

**TOWN OF GOLDEN
STATEMENT OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021**

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Table of Contents

1. Statement of Financial Information Approval
2. Management Report
3. Audited Financial Statements
 - a. Town of Golden Financial Statements
4. Audited Financial Statements
 - b. Golden and District Recreation Centre Financial Statements
5. Schedule of Debt
6. Schedule of Guarantee and Indemnity Agreements
7. Statement of Severance Agreements
8. Schedule of Remuneration and Expenses
9. Schedule of Payments for the Provision of Goods and Services

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Statement of Financial Information Approval

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



Carolyn Brown, CPA, CGA
Acting Chief Financial Officer
June 21, 2022



Ronald Oszust
Mayor
June 21, 2022

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Management Report

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with public sector accounting standards for local governments, recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Management is responsible for the integrity and objectivity of these statements, for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Mayor and Council of the Town of Golden are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls and exercise this responsibility through its external auditors.

The external auditors, BDO Canada LLP Chartered Professional Accountants, conducted an independent examination in accordance with generally accepted auditing standards, and expressed 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.

On behalf of the Town of Golden



Carolyn Brown, CPA, CGA
Acting Chief Financial Officer

**Town of Golden
Consolidated Financial Statements
For the Year Ended December 31, 2021**

Contact Information

**Angie Spencer, CPA, CA
BDO Canada LLP
Chartered Professional Accountants
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Town of Golden
Consolidated Financial Statements
For the Year Ended December 31, 2021

Contents

Report on Responsibility of Management	1
Independent Auditor's Report	2 - 3
Consolidated Financial Statements	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations and Accumulated Surplus	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 32

Report on Responsibility of Management

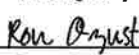
The accompanying consolidated financial statements of the Town of Golden are the responsibility of the Town's management and have been prepared in compliance with legislation and in accordance with public sector accounting standards for local governments, recommended by the Public Sector Accounting Board of the CPA Canada.

A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable consolidated financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Municipal Council, acting through its Standing Committee on Finance, meets with management to review the consolidated financial statements and discuss any significant reporting or internal control matters prior to their acceptance of the audited consolidated financial statements.

The consolidated financial statements have been audited by BDO Canada LLP, Chartered Professional Accountants, independent external auditors appointed by the Town. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination, and their opinion on the Town's consolidated financial statements.

DocuSigned by:

Mr. Ron August
Mayor

DocuSigned by:

Mr. John Wilsgrud
CAO

Golden, British Columbia
May 10, 2022



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BDO Canada LLP
571 6th Street NE
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Independent Auditor's Report

To the Mayor and Councillors of the Town of Golden

Opinion

We have audited the consolidated financial statements of the Town of Golden (the Town) and its controlled entities (the Consolidated Entity), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of operations and accumulated surplus, consolidated changes in net financial assets and consolidated cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Consolidated Entity in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Consolidated 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 Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

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



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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Consolidated 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 Consolidated 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 consolidated 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 Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Consolidated Entity to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

BDO Canada LLP

Chartered Professional Accountants

Salmon Arm, British Columbia
May 10, 2022

Town of Golden

Consolidated Statement of Financial Position

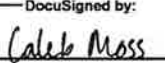
As at December 31	2021	2020
Financial Assets		
Cash	\$ 5,116,643	\$ 4,837,650
Investments (Note 2)	12,274,056	12,251,704
Accounts receivable (Note 3)	2,374,567	2,127,372
Municipal Finance Authority (Note 15)	168,682	167,775
	<u>\$19,933,948</u>	<u>\$ 19,384,501</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 1,348,618	\$ 2,346,595
Wages and benefits payable	431,568	357,245
Municipal Finance Authority (Note 15)	168,682	167,775
Deferred revenue (Note 4)	2,898,563	2,964,759
Restricted deposits (Note 5)	909,157	572,916
Long-term debt (Note 6)	2,912,344	2,689,291
	<u>8,668,932</u>	<u>9,098,581</u>
Net Financial Assets	<u>11,265,016</u>	<u>10,285,920</u>
Non-Financial Assets		
Tangible capital assets (Note 7)	66,727,525	63,371,997
Prepaid expenses	142,878	163,872
	<u>66,870,403</u>	<u>63,535,869</u>
Accumulated Surplus (Note 8)	<u>\$78,135,419</u>	<u>\$ 73,821,789</u>

On behalf of Council:

DocuSigned by:

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Councilor

DocuSigned by:

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Councilor

The accompanying notes are an integral part of these consolidated financial statements.

Town of Golden Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31	Budget 2021	Total 2021	Total 2020
	(Note 18)		
Revenue			
Net taxes for municipal purposes (Note 11)	\$ 6,253,389	\$ 6,311,460	\$ 6,044,351
Grants - conditional (Note 12)	3,282,357	3,942,731	4,076,770
Contributed assets and other contributions	-	1,488,709	398,558
Sale of services	620,618	1,194,268	541,530
Sewer user fees	992,325	1,044,806	970,728
Water user fees	798,500	857,415	772,118
Grants - unconditional (Note 13)	495,000	508,402	1,757,649
Regional and other municipal contributions	368,232	351,975	367,162
Licenses, permits and fines	132,400	211,960	241,825
Penalties and interest	252,134	151,176	228,568
MFA actuarial adjustment	75,222	75,222	67,530
	<u>13,270,177</u>	<u>16,138,124</u>	<u>15,466,789</u>
Operating expenses (Note 14)			
General government	2,355,537	2,330,967	2,462,339
Protective services	977,859	1,012,965	798,238
Transportation	1,991,722	2,023,916	1,540,484
Economic development	64,794	92,291	86,399
Planning development services	415,823	469,343	335,138
Environmental health services	332,473	337,743	311,849
Water supply and distribution	611,682	577,642	466,898
Sanitary sewer	689,928	652,325	568,326
Cemetery	76,013	69,315	45,004
Recreation, parks and culture	1,378,497	1,398,497	1,018,269
Amortization	-	2,859,487	2,747,224
	<u>8,894,328</u>	<u>11,824,491</u>	<u>10,380,168</u>
Annual Surplus	<u>4,375,849</u>	<u>4,313,633</u>	<u>5,086,621</u>
Accumulated Surplus, beginning of the year		<u>73,821,789</u>	<u>68,735,168</u>
Accumulated Surplus, end of the year		<u>\$ 78,135,422</u>	<u>\$ 73,821,789</u>

The accompanying notes are an integral part of these consolidated financial statements.

Town of Golden

Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31	Budget 2021	Total 2021	Total 2020
	(Note 18)		
Annual Surplus	\$ 4,375,849	\$ 4,313,633	\$ 5,086,621
Changes in tangible capital assets			
Purchase of tangible capital assets	(5,457,145)	(6,244,458)	(5,700,515)
Amortization of tangible capital assets	-	2,859,487	2,747,224
Proceeds on disposal of tangible capital assets	-	30,500	96,700
Gain on disposal of tangible capital assets	-	(1,061)	(62,964)
	(5,457,145)	(3,355,532)	(2,919,555)
Changes in other non-financial assets			
Decrease (increase) in prepaid expenses		20,995	45,713
		(3,334,537)	(2,873,842)
Increase in Net Financial Assets		979,096	2,212,779
Net Financial Assets, beginning of the year		10,285,920	8,073,141
Net Financial Assets, end of the year		\$11,265,016	\$ 10,285,920

The accompanying notes are an integral part of these consolidated financial statements.

Town of Golden Consolidated Statement of Cash Flows

For the year ended December 31	2021	2020
Cash flows from operating activities		
Excess of revenues over expenses	\$ 4,313,633	\$ 5,086,621
Items not affecting cash:		
Amortization of tangible capital assets	2,859,487	2,747,224
Gain on disposal of tangible capital assets	(1,061)	(62,964)
MFA actuarial adjustment	(75,222)	(67,530)
	<u>7,096,837</u>	<u>7,703,351</u>
Changes in non-cash working capital:		
Accounts receivable	(247,195)	835,322
Accounts payable and accrued liabilities	(997,977)	1,060,632
Deferred revenue	(66,196)	371,651
Wages and benefits payable	74,323	(62,911)
Restricted deposits	336,241	136,068
Prepaid expenses	20,995	45,710
	<u>(879,809)</u>	<u>2,386,472</u>
	<u>6,217,028</u>	<u>10,089,823</u>
Capital Activities		
Purchase of tangible capital assets	(6,244,458)	(5,700,515)
Proceeds on disposal of tangible capital assets	30,500	96,700
	<u>(6,213,958)</u>	<u>(5,603,815)</u>
Cash flows from investing activities		
Purchase of investments	(22,352)	(917,259)
Cash flows from financing activities		
Repayment of long-term debt	(588,476)	(438,736)
Proceeds from long-term financing	886,751	460,000
	<u>298,275</u>	<u>21,264</u>
Net change in cash	278,993	3,590,013
Cash, beginning of the year	4,837,650	1,247,637
Cash, end of the year	\$ 5,116,643	\$ 4,837,650

The accompanying notes are an integral part of these consolidated financial statements.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies

Nature of Business	Town of Golden (the "Town") is a municipality in the province of British Columbia, and operates under the direction of its Council, guided by the provisions of the <i>Community Charter</i> . The Town's principal activities are the provision of local government services to residents of the Town. These services include administrative, protective, transportation, environmental, recreation, water, sewer and fiscal services.
Basis of Presentation	The consolidated financial statements of the Town have been prepared in accordance with Canadian public sector accounting standards for governments, as recommended by the Public Sector Accounting Board (PSAB) of the CPA Canada. Significant accounting policies adopted by the Town are as follows:
Government Reporting Entity	<p>The consolidated financial statements reflect the assets, liabilities, accumulated surplus, revenues and expenses of the reporting Town. The reporting Town is comprised of all organizations, committees, and local boards accountable for the administration of their financial affairs and resources to the municipal Council and which are owned or controlled by the Town. Inter-departmental and organizational transactions have been eliminated.</p> <p>The Town operates the Golden and District Recreation Centre for the Columbia Shuswap Regional District on a full cost-recovery basis. The Town does not control the Golden and District Recreation Centre, and consequently, the revenues and expenditures of the Golden and District Recreation Centre are not included in the consolidated financial statements of the Town.</p>
Revenue Recognition	<p>Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.</p> <p>Revenue related to fees or services received in advance of the fee being earned or when the service is performed is deferred and recognized when the fee is earned or the service is performed.</p>
Cash and Cash Equivalents	Cash and cash equivalents are comprised of cash on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.
Investments	Investments are recorded at cost. When, in the opinion of management, there is a permanent decline in value, investments are written down to their net realizable value.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Inventory Held for Consumption	Inventory of supplies are held for consumption and are stated at the lower of cost and replacement cost. Cost is generally determined on a first-in, first-out basis.
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Non-Financial Assets	Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.
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Tangible Capital Assets	Tangible capital assets are recorded at cost (or estimated cost when historical cost records are not available), which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset.
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The cost, less residual value, of the tangible capital assets, including land, are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	15 to 50 years
Buildings and other structures	10 to 75 years
Equipment, vehicles and technology	3 to 50 years
Water infrastructure	10 to 100 years
Sewer infrastructure	10 to 100 years
Roads and transportation infrastructure	10 to 100 years

Amortization is charged from the date of acquisition to the date of disposal. Assets under construction are not amortized until the asset is put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Town's ability to provide goods and services, or when the value of future economic benefits associated with the asset is less than the book value.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also recorded as revenue. Where an estimate of fair value cannot be made or where there is no future benefit related to the asset, the tangible capital asset is recognized at a nominal value.

Capitalized interest

Interest is capitalized during the construction period whenever debt is issued to finance the construction of tangible capital assets.

Leased tangible capital assets

Leases that transfer substantially all the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred.

Deferred Revenue and Deposits

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

Employee Future Benefit Obligations

The Town and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred. The plan is a multi-employer defined benefit plan, as detailed in Note 15.

Government Grants

Government grants are recognized as revenue in the consolidated financial statements when the grant is authorized and any eligibility criteria are met, except to the extent that grant stipulations give rise to an obligation that meets the definition of a liability. Grants are recognized as deferred revenue when grant stipulations give rise to a liability. Grant revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Taxation Revenue	Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.
Taxes Collected for Others	<p>The Town collects taxation revenue on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of entities are not reflected in these consolidated financial statements.</p> <p>The entities, the Town collects taxation revenue on behalf of are as follows:</p> <p>Kootenay East Regional Hospital District Columbia Shuswap Regional District B.C. Assessment Authority Municipal Finance Authority of British Columbia Minister of Finance - Education and Police</p>
Use of Estimates	The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards 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 consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and estimating provisions for accrued liabilities, including employee future benefits. Actual results could differ from the estimates.
Reserves	Reserves for future expenditures, included in accumulated surplus, represent amounts set aside for future operating and capital expenditures.

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Contaminated Sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the organization is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries. No contaminated site have been identified with the Town of Golden.

Trust Funds

Trust funds, held in trust by the Town and their related operations, are not included in these consolidated financial statements. The financial activity and position of the trust funds are reported separately.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

2. