



SQUAMISH - LILLOOET
REGIONAL DISTRICT

Financial Statements
For the year ended December 31, 2021

**Squamish-Lillooet Regional District
Financial Statements
For the year ended December 31, 2021**

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Statement of Management Responsibility

The 2021 financial statements have been prepared by Regional District staff and are the responsibility of management. Management's responsibilities also include maintaining a system of internal controls for financial statement reliability purposes and for the protection of the Regional District's assets. The financial statements have been prepared in accordance with Canadian public sector accounting standards.

The Board of the Regional District has approved these financial statements at their Board meeting of May 9, 2022.

BDO Canada LLP, the Regional District's independent external auditors, have examined the Regional District's financial statements in accordance with generally accepted auditing standards. In their opinion, as expressed in their audit report, the Regional District's financial statements present fairly in all material respects the financial position of the Regional District as at December 31, 2021, and the results of operations and cash flows for the year then ended.

A handwritten signature in black ink, appearing to read 'S. Lafrance', with a stylized flourish at the end.

Suzanne Lafrance
Director of Finance
[May 9, 2022]



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Independent Auditor's Report

To the Board of Directors of the Squamish-Lillooet Regional District

Opinion

We have audited the financial statements of the Squamish-Lillooet Regional District (the "Regional District") which comprise the Statement of Financial Position as at December 31, 2021 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

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

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

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

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



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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Chartered Professional Accountants


Whistler, British Columbia


May 11, 2022

**Squamish-Lillooet Regional District
Statement of Financial Position**

At December 31	2021	2020
Financial Assets		
Cash and Investments		
Cash	\$ 259,801	\$ 297,755
Investments (Note 3)	15,534,319	14,550,572
Accounts Receivable		
AR Governments and Agencies	1,101,163	482,569
AR Other	410,342	273,010
Agreements		
Agreements Due From Members (Note 5)	47,083,674	49,356,490
	<u>64,389,299</u>	<u>64,960,396</u>
Liabilities		
Accounts Payable		
Trade Accounts Payable and Accrued Liabilities	1,456,883	600,631
Payroll Payable	471,698	330,062
Deposits for Building & Development Permits	85,652	75,193
Provision for Landfill Closure (Note 6)	569,891	519,694
Deferred Revenue	391,332	173,677
Debt		
Short-Term Financing (Note 7)	479,625	358,875
Long-Term Debt (Note 5)	54,936,465	57,065,566
	<u>58,391,546</u>	<u>59,123,698</u>
Net Financial Assets	<u>5,997,753</u>	<u>5,836,698</u>
Non-Financial Assets		
Tangible Capital Assets (Note 2)	39,141,142	39,209,975
Prepaid Expenses	91,816	77,764
Accumulated Surplus	<u>\$ 45,230,711</u>	<u>\$ 45,124,437</u>

Approved by:


 _____ Treasurer


 _____ Chair

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

**Squamish-Lillooet Regional District
Statement of Operations**

For the year ended December 31	Budget 2021 (Note 10)	2021	2020
Revenue			
Requisition	\$ 8,933,961	\$ 8,933,961	\$ 8,475,242
Parcel Tax	698,661	698,661	739,344
Payments In Lieu of Taxes	1,809,751	1,566,226	1,494,821
Rental Income	41,140	35,611	40,141
Planning Fees	31,000	30,145	25,114
Building Permit Fees	247,497	446,168	246,971
Water and Sewer Rates	188,020	193,303	191,296
Interest and Investment Income	93,354	14,885	88,212
Tipping Fees	572,332	597,670	625,588
Miscellaneous Revenue	103,116	236,947	175,318
Contributions From Developers	96,000	96,000	96,000
Sale of Capital Assets	-	-	(7,864)
Unconditional Grants - Provincial	200,000	200,000	200,000
Conditional Grants - Federal	791,277	668,505	326,747
Conditional Grants - Provincial	3,171,024	1,451,345	1,804,992
Conditional Grants - Local Government	4,000	3,667	2,840
Conditional Grants - Non-Governmental	156,921	152,895	249,095
Actuarial Revenue	-	183,229	163,480
	<u>17,138,054</u>	<u>15,509,218</u>	<u>14,937,337</u>
Expenses (Note 8)			
General Government Services and Elections	4,695,337	3,558,024	2,888,888
Environmental Development	1,145,213	620,798	682,887
Environmental Health	2,311,320	2,125,071	1,795,703
Building Inspection	550,870	436,809	413,968
Fire Protection and Rescue Services	3,465,350	2,260,433	2,341,983
Street Lightning, Dyking and Road Maintenance	126,219	66,961	44,039
Recreation, Cultural, Television and Library	4,231,542	4,061,250	3,604,843
Water Systems	1,022,816	892,811	879,207
Sewer Systems	822,619	721,605	709,316
Electoral Special/General Services	526,809	217,138	263,236
Economic Development	98,579	115,413	81,894
Transit System	81,000	30,500	-
Debt Services Electoral Areas	301,004	296,131	283,447
	<u>19,378,678</u>	<u>15,402,944</u>	<u>13,989,410</u>
Annual Surplus / (Deficit)	(2,240,624)	106,274	947,927
Accumulated Surplus, Beginning of Year	45,124,437	45,124,437	44,176,510
Accumulated Surplus, End of Year	\$ 42,883,813	\$ 45,230,711	\$ 45,124,437

