



2020 Annual Report

FOR THE YEAR ENDED DECEMBER 31, 2020

Prepared and produced by *Corporate Services of the Town of Smithers* | Smithers, British Columbia, Canada

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Town of Smithers Community Profile

Smithers has a population of 5,351, as per 2016 Statistics Canada, with another 6,817 people in the surrounding area. Smithers offers a greater variety of amenities and services compared to other towns of similar 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 aboriginal people of the 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 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 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 on the Province's west coast, Smithers is well situated to tap into international trade opportunities.

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 for an expanded community profile.



Riverside Campground

Message from the Mayor

Dear Smithers Residents,

What a year 2020 was! The year of the pandemic, a year of incredible change and adaptation. We saw plexiglass installed between customers and service providers, using hand sanitizer and wearing masks became second nature. We learned to visit each other at a distance, and to conduct work and education via online video platforms.

While we were challenged indeed, as always people rise to challenges. Online communities were created to help seniors and people who live alone; we banged pots and pans to say thank you to health care workers; we figured out how to support our local businesses and how to have vacations at home. We all learned how good (or bad) our internet service was and how much we rely on it.



For the Town of Smithers one of our greatest challenges came when regularly scheduled commercial flights were cancelled at the Smithers Regional Airport. While the airport continued to see charter and private planes during summer of 2020, the loss of scheduled flights created a serious economic challenge. There was a collective community sigh of relief when the first Air Canada flight landed at YYD in October after a 6-month absence.

We heard from restaurants and craft breweries they would need help to create outdoor seating and the Town altered procedures to give quick approvals to businesses wanting to establish patios on sidewalks.

For most of 2020 the Town operated its Emergency Operations Centre dealing with pandemic driven issues and problems. One result was the emergency homeless camp established which provided a measure of security for individuals at high risk. Community social service agencies, BC Housing, the private sector and Town staff worked together very quickly to provide much needed shelter. That project was recognized provincially.

At the Town we initiated virtual roundtables to connect with social service agencies and for economic transition and recovery. Those roundtables helped us to better understand what challenges were faced in our community and how we could help each other.

I want to acknowledge the dedication of our Town of Smithers staff who adapted quickly to work through the pandemic, providing the services we depend on. Of special note is that our Town Hall was never closed to the public, while many local governments did close their doors to the public moving to telephone or online service only. Meetings, including Council meetings did move to virtual platforms and we all look forward to welcoming people into our Council Chambers again when we can.

On behalf of Town Council, we look forward to working with you our residents and businesses as we continue down the road to recovery. Smithers is an amazing community with so much to be proud of, especially the resilience, creativity, and spirit of those who call this place home.

Sincerely,



Gladys Atrill
Mayor

Town Council | 2020



L-R: Councillor John Buikema, Councillor Mika Meyer, Councillor Greg Brown, Mayor Gladys Atrill, Councillor Frank Wray, Councillor Casda Thomas, and Councillor Lorne Benson.

Smithers Town Council - Committee Appointments

MAYOR GLADYS ATRILL

- Access Smithers Society
- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee (Alternate)
- Northwest Regional Advisory Committee (Northern Development Initiative Trust)
- North West Regional Hospital District Board
- Regional District of Bulkley Nechako Board
- Smithers District Transit Committee
- Tenas Coal Project - Working Group/Mine Review Committee

COUNCILLOR LORNE BENSON

- Advisory Planning Commission (Alternate)
- Smithers and District Chamber of Commerce
- Fall Fair Management Committee (Alternate)
- Municipal Insurance Association of British Columbia
- Smithers District Transit Committee

COUNCILLOR GREG BROWN

- Finance Committee, Chair
- Bulkley Valley Lakes District Airshed Management Society
- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee
- Cycle 16 Society
- Dze L K'ant Friendship Centre - National Indigenous Peoples Day Committee

COUNCILLOR JOHN BUIKEMA

- Finance Committee Vice-Chair
- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee
- Municipal Insurance Association of British Columbia (Alternate)
- Smithers Library Board
- Smithers Skate Park Society
- Centennial Celebration Event Planning Committee

COUNCILLOR MIKA MEYER

- Bulkley Valley Regional Pool and Recreation Centre Advisory Committee (Alternate)
- Fall Fair Management Committee
- Smithers Art Gallery
- Smithers District Transit Committee
- Smithers Health Committee (Alternate)
- Smithers Multicultural Society

COUNCILLOR CASDA THOMAS

- Advisory Planning Commission
- Northwest Regional Advisory Committee – NDIR (Alternate)
- Smithers Health Committee

COUNCILLOR FRANK WRAY

- Bulkley Valley Museum
- Fall Fair Management Committee
- Northwest Regional Hospital District Board (Alternate)
- Regional District of Bulkley Nechako Board (Alternate)
- Tenas Coal Project – Working Group/ Mine Review Committee

Council's Strategic Plan | 2019-2022

At the end of March 2019, Council and Senior Management convened for a day and a half in a strategic planning workshop. The purpose of the workshop was to identify the Strategic Priorities that Council wished to focus on during their Council term, 2019-2022.

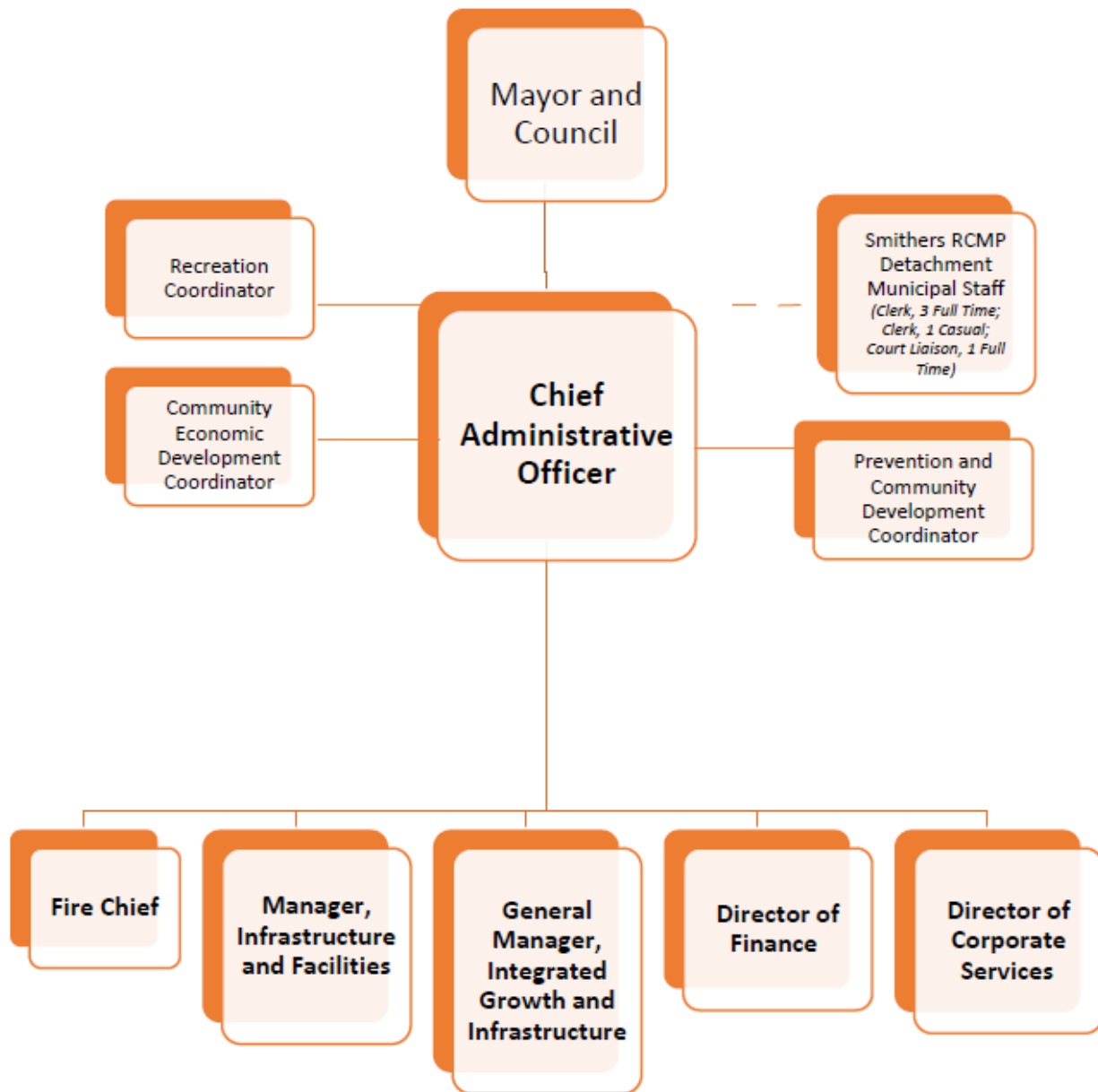
Council first established the following six Focus Areas, which describe the range of community systems that they are responsible for, and that they wish to take leadership on. While each of these Focus Areas describe a specific community topic, they are inter-connected, and many initiatives are related to more than one Focus Area. The six Focus Areas are:



Once a clear picture of the goals, descriptions of success and key positive and negative factors were determined, Council and staff then identified 14 strategic initiatives to be undertaken:

1. Our Economy – Improve the long-term viability of the airport.
2. Our Economy – Improve housing affordability and diversity in the community.
3. Our Economy – Increase community economic development.
4. Community Livability – Enhance vitality of downtown, including Central Park.
5. Community Livability – Enhance community life, culture and recreation.
6. Community Livability – Increase and facilitate active transportation.
7. Community Livability – Update Smithers' Official Community Plan and Zoning Bylaw.
8. Environmental Responsibility – Reduce corporate greenhouse gases and facilitate the reduction of community greenhouse gases.
9. Our Relationship with the Wet'suwet'en – Work with the Wet'suwet'en peoples to strengthen relationships and collaborate on opportunities.
10. Asset Management – Develop and implement a long-term asset management plan for all Town assets.
11. Asset Management – Undertake priority infrastructure renewal projects.
12. Asset Management – Enhance financial planning for capital assets.
13. Organizational Effectiveness – Strengthen organization effectiveness and culture.
14. Organizational Effectiveness – Increase communication and engagement with residents.

Organization Chart



Services

The Town of Smithers, in addition to providing a number of services, either directly or through contract, provides grant-in-aid funding that supports the Bulkley Valley Historical and Museum Society, Bulkley Valley Community Arts Council, Smithers Art Gallery and Smithers and District Library.



Arts and Culture



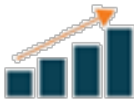
Airport



Bylaw Enforcement



Cemetery



Economic Development



Emergency Measures



Fire/Rescue



Garbage Collection



Recycling



Parks and Playgrounds



Planning and Development



RCMP



Public Transit



Snow Removal



Streets and Sidewalks



Storm water, Sewer, and Water



Community Policing



Library

2020 Town Statistics – Summary

2020 VS 2019



WATER CONSUMPTION
882,830 m³ VS
858,921 m³



233
FIRE CALLS



44%
DECREASE
IN RIDERSHIP



65%
DECREASE
AIRPORT PASSENGERS



**RESIDENTIAL BUILDING
CONSTRUCTION VALUES**
\$8,313,304 VS
\$5,964,886



FREE Public Skating
increase to TOT
participants due to
increased Corporate
Sponsorship



**PLANNING AND
DEVELOPMENT
PERMITS**
25 VS
40



**DRUG ABUSE
RESISTANCE EDUCATION
(D.A.R.E.) CLASSES**
2020 - 51
2019 - 79



**TOTAL BUILDING
CONSTRUCTION VALUES**
\$30,365,238 VS
\$14,235,057



\$71,198
CAMPGROUND REVENUE

Corporate Services

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.

