

2019 Annual Report

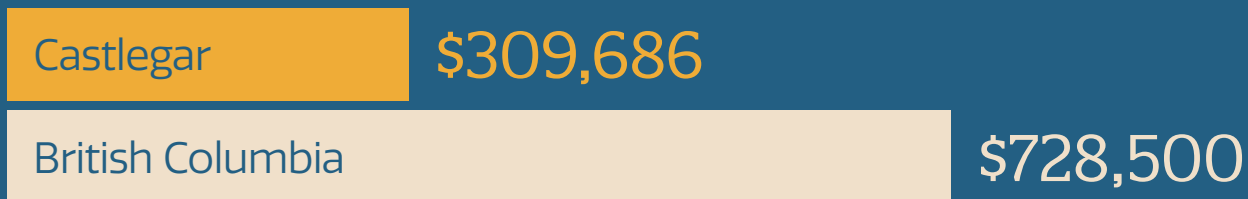
CASTLEGAR

LOOKING
BACK TO MOVE
FORWARD



Castlegar at a Glance

Average House Value



Total taxes on the average house: \$2,259

Building Developments

186 building permits issued in 2019

Total value of permits is \$7 million

Business Opportunity

704 licenses issued in 2019

Up by 18 from 2018

Community Grants

\$431,000 in funding issued in 2019

Property Assessments

\$1,299,523,347 in 2019

Up by 8% from 2018

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City Council

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

From the Mayor



2014

2019 was an exciting growth year for us. As the new Council settled in, our plans started to come together.

I previously spoke of the Council's five pillars from our strategic plan. In those plans, Council is looking to make sure we have a strong foundation. I am proud to say we are in year two of our Asset Management Plan. Council is still focused on making our Airport viable and, most importantly, reliable. I am confident that our new video recordings of our Council meetings has given the citizens more transparency and confidence in our Council.

We will continue to apply for grants and seek funding for issues such as the Columbia Avenue expansion and the Community Recreation Complex to make sure that we do not burden the tax payers unnecessarily.

This Council is working hard so that the citizens can continue to live in a thriving and diverse community.

Regards,

Bruno Tassone
Mayor of Castlegar

Meet the Councillors



2011

Sue Heaton-Sherstobitoff

Councillor 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.



2011

Dan Rye

Councillor Dan Rye joined Council in 2011. Dan and his wife Randi moved to Castlegar 12 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 in 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.



2013

Florio Vassilakakis

Councillor Vassilakakis came to Castlegar from the Okanagan in 2004 to build a business and invest in the downtown core. While he earned his Bachelor of Science degree from UBC, his passion continues to lie in business and real estate development. Florio has served on many boards including the Castlegar and District Chamber of Commerce and the Castlegar Golf Club. Florio, along with his wife Rebecca, are proud to be raising their three young children in the Castlegar area.



2018

Bergen Price

Councillor Price moved to Castlegar when he was 10 years old. His main interests growing up in Castlegar were enjoying all the sports available – 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 with the boys.



2018

Maria McFaddin

Councillor 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's 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.



2018

Cherryl MacLeod

Together, Councillor MacLeod and her husband, Murray, have four grown children, their spouses and five amazing grandchildren that truly are the light of her life. Community is very important to Cherryl and she has been volunteering in this community since moving here in 1975. She started with coaching T-Ball, girls softball, soccer, 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. Cherryl is a Child and Youth Care Worker who has worked in the Castlegar school system for 27 years.

Committees & Senior Staff

The City of Castlegar has seven 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 Price

Deputy Chair, Councillor Vassilakakis

Finance and Corporate Services

Chair, Councillor McFaddin

Deputy Chair, Councillor
Heaton-Sherstobitoff

Transportation and Civic Works

Chair, Councillor Heaton-Sherstobitoff

Deputy Chair, Mayor Tassone

Community Wellness and Social Services

Chair, Councillor Rye

Deputy Chair, Councillor MacLeod

Green and Technology

Chair, Councillor Vassilakakis

Deputy Chair, Councillor Rye

Stage IV Labour/ Management Committee

Chair, Mayor Tassone

Member, Councillor MacLeod

Member, Councillor McFaddin

Planning and Development

Chair, Councillor MacLeod

Deputy Chair, Councillor McFaddin

Public Safety

Chair, Mayor Tassone

Deputy Chair, Councillor Price

Below: Senior Staff and Council at the 2019 strategic planning session.



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

Patrick Gauvreau

Information Technology Manager

David Bristow

Communications Manager

Bree Seabrook

**This position is vacant as of August, 2020*



Message from the Chief Administrative Officer

Preparing the City of Castlegar's 2019 Annual Report is our chance to reflect on the work we have accomplished and strides we have taken to implement the key strategic priorities of Council and the community.

Our largest endeavours tend to gain the attention but it is also critical we highlight the vital day-to-day services our dedicated staff provide to the taxpayers of our City.

When elected, Council set five strategic priorities that will spur community-wide growth and propagate the deep community values that make Castlegar a welcoming, friendly and inclusive city. These pillars will continue to make Castlegar a desirable place to call home for those of us who are already here and a relaxed and affordable option for those looking to re-locate.

Council was clear that strong two-way communication with the community was a priority. We created a full-time communications manager position and developed a communications plan and began fostering a culture of communications and new tools so Council and the public can share opinions, concerns, desires, and ambitions for our community. After years of consideration, we installed an advanced technology system in Council chambers that

allows us to webcast Council meetings and integrate our Council agendas so busy community members can easily find and watch Council discussions on topics that matter to them.

The West Kootenay Regional Airport is a great asset for our city and the entire region. By completing the 25-year Airport Master Plan in 2019, we can now aggressively pursue the key priorities that allow the Airport to become what we have all envisioned for years. With land sales and new development occurring on the industrial lands at the Airport, a new chapter is unfolding. Our unique value proposition - being central to regional, provincial & international networks and welcoming businesses and growth - is driving interest from businesses looking to start or relocate in Castlegar.

As our community grows in size and service demands, we realigned our organizational structure to better meet the needs of the community. The new structure places priority on our airport, planning, development & sustainability and our engineering department in support of our asset management goals. Through this project, we created efficiency in workflow and improved information sharing.

Health care delivery models in the province and country are changing and the City has been actively

working with physicians, the Interior Health Authority and the Province of B.C. to understand what role our municipality can take on to ensure we have the best primary care for our residents.

Housing in Castlegar is a hot topic, as it is across all of B.C. To build on the City's 2018 Housing Needs Assessment, Council quickly created a new Housing Standing Committee to bring together community housing providers, sector professionals and funders to explore the needs in Castlegar and determine how partnerships can be formed, or leveraged, to improve our housing options.

Castlegar has a long history of environmental initiatives and we installed a large solar energy array on the roof of City Hall in 2019. Through the generous support of grants, the City is able to recover our investment in under five years and then realize real savings, all while setting an example of how municipalities can lead in renewable energy solutions.

I feel proud of the work our team of staff and Council has done to get the necessary foundational pieces in place so we are positioned for the future and the City can realize its full potential.

Regards,

Chris Barlow, A sc t
Chief Administrative Officer

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 & broadband service.

Mission

The mission of the Corporation of the City of Castlegar is 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.