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

Squamish-Lillooet Regional District Statement of Cash Flows

For the year ended December 31

2021

2020

Cash provided by (used in)

Operating transactions

Annual Surplus	\$ 106,274	\$ 947,927
Items not involving cash		
Amortization	1,551,777	1,362,491
Loss on sale/disposal of tangible capital assets	-	7,864
	<u>1,658,051</u>	<u>2,318,282</u>
Changes in non-cash operating balances		
Accounts receivable	(755,926)	710,952
Accounts payable	997,889	(170,092)
Deposits for Building & Development Permits	10,459	(10,139)
Deferred revenue	217,655	141,844
Prepaid expenses	(14,053)	(26,351)
Provision for landfill future closure and post-closure costs	50,197	49,809
Cash generated by operating transactions	<u>2,164,272</u>	<u>3,014,305</u>

Financing transactions

Proceeds from issuance of long-term debt	675,000	500,000
Proceeds from issuance of short-term debt	160,000	300,000
Debt repayments	(570,535)	(498,721)
Cash generated by financing transactions	<u>264,465</u>	<u>301,279</u>

Investing transactions

Changes in investments	(983,747)	(2,734,536)
Cash used for investing transactions	<u>(983,747)</u>	<u>(2,734,536)</u>

Capital transactions

Cash used to acquire tangible capital assets	(1,482,944)	(674,743)
Cash used for capital transactions	<u>(1,482,944)</u>	<u>(674,743)</u>

Decrease in cash during the year	(37,954)	(93,695)
Cash, beginning of year	<u>297,755</u>	<u>391,450</u>
Cash, end of year	\$ 259,801	\$ 297,755

Squamish-Lillooet Regional District
Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2021	2021	2020
Annual surplus / (deficit)	\$ (2,240,624)	\$ 106,274	\$ 947,927
Acquisition of tangible capital assets	(3,772,530)	(1,482,944)	(674,743)
Amortization of tangible capital assets	1,638,736	1,551,777	1,362,491
Change in prepaid expenses	-	(14,053)	(26,351)
Loss on sale of tangible capital assets	-	-	7,864
Change in net financial assets for the year	(4,374,418)	161,055	1,617,187
Net financial assets, beginning of year	5,836,698	5,836,698	4,219,511
Net financial assets, end of year	\$ 1,462,280	\$ 5,997,753	\$ 5,836,698

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

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

1. Significant Accounting Policies

a. Basis of Presentation

The Squamish-Lillooet Regional District (Regional District) is a local government in the Province of British Columbia. The Financial Statements of the Regional District, which are the representation of management, are prepared in accordance with Canadian public sector accounting standards (PSAS) as prescribed by the Public Sector Accounting Board. The Financial Statements reflect the combined results and activities of the reporting entity which is comprised of the Operating, Capital and Reserve funds and all organizations that are accountable for the administration of their financial affairs and resources to the Regional District's Board and are controlled or owned by the Regional District. Inter-fund transactions have been eliminated within these Financial Statements.

- i. Operating Funds: These funds include the General, Water and Sewer operations of the Regional District. They are used to record the operating costs of the services provided by the Regional District.
- ii. Capital Funds: These funds include the General, Water and Sewer Capital Funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii. Reserve Funds: Under the *Local Government Act*, the Regional Board may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, the Regional Board may, by bylaw, transfer all or part of the balance to another reserve fund within the same service.

b. Budget Amounts

Budget amounts, presented in Note 11, reflect the statutory annual budget as adopted by the Board on March 24, 2021.

c. Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues, and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due. Sale of services and user fee revenues are recognized when the service or product is rendered by the Regional District.

Restricted revenues are recognized when the funding becomes receivable unless related stipulations create a liability in which case the revenue is recognized as the liability becomes extinguished. Revenue unearned in the current period is recorded as deferred revenue.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that stipulations give rise to an obligation that meets the definition of a liability. Government transfers are recognized as deferred revenue when stipulations give

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

rise to a liability and subsequently recognized as revenue in the statement of operations as the liabilities are settled.

Requisition revenue is recorded at estimated amounts when it meets the definition of an asset, has been authorized and the taxable event occurs. Annual levies for non-optional regional district services and general administrative services are recorded as requisition revenue for regional district services in the year they are levied. Requisition revenue receivable is recognized net of an allowance for anticipated uncollectable amounts. Levies imposed by other taxing authorities are not included as taxes for regional district purposes.

To the extent that adjustments for uncollectible amounts exceed the initial estimates, they are recognized at the time they are received.

d. Investments

Investments are recorded at cost. When, in the opinion of management, there is a decline in value that is other than temporary, investments are written down to their fair value.

e. Tangible Capital Assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing when the asset is available for use. Donated tangible capital assets are recorded at fair value at the time of donation. Interest costs associated with the construction of a tangible capital asset are not capitalized. Estimated useful lives are as follows:

Land Improvements	15 to 20 years
Buildings	20 to 50 years
Fixtures, Furniture, Equipment & Vehicles	5 to 20 years
Technology	5 years
Roads	10 to 50 years
Bridges and Other Transportation Structures	10 to 50 years
Water Infrastructure	5 to 100 years
Sewer Infrastructure	5 to 100 years
Drainage Infrastructure	25 to 40 years

f. Use of Estimates

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. Significant areas requiring estimates include the determination of accrued payroll liabilities, landfill closure & post-closure liabilities, useful lives of tangible capital assets and provisions for contingencies. As such, actual amounts could differ from the estimates.

