



PEACE RIVER REGIONAL DISTRICT

# STATEMENT OF FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2021

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PEACE RIVER REGIONAL DISTRICT

## STATEMENT OF FINANCIAL APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all statement and schedules included in the Statement of Financial Information, produced under the Financial Information Act.

Roxanne Shepherd, BBA, CPA, CGA

Chief Financial Officer

June 9, 2022

The undersigned represents the Board of Directors of the Peace River Regional District and approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

Brad Sperling

Chair

June 9, 2022

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PEACE RIVER REGIONAL DISTRICT

## PEACE RIVER REGIONAL DISTRICT

### MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information (SOFI) under the Financial Information Act have been prepared by management, in conjunction with external auditors, Beswick Hildebrandt and Lund (BHL) Chartered Professional Accountants, in accordance with Generally Accepted Accounting Principles (GAAP) or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

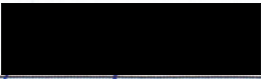
Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board meets with management and the external auditors once a year.

The corporation's Chief Financial Officer has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, BHL, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation'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 management and the Board and may meet with them as required.

On behalf of the Peace River Regional District

  
Roxanne Shepherd, BBA, CPA, CGA  
Chief Financial Officer  
June 9, 2022

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PEACE RIVER REGIONAL DISTRICT

# Peace River Regional District

## Financial Statements

For the fiscal year ended December 31, 2021

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## Statement of Management's Responsibility

The accompanying financial statements of the Peace River Regional District ("Regional District") are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with the significant accounting policies as set out in Note 2 to the financial statements and comply with the Canadian Public Sector Accounting Standards ("PSAS") as set by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada and the governing legislation. The financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

Directors are composed entirely of individuals who are neither management nor employees of the Regional District. Directors are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. Directors fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Directors are also responsible for recommending the appointment of the Regional District's external auditors.

The financial statements have been audited by Beswick Hildebrandt Lund (BHL) CPA in accordance with Canadian generally accepted auditing standards on behalf of the Regional District. BHL CPA has full access to the Board of Directors.

A black rectangular box redacting the signature of Shawn Dahlen.

Shawn Dahlen, Chief Administrative Officer

A black rectangular box redacting the signature of Roxanne Shepherd.

Roxanne Shepherd, Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Peace River Regional District

### Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standard.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity 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 PSAS, 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

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#### Partners

Allison Beswick CPA, CA  
Norm Hildebrandt CPA, CA  
Robin Lund CPA, CGA

Dane Soares CPA  
Taylor Turkington CPA

Beswick Hildebrandt Lund CPA  
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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 Entity'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 Entity'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 Entity 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.

*Beswick Hildebrandt Lund*

Chartered Professional Accountants

Prince George, British Columbia

May 12, 2022

**Peace River Regional District**  
**Statement of Financial Position**

As at December 31

	2021	2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 3)	19,413,307	20,826,739
Accounts receivables (Note 4)	1,934,436	2,347,443
Investments (Note 5)	54,765,681	46,026,494
Reserve deposits (Note 6)	1,898,495	1,866,741
Financial assets before member municipalities	78,011,919	71,067,417
Loans receivables (Note 7 and 11)	51,753,533	57,322,763
	129,765,452	128,390,180
<b>FINANCIAL LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	4,851,594	4,157,132
Deferred revenue (Note 9)	52,463	125,450
Landfill closure and post-closure care (Note 10)	8,761,255	7,036,338
Debt (Note 11)	14,280,260	16,740,480
Other liabilities (Note 12)	2,700,084	2,668,287
Financial liabilities before member municipalities	30,645,656	30,727,687
Other debt (Note 7 and 11)	51,753,533	57,322,763
	82,399,189	88,050,450
<b>NET FINANCIAL ASSETS</b>	47,366,263	40,339,730
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 13)	61,115,051	60,389,605
Prepaid expenses	103,971	86,980
	61,219,022	60,476,585
<b>ACCUMULATED SURPLUS (Note 14 and 15)</b>	108,585,285	100,816,315
COVID-19 (Note 17)		
Contingent liabilities (Note 18)		
Budget (Note 19)		
Municipal pension plan (Note 20)		
Related parties (Note 21)		
Comparative figures (Note 22)		
Segment reporting (Note 23)		
Approved by: [REDACTED]		
Chairperson		

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

**Peace River Regional District**  
**Statement of Operations and Accumulated Surplus**

*For the fiscal years ended December 31*

	2021 Budget (Note 19)	2021	2020
<b>REVENUE (SCHEDULE 1)</b>			
Requisitions	27,680,275	<b>27,680,275</b>	29,415,672
Grants-in-lieu	1,325,040	<b>1,760,318</b>	1,685,315
Interest Income	-	<b>569,477</b>	1,395,904
Fees, Charges, and Other	7,096,219	<b>8,736,368</b>	9,162,692
Government Transfers (Note 16)	398,000	<b>820,112</b>	1,049,319
	<u>36,499,534</u>	<u><b>39,566,550</b></u>	<u>42,708,902</u>
<b>EXPENSES (SCHEDULE 1)</b>			
General Government	31,045,038	<b>5,963,318</b>	6,030,873
Environmental Services	10,248,762	<b>11,839,303</b>	13,629,289
Protective Services	3,834,553	<b>3,869,457</b>	3,743,144
Planning and Development	2,182,006	<b>1,317,774</b>	1,783,876
Recreation and Culture	11,634,665	<b>11,717,681</b>	11,554,402
Sewer Utilities	1,736,460	<b>1,641,427</b>	1,854,655
Water Utilities	822,250	<b>668,654</b>	819,325
	<u>61,503,734</u>	<u><b>37,017,614</b></u>	<u>39,415,564</u>
<b>Annual Surplus, Before Other</b>	<u>(25,004,200)</u>	<u><b>2,548,936</b></u>	<u>3,293,338</u>
<b>OTHER</b>			
Government transfers related to capital (Note 16)	4,384,445	<b>5,220,034</b>	4,117,144
Member municipalities interest received	6,816,213	<b>2,940,224</b>	2,952,841
Less: Member municipalities interest expense	2,945,002	<b>2,940,224</b>	2,952,841
	<u>8,255,656</u>	<u><b>5,220,034</b></u>	<u>4,117,144</u>
<b>Annual Surplus</b>	<u>(16,748,544)</u>	<u><b>7,768,970</b></u>	<u>7,410,482</u>
<b>Accumulated Surplus, Beginning of Year</b>	<u>100,816,315</u>	<u><b>100,816,315</b></u>	<u>93,405,833</u>
<b>Accumulated Surplus, End of Year (Note 14 and 15)</b>	<u><u>84,067,771</u></u>	<u><u><b>108,585,285</b></u></u>	<u><u>100,816,315</u></u>

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

**Peace River Regional District**  
**Statement of Change in Net Financial Assets**  
*For the fiscal years ended December 31*

	2021 Budget (Note 19)	<b>2021</b>	2020
Annual Surplus	(16,748,544)	<b>7,768,970</b>	7,410,482
Change in tangible capital assets	(8,733,363)	<b>(3,291,816)</b>	(6,680,578)
Amortization of tangible capital assets	-	<b>2,610,572</b>	2,886,240
Change in prepaid expense	-	<b>(16,991)</b>	(7,688)
Gain on disposals	-	<b>(7,730)</b>	(19,193)
Other non-cash charges to operations	-	<b>(36,472)</b>	(200,318)
Change in net financial assets	(25,481,907)	<b>7,026,533</b>	3,388,945
Net Financial Assets, Beginning of Year	40,339,730	<b>40,339,730</b>	36,950,785
Net Financial Assets, End of Year	14,857,823	<b>47,366,263</b>	40,339,730

