



Regional District of  
**Kitimat-Stikine**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**



Regional District of  
**Kitimat-Stikine**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

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## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors Regional District of Kitimat-Stikine

#### Opinion

We have audited the financial statements of the Regional District of Kitimat-Stikine, which comprise the statement of financial position as at December 31, 2020 and the statements of financial activities, cash flows, changes in net financial assets (liabilities), and schedules one to five 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, 2020 and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. We are independent of the 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.

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

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

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

#### Responsibilities of Management and Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the 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 conditions exist that do not allow for the going concern basis to be used.

The Board of Directors is responsible for overseeing the Regional District's financial reporting process.

Terrace, BC  
April 23, 2020



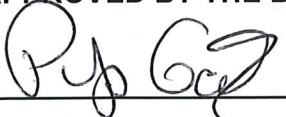


Regional District of  
**Kitimat-Stikine**

**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31**  
**STATEMENT A**

|  | <b>2020</b>       | <b>2019</b>       |
|--|-------------------|-------------------|
|  | \$                | \$                |
| <b>FINANCIAL ASSETS</b>                          |                   |                   |
| Cash and Investments (Note 1)                    | 17,419,736        | 12,479,814        |
| Trade and Other Receivables (Note 2)             | 2,648,254         | 3,136,392         |
| MFA Deposit (Note 3)                             | 400,838           | 392,756           |
| Due from Municipalities for Debt                 | <u>7,329,202</u>  | <u>7,906,085</u>  |
|  | <u>27,798,030</u> | <u>23,915,047</u> |
| <b>LIABILITIES</b>                               |                   |                   |
| Accounts Payable and Accrued Liabilities         | 1,677,491         | 2,583,598         |
| Landfill Closure Cost Accrual (Note 7)           | 1,215,720         | 996,829           |
| Deferred Revenue (Note 4)                        | 4,681,871         | 4,109,148         |
| MFA Debt Reserve (Note 3)                        | 400,838           | 392,756           |
| Debentures issued for Regional District (Note 5) | 19,599,847        | 20,589,205        |
| Debentures issued for Municipalities (Note 6)    | <u>7,329,202</u>  | <u>7,906,085</u>  |
|  | <u>34,904,969</u> | <u>36,577,621</u> |
| <b>NET FINANCIAL ASSETS (LIABILITIES)</b>        | -7,106,939        | -12,662,574       |
| <b>PHYSICAL ASSETS (Note 1 and Schedule 4)</b>   | <u>58,317,736</u> | <u>59,812,678</u> |
|  | <u>51,210,797</u> | <u>47,150,104</u> |
| <b>REGIONAL DISTRICT POSITION</b>                |                   |                   |
| Operating Surplus (Schedule 1)                   | 6,932,633         | 3,569,248         |
| Reserve Funds (Schedule 2)                       | 5,560,275         | 4,357,383         |
| Equity in Physical Assets (Note 1) (Schedule 3)  | <u>38,717,889</u> | <u>39,223,473</u> |
| Fund Balances                                    | <u>51,210,797</u> | <u>47,150,104</u> |