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

g. Landfill Closure and Post-Closure Liability

The estimated present value of landfill closure and post-closure costs is recognized as a liability. This liability is recognized based on estimated future expenses, including estimated inflation discounted to the current date and accrued based on the proportion of the total capacity of the landfill used as of the date of the statement of financial position. The change in this estimated liability during the year is recorded as an expense in operations. These estimates are reviewed and adjusted annually and any changes are recorded on a prospective basis.

Squamish-Lillooet Regional District
Notes to the Financial Statements
For the year ended December 31, 2021

2. Tangible Capital Assets

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Water	Sewer	Roads/ Bridges/ Street lights	2021 Total	2020 Total
Opening Balance	\$ 3,158,851	\$ 1,888,933	\$ 19,762,969	\$ 2,356,810	\$ 14,565,784	\$ 15,906,898	\$ 10,882	\$ 57,651,127	\$ 57,033,081
Additions	663,728	211,934	126,128	319,864	145,290	16,000	-	1,482,944	674,743
Transfers	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	(56,697)
Write Downs	-	-	-	-	-	-	-	-	-
Closing Balance, Dec. 31	3,822,579	2,100,867	19,889,097	2,676,674	14,711,074	15,922,898	10,882	59,134,071	57,651,127
Accumulated Amortization:									
Opening Balance	-	199,768	6,906,156	1,482,120	5,806,881	4,040,832	5,395	18,441,152	17,127,495
Amortization Expense	-	107,836	564,592	162,428	354,393	361,984	544	1,551,777	1,362,491
Effects of Disposals	-	-	-	-	-	-	-	-	(48,834)
Effects of Write down adj's	-	-	-	-	-	-	-	-	-
Closing Balance, Dec. 31	-	307,604	7,470,748	1,644,548	6,161,274	4,402,816	5,939	19,992,929	18,441,152
Net book value for year ended December 31	\$ 3,822,579	\$ 1,793,263	\$ 12,418,349	\$ 1,032,126	\$ 8,549,800	\$ 11,520,082	\$ 4,943	\$ 39,141,142	\$ 39,209,975

The Regional District has \$691,327 of tangible capital assets under construction in 2021 (2020 - \$280,423).

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

3. Investments

Restricted investments:	2021	2020
Reserves	\$9,403,836	\$9,157,370
Restricted Revenues	<u>569,891</u>	<u>519,694</u>
	9,973,727	9,677,064
Unrestricted investments	<u>5,560,592</u>	<u>4,873,508</u>
Total investments	<u>\$15,534,319</u>	<u>\$14,550,572</u>

Average yield on investments	0.10%	0.67%
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Included in investments are the Municipal Finance Authority of British Columbia's (MFABC) Money Market Fund and Government Focused Ultra-short Bond Fund (previously called the Intermediate Fund), with cost values as described below. Amounts can be withdrawn from the Money Market Fund with one day's notice and with 3 day's notice for the Government Focused Ultra-short Bond Fund.

	2021	2020
MFABC Money Market Fund	\$14,949,736	\$14,113,255
MFABC Government Focused Ultra-short Bond Fund	<u>547,457</u>	<u>390,151</u>
Total MFABC Investments	\$15,497,193	\$14,503,406

4. Deposit and Reserve – Municipal Finance Authority of British Columbia

MFABC provides capital financing for Regional Districts and their member municipalities. MFABC is required to establish a Debt Reserve Fund and must use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the Regional District may be called upon to restore the fund.

The Regional District, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the MFABC to the Regional Districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged. The proceeds from these discharges will be credited to income in the year they are received.

As at December 31, the total of the Debt Reserve Fund was comprised of:

	2021	2020
Cash deposits	\$180,048	\$170,318
Demand notes	<u>306,971</u>	<u>297,589</u>
	<u>\$487,019</u>	<u>\$467,907</u>

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

5. Long-Term Debt

All monies borrowed by the Regional District are upon its credit at large and shall, in the event of any default, constitute an indebtedness of the member municipalities for which they are jointly and severally liable.

The agreements due from members are receivable on the same terms as the related agreements payable to the Municipal Finance Authority of British Columbia (MFABC).