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



**Peace River Regional District**  
**Statement of Cash Flows**

*For the fiscal years ended December 31*

	2021	2020
<b>Operating</b>		
Annual Surplus	7,768,970	7,410,482
Non-cash items:		
Amortization	2,610,572	2,886,240
Gain on disposals	(7,730)	(19,193)
Other non-cash items	(36,472)	(200,318)
Decrease (increase) in non-cash assets:		
Accounts receivables	413,007	(863,795)
Prepaid expenses	(16,991)	(7,688)
Increase (decrease) in non-cash liabilities:		
Accounts payable and accrued liabilities	694,462	151,221
Deferred revenue	(72,987)	(156,848)
Landfill closure and post-closure care	1,724,917	2,805,262
Other liabilities	19,724	(24,679)
	<b>13,097,472</b>	<b>11,980,684</b>
<b>Financing</b>		
Change in reserve deposits	(31,754)	(37,489)
Change in debt	(2,460,220)	(5,392,328)
Change in other debt	(5,569,230)	(5,371,036)
Decrease in municipal debt charges recoverable	5,569,230	5,371,036
	<b>(2,491,974)</b>	<b>(5,429,817)</b>
<b>Capital</b>		
Change in tangible capital assets	<b>(3,291,816)</b>	<b>(6,680,578)</b>
<b>Investing</b>		
Increase in investments	<b>(8,739,187)</b>	<b>(43,134,262)</b>
Change in cash and cash equivalents	<b>(1,413,432)</b>	<b>(43,263,973)</b>
Cash and cash equivalents, beginning of year	<b>20,826,739</b>	<b>64,090,712</b>
Cash and cash equivalents, end of year	<b>19,413,307</b>	<b>20,826,739</b>

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

# **Peace River Regional District**

## **Notes to the Financial Statements**

*For the fiscal years ended December 31*

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The accompanying notes are an integral part of these financial statements. The following explains the significant accounting policies and reporting principles underlying these statements. The notes also provide relevant supplementary information and explanations.

### **1. The Peace River Regional District**

The Peace River Regional District (the "Regional District") was incorporated on October 31, 1987 under the provisions of the Local Government Act, a statute of the Province of British Columbia. The Regional District provides regional services such as: protective services, environmental services, community planning and development, recreation and culture, water and sewer utilities, debt and general government operations. Per the province of British Columbia, the Regional District has three roles: provide regional wide services, provide inter-municipal or sub-regional services, and act as the general local government for electoral areas. A key responsibility of the Regional District is to provide debt financing to member municipalities through the Municipal Finance Authority of British Columbia (MFA).

The Regional District is governed by a twelve-member Board of Directors representing seven member municipalities and four electoral areas. The Directors also serve as members of the Peace River Regional Hospital District. The board votes on resolutions and bylaws governing the region on all matters delegated to regional districts under provincial statutes.

### **2. Significant Accounting Policies**

The financial statements of the Regional District are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant accounting policies adopted by the Regional District are as follows:

#### **(a) Reporting entity**

The financial statements include all the assets, liabilities, accumulated surplus, revenue and expenses of the Regional District's service activities and funds.

#### **(b) Basis of accounting**

The Regional District follows the accrual method of accounting for revenue and expenses. Revenues are accounted for in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Inter-entity balances and transactions are eliminated.

#### **(c) Cash and cash equivalents**

Cash is held by the Regional District in its general bank and other high-interest savings account.

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**(d) Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating useful lives of tangible capital assets, estimating provisions for accrued liabilities, estimating the remaining useful life of the landfill and related post-closure liability and in performing actuarial valuations of employee future benefits. Actual results could differ from these estimates.

**(e) Requisitions**

The Regional District requisitions taxation from each member municipality and the electoral areas for their portion for services for which they participate. These requisitions are levied through the municipalities and the Province's Surveyor of Taxes (for electoral areas) to tax-payers and funds are provided to the Regional District by August 1 of each year.

**(f) Employee future benefits**

The Regional District and its employees make contributions to the Municipal Pension Plan ("The Plan"), as a multi-employer, defined benefit pension plan. Contributions are expensed as incurred.

**(g) Government transfers**

Government transfers are transfers of monetary assets to the Regional District that are not the result of an exchange transaction, a direct financial return, or is expected to be repaid in the future. Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized, and any eligibility criteria have been met and reasonable estimates of amounts can be determined.

If transfer stipulations give rise to an obligation that meets the definition of a liability, the resulting liability is deferred in the financial statements and recognized in the Statement of Operations as the stipulation liabilities are settled.

**(h) Loans receivable**

Loans receivable consists of amounts that are recoverable from member municipalities or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

**(i) Landfill closure and post-closure liability**

Pursuant to the Ministry of Environment's Landfill Criteria for Municipal Solid Waste, the Regional District is required to fund the closure of their landfill sites and provide for post-closure care of the facilities.

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**(i) Landfill closure and post-closure liability continued**

Closure and post-closure activities include the final clay cover and landscaping, as well as surface and ground water monitoring, leachate control, and vision inspection. The requirement is being provided for over the estimated remaining life of the landfill site based on usage.

**(j) Financial instruments**

The Regional District recognizes its financial instruments when the Regional District becomes party to the contractual provisions of the financial assets and liabilities originated and issued in a related party transaction with management. Financial instruments consist of cash, portfolio investments, receivables, debt and accounts payable.

Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest rate, currency or credit risk from these financial instruments.

**(k) Debt and other debt**

The Regional District's long-term debt and the member municipalities long-term debt are recorded net of repayments and actuarial adjustments.

**(l) Demand notes**

The Regional District's debt instruments through the MFA require execution of demand notes. Management has reported the demand notes as contingent liabilities in compliance with PSAS.

**(m) Segmented information**

The Regional District's segments are distinguishable activities or groups of activities for which it is reasonable to separately report financial information. The Regional District provides segmented information in schedules to the financial statements.

**(n) Non-financial assets**

Non-financial assets are held for use in the provision of goods and services but are not available to discharge existing liabilities. These assets may have a useful life extending beyond the current year and are not intended for sale in the ordinary course of the Regional Districts operations.

**(i) Tangible capital assets**

Tangible capital assets are recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset.

The cost, less the residual value of the tangible capital asset (excluding land), is amortized on a straight-line basis over the estimated useful life as follows:

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**(i) Tangible capital assets continued**

Land	---
Parks	15 - 50 years
Buildings	10 - 30 years
Equipment (computers, machinery and other)	15 years
Equipment (vehicles)	10 - 20 years
Public Infrastructure and Utilities	5 - 50 years
Landfills	25 -100 years

Tangible capital assets, including assets under construction, are recorded at cost. Amortization is charged over the assets useful life and commences when the asset is acquired. Full amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the assets are available for use.

**(ii) Contributions of tangible capital assets**

Contributed tangible capital assets are recognized at fair value (using various methods such as actual developer costs, appraisals, assessed values or professional estimates) at the date of contribution and are also recognized as revenue. When an estimate of fair market value cannot be made, the tangible capital asset is recognized at a nominal value.

**(o) Future accounting pronouncements**

The standards noted below were not in effect for the year ended December 31, 2021, therefore, have not been applied in preparing these financial statements. Management is assessing the impact of these standards on future Statements.

Standards applicable for fiscal years beginning on or after April 1, 2022:

PS 3450 - Financial instruments establishes standards on how to account for and report all types of financial instruments including derivatives.

PS 2601 - Foreign Currency Translation, which replaces PS 2600, establishes standards on how to account for an report transactions that are denominated in a foreign currency in government financial statements.