2020-2022 Council Strategic Plan

Focus Areas

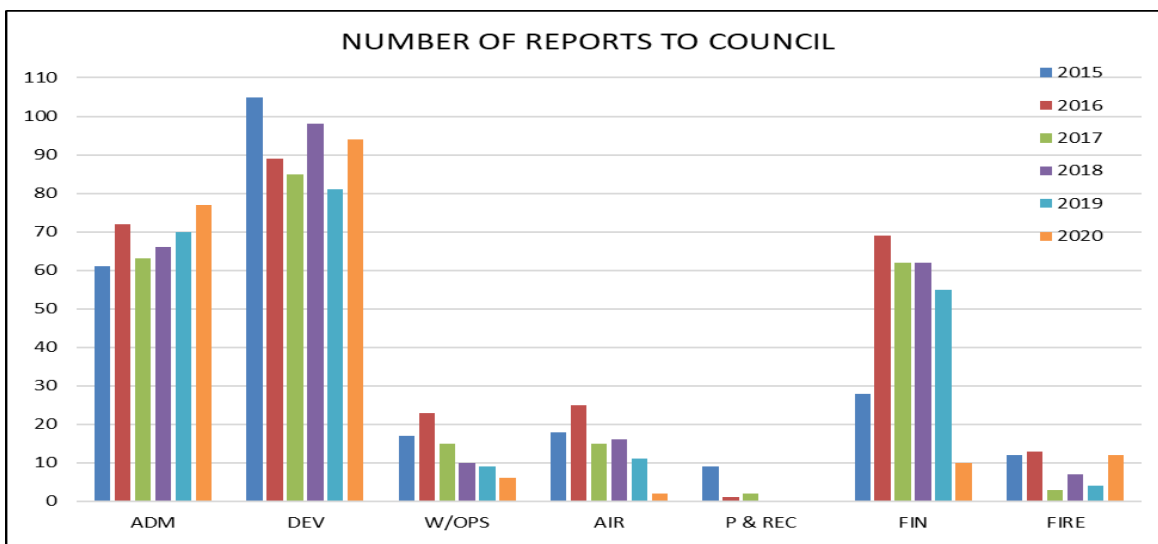
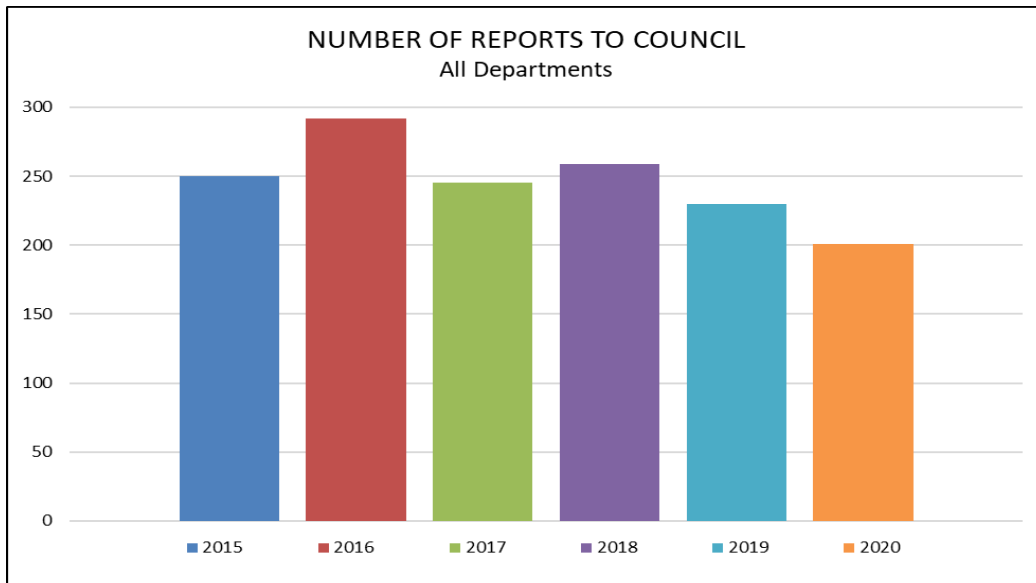
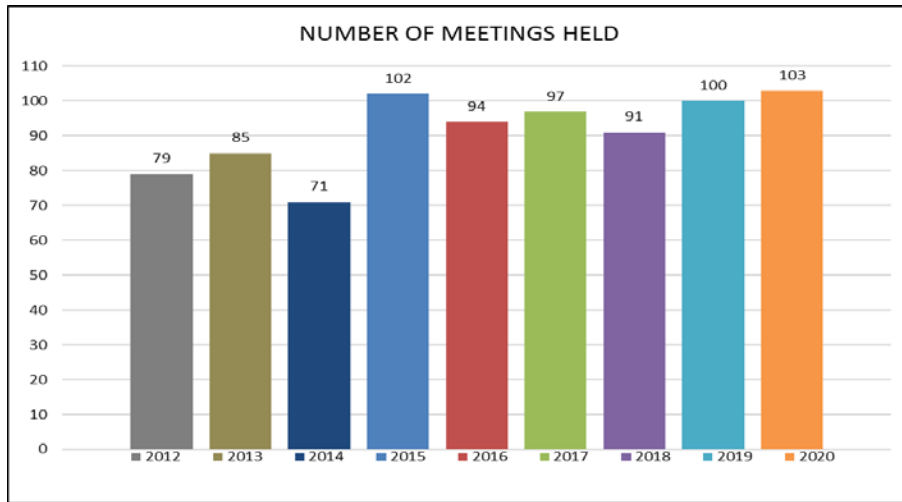
- Our Relationship with the Wet'suwet'en – continue to enhance our relationship with the Wet'suwet'en.
- Organization Effectiveness – create an effective and accountable organization with strong governance structures.

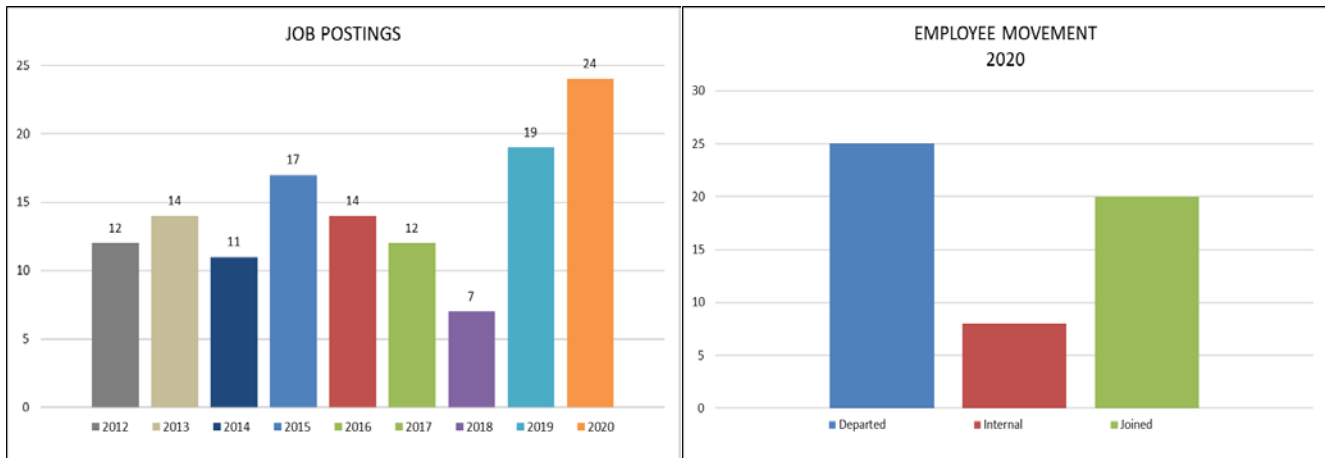
Strategic Priorities

- Work with the Wet'suwet'en peoples to strengthen relationships and collaborate on opportunities.
- Strengthen organizational effectiveness and culture.
- Increase communication and engagement with residents.

2020 Summary

- Continued to prioritize workplace health and employee wellness.
- Continued to strive to achieve and maintain a corporate wide culture of trust, transparency and consistency.
- Updated the Town's Bullying and Harassment Policy.
- Adapted to the changing requirements of the Provincial Health Orders and took leadership in order to ensure compliance and maintain health and wellness during the pandemic and to ensure WorkSafeBC safety standards were adhered to.
- 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.
- Continued to respond to Following the Freedom of Information and Protection of Privacy requests and the negotiating on new leases, license and agreements.
- Continued to focus on Records Management, with the staff in the Corporate Services Department encouraging compliance with the most current best practices for paper and electronic records for all departments.
- Created a Good Neighbour Guidelines pamphlet.
- The March 2020 by-election for the vacant Mayor seat was delayed due to Provincial Health Orders. The by-election for the Mayor and one Councillor was carried out on October 13, 2020 with strict COVID-19 protocols in place and in full compliance with Provincial Health requirements at that time. As authorized by a Provincial Ministerial Order, the Town offered eligible electors the choice to vote by mail. The by-election had 33.09 % voter turn out.
- The pandemic caused some of the routines of Corporate Services to change and Council and committee meetings, usually held in person, were instead held electronically over zoom.





2021 Major Projects and Strategies

- An updated Council Procedure Bylaw, which governs the order of business and conduct at meetings of Council will be presented to Council in 2021. An updated Council Procedure Bylaw will be available to the public for review and an advertisement will go out noting the Council Meeting date that Council will consider the new draft Council Procedure Bylaw.
- Ensuring a welcoming and safe workplace for all employees continues to be a priority of the Town. In 2021, the Corporate Services Department will focus on training for all staff on the newly adopted Bullying and Harassment policy.

Integrated Growth and Infrastructure

The Integrated Growth and Infrastructure Department is responsible for the following functions: Planning and Development, Engineering, including Capital Projects and Asset Management, Building Inspection, Business Licensing, and Cemetery Administration.

2019-2022 Council Strategic Plan

Focus Areas

- Community Livability – Continue to make Smithers a place where people want to live and visit.
- Environmental Responsibility – Protect our natural environment and resources by reducing our waste, pollution, and footprint.
- Asset Management – Responsibly manage our municipal infrastructure over the long-term.

Strategic Priorities

- Improve housing affordability and diversity in the community.
- Enhance vitality of downtown, including Central Park.
- Increase and facilitate active transportation.
- Update Smithers' Official Community Plan and Zoning Bylaw
- Reduce corporate greenhouse gases and facilitate the reduction of community greenhouse gases.
- Develop and implement a long-term asset management plan for all Town assets.
- Undertake priority infrastructure renewal projects.
- Increase communication and engagement with residents.

Planning – 2020 Summary

- Hired a Planning Technician I
- Applied the Revitalization Tax Exemption to several projects in the downtown core.
- Zoning amendments and development reviews for BC Housing proposed new housing developments.
- Ongoing OCP and Zoning Amendment to Bylaw 1403, by adding “Crematorium Use” as a principal use in the M-2, M-3 zones with additional setbacks.
- Added 3 new carriage homes to R-2 zoning.
- Active Transportation Plan: King-Main Cycling Spine – held virtual stakeholder engagement; requires further input prior to implementation.

Planning - 2021 Major Projects and Strategies

- Research and Implementation of new GIS (Geographic Information System): Smithers Web Map training and public release.
- Housing Needs Assessment was conducted, and final report to be presented to Council for adoption in early 2021.
- Support BC Housing proposed new housing developments.
- Initiate the Official Community Plan update and Zoning Bylaw review/rewrite – to be completed in 2022.
- Encourage infill small-lot development, secondary suites, and carriage houses.
- Active transportation Plan – continue the King-Main Cycling Spine implementation.

Engineering – 2020 Summary

- Hired an Engineering Technologist III
- Completed Roads and Sidewalks Maintenance Contracts.
- Traffic Marking Contract completed – including groundside markings at the Smithers Regional Airport and 44 km of paved roads, 3 km of parking division lines and other associated markings.
- Sewer flushing and video inspection – flushing and video inspection of approximately 4,300 m of sewer main, including the sanitary trunk sewer main from Highway 16 to the Wastewater Treatment Plant.
- Northwest Hydraulic Consultants Ltd. were awarded the Bulkley River Erosion Protection design Project in October 2020 after receiving a 100% grant; project has started, and completion date is set for October 2021.
- Wastewater Treatment Plant upgrades – preliminary designs and grant application were submitted by WSP Canada Group Ltd. in the amount of \$4.9M; expect grant announcement by summer 2021.
- Initiated the Arenas Ice Plant Consolidation Heat Recovery Study and feasibility of providing heat to the Pool – submitted a grant application for \$1M for Phase 1.
- Tendered the Downtown Landscape Revitalization project starting on Main Street at Alfred Avenue; however tenders were over budget.
- LB Warner Center Phase II Environmental Site Assessment completed.



LB Warner Environmental Site Assessment

Engineering - 2021 Major Projects and Strategies

- Bulkley River Erosion study, design and cost estimates for grant application, pending successful grant award.
- LB Warner Center Remediation Action Plan and demolition of existing buildings; Museum Board continuing to relocate artifacts and farm implements.
- Museum Storage in second floor of Town Hall to house artifacts.
- Arenas Ice Plant Consolidation Phase 1: received \$980,000 grant; design & engineering services awarded – project to be completed in 2022.
- Administration of annual roads, sidewalks, and accessibility upgrades; includes Glacier Street and Mountainview Drive upgrades concurrently with Walnut Park Elementary School off-site works.
- Downtown Landscape Revitalization: apply for two grant applications and tender the project contract.
- Complete the Bulkley River Erosion Protection design & cost estimates; select desired option and apply for Disaster Mitigation grants to fund the construction.
- Wastewater Treatment Plant upgrades: if grant is successful, initiate design and tender documents for 2022 construction.

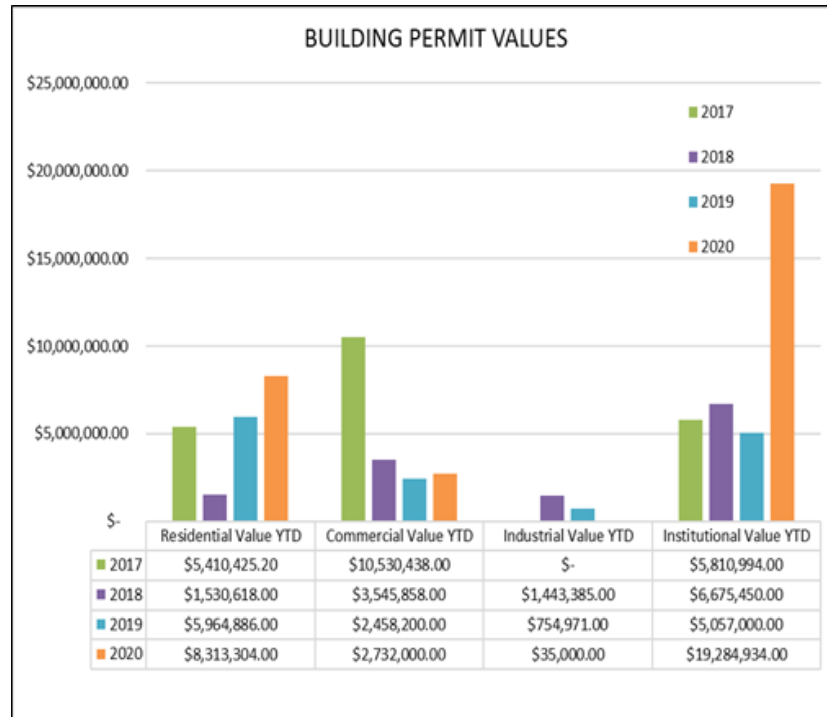
Building Inspection and Licensing – 2020 Summary

Building Inspection

- 77 building permits were issued. 12 new single-family homes and 2 included Secondary Suites.
- 1 new institutional building
- 3 building permits for alteration to include a secondary suite
- 6 multi-family developments to include 2 fourplexes and 4 duplexes
- One new commercial development
- Total construction value of \$32,013,939 with the majority from Institutional permits at \$19,284,934 and
- Residential at \$ 8,313,301.
- Downtown Façade Improvement (Spruce-up) Program: administered the program for three projects at a total rebate of \$12,799.63.
- Continued updating of the Facilities Maintenance Plan and implementing ongoing improvements to various municipal buildings such as: new roofing at the Victoria St. pumphouse and the Riverside picnic shelter.
- Updating of the Building Bylaw based on the Municipal Insurance Agency (MIA) model bylaw.
- Assessment of Fire Department Response Times and associated BC Building Code requirements.