	Balance, beginning of year	Additions	Principal Payment	Actuarial Adjustments*	Balance, end of year
General Fund					
MFA issue 99	\$1,289,783	-	\$55,227	\$40,409	\$1,194,147
MFA issue 101	2,656,464	-	106,178	70,616	2,479,670
MFA issue 105	228,533	-	34,959	18,858	174,716
MFA issue 121	584,061	-	18,009	6,637	559,415
MFA issue 124	364,656	-	10,805	3,414	350,437
MFA issue 146	191,466	-	4,204	256	187,006
MFA issue 146	890,854	-	53,767	3,274	833,813
MFA issue 152	500,000	-	12,815	-	487,185
MFA issue 153	-	675,000	-	-	675,000
	<u>6,705,817</u>	<u>675,000</u>	<u>295,964</u>	<u>143,464</u>	<u>6,941,389</u>
Water Fund					
MFA issue 80	187,928	-	26,008	33,604	128,316
MFA issue 105	10,219	-	1,563	844	7,812
MFA issue 105	<u>52,236</u>	<u>-</u>	<u>7,991</u>	<u>4,310</u>	<u>39,935</u>
	<u>250,383</u>	<u>0</u>	<u>35,562</u>	<u>38,758</u>	<u>176,063</u>
Sewer Fund					
MFA issue 145	670,132	-	14,714	896	654,522
MFA issue 146	<u>82,744</u>	<u>-</u>	<u>1,817</u>	<u>110</u>	<u>80,817</u>
	<u>752,876</u>	<u>0</u>	<u>16,531</u>	<u>1,006</u>	<u>735,339</u>
Totals	<u>\$7,709,076</u>	<u>\$675,000</u>	<u>\$348,057</u>	<u>\$183,228</u>	<u>\$7,852,791</u>

Debt obligation recoverable from and payable by member municipalities:

Within 12 months	\$4,846,237
Thereafter	<u>\$42,237,437</u>
	<u>\$47,083,674</u>

Total MFABC Debt (Schedule 1) **\$54,936,465**

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

The following principal amounts are payable over the next five years:

	2022	2023	2024	2025	2026	Thereafter	Total
General	\$311,961	\$311,961	\$311,961	\$277,002	\$277,002	\$2,612,386	\$4,102,273
Water funds	35,562	35,562	9,554	0	0	0	80,678
Sewer funds	16,530	16,530	16,530	16,530	16,530	363,665	446,315
	\$364,053	\$364,053	\$338,045	\$293,532	\$293,532	\$2,976,051	\$4,629,266
Actuarial Adjustments*							<u>\$3,223,525</u>
Total Regional District MFABC Debt Balance							\$7,852,791

*Actuarial Adjustments represent interest earned on sinking funds held by MFABC. Such interest is used to reduce the principal amount of outstanding debt.

6. Future Obligations**Landfill Closure / Post Closure Liability**

The Regional District operates various landfill sites and is responsible for closure and post closure care of these sites. The reported liability of \$569,891 (2020 - \$519,694) is for 3 landfill sites.

The Lillooet Landfill is currently in operation and is expected to close in 2083. A report drafted by Sperling Hansen Associates analyzed the Lillooet Landfill and gave recommendations for closure & post closure costs and post-closure liabilities per year. Total estimated closure and post-closure costs are \$3,316,590, none of which have yet been incurred. The Regional District's estimated liability for these expenses is recognized as the landfill site's capacity is used and the reported liability of \$560,128 (2020 - \$503,618) represents the portion of the estimated total expense recognized as at December 31, 2021. The liability and annual expense is calculated based on the ratio of current usage to the total capacity of the site and the discounted estimated future cash flows associated with closure and post-closure activities. The remaining capacity of the site using the waste to cover ratios is estimated to be 660,000 m³ as at the last review completed in March 2022, and the estimated remaining landfill life is 62 years. Post-closure costs are expected to be incurred for 30 years after this date.

The two Pemberton Landfill sites are now closed. Closure activities have commenced and the land is being returned to its original state. The reported liability of \$9,763 (2020 - \$16,076) represents the portion of the estimated total expense recognized as at December 31, 2021.

7. Short-term Financing

Short-term financing is provided by the MFABC and bears interest at the MFABC's variable daily floating rate (0.97% at December 31, 2021). The authority for borrowing is section 403 of the Local Government Act, Liabilities Under Agreement. The amount repayable is \$479,625 (2020 - \$358,875) and is repayable over a maximum of 5 years from date of issue.

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

Short-term financing amounts outstanding at December 31:

Function	2021	2020
Pemberton Community Youth Centre	\$19,625	\$58,875
Bralorne Sewer Treatment Plant	180,000	150,000
General Government Main Office	280,000	150,000
Total	<u>\$479,625</u>	<u>\$358,875</u>

8. Segment Disclosure

Segmentation has been determined on a functional basis with consideration to service delivery and departmental accountabilities. Categories of service that have been separately disclosed in the segmented information within the Schedule of Segment Disclosure provide the following services:

General Government Services and Elections

General Government and Elections is comprised of electoral area governance, general administration which includes legislative services, finance, human resources and information systems.

Environmental Development

Environmental Development is comprised of land planning & zoning, regional growth strategy and civic addressing services.

Environmental Health

Environmental Health is comprised of regional solid waste management, the utilities & environmental services department, the various community transfer stations, the Lillooet landfill and cemetery services.

Building Inspection

Building Inspection is comprised of building inspection services.

Fire Protection and Rescue Services

Fire Protection and Rescue Services is comprised of is comprised of emergency planning, 911 services, the fire departments of the SLRD and the various fire protection & search and rescue societies receiving financial contributions.

Street Lightning, Dyking and Road Maintenance

Street Lightning, Dyking and Road Maintenance is comprised of the street lighting services, dyke services and the Upper Cheakamus road improvement service.

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

Recreation, Cultural, Television and Library

Recreation, Cultural, Television and Library is comprised of the recreation centers, museums, television & radio services, libraries and parks & trails services.