PS 1201 - Financial Statement Presentation, which replaces PS 1200, establishes general reporting principles and standards for the disclosure of information in government financial statements. The Standard introduces the Statement of Remeasurement Gains and Losses, which reports changes in the values of financial assets and financial liabilities arising from their remeasurement at current exchange rates and/or fair value.



**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**(o) Future accounting pronouncements continued**

PS 3041 - Portfolio Investments, which replaces PS 3040, establishes standards on how to account for and report portfolio investments in government financial statements.

PS 3280 - Asset Retirement Obligations, establishes standards on how to account for and report a liability for asset retirement obligations.

Standards applicable for fiscal years beginning on or after April 1, 2023:

PS 3400 - Revenue, establishes standards on how to account for and report on revenue, specifically differentiating between revenue arising from transactions that include performance obligations, referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

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<b>3. Cash and cash equivalents</b>	<b>2021</b>	<b>2020</b>
Cash	<b>2,104,418</b>	3,777,467
Cash equivalents	<b>17,308,889</b>	17,049,272
	<b>19,413,307</b>	20,826,739

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The Regional District's general cash is held for general operations and delivery of regional services. The cash is held at a Canadian chartered bank and earns interest at the current prevailing rates.

Cash equivalents are held in High Interest Savings Accounts (HISA). Investments with an original maturity of three months or less are considered cash equivalents.

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<b>4. Accounts receivable</b>	<b>2021</b>	<b>2020</b>
Provincial government	<b>10,035</b>	5,559
Goods and services tax	<b>269,961</b>	392,795
Trade receivables	<b>1,113,817</b>	1,384,126
Other	<b>540,623</b>	564,963
	<b>1,934,436</b>	2,347,443

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**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

<b>5. Investments</b>	<b>2021</b>	<b>2020</b>
Canaccord Investments	<b>39,214,414</b>	25,332,897
MFABC	<b>15,551,267</b>	15,645,597
BMO		5,048,000
	<b>54,765,681</b>	46,026,494

The Regional District has invested in Guaranteed Investment Certificates (GIC) managed by Canaccord Genuity Corp. and the Bank of Montreal. The interest accrued and the interest rates on these investments vary as follows:

<b>Investment Description</b>	<b>Principal</b>	<b>Interest</b>	<b>Purchase Date</b>	<b>Maturity Date</b>	<b>Interest Rate</b>
GIC - CCS	\$5,112,500	\$80,364	4/21/2020	04/21/2022	2.25%
GIC - DUCA	5,082,500	40,674	4/21/2021	04/21/2022	1.15%
GIC - HAVENTREE	6,000,000	39,353	7/23/2021	01/23/2023	1.40%
GIC - HAVENTREE	5,110,000	41,055	4/20/2021	04/20/2022	1.15%
GIC - HAVENTREE	6,500,000	32,215	8/19/2021	02/21/2023	1.35%
GIC - HAVENTREE	6,000,000	48,289	6/10/2021	06/10/2022	1.44%
GIC - KINDRED	5,085,000	42,463	4/21/2021	10/21/2022	1.20%

The Regional District also has financial assets held by MFABC in various accounts that earn between 0.32-2.28 percent.

<b>6. Reserve deposits</b>	<b>2021</b>	<b>2020</b>
Member municipalities		
MFA Debt Resv Dep - Chetwynd	<b>46,802</b>	46,019
MFA Debt Resv Dep - Dawson Creek	<b>585,745</b>	575,949
MFA Debt Resv Dep - Fort St John	<b>688,921</b>	677,399
MFA Debt Resv Dep - Hudson Hope	<b>528</b>	519
MFA Debt Resv Dep - Tumbler Ridge	<b>32,320</b>	31,779
	<b>1,354,316</b>	1,331,665
Regional district		
MFA Debt Resv Dep - Regional District	<b>544,179</b>	535,076
	<b>544,179</b>	535,076
	<b>1,898,495</b>	1,866,741

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

## 6. Reserve deposits continued

With respect to amounts financed through the MFA, the Regional District is required to pay annual installments of principal and interest relative to any borrowing for its own purposes and on behalf of member municipalities. This amount may be paid either in full or in an amount of cash equal to 1% of the principal amount borrowed together with a non-interest bearing demand note for the balance.

If, at any time, the MFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments or sinking fund contributions shall be made from the Debt Reserve Fund. The demand notes payable to the MFA and receivable from member municipalities are callable only if there are additional requirements to be met to maintain the level of the debt reserve fund.

The Regional District debt, under provisions of the Local Government Act, is a direct, joint and several liability of the Regional District and each member municipality within the Peace River Regional District. The demand notes on all debt are contingent in nature and therefore, excluded from the Statement of Financial Position under the provisions of PS 3300 Contingent Liability (Note 18).

## 7. Loans receivables

	2021	2020
Dawson Creek	18,151,878	21,217,279
Chetwynd	3,457,755	3,628,865
Fort St. John	29,570,070	31,724,036
Hudson's Hope	3,056	5,995
Tumbler Ridge	570,774	746,588
	<b>51,753,533</b>	<b>57,322,763</b>

Under the Local Government Act and Community Charter, member municipalities are required to secure borrowing arrangements with the MFA through the Regional District. Under these terms, member municipalities are required to pay the Regional District amounts required to discharge their obligations respectively. Any default in payment is the liability of the Regional District.

## 8. Payables

	2021	2020
Federal governments	5,348	4,575
Grants in-aid	113,536	116,927
Vacation and banked overtime	57,286	54,962
Trade Payables	4,057,035	3,502,579
Other	618,389	478,089
	<b>4,851,594</b>	<b>4,157,132</b>

**Peace River Regional District**  
**Notes to the Financial Statements**

For the fiscal years ended December 31

<b>9. Deferred revenue</b>	December 31, 2020	Externally restricted inflows	Revenue earned	<b>December 31, 2021</b>
Bldg Insp-Demo & Temp Deposits	20,500		(9,000)	<b>11,500</b>
Deferred Revenue - Various	65,412		(65,412)	
Deferred Revenue - Water Credits	16,934	84,925	(83,500)	<b>18,359</b>
Deferred Revenue - Debenture Principal	22,604			<b>22,604</b>
	<b>125,450</b>	<b>84,925</b>	<b>(157,912)</b>	<b>52,463</b>

Monies received for specific purposes that are externally restricted by legislation, regulation or agreement and are not available for general purposes are accounted for as deferred revenue on the Statement of Financial Position. The revenue is recognized on the Statement of Operations in the period when related expenses are incurred and/or services performed and certain stipulations have been met.

<b>10. Landfill liability</b>	Total Estimated Future Costs (NPV)	<b>2021 Liability for Closure</b>	Future Liability
Fort St. John	10,004,684	<b>4,275,481</b>	5,729,203
Bessborough	3,170,679	<b>653,422</b>	2,517,257
Chetwynd	5,477,168	<b>3,488,893</b>	1,988,275
Dawson Creek	156,891	<b>156,891</b>	
Closed	186,568	<b>186,568</b>	
	<b>18,995,990</b>	<b>8,761,255</b>	<b>10,234,735</b>
	Total Estimated Future Costs (NPV)	<b>2020 Liability for Closure</b>	Future Liability
Fort St. John	9,351,118	3,711,834	5,639,284
Bessborough	3,090,267	616,539	2,473,728
Chetwynd	4,091,924	2,364,979	1,726,945
Dawson Creek	156,597	156,597	
Closed	186,389	186,389	
	<b>16,876,295</b>	<b>7,036,338</b>	<b>9,839,957</b>

The estimated liability for these costs are recognized as the landfill site's capacity is used. Estimated total expenses represent the sum of the discounted future cash flows for closure and post-closure care activities at the Regional District's average long-term borrowing rate of 2.84% (2020 - 2.88%).

