to capital funds	–	–	–	(382,330)	(426,265)	–	(76,946)	(300,192)	–	–
Balance, end of year	368,075	–	–	1,512,576	1,573,853	–	694,935	661,728	72,318	–
	\$ 368,075	–	–	\$ 1,512,576	\$ 1,573,853	–	\$ 694,935	\$ 661,728	\$ 72,318	–

	Land Sales		Civic Improvement		Property Tax Sale		Cemetery Maintenance		Cemetery Replacement		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	204,620	1,185,102	12	12	5,564	5,525	359,784	357,276	167	166	2,759,718	3,722,385
	(388,321)	–	(12)	–	108,395	–	22,716	179	6,867	82	269,253	262
	\$ (183,701)	\$ 1,185,102	–	\$ 12	\$ 113,958	\$ 5,525	\$ 382,500	\$ 357,455	\$ 7,034	\$ 248	\$ 3,028,971	\$ 3,722,647
	–	–	–	–	–	–	–	–	–	–	–	–
	1,185,103	544,437	12	12	5,525	5,472	357,455	352,162	248	41,655	3,722,647	2,957,260
	(379,061)	–	(12)	–	–	–	–	–	–	–	(252,198)	–
	806,042	544,437	–	12	5,525	5,472	357,455	352,162	248	–	3,470,449	–
	73,456	798,500	–	–	–	–	–	–	–	–	975,027	1,620,553
	8,312	5,158	–	–	39	53	2,508	3,421	1	403	20,502	30,284
	–	–	–	–	–	–	6,698	1,873	6,785	564	13,482	2,437
	–	–	–	–	108,394	–	–	–	–	–	108,394	–
	(1,071,512)	(162,992)	–	–	–	–	15,840	–	–	(42,373)	(1,558,883)	(887,887)
	(183,702)	1,185,103	–	12	113,958	5,525	382,500	357,455	7,034	248	3,028,971	3,722,647
	\$ (183,702)	\$ 1,185,103	–	\$ 12	\$ 113,958	\$ 5,525	\$ 382,500	\$ 357,455	\$ 7,034	\$ 248	\$ 3,028,971	\$ 3,722,647

2 Schedule of Government Grants (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021		Budget 2021	Actual 2021	Actual 2020
Operating Funds				
General Fund				
Small Communities Protection	Provincial	440,000	455,000	462,934
Age Friendly Grant	UBCM	–	(10,500)	10,500
Climate Action Program	Provincial	18,000	24,522	21,186
Traffic	Provincial	70,000	95,539	72,112
COVID-19 Safe Restart Grant	Provincial	–	–	2,184,000
Community Works Funding	Federal	394,000	805,355	393,663
Regional Parks Cost Sharing	RDCK	350,000	350,000	350,000
Dr Recruitment	RDCK	25,000	19,318	48
Emergency Social Services Partnership	RDCK	–	30,909	21,929
Kootenay Gallery of Art and Affordable Housing	CBT	–	2,000	–
CWPP	UBCM	–	–	21,660
Fire Services Equipment	FCABC	–	20,000	–
Pollinator Grant	BC Hydro	–	–	4,500
Communities Grants	ICBC	–	–	2,500
Canada Day	–	–	2,000	1,250
80% of BC Energy Step Code	Fortis	–	70,634	10,116
UBCM - Wild fire	UBCM	–	–	2,000
		\$1,297,000	\$1,864,777	\$3,558,398
Capital Funds				
General Fund				
Columbia Ave Phase II	Federal	2,009,860	–	–
Kootenay Gallery of Art and Affordable Housing	CBT	–	390,000	–
Millennium Park & Ponds Upgrade	CBT	43,000	–	289,031
		\$ 2,052,860	\$ 390,000	\$ 289,031
Airport				
Airport	Federal	–	899,060	1,181,835
ACAP	Federal	875,000	–	–
		\$ 875,000	\$ 899,060	\$ 1,181,835
		\$ 4,224,860	\$ 3,153,837	\$ 5,029,263