Awards & Recognition

1 UBCM Community Excellence in Sustainability Award

The City of Castlegar won the Union of British Columbia Municipalities (UBCM) Community Excellence Award in Sustainability for its Columbia Avenue Complete Streets Project. These awards are given to projects that incorporate a long-term sustainability lens by considering cultural, social, economic and environmental issues in planning, policy and practice.

The \$8 million Columbia Avenue Complete Streets Project turned the city's main roadway into a complete street which includes:

- Raised bike lanes traveling in both directions (separated from the main vehicular travel lanes by a roll-over concrete curve).
- A 3-meter wide sidewalk which improves the walking experience for pedestrians.
- A modular, suspended pavement system which provides rainwater management through absorption, evapotranspiration, and interception. This system supports the health and growth of many trees that were planted as part of this project.
- Pre-serviced lots for future development.
- Public art in the form of sculptures, banners and concrete stamping.
- Benches and innovative amenities such as pet drinking fountains and charging stations at the bus shelters.



Above: Councillors Rye and MacLeod receiving the UBCM Community Excellence in Sustainability Award.

2 Communities in Bloom 2019 National Finalist

communitiesinbloom.ca/castlegar/

In 2019, Castlegar was chosen as a Communities in Bloom National Finalist thanks to the hard work and tireless dedication of local Communities in Bloom volunteers. Blooming your community celebrates its uniqueness and provides the tools for local groups to improve their economy, environment and social well being. Communities in Bloom is a national program that continuously changed the face of our community for the past 16 years. As a National Finalist, the City was visited by trained volunteer judges who travel across Canada during the summer to evaluate communities and the overall contributions of municipality, businesses & institutions and residents, including volunteer efforts in regards to the following criteria:

- Tidiness
- Environmental action
- Heritage conservation
- Urban forestry
- Landscape
- Floral displays



Above: Communities in Bloom purchased Liberation75 tulips to plant at City Hall to commemorate the 1.1 million Canadians who served in the Second World War.

Strategic Plan



This 2019–2023 Strategic Plan was developed by the City of Castlegar Council and staff following a two-day workshop to develop a plan for the Council term and beyond.

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.	Communications Manager hired and session coordinated at Strategic Planning meeting to inform the Communications Plan under development this fall. Continued expansion of sharing Council decisions and City happenings through online and traditional sources. Refresh of the online engagement tool Castlegarconnects.ca and online engagement for Budget 2020 and Imagine Downtown Castlegar.
Web Casting of Council Meetings 2019	To support the expanded Communications objective, by making Council Meetings more accessible to interested residents.	Project completed – First published meeting occurred in October 2019.
Evaluate Staffing Levels to Meet Service Demand	Continue to evaluate the service levels of Castlegar and ensure that the staffing levels are appropriate to accomplish the community's expectations.	Addition of two new positions – Senior Technical Systems Analyst & Communications Manager. Organizational retune completed with significant internal input and roll out communication – new positions currently being hired.
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.	Five-year capital plan completed as part of new budgeting process that was open and transparent. Budget passed before end of year.
Strategic Land Acquisition Policy and Fund	The City owns lands that create a strategic advantage for the Community moving forward. As those lands are sold or developed, the City should evaluate the potential of other strategic properties to replace the opportunities lost by land sales.	New policy adopted.
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.	The 2020 Budget survey was placed online. A Communications survey scheduled for 2020 may inform future investments in online services or apps. Currently evaluating increased online payment options.
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.	The Software selection is the most critical and expensive component; a regional solution is being investigated. Significant progress on destruction of old archived files and a complete assessment and assimilation of Civic Works files is 80% complete.



Thriving and Resilient Business and Industry

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Technology Opportunities	Drive service excellence through smart investments in technology.	Staff monitoring all opportunities that arise.
Complete Airport Master Plan	Expand the Airport's importance as an economic driver for the Community and guide the growth of WKRA over the next 25 years.	Airport Master Plan completed & adopted. Top priorities being enacted. New parking system and fees adopted. Updated operational fees developed for Air Canada review.
Continue to Pursue and Advocate for Increased Reliability at WKRA	Year-round airport reliability remains a top priority of Council.	Met with Air Canada three times. Met with NAV Canada. Grant applications for night lighting being completed and submitted.
Complete and Implement Planning for the Airport Lands	The Airport Lands represent the largest flat developable, serviced section of lands in the West Kootenays.	Accepted offer on majority of lands. Intersection design complete. Interior road design completed. Tender ready for work.



Wellbeing Hub and Safe Community

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Continue to Advocate for Expanded Health Care Services	Demographics and Health Care are changing in B.C. and Castlegar. The City will continue to pursue all options to increase ambulatory and primary care services.	Extensive work complete with Interior Health Authority, Columbia Basin Trust and local physicians. Clear project identified and next step checklist being completed.
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.	Housing Needs Assessment completed and adopted. Housing Committee formed and first session completed. Housing strategy included in 2020 budget.
Update Community Wildfire Protection Plan	The Community Wildfire Protection Plan 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.	Update of the Wildfire Protection Plan has been awarded to a consultant for completion in 2020.



Solid and Sustainable Civic Infrastructure

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Assess and Plan for the Renewal of City's Facilities Through a Facility Condition Assessment	Provide a detailed assessment of all city-owned facilities to allow us to make timely and efficient decisions and ensure there is funding set aside for long-term replacement of facilities.	Facility Condition Assessment Request for Proposals closed in December 2019 and the work will take place in 2020.
Improve Workplace Accountability and Transparency by Implementing a Maintenance Management System	Drive the City to be more efficient, accountable and transparent with its work, moving it from reactive to proactive maintenance, tracking condition data, inspections, end of service lives, replacement years and total cost of ownership.	Computerized Maintenance Management System RFP complete and RFP closed December 2019, cross departmental team created and have met several times to create grading criteria for software solution and created implementation needs and plan for 2020/2021.
Solar Roof Project	The City will model carbon footprint reduction strategies, by installing a solar power grid system on the roof of City Hall to reduce energy consumption.	Project complete.



Creating Special Places and Recreation for Everyone

OBJECTIVES	DESIRED OUTCOME	PROGRESS
Modernize the Zoning Bylaw to Support and Drive Castlegar's Growth	Update the City's Zoning Bylaw and supporting policies to streamline development reviews and better align with the Official Community Plan and a new era of development.	Housing strategy to be completed, then full review of zoning bylaw required.
Improve the Economic Vitality and Attractiveness of the City's Downtown Area Through the Development of a Downtown Area Plan	Involve the community in enhancing the downtown core by developing a Downtown Area Plan – a framework for improving the economic vitality and attractiveness of the City's downtown core. It will guide growth and future development and establish a vision to encourage and foster the development of a vibrant, pedestrian-friendly and economically resilient downtown.	Downtown Area Plan at approximately 50% completion. It was determined that additional public and stakeholder engagement was required to better inform, and build buy-in, for the Plan.
Continue to Support Recreation Upgrades With the Recreation Commission	Continue to pursue upgrades at the Castlegar Community Complex and alternative sources of funding.	Supported the grant application at the City's Minister's Meeting in Victoria in April.
Millennium Park Washroom Upgrades	With the expansion of Millennium Park and increase to year-round service, the current washroom requires upgrades. Design was completed in 2019 and construction is proposed for 2021.	Design completed.

Chief Administrative Officer's Office

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.



Above: Chris Barlow in front of City Hall.