Landfill closure and post-closure care requirements have been defined in accordance with the Ministry of Environment and Climate Change Strategy (MoECCS) Landfill Criteria for Municipal Solid Waste. These requirements include:

- Regular monitoring for any impacts of landfill sites to the surrounding environment via surface water, ground water, and erosion/settlement.
- Mitigation of surface water run-off by construction of final cover and landscaping progressively in phases to avoid exposure of waste to the environment.

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

## 10. Landfill liability continued

- Mitigation of landfill gas (LFG) via installation of gas collection systems and associated monitoring, which prevents migration of greenhouse gases offsite resulting from the breakdown of waste.

The reported liability reflects the costs to meet the aforementioned requirements and are calculated based on:

- "Design Operations and Control Plans" (DOCP's) - a manual describing how a landfill is built and airspace is consumed, reviewed, and updated every 5 years.
- Annual Landfill Reports - landfill site report describing how much waste was received and how much landfill airspace was consumed in the previous year.
- Budget vs. actual costs.

These reports are compiled by qualified professionals and are based on landfill capacity consumed, modeling, annual site surveys, budgeted costs vs. actuals, etc. and represent the best information available to management. This information in turn is used to estimate reported liability for the PRRD landfills. It is understood that significant changes to estimated total expenses, capacity consumed vs. total capacity will affect reported liability for these landfill sites.

	<b>Total Capacity m3</b>	<b>Remaining Capacity m3</b>	<b>Remaining Years</b>
Bessborough	2,361,000	1,874,439	46
Chetwynd	224,800	81,605	5
North Peace	1,777,210	1,017,723	18

The Regional District has an additional 22 (2020 - 22) closed landfill sites in various stages of post closure care.

## 11. Debt and other debt

	<b>2021</b>	<b>2020</b>
South Peace Multiplex	<b>4,470,652</b>	5,508,134
Chetwynd Recreation Centre	<b>3,896,925</b>	4,260,058
Buick Creek Arena	<b>1,263,853</b>	1,381,624
Solid Waste	<b>4,291,242</b>	5,346,334
Harper Sewer	<b>213,395</b>	244,330
Dawson Creek/Pouce Coupe Fire	<b>144,193</b>	
	<b>14,280,260</b>	16,740,480
Member municipality debt		
Chetwynd	<b>3,457,755</b>	3,628,865
Dawson Creek	<b>18,151,878</b>	21,217,279
Fort St. John	<b>29,570,070</b>	31,724,036
Hudson's Hope	<b>3,056</b>	5,995
Tumbler Ridge	<b>570,774</b>	746,588
	<b>51,753,533</b>	57,322,763
	<b>66,033,793</b>	74,063,243



**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

## 11. Debt and other debt continued

Under the Local Government Act, the Regional District and member municipalities can secure financing for certain capital expenditures as noted above.

The following are the borrowing issues from MFA for the Regional District, which is comprised of the debt of the Regional District and its member municipalities.

Issue No.	SI Bylaw	Interest Rate	Maturity Date	Regional District	Member Municipality	Balance at Dec 31, 2021
ISSUE-0077	Bylaw 1370	1.75	Jun-22	-	57,316	57,316
ISSUE-0080	Bylaw 1453 & 1460	2.85	Oct-23	149,204	56,001	205,205
ISSUE-0081	Bylaw 1493	2.85	Apr-24	-	375,523	375,523
ISSUE-0085	Bylaw 1507	2.25	Dec-24	-	834,228	834,228
ISSUE-0095	Bylaw 1540 & 1596	0.91	Oct-25	4,470,652	78,894	4,549,546
ISSUE-0097	Bylaw 1618	1.75	Apr-26	-	207,347	207,347
ISSUE-0101	Bylaw 1693 & 1695	2.25	Apr-27	-	1,459,303	1,459,303
ISSUE-0102	Bylaw 1729 & 1737	2.25	Dec-27	-	12,594,397	12,594,397
ISSUE-0103	Bylaw 1777	2.65	Apr-28	-	7,559,427	7,559,427
ISSUE-0105	Bylaw 1840 & 1844	2.25	Jun-24	-	862,569	862,569
ISSUE-0110	Bylaw 1879, 1880, 1882	1.28	Apr-30	5,160,777	236,119	5,396,896
ISSUE-0118	Bylaw 1998 & 2000	3.40	Apr-32	213,395	212,077	425,472
ISSUE-0121	Bylaw 2020 & 2024	2.90	Oct-32	323,480	2,861,809	3,185,289
ISSUE-0124	Bylaw 2051	3.15	Oct-32	-	627,854	627,854
ISSUE-0126	Bylaw 2083 & 2084	3.85	Sep-33	-	3,922,659	3,922,659
ISSUE-0127	Bylaw 2078	3.30	Apr-24	643,258	-	643,258
ISSUE-0130	Bylaw 2138 & 2142	3.00	Oct-34	-	2,493,812	2,493,812
ISSUE-0131	Bylaw 2188 & 2192	2.20	Oct-34	-	2,038,521	2,038,521
ISSUE-0133	Bylaw 2209 & 2210	2.75	Apr-35	-	10,729,121	10,729,121
ISSUE-0141	Bylaw 2270 & 2280	2.80	Apr-27	-	1,378,253	1,378,253
ISSUE-0142	Bylaw 2281 & 2293	3.15	Oct-27	3,175,300	1,847,456	5,022,756
ISSUE-0145	Bylaw 2313	3.15	Apr-38	-	961,892	961,892
ISSUE-0147	Bylaw 2347	2.66	Apr-39	-	358,955	358,955
				14,136,067	51,753,533	65,889,600
Equipment Financing				144,193		144,193
				14,280,260	51,753,533	66,033,793

**Peace River Regional District**  
**Notes to the Financial Statements**  
*For the fiscal years ended December 31*

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**11. Debt and other debt continued**

The principal repayments and actuarial amounts recognized on the total debt outstanding for future years is as follows:

<b>Year</b>	<b>Regional District</b>	<b>Member Municipality</b>	<b>Total</b>
2022	2,124,176	3,871,211	5,995,387
2023	1,693,370	4,477,874	6,171,244
2024	1,663,397	4,197,036	5,860,433
2025	1,498,080	3,400,504	4,898,584
2026	806,747	3,202,251	4,008,998
2027 & Thereafter	6,494,490	32,604,657	39,099,147
<b>Total</b>	<b>14,280,260</b>	<b>51,753,533</b>	<b>66,033,793</b>

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**12. Other Liabilities**

	<b>2021</b>	<b>2020</b>
Accrued interest	<b>801,589</b>	801,546
Debt reserves	<b>1,898,495</b>	1,866,741
	<b>2,700,084</b>	2,668,287

**Peace River Regional District**  
**Notes to the Financial Statements**  
*For the fiscal years ended December 31*

<b>13. Tangible Capital Assets</b>		2020	Current	Disposals	2021	Accumulated	Disposals	Current	Accumulated	Net Book	Net Book
		Cost	Additions		Cost	Amortization		Amortization	Amortization	Value	Value
Land		348,766	-	-	348,766	-	-	-	-	348,766	348,766
Buildings		33,258,830	135,006	-	33,393,836	15,778,294	-	692,213	16,470,507	16,923,329	17,480,536
Equipment - computer		961,595	115,726	-	1,077,321	689,798	-	95,456	785,254	292,067	271,797
- machinery and other		3,778,447	212,017	-	3,990,464	2,710,243	-	216,924	2,927,167	1,063,297	1,068,204
- vehicles		4,138,583	606,752	(46,972)	4,698,363	1,687,317	(44,202)	250,931	1,894,046	2,804,317	2,451,266
Landfills		18,799,500	5,403,346	-	24,202,846	3,393,757	-	788,167	4,181,924	20,020,922	15,405,743
Parks		346,321	151,737	-	498,058	275,710	-	22,477	298,187	199,871	70,611
Sewer		18,012,809	205,954	-	18,218,763	6,499,318	-	451,099	6,950,417	11,268,346	11,513,491
Water		3,849,666	51,929	-	3,901,595	393,063	-	93,305	486,368	3,415,227	3,456,603
Work in progress		8,322,588	(3,543,679)	-	4,778,909	-	-	-	-	4,778,909	8,322,588
		91,817,105	3,338,788	(46,972)	95,108,921	31,427,500	(44,202)	2,610,572	33,993,870	61,115,051	60,389,605

Total contributed Tangible Capital Assets received during the year was \$0 (2020 - \$0).

