



# ANNUAL REPORT

2018



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Photo (previous page): October 2018, overlooking Smithers from the bluff.

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## 2018 Summary

Dear residents,

The Town of Smithers is a bustling organization. At any given time, there are dozens of projects and initiatives underway, spread across our seven departments. I'd like to take this opportunity to highlight a few of the major initiatives from the past year.

Everyone knows our downtown is one of the things that makes Smithers particularly special. This past year, the popular Storefront Spruceup grant program saw several commercial buildings receive much-needed facelifts. We also worked with a landscape architect to update the design of the downtown landscaping. The trees planted when Main Street was revitalized in 1980 have long since outgrown their planters and have become maintenance and safety concerns. The new design builds closely on Main Street's time-proven aesthetic and will be phased in over the coming years. Lastly, Town Council implemented a new tax incentive program for downtown property owners who are willing to add residential units to their commercial buildings. We are hopeful this smart growth approach will increase the number of people living downtown, which has myriad community benefits.

The Town is also working hard on the renewal of town facilities. In 2018, we made good progress on the Airport Terminal Modernization Project, which has transformed an outdated 1960s building into a bright, modern, efficient terminal. Once completed in the summer of 2019, we are confident it will meet the needs of the traveling public well into the future. The high-efficiency building envelope and geo-exchange heating system will work together to reduce greenhouse gas emissions by an estimated 52 percent and energy costs by 30 percent – an example of our ongoing transition to low-carbon infrastructure.

Council and I are also excited about the new Library-Gallery project. 2018 saw the completion of a pre-feasibility study and the decision by Town Council to combine the library and gallery in a new building at the west end of Main Street. This ambitious building project will replace the 1967 library building and provide a new home for two cherished community institutions. We have completed a concept design and business case, and applied for a provincial/federal grant to cover 80 percent of the project costs. In addition, a generous \$1 million funding pledge by the Tremblay family is being matched with community donations.

For as long as I've been Mayor – and longer – our community has been raising the issue of people living without homes. This year finally saw a breakthrough when the new provincial government announced its new "Rapid Response to Homelessness" program. The Town had already purchased a site at Railway and Queen with supportive housing in mind. We were able to act swiftly to secure funding, and working in partnership with BC Housing and Smithers Community Services Association, a new building was built. It will provide 24 homes for people living with – or at risk of – homelessness. Our community is better for it.

## 2018 Summary continued

Smithers residents went to the polls in October to choose their local leadership. I'd like to congratulate Councillors Atrill, Brown and Wray on their re-election, welcome newly elected Councillors Casda Thomas and John Buikema to our team, and welcome back Councillor Lorne Benson, who previously served on Council. I was thrilled to be re-elected as your Mayor.

In closing, a huge thank you to our hard-working Town of Smithers staff. The work these folks do is vital to the quality of life we all enjoy as Smithers residents. Council and I appreciate their ongoing professionalism, dedication, and commitment to improving our community.



Taylor Bachrach  
Mayor



Photo (above): Town of Smithers Council 2018-2022, back row: Councillor Lorne Benson, Councillor Frank Wray, Councillor Greg Brown, Councillor John Buikema, front row: Councillor Casda Thomas, Mayor Taylor Bachrach, Councillor Gladys Atrill.

# Smithers Community Profile

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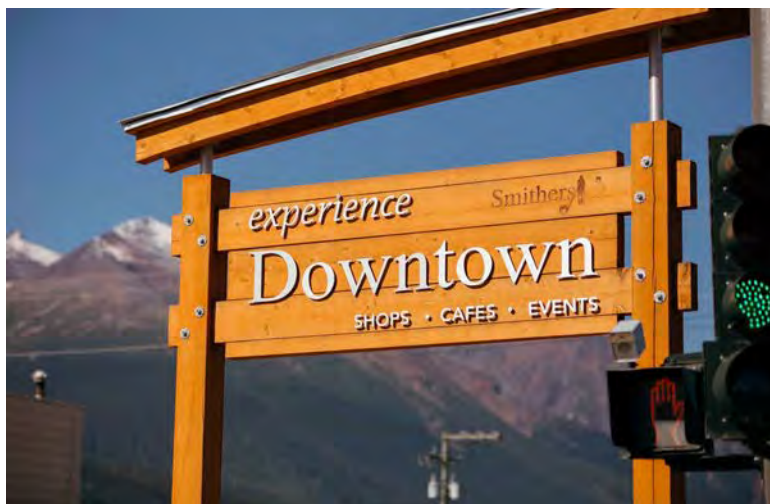
Smithers has a population of 5,401, as per 2016 Statistics Canada, with another 6,722 people in the surrounding area. Smithers offers a greater variety of amenities and services than other towns similar to its size because of the central location and excellent transportation options. Highway 16, the Smithers Regional Airport, Canadian National Rail, VIA Rail, bus lines and close proximity to the Port of Prince Rupert keep Smithers globally connected.

The Bulkley Valley is well known for its diverse economy. Agriculture, forestry, mining, guide outfitting, recreation, tourism, Local, Provincial and Federal Government offices, transportation, health care, education, service and small business ventures all provide many employment options. With the recent port expansion in this region, Smithers is well situated to tap into international trade opportunities.

The Town of Smithers is nestled in the Bulkley Valley between Hudson Bay Mountain, Babine Mountains, the Telkwa Range and the Hazelton Range. Proximity to these mountains offers outstanding outdoor recreational pursuits for both residents and visitors. Popular activities include downhill and cross country skiing, golfing, mountain biking, kayaking and canoeing, camping, world-class fishing, hiking, and snowmobiling, along with a wide range of indoor recreation opportunities. Smithers also boasts a rich culture in music and the arts.

The aboriginal people of this area are the Wet'suwet'en, a Carrier people of the Athapaskan language group, whose oral history recounts a story of their origins in the Village Dizlegh, on the Bulkley River just east of Hazelton.

The combination of services, recreation and cultural experiences creates an influx of people to the Valley. This phenomenon is termed 'amenity migration'. Smithers will continue to be a place to live by choice, in a beautiful mountain valley inhabited by friendly, vibrant people. For more information on Smithers, please refer to [www.smithers.ca](http://www.smithers.ca) for an expanded community profile.



# Smithers Overview of the Annual Report Process

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The Community Charter and the Local Government Act are the pieces of provincial legislation by which local governments obtain their authority to create bylaws, collect taxes, conduct elections and perform services for their citizens. This legislation also requires that municipalities develop annual reports as a means of informing the public on the activities and functions that are achieved throughout each year. Municipalities are also required to identify objectives, strategies and measures to report on the effectiveness and efficiency of municipal programs.

As these objectives, strategies and measures are refined and reporting practices are improved over the years, a comprehensive picture of municipal operations will be available to the public, funding agencies, partners and any other organization that seeks the information.

The information contained in this year's Annual Report depicts the comprehensive progress report for the year 2018 and includes objectives for 2019.

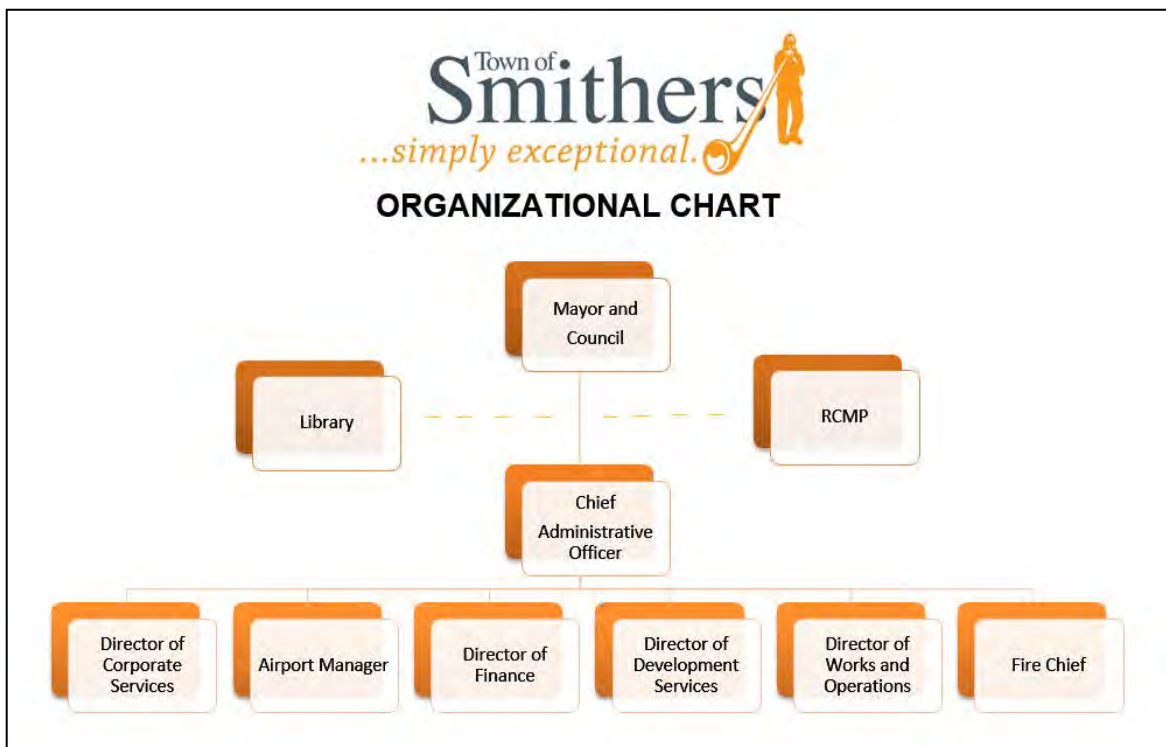


The Town of Smithers, in addition to directly delivering a number of services, provides funding and support to the RCMP, the Smithers Public Library and the Smithers and District Transit Service (through a contract with Smithers Community Services Association).

More information on these services is on the following pages.

Additionally, the Town, through grant-in-aid funding, supports the Bulkley Valley Historical and Museum Society, the Bulkley Valley Community Arts Council, and the Smithers Art Gallery. It also supports the museum by allowing it to rent out the Old Church as a funding source, the Art Gallery by providing use of a building for \$1 per year, and the Bulkley Valley Search and Rescue through lease of land for \$1 per year.

And finally, a number of functions such as the Highway 16 Transit Service, the Bulkley Valley Regional Pool and Recreation Centre, 911 Services, Bulkley Valley TV Rebroadcasting, Solid Waste Management, Victim Services, and more are supported through funding to the Regional District of Bulkley Nechako.

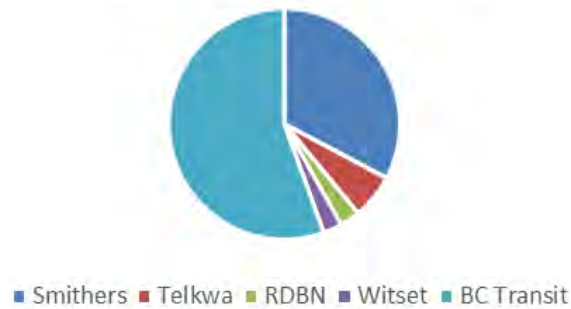




Since 1991 the Smithers and District Transit Service, operated by the Smithers Community Services Association, has provided public transportation services through a BC Transit agreement. With a combination of curb-to-curb service and scheduled routes operating between Smithers and Telkwa, and Smithers and Moricetown (Witset), service is provided six days per week.

The service is established through a partnership agreement between the Town of Smithers and BC Transit, with funding provided by BC Transit, the Town of Smithers, the Village of Telkwa, the Regional District of Bulkley Nechako and the (Witset) First Nation.

## Transit Funding Partners



The Smithers Public Library Association moved to its present location in 1967. In 2001, the Association dissolved and the Library became a municipal service governed by a Town-appointed volunteer Board of Directors. The Smithers Public Library employs one full-time Director and around one dozen staff. 2018's operating budget of \$414,000.00 was supplemented by substantial donations and project grants through the Friends of the Smithers Library and local businesses.

Today Smithers' Library is a bustling community hub, providing free WiFi and public computers; popular reading material in print, digital, and audio formats; current and historical information about the area; robots, 3-D printing and other technology for people to experiment with; DVDs; and free programs and events for all ages in an inclusive, welcoming atmosphere. Circulation has increased by more than 32% in the past five years, with over 110,000 circulations in 2018.



The Library offers a variety of events for all ages throughout the year, from infant and toddler programs to author readings and teen nights. Special program topics in 2018 included Witsuwit'en and French language, DJ lessons with the host of a community radio program, science, technology, music, health and environment, and more. All events are free to the public and often at full capacity.

The Library also participates in offsite community events such as the Farmers' Market, Pride Day and National Indigenous Peoples Day to reach more community members and add value to these collaborative events.



## 2018 Summary

In 2018, the Smithers Library Board was honoured with the British Columbia Library Trustee Association (BCLTA) Super Trustees Award. The Super Trustee Award recognizes trustees who have made a major contribution to their own libraries. The Smithers Board was recognized for their collective impact on reconciliation through library governance.

Finally, 2018 was an exciting year as the Town of Smithers, the Library and the Smithers Art Gallery worked together on a major grant application and fundraising for a new building. The building project will house the library and gallery with shared community spaces within a revitalized Veterans' Peace Park. Our community has shown great support for the project with major donors coming forward in the early stages of fundraising. Already the joint fundraising committee is more than halfway to our funding target.

## 2019 Major Projects and Strategies

The library staff and volunteers look forward to welcoming people to a bright, spacious library with dedicated areas for our users' diverse needs. In 2019, we will continue to work towards acquiring a new building that comfortably accommodates the dynamic community we serve.



Photo (above): Artist rendering of the proposed new Library Art Gallery building.

The Royal Canadian Mounted Police (RCMP) Smithers Detachment provides policing services to Smithers, Witset, Telkwa, Fort Babine, along with the surrounding rural community.

The Smithers RCMP Detachment has 16 General Duty positions, 4 Traffic Services positions, 5 clerical positions (7 employees), 8 Guards, a Victim Services Manager (3 volunteers), and 2 Auxiliary Constables. One of the positions is dedicated to proactively working with the Indigenous communities.

The Town of Smithers provides 70% funding for 9 of the 16 General Duty positions, as well as providing 5 support staff and building costs. The remaining positions are funded by the Provincial and Federal Governments.

## 2018 Summary

### Crime Trends

- There has been a slight increase (about 100 ) to the total number of police files generated when compared to 2017.
- In Smithers Crimes against Persons (e.g. Assaults, Threats, Criminal Harassment) have experienced an increase, however overall reports of Domestic Violence have decreased.
- Offences against Property (e.g. Theft, Break & Enter, Mischief, Fraud) have decreased to the lowest level in 5 years.
- The Crime Severity Index for the community is not yet available, but will be made available in July 2019.



Photo (above): July 2018 RCMP Musical Ride, Mayor Taylor Bachrach and MLA Doug Donaldson

## 2018 Major Projects and Strategies

The Smithers RCMP Detachment has six priorities to address community concerns:

- Substance abuse - Both alcohol and drugs
- Violence - Emphasis on violence in relationships
- Traffic safety - Aggressive driving, distracted driving, impaired operation, operation of off-road vehicles on the roadway
- Improving Police/Community Relationships - Visibility of the police and communication
- Youth Education - Personal safety, drug safety, and motorized vehicle safety
- Identify and Target:
  - Prolific Offenders: Chronic/repeat criminals - CDSA (drug) offences, property crime and violence.
  - Social Chronic Offenders: Individuals the police frequently deal with regards to public intoxication, disturbances, aggressive panhandling, mischief, etc.

The Smithers RCMP Detachment also carried out other projects in 2018 such as the RCMP Musical Ride, and the Downtown Foot and Bike Patrol Initiative.



Photo (above): Members of Smithers RCMP detachment with Smithers Community Police Officer and volunteers .

## CAPITAL INFRASTRUCTURE

### STRATEGIC PRIORITY 1: Expand the Smithers Regional Airport Terminal

#### Project Status & 2018 Actions:

- Architects hired in 2016
- Floor plan selected
- Geotechnical assessment completed
- Hazard materials environmental study completed
- Building environmental study report completed
- Geo-exchange bore hole and conductivity testing completed
- Conceptual drawings completed
- Constructability assessment completed
- Energy modeling completed
- Revised concept and budget approved July 2017
- Alternative Approval Process (AAP) debt borrowing process successful
- Construction awarded to Vector Projects Limited July 2017
- Project commencement held September 2017
- Active construction ongoing from autumn of 2017 to end of 2018
- Grand Opening of departure lounge held August 2018
- Ongoing expansion of baggage claim area, tenant offices and security office space.