2019 Accomplishments

- Expanded internal and external communications, with the establishment of communications department and Manager.
- Retuned the organizational structure to increase efficiency and internal information sharing.
- Submitted a key Strategic Economic Development Fund grant application to the Rural Dividend program.
- Worked with stakeholders to broaden the City's understanding of Provincial health care objectives and ensure the City can maximize its involvement.
- Updated The City's 2019-2023 Strategic Plan.
- The senior management team successfully negotiated a 4 ½ year collective agreement with CUPE 2262.

2020 Priorities

- Creating a Strategic Land Acquisition policy and fund.
- Continue to monitor municipal service levels and ensure adequate resourcing.
- Develop and begin implementation of an Economic Development Strategic Plan.
- Continue to advocate for expanded health Services.
- Passed the City's first ever Corporate Asset Management Policy.
- Support the Recreation Commission as it continues to pursue improvements to the Castlegar & District Recreation Complex.

Key Facts & Stats

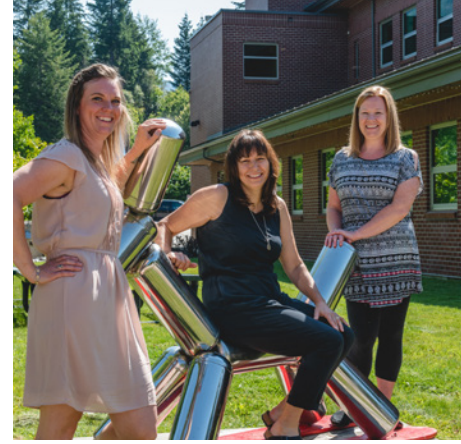
$$\begin{array}{rcl}
 54 & + & 8,000 \\
 \text{Staff} & & \text{Citizens}
 \end{array}
 = \text{Quite possibly the best municipal team ever assembled.}$$

Corporate Services

In Corporate Services, we ensure the effective and efficient overall management of the administrative operations of the City, including agreements, 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.

It is also responsible for human resources, including recruitment & retention, occupational health, safety & wellness for over 50 employees, training & development, and administration of collective agreement and labour management. In 2019, Corporate Services took on Bylaw Enforcement which includes things like animal control, property maintenance and wildlife attractants.



Above: Corporate Services team

2019 Accomplishments

- Council passed two Procedure Bylaw Amendments in support of increasing Council participation at meetings electronically and providing better guidance and control during the Question Period at Council meetings.
- Recruited 8 external and 8 internal positions.
- Restructured the department to better support City operations & staff.
- Council adopted a new E-Bike/Bike Purchasing Policy enabling staff and Council to purchase bikes in support of health and wellness and green initiatives.
- Led the negotiations of a 4 1/2 year collective agreement with CUPE 2262.

2020 Priorities

- Introduce a new Records Information Management System, including a new bylaw and supporting policies.
- Make significant progress on the destruction of old archived files.

Key Facts & Stats

396

Resolutions passed by Council during 22 Regular Meetings

235

Recommendations made to Council during 22 Committee of the Whole Meetings

11

Special Meetings of Council; 5 of those for Budget discussions

2

Public Hearings

Communications



Above: Community members at an Imagine Downtown engagement session.

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.

2019 Accomplishments

- Hired a full-time Communications Manager.
- Developed a Communications Plan for 2020 to enhance communications, increase public engagement & improve internal communications.
- Expanded the City's social media content program, specifically on Facebook.
- Re-invigorated the use of the City's online engagement platform, castlegarconnects.ca.

2020 Priorities

- Conduct a statistically valid citizen survey to determine how the community is currently getting information and what improvements can be made to get residents the information they want - when and how they want it.
- Expand awareness and communications of Council decisions and City services.
- Create a consistent brand and image for the City by creating templates that will also increase efficiency.
- Increase the public's participation and engagement in the City's decision making.
- Enhance internal communications and engagement with staff at City Hall and Civic Works.

Key Facts & Stats

10% Social Media

Increase with City of Castlegar Facebook page Likes & Followers

4 Online Engagements

Hosted with the public through castlegarconnects.ca

4 Community Events

Hosted including: compost giveaway, Canada Day, Thanksgiving community dinner, and WinterFest

Development Services

Our Planning and Development Services team ensures the community grows in a manner that meets the basic needs of all residents by ensuring our community is resilient, connected, inclusive and accessible to everyone. We are responsible for sustainability initiatives, community planning and land use regulation, building inspection, business licensing and mapping. Our 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.

Above: Development Services team.

2019 Accomplishments

- Launched the development of a Downtown Area Plan to determine future direction for the area meets the needs of downtown business owners, residents and visitors.
- Hosted two housing workshops to determine how the City can support addressing the 2018 Housing Needs Assessment.
- Supported the implementation of retail cannabis legislation.
- Adopted the 2018 Housing Needs Assessment.
- Negotiated sales and lease agreements for lands near the West Kootenay Regional Airport.

2020 Priorities

- Complete the Downtown Area Plan in support of economic recovery objectives and the future vitality of the downtown area, while recognizing the importance of other commercial areas of the city.
- Participate and support completion and implementation of the regional West Kootenay 100% Renewable Energy by 2050 Plan to demonstrate the City's commitment to climate mitigation efforts.
- Initiate a six-month Open Streets Pilot Project by making our streets, sidewalks, parking areas and open spaces available to assist businesses in meeting the physical distancing measures of the Province and to encourage our residents to get outside and stay safe.
- Initiate the development of a comprehensive Housing Strategy to address the needs and gaps identified in the 2018 Housing Needs Assessment and to ensure affordable, accessible and appropriate housing for everyone.
- Create a supportive training program for staff and the local development community to ensure readiness for implementation of the BC Energy Step Code by 2022.

Key Facts & Stats

704

Business Licenses
Issued in 2019
(up from 686 in 2018)

7

Development
Permits Issued
(up from 2 in 2018)

4

Subdivision & Phased
Strata Proposals
(proposing up to 91 new
residential units)

186

Building permits
issued at \$7 million

Municipal Services



Above: Fleet of construction and maintenance vehicles.

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 twenty-nine individuals, the TCWD implements the City's public works policies, directions and bylaws. The Department is accountable to plan, design, construct and maintain all City-owned assets with effective coordination to enhance and maintain service delivery to the community and to deliver those services in a cost effective manner. In addition, the Department is responsible for providing professional services and advice to City 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 CAO.

2019 Accomplishments

- Oversaw the installation of the City Hall Solar Energy Project which has a 4-year payback period.
- Kinnaird Park infield rehabilitation of slo-pitch fields to optimize the playing surface, especially during rainy months.
- Updated the City's Herbicide Use Policy on City property to limit treatments to only when playing field inspections warrant treatments.
- Introduced the City's first corporate-wide Asset Management Policy, ensuring that lifecycles and replacement costs are considered in all City decision-making and budgeting.
- Coordinated the City's efforts to sign onto the Regional District of Central Kootenay's Regional Organics Collection Plan.
- Completed and adopted the Cemetery Master Plan to support long-term planning, operational needs and required capital improvements.