3 Current Fund Departmental Expenditures (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
General Fund			
General Government Services			
Legislative	347,700	307,437	283,594
Administrative	901,078	910,182	1,043,972
Treasury Management	1,034,933	854,880	931,610
Other General Administration	401,797	408,816	360,239
Other General Government	130,499	172,639	195,949
	\$ 2,816,007	\$ 2,653,954	\$ 2,815,364
Transportation and Civic Works			
Common Services	1,316,506	1,701,594	1,476,155
Road Transport	1,733,518	1,729,660	1,110,539
	\$ 3,050,024	\$ 3,431,254	\$ 2,586,693
Waste Disposal and Recycling			
Garbage and Waste Collection	367,945	410,504	366,355
MMBC Recycling	128,400	134,222	129,332
Yard Waste Program	112,249	101,415	99,386
Bear Aware	7,500	6,996	10,588
	\$ 616,094	\$ 653,136	\$ 605,661
Protection Services			
Police Protection	2,259,913	1,776,079	1,581,919
Fire Protection	885,467	881,559	822,964
Emergency Measures	20,500	71,796	222,625
Building Inspector	206,500	261,576	266,333
Animal and Pest Control	57,550	37,303	1,196
	\$ 3,429,930	\$ 3,028,313	\$ 2,895,038
Public Health and Welfare			
Cemetery	162,356	93,490	76,041
Health Care Initiatives	50,000	38,636	63,546
	\$ 212,356	\$ 132,126	\$ 139,586
Environmental Development Services			
Planning, Zoning and Development	561,450	575,528	429,882
	\$ 561,450	\$ 575,528	\$ 429,882
Recreation and Cultural Services			
Community Facilities	182,290	97,229	86,984
Community Enhancement Project	–	36,944	7,899
Parks	852,827	640,664	621,544
Heritage	264,569	268,454	246,873
Library Expenses	27,797	11,808	17,190
Library Grant	325,538	325,538	324,558
	\$ 1,653,021	\$ 1,380,636	\$ 1,305,048
Total General Fund	\$ 12,338,882	\$ 11,854,948	\$ 10,777,271

3 Current Fund Departmental Expenditures (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
Water Fund			
Administration	275,727	323,836	276,849
Purification and Treatment	241,100	109,813	152,175
Service of Supply	102,048	120,883	84,707
Transmission and Distribution	267,581	374,826	263,503
Pumping	187,828	258,249	224,713
	\$ 1,074,284	\$ 1,187,607	\$ 1,001,947
Sewer Fund			
Administration	153,842	92,175	119,740
Collection Systems	155,949	118,219	95,303
Lift Stations	67,571	96,256	68,529
Treatment And Disposal	513,302	622,300	647,889
	\$ 890,664	\$ 928,951	\$ 931,461
Storm Fund			
Administration	20,667	3,311	17,778
Main Upgrades, Storm	105,737	36,000	21,649
	\$ 126,404	\$ 39,311	\$ 39,427
Airport			
Administration	1,148,010	1,393,908	1,221,693
	\$ 1,148,010	\$ 1,393,908	\$ 1,221,693
Total Current Expenditures	\$ 15,578,244	\$ 15,404,724	\$ 13,971,799

4 Current Fund Revenues (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
General Fund			
Fees and Service Charges			
Building Permits	64,570	141,200	138,548
Business Licences	79,000	90,261	82,704
Commercial Vehicles	-	-	2,021
Criminal Documentation Service	6,000	10,948	9,196
Dog Licences	8,500	6,955	5,185
Dog Pound Fines	1,000	-	1
Environmental Health – Garbage Collection	375,445	381,121	313,598
Yard Waste Levy	111,600	112,120	109,923
MMBC Recycling Fees	143,715	143,715	131,775
Protection Services – Fire Fighting Agreements	50,000	27,299	32,169
Public Health – Cemetery	34,000	49,947	24,238
Services Rendered	3,000	7,655	7,631
Sub-Division And Development Permits	6,000	17,180	9,351
Traffic Fines	500	1,451	2,550
Transit Administration Fee	1,000	760	583
Keepers Of Prisoners	20,000	11,648	18,564
Miscellaneous	-	5,017	1,590
	\$904,330	\$1,007,278	\$889,627

4 Current Fund Revenues (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
Water Fund			
Rates	1,760,673	1,991,952	1,870,911
Connections and Turn-ons	20,000	41,576	25,739
Hydrant Maintenance Internal Recharge	65,144		
Miscellaneous	10,000	21,597	6,577
	1,855,817	2,055,125	1,903,227
Sewer Fund			
Rates	1,446,208	1,476,808	1,489,678
Connections and Turn-ons	1,000	48,751	4,425
Miscellaneous	(6,000)	16,594	5,115
	\$ 1,441,208	\$ 1,542,154	\$ 1,499,218
Storm Fund			
Connections and Turn-ons	-	85	85
	-	\$85	\$85
Airport			
Landing and General Terminal Fees	-	117,385	90,283
Parking Fees	-	12,088	31,746
Departure Fees	300,000	19,649	59,409
Rentals	-	130,687	149,355
Concessions	-	16,019	55,687
	\$ 300,000	\$ 295,828	\$ 386,480
Total Fees and Service Charges	\$ 4,501,355	\$ 4,900,471	\$ 4,678,637