Photo (left): Ribbon Cutting event at Smithers Regional Airport boarding lounge with members of Town Council and Minister Rice

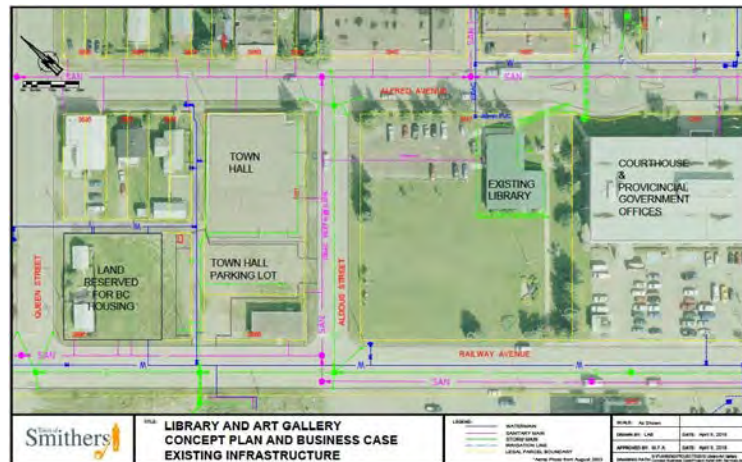
Photo (above): Exterior of modernized airport boarding lounge

**CAPITAL INFRASTRUCTURE** *continued*

**STRATEGIC PRIORITY 2: BV Arts and Culture Centre (including Revised Central Park Plan)**

**Project Status & 2018 Actions:**

- Prefeasibility Study of a new BV Arts and Culture Centre complete
- Stakeholder meeting held in 2017
- Town Hall Forum held in 2017
- Proceeded with a Library/Art Gallery Building
- Design Concept and Business Case for the Library/Art Gallery complete



**STRATEGIC PRIORITY 3: Redevelop the Chandler Park Fields**

**Project Status & 2018 Actions:**

- New Specialized Soccer Field equipment purchased in 2015
- Field 2 was completed with rolled turf in 2016
- Irrigation for Fields 2 and 3 was installed in 2016
- Maintenance budget increased
- Protocol agreement under development
- Marked completion of Field 2 and Phase 1 with Ribbon Cutting
- Perimeter fencing completed
- Field 3 development approved

**STRATEGIC PRIORITY 4: Enhance Public Space at Bovill Square (Completed)**

- Landscaping and benches installed in 2015
- Installed interpretive signage in 2015
- Graded lot beside Square for mobile vendors
- Built pathway through landscaping
- Purchased and installed seasonal accessible port-a-potty in 2016

## ***PLANS AND TASK FORCES***

### **STRATEGIC PRIORITY 5: Implement Asset Management Planning**

#### **Project Status & 2018 Actions:**

- Budgeted to complete Water, Sewer and Storm Asset Management Plans in 2017, 2018 and 2019
- Provincial grant application successful for Water Asset Management Plan
- Submitted grant application for Storm and Sanitary Sewer Plan
- Second grant application submitted to FCM's Municipal Asset Management Program
- Asset Management Plan for water and sewer in development

### **STRATEGIC PRIORITY 6: Create an affordable housing plan and implementation strategy**

#### **Project Status & 2018 Actions:**

- Smithers identified as a location for Province's modular housing
- Signed Memorandum of Understanding for Rapid Response to Homelessness
- Rezoned to allow for Supportive Housing completed January 2018
- Remediated Supportive Housing site
- Held stakeholder meeting
- Construction was ongoing at end of December 2018



Photo (above): July 2018 Conceptual rendering of the 22 unit supportive housing at 3896 Railway Avenue



## ***PLANS AND TASK FORCES continued***

### **STRATEGIC PRIORITY 7: Develop an Active Transportation Plan**

#### **Project Status & 2018 Actions:**

- Budgeted to complete an Active Transportation Plan in 2018
- Awarded a Rural Dividend Fund grant in 2018 for an active transportation Plan

### **STRATEGIC PRIORITY 8: Create a Small Business Task Force (Completed)**

- Task force assembled and meetings held
- Recommendations developed and considered by Committee of the Whole
- Off Street parking requirements for all businesses in Zone C-1A removed
- Off Street Parking requirements removed for select land uses to encourage more retail and active street uses
- Parking Lot on Second Avenue, adding 47 parking spots, completed September 2017
- Increased Threshold Exemption for Off-Street works from \$75,000 to \$100,000
- Tax revitalization process in progress

### **STRATEGIC PRIORITY 9: Complete a Shared History Research Project in Partnership with the Office of the Wet'suwet'en (Completed)**

- Research conducted in 2016 and 2017
- Material compiled
- Summary document presented to community
- Book released in August of 2018
- Book Launch, Walk to Witset, carried out in September of 2018

## ***OTHER PROJECTS AND INITIATIVES***

### **STRATEGIC PRIORITY 10: Participate in Development & Implementation of a Regional Transit System (Completed)**

- Became a community member of a new Regional Transit Committee for the Highway 16 service, approved by the Regional District of Bulkley Nechako in 2017
- Smithers to Moricetown (Witset) part of the Highway 16 service underway as of January 2017
- New Highway 16 Service between Burns Lake and Smithers and Burns Lake to Prince George began operating in June 2017
- Extended hours for the Smithers Telkwa run in September 2017

## ***OTHER PROJECTS AND INITIATIVES continued***

### **STRATEGIC PRIORITY 11: Facilitate Mixed-use Downtown Development (Completed)**

- Downtown Tax Revitalization process implemented
- Ongoing as development occurs

### **STRATEGIC PRIORITY 12: Reduce GHG Emissions**

#### **Project Status & 2018 Actions:**

- Replaced 257 street lights with LED
- Procured modeling and presentation of climate predictions for Smithers
- Purchased an electric ice resurfer for the arenas
- Replaced library heat pump with more efficient model
- Installed electric floor heating system in new Airport Storage Building in 2015
- Seeking grant opportunities for a Solar PV Project on Town Hall roof
- Included a budget to do specialized Energy Modeling before constructing new buildings and/or upgrading current facilities
- Installed a geo-field for a ground source heating system as part of the Airport Terminal Modernization Project
- Exceeded National and BC Building Codes for Airport terminal envelope in addition to high performance heating system
- Installed electric vehicle charging station at Second Avenue parking lot October 2017
- Identified as a Community Energy Leader in July 2018
- Awarded Partners for Climate Protection Milestone 4 from Federation of Canadian Municipalities in December 2017
- Council direction to pursue passive house construction standards for the proposed Library/Art Gallery building
- Council direction for future construction of Town-owned facilities to meet Energy Step Code 4 or better



Photo (above): Smithers Regional Airport Terminal Building

**OTHER PROJECTS AND INITIATIVES continued**

**STRATEGIC PRIORITY 13: Implement Community Well Being Indicators (Completed)**

- Report card completed

**STRATEGIC PRIORITY 14: Pursue Innovative Joint Governance/Financing Partnership Opportunities Between the Town of Smithers and Rural Residents (Completed)**

- Regional Victim Services referendum for shared funding approved by Regional District of Bulkley Nechako in 2016, cost sharing of this service between Smithers, Electoral Area A and Telkwa in 2017
- Initiated discussions with the Regional District and Telkwa about their involvement in the new BV Arts and Culture Centre
- BV Emergency Support Services partnership established
- Union of BC Municipalities (UBCM) grant successful for shared Emergency Social Services
- UBCM grant successful for collaborative funding

**STRATEGIC PRIORITY 15: Continually Improve Citizen Engagement**

**Project Status & 2018 Actions:**

- Implemented a Recreation Facebook page in 2016
- Held an Arts and Culture Centre Open House at Farmers' Market
- Recycle Coach App launched in September 2017
- Implemented a Citizen Budget public engagement process October 11 to November 12, 2017
- Purchased EverBridge emergency notification systems in December 2017
- Engaged in comprehensive community consultation regarding cannabis regulation



## Introduction

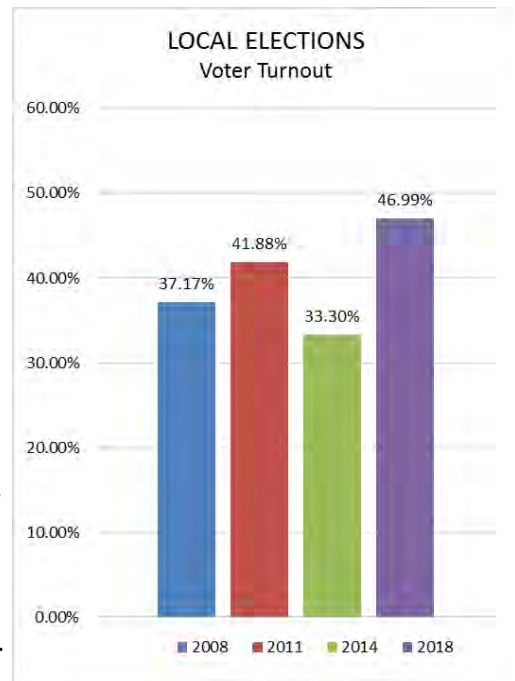
The Corporate Services Department is responsible for Human Resources, Labour Relations, Corporate Administration, Freedom of Information and Protection of Privacy, and Occupational Health and Safety.

## 2018 Summary of Major Objectives and Results

Throughout 2018, Corporate Services continued to provide valuable support to other Town departments, as well as ensuring that all critical and permanent Town documents such as Bylaws, Council and Committee Agendas and Minutes are maintained according to legislation.

It was an active year for the Corporate Services Department’s administrative team as is evidenced in the 91 formal meetings held in the year with over 259 reports from all of the departments on the agendas. Corporate Services also continued to manage and negotiate new and existing leases, contracts and agreements.

In 2018, Corporate Services conducted a local government election in accordance with our local bylaws, provincial legislation and democratic principals. Elections were held for one mayor and six councillors as well as for School District No. 54 Trustees. The election engaged the local electorate and saw an increase in voter turnout that was above the provincial average and the highest voter turnout in a decade.



Ensuring a welcoming and safe workplace for all employees is a priority of the Town. In 2018, we provided formal Mental Health and Resiliency training through a partnership with the Canadian Mental Health Association and the BC Municipal Safety Authority.

Strengthening the entire workplace through training continues to be a priority for this department. Human Resources programs such as the Employee Performance Reviews, Service Recognition, New Employee Orientation, Occupational Health and Safety, and Bullying and Harassment Awareness in the Workplace Training enable a healthy workplace.

## 2019 Major Projects and Strategies

In 2019, the Corporate Services Department will continue to prioritize workplace health and employee wellness. A Discrimination, Bullying and Harassment Policy will be created in 2019 and will continue to prove their value in achieving a culture of trust, transparency and consistency.

## Introduction

Since the 2009 transfer from Transport Canada, the Smithers Regional Airport is an entity wholly owned and operated by the Town of Smithers. This significant milestone was complemented by the strong focus on improving and upgrading facilities and infrastructure positioning our regional airport as a viable economic development entity into the future.

2018 was a very busy year at the airport. Construction on the \$9 million dollar Airport Modernization Project was ongoing. Wildfires in July, August, and September created high air traffic movements as the Smithers Regional Airport supported BC Wildfire Service's efforts to fight forest fires using various air tankers and helicopters.

## 2018 Summary of Major Objectives and Results

- The terminal expansion and renovation was in full swing throughout 2018. With the award of the contract in late 2017 to Vector Projects Group of Kelowna, B.C., Airport Administration was kept busy in project management as well as controlling access and maintaining regulatory requirements through the project.
- The new Boarding Lounge was officially opened in August of 2018. It provides travelers with an incredible view of the Hudson Bay Mountain and the Babine Mountains, as well as providing ample space and increased seating in a modern and efficient secure boarding lounge.
- Phases 2 and 3 of the project included renovations of the older, existing sections of the terminal building, a new bigger baggage carousel, new windows, new offices and improved passenger flow.
- In 2018, Town Council approved a new Fees and Charges Bylaw.

### Infrastructure Enhancements

- Airside and groundside paving was completed to improve overall asphalt quality to rectify cracks in the taxiway and runway asphalt and continuity of the runway as well as the airport parking area. A system of grinding and paving was successful.
- Administration continued to work with private design firm, "Jetpro", to have a new improved landing system installed. Landing System Designs were submitted to Nav Canada in 2017 and adjustments were made through 2018 in hopes of having new improved landing limits published in 2018.
- Switched internet provider to CityWest so that faster, more reliable internet service be available to the public, tenants and staff.
- The Town-owned Central Mountain Air hangar experienced a flood and subsequently had repairs and upgrades. Sidewalks to airside were upgraded. Improvements were made to pedestrian gates.



## 2018 Summary of Major Objectives and Results continued

### Operations

- Trained new airport workers on the airport safety, security, legislation, regulation, policies and procedures.
- Provided Safety and Security Awareness training to approximately 70 construction workers.
- The janitorial contract was extended and expanded in 2018 to meet the needs of the new addition to the terminal building.
- A new 4X4 pickup was purchased and made operational for airside transport.
- An External Audit was conducted on the Airport Safety Management System, the Airport Security Program, Emergency Management, and Wildlife Management programs. Several deficiencies were noted and staff worked through 2018 to find cost effective meaningful ways to meet audit targets. All operational manuals were updated.
- A new MB towed runway sweeper was purchased. It enhanced the fleet by providing a reliable sweeper that was utilized through the winter months.
- A new Mahindra Tractor and Schulte Mower was purchased to allow more efficient grass cutting and to provide a better option for multi use. The new tractor was fitted with a snow bucket and sand spreader to use during winter months.
- Restricted Area Passes, with picture ID, were created for all airport workers working in the restricted zone.
- Installation, tracking of fobs were handled as new doors and locks were installed in the terminal.
- A surplus auction was held to purge old and unneeded material and items.
- Extensive ditching was completed in a wet area of marketable airport land.
- Landscaping was conducted in front of the NAV Canada Tower.



Photo (above): August wildfire response at Smithers Regional Airport

## 2018 Summary of Major Objectives and Results continued

### Safety

- Ongoing Safety Management System/Quality Control Quality Assurance development.
- Conducted internal audits and continued Staff training and involvement.
- Conducted a Safety Management System/Aerodrome Transport Canada inspection.
- Created competency testing to ensure staff are operating equipment safely and conducting Runway Friction Testing properly.

### Security

- Working with Transport Canada, Architects, tenants, and staff to ensure security obligations were met during construction as well as ensuring that security was upfront in all the decisions through construction and renovations. Security Management is extremely important when opening a new facility to the public and tenants.
- Worked with the Airport Security Committee to conduct “Discussion Based Exercises”



Photo (above): fire suppression aircraft, June 2018

## 2019 Major Projects and Strategies

- Implement the updated fees and charges bylaw rates
- Continuation of crack repaving on the taxiway and runway
- Airport expenses will be closely monitored

### Strategic Growth

- Completion of the Airport Terminal Modernization Project in the spring of 2019
- Airport Staff to learn how to maintain and operate all the functions of the new building

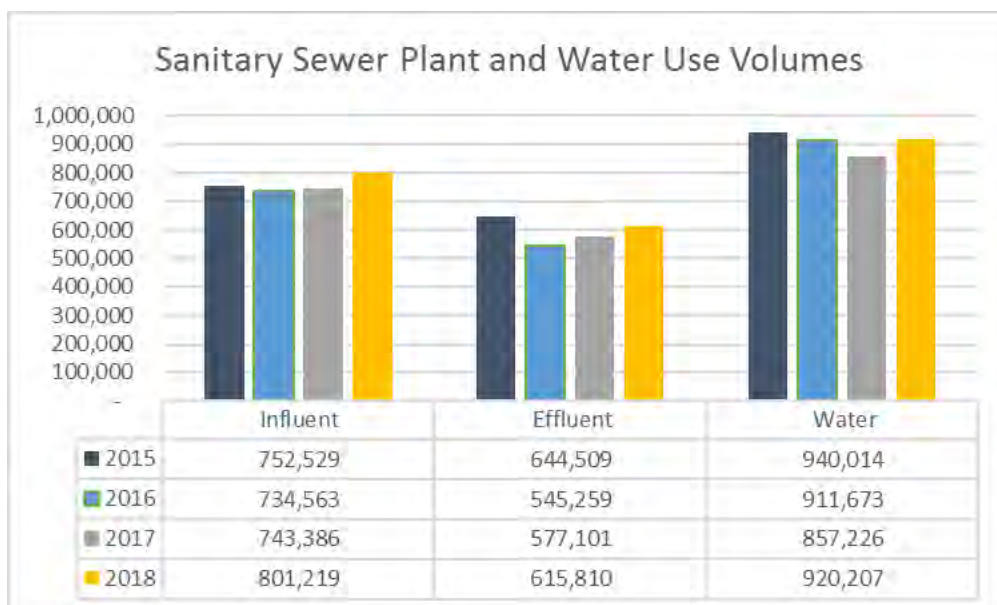
## Introduction

The Works and Operations Department is responsible for the operation and maintenance of the Town’s infrastructure as well as construction of specific capital works projects. The areas of responsibility include: streets and sidewalks; snow removal and sanding; sanitary sewer system and sewage treatment plant; storm water collection system; potable water supply and distribution system; cemetery; garbage collection, single family residential curbside recycling collection; public works yard; municipal vehicle fleet, municipal buildings, recreation, parks and trail systems, and the two arenas.

In addition to required communications around holiday garbage/residential curbside recycling pickup schedules, spring clean-up week, garbage cart sales/delivery, residential curbside recycling cart delivery, snow clearing, water main flushing, etc., 2018 saw over 700 Requests for Service from residents and businesses in the areas of responsibility of the department.



Photo (above): Works and Operations department maintaining boulevards.





## 2018 Summary of Major Objectives and Results

### Services

- In 2018 the total volume of garbage collected (residential and commercial) was 1,054,560 kilograms
- single family residential curbside recycling collected a total volume of 203,726 kilograms.



Photo (above): Kubota Tractor, capital purchase, May 2018.



Photo (above): 14th Avenue water main replacement project, June 2018.

## 2019 Projects and Strategies

### Fleet Replacement

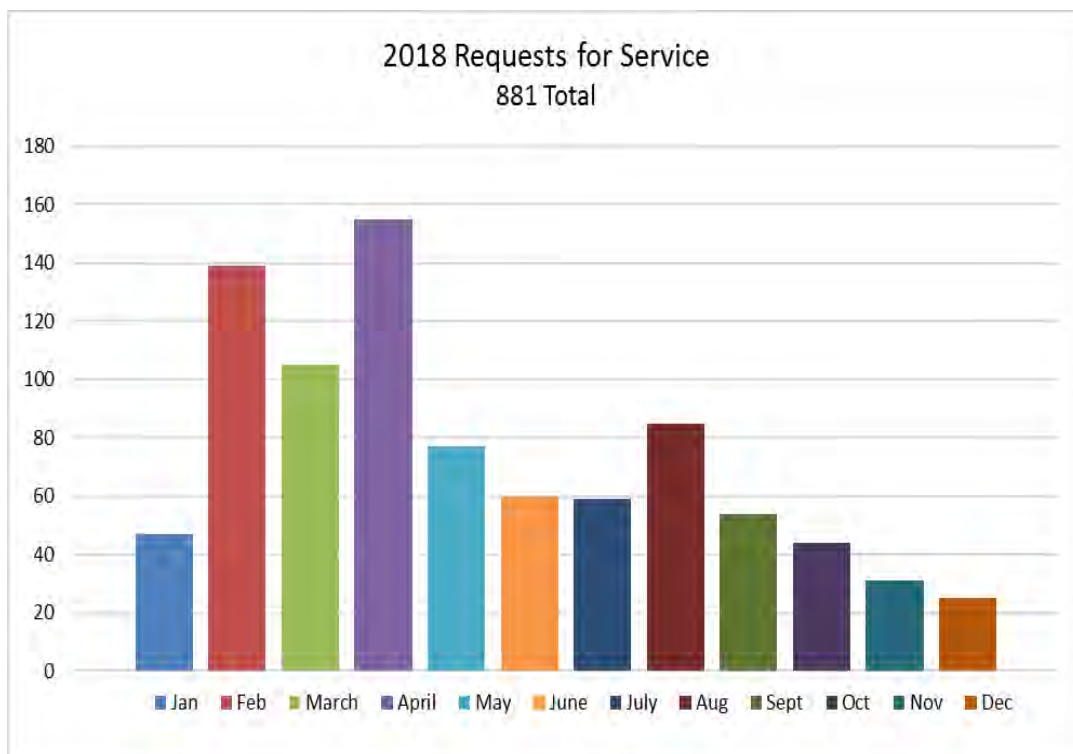
- Replacement of the following:
  - Sewer Video Camera

### Strategies

- Update Gateway Sign and Main Street Banner Policy
- Update Solid Waste Collection Bylaw
- Continue recycling education
- Implement pay showers at Riverside Municipal Campground
- Clean Moncton Reservoir



Photo (above): Works and Operations employees maintaining Chandler Park Fields.