2020 Priorities

- Install a safety fence at the North Sewage Lagoon to maximize staff safety.
- Replace the 33rd Street Pressure Reducing Valve which is part of a long-term plan to eliminate all underground confined spaces to increase staff safety.
- Identify a Computerized Maintenance Management System which will increase efficiency of City operations and tracking of work and costs.
- Complete detailed design for critical upgrades in preparation of construction in 2021 and support the relocation of utilities for the Columbia Avenue Phase 2 Project.
- Millennium Park Phase 3 project – A further enhancement of the City's premier attraction that will include an upgraded washroom, change room and shower facility along with a new natural playground.

Key Facts & Stats

6,508 Hours spent on snow removal & winter operations.

2,900 Litres of water saved per person

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.

2019 Accomplishments

- Hired a full-time, Senior Technical Systems Analyst to accomplish key IT projects and provide backup coverage for the IT Manager.
- Upgraded the airport website to work on mobile devices. (wkraairport.ca)
- Installed technology to record Council meetings so they can be posted to our website. This facilitated citizens who could not attend meetings in person to view them on the web.
- Upgraded servers and implemented new security measures to protect City data from hackers and other illegal infiltrators.

2020 Priorities

- Upgrade the City's IT systems to much faster and more reliable equipment.
- Protect City data against wildfire and other regional disasters by sending it to secure, out of province servers on a daily basis.
- Implement newer wireless technology, allowing faster connection speeds for mobile devices within City municipal buildings.
- Upgrade firewall equipment used to protect the City from security intrusions over the web.



Above: Information Technology tag team.

Key Facts & Stats

\$13,200 Reduced Telus costs by \$13,200 annually.

1,400 Helpdesk support tickets handled by IT Department.

600,000 Emails containing spam or virus attacks stopped by the City's security system.

293 Email addresses managed by IT Department.

Protective Services



Above: Various members of the City's Protective Services Team.

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 31 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.

2019 Accomplishments

- Trained staff members in Emergency Operations Centres procedures.
- Successfully completed FireSmart projects with Selkirk College Forestry program students.
- Partnered with the Regional District of Central Kootenay and completed 30 FireSmart Assessments utilizing a Wildfire Mitigation Specialist.
- 2 members successfully completed the National Fire Protection Association Level 1 and 2 Firefighter Certification Program.
- Received funding from the Union of British Columbia Municipality Community Emergency Preparedness Program for Emergency Operations Centres equipment and training.
- Received funding from the Community Resiliency Investment Program to update the City's Community Wildfire Protection Plan.
- Committed to replacing the aging out 1994 Volvo Pumper "Engine 2" with a 2020 Rosenbauer Pumper/Rescue Truck.

2020 Priorities

- Complete the City of Castlegar Community Wildfire Protection Plan.
- Complete the Emergency Services Modernization Project.
- Complete the Emergency Operations Centre technology upgrades.
- Replace the outdated 1994 Volvo fire Engine 2 with a 2020 Rosenbauer Pumper/Rescue.
- Replace the 2003 Dodge Durango Command 3 vehicle.
- Continue to train department members to National Fire Protection Association standards Level 1 and 2.
- Completed Emergency Operations Centre training and table top exercise.



Key Facts & Stats

5,445 Hours from 29 volunteer firefighters

827 Call responses, up from 791 in 2018

1,949 Hours for training and 132 for standby

3,363 Hours for call-outs

225 Commercial and business fire inspections

Response Type Breakdown	2019	2018
Fire Response	57	68
Emergency Management BC Responses	27	20
Rescue	107	50
Motor Vehicle Accidents	58	48
Hazardous Materials Response Calls	17	21
First Responder Medical Calls	45	33
False Alarms	47	56
Standby	161	205
Public Service Responses	118	129
Complaints	38	53
Other	152	108

West Kootenay Regional Airport



Above: Entrance Sign of the 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. With Air Canada/Jazz offering daily flights to Vancouver and Calgary on recently retrofitted Dash-8 300 planes, the West Kootenay Regional Airport is the local gateway to the world and an economic generator for our region.

2019 Accomplishments

- Increased reliability from 82.8% to 88.5%.
- Increased yearly passenger count by 9% from 74,717 (2018) to 81,436 (2019).
- Commenced the Airport Airside Electrical System and Lighting Rehabilitation Project.
- Received British Columbia Air Access Program funding toward the \$1.4 million Asphalt Rehabilitation Project.
- Completed 25-Year Master Plan providing guidance for future development. Includes a land-use plan, development concepts, and capital finance and revenue plans.
- Implemented a new electronic parking payment system - HONK.

2020 Priorities

- Hire a full-time Airport Manager.
- Implement COVID-19 safety measures to ensure traveler safety and restore confidence in air travel.
- Complete the Airside Electrical System and Lighting Rehabilitation Project.
- Complete the Asphalt Rehabilitation Project.
- Submit applications for grant funding from the Airport Capital Assistance and the British Columbia Air Access Programs.
- Airport Land Development (ongoing) continue to support and liaison between developers, Transport Canada and NAV Canada.

Key Facts & Stats

88.5% Year-round reliability jumped from 82.8% (2018) to 88.5% (2019)

96.4% Reliability from March 1 to October 31

84,436 Yearly passenger count increased by 9% from 74,717 (2018) to 81,436 (2019)



Project Highlight:

Implemented a new electronic parking payment system – HONK

Parking at the West Kootenay Regional Airport is now quicker and easier thanks to a modernized, electronic payment system – HONK. Travelers now use their smartphone or an iPad kiosk in the terminal building to pay, saving time and the hassle of dealing with physical money and putting a ticket on a dashboard.





Above: Community stakeholders and City Council announcing the West Kootenay 100% Renewable Energy by 2050 plan.

Right: Aerial view of City Hall's new rooftop solar panels.

Project Highlight:

The City is generating 28 kW of electricity annually using 92 solar panels on the rooftop of City Hall.

The new panels save the City an estimated \$2,600 a year and reduce emissions, supporting the City's Official Community Plan which includes improving energy efficiency at municipal facilities and a movement toward self-reliance and renewable energy generation.

This \$100,000 project was made possible through the Columbia Basin Trust's Energy Sustainability Grants and a contribution from BC Solar Now.

The City has also retrofitted streetlights to programmable LED, installed variable frequency drives to reduce power consumption at the sewer treatment plant, and implemented recommendations from a City Hall energy audit.

City Council committed to working toward 100% renewable energy by 2050 in all energy use sectors in the community, including: heating and cooling, transportation, electricity, and waste management.

This includes collaborating with other local governments, experts and community stakeholders to develop and release a West Kootenay 100% Renewable Energy by 2050 Plan.



Financial Services



Above: A 12 1/2 foot street clock donated by Castlegar's Sunrise Rotary Club as part of its 20th anniversary.

Our 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 team's core services include the following:

Budgeting

Overall planning and preparation of the City's budgets, long-term financial planning and monitoring and analyzing expenditure and revenue trends throughout the year.

Financial Reporting & Compliance

Meeting legislative reporting and compliance requirements including: Audited Financial Statements, Statement of Financial Information, Annual Report, Local Government Data Entry, School Tax, Homeowner Grant, etc to relevant agencies. This section also keeps management and Council informed about the City's financial performance on a quarterly basis, ensuring the City meets its annual budget.

Revenue & Payment Services

Billing and collection of the City's annual property taxation and quarterly utility bills. This section is also responsible for administering and payment collection for dog licenses, tax certificates, business license payments and other receivables to the City.