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

<b>14. Reserve Funds</b>	<b>2021</b>	<b>2020</b>
Appropriated surplus		
Appr. surplus - Gas tax	7,459,979	5,743,180
Appr. surplus - Rural Loan Fund	5,484,160	4,175,410
Appr. surplus - SW Capital	5,002,882	3,427,984
Appr. surplus-PRA Area C	4,147,260	3,366,579
Appr. Surplus - NP Pool Bldg Replacment	3,783,376	3,729,210
Appr. surplus - PRA Area E	3,280,282	2,596,144
Appr surplus-F/S Area D	3,018,052	3,250,869
Appr.Surp.-Chetwynd Pool Reserve	2,856,126	2,487,040
Appr surplus-F/S Area E	2,826,474	2,868,739
Appr.Surp.- NP Leisure Pool Reserve	2,823,171	2,285,487
Appr. surplus - Solid Waste Reserve	2,689,911	1,101,532
Appr.Surp.-Chetwynd Arena Reserve	2,141,362	2,073,415
Appr. surplus - PRA Area D	2,064,356	1,790,168
Appr.surplus - Landfill Closure	1,699,503	1,451,402
Appr surplus-F/S Area B	1,480,127	1,620,628
Appr. surplus - Building Reserve	1,390,760	1,269,406
Appr surplus- F/S Area C	1,134,547	1,228,962
Appr. surplus - PR Agreement Comm.	1,082,243	1,066,748
Appr surplus- PRA Area B	908,833	203,430
Appr Surplus - Covid Op Res	813,449	624,245
Appr. surplus - reserve (CL Sewer Cap.)	677,264	667,568
Appr. surplus - CL Truck Rec Facility	603,434	594,794
Appr. surplus - Insurance Reserve	483,726	501,219
Appr. surplus - Human Resources	466,404	307,563
Appr. surplus - Emergency Plan. Reserve	425,361	299,072
Appr. Surp. CLFD Reserve	387,604	312,333
Appr. surplus - CL Treatment & Disposal	372,389	367,058
Appr. surplus - Feasibility Reserve	364,097	354,932
Appr.Surp.-911 Emergency Capital	333,525	328,750
Appr Surp - DCC (Dev. Cost Charge)	302,040	280,766
Appr.Surp.-Buick Creek Arena Cap Resv	300,137	224,533
Appr. surplus - ISP Reserve	292,746	288,555
Appr.Surp.-DC/PC Fire Reserve	248,491	235,558
Appr. surplus - Sub Reg Rur Resv (Insur)	198,288	170,585
Appr. surplus - Green "Carbon" Projects	159,610	108,593
Appr.surplus - Regional Parks	153,369	126,310
Fleet Vehicle Capital Reserve	153,218	151,024
Appr. surplus - Chetwynd Leisure Centre	151,346	
Appr Surplus-Area B Potabe H2O Op Res	151,346	

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

<b>14. Reserve Funds continued</b>	<b>2021</b>	<b>2020</b>
Appr Surplus-Area B Potabe H2O Cap Res	<b>151,346</b>	
Appr. surplus - Buick Creek Arena Reserv	<b>134,834</b>	89,991
Appr. surplus - BCR/PRA	<b>132,170</b>	144,725
Appr. surplus - Financial Services	<b>117,000</b>	115,325
Appr. surplus - Medical Scholarship	<b>107,484</b>	105,945
Appr. surplus - CL Sewer Reserve	<b>105,190</b>	103,684
Appr. surplus - Election Reserve	<b>100,540</b>	99,101
Appr. surplus - Information Technology	<b>98,218</b>	66,976
Appr. surplus - Clearview Arena Reserve	<b>87,777</b>	91,681
Appr.Surp. - CLFD Op Reserve	<b>79,525</b>	78,387
Appr. surplus - reserve (FSJ Sewer Cap)	<b>74,332</b>	73,268
Appr.surplus - Regional Parks	<b>64,560</b>	48,718
Appr.surplus - Kelly Lake Community Hall	<b>58,732</b>	47,945
Appr. surplus - FSJ Sewer Reserve	<b>52,972</b>	52,214
Appr. surplus - North Peace Leisure Pool	<b>50,449</b>	
Appr. surplus - Chetwynd Arena	<b>50,449</b>	
Appr.Surp.-FSJ Water Cap. Reserve	<b>40,103</b>	39,529
Appr. surplus - Tomslake Fire Reserve	<b>39,624</b>	39,057
Appr.surplus - Harper Sewer	<b>36,743</b>	24,503
Appr.Surp.-Chilton Swr Cap Reserve	<b>35,353</b>	34,847
Appr. surplus - Chilton Sewer Reserve	<b>34,674</b>	30,209
Appr.surplus - Kelly Lake Community Hall	<b>27,921</b>	27,521
Appr.surplus - reserve (Harper Swr)	<b>27,393</b>	27,001
Appr.surplus - North Pine TV	<b>27,114</b>	26,726
Appr.Surp.-Mob Lake FD	<b>24,323</b>	23,975
Appr.Surp.-Friesen Sewer Cap. Reserve	<b>17,970</b>	13,877
Appr.Surp.-Kelly Lake Sewer Cap. Reserve	<b>12,267</b>	12,091
Appr.Surp.-Rolla Sewer Cap. Reserve	<b>10,706</b>	10,553
Appr.Surp.-Rolla dyking	<b>165</b>	162
Appr. surplus - Rural Fringe		1,199,276
	<b>64,111,182</b>	54,307,078
Reserve funds		
FSJ Water Reserve	<b>30,687</b>	30,248
Friesen Reserve Fund	<b>21,430</b>	21,123
Rolla Sewer Reserve	<b>7,736</b>	7,625
Kelly Lake Reserve	<b>869</b>	21,762
	<b>60,722</b>	80,758
	<b>64,171,904</b>	54,387,836

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

#### **14. Reserve funds continued**

The Regional Districts reserves were established by bylaw under section 377 of the Local Government Act. Legislation requires that money in the reserve fund must be used for the purpose for which the fund was established. The bylaw allows for the establishment of an operating and capital reserve which are an important funding sources for the Regional District.