**APPROVED BY THE BOARD**

  
\_\_\_\_\_  
CHAIR

  
\_\_\_\_\_  
TREASURER



**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED DECEMBER 31**  
**STATEMENT B**

|  | <b>Unaudited<br/>Budget<br/>2020</b> | <b>Audited<br/>Actual<br/>2020</b> | <b>Audited<br/>Actual<br/>2019</b> |
|--|--------------------------------------|------------------------------------|------------------------------------|
|  | <b>\$</b>                            | <b>\$</b>                          | <b>\$</b>                          |
| <b>REVENUES</b>                                |                                      |                                    |                                    |
| Taxation                                       | 10,242,097                           | 10,241,291                         | 9,629,515                          |
| Grants in Lieu                                 | -                                    | 35,050                             | 30,521                             |
| Government Grants                              | 2,959,418                            | 3,415,608                          | 9,181,389                          |
| Skeena Ice Arena Donations                     | -                                    | 293,748                            | 1,339,339                          |
| Sale of Services                               | 6,649,947                            | 6,257,488                          | 4,913,550                          |
| Return on Investments                          | 197,200                              | 258,894                            | 217,167                            |
| Municipal Debt Payments                        | 836,098                              | 729,331                            | 716,277                            |
|  | <u>20,884,760</u>                    | <u>21,231,410</u>                  | <u>26,027,758</u>                  |
| <b>EXPENDITURES</b>                            |                                      |                                    |                                    |
| Copperside Estates Street Lighting             | 7,670                                | 7,941                              | 8,062                              |
| Dease Lake Fire Protection                     | 139,856                              | 74,902                             | 67,605                             |
| Economic Development                           | 620,653                              | 314,283                            | 357,341                            |
| Emergency Measures Program                     | 692,811                              | 230,901                            | 567,493                            |
| Feasibility Studies                            | 857,954                              | 156,243                            | 202,066                            |
| General Government                             | 3,469,112                            | 2,308,850                          | 2,440,046                          |
| General Government - Unorganized Areas         | 74,942                               | 17,781                             | 30,352                             |
| Gossan Creek Subdivision Street Lighting       | 520                                  | 400                                | 356                                |
| Hazelton & Stewart Area Solid Waste Management | 3,001,084                            | 1,869,750                          | 2,512,663                          |
| Hazelton Library                               | 99,760                               | 99,760                             | 99,840                             |
| Hazelton Rural Fire Protection                 | 24,028                               | 16,221                             | 25,568                             |
| Hazelton Regional Transit                      | 261,000                              | 196,471                            | 223,603                            |
| Heritage Register                              | 27,758                               | 913                                | 843                                |
| House Numbering                                | 7,736                                | 9,929                              | 25,405                             |
| Kitwanga Community Association                 | 31,200                               | 31,200                             | 31,250                             |
| Lakelse Lake Street Lighting                   | 1,417                                | 477                                | 320                                |
| Muller Bay Grant in Aid                        | 23,300                               | 23,300                             | 24,802                             |
| New Remo Dyke/Streetlighting                   | 129,669                              | 2,396                              | 2,036                              |
| Noise, Nuisance, Unsightly Premises Bylaw      | 32,750                               | 8,430                              | 8,496                              |
| Planning Services                              | 1,095,932                            | 681,750                            | 715,438                            |
| Preparation for Emergencies                    | 162,979                              | 150,292                            | 154,921                            |
| Queensway/Churchill Drive Sewer System         | 143,130                              | 45,635                             | 124,408                            |
| Recreation and Cemetery Cost Sharing           | 844,995                              | 747,076                            | 834,364                            |
| Regional 911 Telephone System                  | 746,959                              | 755,661                            | 720,387                            |
| Skeena Fire Protection                         | 812,517                              | 789,814                            | 765,887                            |
| Skeena Regional Transit                        | 429,472                              | 266,479                            | 337,993                            |
| Skeena Television Rebroadcasting               | 34,855                               | 34,855                             | 32,269                             |
| South Hazelton Fire Protection                 | 65,481                               | 19,858                             | 21,020                             |
| South Hazelton Parks and Recreation            | 7,440                                | 3,252                              | 5,696                              |
| South Hazelton Street Lighting                 | 18,009                               | 17,109                             | 17,139                             |
| South Hazelton Water System                    | 216,777                              | 136,886                            | 104,877                            |
| South West Lakeside Grant in Aid               | 5,850                                | 5,850                              | 5,920                              |



Regional District of  
**Kitimat-Stikine**

|   | Unaudited<br>Budget<br>2020 | Audited<br>Actual<br>2020 | Audited<br>Actual<br>2019 |
|---|-----------------------------|---------------------------|---------------------------|
|   | \$                          | \$                        | \$                        |
| <b>EXPENDITURES (continued)</b>           |                             |                           |                           |
| Terrace Area Solid Waste Management       | 3,593,400                   | 2,834,402                 | 2,954,000                 |
| Terrace Area Urban Transit                | 181,190                     | 133,871                   | 146,569                   |
| Terrace Library Cost Sharing              | 242,710                     | 229,040                   | 228,706                   |
| Terrace Rural Water System                | 135,686                     | 84,543                    | 97,102                    |
| Thornhill Community Centre                | 105,556                     | 73,125                    | 70,226                    |
| Thornhill Core Sewer                      | 62,662                      | 62,660                    | 62,660                    |
| Thornhill Dog Control                     | 196,837                     | 172,605                   | 204,866                   |
| Thornhill Parks and Recreation            | 142,221                     | 68,978                    | 84,070                    |
| Thornhill Street Lighting                 | 116,395                     | 108,154                   | 108,828                   |
| Thornhill Water System                    | 691,744                     | 692,505                   | 554,182                   |
| Upper Skeena Recreation                   | 2,160,512                   | 943,625                   | 1,048,815                 |
| Amortization / loss on disposal of assets | 1,800,000                   | 2,013,213                 | 1,811,681                 |
| Municipal Debt Payments                   | 836,098                     | 729,331                   | 716,277                   |
| Total Expenditures                        | <u>24,352,627</u>           | <u>17,170,717</u>         | <u>18,556,448</u>         |
| Revenue Over Expenditures                 | -3,467,867                  | 4,060,693                 | 7,471,310                 |
| Opening Regional District Position        | <u>47,150,104</u>           | <u>47,150,104</u>         | <u>39,678,794</u>         |
| Closing Regional District Position        | <u><u>43,682,237</u></u>    | <u><u>51,210,797</u></u>  | <u><u>47,150,104</u></u>  |