Procurement Services & Contract Management

Coordinates the procurement of high quality, cost-effective goods and services, while ensuring all policies are followed. This section follows applicable legislation and ensures appropriate public and competitive processes are applied. Contract Management provides guidance for the management of all contracts and supplier performance tracking.

Treasury Operations

Accounts payable & receivable, capital assets, investments, and banking and payment processing. This group nurtures the City's relationship with its financial institution and credit/debit card payment processors.

Key Facts & Stats

10,000 Account payable transactions processed from 592 suppliers.

13,580 Utility bill invoices issued.

1,400 Electronic and 645 cheque payments processed.

3,536 Property tax bills issued.



Above: The City's Finance team.

2019 Accomplishments

- Redesigned the budgeting process to be more efficient and ensure continuity of short and longer-term capital projects.
- Restructured the Finance Department.
- Worked with other departments to standardize RFP, RFQ and Tender documents and processes across the organization.
- Approval of the 2020 – 2024 Financial Plan in December.

2020 Priorities

- Develop long-term financial policy.
- Implement the department's new organization structure.
- Centralize the City's core procurement and contracts management functions.
- Increase the City's payment method by promoting online payments of property taxes and utility bills and other receivables.
- Redesign the City's Capital Budget Program.
- Transition majority of the City's contractors from cheque to electronic fund payments.

Chief Financial Officer Message



It is my pleasure to present the 2019 Annual Report for the City of Castlegar. The purpose of the annual report is to provide readers with a clear understanding of the financial position and activities of the City.

2019 was an eventful year for the City, especially the Finance Department, which started with the retirement of the City's long-serving Finance Director earlier in the year. My role as the Finance Director commenced in July of 2019, with the exciting opportunity to take the Finance Department, as well as the City's financial operations forward. With help from other members of the team, we have achieved key results, in my first 6 months including: the implementation of the new organizational structure and the development of a long-term strategy for fully integrating the Finance Department throughout City operations. In addition to these successes, we began the process of centralizing our procurement and contract management activities, as well as successfully redesigned the budget process for earlier approval.

The audited financial statement in this report has been prepared in compliance with Section 167 of the Community Charter, and in accordance

with generally accepted accounting principles approved by the Public Section Accounting Board. The financial statements were audited by Grant Thornton LLP, and their role was to express their technical opinion on the financial statements as presented by management as of December 31, 2019. In their opinion, the "consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2019".

As detailed in the 2019 Audited Financial Statements, the City's financial results reflect an improved financial position and renewed commitment to sound financial management. Overall, the City's financial performance emerged stronger than projected.

The City's net financial position continued to grow in 2019, strongly indicating the City's capacity to meet its financial obligations, in the short and long-term. The City's net financial assets increased by over \$1.1 million, bringing its net financial assets to \$5.3 million. This resulted in an overall improvement of its accumulated surplus by 2%, with a current total of \$82.9 million.

The accumulated surplus grew as a result of the City's investment in capital assets and reserves balances maintained over time. Equity in capital assets, such as roads, underground

infrastructure, land and building make up a significant portion of the accumulated surplus balance (\$73.1 million), followed by reserve balances (\$9.8 million). The growth in the reserve balance, combined with prudent debt management, are further indicators of Council and Staff's commitment to strengthening the City's financial sustainability and flexibility.

Consolidated revenues for 2019 were \$1.1 million or 5% lower than 2018. This was primarily due to decreased government grants in 2019. For example, in 2018, the City received a \$2.9 million grant from the Build Canada Fund, but did not receive it in 2019. Isolating government transfers, other City revenue sources such as taxation (primarily grants in lieu) and fees & service charges saw increase year over year.

Expenditures for the year generally adhered to the budget and in some cases, came under budget – as was the case with the Department of Transportation and Civic Works. This resulted in a net contribution to the accumulated surplus of \$1.6 million for the year. This surplus amount reflects growth in reserves balances, and a portion of general operating funds surplus, now available for future spending.

Regards,

Ola Oladele, CPA CGA
Chief Financial Officer



Independent Auditor's Report

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To the Mayor and Council of
the City of Castlegar

Opinion

We have audited the financial statements of the City of Castlegar ("the City"), which comprise the statement of financial position as at December 31, 2019 and the statements of operations, changes 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of City of Castlegar as at December 31, 2019 and the results of its 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 a going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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

Grant Thornton LLP

Castlegar, Canada
June 1, 2020

Chartered Professional Accountants

Audited Financial Statements

Statement of Financial Position

AS OF DECEMBER 31, 2019	2019	2018
Financial Assets		
Cash and investment deposits, note 1	\$12,655,178	\$8,142,638
Taxes and accounts receivable, note 2	\$2,884,418	\$4,309,443
Deposit – municipal finance authority, note 3	\$110,902	\$27,081
	\$15,650,498	\$12,479,162
Liabilities		
Accounts payable and accrued liabilities, note 5	\$3,293,655	\$3,921,273
Deferred revenue, note 6	\$2,177,570	\$2,103,337
Holdbacks, refundable, and other deposits	\$447,005	\$815,454
Equipment financing loans, note 7	\$400,067	\$541,783
Reserve – municipal finance authority, note 3	\$110,902	\$27,081
Long term debt, none 7	\$3,984,180	\$945,340
	\$10,413,379	\$8,354,268
Net Financial Assets	\$5,237,119	\$4,124,894
Non Financial Assets		
Tangible capital assets, note 13	\$75,569,040	\$76,646,347
Work in progress, note 14	\$1,938,034	\$290,724
Inventory of supplies	\$124,073	\$154,277
Properties acquired for taxes	\$66,957	\$66,185
Prepaid expenses	\$46,686	\$33,211
	\$77,744,790	\$77,190,744
Accumulated Surplus – note 9	\$82,981,909	\$81,315,638
Contingencies, note 4		
Contingencies, note 17		

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, 2019	Budget 2019, note 19	Actual 2019	Actual 2018
Revenues			
Taxation, note 10	\$9,649,327	\$9,703,719	\$9,201,050
Government transfers, note 16	\$3,462,750	\$2,207,220	\$4,317,025
Fees and service charges, note 10	\$4,966,703	\$5,138,637	\$5,085,588
Community works funding, note 16	\$394,000	\$793,993	\$400,482
Other revenue	\$2,082,900	\$1,097,046	\$1,097,817
Interest and other investment income	\$67,500	\$214,773	\$165,599
	\$20,623,180	\$19,155,388	\$20,267,561
Expenses, note 15			
General government	\$2,458,985	\$2,428,353	\$2,262,455
Environmental development	\$590,500	\$607,668	\$712,567
Transportation and civic works	\$2,756,104	\$2,342,539	\$2,410,791
Waste disposal and recycling	\$535,120	\$555,564	\$517,738
Protection	\$3,177,100	\$3,192,275	\$2,641,511
Public health and culture	\$263,00	\$185,380	\$113,255
Recreation and culture	\$1,483,700	\$1,397,811	\$1,367,658
Water system	\$1,117,950	\$1,032,255	\$998,144
Sewer system	\$972,058	\$889,484	\$864,284
Storm system	\$136,486	\$56,278	\$95,374
Airport	\$1,109,150	\$1,150,519	\$1,227,694
Interest on long term debt and agreements payable	\$3,000	\$104,873	\$38,197
Amortization	\$3,796,000	\$3,546,118	\$3,522,317
	\$18,399,153	\$17,489,117	\$16,771,985
Annual surplus (deficit)	\$2,224,027	\$1,666,271	\$3,495,576
Annual surplus, beginning of year	\$81,315,638	\$81,315,638	\$77,820,062
Accumulated surplus, end of year – note 9	\$83,539,665	\$82,981,909	\$81,315,638