Business Licensing

- 50 new business licenses issued.
- 657 total businesses operating.
- Policy changes for Change of Occupancy Classification as related to Business License safety inspections



Building Inspection/Business Licensing - 2021 Major Projects and Strategies

- Complete the Building Bylaw amendments based on the Municipal Insurance Agency (MIA) model bylaw.
- Continued training based on the continually evolving BC Building Code.
- Continued training with introduction of the Energy Step Code.
- Implementing improved safety measures for Secondary Suites – re-opening these files as Covid-19 protocols are lifted and will allow for safe entry to residential homes and tenancies. We will continue our goal of having all secondary suite in Smithers either constructed legally (building permit) or de-commissioned.
- Policy changes for Provisional occupancies.
- Facilities Maintenance Plan re-roofing project: Central Mountain Air Hangar at Airport
- A Building Assessment Survey for several Town owned buildings and facilities will be performed in 2021. The findings from this survey will be entered into the Asset Management Plan and determine how the Town will move forward into 2021-2022 with our Facilities Maintenance plan.

2020 Awards of Excellence

The annual Awards of Excellence are presented by the Advisory Planning Commission (APC) in conjunction with the Smithers and District 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 WINNERS:

4044 Second Avenue



Lot 7, 1141 Ambleside Avenue



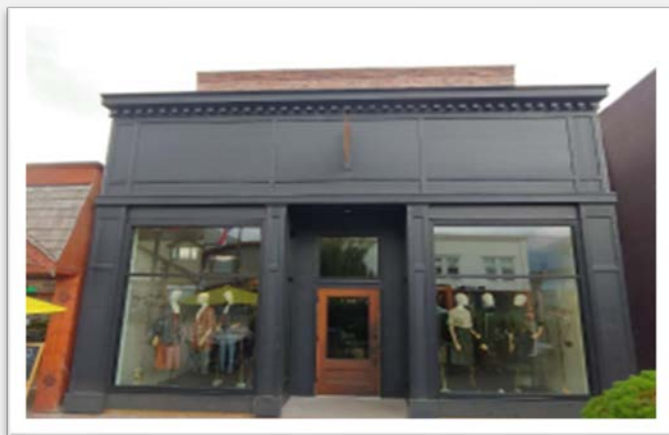
COMMERCIAL, INDUSTRIAL, AND INSTITUTIONAL WINNER:

2280 Tatlow Road
(Vihar Construction)



BEST MIXED-USE WINNER:

1168 Main Street
(Salt Boutique)



Infrastructure Services

Infrastructure is responsible for the operation and maintenance of the Town's infrastructure. The areas of responsibility include: Municipal Facilities; Parks and Trail Systems; Transportation Services; Solid Waste and Recycling; Utility Services; and the Cemetery.

Municipal Facilities, Parks and Trail Systems and Cemetery

Infrastructure Services maintains municipal buildings, parks and trail systems, ice arenas, and the cemetery.

Solid Waste and Recycling

Solid waste services include garbage collection and single family residential curbside recycling collection.

Transportation Services

The areas of responsibility include streets and sidewalks; snow removal and sanding; public works yard; and municipal vehicle and equipment fleet.

Utility Services

Utility services include the potable water supply and distribution system; sanitary sewer system and sewage treatment plant; and storm water collection and drainage systems.

2019-2022 Council Strategic Plan

Focus Areas

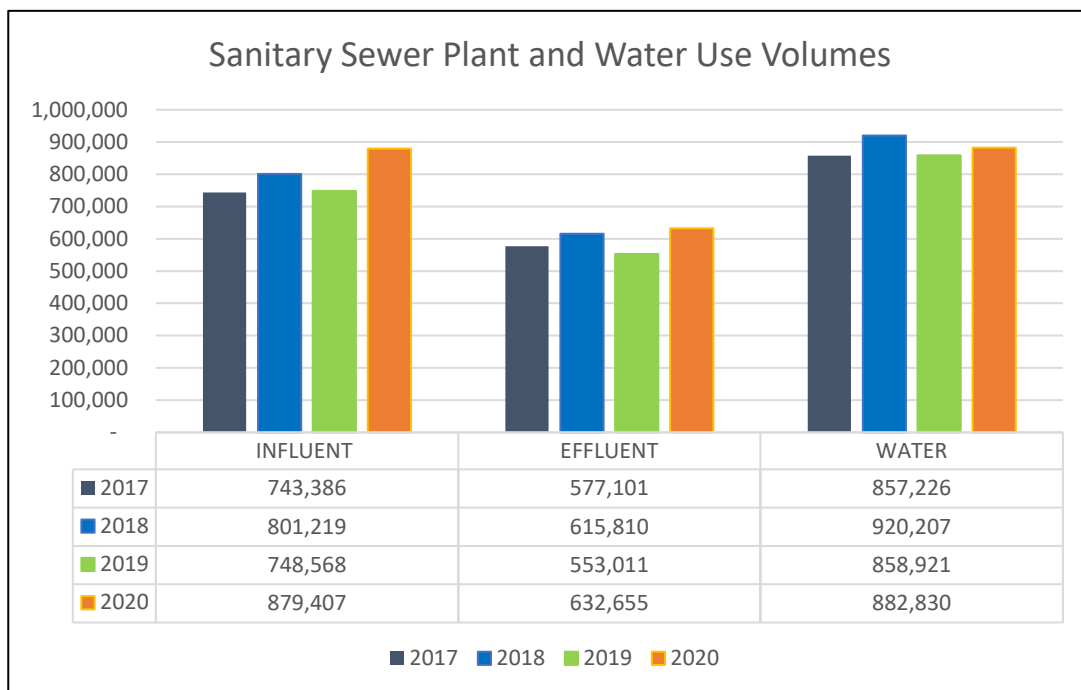
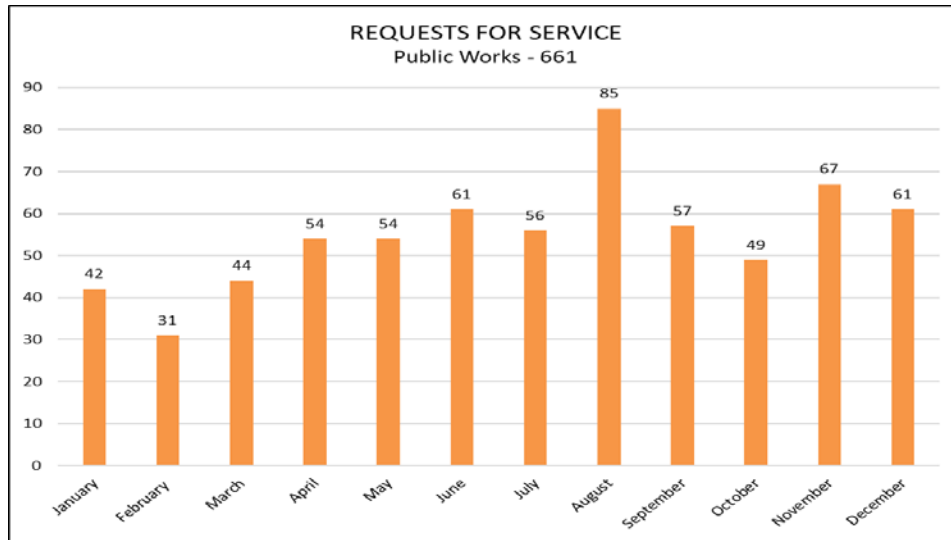
- Environmental Responsibility – Protect our natural environment and resources by reducing our waste, pollution, and footprint.

Strategic Priorities

- Reduce corporate greenhouse gases and facilitate the reduction of community greenhouse gases.
- Increase communication and engagement with residents.

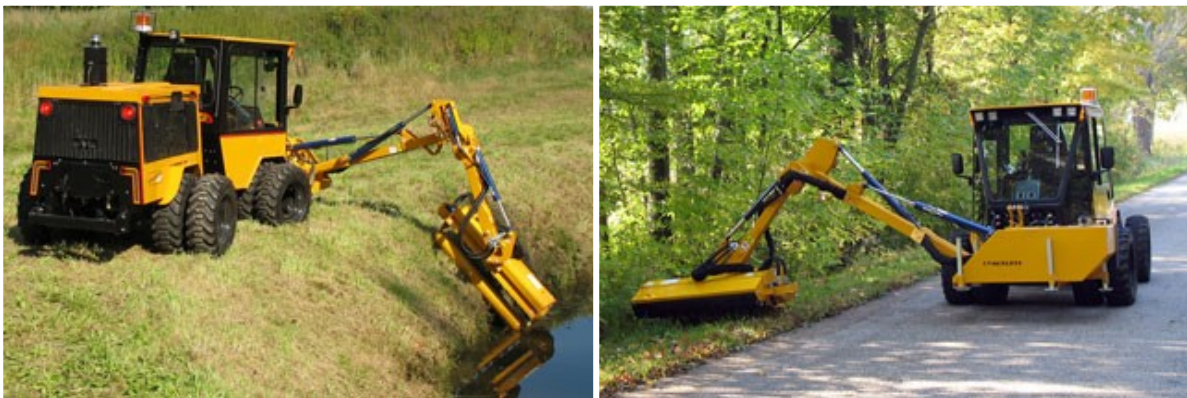
Infrastructure Services – 2020 Summary

- Purchased a new garbage truck.
- Purchased a new boom flail mower for the Trackless sidewalk maintenance equipment – to be used along trails and walkways with slopes.
- Recycling – continue education and reactivate curbside pickup when Recycle BC establishes a new collection facility.
- Received 661 Requests for Service, which were in addition to regular communications (around holiday garbage and residential curbside recycling pickup schedules; spring clean-up week; garbage cart sales and delivery; residential curbside recycling cart delivery; snow clearing, water main flushing, etc.).



2021 Major Projects and Strategies

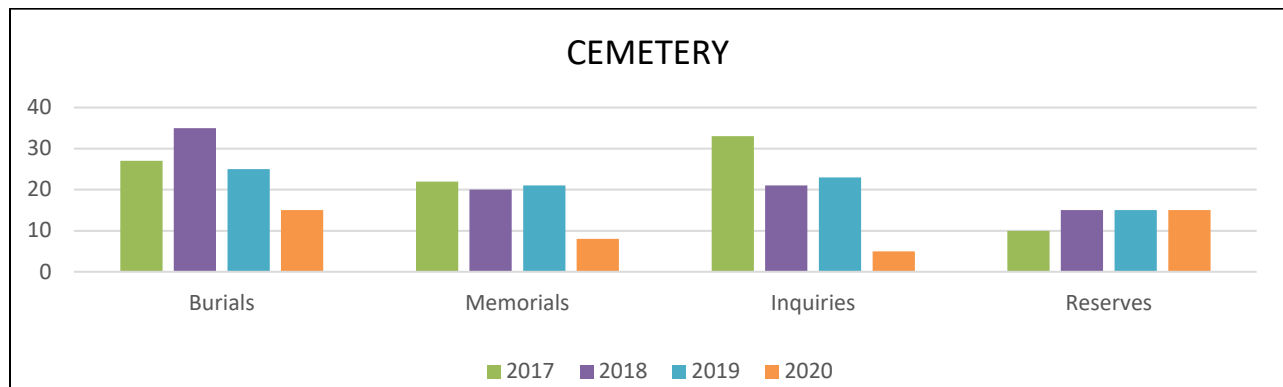
- Cleaning of Moncton Reservoir.
- Upgrade Airport water system.
- Water looping – Alpine Village Estates – cost share.
- CI Watermain Replacement in lane between Fourth Avenue and Highway 16 and Columbia and Manitoba Streets.
- Water Distribution Communications System Upgrade.
- Annual sewer rehabilitation program.



Boom Flail Mower to be used on Town trails, parks and ditches.

Cemetery –2020 Summary

- New layout of Block 10 (approximately 96 new plots in front of columbarium) completed by HBH Surveying.
- 30 new cremains burial locations in Block 7 staked-out by HBH, and pipe installed by Public Works.
- Columbarium E, installed in 2019, is now 38% full. New columbarium will likely be needed in 2022.



Economic Development

The Town promotes economic development and tourism both internally and externally through contracts with the Smithers and District Chamber of Commerce and Tourism Smithers.

2019-2022 Council Strategic Plan

Focus Areas

- Our Economy – Foster and enhance a diverse and vibrant economy.

Strategic Priorities

- Improve the long-term viability of the Airport.
- Increase community economic development.

Alpine AI Statue on Main Street at the entrance to the Downtown Core



2020 Summary

- Hired a Community Economic Development Coordinator.
- Support provided to Tourism Smithers in the amount of \$105,000 for 2020.
- Support provided to Smithers and District Chamber of Commerce in the amount of \$84,360.
- Downtown Façade Improvement grants paid to Downtown Businesses in the amount of \$12,799.63.
- Airline rates have come closer online with air fares out of Terrace, dropping from 150% of Terrace to 110% of Terrace air fares to Vancouver.
- Highway 16 Banner Project.

2021 Major Projects and Strategies

- Create a Community Economic Development Strategy.
- Continue to lobby the Province to include Smithers in the Resort Municipality Initiative.
- Continue to support Tourism Smithers through the collection of the 3% Hotel Tax collected by the Province plus an additional \$10,000.
- Continue to contract the Tourism Information Centre to the Smithers and District Chamber of Commerce.
- Continue to fund the Downtown Façade Improvement (Spruce-up) Grant Program through the Northern Development Initiative Trust.
- Continue to support the wood stove exchange program.
- Continue discussions with the Regional District of Bulkley Nechako on restoring capital funding for the Airport – waiting on a response to request.
- Continue to work with airlines on achieving competitive passenger air fares.
- Commence the process of a new Municipal Website design.
- Highway 16 Banner Project.
- Launch a business engagement program for business retention and expansion.
- Working with BC Hydro on the installation of an additional Level 2 Electric Charging Stations, and Level 1 Stations as part of Charge North.
- Work with BC Transit on increasing accessibility to the Town.