## Introduction

The Recreation Department is responsible for the provision of programs, services, and facilities focused on active living, healthy lifestyles and building community. The Department provides services related to recreation, leisure and culture including administration and registered programs. Facilities managed within this area include the Civic Centre and the New Arena, Heritage Park Fields, Ranger Park Building, Chandler Park Soccer Fields, Elks Park Ball Diamonds, Bovill Square, and a dozen other developed parks and playgrounds.

## 2018 Summary of Major Objectives and Results

### **Arenas and Public Skate Programming**

The Recreation Department secured funding from several community corporate sponsors enabling the launch of a successful Free Public Skate Initiative. Public Skate participation has greatly increased, reaching upward of 70+ people per session. Due to this financial support, we have been able to add more sessions to the Public Skate schedule. Some sessions include “Stick + Puck” as well as a Saturday Night “Adult Skate”. Additions were made to the new arena in order to make Public Skate Programs more accessible for skaters and spectators, such as upgrades to the skate equipment room, wood seating secured to the metal bleachers and a water fountain installed in the lobby.

### **Joint-Use agreement with Bulkley Valley Christian School**

A Joint Use Agreement was established with the Bulkley Valley Christian School (BVCS) allowing for more drop-in programs including, Drop-in Basketball, Drop-in Volleyball and Early Bird Workouts.



Photo (above): Public skating.

## 2018 Summary of Major Objectives and Results continued

### Community Programming and Engagement

The Recreation Department has made great use of the Ranger Park Building. Some programs we are offering out of this facility include: Art Create, a fun and affordable program to explore creativity through various forms of art for ages 1-12; Turf Tots Soccer, an ongoing, introductory soccer program which proves to be a success year after year, offered in partnership with Bulkley Valley Soccer Society for ages 3-5; Choose to Move, a free activity coaching program designed for seniors in the community. Choose to Move is a program in partnership with BC Recreation and Parks Association (BCRPA) and BC Institute of Technology (BCIT) and is funded completely by BCRPA for those aged 60+.

Online registration for programs has streamlined the registration process for both staff and participants.

“Recreation Smithers” Facebook page is growing with a following of over 700.

## 2019 Projects and Strategies

- Review current Parks and Recreation Master Plan.
- Work to create a tiered sponsorship opportunity program for the 2019/2020 ice season.
- Maintain partnerships with BCRPA in order to bring provincially funded programming to the Town of Smithers in order to offer low-cost or no-cost programming within the community.
- Maintain positive relationships with our contract instructors in order to provide ongoing, quality programming.



Photo (above): Family Day skating

## Introduction

The Development Services Department is responsible for the following functions:

Planning, Engineering, Building Inspection, Business Licensing, Bylaw Enforcement, Animal Control, Community Policing, and Cemetery Administration.



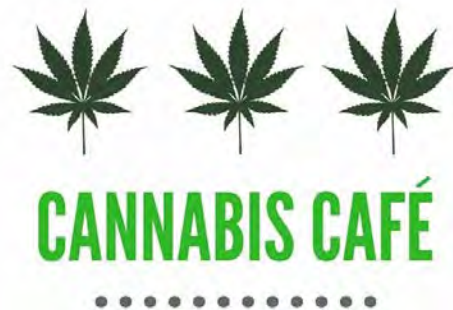
Photo (left): Bear Aware stickers posted at entrances to perimeter trails, a Prevention and Community Safety Initiative.



Photo (above): August 2018, irrigation at Chandler Park Fields.

## 2018 Summary of Major Objectives and Results

- Completed the Downtown Landscape Redesign Project.
- Initiated the Active Transportation Plan and postponed public engagement to spring-summer of 2019.
- Completed the Downtown Revitalization Tax Exemption bylaw and procedures in partnership with the Finance Department.
- Coordinated with BC Housing the rezoning and public engagement process for its Supportive Housing Project on Railway Avenue at Queen Street.
- Completed the Concept Plan and Business Case for a new Library/Art Gallery facility, as Phase 1 of the BV Arts and Culture Centre Pre-Feasibility Study.
- Completed Zoning and Business Licensing regulations for cannabis retail stores.



Photos (above ): Two examples of the public outreach and consultation carried out in 2018 by the Development Services Department.

## 2019 Major Projects and Strategies

- Implement the Downtown Landscape Revitalization project starting on Main Street at Alfred Avenue and progressing to Broadway Avenue as funding permits.
- Complete the Active Transportation Plan by October.
- Apply the Revitalization Tax Exemption to several projects in the downtown core.
- Issue Occupancy for the Supportive Housing Project on Railway Avenue at Queen Street and ensure completion of the off-site works.
- Submit the \$12.9M grant application for the proposed new Library/Art Gallery facility and, if successful, plan for the 2020 funding, design and construction contract.
- Prioritize BC Housing proposed new housing developments.
- Amend the Secondary Suites Policy.
- Provide recommendations to Council on “skinny homes” and AirBnB regulations.
- Prepare for pending Official Community Plan update and Zoning Bylaw review/rewrite.

## 2018 Summary of Major Objectives and Results

### Building Inspection

- 67 building permits issued with 3 new single family homes started and 1 multi-family development project started.
- Total construction value of \$13,187,061; with the majority from institutional permits at \$6,672,450.
- Downtown Spruce-up Program: administered the program for 8 projects at a total rebate of \$18,560.
- Hosted a Passive House design and construction standard education session.
- Facilities Maintenance Plan: continued updating the plan and implemented ongoing improvements to various municipal buildings such as: heating and envelope upgrades at the gymnastics building.

### Business Licensing

- 51 new business licenses issued.
- 664 total businesses operating.

## 2019 Major Projects and Strategies

- Building Bylaw amendment based on the Municipal Insurance Agency (MIA) model bylaw.
- New BC Building Code continued training.
- Energy Step Code continued education.
- Secondary Suites improved safety.



## 2018 Summary of Major Objectives and Results

- Completed Rosenthal Road hill road shoulder repairs.
- Replaced problematic cast iron water main section south of Main Street between 14th Avenue and 15th Avenue.
- Replaced 2 remaining corroded streetlight poles on Main Street.
- Completed survey and preliminary design of the Chandler Park Field Upgrades Project Phase 3.
- Contracted the Asset Management Plan for the Water, Sanitary Sewer, and Storm Sewer/ Drainage systems.
- Completed the Water System Hydraulic Model and staff training.
- Completed the Pavement Condition Evaluation and paved road maintenance recommendations.



Photo (above): 14th Avenue water main replacement project

## 2019 Major Projects and Strategies

- Complete the Chandler Park Field Upgrades Project Phase 3, by moving the original Field 1 and completing the new Field 3.
- Complete the Water-Sewer-Storm Asset Management Plan and train staff.
- Complete the Arenas Heat Recovery Study and feasibility of providing heat to the Pool.
- Complete improvements to the Perimeter Trail in Riverside Park.
- Complete the Astlais Place Storm Sewer Outfall Relocation.



## 2018 Summary of Major Objectives and Results

### Bylaw Enforcement/Animal Control

- Conducted bear and wildlife awareness education and integration with Conservation Officers reporting programs and enforcement. Utilized Citizens on Patrol to assist in delivery of educational materials when violations were observed.
- Facilitated Woodstove Exchange Program in partnership with the BV Lakes District Airshed Management Society (BULDAMS) and the Ministry of Environment. To date, approximately, 12 residents have applied to participate in the exchange program. A variety of “door to door” and public engagement activities were conducted as well as print and media promotion of the program.
- Sign Bylaw was amended.
- Worked closely with a variety of service agencies to monitor and respond to issues presented by homelessness. Incidents of populations residing on Crown Lands have dropped sharply and should continue to improve with the recent opening of Goodacre Place.

### Crime Prevention

- Continued to provide programming within School District No. 54 in accordance with the RCMP Crime Prevention Education Continuum (ie. DARE, BRAVE, Drug Awareness, etc.).
- Supervised and coordinated all volunteer activities through the Smithers Community Police Office, including training, volunteer engagement and retention initiatives and ensure all members are qualified to RCMP Volunteer management standards/guidelines.
- Provided educational/engagement opportunities for the community with a focus on Seniors Safety, Youth Engagement, Women’s Safety, and harm reduction for homeless and/or “at risk” populations.
- Worked closely with ICBC, Senior Staff, Ministry of Transportation and Infrastructure, and School District No. 54 in developing cyclist/pedestrian safety initiatives.
- Worked closely with Community Corrections in facilitating and supervising completion of Community Work Service projects.



Photo (above): Enforce local bylaws through ticketing

## 2019 Major Projects and Strategies

### Bylaw Enforcement and Animal Control

- Amend Nuisance Bylaw 725 (1985) to include measures for recovering costs of municipal, police, and fire personnel when responding to nuisance properties.
- Maintain partnerships with animal welfare/wildlife management agencies in responding to animal welfare issues as they arise.
- Work with Development Services engineers to facilitate the installation of a “controlled” pedestrian crosswalk at Muhiem School and provide education to students for its appropriate use.
- Engage the public in creating a community service/community beautification volunteer organization.

### Crime Prevention

- Continue to provide programming within School District No. 54, in accordance with the RCMP Crime Prevention Education Continuum (ie. DARE, BRAVE, Drug Awareness, Bike Rodeo etc.).
- Continue to provide educational/engagement opportunities for the community with a focus on Seniors Safety, Youth Engagement, Women’s Safety, and harm reduction for homeless and/or “at risk” populations.
- Distracted Driving Education focus with student “N” drivers, partnering with ICBC.
- Continue to provide Cannabis education and awareness focused on youth given it’s recent legalization.

Photo (right): Smithers Volunteers with Smithers RCMP detachment member, conducting speed reduction roadside awareness.



## 2018 Awards of Excellence

The annual Awards of Excellence are presented by the Advisory Planning Commission (APC) in conjunction with the Smithers Chamber of Commerce to project proponents in recognition of newly completed projects that have demonstrated an excellence in commitment to improving the community. Merit is assessed based on aesthetics, sustainability, community value, renewal and preservation.



RESIDENTIAL Winner (above): 3787 Sixteenth Avenue, Dik Tiy Housing



COMMERCIAL, INDUSTRIAL AND INSTITUTIONAL Winner (above): 3832 Third Avenue, Smithers Brewing Company

## Introduction

Smithers Fire Rescue has consistently retained a volunteer force of 42 firefighters over the years. Organizationally, Smithers Fire Rescue fosters the Town's commitment to a positive, trusting and collaborative environment.

Firefighters provide services beyond structural firefighting such as: First Responder (pre-hospital care); Highway Rescue; Aircraft Firefighting; Fire Prevention; and Public Fire Safety Education. Fire prevention focuses on areas such as code enforcement and fire inspection services.

Public fire safety education provides general information on preventing accidents in the home and workplace through lectures, tours, printed materials and fire extinguisher demonstrations. We have seen significant success in our education of children in the elementary school setting.

## 2018 Summary of Major Objectives and Results

- Completed building of Fire Department training building.
- Completed the construction of Fire Department storage building.
- Hired Emergency Social Services Director
- Hired Fire Department Training Officer.
- Implementation of Everbridge notification system:  
Everbridge Mass Notification enables users to send notifications to individuals or groups using lists, locations, and visual intelligence. This comprehensive notification system keeps everyone informed before, during and after all emergency events.



Photo (above): New Fire Storage Building, September 2018.



Photo (above): Fire Training Centre March 2019

## Other Accomplishments in 2018

### B.C. Wildfire Season

A total of 2,092 wildfires have burned 1,351,314 hectares (3,339,170 acres) of land in 2018. The largest burn-area in a British Columbia wildfire season, surpassing the historic 2017 wildfire season (1,216,053 total hectares).

Smithers Fire Rescue was deployed during the Provincial Declaration for a duration of 26 days assisting many residents during evacuations.

### Emergency Support Services

In August of 2018, the Regional District of Bulkley Nechako (RDBN) on behalf of the Regional District of Kitimat Stikine (RDKS), contacted the Bulkley Valley Emergency Support Services Director to request a reception centre be immediately activated in Smithers to support the evacuees from Telegraph Creek. The BVESS activated a reception centre at the Smithers Christian Reformed Church.

The Smithers ESS reception centre was open seven days per week from August to late September. As evacuation orders were lifted, reception centre hours were decreased by hours per day and days per week. A total of 800.23 hours were worked by volunteers at the Smithers ESS reception centre.



Photo (above): Emergency Reception Centre volunteers host Minister Rice.

## 2019 Projects and Strategies

- Purchase new fire engine to replace Engine 12.
- Purchase Structural Protection Trailer for Urban Interface Wildfires.

## Introduction

The Finance Department is responsible for monitoring, controlling and allocating financial resources in order to achieve the Town's immediate and long term goals and objectives as well as maintaining the Information Technology services to all Town facilities.

In 2018, Finance continued to support all the Town Departments prepare the five year budget while providing accounts receivable and payable functions and providing payroll support for all Town employees.

## 2018 Summary of Major Objectives and Results

- Updated internal process and forms
- Assisted in implementation of new recreation software, Perfect Mind
- Oversaw the development and preparation of the Town's new Downtown Revitalization Tax Exemption Program Bylaw No. 1837
- Completed Airport Sweeper Short-term Capital Borrowing Bylaw No. 1833 process
- Developed a Cash-in-Lieu Provision for Off Site Works that was included in Subdivision Servicing Bylaw No. 1829
- Prepared the Off Site Works Statutory Reserve Bylaw No. 1836
- Amended the Operating Surplus and Capital Reserve Policy
- Prepared a new Town Building Replacement Statutory Reserve Bylaw No. 1832
- Submitted claims for all grants for the Airport Terminal Modernization Project
- Prepared a new Airport Fees and Charges Bylaw No. 1851 for the 2019, 2020 and 2021 years

## 2018 Summary of Major Objectives and Results

- Completed offsite backup for various databases
- Implemented and installed new VOIP phone system at Town Office
- Updated MS Exchange software licenses
- Implemented an updated inventory program
- Completed mapping database for all technologies in all locations
- Commenced search for a Municipal Request for Service Mobile App
- Ongoing annual maintenance and review of computers
- Implemented an IT ticket tracking system for internal requests: HELP DESK
- Preparations completed for implementation of a new VOIP phone system at the Fire Hall.

## 2019 Projects and Strategies

### Finance Goals and Objectives

- Continue cross training departmental employees on all systems
- Transfer supplier EFT information into the Vadim system and reduce amount of paper copies on hand
- Issue new fuel cards to the department heads
- Implement the new processes to pay the new Employer Health Tax
- Create a new Utility Infrastructure Statutory Reserve
- Work with BC Transit to complete the Transit Marketing program
- Update new Water and Sewer Fees and Charges Bylaws
- Update Administration Fees and Charges Bylaw
- Create a new Northern Capital and Planning Grant Statutory reserve
- Improve payment processes for taxpayers to pay property taxes, utilities, business licenses and accounts receivables using credit cards
- Enter Utility Billing procedures into Vadim, for all departments to access
- Enter the Tax Prepayment customer information and applicable client codes in Vadim to reduce amount of paper
- Training of new Director of Finance, new Senior Accounting Clerk and new Accounting Clerk II

### IT Goals and Objectives

- Create a Business Continuity IT Plan
- Complete an IT Security audit
- Relocate the airport network
- Install new phone VOIP system at the airport
- Relocate the Works Yard network
- Install new wireless projectors in Council Chambers
- Install the new MS Exchange software, update Outlook and upgrade the main server

**Town of Smithers**  
**Statement of Property Tax Exemptions**  
*For the Year Ended December 31, 2018*  
*Unaudited*

In accordance with Section 98(2)(b) of the Community Charter, the following properties in the Town of Smithers were provided permissive property tax exemptions by Council in 2018

Assessment Roll Number	Legal Description	Civic Address	Organization	Reason for Proposed Exemption	Value of Permissive Exemption
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**Senior Housing Exemptions (Section 224 (2)(h))**

0003-010	Lot A, Plan PRP46504, Section 30, Township 4, Range 05	3668 Eleventh Ave	Northern Health Authority	Long Term Care and Housing of Senior Citizens (Bulkley Lodge) over and above statutory exemption	\$25,912
0932-000	Lot 32, Plan 4928, DL 865, Range 5	3985 Pioneer Pl	Bulkley Senior Citizens Housing Society	Housing of Senior Citizens (Pioneer Place) over and above statutory exemption	\$1,164
1225-380	Lot 5, Plan PRP1346, Range 05, DL 5714	4210 Astlals Pl	BV Christian Seniors Care Society	Housing of Senior Citizens: Exempt portion only 6,000 sq ft building and 25% land- over and above statutory exemption	\$1,796
1300-500	Lot A, Plan 11458, DL 865, Range 05	Mountairview Dr	Bulkley Senior Citizens Housing Society	Housing of Senior Citizens (Pioneer Place Extension)- over and above statutory exemption	\$1,819
1300-600	Lot B, Plan 11458, DL 865, Range 05	Pioneer Pl	Bulkley Senior Citizens Housing Society	Housing of Senior Citizens (Pioneer Place Extension) over and above statutory exemption	\$398