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, 2019	Budget 2019, note 19	Actual 2019	Actual 2018
Annual surplus (deficit)	\$2,224,027	\$1,666,271	\$3,495,576
Acquisition of tangible capital assets	(\$4,794,808)	(\$2,485,810)	(\$8,964,575)
Work in progress, construction of tangible capital assets	(\$5,306,000)	(\$1,647,310)	\$735,110
Amortization of tangible capital assets	\$3,796,000	\$3,546,118	\$3,522,317
Proceeds on sale of tangible capital assets	–	\$16,999	\$81,876
Loss (gain) on disposition of tangible capital assets	–	–	(\$5,746)
Change in inventory of supplies	–	\$30,204	–
Change in prepaid expense	–	(\$13,475)	\$71,202
Change in property acquired for taxes	–	(\$772)	(\$64,667)
Increase (Decrease) in Net Financial Assets	(\$4,080,781)	\$1,112,225	(\$1,128,907)
Net Financial Assets, beginning of year	\$4,124,894	\$4,124,894	\$5,253,801
Net Financial Assets, end of year	\$44,113	\$5,237,119	\$4,124,894

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

Statement of Cash Flows

AS OF DECEMBER 31, 2019	2019	2018
Cash provided by (used for):		
Operating Activities		
Annual surplus (deficit)	\$1,666,271	\$3,495,576
Change in non cash items:		
Amortization	\$3,546,118	\$3,522,317
Loss (gain) on disposition of tangible capital assets	–	(\$5,746)
Decrease (increase) in pre-paid expenses	(\$13,475)	\$71,203
Decrease (increase) in inventory of supplies	\$30,204	–
Change in financial assets and liabilities:		
Decrease (increase) in taxes and accounts receivable	\$1,425,025	(\$2,211,752)
Decrease (increase) in other assets	–	\$12,000
Increase (decrease) in accounts payable and accrued liabilities	(\$627,618)	\$1,431,759
Increase (decrease) in deferred revenue	\$74,233	(\$1,055,996)
Increase (decrease) in holdbacks, refundable and other deposits	(\$368,449)	\$409,682
	\$5,732,309	\$5,669,043
Capital Transactions		
Acquisition of tangible capital assets and work in progress	(\$4,133,120)	(\$8,229,465)
Proceeds from sale of tangible capital assets	\$16,999	\$81,876
Proceeds from sale of property acquired for taxes	–	–
Property acquired for taxes	(\$722)	(\$64,667)
	(\$4,116,893)	(\$8,212,256)
Financing Activities		
Proceeds from long term borrowing	\$3,118,668	\$242,227
Repayment of long term borrowing	(\$27,460)	(\$26,660)
Repayment of equipment financing obligations	(\$194,084)	(\$189,488)
	\$2,897,124	\$26,079
Increase (decrease) in cash	\$4,512,540	(\$2,517,134)
Cash and investment deposits, beginning of year	\$8,142,638	\$10,659,772
Cash and investment deposits, end of year	\$12,655,178	\$8,142,638

Included in the City's annual surplus is \$229,855 (2018 \$165,599) of interest received and \$79,988 (2018 \$38,197) of interest paid.

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 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.

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 municipality 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 before May 15 of each year. Subsequent amendments to the Five Year Financial Plan may have been made by the Council to reflect budgetary changes as required by the 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 are recognized as revenue in the year they are 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 given 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, 2019

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 \$2,957,260 (2018 – \$3,344,108) 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 Municipal Finance Authority money market funds are not insured. Management does not anticipate any material effect on the financial position of the municipality as a result of this concentration.

2 Taxes and Accounts Receivable

	2019	2018
Taxes, current	\$314,080	\$266,035
Taxes, arrears	\$183,531	\$199,874
Province of British Columbia	(\$294)	\$2,230,420
Federal Government	\$182,749	\$255,843
Other Receivables	\$2,204,352	\$1,357,271
	\$2,884,418	\$4,309,443

3 Deposit and Reserve – Municipal Finance Authority

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

These demand notes are contingent in nature and are not reflected in the accounts.

	2019	2018
Demand notes	\$69,387	\$17,218
Cash deposits	\$41,515	\$9,863
	\$110,902	\$27,081

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 municipality 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 of Castlegar's financial position.

5 Accounts Payable and Accrued Liabilities

	2019	2018
Province of British Columbia	\$14,572	\$2,078
Regional and other levels of government	\$5,637	\$25,423
Other payables	\$2,416,012	\$2,911,044
Wages, vacation, sick and banked liabilities	\$857,435	\$982,728
	\$3,293,655	\$3,921,273

6 Deferred Revenue

	2019	2018
Development cost charges, note 11	\$1,305,725	\$1,224,425
Prepaid taxes	\$805,862	\$778,422
Prepaid utility rates	\$33,678	\$35,680
Other	\$32,305	\$64,810
	\$2,177,570	\$2,103,337

7 Long Term Debt and Equipment Financing Loans

a. Equipment Financing Loans

Equipment financing loans are demand loans payable to the Municipal Finance Authority in monthly installments with an interest rate based on the Canadian Dealer Offered Rate, which at December 31, 2019 was 2.53875%. 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:

	2019	2018
Monthly installments of \$2,077, maturing in 2019	–	\$14,805
Monthly installments of \$1,110, maturing in 2019	–	\$6,798
Monthly installments of \$4,883, maturing in 2019	–	\$49,463
Monthly installments of \$3,532, maturing in 2021	\$82,982	\$122,745
Monthly installments of \$1,569, maturing in 2022	\$39,819	\$57,406
Monthly installments of \$1,735, maturing in 2022	\$44,014	\$63,466
Monthly installments of \$4,280, maturing in 2023	\$180,884	\$227,100
Monthly installments of \$929, maturing in 2024	\$52,368	
	\$400,067	\$541,783

b. Long Term Debt

The City issues debt instruments through the Municipal Finance Authority, 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 Municipal Finance Authority.

Debenture Debt	2019	2018
Debenture debt repayable to the British Columbia Municipal Finance Authority, 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 interest is payable at 2.80% per annum.	\$917,880	\$945,340
Debenture debt repayable to the British Columbia Municipal Finance Authority, 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 interest is payable at 2.70% per annum.	\$3,066,300	
	\$3,984,180	\$945,340

c. Future Payments

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

	GENERAL FUND		
	Principal	Interest	Total
2020	\$248,476	\$117,228	\$365,704
2021	\$255,730	\$113,741	\$369,470
2022	\$186,428	\$111,017	\$297,445
2023	\$168,592	\$109,532	\$278,124
2024	\$137,512	\$108,929	\$246,440
Thereafter and actuarial	\$3,387,510	\$2,066,770	\$5,454,280
	\$4,384,247	\$2,627,218	\$7,011,465

8 Reserve Funds

	2019	2018
Statutory reserves, note 9		
Cemetery Maintenance Fund	\$352,162	\$340,490
Cemetery Replacement Fund	\$41,655	\$37,177
Development Reserve Fund	\$1,436,140	\$1,209,669
Equipment Replacement	\$577,382	\$795,370
Land Sales	\$544,437	\$956,024
Civic Improvement Fund	\$12	\$11
Property Tax Sale	\$5,472	\$5,367
	\$2,957,260	\$3,344,108
Operating reserves, note 9		
General fund	\$1,942,917	\$1,456,715
Water fund	\$2,256,268	\$1,649,832
Sewer fund	\$1,320,564	\$1,061,763
Storm fund	\$397,519	\$238,232
Airport fund	\$329,286	\$482,097
	\$6,246,554	\$4,888,639
	\$9,203,814	\$8,232,747

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.