#### **15. Accumulated Surplus**

	2021	2020
Unappropriated surplus (Deficit)	<b>14,652,767</b>	11,516,074
Reserve funds (Note 14)	<b>64,171,904</b>	54,387,836
Equity in tangible capital assets	<b>29,760,614</b>	34,912,405
	<b>108,585,285</b>	100,816,315

#### **16. Government Transfers**

	2021	2020
<b>Operations</b>		
Province of British Columbia	<b>820,112</b>	1,049,319
<b>Capital</b>		
Province of British Columbia		32,555
Federal	<b>2,098,834</b>	1,017,089
Other	<b>3,121,200</b>	3,067,500
	<b>5,220,034</b>	4,117,144
	<b>6,040,146</b>	5,166,463

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 the transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when the transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

The Regional District has received COVID Restart funding of \$384,000 (2020 - \$700,000) from the Province of British Columbia. The COVID Restart funding is reported under government transfers operating as provincial conditional funds. The use of the funding is established by a letter of direction from the BC Ministry of Municipal Affairs. COVID Restart funding may be used towards qualifying expenditures as specified in the letter of direction. The Regional District maintains the amounts in a statutory reserve (see Note 14 and Note 17).

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**17. COVID-19**

The SARS-CoV-2 (COVID-19) outbreak was declared a pandemic by the World Health Organization and has had a significant global financial and economic impact. For the reporting date December 31, 2021, the COVID-19 is considered by management as a non-adjusting event. Consequently, there is no impact on the recognition and measurement of assets and liabilities.

The Regional District has received an increase in cash flow as a result of government transfers related to COVID-19. The following provides additional Details of the COVID-19 financial transactions within Notes 14 and 16.

	<b>2021</b>	<b>2020</b>
Opening Balance	<b>\$ 624,245</b>	<b>\$ -</b>
Add: Amounts received in the year	<b>384,000</b>	700,000
Interest Earned	<b>12,600</b>	-
	<b>1,020,845</b>	700,000
Less: Amounts spent in the year	<b>(207,396)</b>	(75,755)
Closing balance	<b>\$ 813,449</b>	<b>\$ 624,245</b>

**18. Contingent liability**

The Regional District has a contingent liability with respect to the MFA Debt Reserve Fund Demand Note. As a condition of the borrowing undertaken by the Regional District, the Regional District was required to contribute to the MFA Debt Reserve through a demand note. The demand note will only be recorded as an asset and liability if a local government defaults on the loan obligation. Upon this action of the default, the MFA may call the outstanding demand notes, at which point the demand notes then become an asset and a liability. Once the defaulting local government repays in full the defaulted position, the MFA will refund all called demand notes. It is generally unlikely that the funds will be demanded by the MFA; therefore, the contingent liability has not been recorded in the financial statements.



**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**19. Budget**

The Regional District's 2021 - 2025 budget was adopted on March 29, 2021 as part of the Five Year Financial Plan Bylaw No. 2437, 2021. The Regional District prepares its budget with consideration of revenues and expenditures without accrual adjustments. The Financial Statements are based on the Peace River Regional District's Financial Plan Amendment Bylaw No. 2465, 2021 adopted December 17, 2021. The Regional District's COVID Restart funding allocated internally from the Rural Budgets Administration Committee is material, therefore the amended budget more accurately reflects the operations of the period. The Regional District's 2021 budget in the financial statements is adjusted for accounting standards for transactions such as debt and capital projects, which do not meet the definitions of revenues and expenditures under Canadian Public Sector Accounting Standards.

The following is a reconciliation between the budgeted amounts approved in the Financial Plan and presented in the financial statements:

<b>2021 Annual Surplus Per Financial Plan Bylaw #2437</b>		<b>-</b>
<b>2021 Annual Surplus</b>		<b>(16,748,544)</b>
<b>Revenue:</b>		
Transfer from Surplus	9,433,898	
Transfer from Reserve	31,508,472	
Debt Proceeds	151,600	
Internal Charges	1,073,701	
Total Revenue Budget		42,167,671
<b>Expense:</b>		
Debt Servicing - Member Municipalities	3,871,211	
Debt Servicing - Regional District	1,913,101	
Transfer to Reserve	9,753,280	
Capital	8,733,363	
Internal Charges	1,078,032	
Transfer to Deficit	70,140	
Total Expense Budget		25,419,127
<b>2021 Annual Surplus After Adjustments</b>		<b>-</b>

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**20. Municipal pension plan**

The Peace River Regional District and its employees contribute to the Municipal Pension Plan (a jointly trusted 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-employers defined benefit pension plan. Basic pension benefits 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 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 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 costs to individual employers participating in the plan.

The Regional District paid \$406,081 (2020 - \$362,357) for employer contributions, while employees contributed \$354,838 (2020 - \$316,497) to the plan in fiscal 2021.

**21. Related party transactions**

During the year, the Peace River Regional District provided administration and accounting services of \$10,000 (2020 - \$10,000) to the Peace River Regional Hospital District.

**22. Comparative figures**

Certain prior year figures, presented for comparative purposes, have been reclassified to conform to the current year's financial statement presentation.

**23. Segment reporting**

The Regional District provides services to its members, that have been grouped into related departmental functions or service areas for segment reporting purposes. The various segments are as follows:

**Peace River Regional District**  
**Notes to the Financial Statements**

*For the fiscal years ended December 31*

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**23. Segment reporting continued**

**General Government**

This segment is comprised of services that relate to the legislative function as well as the administrative and financial management of the Regional District. Legal administration, grants, records management, human resources management, information technology and elections all fall within General Government services.

**Environmental Services**

This segment administers services including solid and liquid waste management, recycling, invasive plant control and developing the Peace River Regional District's Corporate Energy and Emissions Plan.

**Protective Services**

This segment includes the revenue and expenses associated with fire protection, bylaw enforcement, animal control, victim services and building inspection services.

**Planning and Development**

This segment administers services related to long range and current community planning, geographical information services, and building inspections.

**Recreation and Culture**

This segment administers services that relate to the recreational and cultural activities and organizations within the Regional District.

**Sewer Utilities**

This segment is comprised of services for providing sewer services.

**Water Utilities**

This segment is comprised of services for providing water services.

Peace River Regional District

**Schedule 1. Revenue and Expenses by Segment**

For the fiscal years ended December 31

	Budget	General Government	Environmental Services	Protective Services	Planning and Development	Recreation Culture	Sewer Utilities	Water Utilities	2021 Total	2020 Total
<b>Revenue</b>										
Requisitions	27,680,275	3,596,835	7,687,906	3,507,021	973,777	10,561,113	304,512	1,049,111	27,680,275	29,415,672
Grants-in-lieu	1,325,040	545,227	945,584	89,190	98,274	82,043			1,760,318	1,685,315
Interest Income		216,673	116,445	20,812	2	177,712	34,128	3,705	569,477	1,395,904
Fees, Charges and Other	7,096,219	90,221	5,595,065	364,660	211,004	1,458,465	892,740	124,213	8,736,368	9,162,692
Government Transfers	4,782,445	5,739,446	47,200	243,500			10,000		6,040,146	5,166,463
	40,883,979	10,188,402	14,392,200	4,225,183	1,283,057	12,279,333	1,241,380	1,177,029	44,786,584	46,826,046
<b>Expenses</b>										
Wages and Payroll	6,771,194	3,183,470	841,088	579,979	722,672	389,356	75,796	14,636	5,806,997	5,286,304
Advertising	197,140	87,759	3,980	7,405	33,789	4,890	234	1,062	139,119	88,389
Banking Fees and Interest	1,358,761	3,803	358,024	356	4,322	953,998	18,145	2,544	1,341,192	1,549,110
Professional Services	487,983	267,877	24,028	1,480	34,404	2,603	8,449		338,841	286,485
Insurance	309,997	46,077	15,906	57,010	7,413	115,783	38,564	11,310	292,063	300,275
Grants and Scholarships	27,263,598	625,959		10,000	20,000	3,011,368			3,667,327	4,076,791
Phone and Internet	359,786	152,395	10,309	117,585	3,412		3,049		286,750	294,879
Consulting Fees	365,192	158,985	38,964				14,334		212,283	340,041
Contracting Fees	7,823,583	133,517	4,401,136	1,793,569	205,431	110,781	12,262	401,561	7,058,257	7,577,661
Utilities	184,150	32,890		24,348		2,677	76,304	23,118	159,337	179,306
Studies, Committees, and Me	1,486,994	160,637	11,469	300,654	31,946	89,758	214,047		808,511	634,180
Repair and Maintenance	739,323	264,032	7,556	130,740		40,211	42,279	470	485,288	599,935
Office and Supplies	1,246,158	215,422	759,850	134,574	2,287	3,378		31,894	1,147,405	1,069,898
Operations	5,868,415		488,450		973	5,528,540	32,895	37,194	6,088,052	5,699,008
Travel, Meals, and Memberst	352,957	95,126	16,627	25,752	8,980	8,337	2,870	326	158,018	184,823
Miscellaneous	6,688,503	399,685	3,994,242	422,328	239,132	675,768	644,662	41,785	6,417,602	8,362,239
Amortization		135,684	867,674	263,677	3,013	780,233	465,986	94,305	2,610,572	2,886,240
	61,503,734	5,963,318	11,839,303	3,869,457	1,317,774	11,717,681	1,641,427	668,654	37,017,614	39,415,564
<b>Net Revenue (Expenditure)</b>	<b>(20,619,755)</b>	<b>4,225,084</b>	<b>2,552,897</b>	<b>355,726</b>	<b>(34,717)</b>	<b>561,652</b>	<b>(400,047)</b>	<b>508,375</b>	<b>7,768,970</b>	<b>7,410,482</b>

**PEACE RIVER REGIONAL DISTRICT**  
**SCHEDULE SHOWING THE REMUNERATION AND EXPENSES PAID TO OR**  
**ON BEHALF OF EACH EMPLOYEE FOR 2021**

<b>DIRECTORS</b>	<b>POSITION</b>	<b>REMUNERATION</b>	<b>EXPENSES</b> <b>Note 1</b>
Goodings, K	Director - Area B	\$ 42,909.06	\$ 583.19
Sperling, B	Chair & Director - Area C	82,154.62	7,954.94
Hiebert, L	Director - Area D	43,663.06	3,494.74
Rose, Daniel	Vice Chair & Director - Area E	57,287.82	5,546.00
Bumstead, D	Director - City of Dawson Creek	20,326.52	169.72
Ackerman, L	Director - City of Fort St. John	19,689.54	1,685.80
Zabinsky, A	Director - City of Fort St. John	21,255.54	2,275.83
Courtoreille, A	Director - District of Chetwynd	20,422.52	3,382.71
Heiberg, D	Director - District of Hudson's Hope	21,982.56	5,827.07
Fraser, R	Director - District of Taylor	20,015.54	1,096.80
Bertrand, K	Director - Tumbler Ridge	18,049.52	2,584.78
Michetti, L	Director - Village of Pouce Coupe	4,435.86	0.00
Boon, A	Alternate Director - Area B	3,338.00	338.28
Hansen, L	Alternate Director - City of Fort St. John	391.00	166.33
Lequiere, F	Alternate Director - City of Fort St. John	391.00	0.00
Dober, D	Alternate Director - City of Dawson Creek	224.00	0.00
Deck, M	Alternate Director - District of Chetwynd	1,008.00	1,022.66
Taillefer, B	Alternate Director - District of Taylor	447.00	137.10
Turnbull, M	Alternate Director - District of Taylor	346.00	92.36
Kirby, J	Alternate Director - District of Tumbler Ridge	290.00	134.86
Smith, B	Alternate Director - Village of Pouce Coupe	12,723.68	84.29
White, D	Alternate Director - Village of Pouce Coupe	918.00	17.98
McKnight, J	Board Liaison - North Peace Airport Society	4,928.00	0.00
<b>Total</b>		<b>\$ 397,196.84</b>	<b>\$ 36,595.44</b>

**EMPLOYEES**

Albury, E	Fire Chief - Charlie Lake	\$ 105,067.63	\$ 1,484.82
Barber, K	Financial Services Manager	104,204.39	950.00
Bondaroff, K	GM of Environmental Services	116,454.27	1,923.90
Brown, C	Electoral Area Manager	102,956.20	8,578.32
Dahlen, S	Chief Administrative Officer	199,238.82	1,492.01
Fulford, A	GIS Coordinator	86,352.89	0.00
Henderson, T	Corporate Officer	142,938.42	1,743.90
Lacey, G	Solid Waste Services Manager	118,332.76	3,308.87
McDonald, J	Communications Manager	94,445.93	424.29
Milliken, L	Procurement Officer	111,185.23	23.81
Morgan, P	GM of Community Services	133,054.43	1,927.95
Nelson, T	Field Services Foreman	90,090.10	4,681.91
Ouellette, T	I.T. Manager	118,610.11	23.81
Roberts, C	Building Inspector	84,852.12	3,216.20
Schildroth, R	Deputy Fire Chief - Charlie Lake	91,746.45	2,192.70
Sturgeon, D	Protective Services Manager	95,057.65	6,628.25
Suggitt, K	GM of Development Services	107,711.98	6,259.98
Vetter, T	Chief Financial Officer	129,934.53	3,303.39
Young, T	Deputy Corporate Officer	90,296.18	2,955.03
<b>Total of Employees Earning Greater than \$75,000.00</b>		<b>2,122,530.09</b>	<b>51,119.14</b>
Consolidated total of other employees with remuneration and expenses of \$75,000 or less		<b>2,293,672.16</b>	<b>43,728.21</b>
<b>Total Other Employees</b>		<b>\$ 4,416,202.25</b>	<b>\$ 94,847.35</b>

**3. RECONCILIATION**

Total Remuneration - elected officials		\$ 397,196.84
Total Remuneration - other employees		4,416,202.25
<b>Subtotal:</b>		<b>4,813,399.09</b>
Variance	Note 2	993,597.91
<b>Total Personnel Costs as per consolidated financial statements</b>		<b>\$ 5,806,997.00</b>

**EMPLOYER PORTION CPP & EI**

Employer Portion CPP	182,681.75
Employer Portion EI	58,630.18
<b>Total Employer CPP and EI Paid to the Receiver General for Canada</b>	<b>241,311.93</b>

Note 1 - Expenses includes costs such as mileage to meetings, conferences, professional accreditation, and membership fees.

Note 2 - The schedule of remuneration are based on actual payments made during 2021. This figure differs from the expenses recorded in the financial statements which are reported on an accrual basis and included all wages and benefits accruing to staff.

**PEACE RIVER REGIONAL DISTRICT  
SCHEDULE OF SEVERANCE AGREEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

There were no Severance Agreements during the fiscal year 2021.

**PEACE RIVER REGIONAL DISTRICT  
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>Supplier Name</b>	<b>Total</b>
ALASKA HIGHWAY NEWS	\$ 100,485.00
APPLIED ELECTRONICS LIMITED	27,872.89
AQUATECH CANADIAN WATER SERVICES INC.	981,998.54
ASCENT EMPLOYMENT LAW CORPORATION	71,533.05
AUSTIN ENGINEERING	31,302.53
BC HYDRO	183,838.71
BGC ENGINEERING INC.	157,499.86
BIG LEAGUE UTILITIES CORP.	78,635.87
BIG VALLEY SAND & GRAVEL LTD	46,619.17
BOTTERELL LAW CORPORATION	38,023.12
BROCOR CONSTRUCTION LTD.	169,863.60
BROWNS' CHEVROLET BUICK GMC LTD.	82,900.39
BROWNS JANITORIAL SERVICES	63,525.00
BUICK CREEK COMMUNITY CLUB	85,000.00
C. CHANDLER CONTRACTING LTD.	37,158.20
CANADIAN UNION OF PUBLIC EMPLOYEES	53,843.82
CDW CANADA CORP.	108,483.86
CHAPMAN INDUSTRIES LTD.	46,682.85
CHETWYND COMMUNICATIONS SOCIETY	51,588.13
CHETWYND PUBLIC LIBRARY	435,000.00
CITY OF DAWSON CREEK	1,277,392.73
CITY OF FORT ST. JOHN	3,565,217.82
CL VIDEO INSPECTION SERVICE LTD.	41,912.85
CLEAR COURSE CONSULTING LTD	55,422.96
CLEARVIEW ARENA SOCIETY	135,000.00
DAWSON CREEK CO-OPERATIVE UNION	80,358.14
DISTRICT OF CHETWYND	2,547,894.84
DISTRICT OF TAYLOR	366,541.02
DISTRICT OF TUMBLER RIDGE	116,677.97
DUSTY ROAD VENTURES LTD.	31,500.00
E-COMM EMERGENCY COMMUNICATIONS FOR BC	152,859.00
ERICKSON TROY	59,797.50
EVERBRIDGE INC.	25,013.57
FCAPX A DIVISION OF ROTH IAMS	104,992.98
FIELD LIEVERS ARCHITECTURE	25,725.00
FORT ST. JOHN PUBLIC LIBRARY ASSOCIATION	60,000.00
GFL ENVIRONMENTAL INC.	463,148.33
GHD LIMITED	163,698.61
HUB FIRE ENGINES & EQUIPMENT LTD.	554,415.96
INSURANCE CORPORATION OF BC	38,496.00
ISL ENGINEERING AND LAND SERVICES LTD.	31,071.54
JOHNSON CAROL	70,087.50
KELLY LAKE COMMUNITY CENTRE SOCIETY	71,949.96
KNAPPETT INDUSTRIES (2006) LTD.	154,294.02
LEADERS INTERNATIONAL EXECUTIVE SEARCH	29,077.03
MAMMOTH FORESTRY LTD.	118,293.83
MATRIX SOLUTIONS INC.	94,934.00
MCELHANNEY LTD.	286,546.20
MDB INSIGHT INC	41,563.20
MGP CONTRACTING LTD.	26,893.18

MINISTER OF FINANCE - REVENUE DIVISION	85,268.63
MOBERLY LAKE VOLUNTEER FIRE DEPARTMENT	104,200.00
MORRISON HERSHFIELD LIMITED	77,666.02
MUNICIPAL FINANCE AUTHORITY OF BRITISH COLUMBIA	10,021,051.54
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH COLUMBIA	357,046.19
MUNICIPAL PENSION PLAN	406,085.29
NORTECH EFFICIENT BUSINESS SOLUTIONS	173,352.84
NORTH ISLAND 9-1-1 CORPORATION	158,901.00
NORTH PEACE AIRPORT SERVICES	79,279.20
NORTHERN ROCKIES TREE SERVICE LTD.	95,429.25
NORTHWESTEL INC.	91,106.12
OCL INDUSTRIAL SERVICES LTD.	475,240.34
PACIFIC BLUE CROSS	339,009.59
PARADIGM SOFTWARE	79,724.77
PETRON COMMUNICATIONS LTD	228,131.80
PLANTWORKS CONSULTING	63,000.00
PSD CITYWIDE INC.	134,232.29
RECEIVER GENERAL FOR CANADA	241,311.93
RECYCLE IT	1,966,897.56
REG NORMAN TRUCKING LTD.	143,126.38
RENTCO EQUIPMENT (DC) LTD	26,123.36
SECURE ENERGY	1,014,919.75
SIMO MANAGEMENT INC.	80,850.00
SNC-LAVALIN INC.	65,598.29
SOFTWARE EMPORIUM INC.	75,942.84
SPERLING HANSEN ASSOCIATES	39,841.91
TELUS	55,408.06
TELUS MOBILITY	32,282.89
TERVITA CORPORATION	854,498.23
TETRA TECH CANADA INC	125,388.79
TIGER PRINTING & STATIONERS	32,722.10
TOMSLAKE & DISTRICT RECREATION COMMISSION	90,000.00
TOMSLAKE & DISTRICT VOLUNTEER FIRE DEPARTMENT	90,000.00
URBAN MATTERS CCC LTD.	71,656.21
URBAN SYSTEMS LTD.	359,650.06
VILLAGE OF POUCE COUPE	162,968.95
WHISELL WASTE SOLUTIONS BC LTD.	2,990,676.95
WORKERS' COMPENSATION BOARD OF BC	54,275.14
YOUNG ANDERSON BARRISTERS & SOLICITORS	161,649.81

<b>Total of aggregate supplier payments \$25,000 or greater</b>	<b>\$ 35,347,144.41</b>
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<b>Consolidated total of supplier payments of less than \$25,000</b>	<b>\$ 1,716,476.89</b>
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Consolidated total of grants and contributions \$25,000 or greater	1,388,574.85
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Consolidated total of grants and contributions less than \$25,000	556,034.85
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<b>Consolidated total of grants and contributions</b>	<b>1,944,609.70</b>
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<b>TOTAL Supplier, Grant and Contribution Payments</b>	<b>\$ 39,008,231.00</b>
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**PEACE RIVER REGIONAL DISTRICT  
SCHEDULE OF GRANTS AND CONTRIBUTIONS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>Payee Name</b>	<b>Total</b>
BEAR MOUNTAIN NORDIC SKI ASSOCIATION	\$ 50,775.00
CANADIAN CANCER SOCIETY	50,000.00
CECIL LAKE RECREATION COMMISSION	46,573.49
CHETWYND & DISTRICT ROD & GUN CLUB	25,445.41
CITY OF DAWSON CREEK	35,000.00
CITY OF FORT ST JOHN	143,535.64
CUTBANK COMMUNITY CLUB	60,806.87
DAWSON CREEK SOCIETY FOR COMMUNITY LIVING	200,000.00
DAWSON CREEK SPORTSMAN'S CLUB	144,000.00
DISTRICT OF CHETWYND	30,000.00
FORT ST. JOHN PUBLIC LIBRARY ASSOCIATION	75,500.00
KING'S VALLEY CHRISTIAN CAMP	37,234.00
NORTH PEACE FALL FAIR SOCIETY	30,410.00
NORTH PEACE SEARCH AND RESCUE SOCIETY	25,273.00
NORTHERN HEALTH AUTHORITY	55,000.00
SAGITAWA CHRISTIAN CAMPING SOCIETY	31,063.00
SHOCK TRAUMA AIR RESCUE SOCIETY	170,000.00
SOUTH PEACE EMERGENCY RESPONSE TEAM	26,033.44
SOUTH PEACE HEALTH SERVICES SOCIETY	75,000.00
STEP UP 'N' RIDE SOCIETY	25,000.00
WONOWON HORSE CLUB SOCIETY	51,925.00
<b>Total of Grants and Contributions \$25,000 or greater</b>	<b>\$ 1,388,574.85</b>
<b>Total Grants and Contributions less than \$25,000</b>	<b>\$ 556,034.85</b>
<b>Total Grants and Contributions</b>	<b>\$ 1,944,609.70</b>

The schedule of payments is a "cash basis" listing and therefore the total differs significantly from the expenditures in the financial statements which are reported for the most part on an accrual basis resulting in timing differences. Furthermore, there are disbursements in this report which are not considered expenditures for financial statement purposes such as capital assets and debt principal payments.

**PEACE RIVER REGIONAL DISTRICT  
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

There were no Guarantee and Indemnity Agreements for the 2021 year.