**Public Worship Exemptions (Sections 224 (2)(f) and 24 (2)(g))**

0005-000	Lot 1, Plan 12203, DL 5289, Section 30, Township 4, Range 05	1636 Princess St	Anglican Synod Diocese of Caledonia	Public Worship- over and above statutory exemptions	\$3,211
0019-000	Parcel A, Block 28, Plan 1054, DL 5289, Range 05	3696 Fourth Ave	BC Corporation of the Seventh Day Adventists	Public Worship- over and above statutory exemptions	\$607
0477-004	Lot 1, Plan 9143, DL 865, Range 05	4054 Broadway Ave	Roman Catholic Episcopal Corp of Prince Rupert	Public Worship (not including the residence)- over and above statutory exemptions	\$1,620
0692-200	Lots 32-36, Block 135, Plan 1054, DL 865, Range 05	3919 Seventh Ave	Smithers Fellowship Baptist Church	Public Worship- over and above statutory exemptions	\$759
0747-010	Lots 33 - 36, Block 143, Plan 1054, DL 865, Range 05	3889 Eighth Ave	Trustees of the Smithers United Church	Public Worship- over and above statutory exemptions	\$899
0789-000	Parcel A, Block 159, Plan 1054, Section 31, Township 4, Range 05	1833 Main St	Evangelical Free Church of Smithers	Public Worship- over and above statutory exemptions	\$2,460
0860-720	Lot 72, Plan PRP5258, DL 865, Range 05	4034 Walnut Dr	Christian Reformed Church of Smithers	Public Worship and Not-for-profit over and above statutory exemptions	\$15,528
1200-020	Lot A, Plan PRP42703, District Lot 865, Land District, Coast Range 05	Highway 16	Trustees of Smithers Congregation of Jehovah Witnesses	Public Worship (Jehovah Witness Church)- over and above statutory exemptions	\$1,821
1225-690	Lot 1, Plan PRP 14290, DL 865, Range 05	3974 Tenth Ave	Church of Jesus Christ of Latter Day Saints	Public Worship (Church of Jesus Christ Latter Day Saints)- over and above statutory exemptions	\$1,905
1717-765	Lot A, Section 30, Township 4, Plan PRP 46819, Range 05	3115 Gould Place	Bethel Reformed Church of Smithers	Public Worship- over and above statutory exemptions	\$4,725

**Private School Exemptions (Section 224 (2)(h))**

0477-004	Lot 1, Plan 9143, DL 865, Range 05	4054 Broadway Ave	Roman Catholic Episcopal Corp of Prince Rupert	All of St.Joseph's School excluding the residence- over and above statutory exemptions	\$22,130
1717-200	Lot B, Plan 11184, Section 30, Township 4, Range 05	3575 Fourteenth Ave	BV Christian School Society	Cover all BV Christian High School exemptions- over and above statutory exemptions	\$49,135

**Hospital Exemption (Section 224 (2)(h))**

0694-075	Parcel A, Plan 9565, Blocks 138, Plan 1054, DL 865, Range 05	3950 Eighth Ave	Northern Health Authority	Non residential part of BV District Hospital- over and above statutory exemptions	\$44,935
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**Non-Profit Organization Exemptions (Cultural and Charitable) (Section 224 (2)(a))**



**Town of Smithers**  
**Statement of Property Tax Exemptions**

*For the Year Ended December 31, 2018*  
*Unaudited*

In accordance with Section 98(2)(b) of the Community Charter, the following properties in the Town of Smithers were provided permissive property tax exemptions by Council in 2018

Assessment Roll Number	Legal Description	Civic Address	Organization	Reason for Proposed Exemption	Value of Permissive Exemption
0002-330	Lot 1, Plan PRP9833, Section 30	3439 Fulton Ave	Smithers and Area Recycling	60% exemption on land and improvements- leased (business) portions remain taxable	\$1,041
0110-000	Lot 17, Block 39, Plan PRP1054, DL 5289, Range 05	3768 2nd Ave	Grendel Group	56% of assessment on land and improvements	\$2,028
0133-000	Parcel A, Block 40, Plan PRP1054, DL 5289, Range 05	3840 1st Ave	Royal Canadian Legion	100% exemption of all class 8 assessment and 25% exemption of class 6 assessment	\$1,640
0154-020	Lots 1-2, Block 41, Plan 1054, DL 5289, Range 05	3704 First Ave	BV Museum	100% exemption on old St James Church assessment	\$2,897
0162-000	Lots 30 and 31, Block 54, Plan PRP1054, THE FRONT 62 1/2 ft and THE REAR 62 1/2 ft of each lot; Parcel C, Block 41, Plan PRP1054; DL 5289, Range 5	3772 First Ave	Northern Society for Domestic Peace	75% exemption on land and improvements- leased (business) portions remain taxable	\$8,855
0178-000	Lot A, Plan PRP12448, DL 5289, Range 05	3688 Broadway	BVD Hospital Auxiliary	60% exemption on land and improvements	\$3,788
0238-200	Parcel D, Lot 44 and Lot 5289, Block 55, Plan 1054, DL 5289	3873 1st Avenue	Wetsuweten Treaty Office Society	property used for cultural and not-for-profit purposes, exemption given to entire property assessment	\$2,752
0274-020	Lots 21-22, Block 57, Plan 1054, DL 5289, Range 05	1065 Main St	Governing Council of Salvation Army in Canada	exempt portion attributed to Food Bank	\$3,247
0708-050	Lots 1-36, Block 140, Plan 1054, DL 865, Range 05	1621 Main St	BV Gymnastics, BV Search and Rescue and BV Museum	exemption to the areas leased at LB Warner site in total estimated at 10% land and approximate value of improvements to Gymnastics building	\$5,740
1223-870	Lot A, Plan 12656, Section 30, Range 05,	3736 16th Avenue	BV Search and Rescue	exemption to portion leased at the Ranger park Building - estimated at 2/3 of the basement being 1893 sq feet which is 22% of the total building and therefore 22% of the land	\$1,190
1223-900	Lot A, Plan 12707, DL 865, Land District 14, Range 05	1425 Main St.	Smithers Central Park Building Society	exempt all of Central Park Building	\$7,580
1501-010	Lot A, Plan PRP 42327, DL 5714, Range 05	3815 Railway Ave	Smithers Community Services Association	exempt Heritage portion of old CN Railway Station (approximately 65% of land and building)	\$7,568
1711-600	Lot 1, Plan EPP29112, Section 30, Range 5	3446 19th Ave	BV Bottle Depot	76.5% exemption on land and improvements- leased (residential) portions remain taxable	\$2,369

**Recreational Exemptions (Section 224 (2)(i))**

0602-075	Plan 1054, DL 865	Third St	Smithers Curling Club	exempt all of the Curling Club building and footprint of land it sits on	\$13,202
1224-000	Lot A, Plan PRP 13685 except Plan PRP 13746, Section 2, Township 1A, Range 05	Scotia St	Smithers Golf and Country Club	exempt all land of the Smithers Golf Club	\$5,906

**Partnering Agreements (Section 225)**

0655-000		Hwy 16/Main St	Husky Oil Ltd	partnering agreement to allow Town to use area for public park use from 2013 to 2022	\$4,487
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The Value of the Permissive Tax Exemptions is the amount of municipal property taxes that would have been imposed on each property had it not been exempt in 2018. The value of the annual tax exemption has been calculated using 2018 municipal property tax rates.

Leslie Ford  
Director of Finance

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Photo (above): Smithers Regional Airport Terminal Building

# **Audited Consolidated Financial Statements December 31, 2018**

1027 Aldous Street, Box 879, Smithers,  
BC V0J 2N0  
Phone: 250-847-1600, Fax: 250-847-1601  
Website: [www.smithers.ca](http://www.smithers.ca)

**Town of Smithers**  
**Consolidated Financial Statements**  
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*December 31, 2018*

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## 2018 Consolidated Financial Statements – Financial Highlights

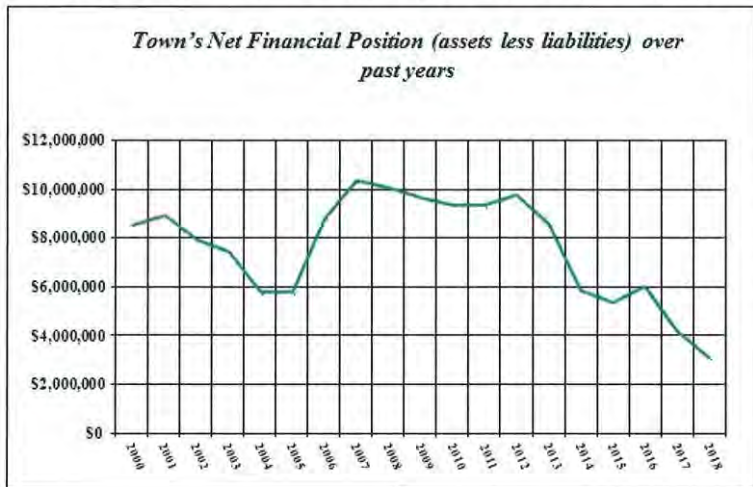
### To Mayor Bachrach and Members of Council:

I hereby submit the audited consolidated financial statements for the Town of Smithers for the fiscal year ended December 31, 2018, pursuant to Section 167 of the *Community Charter*.

The consolidated financial statements include a Management Report, the Auditor's Report, Consolidated Statements, Notes to the Financial Statements and Supplementary Schedules. The Consolidated Financial Statements reflect the Town's overall financial position as at December 31, 2018 and the results of its operations and changes in its financial position for the year including the 2018 financial results of the Smithers Public Library.

### 2018 Financial Highlights:

*The Consolidated Statement of Financial Position (Assets, Liabilities and Accumulated Surplus) (page 9) is prepared in accordance with Public Sector Accounting Board regulations (PSAB). This statement is designed to show the details of and changes in net economic resources of the Town.*

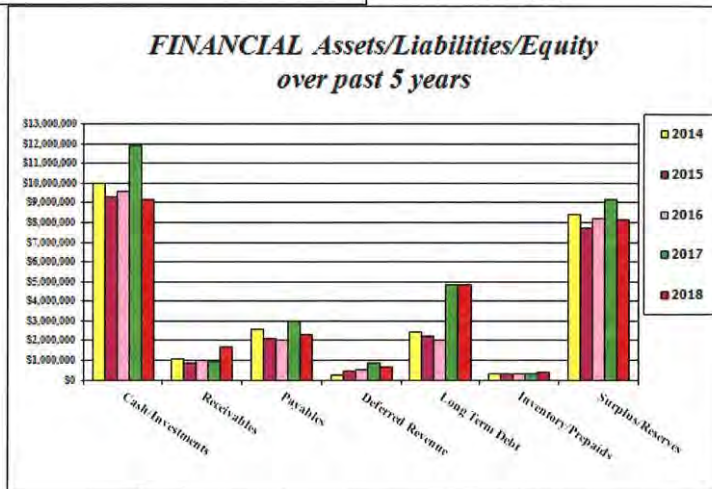


### Net Financial Assets:

Net Financial assets are resources available to finance future operations. The Town continues to be in a net financial asset position, meaning that it had more assets on hand at the end of the year than liabilities owing, however the net financial asset position declined in 2018.

As seen in the chart to the left, the Town's 2018 Net Financial Asset position was the lowest in 19 years (since consolidated statements began).

- **Cash and Investments** decreased from \$11.9M to \$9.2M. Also, as mentioned in Note 1 c (page 14 of the financial statements), the Town had more liabilities than unrestricted cash on hand at the end of 2018.
- **Accounts Receivables** increased from \$940,921 to \$1,662,424. This was due to an increase in grants owed to the Town concerning the Airport Project and other capital and special operating projects. Since the year end,

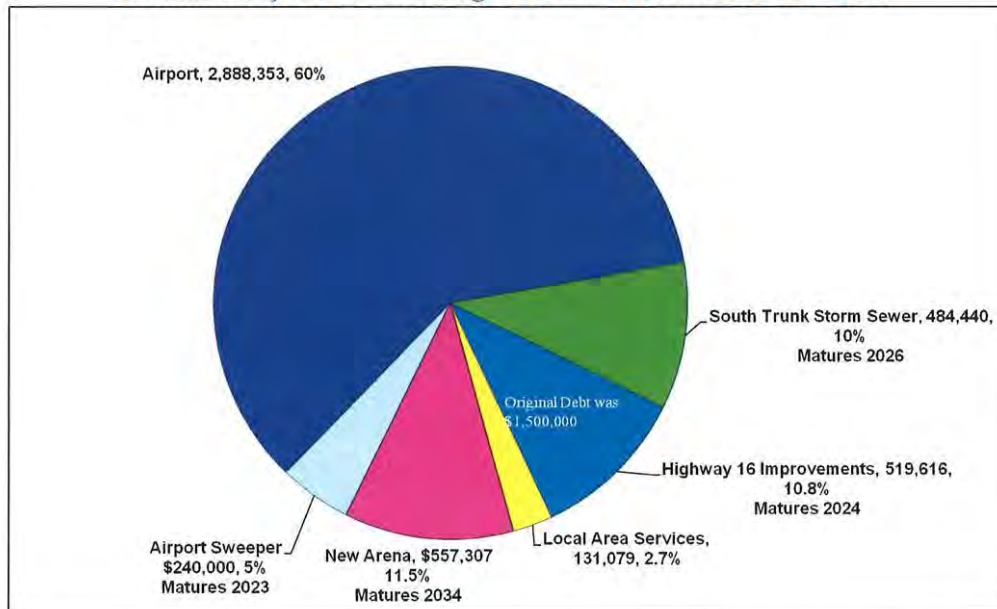


2018 Consolidated Financial Statements – Financial Highlights

the majority of the grants owing have been received.

- o **Loans receivable** was lower due to the \$5,000 loan payment made in 2018 by the Smithers Curling Club. The Curling Club loan was renegotiated in 2015 and the loan will be completely repaid by 2019.
- o **Accounts Payables** decreased from \$3M to \$2.3M due to less capital invoices owing at the end of December 2018; and less holdbacks and refundable securities held at the end of 2018.
- o **Deferred Revenue** decreased in 2018 due to less grants received in advance.
- o **Long Term Debt** decreased slightly from \$4.87M to \$4.82M, even with the addition of \$240,000 short term borrowing proceeds for a new Airport Sweeper. The Airport debt represents the largest component of the Town's debt, as seen from the chart below.

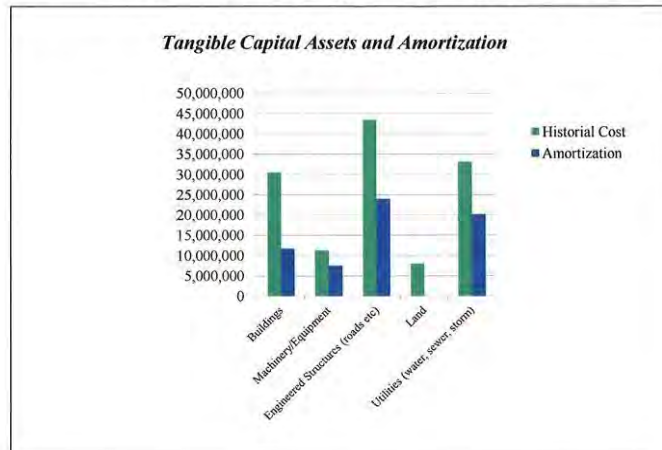
*Breakdown of the Outstanding \$4,820,795 Debt as at Dec 2018*



- **Non-Financial Assets:** These are resources that are meant to be consumed in the provision of municipal services.
  - o **Tangible Capital Assets (TCA):** The Town recorded close to \$8.4M in new tangible capital assets in 2018 and just over \$3.4M in amortization.
    - o Of the \$8.4M in new Tangible Capital Assets, \$314,318 was received through developer contributions. In 2018 this included storm sewer connections, sidewalks, paved lanes, paved roads and other off-site works.
    - o \$2.9M in past capital works, pertaining to the Airport Terminal Modernization project, was taken out of Work In Progress and put into Building assets in 2018.

## 2018 Consolidated Financial Statements – Financial Highlights

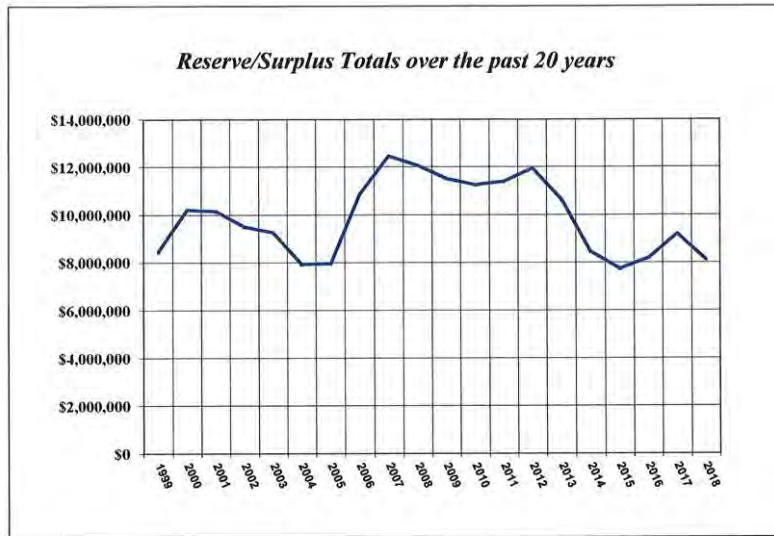
- At the end of 2018 the Town has \$126.5M worth of Tangible Capital assets, with the largest category being that of Engineered Structures (Roads, Streets, Lanes, Runways, Paths, and Parks). After amortization the Town's assets have a net book value of \$63M, which means that the Town's assets, on average, are 49.8% amortized. The chart below shows the total historical cost of each major Tangible Capital asset category (green) with the accumulated amortization of each major asset category shown in blue.



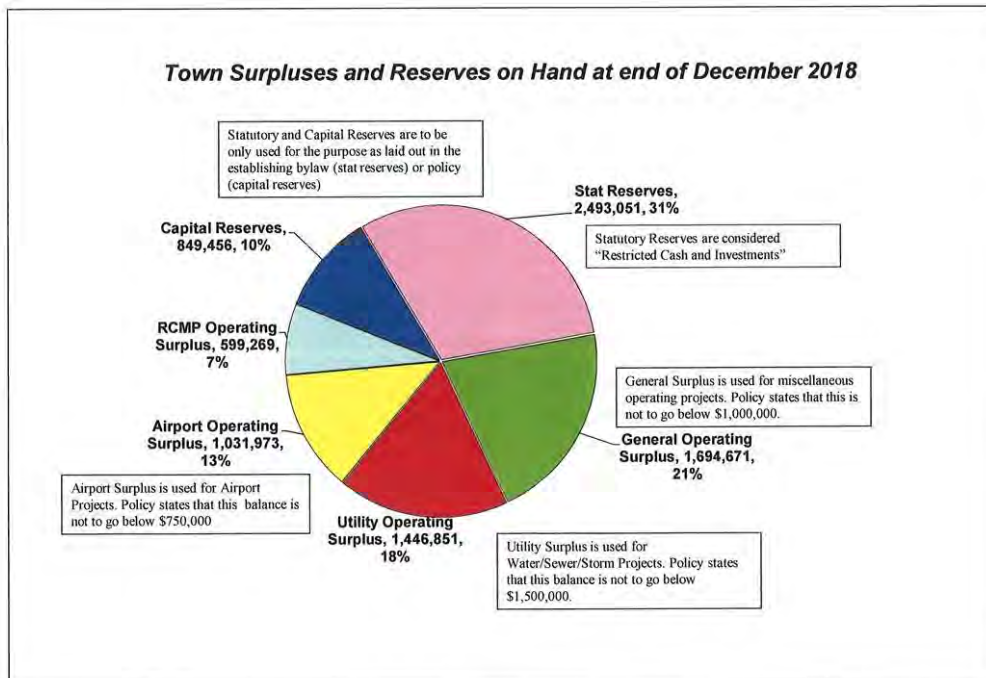
- Other Assets** are comprised of prepaid expenses and inventory. This amount was slightly higher at the end of 2018 due to more inventories on hand.
- Accumulated Surplus:** This figure is the sum of the net financial assets and the non-financial assets
  - Accumulated Surplus includes all of the operating surpluses, capital reserves and statutory reserves and the Town's net investment in capital assets, *Equity in Capital Assets*.
  - Within the Accumulated Surplus, the Town's Surplus and Reserve amounts decreased to \$8.1M, as shown on the chart to the left and the graph on the following page. This is primarily due to the use of Reserve funds (i.e. Land Sales Reserves and Airport Infrastructure Reserves) for capital and special projects.

Town of Smithers		2017	2018	2018
Total Reserve/Surplus Fund Balances On Hand:		actual	budget	actual
		Balance	Balance	Balance
<b>Operating Surplus</b>				
General	Uncommitted General Surplus	1,238,525	1,116,078	1,338,800
	Specified General Surplus	138,369	122,069	355,869
RCMP	RCMP Fund Surplus	547,177	396,224	599,270
Utility	Utility Fund Surplus	1,298,328	1,190,821	1,446,851
Airport	Airport Fund Surplus	1,169,812	738,829	1,031,977
	<b>Total operating surplus funds</b>	<b>4,392,211</b>	<b>3,564,022</b>	<b>4,772,767</b>
<b>Capital Reserves</b>				
	Debt Surplus Capital Reserve/(borrowing funds)	14,156	14,156	14,156
	Gas Tax Capital Reserve	345,668	98,503	399,696
	Cemetery Capital Replacement Reserve	28,781	9,781	38,443
	Facilities Mce Capital Reserve	120,709	106,416	139,709
	2nd Sheet Ice Capital Reserve	13,891	0	0
	Weizinkwa Com Forest Donation Reserve	94,439	64,383	105,220
	New Library/Art gallery			152,231
	<b>total capital reserves</b>	<b>617,644</b>	<b>293,239</b>	<b>849,455</b>
<b>Stat Bylaw Reserves</b>				
	Capital Works/Land Sales Stat Reserve	572,791	68,519	74,832
	Recreation Facilities Stat reserve	33,229	0	25,266
	Infrastructure Replacement Stat Reserve	189,036	5,761	63,692
	Parkland Dedication Stat Reserve	35,656	36,013	36,241
	Machinery & Equipment Stat replacement	1,131,235	944,660	1,123,676
	Airport Machinery & Equipment Stat reserve	93,045	1,975	3,968
	Local Improvement Fund (LAS Fund)	138	138	138
	Parking Spaces Stat Reserve	28,680	28,967	29,150
	Forestry Stat Reserve	152,438	138,962	148,077
	GHG Emissions Reduction Stat Reserve	51,249	29,736	57,400
	Airport Infrastructure Stat Reserve	1,380,529	827,670	828,947
	Ambleside Subdivision stat res	100,025	101,025	101,665
	<b>total statutory bylaw reserves</b>	<b>3,768,051</b>	<b>2,183,426</b>	<b>2,493,052</b>
	capital & statutory reserves	4,385,695	2,476,665	3,342,507
<b>Total Surplus/ Reserve Funds on hand</b>		<b>8,777,906</b>	<b>6,040,686</b>	<b>8,115,274</b>

## 2018 Consolidated Financial Statements – Financial Highlights



- 2018 ending surplus and reserve balances were within the defined parameters of the Town's Operating Surplus and Capital Reserve Policy guidelines. The following graph shows different types of Surplus and Reserves that the Town had on hand at the end of December 2018:

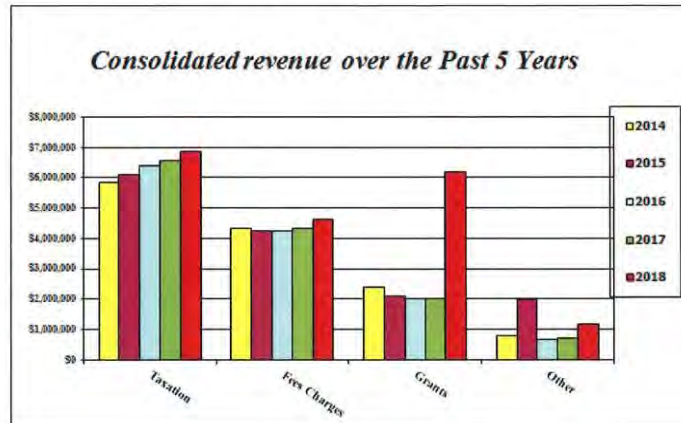




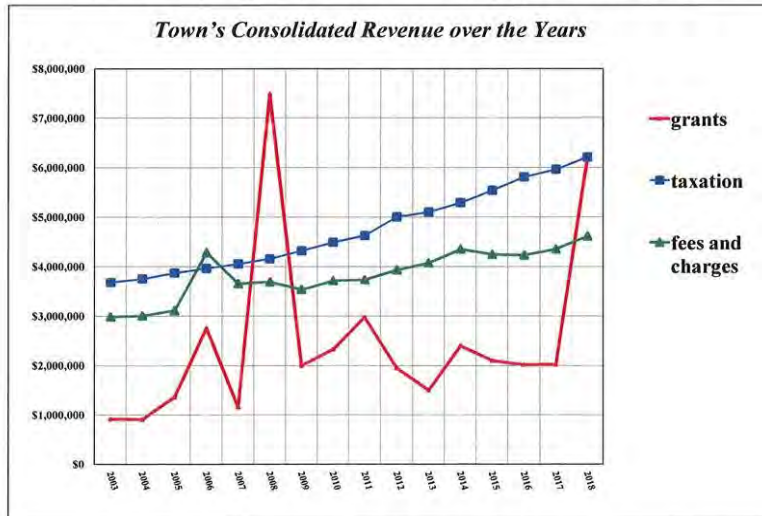
## 2018 Consolidated Financial Statements – Financial Highlights

The Consolidated Statement of Operation is prepared in accordance with the PSAB format. This statement shows the extent to which revenues recognized were sufficient to offset the cost of the services provided and also shows the changes in the accumulated surplus balance.

- **Consolidated Revenue** includes all revenue for operations, capital projects and reserve funding. Revenue categories also include Smithers Public Library revenue.



- Taxation and Other Tax revenue increased slightly over 2017. Service Charges/User fees totals were higher in 2018 due to more airport fees received in 2018. Grant revenue was much higher in 2018 due to capital and special operating grants received, primarily for the Airport project.
- The chart below shows the changes in types of consolidated revenues over the past years. Property tax revenue has been increasing gradually each year. Fees and Charges generally have seen an increase each year due to increasing bylaw fees (except for a few adjustments in airport revenue in several of the past years). Grant revenue is project based and fluctuates annually.



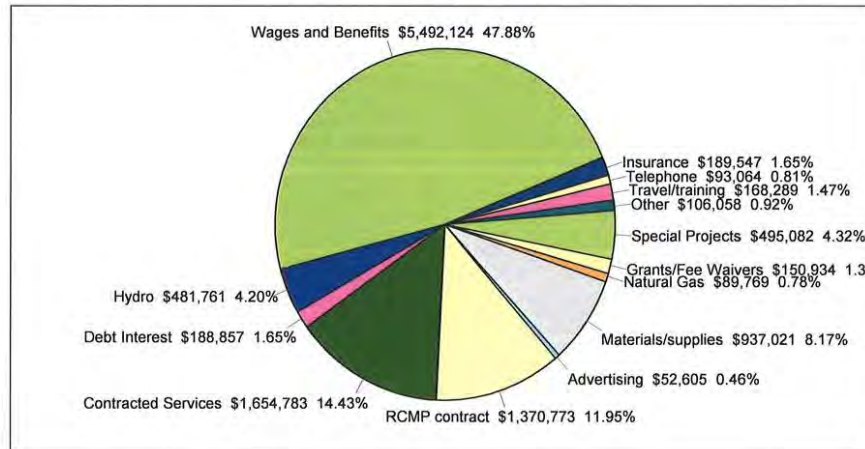
# Smithers 2018 Audited Financial Statements

## 2018 Consolidated Financial Statements – Financial Highlights

- Consolidated Expenses** are economic resources that are consumed to provide municipal services. All consolidated expense costs shown on the Consolidated Statement of Operations includes operating costs, related interest on debt and amortization costs. The budget figures shown below represent the 2018 budget approved in May 2018 plus the approved 2018 Smithers Public Library's budget. All Operating Budget areas were under budget in 2018.

EXPENSES	2018 Budget	2018 Actual	Budget Variance
<i>Operations</i>			
General Government Services	\$1,600,822	\$1,597,909	(\$2,913)
Protective Services (incl RCMP)	2,807,964	2,599,454	-208,510
Transportation and Transit Services	1,813,775	1,800,615	-13,160
Garbage Collection/Recycling Services	237,098	234,502	-2,596
Public Health/Cemetery Services	58,730	56,486	-2,244
Dev't Services/Tourism/Econ Dev't	980,576	870,145	-110,431
Recreation and Culture Services	1,758,022	1,755,892	-2,130
Utility (Water, Sewer, Storm) Services	1,152,216	1,109,703	-42,513
Airport Services	1,375,654	1,369,416	-6,238
<b>Total operating expenses</b>	<b>11,784,857</b>	<b>11,394,122</b>	<b>-390,735</b>
<i>Other</i>			
Interest on Debt	188,287	188,858	571
Less Net Fleet costs deducted off expense categories (for PSAB purposes)	-303,136	-273,666	29,470
Amortization - Tangible Capital Assets	3,000,000	3,428,774	428,774
	2,885,151	3,343,966	458,815
Plus Net Library expenses (over and above the Town's grant)	173,903	161,353	-12,550
<b>Total Consolidated Expenses, for PSAB purposes</b>	<b>\$14,843,911</b>	<b>\$14,899,441</b>	<b>\$55,530</b>

- The following chart shows the types of direct expenses that the Town has within its consolidated operations in 2018. Wages and benefits remain the largest expense but its percent overall declined from 50% in 2017 to 48% in 2018 due to the increase in special projects in 2018.



Respectfully submitted,

Leslie Ford, CPA, CA  
 Director of Finance  
 May 14, 2019



**MANAGEMENT REPORT**

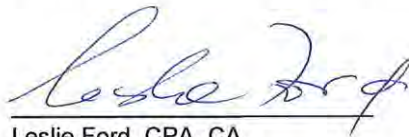
The Consolidated Financial Statements of the Town of Smithers have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council of the Town of Smithers is responsible for ensuring that management fulfils its responsibilities for financial reporting and maintaining internal controls and exercises this responsibility through Council. The Council reviews internal financial reports on a monthly basis and external Audited Financial Statements yearly.

The external auditors, Edmison Mehr, Chartered Professional Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Town's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to financial management of the Town of Smithers and meet when required.

On behalf of the Town of Smithers



Leslie Ford, CPA, CA  
Director of Finance  
May 14, 2019

EDMISON MEHR  
CHARTERED PROFESSIONAL ACCOUNTANTS

---

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Smithers, B.C. V0J 2N0  
Tel (250)847-4325 Fax (250)847-3074  
E-mail: info@edmisonmehr.ca

Partners:  
BRIAN R. EDMISON, B.A., CPA, CA  
MICHAEL B. MEHR, B.Comm, CPA, CA  
JEANNE M. MACNEIL, B.Comm, CPA, CA

INDEPENDENT AUDITOR'S REPORT

To the Directors of  
Town of Smithers  
Smithers, BC

Opinion

We have audited the accompanying financial statements of the Town of Smithers, which comprise the Consolidated Statement of Financial Position as at December 31, 2018, and the Consolidated Statements of Operations, Cash Flows, and Net Financial Assets for the year then ended, and 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 the Municipality as at December 31, 2018, and its financial performance 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 Town of Smithers 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 consolidated financial statements in accordance with Canadian Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town of Smithers' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Town of Smithers' financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, 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 misstatements when it exists. Misstatements can arise from fraud or errors 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 auditing standards, we exercise professional judgement and maintain professional skepticism through 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 controls.
- 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 purposes of expressing an opinion on the effectiveness of the Town of Smithers' 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 Town of Smithers' 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 Town of Smithers to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosure, 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.

Smithers, BC  
May 14, 2019

  
Edmison Mehr

**Town of Smithers**  
**Consolidated Statement of Financial Position**  
*As at December 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>FINANCIAL ASSETS</b>		
Cash and Investments (Note 2)	\$9,180,614	\$11,907,110
Accounts Receivable (Note 3)	1,662,424	940,921
Deposits - Municipal Finance Authority (Note 4)	76,857	75,221
Loan Receivable (Note 5)	2,109	7,109
Investment in Wetzin'kwa Community Forest Corporation (Note 13)	1	1
	<u>10,922,005</u>	<u>12,930,362</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities (Note 6)	2,301,178	2,988,611
Restricted Revenue - Municipal Finance Authority (Note 4)	76,857	75,221
Deferred Revenues (Note 7)	624,924	844,251
Long Term Debt (Schedule A)	4,820,794	4,871,144
	<u>7,823,753</u>	<u>8,779,227</u>
<b>NET FINANCIAL ASSETS</b>	<u>3,098,252</u>	<u>4,151,135</u>
Commitments and Contingencies (Note 12)		
<b>NON FINANCIAL ASSETS</b>		
Tangible Capital Assets (Notes 1 and 8, Schedule B)	62,975,551	58,040,319
Prepaid Expenses and Supply Inventory (Note 9)	375,721	342,942
	<u>63,351,272</u>	<u>58,383,261</u>
<b>ACCUMULATED SURPLUS</b> (Note 10, Schedule G)	<u>\$66,449,524</u>	<u>\$62,534,396</u>

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

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Consolidated Statement of Operations**  
*For the Year Ended December 31, 2018*

	2018 Actual	2018 Budget (unaudited)	2017 Actual
<b>REVENUE</b> (Schedules F & H)			
Property Taxes and Grants in Lieu (Schedule C)	\$6,882,809	\$6,775,240	\$6,577,651
Government Transfers/Grants (Schedule D)	6,168,117	6,905,504	2,018,541
Service Charges/User Fees (Schedule L)	4,609,074	4,337,631	4,349,716
Investment Income	249,484	174,551	158,352
Net Gain on Disposal of Tangible Capital Assets	17,772	13,500	45,763
Other Revenue (Donations/Donated Assets)	887,313	529,900	486,646
Total Revenue	<u>18,814,569</u>	<u>18,736,326</u>	<u>13,636,669</u>
<b>EXPENSES</b> (Schedules E, F & H)			
General Government Services	1,694,503	1,685,822	1,630,920
Protective Services (incl RCMP)	2,690,369	2,847,964	2,452,508
Transportation and Transit Services	2,412,470	2,371,444	2,126,949
Solid Waste Management/Recycling Services	285,180	287,098	283,952
Public Health/Cemetery Services	58,399	60,630	56,106
Development/Economic Development/Tourism Services	876,766	996,076	873,825
Recreation and Cultural Services	2,424,200	2,423,375	2,303,813
Utility (Water, Sewer and Storm Sewer) Services	1,700,811	1,736,748	1,652,346
Airport Services	2,756,743	2,434,754	2,252,093
Net Loss on Disposal of Tangible Capital Assets	-	-	-
Total Expenses	<u>14,899,441</u>	<u>14,843,911</u>	<u>13,632,512</u>
<b>Annual Surplus (Deficit)</b> (Note 15)	3,915,128	3,892,415	4,157
<b>Accumulated Surplus, beginning of year</b>	62,534,396	62,534,396	62,530,239
<b>Accumulated Surplus, end of year</b>	<u>\$66,449,524</u>	<u>\$66,426,811</u>	<u>\$62,534,396</u>

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

**Town of Smithers**  
**Consolidated Statement of Cash Flows**  
*For the Year Ended December 31, 2018*

	2018	2017
<b>Cash provided by (used for):</b>		
<b>Operating Transactions</b>		
Annual Surplus (Deficit)	\$3,915,128	\$4,157
Non Cash items included in Annual Deficit:		
Actuarial Adjustment	(61,447)	(53,720)
Amortization	3,428,774	3,023,862
Developer Contributions to Tangible Capital Assets	(314,318)	(111,281)
Net (Gain) Loss on Disposal of Tangible Capital Assets	(17,772)	(45,763)
Change in Other Non-Cash items:		
Change in Accounts Receivable	(721,503)	28,340
Change in Accounts Payables	(687,433)	984,251
Change in Deferred Revenue	(219,327)	352,850
Change in Prepaid/Inventory Expenses	(32,779)	(8,976)
Cash provided by Operating Transactions	<u>5,289,323</u>	<u>4,173,720</u>
<b>Capital Transactions</b>		
Proceeds on Disposal of Tangible Capital Assets	40,588	155,001
Cash used to Acquire Tangible Capital Assets	(8,072,503)	(4,875,748)
Cash applied to Capital Transactions	<u>(8,031,915)</u>	<u>(4,720,747)</u>
<b>Investing Transactions:</b>		
Loan Proceeds from Curling Club	4,999	5,000
Cash provided by Investing Transactions	<u>4,999</u>	<u>5,000</u>
<b>Financing Transactions:</b>		
Long Term Debt Principal Repayments	(228,903)	(117,256)
Long Term Debt Proceeds	240,000	3,000,000
Cash provided by Financing Transactions	<u>11,097</u>	<u>2,882,744</u>
<b>Increase in Cash and Investments</b>	<b>(2,726,496)</b>	<b>2,340,717</b>
<b>Cash and Investments, beginning of year</b>	<b>11,907,110</b>	<b>9,566,393</b>
<b>Cash and Investments, end of year</b>	<b><u>\$9,180,614</u></b>	<b><u>\$11,907,110</u></b>

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



**Town of Smithers  
Consolidated Statement of Net Financial Assets**

*For the Year Ended December 31, 2018*

	2018	2018 Budget (unaudited)	2017
<b>Annual Income (Deficit)</b>	\$3,915,128	\$3,892,415	\$4,157
Acquisition of Tangible Capital Assets	(8,386,821)	(10,041,470)	(4,987,029)
Amortization of Tangible Capital Assets	3,428,773	3,000,000	3,023,862
(Gain) Loss on Disposal of Tangible Capital Assets	(17,772)	-	(45,763)
Proceeds on Disposal of Tangible Capital Assets	40,588	13,500	155,001
	<u>(1,020,104)</u>	<u>(3,135,555)</u>	<u>(1,849,772)</u>
Net Change in Prepaid Expenses	2,350	-	(9,711)
Net Change in Inventory of Supplies	(35,129)	-	735
	<u>(32,779)</u>	<u>-</u>	<u>(8,976)</u>
<b>Change in Net Financial Assets</b>	(1,052,883)	(3,135,555)	(1,858,748)
<b>Net Financial Assets, beginning of year</b>	4,151,135	4,151,135	6,009,883
<b>Net Financial Assets, end of year</b>	<u>\$3,098,252</u>	<u>\$1,015,580</u>	<u>\$4,151,135</u>

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

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

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**GENERAL**

The Town of Smithers was incorporated as a municipality in 1921. The principal activities of the Town include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, transportation, solid waste management, cemetery, planning, economic development, tourism, recreation, culture, water, sewer and airport.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements of the Town of Smithers are prepared in accordance with the Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.

**(a) Principles of consolidation:**

The consolidated financial statements reflect the combined results and activities of the Town of Smithers. The statements exclude trust assets that are administered by the Town for the benefit of external parties. Interfund transactions have been eliminated on consolidation. The Smithers Public Library financial activities have been consolidated with the Town's financial activities for financial statement purposes.

**(b) Fund accounting:**

The resources and operations of the Town have been segregated for accounting and financial reporting purposes into the following funds:

Operating Funds:

Operating Funds report the General, RCMP, Utility (Water, Sewer and Storm Sewer), Fleet Maintenance and Airport operations.

Capital Funds:

Capital Funds report the acquisition and disposal of property and equipment and their related financing. It also includes Capital Reserves that have been established for specific purposes, primarily for capital purposes.

Reserve Funds:

Under the *Community Charter*, Council may, by bylaw, establish reserve funds for particular purposes. Money in the reserve fund, and interest earned thereon, must be expended only for the purpose for which the fund was established.

**(c) Financial Assets and Liabilities:**

The Municipality is not subject to significant risk from market, foreign currency, price or interest rate risk. The significant financial risk to which the Municipality is exposed include the following:

Credit Risk:

Credit Risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Municipality to a concentration of credit risk consist primarily of cash, accounts receivable, and loans receivable from a related party. The Municipality limits its exposure to credit loss by placing its cash with Canadian financial institutions. Credit Risk for cash is concentrated as the Municipality's cash is held primarily at one financial institution. Management believes the risk from concentration loss to be remote. The Municipality's maximum exposure to credit risk from accounts receivable and loans to related parties are the amounts disclosed in the statement of financial position. The Municipality limits credit risk associated with accounts receivable and loans receivable from related parties by

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

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limiting credit to only credit worthy customers and formalizing timely collection procedures. Consequently, management believes that the remaining credit risk vulnerability with respect to accounts receivable and loans to related parties is not significant.

*Fair Value:*

The Municipality estimates the fair value of its financial instruments based on current interest rates, market value and pricing of financial instruments with comparable terms. Unless otherwise indicated, the carrying value of these financial instruments approximates their fair market value because of the near maturity of those instruments.

*Liquidity Risk:*

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they fall due. The Municipality's approach to managing liquidity is to evaluate current and expected liquidity requirements under both normal and stressed conditions to ensure that it maintains sufficient reserves of cash or have an available credit facility to meet its liquidity requirements in the short and long term.

As at December 31, 2018 the Town of Smithers has unrestricted cash of \$6,514,560 (December 31, 2017: \$7,992,530) to settle its total liabilities of \$7,825,753 (December 31, 2017: \$8,779,227).

*Interest Rate Risk:*

The Town of Smithers is exposed to Interest rate risk to the extent that the cash and term deposits maintained at the financial institutions are subject to a floating rate of interest. Fixed interest instruments subject the Town to a fair value risk, while the floating rate interest subject it to a cash flow risk.

**(d) Revenue Recognition:**

The Town of Smithers follows the restricted contribution method for recording revenues. Restricted contributions related to general operations are recognized as revenue in the Operating Funds in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

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

Taxation revenue is recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the Town renders the service or product.

**(e) Expense Recognition:**

Operating and Capital Expenses are recognized on the accrual basis in the period when goods and services have been received. Interest expense is accrued on long-term debt to year-end.

**(f) Government Transfers:**

Government transfers are recognized as revenues, or expenses, in the period that the events giving rise to the transfers occur.

Entitlement transfers are received from the provincial and federal governments according to prescribed legislation and/or regulations. These can include the Small Community Grant and the

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

Traffic Fine Sharing Revenue.

**(g) Cash and Investments:**

Investments are recorded at cost, except for Investment in the Municipal Financial Authority (MFA) of British Columbia pooled investments, which are carried at market value. Cash and investments include cash held on deposit, investment held with the MFA and term deposits held with the Bulkley Valley Credit Union.

**(h) Inventory:**

Inventory is comprised of supply inventory. Inventory is valued at the lower of cost or net realizable value and is recorded at weighted average. No items were written down to net realizable value.

**(i) Tangible Capital Assets:**

Tangible Capital Assets, comprised of capital assets and capital work-in-progress, are recorded at cost, net of capital asset disposals, write-downs and accumulated amortization. Tangible capital assets are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put into service. Donated tangible capital assets are reported at fair market value at the time of donation. Estimated useful lives are as follows:

Major Asset Category	Useful Life Range
Land	Unlimited
Buildings	15 to 50 Years
Machinery & Equipment, Vehicles	5 to 20 Years
Office Equipment and Computers	5 to 10 Years
Engineering Structures (Roads, Streets, Parks)	10 to 75 Years
Utility Systems (Water, Sewer, Storm)	20 to 100 Years

An impairment loss is recognized when the carrying amount of a tangible capital asset is not fully recoverable. The loss is measured as the excess carrying amount over its fair value. The fair value is the market value or the sum of the undiscounted cash flows expected to result from its use or eventual disposition. Tangible capital assets are tested for recoverability when events or changes in circumstances indicate that its carrying amount may not be recoverable.

**(j) Use of Estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenue and expenditures during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies and prior years tangible capital asset historical costs and related amortization. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

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**(k) Segmented Information:**

The Town of Smithers is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed. The nature of the segments and the activities they encompass are as follows, and quantitative data on these segments can be found in Schedule F.

*General Government:* This segment includes the revenue and expenses associated with Legislative (Council), Administration, Finance, Information Technology and the Municipal Building services. It also includes the Elections costs (in an election year).

*Protective Services:* This segment includes the revenue and expenses associated with Municipal RCMP, Fire Department, Bylaw Enforcement/Animal Control and Building Inspection services.

*Transportation and Transit:* This segment includes the revenue and expenses associated with Works Yard costs, vandalism, and all operating costs associated with all Roads and Streets (snow removal, sanding, street lighting, dust control, line marking, sidewalk maintenance, Highway 16 boulevard work, street sweeping and drainage ditches) and the Smithers and Area Transit service.

*Solid Waste Management/Recycling:* This segment includes the revenue and expenses associated with garbage (solid waste) and curbside recycling collection.

*Public Health/Cemetery:* This segment includes the revenue and expenses associated with Smithers Cemetery services.

*Development Services, Economic Development and Tourism:* This segment includes the revenue and expenses associated with Engineering, Planning, Economic Development and Tourism services.

*Recreation and Culture:* This segment includes the revenue and expenses associated with Arenas, Parks and Playgrounds, Recreation programs and cultural facilities services.

*Airport:* This segment includes the revenue and expenses associated with operating the Smithers Regional Airport.

*Utilities:* This segment includes the revenue and expenses associated with providing water, sewer and storm sewer services.

**(l) Budget Presentation:**

Budget amounts are from the Town's Five Year Financial Plan for the years 2018 – 2022, adopted by Council on May 8, 2018 with minor subsequent reallocations and reclassifications to conform to financial statement presentation (see Note 15). The Smithers Public Library's 2018 budget, as approved by Council, has been included with the Town's budget figures within the financial statements.

**(m) Comparative Figures:**

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

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**(n) Financial Instruments:**

*Measurement of Financial Instruments:*

The Town of Smithers initially measures its financial assets and financial liabilities at fair value.

The Town subsequently measures all of its financial assets and financial liabilities at amortized cost, except for the investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in net income.

Financial Assets measured at amortized cost include accounts receivable, deposits – MFA, loans receivable and investment in Wetzin'kwa Community Forest Corporation.

Financial Liabilities measured at amortized cost include accounts payable and accrued liabilities, restricted revenue-MFA, deferred revenue and long-term debt.

*Impairment:*

Financial Assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

*Transaction Costs:*

The Town recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

**2. CASH AND INVESTMENTS**

	2018	2017
Restricted Cash and Investments - Statutory Reserves	\$2,493,051	\$3,768,051
Unrestricted Cash and Investments	6,514,560	7,992,530
Smithers Public Library Cash/Investments	173,003	146,529
	\$9,180,614	\$11,907,110

Cash and Investments include \$3,060,935 (2017: \$5,979,905) invested in the Money Market, Intermediate Fund and Bond Fund Investments within the Municipal Finance Authority (MFA) Pooled Investment program; and \$5,523,853 (2017: \$5,012,000) in Term Deposits. Interest earned on investments throughout the year averaged 1.61% for Term Deposits and 1.64% for the MFA Pooled Investments.

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

**3. ACCOUNTS RECEIVABLE**

	2018	2017
Due from Provincial Government	\$110,269	\$266,989
Due from Federal Government	100,032	137,851
Trade and Accrued Receivables	373,807	213,017
Utilities Receivable	14,994	11,881
Taxes Receivable	255,596	207,600
Tax Sale Property Subject to Redemption	1,810	2,638
Due From Other Government Bodies/Organizations	799,459	97,533
Smithers Public Library Accounts Receivables	6,457	3,412
	\$1,662,424	\$940,921

Accounts Receivables are shown net of estimated uncollectible receivables.

**4. MUNICIPAL FINANCE AUTHORITY DEPOSITS (RESTRICTED REVENUE)**

	2018	2017
Cash Deposits*	\$76,857	\$75,221
Demand Notes	172,931	172,931
	\$249,788	\$248,152

The Town of Smithers issues its debt instruments through the Municipal Finance Authority of BC (MFA). As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA to act as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Town with interest and the demand notes are cancelled.

\*Only the cash deposits portion of the MFA Deposits is included as a Financial Asset. The Demand Notes are not included in the Consolidated Financial Statements.

**5. LOANS RECEIVABLE**

	2018	2017
Loan to Smithers Curling Club	\$2,109	\$7,109
	\$2,109	\$7,109

The Town of Smithers approved a loan to the Smithers Curling Club, under the authority of Section 24 of the *Community Charter*, to provide assistance to the club to pay for their ice plant. The loan is to be repaid, plus interest at 3%, by March 2019.

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<b>2018</b>	<b>2017</b>
Trade Payables and Accrued Liabilities	\$977,563	\$1,281,289
Payroll Payable and Accrued Payroll Benefits	839,704	759,298
Due to Provincial Government	24,734	19,543
Due to Other Government Bodies	20,684	628
Holdbacks and Refundable Contracts Securities Payable	405,570	728,827
Accrued Contaminated Sites Liability	-	175,000
Smithers Public Library Accounts Payables	32,923	24,026
	<b>\$2,301,178</b>	<b>\$2,988,611</b>

Accrued Payroll benefits include an estimated value for accrued sick pay that could be paid out over the next few years to employees, in accordance with the provisions of the CUPE Union agreement.

Effective April 1, 2016 Canadian municipalities are required under PSAB 3260 to account for contaminated site liabilities that exist on non-productive municipal owned lands. The Town had identified one site within the LB Warner property that had known remaining contaminated soil. The past estimated cost of remediation, \$175,000, of this site has been moved, in 2018, from the Contaminated Sites Liability accrual to Contaminated Sites Operating Reserve (see Schedule I), since this amount has been budgeted in the 2019 Capital Plan to be used to remediate the LB Warner site. There are other identified contaminated sites but they are within sites that are in productive use.

**7. DEFERRED REVENUES**

	<b>2018</b>	<b>2017</b>
Misc Operating Revenue Received in Advance	\$98,515	\$97,833
Special Operating Project Grants Received in Advance	43,248	40,000
Capital Funding/Grants Received in Advance	49,602	6,958
Strategic Priority Gas Tax Funds Received in Advance	-	292,475
Deferred Tax Revenue	417,679	403,242
Smithers Public Library Deferred Revenue	15,880	3,743
	<b>\$624,924</b>	<b>\$844,251</b>



**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

**8. TANGIBLE CAPITAL ASSETS** (Schedule B)

	<b>2018</b>	<b>2017</b>
Land	\$7,993,396	\$7,901,106
Buildings	18,736,760	10,634,056
Machinery and Equipment, Vehicles	3,658,891	3,434,713
Office Equipment and Computers	79,862	66,640
Engineered Structures	19,482,204	19,613,271
Utilities	12,995,775	13,480,049
Work In Progress	28,663	2,910,484
	<b>\$62,975,551</b>	<b>\$58,040,319</b>

**9. PREPAID EXPENSES AND SUPPLY INVENTORY**

	<b>2018</b>	<b>2017</b>
Prepaid Expenses	\$117,633	\$118,906
Inventory of Supplies	255,912	220,782
Smithers Public Library Prepaid Expenses	2,176	3,254
	<b>\$375,721</b>	<b>\$342,942</b>

**10. ACCUMULATED SURPLUS**

	<b>2018</b>	<b>2017</b>
Operating Funds (Schedules G, H and I)	\$4,772,764	\$4,392,209
Capital Funds (Schedules G, H and J)		
Capital Reserves and Other	896,121	1,079,535
Equity in Tangible Capital Assets	58,154,756	53,169,175
Reserve Funds (Schedules G, H and K)	2,493,051	3,768,051
Smithers Public Library Accumulated Surplus	132,832	125,426
	<b>\$66,449,524</b>	<b>\$62,534,396</b>

Equity in Tangible Capital Assets represents the net book value of total Tangible Capital Assets less Long-term Debt obligations required to obtain those assets.

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

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**11. PENSION INFORMATION**

The Town of Smithers 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, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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, 2015 indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of surplus ensured the required contribution rates remain unchanged.

The Town of Smithers paid \$375,845 (2017: \$373,697) for employer contributions while employees contributed \$318,572 (2017: \$310,700) to the plan in fiscal 2018.

The next valuation will be as at December 31, 2018, with results available in 2019.

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 the individual employers participating in the plan.

**12. COMMITMENTS AND CONTINGENCIES**

**(a) Provincial Ministry of the Attorney General:**

Under an agreement with the Ministry of the Attorney General, the Town is obligated to pay for municipal policing services comprised of nine officers, two clerks, one court liaison officer and a proportionate share of accommodation costs.

**(b) Federal Department of Transportation:**

The Federal Government continues to carry on all functions relating to air navigation and air traffic control, civil aviation security and Canadian inspection services.

**(c) Financial Contracts:**

The Town has the following service operating future obligations:

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

	Total
2019	\$221,101
2020	213,113
2021	214,817
2022	11,941
2023	4,433
	\$665,405

**(d) Contract of Purchase and Sale with Ambleside Projects Ltd.:**

In 2013 the Town of Smithers signed a 15-year purchase/sale agreement with Ambleside Projects Ltd. allowing them to purchase and develop 18 hectares of Town owned Land adjacent to the Willowvale Neighbourhood. In 2013 Ambleside Projects Ltd. purchased 13 lots and 2.2 acres of property, in 2014 they purchased 12 lots and in 2017 they purchased 7 lots. There were no lots purchased in 2018. As of December 31, 2018 the 32 lots sold to Ambleside Projects Ltd. have been developed as residential lots.

**(e) Legal Actions:**

The Town of Smithers has been named defendant in various legal actions. No reserve or liability has been recorded regarding any of the legal actions or possible claims because the amount of loss, if any, is indeterminable. Settlement, if any, made with respect to these actions would be accounted for as a charge to expenditures in the period in which the outcomes are known.

**13. INVESTMENT IN WETZIN'KWA COMMUNITY FOREST CORPORATION**

Pursuant to Section 185 of *the Community Charter*, the Town of Smithers and the Village of Telkwa were given approval by the BC Inspector of Municipalities in 2007 to form two corporations: Wetzin'kwa Management Services Ltd (previously called 0765119 B.C. Ltd.) and Wetzin'kwa Community Forest Corporation. The sole shareholders of Wetzin'kwa Management Services Ltd are the Town of Smithers and the Village of Telkwa, at 100 shares valued at \$1. Wetzin'kwa Management Services Ltd is the sole shareholder of the Wetzin'kwa Community Forest Corporation.

**14. TRUSTS**

The following Trust Fund balance was on hand at the end of December 31, 2018:

	2018	2017
Cemetery and Columbarium Care Trust Fund (Schedule M)	\$93,277	\$88,625

**Town of Smithers**  
**Notes to Consolidated Financial Statements**  
*December 31, 2018*

**15. COMPLIANCE WITH LEGISLATIVE FINANCIAL PLAN REQUIREMENTS**

The legislative requirements for the Financial Plan are that cash inflows for the period must equal cash outflows. Cash inflows and outflows include such items as: debt proceeds, transfers to and from reserves and surplus, debt principal repayment and asset sale proceeds. These items are not recognized as revenues and expenses in the Consolidated Statement of Operations as they do not meet the public sector accounting standard requirements. The legislation does not require (but does not preclude) the funding of non-cash items such as amortization or liability accruals to provide for future cash requirements, thus, there is no legislative requirement to include these items in the Financial Plan. However, these items are recognized as expenses in the Statement of Operations.

Thus, the financial items included in the legislative Financial Plan and the Public Sector Accounting Statement of Operations are different. The purpose of this note is to explain the difference between these two requirements and demonstrate how the legislative requirement for a balanced budget, or Financial Plan net balance of "0", has been met.

	2018	2018 Budget	2017
Accumulated Surplus (Deficit) - Statement of Operations	3,915,128	3,892,415	\$4,157
Adjustments to non-cash items:			
Amortization expense	3,428,774	3,000,000	3,023,862
Tangible Capital Assets (TCA) - contributed	(314,318)	-	(111,281)
(Gain) Loss on disposal of TCA	(14,684)	(13,500)	(45,763)
Actuarial Adjustment	(61,447)	(61,447)	(53,720)
Adjustments for cash items, not recognized as revenue or expenses in the Statement of Operations:			
Tangible Capital Asset costs	(8,072,503)	(10,041,470)	(4,875,748)
Proceeds from sale of Capital Assets	37,500	13,500	155,001
Debt principal repayment	(228,903)	(228,903)	(117,256)
Debenture Issuing Costs	-	-	30,000
Borrowing Proceeds	240,000	240,000	3,000,000
Net Transfers from (to) Statutory Reserves	1,275,001	1,506,625	(427,940)
Net Transfers from (to) Capital Reserves	183,414	837,629	(150,937)
Net Transfers from (to) Operating Surplus	(387,962)	855,151	(430,375)
Balanced Financial Plan/Operations	0	0	0

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Schedule of Changes in Debt**  
 For the Year Ended December 31, 2018

Schedule A

	Town Bylaw #	MFA Issue #	Interest Rate	Maturity Date	Balance December 31 2017	New Proceeds	Annual Principal Payments	Actuarial Adjustments *	Balance December 31 2018
<b>GENERAL CAPITAL</b>									
<i>Debentures:</i>									
Highway 16- 1st Instalment	#1402	#77	1.75%	June 2022	\$173,705	-	(\$15,121)	(\$16,315)	\$142,269
Highway 16- 2nd Instalment	#1427	#79	2.10%	June 2023	203,642	-	(15,121)	(14,818)	173,703
Highway 16- 3rd Instalment	#1328	#81	2.40%	April 2024	232,158	-	(15,121)	(13,392)	203,645
2008 LAS: 2nd Ave Sidewalk	#1548	#105	4.90%	June 2019	5,369	-	(1,924)	(709)	2,736
2009 LAS: 1st Ave Sidewalk	#1597	#110	4.50%	June 2020	5,876	-	(1,430)	(452)	3,994
2012 LAS: 4200 Block 2nd Ave	#1657	#124	3.15%	April 2033	126,585	-	(4,958)	(842)	120,786
New Arena	#1508	#127	3.30%	April 2034	581,861	-	(21,829)	(2,726)	557,308
					1,329,196	-	(75,504)	(49,254)	1,204,438
<b>UTILITY CAPITAL</b>									
<i>Debentures:</i>									
2004 LIP: Railway Ave Sewer	#1443	#81	2.40%	April 2019	6,955	-	(1,799)	(1,593)	3,563
2011 South Trunk Storm Sewer	#1601	#116	4.20%	April 2026	534,993	-	(39,953)	(10,600)	484,440
					541,948	-	(41,752)	(12,193)	488,003
<b>AIRPORT CAPITAL</b>									
<i>Debentures:</i>									
Airport Terminal Modernization	#1808	#142	3.15%	Oct 2037	3,000,000	-	(111,647)	-	2,888,353
<b>Short Term Borrowing</b>									
Airport Sweeper	#1833		variable	Dec 2023	-	240,000	-	-	240,000
					3,000,000	240,000	(111,647)	-	3,128,353
<b>TOTAL</b>					\$4,871,144	\$240,000	(\$228,903)	(\$61,447)	\$4,820,794

\* Actuarial adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

	Principal Repayments on current debt, due within five years			
	General	Utility	Airport	Total
2019	\$75,504	\$41,752	\$159,647	\$276,903
2020	73,580	39,953	159,647	\$273,180
2021	72,150	39,953	159,647	\$271,750
2022	72,150	39,953	159,647	\$271,750
2023	57,028	39,953	159,647	\$256,628
<b>total</b>	<b>\$350,412</b>	<b>\$201,564</b>	<b>\$798,235</b>	<b>\$1,350,211</b>

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Schedule of Changes in Tangible Capital Assets and Accumulated Amortization**  
*For the Year Ended December 31, 2018*

Schedule B

	Land	Buildings	Machinery & Equipment	Engineered Structures	Utilities	Office Equip Computers	Work in Progress	2018 Total	2017 Total
<b>TANGIBLE CAPITAL ASSETS - COST</b>									
Opening Balance	\$7,901,106	\$21,358,662	\$9,985,272	\$42,412,959	\$33,090,100	\$669,865	\$2,910,484	\$118,328,548	\$113,680,234
Add: Additions	92,289	6,234,633	780,728	796,395	107,630	32,165	28,663	8,072,503	4,875,748
Add: Donated Assets	-	-	-	302,318	12,000	-	-	314,318	111,281
Work In Progress	-	2,910,484	-	-	-	-	(2,910,484)	-	-
Less: Disposals	-	-	(209,713)	-	-	-	-	(209,713)	(338,715)
Closing Balance	<u>7,993,395</u>	<u>30,503,779</u>	<u>10,556,287</u>	<u>43,511,672</u>	<u>33,209,730</u>	<u>702,130</u>	<u>28,663</u>	<u>126,505,656</u>	<u>118,328,548</u>
<b>ACCUMULATED AMORTIZATION</b>									
Opening Balance	-	10,724,606	6,550,559	22,799,688	19,610,051	603,325	-	60,288,229	57,493,844
Add: Amortization	-	1,042,414	533,735	1,229,779	603,903	18,943	-	3,428,774	3,023,862
Less: Acc. Amortization on Disposals	-	-	(186,898)	-	-	-	-	(186,898)	(229,477)
Closing Balance	<u>-</u>	<u>11,767,020</u>	<u>6,897,396</u>	<u>24,029,467</u>	<u>20,213,954</u>	<u>622,268</u>	<u>-</u>	<u>63,530,105</u>	<u>60,288,229</u>
 Net Book Value for year ended December 31, 2018	 <u>\$7,993,395</u>	 <u>\$18,736,759</u>	 <u>\$3,658,891</u>	 <u>\$19,482,205</u>	 <u>\$12,995,776</u>	 <u>\$79,862</u>	 <u>\$28,663</u>	 <u>\$62,975,551</u>	
 Net Book Value, year ended December 31, 2017	 <u>\$7,901,106</u>	 <u>\$10,634,056</u>	 <u>\$3,434,713</u>	 <u>\$19,613,271</u>	 <u>\$13,480,049</u>	 <u>\$66,640</u>	 <u>\$2,910,484</u>	 <u>\$58,040,319</u>	

# Smithers 2018 Audited Financial Statements

## Town of Smithers

### Schedule of Net Taxation and Grants in Lieu

For the Year Ended December 31, 2018

Schedule C

	2018	2018 Budget	2017
<b>TOTAL MUNICIPAL TAXATION</b>			
Real Property Taxes - Municipal	\$6,208,106	\$6,134,998	\$5,958,462
Penalties and Interest on Taxes	71,809	57,000	69,976
Local Improvement (Local Area Service) Taxes	18,338	18,338	21,711
1% Utility Taxes	152,878	153,404	147,876
Grants in Lieu of Taxes	221,603	231,500	227,289
	6,672,734	6,595,240	6,425,314
<b>Plus: TAXES COLLECTED ON BEHALF OF OTHER TAXING AUTHORITIES</b>	4,737,731	4,869,190	4,628,966
<b>OTHER TAXES: 2% Hotel Taxes</b>	210,075	180,000	152,337
Total Taxes Collected	11,620,540	11,644,430	11,206,617
<b>Less: TAXES PAID TO OTHER TAXING AUTHORITIES</b>			
Ministry of Finance (School Taxes)	(2,390,455)	(2,570,000)	(2,377,265)
Bulkley Nechako Regional District	(1,628,939)	(1,550,000)	(1,520,538)
Regional Hospital District	(665,662)	(685,000)	(677,902)
BC Assessment	(52,468)	(64,000)	(53,066)
Municipal Finance Authority	(207)	(190)	(195)
	(4,737,731)	(4,869,190)	(4,628,966)
<b>TOTAL</b>	\$6,882,809	\$6,775,240	\$6,577,651

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Schedule of Government Transfers/Grant Revenue**  
*For the Year Ended December 31, 2018*

Schedule D

	2018	2018 Budget	2017
<i>Provincial</i>			
BC Rural Dividend Fund	37,152	\$120,000	-
BC Air Access Funds	712,500	750,000	-
Carbon Tax Rebate	\$19,233	17,500	\$16,686
Clean Water Grant Funds	58,537	20,750	410,413
Highway 16 Improvement Funds	10,000	10,000	10,000
Library Operating	26,592	26,592	26,592
Other grants	-	-	1,000
Planning	10,000	10,000	-
Small Community Unconditional Grant	534,628	525,000	527,502
Traffic Fines Revenue Sharing	71,140	80,000	74,556
<i>Federal</i>			
Canada Day Grant	1,250	1,300	1,300
Gas Tax from the Community Works Fund	293,905	293,906	283,634
Gas Tax from the Strategic Priorities Fund	3,218,995	3,818,995	-
<i>Regional District</i>			
Emergency Services Contribution	3,000	3,000	3,000
Rural Contribution to Capital Projects	400,000	400,000	75,000
Rural Fire Protection Cost Sharing	180,698	186,000	170,506
Rural Recreation and Culture Cost Sharing	262,946	265,041	267,072
Transit Service Contribution	10,000	10,000	10,000
<i>UBCM</i>			
Age Friendly Program	2,100	-	-
Community to Community Forum	2,574	5,000	6,355
Emergency Social Services Grant	20,525	25,000	-
Emergency Operations Centre Grant	22,122	25,000	-
<i>Northern Trust Development Initiative</i>			
Economic Development Capacity Building	27,166	50,000	50,000
Community Grant Writer	8,000	8,000	8,000
Airport Modernization Project	125,000	125,000	-
Local Government Intern Program	8,459	10,000	20,465
Façade Improvements Program	18,559	20,000	14,773
<i>Other</i>			
MIA Risk Management Grant	11,242	10,000	-
FCM Asset Management Grant	32,248	-	-
Miscellaneous Other	39,546	89,420	41,687
<b>TOTAL</b>	<b>\$6,168,117</b>	<b>\$6,905,504</b>	<b>\$2,018,541</b>



# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Schedule of Consolidated Expenditures by Object**  
*For the Year Ended December 31, 2018*

Schedule E

	2018	2018 Budget	2017
<b>TYPES OF EXPENDITURES</b>			
Advertising and Promotion	\$52,605	\$52,166	\$57,931
Amortization	3,428,774	3,000,000	3,023,862
Contracted Services	1,654,783	1,504,588	1,432,782
Grants to Organization/Fee Waivers	150,934	154,383	203,490
Hydro	481,761	457,606	456,307
Insurance	189,547	190,271	175,714
Interest on Debt	188,857	188,287	116,633
Materials and Supplies	937,021	936,468	919,149
Miscellaneous	106,058	125,011	138,354
Natural Gas	89,769	95,700	93,499
RCMP Contract	1,370,773	1,551,132	1,291,882
Special Operating Projects	495,082	793,680	144,261
Telephone	93,064	88,032	88,713
Travel, Training, Memberships	168,289	197,520	184,804
Wages and Employee Benefits/Council Stipends	5,492,124	5,509,067	5,305,131
<b>TOTAL</b>	<b>\$14,899,441</b>	<b>\$14,843,911</b>	<b>\$13,632,512</b>

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Statement of Operations - by Segment**  
*For the Year Ended December 31, 2018*

Schedule F

	General Government	Protective Services incl RCMP	Transportation & Transit	Solid Waste Management/ Recycling	Public Health/ Cemetery
<b>REVENUE</b>					
Property Taxation	\$1,323,126	\$2,193,583	\$1,363,702	-	\$22,075
Government Transfers/Grants	181,477	363,330	216,323	-	1,912
Service Charges/User Fees	82,079	124,613	102,062	\$360,057	39,418
Investment Income	40,495	15,926	40,227	-	462
Net Gain Disposal of Assets	-	-	-	-	-
Other Revenue	181,646	1,305	1,559	-	-
<b>Total</b>	<b>1,808,823</b>	<b>2,698,757</b>	<b>1,723,873</b>	<b>360,057</b>	<b>63,867</b>
<b>EXPENSES</b>					
Amortization expense	96,593	140,027	780,371	50,678	1,913
Goods and Services	493,111	1,749,357	821,333	91,526	18,960
Interest on Debt	-	-	38,238	-	-
Miscellaneous	-	-	-	-	-
Salaries, Wages and Benefits	1,104,798	800,986	772,591	142,976	37,526
<b>Total</b>	<b>1,694,502</b>	<b>2,690,370</b>	<b>2,412,533</b>	<b>285,180</b>	<b>58,399</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$114,321</b>	<b>\$8,387</b>	<b>(\$688,660)</b>	<b>\$74,877</b>	<b>\$5,468</b>

# Smithers 2018 Audited Financial Statements

Schedule F

Development Services/Econ Dev/Tourism	Recreation & Culture incl Library	Utilities (Water/Sewer/ Storm)	Airport	Capital and Reserve Funds	Total 2018	Total 2017
\$651,848	\$812,150	\$3,441	-	\$512,884	\$6,882,809	\$6,577,651
110,907	431,741	42,248	-	4,820,179	6,168,117	2,018,541
149,666	566,965	1,383,652	\$1,790,900	9,662	4,609,074	4,349,716
12,594	27,208	-	299	112,273	249,484	158,352
-	-	-	-	17,772	17,772	45,763
-	93,300	-	-	609,503	887,313	486,646
925,015	1,931,364	1,429,341	1,791,199	6,082,273	18,814,569	13,636,669
6,621	485,505	556,576	1,310,490	-	3,428,774	3,023,862
437,952	877,429	613,187	686,831	-	5,789,686	5,296,992
-	21,450	34,532	94,638	-	188,858	116,633
-	-	-	-	-	-	30,000
432,193	1,039,816	496,516	664,721	-	5,492,123	5,165,025
876,766	2,424,200	1,700,811	2,756,680	-	14,899,441	13,632,512
\$48,249	(\$492,836)	(\$271,470)	(\$965,481)	\$6,082,273	\$3,915,128	\$4,157



**Airport - New Boarding Lounge**

EDMISON MEHR  
CHARTERED PROFESSIONAL ACCOUNTANTS

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JEANNE M. MACNEIL, B.Comm, CPA, CA

INDEPENDENT AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Council of  
Town of Smithers  
Smithers, BC

We have audited the consolidated financial statements of the Town of Smithers, which comprise the Consolidated Statement of Financial Position as at December 31, 2018, and the Consolidated Statements of Operations, Cash Flows, and Net Financial Assets for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 14, 2019. The following supplementary financial information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the consolidated financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

Smithers, BC  
May 14, 2019

  
Edmison Mehr

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Statement of Financial Position - by Fund**  
*December 31, 2018*

Schedule G

	Operating Funds			
	General Operating	Utility Operating	Airport Operating	RCMP Operating
<b>FINANCIAL ASSETS</b>				
Cash and Investments	\$6,514,560	-	-	-
Accounts Receivable	1,658,120	-	(\$2,153)	-
Deposit - Municipal Finance Authority	35,393	\$10,656	30,808	-
Loan Receivable	-	-	-	-
Due from Own Funds	-	1,385,531	1,056,335	\$599,269
Investment in Wetzin'kwa Community Forest Corporation	1	-	-	-
	<u>8,208,074</u>	<u>1,396,187</u>	<u>1,084,990</u>	<u>599,269</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	2,201,418	-	66,837	-
Due to Own Funds	3,935,146	-	-	-
Restricted Revenue - Municipal Finance Authority	35,393	10,656	30,808	-
Deferred Revenues	581,780	-	27,264	-
Long Term Debt (Schedule A)	-	-	-	-
	<u>6,753,737</u>	<u>10,656</u>	<u>124,909</u>	<u>-</u>
<b>NET FINANCIAL ASSETS</b>	<u>1,454,337</u>	<u>1,385,531</u>	<u>960,081</u>	<u>599,269</u>
<b>NON FINANCIAL ASSETS</b>				
Tangible Capital Assets (Schedule B)	-	-	-	-
Prepaid Expenses and Supplies Inventory	240,334	61,320	71,892	-
	<u>240,334</u>	<u>61,320</u>	<u>71,892</u>	<u>-</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$1,694,671</u>	<u>\$1,446,851</u>	<u>\$1,031,973</u>	<u>\$599,269</u>
<b>ACCUMULATED SURPLUS IS COMPRISED OF:</b>				
Operating Funds (Schedules H and I)	\$1,694,671	\$1,446,851	\$1,031,973	\$599,269
Capital Funds and Equity (Schedules H and J)	-	-	-	-
Reserve Funds (Schedules H and K)	-	-	-	-
	<u>\$1,694,671</u>	<u>\$1,446,851</u>	<u>\$1,031,973</u>	<u>\$599,269</u>

# Smithers 2018 Audited Financial Statements

Schedule G

Capital Equity & Capital Funds	Statutory Reserve Funds	Library Operations Consolidated	Other Consolidated Adjustments	Consolidated 2018	Consolidated 2017
-	\$2,493,051	\$173,003	-	\$9,180,614	\$11,907,110
-	-	6,457	-	1,662,424	940,921
-	-	-	-	76,857	45,069
\$2,109	-	-	-	2,109	7,109
894,011	-	-	(3,935,146)	-	-
-	-	-	-	1	1
896,120	2,493,051	179,460	(3,935,146)	10,922,005	12,900,210
-	-	32,923	-	2,301,178	2,988,611
-	-	-	(3,935,146)	-	-
-	-	-	-	76,857	45,069
-	-	15,880	-	624,924	844,251
4,820,794	-	-	-	4,820,794	4,871,144
4,820,794	-	48,803	(3,935,146)	7,823,753	8,749,075
(3,924,674)	2,493,051	130,657	-	3,098,252	4,151,135
62,975,551	-	-	-	62,975,551	58,040,319
-	-	2,175	-	375,721	342,942
62,975,551	-	2,175	-	63,351,272	58,383,261
\$59,050,877	\$2,493,051	\$132,832	-	\$66,449,524	\$62,534,396
-	-	\$132,832	-	\$4,905,596	\$4,517,635
\$59,050,877	-	-	-	59,050,877	54,248,710
-	\$2,493,051	-	-	2,493,051	3,768,051
\$59,050,877	\$2,493,051	\$132,832	-	\$66,449,524	\$62,534,396

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Statement of Operations - by Fund**  
*For the Year Ended December 31, 2018*

Schedule H

	General Operating Fund	Utility Operating Fund	Airport Operating Funds	RCMP Operating Funds
<b>REVENUE</b> (Schedule F)				
Property Taxation and Grants in Lieu (Schedule C)	\$4,726,076	\$3,442	-	\$1,640,407
Government Transfers/Grants (Schedule D)	1,086,327	42,248	-	71,140
Service Charges/User Fees (Schedule L)	1,390,666	1,383,652	\$1,790,900	16,760
Investments/Actuarial Adjustments	133,957	-	299	-
Net Gain Disposal of Assets	-	-	-	-
Other Revenue	277,663	-	-	-
	<u>7,614,689</u>	<u>1,429,342</u>	<u>1,791,199</u>	<u>1,728,307</u>
<b>EXPENSES</b> (Schedules E and F)				
General Government Services	1,597,910	-	-	-
Protective Services	923,239	-	-	1,676,215
Transportation and Transit Services	1,838,790	-	-	-
Solid Waste Management/Recycling Services	234,502	-	-	-
Public Health/Cemetery Services	56,486	-	-	-
Development Services/Economic Development/Tourism	870,145	-	-	-
Recreation and Cultural Services	1,777,342	-	-	-
Utility Services (Water, Sewer, Stormsewer)	-	1,144,235	-	-
Airport Services	-	-	1,464,117	-
Net Loss on Tangible Capital Assets disposals	-	-	-	-
	<u>7,298,414</u>	<u>1,144,235</u>	<u>1,464,117</u>	<u>1,676,215</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>316,275</u>	<u>285,107</u>	<u>327,082</u>	<u>52,092</u>
<b>OTHER EXPENSES</b>				
Less: Annual Principal Payments	75,504	41,752	111,647	-
	<u>75,504</u>	<u>41,752</u>	<u>111,647</u>	<u>-</u>
<b>INTERFUND TRANSFERS</b>				
Transfer (to) From Capital Funds	(7,547)	(94,832)	(229,819)	-
Transfer (to) From Operating funds	84,552	-	(123,452)	-
Transfer (to) From Reserve Funds	-	-	-	-
	<u>77,005</u>	<u>(94,832)</u>	<u>(353,271)</u>	<u>-</u>
<b>Change in Accumulated Surplus Balances</b>	<u>317,776</u>	<u>148,523</u>	<u>(137,836)</u>	<u>52,092</u>
<b>Accumulated Surplus Balances, beginning of year</b>	<u>1,376,895</u>	<u>1,298,328</u>	<u>1,169,809</u>	<u>547,177</u>
<b>Accumulated Surplus Balances, end of year</b>	<u>\$1,694,671</u>	<u>\$1,446,851</u>	<u>\$1,031,973</u>	<u>\$599,269</u>



# Smithers 2018 Audited Financial Statements

Schedule H

Library Operations	Total Operating Funds	Capital Funds	Statutory Reserve Funds	Consolidated Adjustments	Consolidated 2018	Consolidated 2017
Schedule I		Schedule J	Schedule K			
-	\$6,369,925	-	\$512,884	-	\$6,882,809	\$6,577,651
\$377,365	1,577,080	\$4,820,179	-	(\$229,142)	6,168,117	2,018,541
17,434	4,599,412	9,662	-	-	4,609,074	4,349,716
2,955	137,211	72,050	40,223	-	249,484	158,352
-	-	14,684	3,088	-	17,772	45,763
31,049	308,712	500,392	382,778	(304,569)	887,313	486,646
428,803	12,992,340	5,416,967	938,973	(533,711)	18,814,569	13,636,669
-	1,597,910	96,593	-	-	1,694,503	1,630,920
-	2,599,454	140,027	-	(49,112)	2,690,369	2,452,508
-	1,838,790	780,371	-	(206,691)	2,412,470	2,126,949
-	234,502	50,678	-	-	285,180	283,952
-	56,486	1,913	-	-	58,399	56,106
-	870,145	6,621	-	-	876,766	873,825
421,397	2,198,739	485,505	-	(260,044)	2,424,200	2,303,813
-	1,144,235	556,576	-	-	1,700,811	1,652,346
-	1,464,117	1,310,490	-	(17,864)	2,756,743	2,252,093
-	-	-	-	-	-	0
421,397	12,004,378	3,428,774	-	(533,711)	14,899,441	13,632,512
7,406	987,962	1,988,193	938,973	-	3,915,128	4,157
-	228,903	(228,903)	-	-	-	-
-	228,903	(228,903)	-	-	-	-
-	(332,198)	332,198	-	-	-	-
-	(38,900)	-	38,900	-	-	-
-	-	2,252,873	(2,252,873)	-	-	-
-	(371,098)	2,585,071	(2,213,973)	-	-	-
7,406	387,961	4,802,167	(1,275,000)	-	3,915,128	4,157
125,426	4,517,635	54,248,710	3,768,051	-	62,534,396	62,530,239
\$132,832	\$4,905,596	\$59,050,877	\$2,493,051	-	\$66,449,524	\$62,534,396

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Statement of Changes in Operating Funds**  
*For the Year Ended December 31, 2018*

Schedule I

	General Operating Surplus	Appropriated General Operating Surplus					Donated Funds Reserve
		Recycling Operating Reserve	Emergency Services Operating Reserve	Economic Development Operating Reserve	Legal Reserve	Contaminate Site Operating Reserve <sup>4</sup>	
<i>Transfers</i>							
Transfer to own Funds	(126,271)	-	-	-	-	-	-
Transfer from own Funds	\$234,512	\$12,500	-	20,000	-	175,000	\$10,000
Use of Surplus to fund Tangible Capital Assets	(7,965)	-	-	-	-	-	-
Net Change in Operating Fund Balances	100,276	12,500	-	20,000	-	175,000	10,000
Operating Funds, beginning of year	1,238,524	48,429	25,985	608	14,549	-	48,800
Operating Funds, end of year	\$1,338,800	\$60,929	\$25,985	\$20,608	\$14,549	\$175,000	\$58,800

# Smithers 2018 Audited Financial Statements

Schedule I

Total General Operating Surplus	Utility Operating Surplus	Airport Operating Surplus	RCMP Operating Surplus	Total Town Operating Funds	Library Operating Reserves	Total 2018	Total 2017
(\$126,271)	(\$72,843)	(30,172)	(\$150,953)	(\$380,239)	(8,000)	(\$388,239)	(\$256,377)
452,012	316,198	\$122,155	203,045	1,093,410	\$15,406	1,108,816	815,981
(7,965)	(94,832)	(229,819)	-	(332,616)	-	(332,616)	(129,229)
317,776	148,523	(137,836)	52,092	380,555	7,406	387,961	430,375
1,376,895	1,298,328	1,169,809	547,177	4,392,209	125,426	4,517,635	4,087,260
<b>\$1,694,671</b>	<b>\$1,446,851</b>	<b>\$1,031,973</b>	<b>\$599,269</b>	<b>\$4,772,764</b>	<b>\$132,832</b>	<b>\$4,905,596</b>	<b>\$4,517,635</b>

# Smithers 2018 Audited Financial Statements

## Town of Smithers

### Statement of Changes in Capital Funds/Equity in Tangible Capital Assets

For the Year Ended December 31, 2018

Schedule J

	Capital Reserves and Other			
	Debenture Surplus Capital Funds	Cemetery Capital Funds	Second Sheet Ice Capital Reserve	Wetzin'kwa Grant Capital Reserve
<i>Revenue</i>				
Government Transfers/Grants	-	-	-	-
Service Charges/User Fees	-	\$9,662	-	-
Investment Income	-	-	-	1,698
Other Revenue incl donated value Tangible Capital Asset	-	-	-	35,000
Net Gain on Disposal of Tangible Capital Assets	-	-	-	-
	<u>-</u>	<u>9,662</u>	<u>-</u>	<u>36,698</u>
<i>Expenses</i>				
General Government Services	-	-	-	-
Protective Services	-	-	-	-
Transportation and Transit Services	-	-	-	-
Solid Waste Management/Recycling Services	-	-	-	-
Public Health/Cemetery Services	-	-	-	-
Development Services/Economic Development/Tourism	-	-	-	-
Recreation and Cultural Services	-	-	-	-
Utility Services (Water, Sewer, Stormsewer)	-	-	-	-
Airport Services	-	-	-	-
Net Loss on Disposal of Tangible Capital Assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Annual Surplus (Deficit)</i>	-	9,662	-	36,698
<i>Other Expenses</i>				
Debt Principal Payments	-	-	-	-
Proceeds from Issuance of Debt	-	-	-	-
Tangible Capital Assets Acquired	-	-	-	-
	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Interfund Transfers</i>				
Transfer to (from) own Funds	(415,224)	-	(13,890)	-
Transfer (to) from Operating Funds	-	-	-	(25,917)
Transfer (to) from Statutory Reserve Funds	-	-	-	-
	<u>(415,224)</u>	<u>-</u>	<u>(13,890)</u>	<u>(25,917)</u>
Change in Capital Fund Balances	-415,224	9,662	(13,890)	10,781
Capital Funds, beginning of year	429,381	28,780	\$13,890	94,439
Capital Funds, end of year	<u>\$14,157</u>	<u>\$38,442</u>	<u>\$0</u>	<u>\$105,220</u>

# Smithers 2018 Audited Financial Statements

Schedule J

Gas Tax Capital Reserve	Facilities Maintenance Capital Reserve	New Library & Art Gallery Capital Reserve	Tangible Capital Assets	Total Capital Funds	Equity in Tangible Capital Assets	Total 2018	Total 2017
\$293,905	-	-	\$4,526,274	\$4,820,179	-	\$4,820,179	\$769,047
-	-	-	-	9,662	-	9,662	8,773
6,449	\$1,713	\$743	-	10,603	\$61,447	72,050	57,513
-	-	149,775	315,617	500,392	-	500,392	151,281
-	-	-	37,500	37,500	(22,816)	14,684	-
300,354	1,713	150,518	4,879,391	5,378,336	38,631	5,416,967	986,614
-	-	-	-	-	96,593	96,593	93,867
-	-	-	-	-	140,027	140,027	118,468
-	-	-	-	-	780,371	780,371	746,197
-	-	-	-	-	50,678	50,678	50,678
-	-	-	-	-	1,913	1,913	1,913
-	-	-	-	-	6,621	6,621	7,431
-	-	-	-	-	485,505	485,505	480,204
-	-	-	-	-	556,576	556,576	559,931
-	-	-	-	-	1,310,490	1,310,490	995,173
-	-	-	-	-	-	-	66,738
-	-	-	-	-	3,428,774	3,428,774	3,120,600
300,354	1,713	150,518	4,879,391	5,378,336	(3,390,143)	1,988,193	(2,133,986)
-	-	-	-	-	228,903	228,903	117,256
-	-	-	240,000	240,000	(240,000)	-	-
-	-	-	(8,386,821)	(8,386,821)	8,386,821	-	-
-	-	-	(8,146,821)	(8,146,821)	8,375,724	228,903	117,256
(246,328)	(6,500)	-	681,942	-	-	-	-
-	25,500	-	332,615	332,198	-	332,198	154,229
-	-	-	2,252,873	2,252,873	-	2,252,873	1,008,343
(246,328)	19,000	-	3,267,430	2,585,071	-	2,585,071	1,162,572
54,026	20,713	150,518	-	(183,414)	4,985,581	4,802,167	(854,158)
345,670	120,710	-	46,665	1,079,535	53,169,175	54,248,710	55,102,868
\$399,696	\$141,423	\$150,518	\$46,665	\$896,121	\$58,154,756	\$59,050,877	\$54,248,710

# Smithers 2018 Audited Financial Statements

**Town of Smithers**  
**Statement of Changes in Reserve Funds**  
*For the Year Ended December 31, 2018*

Schedule K

	Machinery and Equipment Replacement Reserve	Capital Works Land Sales Reserve	Parking Space Reserve	Recreation Facilities Reserve	Parkland Reserve	Infrastructure Reserve
	Bylaw #898	Bylaw #899	Bylaw #1292	Bylaw #1314	Bylaw #1330	Bylaw #1361
<i>Revenue</i>						
Property Taxation	-	-	-	-	-	\$512,884
Investment Income	\$18,131	\$1,207	\$470	\$408	\$585	1,028
Disposal Proceeds on Tangible Capital Assets	31	2,200	-	-	-	-
Other Revenue	364,914	-	-	-	-	-
	<u>383,076</u>	<u>3,407</u>	<u>470</u>	<u>408</u>	<u>585</u>	<u>513,912</u>
<i>Annual Surplus (Deficit)</i>	<u>383,076</u>	<u>3,407</u>	<u>470</u>	<u>408</u>	<u>585</u>	<u>513,912</u>
<i>Intertund Transfers</i>						
Transfer (to) from Operating Funds	28,800	-	-	-	-	(121,827)
Transfer (to) from Capital Funds	(419,434)	(501,366)	-	(8,371)	-	(517,431)
	<u>(390,634)</u>	<u>(501,366)</u>	<u>-</u>	<u>(8,371)</u>	<u>-</u>	<u>(639,258)</u>
Change in Statutory Reserve Fund Balances	(7,558)	(497,959)	470	(7,963)	585	(125,346)
Statutory Reserve Funds, beginning of year	1,131,239	572,791	28,681	33,229	35,656	189,034
Statutory Reserve Funds, end of year	<u>\$1,123,681</u>	<u>\$74,832</u>	<u>\$29,151</u>	<u>\$25,266</u>	<u>\$36,241</u>	<u>\$63,688</u>

# Smithers 2018 Audited Financial Statements

Schedule K

Airport Machinery and Equipment Replacement Reserve	Local Area Service Fund	Forestry Reserve	Airport Infrastructure Reserve	Ambleside Subdivision Reserve	Greenhouse Gas Emission Reduction Reserve	Total 2018	Total 2017
Bylaw #1368	Bylaw #1389	Bylaw #1554	Bylaw #1675	Bylaw #1701	Bylaw #1751		
-	-	-	-	-	-	\$512,884	\$474,985
\$64	-	\$2,389	\$13,375	\$1,640	\$926	40,223	\$30,645
857	-	-	-	-	-	3,088	112,501
17,854	-	-	-	-	-	382,778	514,054
18,785	-	2,389	13,375	1,640	926	938,973	1,132,185
18,785	-	2,389	13,375	1,640	926	938,973	1,132,185
-	-	(6,750)	123,452	-	15,225	38,900	304,098
(107,862)	-	-	(688,409)	-	(10,000)	(2,252,873)	(1,008,343)
(107,862)	-	(6,750)	(564,957)	-	5,225	(2,213,973)	(704,245)
(89,077)	-	(4,361)	(551,582)	1,640	6,151	(1,275,000)	427,940
93,046	\$131	152,439	1,380,531	100,026	51,248	3,768,051	3,340,111
\$3,969	\$131	\$148,078	\$828,949	\$101,666	\$57,399	\$2,493,051	\$3,768,051

**Town of Smithers**  
**Schedule of Service Charges/User Fees**  
*For the Year Ended December 31, 2018*

Schedule L

	2018	2018 Budget	2017
<i>General Fund</i>			
General Government Fees and Charges	\$179,655	\$144,898	\$159,878
Protective Services Fees and Charges	91,225	65,500	92,057
Transportation/Transit Fees and Charges	60,063	66,893	54,273
Solid Waste Management Fees and Charges	360,057	347,474	352,658
Cemetery/Public Health Fees and Charges	38,936	32,595	34,472
Development Services/Tourism/Econ Devt Fees	136,514	122,650	125,236
Recreation & Culture Fees and Charges	524,215	530,950	537,996
<i>Utility Fund</i>			
Water Services Fees and Charges	636,386	627,518	613,968
Sewer Services Fees and Charges	747,267	724,823	707,542
<i>RCMP Fund</i>			
RCMP Fees and Charges	16,760	19,000	19,346
<i>Airport Fund</i>			
Airport Fees and Charges	1,790,900	1,636,330	1,626,393
<i>Capital Fund</i>			
Cemetery Capital Development Reserve Fees	9,662	3,000	8,773
<i>Library</i>			
Library Fees and Charges	17,434	16,000	17,124
<b>TOTAL</b>	<b>\$4,609,074</b>	<b>\$4,337,631</b>	<b>\$4,349,716</b>



# Smithers 2018 Audited Financial Statements

**Town of Smithers**

**Schedule of Fund Position for the Cemetery and Columbarium Trust Fund**

*For the Year Ended December 31, 2018*

Schedule M

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash and Investments	\$93,277	\$88,625
<b>NET FINANCIAL ASSETS</b>	\$93,277	\$88,625
 <b>FINANCIAL POSITION</b>		
Fund Balance, beginning of year	\$88,625	\$84,843
Contributions	4,652	3,782
Fund Balance, end of year	\$93,277	\$88,625

The Cemetery Care and Columbarium Care Trust Fund is excluded from the Consolidated Financial Statements. The Town administers the Trust Fund for the perpetual care and maintenance of the Town owned cemetery and columbarium. As per the Cemetery Act, only the interest on the Trust Funds are used for cemetery operational purposes.



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