9 Accumulated Surplus

	2019	2018
Equity in tangible capital assets	\$73,122,827	\$75,449,948
Statutory reserve funds, note 8	\$2,957,260	\$3,344,108
Operating reserve funds, note 8	\$6,246,554	\$4,888,639
Current funds	\$655,268	(\$2,367,057)
	\$82,981,909	\$81,315,638

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:

	2019		2018	
Collection for City purposes:				
General	\$8,376,500	37%	\$7,922,296	36%
Parcel Tax	\$538,350	2%	\$529,950	2%
Grants in lieu of taxes	\$788,869	4%	\$748,804	3%
	\$9,703,719	43%	\$9,201,050	42%
Waste disposal fees	\$287,812	1%	\$306,189	1%
Other fees and service charges	\$594,573	3%	\$552,369	3%
Water utility fees	\$1,833,807	8%	\$1,804,895	8%
Sewer utility fees	\$1,468,716	7%	\$1,455,260	7%
Airport fees	\$953,729	4%	\$966,875	4%
	\$5,138,637	23%	\$5,085,588	23%
Total for City purposes	\$14,842,356	66%	\$14,286,638	65%

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

	2019		2018	
Province of BC – School taxes				
Residential	\$2,290,506	10%	\$2,200,089	10%
Non-residential	\$2,028,863	9%	\$2,093,025	10%
	\$4,319,369	19%	\$4,293,114	20%
Regional District of Central Kootenay	\$2,768,114	12%	\$2,708,182	12%
Regional Hospital Districts	\$509,551	2%	\$509,577	2%
B.C. Assessment Authority	\$132,619	1%	\$134,740	1%
Municipal Finance Authority	\$394	0%	\$372	0%
Total for Other Governments	\$7,730,047	35%	\$7,645,986	35%
Total Taxation	\$22,572,403	100%	\$21,932,624	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	\$1,224,425	\$646,251	\$168,073	\$347,792	\$50,890	\$11,419
Interest earned	\$15,082	\$7,719	\$2,078	\$3,784	\$1,110	\$391
Contributions	\$66,218	\$8,718	\$18,650	\$35,800	\$250	\$2,800
Transfers to Capital						
General	–	–	–	–	–	–
Water	–	–	–	–	–	–
Sewer	–	–	–	–	–	–
Balance, end of year	\$1,305,725	\$662,688	\$188,801	\$387,376	\$52,250	\$14,610

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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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 \$402,215 for employer contributions to the plan in fiscal 2019.

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, 2019

	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	2019 Total
				Water	Sewer	Roads	Drainage		
Cost									
Opening Balance	\$14,044,645	\$15,692,345	\$12,773,924	\$30,260,432	\$26,227,256	\$35,395,070	\$8,527,568	\$6,160,841	\$149,082,081
Add: Additions	\$20,293	\$94,400	\$274,389	\$77,444	\$289,798	\$1,380,465	\$303,130	\$45,892	\$2,485,810
Less: Disposals	\$17,000	-	-	-	-	-	-	-	\$17,000
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing 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	\$151,550,892
Accumulated Amortization									
Opening Balance	-	\$8,914,100	\$8,637,513	\$14,287,346	\$13,729,611	\$18,850,638	\$5,406,474	\$2,610,052	\$72,435,734
Add: Amortization	-	\$377,584	\$515,376	\$795,292	\$663,425	\$659,358	\$103,047	\$432,036	\$3,546,118
Less: Acc. Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Balance	-	\$9,291,684	\$9,152,889	\$15,082,638	\$14,393,036	\$19,509,996	\$5,509,521	\$3,042,088	\$75,981,852
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
Net Book Value for year ended December 31, 2019	\$14,044,645	\$6,778,245	\$4,136,411	\$15,973,086	\$12,497,645	\$16,544,432	\$3,121,093	\$3,550,789	\$76,646,347

13 Schedule of Tangible Capital Assets – As at December 31, 2018

Cost	Land	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	2018 Total
				Water	Sewer	Roads	Drainage		
Opening Balance	\$14,120,775	\$15,599,442	\$11,946,160	\$29,290,306	\$25,738,923	\$29,736,123	\$7,683,355	\$6,078,552	\$140,193,636
Add: Additions	-	\$92,903	\$827,764	\$970,126	\$488,333	\$5,658,947	\$844,213	\$82,289	\$8,964,574
Less: Disposals	\$76,130	-	-	-	-	-	-	-	\$76,130
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	\$14,044,645	\$15,692,345	\$12,773,924	\$30,260,432	\$26,227,256	\$35,395,070	\$8,527,568	\$6,160,841	\$149,082,081
Accumulated Amortization									
Opening Balance	-	\$8,504,303	\$8,118,682	\$13,496,804	\$13,094,729	\$18,212,111	\$5,311,507	\$2,175,281	\$68,913,417
Add: Amortization	-	\$409,797	\$518,831	\$790,542	\$634,882	\$638,527	\$94,967	\$434,771	\$3,522,317
Less: Acc. Amortization on Disposals	-	-	-	-	-	-	-	-	-
Closing Balance	-	\$8,914,100	\$8,637,513	\$14,287,346	\$13,729,611	\$18,850,638	\$5,406,474	\$2,610,052	\$72,435,734
Net Book Value for year ended December 31, 2018	\$14,044,645	\$6,778,245	\$4,136,411	\$15,973,086	\$12,497,645	\$16,544,432	\$3,121,093	\$3,550,789	\$76,646,347
Net Book Value for year ended December 31, 2017	\$14,120,775	\$7,095,140	\$3,827,478	\$15,793,502	\$12,644,194	\$11,524,012	\$2,371,848	\$3,903,271	\$71,280,219

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:

	2019	2018	Expected in-service date
2nd and 5th Avenue Storm Sewer	\$6,748	\$6,748	2020
Airport Taxiway B Paving	\$8,364	\$5,700	2020
Airport Intersection	\$105,388	\$79,844	2020
Schulte Crescent Storm Project	\$9,011	\$9,011	2020
ACAP Electrical & Light System	\$3,746	\$3,746	2020
Airfield Lighting & Electrical System	\$980,432	\$8,306	2020
City Wide Signage	\$165,814	\$165,814	2020
5th Avenue & 2nd Street Storm	–	\$11,555	2019
Airport Master Plan	\$83,268	–	2020
Columbia Ave Phase II	\$294,478	–	2020
Columbia Ave Detailed Design	\$64,692	–	2020
Down Town Area Plan	\$20,817	–	2020
Airport Land Plan	\$10,007	–	2021
2nd Ave Wall and Road Upgrade	\$19,200	–	2020
2019 Fire Truck	\$80,071	–	2020
Water Treatment Plant TLC Program	\$50,000	–	2020
Mains Upgrade	\$14,669	–	2020
35th Street Lift Station Electrical Improvements	\$10,000	–	2020
CCTV Camera Inspection/Upgrades	\$11,330	–	2020
	\$1,938,034	\$290,724	

15 Expenses by Object

	2019	2018
Salary, wages and taxable employee benefits	\$5,636,204	\$5,187,870
Materials, goods, utilities, services, contracts	\$8,201,922	\$8,023,601
Amortization	\$3,546,118	\$3,522,317
Interest on long term debt and agreements payable	\$104,873	\$38,197
Total Expenses	\$17,489,117	\$16,771,985

16 Government Transfers

In 2019, the City received and recorded as revenue the following transfers:

	2019	2018
Provincial Unconditional Transfers		
Traffic Fine Revenue Sharing Grant	\$72,646	\$68,366
Small Community Grant	\$456,242	\$450,811
Climate Action Revenue Incentive Program	\$21,186	\$18,673
	\$550,074	\$537,850
Provincial Unconditional Transfers		
Other Conditional Transfers	\$12,799	\$112,339
	\$12,799	\$112,339
Federal Conditional Transfers		
Build Canada Fund	–	\$2,960,091
Airports Capital Assistance Program	\$903,876	\$227,395
Other Conditional Transfers	\$240,418	\$67,582
	\$1,144,294	\$3,255,068
Regional and Other External Conditional Transfers		
Other Conditional Transfers	\$500,053	\$411,768
	\$500,053	\$411,768
Total Government Transfers	\$2,207,220	\$4,317,025

17 Contracts and Commitments

West Kootenay Regional Airport

In June, 2015, the City of Castlegar and Sentinel Airport Logistics Ltd. entered into a five year agreement to operate and maintain the West Kootenay Regional Airport.

The terms of the contract require that Sentinel Airport Logistics Ltd. 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 Sentinel Airport Logistics Ltd., which expires on June 30, 2020, are as follows:

Year	Amount
2020	\$304,738
	\$304,738

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

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, a Deputy Fire Chief 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 bylaws 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.

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 bylaws. It processes building permits and business licenses, develops the City's geographic information systems and provides bylaw 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.

18 Schedule of Segment Disclosure – For the Year Ended December 31, 2019

	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	2019 Total
Taxation	\$1,661,452	\$2,628,668	\$3,296,683	–	\$105,078	\$486,817	\$1,525,021	–	–	\$9,703,719
Government Grants	\$1,124,661	\$541,301	–	–	\$37,791	\$27,786	\$353,000	\$12,799	\$903,876	\$3,001,213
Fees and charges	\$247,376	\$58,369	\$8,122	\$432,940	\$42,512	\$93,066	–	\$3,302,524	\$953,728	\$5,138,637
Other revenue	\$1,000,444	\$96,602	–	–	–	–	–	–	–	\$1,097,046
Interest, actuarial, other income	\$165,483	–	–	–	–	–	–	\$38,929	\$10,361	\$214,773
	\$4,199,416	\$3,324,940	\$3,304,805	\$432,940	\$185,380	\$607,668	\$1,878,021	\$3,354,253	\$1,867,965	\$19,155,388
Salaries and benefits	\$1,537,687	\$1,018,062	\$1,240,309	\$51,521	\$98,230	\$197,213	\$497,474	\$922,461	\$73,245	\$5,636,204
Goods and services	\$890,666	\$2,174,213	\$1,102,230	\$504,043	\$87,150	\$410,455	\$900,337	\$1,055,556	\$1,077,274	\$8,201,922
Interest and Other Charges	\$102,726	–	–	–	–	–	–	–	\$2,147	\$104,873
Amortization	\$299,408	\$132,665	\$962,266	–	–	–	\$480,210	\$1,561,764	\$109,805	\$3,546,118
	\$2,830,488	\$3,324,940	\$3,304,805	\$555,564	\$185,380	\$607,668	\$1,878,021	\$3,539,781	\$1,262,470	\$17,489,117
Annual Surplus	\$1,368,929	–	–	(\$122,624)	–	–	–	(\$185,528)	\$605,494	\$1,666,271

19 Budget

The Financial Plan (Budget) Bylaw adopted by Council on May 6, 2019 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 6, 2019 with adjustments as follows:

	2019
Financial Plan (budget) Bylaw surplus for the year	–
Budgeted Transfers	(\$1,893,081)
Amortization	(\$3,796,000)
Debt Proceeds	(\$1,604,700)
Capital expenditures	\$10,100,808
Debt Principal Repayments	–
Internal Recharges	(\$633,000)
Bylaw Unbalanced	\$50,000
Budgeted surplus per statement of operations	\$2,224,027

20 Subsequent Events – COVID-19

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. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

The City has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the City for future periods.



Permissive Tax Exemptions granted for 2019

Total tax levy for Castlegar and other authorities (unaudited)

ORGANIZATION	2019 Taxes
Places of Public Worship	
Synod of the Diocese of Kootenay	\$1,281
Pentecostal Assemblies of Canada	\$1,605
St. Peter Lutheran Church of Castlegar	\$1,079
Kootenay Christian Fellowship	\$988
Trustee's of the Congregation of Castlegar-Kinnaird Pastoral Charge	\$1,754
Trustees of the Congregation of Kinnaird Church of God	\$1,257
Living Waters Faith Fellowship	\$1,344
Trustees for the Castlegar South Congregation of Jehovah's Witnesses	\$1,186
Castlegar Baptist Church	\$1,069
Roman Catholic Bishop of Nelson	\$1,505
Calvary Baptist Church in Castlegar	\$4,825
	\$17,893
Community Housing Organizations	
Castlegar Villa Society	\$13,828
Kootenay Family Place	\$2,619
Kootenay Family Place	\$5,641
	\$22,088
Regional Health Board	
Interior Health Authority	\$9,881
	\$9,881
Regional Health Board	
Interior Health Authority	\$9,881
	\$9,881

ORGANIZATION	2019 Taxes
Community Service Organizations	
Kootenay Society for Community Living	\$6,235
Kootenay Society for Community Living	\$3,565
Kootenay Society for Community Living	\$2,257
Castlegar & District Community Services Society	\$5,073
Roman Catholic Bishop of Nelson	\$2,028
British Columbia Society for the Prevention of Cruelty to Animals	\$21,047
Castlegar & District Hospital Auxiliary	\$7,112
Blueberry Creek Community School Council	\$24,673
	\$75,710
Recreation and Not for Profit	
Air Cadet League of Canada	\$2,007
Portuguese Social Centre Society	\$1,059
Royal Canadian Legion	\$2,291
Association of West Kootenay Rock Climbers	\$477
Fortis BC Energy Inc. – Terasen BTW Park	\$11,927
CTN Labour Holdings Ltd	\$3,720
	\$17,761
Cultural Organizations	
Castlegar and District Heritage Society	\$5,644
Castlegar and District Heritage Society	\$4,600
Kootenay Doukhobor Historical Society (Doukhobor Village)	\$18,764
Kootenay Gallery of Art, History and Science Society	\$5,690
Castlegar and District Chamber of Commerce	\$3,689
	\$38,387
City Water Supply/Partnership Agreement	
Zellstoff Celgar Ltd.	\$4,544
	\$4,544
Total Permissive Tax Exemptions for 2019	\$184,603

CASTLEGAR

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