Water Systems

Water Systems are comprised of the various community water distribution and water treatment systems within the Regional District.

Sewer Systems

Sewer Systems are comprised of the various community sewer and waste water treatment systems within the Regional District.

Electoral Special/ General Services

Electoral Special/ General Services is comprised of contributions to services and grants in aid to community groups within the Regional District based on resolutions from the Regional District's Electoral Area Directors Committee.

Economic Development

Economic Development is comprised of the economic development services of the Regional District.

Transit System

Transit system is comprised of the regional transit planning & infrastructure service.

Debt Services Electoral Areas

Debt Services Electoral Areas is comprised of the long-term debt interest payments for the electoral areas of the Regional District.

Schedule of Segment Disclosure

	General Government Services and Elections	Environmental Development	Environmental Health	Building Inspection	Fire Protection and Rescue Services	Street Lightning, Dyking and Road Maintenance	Recreation, Cultural, Television and Library	Water Systems	Sewer Systems	Electoral Special/ General Services	Economic Development	Transit System	Debt Services Electoral Areas	2021 Total	2020 Total
Revenues															
Requisition	\$ 1,588,213	\$ 314,758	\$ 489,984	\$ 237,845	\$ 1,317,757	\$ 70,109	\$ 4,104,673	\$ 354,382	\$ 377,278	\$ -	\$ 78,962	\$ -	\$ -	\$ 8,933,961	\$ 8,475,242
Parcel Tax	-	-	71,804	-	21,750	9,894	18,500	308,581	268,132	-	-	-	-	698,661	739,344
Payments In Lieu of Taxes	1,562,874	-	-	-	3,352	-	-	-	-	-	-	-	-	1,566,226	1,494,821
Rental Income	-	-	-	-	16,481	-	19,130	-	-	-	-	-	-	35,611	40,141
Planning Fees	-	30,145	-	-	-	-	-	-	-	-	-	-	-	30,145	25,114
Building Permit Fees	-	-	-	446,168	-	-	-	-	-	-	-	-	-	446,168	246,971
Water and Sewer Rates	-	-	-	-	-	-	-	193,303	-	-	-	-	-	193,303	191,296
Interest and Investment Income	10,178	388	(4,821)	213	1,742	582	2,356	2,082	1,533	516	-	116	-	14,885	88,212
Tipping Fees	-	-	597,670	-	-	-	-	-	-	-	-	-	-	597,670	625,588
Miscellaneous Revenue	3,782	-	10,141	645	222,379	-	-	-	-	-	-	-	-	236,947	175,318
Contributions From Developers	96,000	-	-	-	-	-	-	-	-	-	-	-	-	96,000	96,000
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,864)
Unconditional Grants - Provincial	200,000	-	-	-	-	-	-	-	-	-	-	-	-	200,000	200,000
Conditional Grants - Federal	668,505	-	-	-	-	-	-	-	-	-	-	-	-	668,505	326,747
Conditional Grants - Provincial	155,251	-	446,908	-	849,186	-	-	-	-	-	-	-	-	1,451,345	1,804,992
Conditional Grants - Local Government	-	-	-	-	-	-	-	-	-	-	-	3,667	-	3,667	2,840
Conditional Grants - Non-Governmental	133,322	-	5,000	-	-	-	14,573	-	-	-	-	-	-	152,895	249,095
Actuarial Revenue	-	-	-	-	-	-	-	-	-	-	-	-	183,229	183,229	163,480
	4,418,125	345,291	1,616,686	684,871	2,432,647	80,585	4,159,232	858,348	646,943	516	78,962	3,783	183,229	15,509,218	14,937,337
Expenses															
Debt Charges - Interest	-	-	-	-	-	-	-	-	-	-	-	-	296,131	296,131	283,447
Operating expenses	1,575,900	130,359	1,474,399	63,527	1,733,982	66,417	3,488,723	533,376	339,729	217,138	115,413	30,500	-	9,769,463	9,038,264
Salary, wages and benefits	1,917,390	490,439	605,550	373,282	399,031	-	(119)	-	-	-	-	-	-	3,785,573	3,305,208
Amortization	64,734	-	45,122	-	127,420	544	572,646	359,435	381,876	-	-	-	-	1,551,777	1,362,491
	3,558,024	620,798	2,125,071	436,809	2,260,433	66,961	4,061,250	892,811	721,605	217,138	115,413	30,500	296,131	15,402,944	13,989,410
Net Annual Surplus/ (Deficit)	\$ 860,101	\$ (275,507)	\$ (508,385)	\$ 248,062	\$ 172,214	\$ 13,624	\$ 97,982	\$ (34,463)	\$ (74,662)	\$ (216,622)	\$ (36,451)	\$ (26,717)	\$ (112,902)	\$ 106,274	\$ 947,927

9. Commitments and Contingencies

a. Pension Plan

The Regional District and its employees contribute to the Municipal Pension Plan (the 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 provided are based on a formula. As at December 31, 2020, the Plan had about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local government.