**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31**  
**STATEMENT C**

|   | <b>2020</b>              | <b>2019</b>              |
|---|--------------------------|--------------------------|
|   | \$                       | \$                       |
| <b>OPERATING ACTIVITIES</b>               |                          |                          |
| Revenue over Expenditures                 | 4,060,693                | 7,471,310                |
| Amortization / loss on disposal of assets | 2,013,213                | 1,811,681                |
| Trade and Other Receivables               | 488,138                  | 1,963,135                |
| Accounts Payable and Accrued Liabilities  | -687,216                 | -2,754,914               |
| Deferred Revenue                          | 572,723                  | -214,346                 |
|   | <u>6,447,551</u>         | <u>8,276,866</u>         |
| <b>FINANCIANG ACTIVITIES</b>              |                          |                          |
| MFA Debenture debt                        | -989,358                 | -958,380                 |
| Due to DaSilva Developments Ltd.          | -                        | -385,000                 |
|   | <u>-989,358</u>          | <u>-1,343,380</u>        |
| <b>INVESTING ACTIVITIES</b>               |                          |                          |
| Physical asset purchases                  | -518,271                 | -3,372,829               |
| Change in Cash                            | 4,939,922                | 3,560,657                |
| Opening Cash and Investments              | <u>12,479,814</u>        | <u>8,919,157</u>         |
| Closing Cash and Investments              | <u><u>17,419,736</u></u> | <u><u>12,479,814</u></u> |



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**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS/(LIABILITIES)**  
**YEAR ENDED DECEMBER 31**  
**STATEMENT D**

|   | <b>2020</b>              | <b>2019</b>               |
|---|--------------------------|---------------------------|
|   | <b>\$</b>                | <b>\$</b>                 |
| Revenue over expenditures                                 | 4,060,693                | 7,471,310                 |
| Amortization / loss on disposal of assets                 | 2,013,213                | 1,811,681                 |
| Physical asset purchases                                  | <u>-518,271</u>          | <u>-3,372,829</u>         |
| <br>  |                          |                           |
| Increase (decrease) in net financial assets (liabilities) | 5,555,635                | 5,910,162                 |
| <br>  |                          |                           |
| Opening net financial assets (liabilities)                | <u>-12,662,574</u>       | <u>-18,572,736</u>        |
| <br>  |                          |                           |
| Closing net financial assets (liabilities)                | <u><u>-7,106,939</u></u> | <u><u>-12,662,574</u></u> |





**NOTES**  
**DECEMBER 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

These financial statements have been prepared in accordance with Canadian public sector accounting standards.

The Regional District maintains the following funds that are combined in the financial statements:

- Operating fund reports the general activities of the Regional District.
- Capital fund reports the physical assets of the Regional District together with the related financing.
- Reserve fund reports the activities of the funds established by bylaw for specific purposes.

**Basis of accounting**

Revenue and expenditures are reported on an accrual basis.

**Revenue recognition**

Taxation revenues are recognized when received from the Province of British Columbia and member Municipalities. Sale of services and user fee revenues are recognized when the service or products are provided by the Regional District. Grant revenues are recognized when the commitments are met.

**Financial instruments**

It is management's opinion that the Regional District's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks. The Regional District measures financial assets and liabilities at market value at the date of acquisition.

**Cash and investments**

Cash and investments are reported at market value which approximates cost.