Finance

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.

Finance supports all Town Departments in the preparation of their five-year financial plans, while providing support for accounts receivable, accounts payable and payroll support.

2019-2022 Council Strategic Plan

Focus Areas

- Asset Management – Responsibly manage our municipal infrastructure over the long-term.
- Organization Effectiveness – create an effective and accountable organization with strong governance structures.

Strategic Priorities

- Enhance financial planning for capital assets.
- Strengthen organizational effectiveness and culture.

2020 Summary

- Continued training of the Finance Team to ensure cross-training needs.
- Amended administration fees and charges Bylaw.
- Improved payment processes for taxpayers to pay property taxes, utilities, business licenses, and accounts receivable using Vadim Online systems.
- Implement CaseWare financial software for the year-end audit working papers and Financial Statements preparation.
- Implemented Questica Budgeting software to streamline the budgeting process and improve planning, management, and reporting of financial data.
- Planning for the proposed Vadim HR “My Way Human Resources” software implementation.

2021 Major Projects and Strategies

- Complete Vadim coding integration change to ensure that reporting of financial data is consistent with the new Questica Budgeting software.
- Update the Town’s Purchasing Policy with a focus on “Green” procurement.
- Implementation of the Vadim HR “My Way Human Resources” software for Payroll time sheet management and administration.
- Transfer supplier EFT information into the Vadim System to reduce the amount of paper copies on hand.
- Continue scanning customer/supplier information into the Vadim system for Utilities and Accounts Payable modules, which will reduce paper copies.

Library

Smithers Regional Library became a municipal service in 2001 and is governed and operated by a volunteer Board of Directors appointed by Council.

The Library is a bustling community hub, providing free Wi-Fi 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 throughout the year, from infant and toddler programs to author readings and teen nights, in an inclusive, welcoming atmosphere.

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.

2020 Summary

- Due to COVID-19, the library temporarily closed to the public on March 16, 2020, with Staff still working from home and in the Library building.
- The Library's Computer Tutor switched to virtual appointments, helping people by email, phone or Zoom.
- The Wetzin'Kwa Community Forest Corporation provided funding for monthly meet-up sessions for teens and Book Lovers' Night Out programs via Zoom.
- The Board waived membership fees for renewals and out-of-towners until the end of 2020.
- Borrowing of eBooks, E-Audiobooks and E-Magazines soared as people downloaded and read E-Items from the safety of their own homes.
- On June 1, the Library Takeout service launched, and Smithers patrons were able to place items in the Library's collection on hold through the website, email, or phone. Staff would then check them out for patrons to pick up at the front door.
- Grab Bags were introduced in order to serve two main groups: those who do not have or use computers, and families with small children who select books not by title or author but by sight.
- Provided virtual programs for children (Summer Reading Club "SRC" and Munchkin Time).
- Implemented COVID-19 safety procedures and reopened on August 4 and extended to full public hours by mid-September.

2021 Major Projects and Strategies

- Shifting the budget to increase acquisitions in digital materials and juvenile non-fiction in anticipation of a continued demand in 2021 as people spend more time in their own homes.
- Continue Online children's programming.
- Fundraising for the new Library-Gallery Project has been temporarily put on hold due to the uncertainty and demands of the pandemic. There is strong community support for the new building and fundraising will resume when the current health crisis is over.
- If COVID-19 cases rise, the Library will revert to offering Library Takeout. Library staff cannot imagine a lockdown without books or movies, and we will work to make sure that our community members have these comforts even if we must close our doors again.

Protective Services

Protective Services includes Bylaw Enforcement and Animal Control, Community Policing, Fire Rescue Services provided directly by the Town, and Policing Services, which is provided by the RCMP through a contract with the Province.

The Smithers Royal Canadian Mounted Police (RCMP) detachment provides policing service to the Town of Smithers, Telkwa, Witset, Fort Babine, and the surrounding rural community. The Smithers Detachment is an integrated detachment where provincial, municipal, and federally funding policing services work alongside each other together. The Detachment also works closely with community safety volunteers such as the Citizens on Patrol, the Auxiliary Program, DARE, and Unlocking Aboriginal Justice. Community based Victim Services also works alongside the policing service and operations out of the Smithers Detachment building.

2019-2022 Council Strategic Plan

Focus Areas

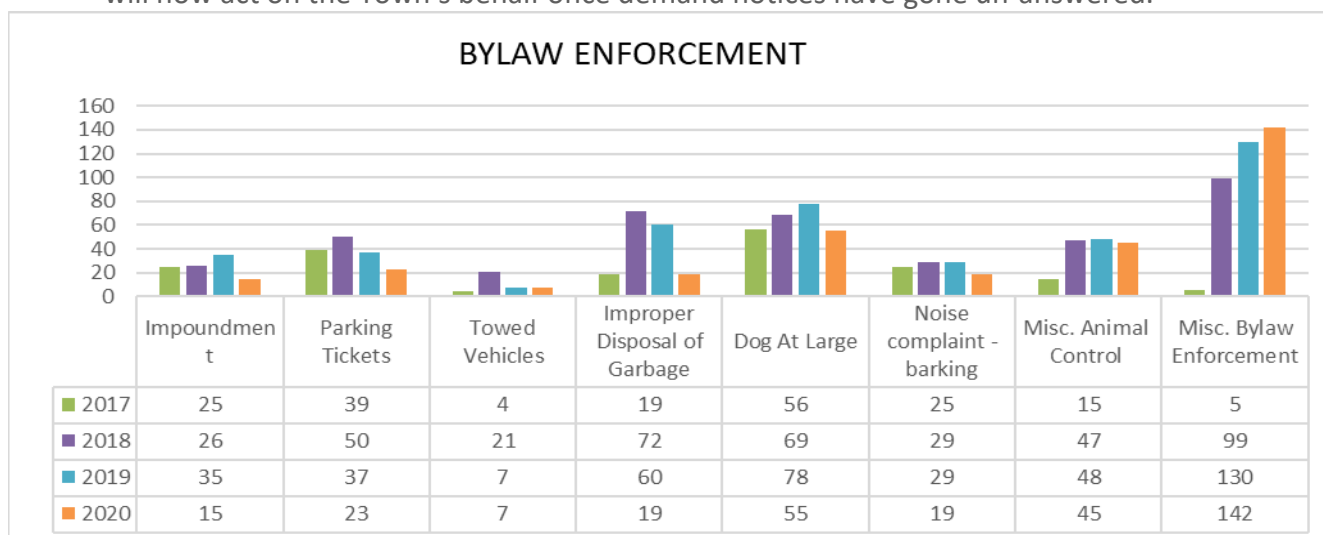
- Organization Effectiveness – create an effective and accountable organization with strong governance structures.

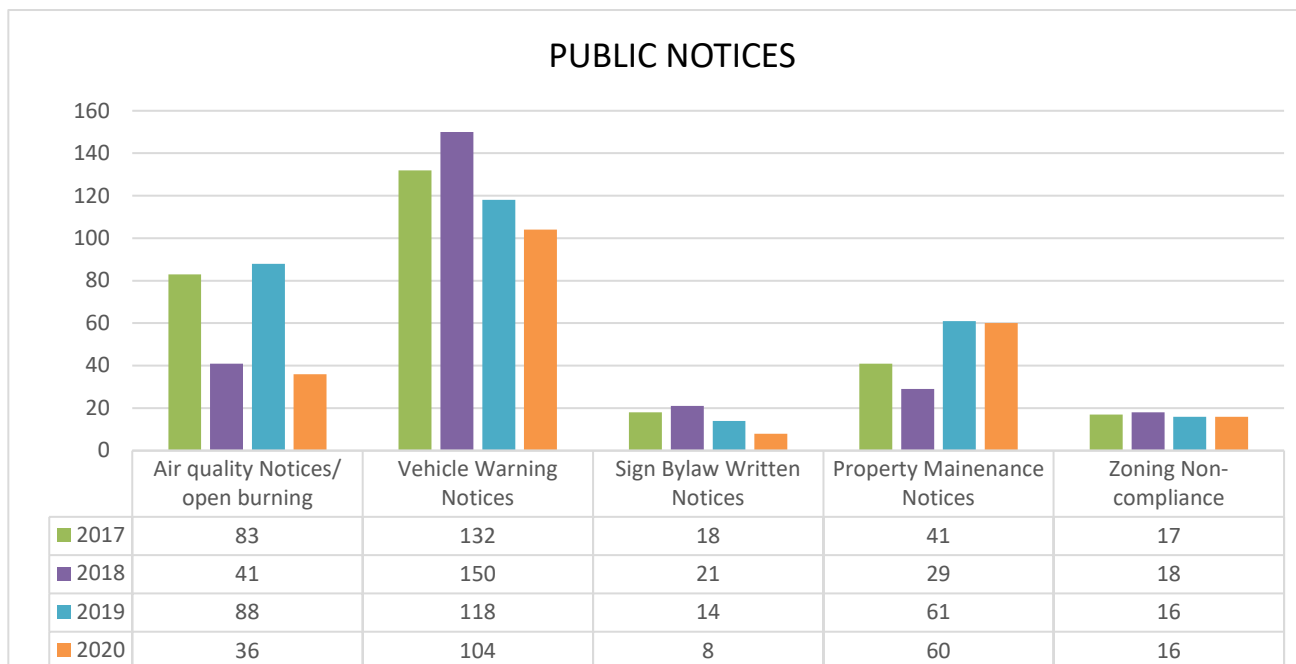
Strategic Priorities

- Increase communication and engagement with residents.

Bylaw Enforcement and Animal Control – 2020 Summary

- Maintained partnerships with animal welfare/wildlife management agencies in responding to animal welfare issues as they arise.
- Created Good Neighbour Guide for distribution to the public at point of access and as an online resource.
- Engaged the public in education regarding proper COVID-19 protocol. Created information guidelines for distribution and responded to reports of possible contraventions of protocol.
- Changed policy for collection of outstanding parking violations. A third-party collection agency will now act on the Town’s behalf once demand notices have gone un-answered.

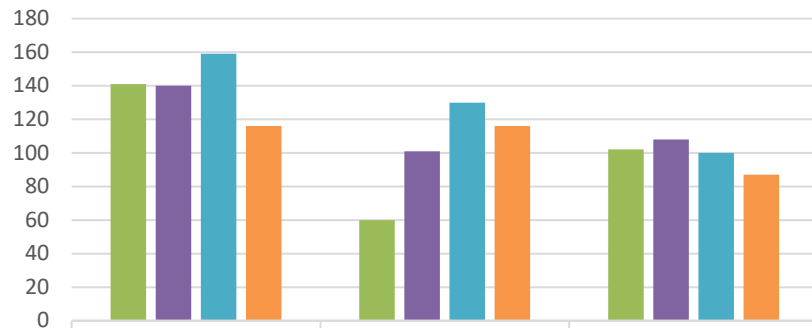




Community Policing – 2020 Summary

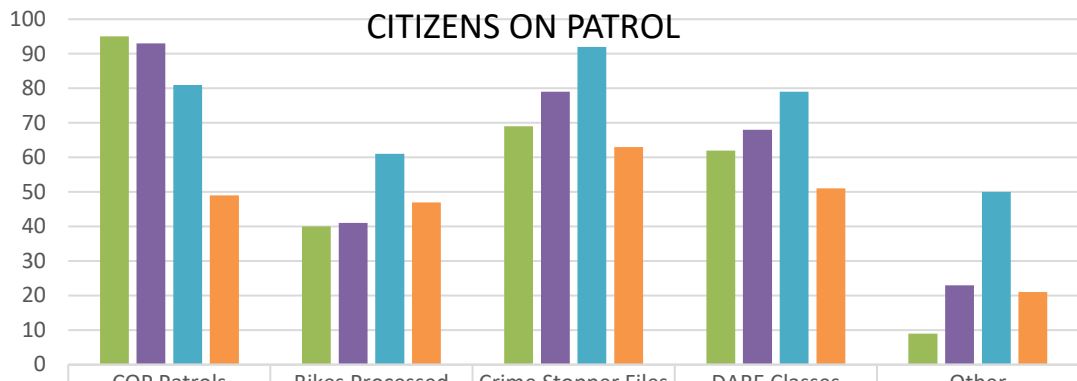
- Continued to provide programming within School District No. 54, in accordance with the RCMP Crime Prevention Education Continuum (ie. DARE, BRAVE, Drug Awareness, Bike Rodeo, etc.).
* Note: some of the activities normally provided by the Smithers Community Police Office were affected in 2020 by the COVID measures introduced by Northern Health.
- Continued 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.
- Worked in partnership with several local service providers in setting up and supporting vulnerable populations at a temporary camp set up for homeless affected by the COVID 19 epidemic.
- Worked in partnership with Dze L’Kant friendship center in developing a funding proposal for “Situation Tables”.

COMMUNITY POLICING /BYLAW REQUESTS FOR SERVICE



	Written	Web	CPO
2017	141	60	102
2018	140	101	108
2019	159	130	100
2020	116	116	87

CITIZENS ON PATROL



	COP Patrols	Bikes Processed	Crime Stopper Files	DARE Classes	Other
2017	95	40	69	62	9
2018	93	41	79	68	23
2019	81	61	92	79	50
2020	49	47	63	51	21

Bylaw Enforcement and Animal Control – 2021 Major Projects and Strategies

- Investigate and develop an updated strategy for violation tickets that encompass all departments.
- Research the Bylaw Dispute Adjudication System and develop for use within our municipality
- Investigate the development of a good neighbor/ nuisance bylaw for addressing issues that affect community health, safety, sustainability.
- Create and maintain relationships with RCMP and local service providers when responding to vulnerable populations.

Community Policing – 2021 Major Projects and Strategies

- Lead in the development and support of the RCMP Situation Tables program to assist agencies in effectively streamlining services to vulnerable populations.
- 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.
- Continue to work in partnership with ICBC in developing and providing programs aimed at Driver/cyclist/ pedestrian safety.
- Continue to provide Cannabis education and awareness focused on youth given its recent legalization.

RCMP Detachment – 2020 Summary

The Smithers Royal Canadian Mounted Police (RCMP) detachment provides policing service to the Town of Smithers, Telkwa, Witset, Fort Babine, and the surrounding rural community. The Smithers detachment is an integrated detachment where provincial, municipal, and federally funded policing services work alongside each other together. The detachment also works closely with community safety volunteers such as the Citizens on Patrol, the Auxiliary Program, DARE, and Unlocking Aboriginal Justice.

Community based victim services also works alongside the policing service and operates out of the Smithers detachment building.

The Smithers Detachment presently comprises of the following staff:

- 10 Municipal Police Officers (funded 70% by the town of Smithers and 30% by the Federal Government)
- 6 Provincial Police Officers (Funded 70% by the Province of BC and 30% by the Federal Government)
- 1 First Nation Policing Officer (Funded 52% Federal Government and 48% Province of BC)
- 3.5 Municipal Clerical staff
- 2 Provincial Clerical staff
- 8 Detention Guards/Matrons
- 1 Victim Services Manager & 3 Volunteers

- 2 Volunteer Auxiliary Constables
- 4 Provincial Traffic Services Police Officers (Funded 70% by the Province of BC and 30% by the Federal Government)

2020 Service Delivery Summary

Total Files:	5340
Violence in Relationship Files:	249
Drug or Alcohol Files:	1,271
Charges forwarded to Crown:	486
Prisoners:	382

RCMP – 2021 Major Projects and Strategies

- Addition of an Eleventh Municipal Officer starting in May 2021.

In 2021 the Smithers RCMP detachment will build upon the achievements of 2019-2020:

1. Contribute to community safety/health by reducing alcohol and drug consumption – Area of Focus: Substance Abuse
2. Enhancement of Police and Community Relationships – Area of focus: Police / Community Relations & Visibility of police
3. Reduce crimes– Area of focus: Crime Reduction
4. Contribute to community safety – Area of focus: Traffic / Impaired driving
5. Contribute to employee wellness (physical and mental health) – Area of Focus: Employee Wellness and Recognition

The detachment members made excellent progress in completing tasks and activities in regard to these performance objectives over the last fiscal year.

For Contribute to community safety/health by reducing alcohol and drug consumption – Area of Focus: Substance Abuse, the detachment conducted DARE training in the schools and had meetings with the addictions outreach team.

For Enhancement of Police and Community Relationships – Area of focus: Police / Community Relations & Visibility of police, the detachment conducted patrols at Hudson’s Bay Mountain Ski Hill, conducted 68 Foot & Bike Patrols, engaged with partner agencies to keep communication ongoing, and engaged with local newspaper and radio for media releases.

Reduce crimes– Area of focus: Crime Reduction, the detachment conducted 331 curfew checks for prolific offenders, attended 12 meetings with NSDP, and held 3 meetings with partner agencies. For Contribute to community safety – Area of focus: Traffic / Impaired driving, the detachment caught over 100 impaired drivers throughout the year.

Fire Rescue

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.

2020-2022 Council Strategic Plan

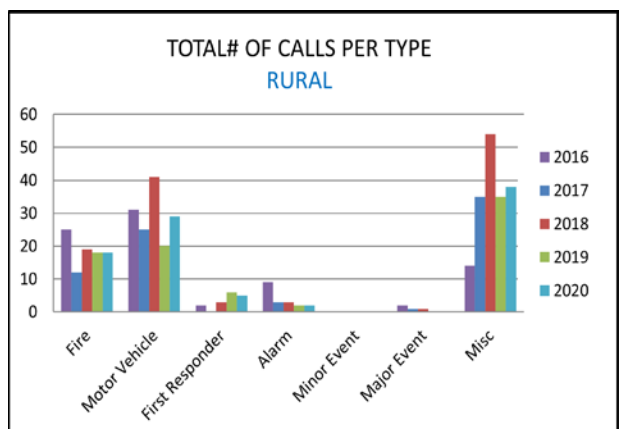
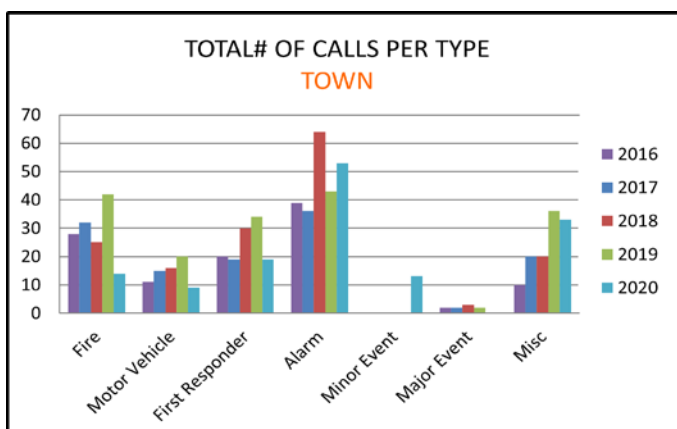
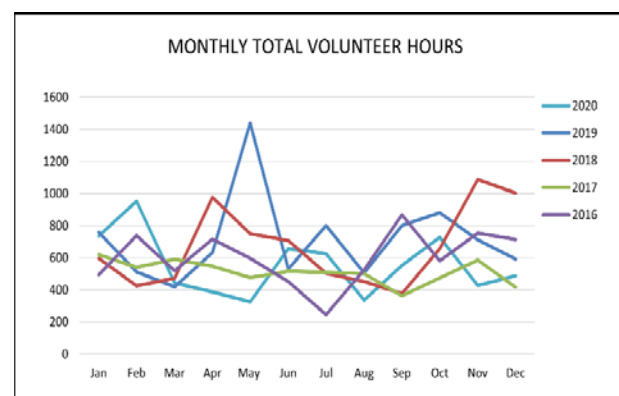
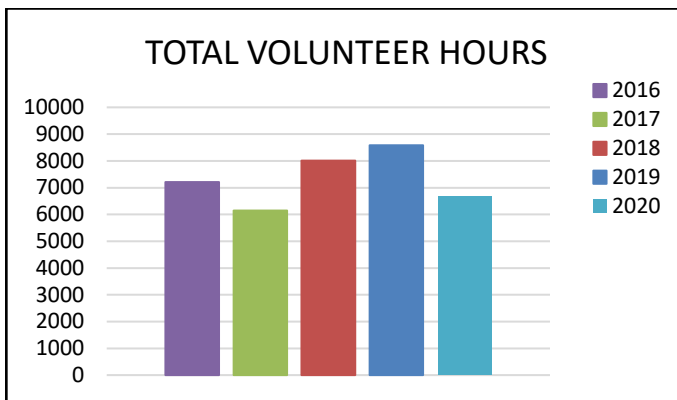
Focus Areas

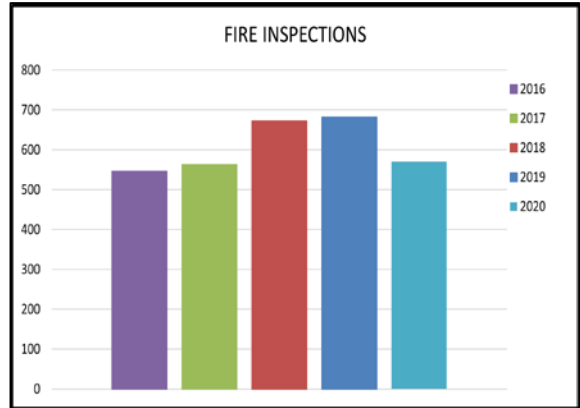
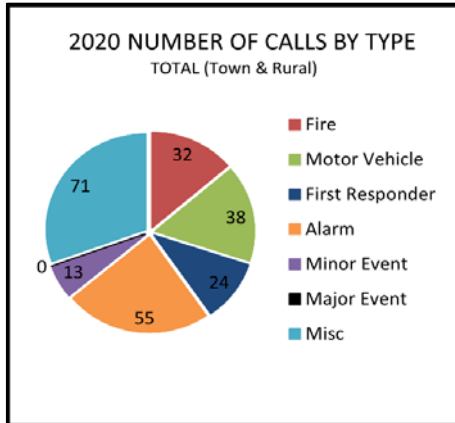
- Organization Effectiveness – create an effective and accountable organization with strong governance structures.

Strategic Priorities

- Strengthen organizational effectiveness and culture.

2020 Summary





*Deputy Chief Truck
(with Structural Protection Unit)*



Wildland Truck (E13)

2021 Major Projects and Strategies

- UBCM EOC Grant – Radio communications enhancements
- UBCM ESS Grant- Modernization project
- UBCM Emergency evacuation Plan - Community Emergency Evacuation Plan

Recreation, Parks, and Culture

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.

Council identified “Community Livability” as one of its key focus areas in its 2019-2022 Council Strategic Plan, with the goal to continue to make Smithers a place where people want to live and visit. The Plan identified enhancing community life, culture and recreation as a strategic priority.

2019-2022 Council Strategic Plan

Focus Areas

- Community Livability – Continue to make Smithers a place where people want to live and visit.

Strategic Priorities

- Enhance community life, culture and recreation.

2020 Summary

Programming and events in 2020 were steered greatly by the COVID-19 pandemic and the guidelines put in place by the federal, provincial, and local governments.

Arenas and Public Skate Programming

- Both the Civic Centre and New Arena were utilized throughout the 2020 Ice Seasons (Jan-March & Sept-Dec) by regular ice users, private users, and recreation skating programs.
- Funding was secured from several community corporate sponsors which enabled free skate rentals and several free skating blocks per week which included free public skate, family skate, adult skate, parent & tot skate, and stick & puck stake. Some of the Public Skate programs were supervised by contract Skate Patrol Attendants and participation reached upwards of 60+ per session.
- Unfortunately, due to the COVID-19 pandemic our arenas closed earlier than planned in March 2020 and a few of the year-end events on ice were cancelled, including a sponsored Tim Hortons Skate.

Community Programming and Engagement

- The Early Bird Fitness Program gained participation popularity after securing an excellent contract instructor. The program was cancelled a few times due to the state of the COVID-19 pandemic and public health orders; however, we were able to move outside throughout the summer and modify the program in the winter to include a safety plan and continue carefully to support a fit and healthy community.
- Special Events held by the public were plentiful throughout 2020 despite the COVID-19 pandemic.

- Smithers usually celebrates Canada Day on July 1st by crowding the downtown core, we knew our plans would have to look a lot different for Canada Day 2020 to align with guidelines and precautionary measures put out by the Province of British Columbia. Due to COVID-19 pandemic the Town of Smithers had to decide between two options; to postpone the event date of celebrating Canada Day, or to get creative and modify the event to organize a virtual celebration. The Town of Smithers decided to adapt to a “new normal” and the Recreation Coordinator and the Smithers District Chamber of Commerce Manager collectively worked together to expedite a virtual plan. On July 1, 2020, the valley was able to enjoy a virtual concert with three fantastic headliners and take part in virtual contests with prizes provided by Smithers Local Businesses.
- The Go By Bike week was postponed due to the COVID-19 pandemic, the Recreation Department once again worked collaboratively with the Chamber of Commerce to put on a few virtual activities to keep the community participating in an active lifestyle and celebrate with prizes donated by generous sponsors of our community.
- “Recreation Smithers” Facebook page continues to grow with a following of over 1,000.

Riverside Municipal Campground & RV Park

- The Recreation Department took over the administration of Riverside Municipal Campground & RV Park and managed to safely operate throughout the 2020 season.



The Civic Centre and the New Arena with Hudson Bay Mountain in the background



Riverside Municipal Campground & RV Park

2021 Major Projects and Strategies

- Encourage recreation and events within the Town of Smithers while keeping COVID-19 guidelines in mind.
- Maintain partnerships with BCRPA to bring provincially funded programming to the Town of Smithers to offer low-cost or no-cost programming within the community.
- Maintain and continue to build positive relationships with our contract instructors to provide ongoing, quality programming.
- Build partnerships with organizations/businesses to provide more recreation opportunities for the community.
- Support Cycle 16 Bike Trail from Smithers to Telkwa.
- Develop programming at Bovill Square.

Regional Airport

Smithers Regional Airport became a municipal service in 2009 with its transfer from Transport Canada. 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.

2019-2022 Council Strategic Plan

Focus Areas

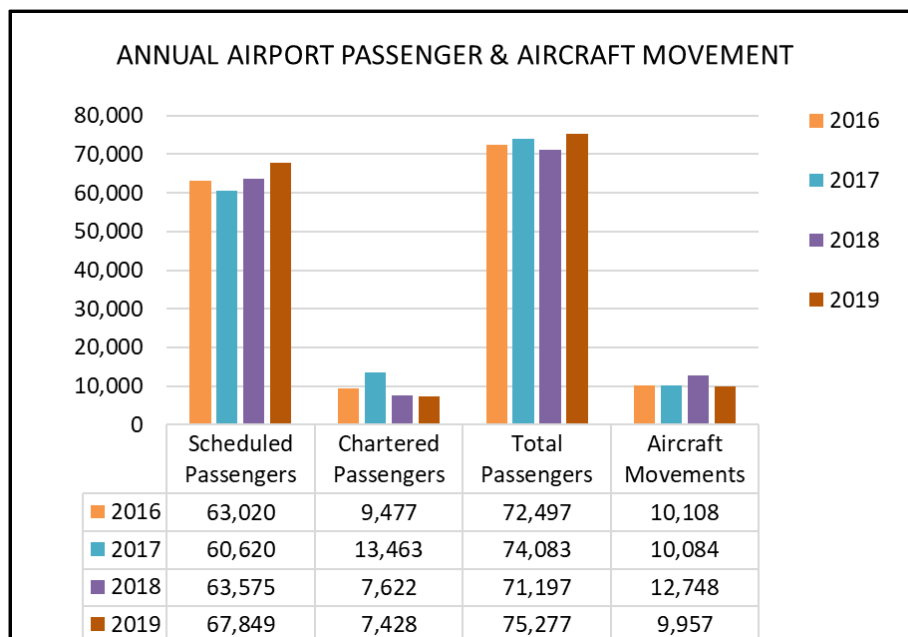
- Our Economy – Foster and enhance a diverse and vibrant economy.

Strategic Priorities

- Improve the long-term viability of the airport.

2020 Summary

- All commercial flights were suspended due to the Covid 19 worldwide pandemic.
- Staffing was reduced due to the pandemic.
- Internal Safety and Security testing/auditing of all regulatory sensitive areas of the building continued.
- Continued to repair cracks on the airside as well as conducting capital paving upgrades to the groundside parking and road network.
- Continued to conduct safety, security, wildlife, emergency management audits and update the Airport Operation manual.





2021 Major Projects and Strategies

- Passenger numbers are showing a slow but significant rebound.
- The Airport was successful in receiving an approximate \$7,000,000 capital grant for resurfacing airside asphalt areas. The center 5000 ft of the runway, all of Taxiway C, and the majority of the main apron area will be repaved in 2021.
- A return to travel will require a return to the training/re-orientation of Emergency services such as fire, police, ambulance, and airport staff.
- Through 2021 staff will strive to promote air travel and the economic viability of the airport.
- Grant applications to be submitted to assist the airport and its facilities.

Transit

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.



Council Strategic Plan

Descriptions of Success

Within the 2019-2022 Council Strategic Plan, Council has identified Descriptions of Success.

Our Economy

- We have a highly skilled workforce that is tooled up for the 21st century, we have enough people to fill jobs, and our unemployment rate is low.
- Our community maintains its current business mix, and also has a number of new businesses, including local commercial and light industrial.
- Our service centre, including the airport, has expanded.
- There is greater control and circulation of local capital due to increased local ownership of businesses.
- Effective succession planning has created a good age mix in the business community.
- Our average household income is high, and residents are not living in poverty.
- The commercial vacancy downtown is low.

Community Livability

- We have a range of housing that is adequate and affordable along economic and demographic spectrums.
- Our population remains stable among all ages, or has increased, while maintaining a small-town feel.
- Visitor numbers are growing each year.
- Our downtown is vibrant and strong, with an increased diversity of services.
- We have a strong mix of amenities for all ages.
- Cultural expression in the town is increasing and is increasingly diverse.
- Our drinking water is clean, safe and untreated.
- The air is clean and our airshed is healthy.

Environmental Responsibility

- Water entering the river is clean.
- The number of air advisory days is minimal.
- Our community is no longer on the provincial bad air quality list.
- Storm and sanitary sewer have been separated.
- Greenhouse gas emission reductions have met targets.
- There is more park space.
- Waste is reduced.
- There are more trees throughout the community.
- Recycling services and compliance are increased.

Descriptions of Success (Continued)

Our Relationship with the Wet'suwet'en

- The protocol agreement between the Town and the Wet'suwet'en has been renewed.
- Members of government meet more frequently, and community to community meetings occur more frequently.
- Channels of communication between the Town and the Wet'suwet'en are open.
- Visibility of First Nations culture in town is increased.
- Indigenous people feel safe and welcome in our community.

Asset Management

- All decisions are guided by our asset management plan, and new assets are evaluated from a life- cycle cost perspective.
- Residents have equal access to the town's assets.
- Kilometres of repaved surfaces is increased.
- Natural assets are accounted for in asset management.
- Our asset planning and management is Innovative and future proof.

Organizational Effectiveness

- Employee/staff retention is high, within Town Hall as well as in community businesses
- Staff are happy and satisfied
- The community is satisfied with the service from the Town
- We are an adaptable and resilient organization
- We have strong relations and communications with other governments (including the RD)
- Communication between staff and Council is good
- Our residents are informed

Permissive Property Tax Exemptions, 2020

In accordance with Section 98(2) of the *Community Charter*, the following properties in the Town of Smithers were provided permissive property tax exemptions for 2020 by Council.

ROLL #	ORGANIZATION	REASON FOR EXEMPTION	VALUE
Seniors' Homes Exemptions			
0003-010	Northern Health Authority (Bulkley Lodge)	Long term Care and Housing of Senior Citizens	\$28,178
0932-000	Bulkley Senior Citizens Housing Society (Pioneer Place)	Housing of Senior Citizens	\$1,167
1225-380	Bulkley Valley Christian Senior Care Society	Housing of Senior Citizens, exempt portion is 6,000 sq. ft. building and 25% of the land	\$1,737
1300-500	Bulkley Senior Citizens Housing Society (Pioneer Place)	Housing of Senior Citizens	\$2,036
Public Worship Exemptions			
0005-000	Anglican Synod Diocese of Caledonia (Anglican Church)	Public worship	\$3,192
0019-000	BC Corporation of the Seventh Day Adventist (Seventh Day Adventist)	Public worship	\$713
0477-004	Roman Catholic Episcopal Corporation of Prince Rupert (St. Joseph's Catholic Church)	Public worship	\$1,948
0692-200	Smithers Fellowship Baptist Church	Public worship	\$967
0747-010	Trustees of the Smithers United Church (United Church)	Public worship	\$1,091
0789-000	Evangelical Free Church of Smithers	Public worship	\$3,790
0860-720	Christian Reformed Church of Smithers	Public worship	\$19,139
1200-020	Trustees of Smithers Congregation of Jehovah Witness (Jehovah Witness Church)	Public worship	\$2,162
1225-690	Church of Jesus Christ of Latter-Day Saints in Canada (Church of Jesus Christ of Latter Day Saints)	Public worship	\$2,446
1717-765	Bethel Reformed Church of Smithers	Public worship	\$6,152
Private School Exemptions			
0477-004	Roman Catholic Episcopal Corporation of Prince Rupert (St. Joseph's Catholic Church)	All of St. Joseph's School excluding the residence and the land that the residence is directly situated.	\$21,652
1717-200	Christian School Society of Smithers and Telkwa (BV Christian School)	School purposes	\$46,458
1717-315	Christian School Society of Smithers and Telkwa (BV Christian School)	School purposes	\$640
Hospital Exemptions			
0694-075	Northern Health (BV District Hospital)	Non-residential part of the hospital	\$44,799
Assisted Living Facility			
0175-200	Smithers Community Services operated as Meadows Assisted Living Residence	Assisted Living	\$21,338

Non-Profit Organizations Exemptions			
0002-330	Smithers and Area Recycling Society	60% of the building and land assessments	\$1,983
0110-001	The Grendel Group	56% of the building and land assessments	\$2,049
0133-000	Bulkley Valley Branch of the Royal Canadian Legion (Royal Canadian Legion Pacific #63 [Bulkley Valley Branch])	100% of the Class 8 building and land assessments. 25% of the Class 6 building and land assessments	\$2,018
0154-020	Bulkley Valley Museum Society (Old St. James Church)	100% building and land assessments	\$2,860
0162-000	Northern Society for Domestic Peace	75% of the building and land assessments	\$7,031
0178-000	Bulkley Valley District Hospital Auxiliary	60% of the building and land assessments	\$4,781
0238-200	Wet'suwet'en Treaty Office Society	100% of building and land assessments	\$4,067
0274-020	Governing Council of the Salvation Army in Canada (Salvation Army Building)	60% of building and land assessments	\$3,291
0663-030	Navy League of Canada Canadian Sea Cadet program	100% of building and land	\$795
0685-720	BV Child Dev Centre Society	50% exemption offering services to support children & families	\$9,716
0708-050	Bulkley Valley Gymnastics Association, BV Museum Society, and BV Search and Rescue Society (LB Warner Centre)	Exemptions to areas leased	\$7,097
1223-870	BV Search and Rescue Society (Ranger Park Building)	100% of the leased area	\$6,152
1223-900	Central Park Building Society	100% of the building and land assessments	\$11,726
1501-010	Smithers Community Services Association	71.6% of the building and land assessments	\$7,754
1711-600	Smithers and Area Recycling Society (Bulkley Valley Bottle Depot Ltd.)	76.5% of the building and land assessments	\$8,791
1717-310	BV Christian Housing Society	Leased for educational purposes	\$7,015
7002-195	Bulkley Valley Search and Rescue Society	100% of the total assessment	\$11,018
Recreational			
0602-075	Smithers Curling Club	100% of the building assessment and the footprint of the land upon with the building sits	\$11,357
1224-000	Smithers Golf and Country Club	100% of the Class 8 land assessment. All Class 6 land and improvements are taxable	\$7,899
Partnering Agreements			
0655-000	Husky Oil Ltd.	Partnering agreement to allow the Town to use area for public park use from 2013-2022	\$4,961

Downtown Revitalization Tax Exemptions, 2020

In accordance with Section 226 (1) of the *Community Charter*, the following properties in the Town of Smithers were provided revitalization tax exemptions for 2020 by Council.

ROLL #	ORGANIZATION	EXTENT OF TAX EXEMPTION	VALUE
0124-100	Thirdhome Holdings Ltd. (Home Hardware)	50 % exempt	\$15,461

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2020 Consolidated Audited Financial Statements

TOWN OF SMITHERS
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

TOWN OF SMITHERS
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020

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TOWN OF SMITHERS

MANAGEMENT REPORT

YEAR ENDED DECEMBER 31, 2020

The Consolidated Financial Statements of the Town of Smithers have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the 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, Carlyle Shepherd & Co., 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.

Dianna Plouffe
Chief Administrative Officer
June 1, 2021

CARLYLE SHEPHERD & CO. 
CHARTERED PROFESSIONAL ACCOUNTANTS

SECOND FLOOR
 4544 LAKESE AVENUE
 TERRACE BC V8G 1P8
 TELEPHONE 250-635-6126
 FACSIMILE 250-635-2182

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
 Town of Smithers

Opinion

We have audited the consolidated financial statements of the Town of Smithers, which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets (debt), cash flows and schedules 1 to 7 for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Town of Smithers as at December 31, 2020 and the results of its operations and 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. We are independent of the Town 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.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

Responsibilities of Management and Council for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless conditions exist that do not allow for the going concern basis to be used.

Mayor and Council are responsible for overseeing the Town's financial reporting process.

Other Matters

The financial statements of the Town for the year ended December 31, 2019 were audited by another auditor who expressed an unqualified opinion on those statements on August 18, 2020.

Smithers, BC
 June 1, 2021

Carlyle Shepherd & Co.

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31

	2020	2019
	\$	\$
FINANCIAL ASSETS		
Cash and Investments (Note 2)	24,580,604	16,902,600
Accounts Receivable (Note 3)	791,003	846,801
Deposits - Municipal Finance Authority (Note 4)	79,054	77,687
Investment in Wetzin'kwa Management Services Ltd. (Note 5)	<u>1</u>	<u>1</u>
	<u>25,450,662</u>	<u>17,827,089</u>
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 6)	3,544,609	2,033,526
Restricted Revenue - Municipal Finance Authority (Note 4)	79,054	77,687
Deferred Revenues (Note 7)	742,854	674,003
Debt (Note 8)	<u>4,163,920</u>	<u>4,471,014</u>
	<u>8,530,437</u>	<u>7,256,230</u>
NET FINANCIAL ASSETS	<u>16,920,225</u>	<u>10,570,859</u>
Commitments and Contingencies (Note 12)		
NON FINANCIAL ASSETS		
Tangible Capital Assets (Schedule 1)	62,052,280	62,291,640
Prepaid Expenses and Supply Inventory (Note 9)	<u>395,829</u>	<u>409,274</u>
	<u>62,448,109</u>	<u>62,700,914</u>
TOWN POSITION (Note 10 and Schedule 2)	<u>79,368,334</u>	<u>73,271,773</u>

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31

	Unaudited Budget 2020	2020	2019
	\$	\$	\$
REVENUE			
Property Taxes and Grants in Lieu (Schedule 3)	6,773,200	6,830,257	6,769,425
Municipal and Regional District Tax (Hotel Tax)	95,000	191,997	245,323
Interest and Penalties on taxes	75,000	57,769	76,452
Service Charges and User Fees	3,006,254	3,150,104	4,074,706
Government Transfers and Grants (Schedule 4)	1,986,896	7,119,911	8,946,973
Investment Income	203,600	388,993	371,176
Penalties and interest	2,500	5,819	3,101
Franchise fees	129,120	135,919	124,783
Rentals	236,960	253,590	241,270
Licenses, permits and fines	216,960	208,636	223,187
Expense Recovery	-	-	6,243
Contributions from other groups, including donations	133,500	115,313	753,838
Developer contributed tangible capital assets	-	2,221,978	80,200
Gain on disposal of tangible capital assets	-	191,066	110,633
	<u>12,858,990</u>	<u>20,871,352</u>	<u>22,027,310</u>
EXPENSES (Schedule 5)			
Council	228,970	134,637	191,701
Corporate Services	1,915,550	1,842,073	1,495,661
Community and Protective Services			
Protective Services, including RCMP	3,299,720	2,820,019	2,899,795
Public Health, Cemetery Services	57,180	52,368	49,282
Recreation and Cultural Services	1,943,910	1,929,322	2,264,211
Integrated Growth and Infrastructure			
Transportation and Transit Services	2,366,360	2,167,599	2,120,975
Solid Waste Management and Recycling Services	265,650	280,971	281,102
Utility Services, Water, Sanitary Sewer and Storm Sewer	1,723,100	1,406,171	1,603,699
Planning and Development Services	928,500	912,385	627,648
Economic Development and Tourism Services	360,080	372,016	431,668
Airport	2,569,160	2,445,845	2,754,144
Library	260,870	411,385	491,926
	<u>15,919,050</u>	<u>14,774,791</u>	<u>15,211,812</u>
EXCESS OF REVENUE OVER EXPENSES	(3,060,060)	6,096,561	6,815,498
TOWN POSITION, BEGINNING OF YEAR	<u>73,271,773</u>	<u>73,271,773</u>	<u>66,456,275</u>
TOWN POSITION, END OF YEAR	<u>70,211,713</u>	<u>79,368,334</u>	<u>73,271,773</u>

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS (DEBT)
YEAR ENDED DECEMBER 31

	Unaudited Budget 2020	2020	2019
	\$	\$	\$
Excess of revenue over expenses	<u>(3,060,060)</u>	<u>6,096,561</u>	<u>6,815,498</u>
Acquisition of tangible capital assets	(3,797,600)	(1,168,437)	(2,817,856)
Contributed tangible capital assets	-	(2,221,978)	(80,200)
Proceeds on disposal of tangible capital assets	-	488,458	200,000
Amortization of tangible capital assets	3,488,300	3,332,384	3,499,348
Gain on disposal of tangible capital assets	<u>-</u>	<u>(191,067)</u>	<u>(110,633)</u>
	<u>(309,300)</u>	<u>239,360</u>	<u>690,659</u>
Use (acquisition) of prepaid expenses	-	18,563	(53,671)
Use (acquisition) of inventory of supplies	<u>-</u>	<u>(5,118)</u>	<u>20,120</u>
	<u>-</u>	<u>13,445</u>	<u>(33,551)</u>
Net change in net assets (debt)	(3,369,360)	6,349,366	7,472,606
Net assets, beginning of year	<u>10,570,859</u>	<u>10,570,859</u>	<u>3,098,253</u>
Net assets, end of year	<u>7,201,499</u>	<u>16,920,225</u>	<u>10,570,859</u>

TOWN OF SMITHERS
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31

	2020	2019
	\$	\$
OPERATING TRANSACTIONS		
Excess of revenue over expenses	6,096,561	6,815,498
Items not involving cash		
Actuarial Adjustment	(81,914)	(72,877)
Amortization	3,332,384	3,499,348
Gain on disposal of tangible capital asset	(191,067)	(110,633)
Contributed capital assets	(2,221,978)	(80,200)
Changes in non-cash assets and liabilities		
Receivables	55,798	806,404
Prepays	18,563	(53,671)
Inventory for consumption	(5,118)	20,120
Accounts payable and accrued liabilities	1,511,083	(258,433)
Deferred revenues	68,851	49,080
	<u>8,583,163</u>	<u>10,614,636</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(1,168,437)	(2,817,856)
Proceeds on disposal of tangible capital assets	488,458	200,000
	<u>(679,979)</u>	<u>(2,617,856)</u>
INVESTING ACTIVITIES		
Payments from Curling Club	<u>-</u>	<u>2,109</u>
FINANCING TRANSACTIONS		
Repayment of debt	<u>(225,180)</u>	<u>(276,903)</u>
NET CHANGE IN CASH AND INVESTMENTS	7,678,004	7,721,986
CASH AND INVESTMENTS, BEGINNING OF YEAR	<u>16,902,600</u>	<u>9,180,614</u>
CASH AND INVESTMENTS, END OF YEAR	<u>24,580,604</u>	<u>16,902,600</u>

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

Management's Responsibility for the Consolidated Financial Statements

The Town of Smithers was incorporated as a municipality in 1921. These financial statements are the representation of management, prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

Reporting Entity

The Town is a municipality incorporated under the laws of the Province of British Columbia and operates under the provisions of the Community Charter and Local Government Act.

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, changes in fund balances, and change in financial position of the reporting entity. This entity is comprised of the municipal operations that are owned or controlled by the Town, which includes the Smithers Public Library. The statements exclude trust assets that are administered by the Town for the benefit of external parties. Interfund transactions have been eliminated on consolidation.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

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.

Financial Assets and Liabilities

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

Interest Rate Risk:

The Town of Smithers is exposed to Interest rate risk to the extent that the cash and investments 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.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)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 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.

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.

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 Traffic Fine Sharing Revenue.

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.

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.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**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 and 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 impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable.

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.

Budget Presentation:

Budget amounts are from the Town's Five Year Financial Plan for the years 2020-2024, adopted by Council on May 12, 2020. The Smithers Public Library's 2020 budget, as approved by Council, has been included with the Town's budget figures within the financial statements.

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 operations.

Financial Assets measured at amortized cost include accounts receivable, deposits - MFA and investment in Wetzin'kwa Management Services Ltd.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 CASH INVESTMENTS	2020	2019
Restricted Cash and Investments - Reserves	13,464,909	8,435,424
Unrestricted Cash and Investments	10,935,830	8,304,316
Smithers Public Library Cash	62,776	47,913
Smithers Public Library Investments	117,089	114,947
	<u>24,580,604</u>	<u>16,902,600</u>

Cash and Investments include \$22,060,433 (**2019**: \$12,351,651) invested in the Money Market, Intermediate Fund and Bond Fund Investments within the Municipal Finance Authority (MFA) Pooled Investment program; and \$2,111,117 (**2019**: \$4,550,949) in Term Deposits.

3. ACCOUNTS RECEIVABLE	2020	2019
Due from Provincial Government	26,344	31,042
Due from Federal Government	52,879	38,370
Trade and Accrued Receivables	219,447	329,542
Utilities Receivable	21,710	17,779
Taxes Receivable	369,220	287,719
Due From Other Government Bodies/Organizations	93,920	133,330
Smithers Public Library Accounts Receivables	7,483	9,019
	<u>791,003</u>	<u>846,801</u>

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

4. MUNICIPAL FINANCE AUTHORITY DEPOSITS AND RESTRICTED REVENUE

	2020	2019
Cash Deposits	79,054	77,687
Demand Notes	<u>169,244</u>	<u>170,173</u>
	<u>248,298</u>	<u>247,860</u>

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. INVESTMENT IN WETZIN'KWA MANAGEMENT SERVICES LTD.

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.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trade Payables and Accrued Liabilities	1,029,198	1,050,159
Payroll Payable and Accrued Payroll Benefits	558,200	668,174
Due to Provincial Government	685,353	23,025
Due to Other Government Bodies	74	734
Holdbacks and Refundable Contracts Securities Payable	1,241,616	259,514
Smithers Public Library Accounts Payables	<u>30,167</u>	<u>31,920</u>
	<u>3,544,608</u>	<u>2,033,526</u>

7. DEFERRED REVENUES

	2020	2019
Operating Revenue Received in Advance	206,496	159,644
Operating Project Grants Received in Advance	34,563	9,943
Capital Funding/Grants Received in Advance	43,600	43,600
Deferred Tax Revenue	446,974	450,234
Smithers Public Library Deferred Revenue	<u>11,221</u>	<u>10,582</u>
	<u>742,854</u>	<u>674,003</u>

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

8. DEBT

Purpose	Municipal Bylaw	Maturity Date	Interest Rate	2020	2019
Debenture Debt Outstanding - Tax Supported					
General Capital					
Hwy 16	1402	June 2022	1.75%	74,602	109,260
Hwy 16	1407	June 2023	2.10%	109,260	142,268
Hwy 16	1328	April 2024	2.40%	142,268	173,704
2nd Avenue Sidewalk	1548	June 2019	4.90%	-	-
1st Avenue Sidewalk	1597	June 2020	4.50%	-	2,036
4200 Block 2nd Avenue	1657	April 2033	3.15%	108,479	114,753
New Arena	1508	April 2034	3.30%	505,214	531,772
Debenture Debt Outstanding - Fee Supported					
Utility Capital					
South Trunk Storm Sewer	1601	April 2026	4.20%	377,187	431,865
Airport Capital					
Terminal Modernization	1808	Oct 2037	3.15%	2,654,910	2,773,356
Other Debt Outstanding - Tax Supported					
Airport Capital					
Sweeper	1833	Dec 2023	variable	192,000	192,000
				<u>4,163,920</u>	<u>4,471,014</u>

Principal and interest payments on debt in the next five years are as follows;

	Principal	Actuarial	Interest
2021	223,750	93,317	188,451
2022	223,750	105,820	184,076
2023	208,629	93,839	174,076
2024	193,507	80,389	161,326
2025	178,386	65,394	154,201
	<u>1,028,022</u>	<u>438,759</u>	<u>862,130</u>

9. PREPAID EXPENSES AND SUPPLY INVENTORY

	2020	2019
Prepaid Expenses	149,996	170,769
Inventory of Supplies	240,911	235,793
Smithers Public Library Prepaid Expenses	4,922	2,712
	<u>395,829</u>	<u>409,274</u>

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

10. TOWN POSITION

Town Position consists of reserves, which are funds committed and set aside for future expenditures, equity in tangible capital assets, and unrestricted surpluses as follows:

	2020	2019
Operating Reserves		
Economic Development Reserve	29,973	29,973
Legal Reserve	14,549	14,549
Skateboard Park Donation Reserve	58,800	58,800
Contaminated Sites Reserve	175,000	175,000
Municipal Election Reserve	10,500	5,000
Recycling Reserve	80,929	73,429
Emergency Services Reserve	25,985	25,985
Snow Removal Reserve	15,000	15,000
Capital Reserves		
Debenture Surplus Funds	62,089	61,860
Cemetery Capital Development Fund	21,918	14,851
Federal Gas Tax Fund - UBCM	375,437	745,925
Facility Maintenance Capital Reserve	175,016	167,422
Wetzin'kwa Community Forest	171,201	130,095
Library Art Gallery	407,478	393,153
Statutory Reserves		
Capital Works / Land Sales Reserve	780,197	276,565
Park Land Reserve	37,804	37,008
Infrastructure Reserve	272,961	85,820
Equipment Replacement Reserve	447,064	472,581
Parking In-Lieu Reserve	30,409	29,769
Recreational Facilities Reserve	20,880	20,440
Forestry Reserve Fund	145,956	147,382
Airport Machinery and Equipment Reserve	41,660	19,509
Ambleside Reserve Fund	211,024	140,580
GHG Emission Reserve	89,104	75,628
Airport Infrastructure Reserve	766,942	688,807
Local Area Service Fund	131	131
Facility Replacement Reserve	51,616	25,529
Utility Infrastructure Reserve	546,084	92,654
Northern Capital Reserve (Schedule 6)	10,082,800	6,323,020
	<u>15,148,507</u>	<u>10,346,465</u>
Equity in Tangible Capital Assets (Schedule 2)		
Tangible Capital Assets	132,376,822	129,449,258
Amortization	(70,324,542)	(67,157,618)
Debt	<u>(4,163,920)</u>	<u>(4,471,014)</u>
	<u>57,888,360</u>	<u>57,820,626</u>
Unrestricted Surplus		
Operations	2,552,691	1,726,360
Airport	1,051,868	1,051,868
RCMP	574,815	470,024
Utilities	2,013,558	1,730,235
Library	138,536	126,195
	<u>6,331,467</u>	<u>5,104,682</u>
	<u>79,368,334</u>	<u>73,271,773</u>

TOWN OF SMITHERS**NOTES****DECEMBER 31, 2020****11. 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 in the segmented information. The nature of the segments and the activities they encompass are as follows:

Council

This segment includes the revenue and expenses associated with Council.

Corporate Services

This segment includes the revenue and expenses associated with the CAO, General Administration, Finance, Information Technology and the Municipal Building services.

Protective Services

This segment includes the revenue and expenses associated with Municipal RCMP, Fire Department, Bylaw Enforcement, and Animal Control services. Taxation collected for RCMP services is allocated to Protective Services.

Public Health and Cemetery Services

This segment includes the revenue and expenses associated with Smithers Cemetery services.

Recreation and Cultural Services

This segment includes the revenue and expenses associated with Arenas, Parks and Playgrounds, Recreation programs and Cultural Facilities services.

Transportation and Transit Services

This segment includes the revenue and expenses associated with public work costs, fleet maintenance, road and street operating costs (snow removal, sanding, street lighting, dust control, line marking, sidewalk maintenance, Highway 16 boulevard work, and street sweeping and drainage ditches) and transit, the Smithers and Area Transit service, including service to Witset. Taxation collected for Infrastructure costs is allocated to Transportation.

Solid Waste Management and Recycling Services

This segment includes the revenue and expenses associated with garbage (solid waste) and curbside recycling collection.

Utility Services

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

Planning and Development Services

This segment includes the revenue and expenses associated with Engineering, Planning, and Building Inspection.

Economic Development and Tourism Services

This segment includes the revenue and expenses associated with Economic Development and Tourism.

Airport

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

Library

This segment includes the revenue and expenses associated with operating the Smithers Public Library.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

11. Segmented Information (continued)

	Council	Corporate Services	Protective Services	Public Health, Cemetery	Recreation and Cultural	Transportation and Transit	Solid Waste and Recycling	Utility	Planning and Development and Bldg Insp.	Economic Development and Tourism	Airport	Library	2020 Total
Revenue													
Property Taxes and Grants in Lieu Municipal and Regional District Tax	-	4,882,440	1,786,424	-	-	181,393	-	-	-	-	-	-	6,830,257
Interest and Penalties on taxes	-	57,769	-	-	-	-	-	-	-	191,997	-	-	191,997
Service charges and user fees	-	39,396	11,285	35,314	399,501	23,233	304,100	1,626,950	68,296	-	682,109	-	3,150,104
Government transfers and Grants	-	6,212,893	407,553	-	219,103	71,261	5,578	-	-	37,543	-	-	7,119,911
Investment Income	-	364,781	-	-	-	-	-	14,725	-	-	6,324	-	2,693
Penalties and interest	-	-	-	-	-	-	4,349	-	1,470	-	-	-	5,819
Franchise fees	-	135,919	-	-	-	-	-	-	-	-	-	-	135,919
Rentals	-	-	-	-	30,700	-	-	-	-	-	222,990	-	253,590
Licenses, permits and fines	-	-	7,008	-	-	-	-	-	194,997	-	205	-	206,636
Contributions from other groups, including donations	-	-	14,049	-	-	-	-	-	66,000	-	-	-	115,313
Developer tangible contributed assets	-	-	-	-	-	-	2,221,978	-	-	-	-	-	2,221,978
Gain on disposal of capital	-	191,066	-	-	-	-	-	-	-	-	-	-	191,066
	-	11,884,264	2,206,297	35,314	633,595	275,887	2,536,005	1,641,875	330,703	229,540	911,518	186,464	20,871,352
Expenses													
Salaries and benefits	103,588	1,099,980	886,781	34,848	675,899	797,244	145,931	419,276	679,889	24,675	642,127	294,100	5,784,318
Training, Travel, Memberships	14,672	22,362	21,685	-	24,899	-	-	1,902	12,867	-	2,114	1,223	101,784
Telephone	479	18,451	16,753	-	8,553	7,658	-	7,657	2,975	471	22,866	2,842	86,705
Advertising and Promotion	-	18,237	2,540	-	1,928	695	-	7,657	7,596	8,500	10,613	553	48,460
Materials and Supplies	-	126,561	73,195	5,054	103,192	447,436	(361)	39,108	22,842	378	96,080	977,231	63,746
Miscellaneous Expenses	12,618	27,948	5,850	-	10,133	-	-	1,983	679	-	6,948	4,833	71,042
Community Grants	-	-	-	-	140,600	-	-	78,118	-	-	-	-	220,859
Contract Services	-	375,583	34,794	-	158,443	371,406	72	38,298	89,918	309,607	166,986	17,988	1,561,816
RCMP Contract	-	-	1,417,556	-	-	-	-	-	-	-	-	-	1,417,556
Special Projects	-	-	29,288	-	-	-	2,300	-	76,106	-	12,802	11,600	159,980
Utilities - Hydro	-	13,609	7,447	137	97,436	156,722	-	134,665	-	-	55,504	3,882	465,802
Utilities - Natural Gas	-	6,007	10,055	-	51,270	8,781	-	-	-	-	16,481	2,465	97,059
Utilities - Water, Sewer, Garbage	-	1,244	1,061	-	35,407	1,324	-	625	-	-	1,710	1,014	42,965
Insurance	350	18,956	5,363	76	39,847	83,049	-	16,321	-	501	94,229	2,723	201,415
Interest on Long Term Debt	-	-	-	-	-	60,559	-	33,600	-	-	97,649	-	191,808
Amortization	-	100,332	182,281	2,023	481,247	754,861	55,829	544,427	3,193	-	1,206,206	1,955	3,332,384
Internal Equipment Rental	132,597	1,827,260	2,675,249	42,138	1,829,852	2,689,645	203,771	1,314,041	896,065	372,016	2,374,445	411,125	14,765,204
	2,040	14,813	144,770	10,230	99,470	522,046	77,200	92,130	16,320	-	71,400	260	6,587
	134,637	1,842,073	2,820,019	52,368	1,929,322	2,167,599	280,971	1,406,171	912,395	372,016	2,445,945	411,385	14,774,791
Net surplus (deficit)	(134,637)	10,042,191	(613,722)	(17,054)	(1,295,737)	(1,891,712)	2,255,034	235,504	(581,682)	(142,476)	(1,534,277)	(224,921)	6,096,561

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

12. COMMITMENTS AND CONTINGENCIES

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.

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.

Financial Contracts

The Town has the following service operating future obligations for the next five years:

2021	270,643
2022	69,002
2023	19,703
2024	3,586
2025	<u>1566</u>
	<u>364,500</u>

Municipal Pension Plan

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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Town of Smithers paid \$384,768 (2019: \$371,752) for employer contributions while employees contributed \$335,959 (2019: \$384,768) to the plan in fiscal 2020.

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.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

12. COMMITMENTS AND CONTINGENCIES (Continued)**Contaminated Site Liability**

The Town has identified contaminated soil below an existing building on the LB Warner site that poses no risk to the public. The Town plans to tear down existing structures and remediate the site for future multi-family residential development. Engineers have completed the environmental assessments and prepared a remediation action plan. The work is estimated to cost \$680,000 and will be funded through the 2021 Capital Plan and Contaminated Liability Reserve.

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. As at December 31, 2020, Ambleside Projects Ltd. have purchased a total of 60 lots.

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.

Waste Water Effluent

During the year the Town received a warning letter from Environment Canada advising that effluent being discharged into the Bulkley River exceeded non-toxic thresholds for Total Suspended Solids and Carbonaceous Biochemical Oxygen Demand.

The Town have acknowledged that a third settling lagoon will need to be constructed to treat the effluent at an estimated cost of \$4.9 million. A grant application has been submitted to fund construction. Should this application be unsuccessful, the Town will access the Northern Capital and Planning Reserve to construct the lagoon.

Although Environment Canada have the ability to issue fines for non-compliance, management have taken steps to keep the agency updated on the plans to remediate the breach and believe this is an unlikely course of action.

TOWN OF SMITHERS

NOTES

DECEMBER 31, 2020

13. CEMETERY AND COLUMBARIUM CARE TRUST FUND

The Town operates and maintains the Smithers Cemetery. As required under Provincial legislation, a portion of the plot sales and marker installation fees must be retained for the future maintenance of the cemetery.

The Town has excluded the Cemetery and Columbarium Care Trust Fund and associated cash from the Statement of Financial Position and related interest earnings and transactions from the Statement of Operations.

	2020	2019
Balance, beginning of year	98,229	93,277
Interest Income	<u>3,674</u>	<u>4,952</u>
	<u>101,903</u>	<u>98,229</u>

TOWN OF SMITHERS
SCHEDULE 1 - TANGIBLE CAPITAL ASSETS

	2020								
	Land	Buildings	Machinery and Equipment and Vehicles	Office Equipment and Computers	Engineered Structures	Utilities	Work in Progress	Library Equipment	Total
Cost, beginning of year	7,906,779	31,473,534	11,420,516	725,176	44,426,257	33,357,586	-	139,410	129,449,258
Acquisitions	-	57,582	357,025	-	617,048	-	132,750	4,032	1,168,437
Contributed Assets	-	57,794	-	-	1,090,996	1,073,188	-	-	2,221,978
Disposals	(224,096)	-	(238,755)	-	-	-	-	-	(462,851)
Cost, end of year	7,682,683	31,588,910	11,538,786	725,176	46,134,301	34,430,774	132,750	143,442	132,376,822
Accumulated amortization, beginning of year	-	12,842,753	7,445,632	644,423	25,272,970	20,819,914	-	131,926	67,157,618
Amorization	-	929,667	545,958	17,257	1,247,835	589,712	-	1,955	3,332,384
Disposals	-	-	(165,460)	-	-	-	-	-	(165,460)
Accumulated amortization, end of year	-	13,772,420	7,826,130	661,680	26,520,805	21,409,626	-	133,881	70,324,542
Net carrying amount, end of year	7,682,683	17,816,490	3,712,656	63,496	19,613,496	13,021,148	132,750	9,561	62,052,280

	2019								
	Land	Buildings	Machinery and Equipment and Vehicles	Office Equipment and Computers	Engineered Structures	Utilities	Work in Progress	Library Equipment	Total
Cost, beginning of the year	7,993,396	30,503,780	10,556,287	702,131	43,511,672	33,209,730	28,663	137,160	126,642,819
Acquisitions	-	969,754	869,229	23,045	914,585	38,993	-	2,250	2,817,856
Contributed Assets	-	-	-	-	-	80,200	-	-	80,200
Transfer - Work In Progress	-	-	-	-	-	28,663	(28,663)	-	-
Disposals	(86,617)	-	(5,000)	-	-	-	-	-	(91,617)
Cost, end of year	7,906,779	31,473,534	11,420,516	725,176	44,426,257	33,357,586	-	139,410	129,449,258
Accumulated amortization, beginning of year	-	11,767,018	6,897,397	622,270	24,029,468	20,213,954	-	130,413	63,660,520
Amorization	-	1,075,735	550,485	22,153	1,243,502	605,960	-	1,513	3,499,348
Disposals	-	-	(2,250)	-	-	-	-	-	(2,250)
Accumulated amortization, End of year	-	12,842,753	7,445,632	644,423	25,272,970	20,819,914	-	131,926	67,157,618
Net carrying amount, end of year	7,906,779	18,630,781	3,974,884	80,753	19,153,287	12,537,672	-	7,484	62,291,640

TOWN OF SMITHERS
SCHEDULE 2 - CHANGES IN TOWN POSITION
YEAR ENDED DECEMBER 31

	Unrestricted Surplus	Reserves	Equity in Capital Assets	2020	2019
Balance, beginning of year	5,104,682	10,346,465	57,820,626	73,271,773	66,456,275
Excess of revenue over expenses	6,096,561	-	-	6,096,561	6,815,498
Amortization	3,332,384	-	- 3,332,384	-	-
Net gain on disposal of tangible capital assets	- 191,067	488,458	- 297,391	-	-
Actuarial Adjustment	- 81,914	-	81,914	-	-
Contributed tangible capital assets	- 2,221,978	-	2,221,978	-	-
Unrestricted funds designated for future use	- 5,514,385	5,514,385	-	-	-
Unrestricted funds designated for tangible capital assets	- 136,783	-	136,783	-	-
Restricted funds used for operations	169,147	- 169,147	-	-	-
Restricted funds used for tangible capital assets	-	- 1,031,654	1,031,654	-	-
Long-term debt repayment	- 225,180	-	225,180	-	-
	<u>1,226,785</u>	<u>4,802,042</u>	<u>67,734</u>	<u>6,096,561</u>	<u>6,815,498</u>
	<u>6,331,467</u>	<u>15,148,507</u>	<u>57,888,360</u>	<u>79,368,334</u>	<u>73,271,773</u>

TOWN OF SMITHERS

SCHEDULE 3 - PROPERTY TAXES AND GRANTS IN LIEU

YEAR ENDED DECEMBER 31

	2020 Budget	2020 Actual	2019 Actual
Taxes Collected			
Property Taxes	6,369,680	6,418,969	6,356,739
1% Utility Taxes	158,070	160,707	166,795
Local Service Area and Frontage Taxes	11,430	9,627	11,877
Grants in lieu of Taxes	234,020	240,954	234,014
Taxes collected for Other Governments	5,018,700	4,617,544	4,866,106
	<u>11,791,900</u>	<u>11,447,801</u>	<u>11,635,531</u>
Less transfers to other governments			
Ministry of Finance - School Taxes	2,570,000	1,976,370	2,335,373
Regional District	1,640,000	1,830,227	1,708,183
Regional District Hospital	670,000	664,215	686,839
BC Assessment	53,000	55,166	49,621
Municipal Finance Authority	200	229	214
Ministry of Health	85,500	91,337	85,876
	<u>5,018,700</u>	<u>4,617,544</u>	<u>4,866,106</u>
	<u>6,773,200</u>	<u>6,830,257</u>	<u>6,769,425</u>

TOWN OF SMITHERS

SCHEDULE 4 - GOVERNMENT TRANSFERS AND GRANTS

YEAR ENDED DECEMBER 31

	2020 Budget	2020 Actual	2019 Actual
Transfers for operating			
Provincial Government	876,974	6,096,051	6,961,360
Federal Government	28,600	310,260	576,375
Regional District	525,532	524,608	480,497
Wetzin'kwa Community Forest	-	40,000	40,000
School District	10,000	10,000	10,000
Municipal Government	14,720	14,880	19,240
First Nation Government	12,780	7,660	6,737
Other Government Organizations	195,820	116,453	214,764
	<u>1,664,426</u>	<u>7,119,912</u>	<u>8,308,973</u>
Transfers for capital			
Provincial Government		-	37,500
Federal Government	-	-	600,000
Other Government Organizations	322,470	-	2,500
	<u>322,470</u>	<u>-</u>	<u>640,000</u>
	<u>1,986,896</u>	<u>7,119,912</u>	<u>8,948,973</u>

TOWN OF SMITHERS

SCHEDULE 5 - EXPENSES BY OBJECT

YEAR ENDED DECEMBER 31

	2020 Budget	2020 Actual	2019 Actual
Consolidated Expenses by Object			
Salaries, Wages and Benefits	6,206,199	5,784,318	5,471,593
Training, Travel, Memberships	217,090	101,784	160,893
Telephone	96,540	88,705	91,660
Advertising and Promotion	61,800	49,460	57,076
Materials and Supplies	1,068,460	977,231	981,317
Miscellaneous Expenses	76,390	71,042	92,571
Community Grants	183,403	220,859	532,516
Contracted Services	1,321,580	1,561,816	1,505,618
RCMP Contract	1,735,770	1,417,556	1,538,199
Special Projects	600,390	159,980	250,570
Utilities - Hydro	506,590	469,802	512,602
Utilities - Natural Gas	96,350	97,059	84,275
Utilities - Water, Sewer and Garbage	50,060	42,985	49,926
Insurance	219,770	201,415	193,801
Interest on Long-term Debt	245,210	191,808	195,199
Amortization	3,489,320	3,332,384	3,499,348
Internal Equipment Charges	<u>(255,872)</u>	<u>6,587</u>	<u>(5,352)</u>
	<u>15,919,050</u>	<u>14,774,791</u>	<u>15,211,812</u>

TOWN OF SMITHERS

SCHEDULE 6 - NORTHERN CAPITAL AND PLANNING GRANT RESERVE FUND

YEAR ENDED DECEMBER 31

	2020	2019
	Actual	Actual
Opening balance	6,323,020	
Contribution from Provincial Government	3,655,000	6,218,000
Interest Income	<u>104,780</u>	<u>105,020</u>
Closing Balance	<u>10,082,800</u>	<u>6,323,020</u>

TOWN OF SMITHERS

SCHEDULE 7 - BC COVID SAFE RESTART GRANT RESERVE

YEAR ENDED DECEMBER 31

	2020 Actual	2019 Actual
Opening balance	-	-
Contribution from Provincial Government	1,656,000	-
Transfer to Airport Surplus for Operations	(508,419)	-
Transfer to Unrestricted Surplus	<u>(1,147,581)</u>	<u>-</u>
Closing Balance	<u>-</u>	<u>-</u>



Alpenhorn Man Statue on Main Street at the entrance to the Downtown Core



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