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 valuation as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

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

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the Plan. The Squamish-Lillooet Regional District paid \$216,774 (2020 - \$202,622) for employer contributions while employees contributed \$192,887 (2020 - \$179,428) to the Plan in fiscal 2021.

b. Municipal Insurance Association of British Columbia

The Regional District is a member of the Municipal Insurance Association of British Columbia. The Regional District is assessed a premium and specific deductible for its claims based on population. The obligation of the Regional District with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The Regional District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer. Should the Association pay out claims in excess of premiums received, it is possible that the Regional District, along with the other participants, would be required to contribute towards this deficit.

Squamish-Lillooet Regional District

Notes to the Financial Statements

For the year ended December 31, 2021

10. Reconciliation of 2021 Budget Amounts

The budget amounts presented throughout these financial statements represent the 2021 Financial Plan Bylaw adopted by the Board on March 24, 2021 as adjusted to a “PSAS basis” in order to match the required presentation in the Statement of Operations and the Statement of Change in Net Financial Assets. This adjustment is necessary because certain revenue items in the Financial Plan are not considered revenues for PSAS purposes including transfers from reserves and debt proceeds. Similarly transfers to reserves, capital expenditures and debt principal repayments are not considered expenses for PSAS purposes.

The summary below reconciles the 2021 adopted Financial Plan to the Consolidated Statement of Operations.

Budgeted Annual Surplus/(Deficit) on a PSAS basis	\$(2,240,624)
Add:	
Transfers from Reserves	3,498,835
Prior Year Operating Surplus	3,308,163
MFA Funding	2,956,353
Amortization Expense	1,638,736
Less:	
Debt Principal Repayments	497,307
Transfers to Reserves	2,067,899
Capital Expenditures	<u>6,596,257</u>
Budgeted Surplus, per Financial Plan Bylaw	<u><u>\$0</u></u>

11. Uncertainty due to COVID-19

On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Regional District’s office was closed to the public as a result, although essential services continued to be provided, with the office re-opening in a limited capacity during the year. As the impacts of COVID-19 continue, there could be further effects on the Regional District, its citizens, employees, suppliers and other third-party business associates. The Regional District has continued to deliver services during this pandemic through a variety of means, whether face-to-face or utilizing technology. Given the dynamic nature of this event, the duration of any disruption to the Regional District's operations should it occur, and the related financial impacts cannot be reasonably estimated.

12. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year’s presentation.

Squamish-Lillooet Regional District

Unaudited Schedules

The following schedules have been prepared as supplementary information and are not audited or covered by the Auditor's report

Squamish-Lillooet Regional District
Long-Term Debt -unaudited

For the year ended December 31, 2021

Purpose	Year of Maturity	Rate	Balance Outstanding	
			2021	2020
726 Whistler - Bylaw 726	2021	1.75	-	160,485
733 Squamish - Bylaw 733	2022	0.65	374,465	731,099
740 Pemberton - Bylaw 740	2022	0.65	49,674	96,983
779 Pemberton North Water - Bylaw 779	2023	2.85	128,315	187,928
887 Squamish - Bylaw 887	2024	2.85	642,450	836,536
956 Pemberton - Bylaw 956	2025	0.91	552,257	680,417
963 Pemberton Rec Centre - Bylaw 963	2031	1.53	1,194,147	1,289,783
965 Lillooet - Bylaw 965	2021	1.75	-	44,011
1018 Squamish - Bylaw 1018	2026	1.53	908,257	1,069,497
1020 Pemberton - Bylaw 1020	2036	1.53	1,295,995	1,358,229
1037 Pemberton Rec Centre - Bylaw 1037	2032	2.25	2,479,670	2,656,463
1044 Squamish - Bylaw 1044	2027	2.25	1,379,307	1,579,256
1068 Squamish - Bylaw 1068	2028	2.65	285,752	320,540
1072 Howe Sound Firetruck - Bylaw 1072	2024	2.25	174,716	228,534
1097 D'Arcy Water - Bylaw 1097	2024	2.25	39,935	52,236
1098 Goldbridge Water - Bylaw 1098	2024	2.25	7,812	10,219
1102 Whistler - Bylaw 1102	2028	2.90	9,274,476	10,403,550
1105 Squamish - Bylaw 1105	2029	2.25	1,436,681	1,586,604
1114 Squamish - Bylaw 1114	2029	1.47	1,016,298	1,097,690
1114B Squamish - Bylaw 1114	2029	2.25	326,300	360,351
1138 Squamish - Bylaw 1138	2031	1.47	423,697	457,629
1253 Squamish Dist Swim Pool - Bylaw 1253	2037	2.90	559,415	584,061
1254 Squamish - Bylaw 1254	2032	2.90	1,395,424	1,613,122
1255 Garibaldi Fire Hall - Bylaw 1255	2038	3.15	350,437	364,656
1296A Squamish - Bylaw 1296 10 year term	2023	3.85	387,985	570,858
1296B Squamish - Bylaw 1296 15 year term	2028	3.85	459,711	515,676
1296C Squamish - Bylaw 1296 20 year term	2033	3.85	451,386	480,272
1351 Pemberton - Bylaw 1351	2024	3.00	92,379	120,834
1353A Squamish - Bylaw 1353	2024	3.00	38,752	50,688
1353B Squamish - Bylaw 1353	2029	3.00	1,915,944	2,115,880
1353C Squamish - Bylaw 1353	2034	3.00	257,677	272,579
1376 Squamish - Bylaw 1376	2035	2.75	77,808	82,061
1376B Squamish - Bylaw 1376	2031	2.10	400,579	434,504
1416 Pinecrest Sewer - Bylaw 1416	2048	3.15	654,522	670,132
1429A Squamish - Bylaw 1429 10 year term	2025	2.75	90,403	111,126
1429B Squamish - Bylaw 1429 15 year term	2030	2.75	1,110,294	1,213,756
1436 Pemberton - Bylaw 1436	2040	2.75	998,197	1,034,789
1489 Pemberton - Bylaw 1489	2036	2.10	428,118	450,466
1504 Squamish - Bylaw 1504	2022	1.95	127,172	250,640
1519 SLRD - GG Office Building	2033	3.20	833,813	890,854
1534A Squamish - Bylaw 1534 10 yr term	2027	3.15	113,293	130,298
1534B Squamish - Bylaw 1534 15 yr term	2032	3.15	884,195	951,220
1567 Pemberton Refuse - Bylaw 1567	2048	3.20	187,006	191,466
1588 Pinecrest Sewer - Bylaw 1588	2048	3.20	80,817	82,744
1645 Squamish - Bylaw 1645	2029	2.24	1,720,482	1,908,326
1685A Squamish - Bylaw 1685 5yr term	2025	0.91	4,449,747	5,514,766
1685B Squamish - Bylaw 1685 10yr term	2030	0.91	3,989,980	4,396,068
1685C Squamish - Bylaw 1685 15 yr term	2035	0.91	1,582,414	1,681,411
1685D Squamish - Bylaw 1685 20 yr term	2040	0.91	2,252,462	2,351,682
1686 Pemberton Transfer Station - Bylaw 1686	2050	0.91	487,185	500,000
1704 Pemberton Transfer Station - Bylaw 1704	2051	2.41	675,000	-
1723A Squamish - Bylaw 1723 5yr term	2026	1.25	143,743	-
1723B Squamish - Bylaw 1723 10yr term	2031	1.98	1,349,395	-
1723C Squamish - Bylaw 1723 20yr term	2041	2.58	2,363,224	-
1841 Whistler - Bylaw 1841	2029	2.23	725,949	816,692
1841B Whistler - Bylaw 1841	2029	1.03	913,290	1,027,452
2530 Squamish - Bylaw 2530	2033	3.20	268,379	286,738
2534 Squamish - Bylaw 2534	2023	2.90	129,685	191,709
			\$ 54,936,465	\$ 57,065,566