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**NOTES**

**DECEMBER 31, 2020**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Use of estimates**

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

**Physical assets**

Physical assets are recorded at cost and are amortized using the straight-line method as follows:

|                |                 |
|----------------|-----------------|
| Buildings      | 25 and 40 years |
| Automotive     | 10 and 20 years |
| Equipment      | 10 and 20 years |
| Infrastructure | 40 years        |

**Equity in Physical Assets**

Equity in physical assets reflects the accumulated funded historical cost of physical assets less accumulated amortization.

**2. TRADE AND OTHER RECEIVABLES**

|  | <b>2020</b>      | <b>2019</b>      |
|--|------------------|------------------|
|  | \$               | \$               |
| Provincial and Federal governments           | 823,592          | 963,189          |
| Regional/local governments and First Nations | 901,744          | 932,723          |
| Trade receivables                            | 488,544          | 498,392          |
| Equipment Leases                             | 38,336           | 134,986          |
| Other  | <u>396,038</u>   | <u>607,102</u>   |
|  | <u>2,648,254</u> | <u>3,136,392</u> |



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**NOTES**

**DECEMBER 31, 2020**

**3. MFA DEPOSIT AND DEBT RESERVE**

A condition of MFA borrowings stipulates that a portion of the debenture proceeds be withheld as a security deposit and a debt reserve fund.

**4. DEFERRED REVENUE**

Revenues received in advance of expenses that will be incurred in a later period are deferred until they are matched against those expenses.

|                 | <b>2020</b>      | <b>2019</b>      |
|-----------------|------------------|------------------|
|                 | \$               | \$               |
| Federal gas tax | 4,648,590        | 4,078,890        |
| Other           | <u>33,281</u>    | <u>30,258</u>    |
|                 | <u>4,681,871</u> | <u>4,109,148</u> |

**5. DEBENTURES ISSUED FOR REGIONAL DISTRICT**

Debenture debt with the Municipal Finance Authority is being repaid in accordance with approved bylaws and agreements.

**6. DEBENTURES ISSUED FOR MUNICIPALITIES**

When a member municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of BC (MFA), the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to MFA. When payments (principal and interest) are made on this debt, the Regional District pays MFA and is reimbursed by the municipality.

The Regional District reports the outstanding debt borrowed on behalf of the member municipalities as both a financial asset and financial liability. Municipal debt payments are shown as revenue and offsetting expenditure.



**NOTES**

**DECEMBER 31, 2020**

**7. LANDFILL CLOSURE COST ACCRUAL**

The Regional District is responsible for closing six landfills in accordance with Ministry of Environment regulations. A comprehensive closure plan has been prepared for some of the landfills. Management has prepared its estimates using the comprehensive closure plan prepared and extrapolating the closure costs for the other landfills.

**8. PENSION INFORMATION**

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 the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

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

The most recent valuations for the Municipal Pension Plan as of December 31, 2018, indicated a \$2,870 million funding surplus for basic pension benefits on a going concern basis. The rate stabilization account has a balance of about \$2,500 million and the required contribution rates remain unchanged.



**NOTES**

**DECEMBER 31, 2020**

**8. PENSION INFORMATION (continued)**

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.

**9. PURPOSE OF ORGANIZATION**

The Regional District provides local government services to an area of 100,000km<sup>2</sup> in northwestern British Columbia. Member municipalities are Kitimat, Terrace, Stewart, Hazelton and New Hazelton.

The Regional District administers over 40 "functions" or services ranging from rural land use planning to a community water system, to fire protection, to library services.

**10. SUBSTANTIAL EVENT**

The COVID-19 outbreak was declared a pandemic by the World Health Organization on March 11<sup>th</sup>, 2020 and has had a significant financial, market and social dislocating impact. At this time, these factors present uncertainty over future cash flows, changes to assets and liabilities, and may have significant impact on future operations. All 2020 tax requisition revenue was collected, while other revenue losses and additional costs were covered by Provincial COVID-19 Restart Grant funding. Estimates of future financial impacts are not practical at this time.