5 Current Fund Other Revenues (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
General Fund			
Other Revenues			
911 call answer levy	25,000	22,622	18,206
Building rentals	53,000	89,455	43,529
Franchise agreements	125,000	137,652	136,626
Host Financial System Agreement	–	128,636	100,423
Accommodation tax	–	–	(9,940)
Gain on sale of land	–	–	688,720
Penalties and interest on taxes	80,000	89,809	55,244
Citizen Contribution	–	–	3,350
Donations	–	500	214,413
School Tax Administration	6,000	6,694	5,917
Cemetery to reserves	–	13,482	2,436
Sundry revenue	18,900	47,709	214,856
	\$ 307,900	\$ 536,558	\$ 1,473,781
Total Other Revenues	\$ 307,900	\$ 536,558	\$ 1,473,781

5 Return on Investments – Interest Earnings (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Budget 2021	Actual 2021	Actual 2020
General Fund	50,000	69,676	53,536
Water Fund	7,500	19,829	34,075
Sewer Fund	8,000	10,287	7,002
Storm Fund	–	5,586	1,917
Airport Fund	–	725	3,078
Reserve Interest	–	20,502	30,283
Total Return on Investment	\$ 65,500	\$ 126,606	\$ 129,891

6 COVID-19 Safe Restart Grant (unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2021	Actual 2021	Actual 2020
Opening Balance	1,089,909	2,184,000
General Fund Revenue Shortfall	–	(434,143)
Airport revenue Shortfall	(199,630)	(659,948)
Closing Balance	890,279	1,089,909
Balance Carried Forward	\$ 890,279	\$ 1,089,909

Permissive Tax Exemptions Granted for 2021

Total tax levy exemption for Castlegar and other authorities (unaudited)

ORGANIZATION	2021 Taxes
Places of Public Worship	
Synod of the Diocese of Kootenay	973
Pentecostal Assemblies of Canada	1,197
St. Peter Lutheran Church of Castlegar	821
Trustees of the Congregation of Castlegar-Kinnaird Pastoral Charge	1,292
Trustees of the Congregation of Kinnaird Church of God	1,007
Living Waters Faith Fellowship	990
Trustees for the Castlegar South Congregation of Jehovah's Witnesses	1,042
Castlegar Baptist Church	812
Roman Catholic Bishop of Nelson	1,137
Calvary Baptist Church in Castlegar	2,712
	\$ 11,983
Community Housing Organizations	
Castlegar Villa Society	15,536
Kootenay Family Place	2,367
Kootenay Family Place	299
Kootenay Family Place	6,866
	\$ 25,068
Regional Health Board	
Interior Health Authority	15,256
	\$ 15,256

ORGANIZATION	2021 Taxes
Community Service Organizations	
Kootenay Society for Community Living	7,049
Kootenay Society for Community Living	3,342
Kootenay Society for Community Living	2,285
Castlegar & District Community Services Society	1,207
Castlegar & District Community Services Society	1,207
British Columbia Society for the Prevention of Cruelty to Animals	22,346
Castlegar & District Hospital Auxiliary	7,522
Circle of Indigenous Nations Society	2,575
Blueberry Creek Community School Council	22,427
	\$ 69,960
Recreation and Not for Profit	
Air Cadet League of Canada	2,123
Portuguese Social Centre Society	732
Royal Canadian Legion	1,848
Association of West Kootenay Rock Climbers	541
Fortis BC Energy Inc. - Terasen BTW Park	12,261
	\$ 17,505
Cultural Organizations	
Castlegar and District Heritage Society	5,662
Castlegar and District Heritage Society	4,655
Kootenay Doukhobor Historical Society (Doukhobor Village)	19,989
Kootenay Gallery of Art, History and Science Society	5,682
Castlegar and District Chamber of Commerce	9,913
	\$ 45,901
City Water Supply/Partnership Agreement	
Zellstoff Celgar Ltd.	5,246
	\$ 5,246
Total Permissive Tax Exemptions for 2021	\$ 190,919





CASTLEGAR

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