Squamish-Lillooet Regional District
Debt Services -Revenue, Expenses and Surplus
Unaudited

For the year ended December 31 **2021** **2020**

Revenue

Village of Pemberton	\$ 328,809	\$ 342,702
District of Lillooet	29,868	76,083
District of Squamish	4,540,125	2,848,406
Resort Municipality of Whistler	1,647,376	1,650,576
	<hr/>	<hr/>
	6,546,178	4,917,767

Expenses

Municipal Finance Authority Agreements		
Principal		
Members	4,683,307	3,061,835
Specific electoral areas	531,285	498,721
	<hr/>	<hr/>
	5,214,592	3,560,556
Interest	1,975,773	1,975,899
	<hr/>	<hr/>
	7,190,365	5,536,455
Recovered from specified electoral areas	(644,187)	(618,688)
	<hr/>	<hr/>
	\$ 6,546,178	\$ 4,917,767

**Squamish-Lillooet Regional District
COVID19 Safe Restart Grant
Unaudited**

Safe Restart Grant received November 19, 2020	\$ 502,000
Safe Restart Grant received March 22, 2021	\$ 125,000
Eligible Cost Incurred:	
Revenue shortfalls	(164,567)
General Government services	(102,266)
Computer and technology costs to improve connectivity and virtual communications	(91,345)
Not-for-profit foodbank contributions	(70,000)
Refuse collection	(26,617)
Recreation, parks and cultural	(15,371)
Utilities & environmental services	(14,572)
Protective services	(6,930)
Land planning & zoning	(2,167)
Building inspection services	(1,613)
Total Eligible Costs Incurred	(495,448)
Safe Restart Grant Balance, December 31, 2021	\$ 131,552
2021 Computer and technology special projects carried forward to 2022	(119,552)
2021 Not-for-profit foodbank contributions carried forward to 2022	(12,000)
Balance remaining	-

Squamish-Lillooet Regional District
Summary of Operating Surplus by Function

Unaudited

For the year ended December 31		2021	2020
General Government Services			
1000	General Government Services	557,343	563,288
1010	Regional Invasive Species Management & Control	1,435	1,435
Land Planning & Zoning			
1200	Land Planning & Zoning	513,027	539,914
1201	Regional Growth Strategy	9,728	18,306
1202	Civic Addressing	9,181	9,170
Waste & Environmental Services Management			
1300	Regional Solid Waste Management	61,877	148,948
1300A	Utilities & Environmental Services Dept.	3,821	4,105
Building Inspection			
1400	Building Inspection Services	310,116	86,331
Elections			
1500	Elections/UBCM	13,965	3,279
Fire Protection and Rescue Services			
1700	Fire Protection Pemberton	48	0
1702	Pemberton Rescue Service	0	0
1703	Lillooet Area Rescue Service	0	0
1704	Area D Search And Rescue	0	2,000
1705	Pemberton Search And Rescue	0	0
1706	Fire Protection Lillooet	0	0
1707	Fire Protection Bralorne	1,196	1,788
1708	Fire Protection Garibaldi	30,263	20,220
1711	Fire Protection Seton-Shalath	(3,004)	(6,257)
1712	Fire Protection Gun Lake	200	199
1713	Fire Protection Birken	2,402	799
1714	Howe Sound East Fire Services	20,172	42,082
1715	Pemberton Meadows Fire Protection	10	0
1716	Pemberton Heights Fire Protection	22	0
1717	WedgeWoods Estates Fire Protection	23	16,537
Other Protection Services			
1760	Nuisance & Disturbances Reg.Control	(157)	(178)
1761	Emergency Planning	30,058	9,985
1763	911 Interior	6,169	(158)
1764	911 South	349	(4,009)
Street Lighting			
1800	Gold Bridge Street Lighting	(36)	122
1801	Bralorne Street Lighting	133	148
1802	Seton Street Lighting	482	226
1803	D'Arcy Street Lighting	1,444	(19)
1804	Furry Creek Street Lighting	10,427	5,544
1805	Britannia Beach Street Lighting	4,269	1,947
Refuse Grounds			
1900	Pemberton Refuse Grounds	273,008	577,223
1902	Lillooet Area Refuse Ground	96,845	121,952
1904	DArcy Dev-Birkenhead Refuse	(20,338)	(14,652)
1905	Anderson Lake Refuse	(0)	(0)
1906	Area A Refuse Grounds	4,801	15,643
1908	Furry Creek Refuse Disposal	13,295	13,696
1909	Britannia Beach Refuse	18,008	20,948
Television Services			
2002	Bralorne Television	0	1
2003	Lillooet Camelsfoot TV & Radio Rebroadcasting	(206)	(0)
2004	Pemberton TV & Radio Rebroadcasting	20	705
Recreation Areas			
2100	Pemberton Recreation Commission	4,466	4,466
2102	Birken Recreation Commission	1	(189)
2104	Lillooet Dist R.E.C. Centre	(0)	(1)
2105	Squamish District Community Pool	185,454	151,129
2106	Pemberton / Area C Recreation	167,792	150,667
2107	Gold Bridge Community Complex	4,176	8,462
2108	Pemberton and District Arts, Culture and Recreation	42,336	10,115

Squamish-Lillooet Regional District
Summary of Operating Surplus by Function

Unaudited

For the year ended December 31

2021

2020

Museums			
2200	Bralorne Museum	0	1
2201	Heritage-Haylmore Property	3,197	7,909
2202	Pemberton & Dist.Museum & Archives	0	0
2203	Area A Asset Preservation Service	1,184	(79)
Orphan Road Services			
2300	Upper Cheakamus Road Improvement	(2,964)	7,411
Dyking Areas			
2400	Furry Creek Dyking-Drainage	9,049	6,588
2401	Walkerville Dyking-Drainage	30	0
2402	Whitecap Dev Bear Creek Dyking Dist	3,895	4,434
2405	Britannia Beach Debris Flood Mitigation	730	25,684
Libraries			
2500	Lillooet-Area B Library	0	0
2501	Area A Library	0	0
2502	Pemberton Library	0	0
2503	Whistler Library	0	0
Cemeteries			
2600	Area A Cemetery	0	0
2601	Area C / Village of Pemberton Cemetery	0	0
Water Systems			
2700	Devine Water	4,488	4,124
2701	Furry Creek Water	20,829	37,303
2702	Pemberton North Water	32,851	24,817
2703	Bralorne Water	16,358	14,784
2705	Britannia Beach Water	62,694	38,734
2706	Gold Bridge Water	9,205	7,823
2707	D'Arcy Water	3,848	5,332
2709	Pinecrest Water	13,225	29,977
Sewer Systems			
2800	Bralorne Sewer	15,568	(25,249)
2801	Furry Creek Sewer	41,966	24,421
2802	Britannia Beach Sewer	13,494	7,344
2804	Pinecrest Sewer	47,938	(8,806)
Select Services			
2900	Electoral Areas General Select Services	64,169	86,171
2901	Electoral Area A Select Services	46,894	28,958
2902	Electoral Area B Select Services	35,639	46,860
2903	Electoral Area C Select Services	91,097	72,718
2904	Electoral Area D Select Services	25,277	73,355
Parks			
3000	Electoral Areas Community Parks Service	1,843	1,454
3001	Britannia Beach Parks and Trails	(17,686)	(1,442)
3002	Furry Creek Open Spaces	18,253	11,587
3003	Pemberton Valley Recreational Trails Service	113	(10,021)
3004	Sea to Sky Trails	164,508	141,878
Economic Development			
2109	Pemberton and District Economic Development Grar	9,307	11,417
3102	Bridge River Valley Economic Development	0	0
Transit Systems			
3201	Regional Transit Planning & Infrastructure	9,572	34,301
Total All Services		3,121,192	3,235,705
		-	0
Reserves		11,245,286	10,691,201
Investment In Tangible Capital Assets		30,864,233	31,197,531
Accumulated Surplus		45,230,711	45,124,437

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