Regional District of  
**Kitimat-Stikine**

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**SCHEDULE 1 - SURPLUS**  
**YEAR ENDED DECEMBER 31**

|  | 2020             | 2019             |
|--|------------------|------------------|
|  | \$               | \$               |
| Copperside Estates Street Lighting             | -9,348           | -7,657           |
| Dease Lake Fire Protection                     | 68,872           | 49,856           |
| Economic Development                           | 356,687          | 446,180          |
| Emergency Measures Program                     | 316,244          | 182,371          |
| Feasibility Studies                            | 151,711          | -54,066          |
| General Government                             | 1,025,043        | 934,546          |
| General Government - Unorganized Areas         | 60,207           | 35,235           |
| Gossan Creek Subdivision Street Lighting       | 121              | 194              |
| Hazleton & Stewart Area Solid Waste Management | -395,831         | -1,221,864       |
| Hazleton Library                               | -                | -80              |
| Hazleton Rural Fire Protection                 | 30,807           | 9,028            |
| Hazleton Regional Transit                      | -16,639          | -63,063          |
| Heritage Register                              | 26,844           | 13,857           |
| House Numbering                                | -2,193           | -895             |
| Kitwanga Community Association                 | 62               | 71               |
| Lakelse Lake Street Lighting                   | 940              | 1,017            |
| Muller Bay Grant-in-aid                        | 2                | -                |
| New Remo Dyke/Streetlighting                   | 78,783           | 71,650           |
| Noise, Nuisance, Unsightly Premises Bylaw      | 24,320           | 22,254           |
| Planning Services                              | 349,481          | 322,710          |
| Preparation for Emergencies                    | 12,687           | -4,522           |
| Queensway/Churchill Drive Sewer System         | -49,904          | -108,897         |
| Recreation and Cemetery Cost Sharing           | 208,023          | -184,635         |
| Regional Trust                                 | 287,022          | 155,022          |
| Regional 911 Emergency Telephone System        | 3,874            | 40,058           |
| Skeena Fire Protection                         | -5,244           | -57,989          |
| Skeena Regional Transit                        | 115,059          | 74,601           |
| Skeena Television Rebroadcasting               | -                | -                |
| South Hazelton Fire Protection                 | 45,622           | 43,481           |
| South Hazelton Parks and Recreation            | 4,189            | 3,440            |
| South Hazelton Street Lighting                 | 900              | -719             |
| South Hazelton Water System                    | 40,090           | 33,575           |
| Southwest Lakeview Grant-in-aid                | -                | -70              |
| Terrace Area Solid Waste Management            | 2,152,860        | 928,685          |
| Terrace Area Urban Transit                     | 56,960           | 11,051           |
| Terrace Library Cost Sharing                   | 13,902           | 6,846            |
| Terrace Rural Water System                     | 52,083           | 28,037           |
| Thornhill Community Centre                     | 32,229           | -25,944          |
| Thornhill Core Sewer                           | 3                | 2                |
| Thornhill Dog Control                          | 29,532           | 24,551           |
| Thornhill Parks and Recreation                 | 73,292           | 46,686           |
| Thornhill Street Lighting                      | 8,241            | 4,812            |
| Thornhill Water System                         | 421              | -9,906           |
| Upper Skeena Recreation                        | 1,784,679        | 1,819,739        |
|  | <u>6,932,633</u> | <u>3,569,248</u> |



**SCHEDULE 2 - RESERVE FUNDS**  
**YEAR ENDED DECEMBER 31**

|   | 2020             | 2019             |
|---|------------------|------------------|
|   | \$               | \$               |
| Opening balance                             | 4,357,383        | 569,508          |
| Transfer from operating funds               | 1,647,000        | 4,880,000        |
| Transfers to operating funds                | -444,108         | -1,092,125       |
| Closing balance                             | <u>5,560,275</u> | <u>4,357,383</u> |
| Represented by the following reserve funds: |                  |                  |
| Dease Lake Fire Protection                  | 100,000          | 100,000          |
| Emergency Measures                          | 5,000            | 100,000          |
| Feasibility Studies                         | 479,240          | 479,240          |
| General Government                          | 751,979          | 751,979          |
| Hazelton Regional Transit                   | 100,000          | 100,000          |
| Hazelton Rural Fire Protection              | 95,480           | 60,480           |
| Hazeltons & Stewart Area Solid Waste        | 277,086          | 500,000          |
| Planning Services                           | 262,000          |                  |
| Queensway Sewer Sytem                       | 400,000          | 200,000          |
| Regional 911 Emergency Telephone            | 50,000           | 50,000           |
| South Hazelton Fire Protection              | -                | -                |
| South Hazelton Water System                 | 500,000          | 200,000          |
| Terrace Area Solid Waste & Recyclable       | 100,000          | 100,000          |
| Terrace Rural Water System                  | 100,000          | -                |
| Thornhill Community Centre                  | 100,000          | 100,000          |
| Thornhill Dog Control                       | 35,797           | 35,797           |
| Thornhill Fire Protection                   | 1,223,806        | 1,100,000        |
| Thornhill Parks & Recreation                | 100,000          | 100,000          |
| Thornhill Water Utility                     | 879,887          | 379,887          |
|   | <u>5,560,275</u> | <u>4,357,383</u> |



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**SCHEDULE 3 - CHANGES IN EQUITY IN PHYSICAL ASSETS**  
**YEAR ENDED DECEMBER 31**

|   | 2020                     | 2019                     |
|---|--------------------------|--------------------------|
|   | \$                       | \$                       |
| Opening Balance                           | 39,223,473               | 35,118,946               |
| Increase in equity                        |                          |                          |
| Debt repayment                            | 894,137                  | 1,279,137                |
| Actuarial additions                       | 95,221                   | 64,242                   |
| Transfers from Operating Fund             | 518,271                  | 4,572,829                |
| Amortization / loss on disposal of assets | <u>-2,013,213</u>        | <u>-1,811,681</u>        |
| Closing Balance                           | <u><u>38,717,889</u></u> | <u><u>39,223,473</u></u> |





Regional District of  
**Kitimat-Stikine**

**SCHEDULE 4 - PHYSICAL ASSETS**  
**YEAR ENDED DECEMBER 31**

|                       | PHYSICAL ASSETS    |              |           | ACCUMULATED AMORTIZATION |                    |                        | NET BOOK VALUE |                    |            |            |
|-----------------------|--------------------|--------------|-----------|--------------------------|--------------------|------------------------|----------------|--------------------|------------|------------|
|                       | Opening Balance \$ | Additions \$ | Disposals | Closing Balance \$       | Opening Balance \$ | Annual Amortization \$ | Disposals      | Closing Balance \$ | 2020 \$    | 2019 \$    |
| Land                  | 653,685            | -            | -         | 653,685                  | -                  | -                      | -              | -                  | 653,685    | 653,685    |
| Buildings             | 28,592,952         | 23,886       | -         | 28,616,838               | 2,004,219          | 735,610                | -              | 2,739,829          | 25,877,009 | 26,588,733 |
| Machinery & Equipment | 3,417,691          | 180,899      | 72,686    | 3,525,904                | 1,349,040          | 181,051                | 49,589         | 1,480,502          | 2,045,402  | 2,068,651  |
| Infrastructure        | 36,159,444         | 313,486      | -         | 36,472,930               | 5,657,835          | 1,073,455              | -              | 6,731,290          | 29,741,640 | 30,501,609 |
|                       | 68,823,772         | 518,271      | 72,686    | 69,269,357               | 9,011,094          | 1,990,116              | 49,589         | 10,951,621         | 58,317,736 | 59,812,678 |



Regional District of  
**Kitimat-Stikine**

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**SCHEDULE 5 - EXPENDITURES BY TYPE**  
**YEAR ENDED DECEMBER 31**

|   | <b>2020</b>       | <b>2019</b>       |
|---|-------------------|-------------------|
|   | \$                | \$                |
| Director remuneration                     | 205,138           | 220,392           |
| Director travel and expenses              | 23,299            | 126,552           |
| Staff remuneration and benefits           | 3,525,336         | 3,104,942         |
| Staff travel and education                | 87,162            | 153,393           |
| Grants and Cost Sharing                   | 1,388,068         | 1,462,329         |
| Vehicle operation                         | 144,382           | 155,355           |
| Utilities                                 | 485,441           | 581,134           |
| Insurance and property taxes              | 183,001           | 183,358           |
| Interest                                  | 606,469           | 551,655           |
| Purchased services and supplies           | 7,406,273         | 9,211,077         |
| Landfill closure                          | 373,604           | 278,303           |
| Amortization / loss on disposal of assets | 2,013,213         | 1,811,681         |
| Municipal Debt Payments                   | 729,331           | 716,277           |
|   | <u>17,170,717</u> | <u>18,556,448</u> |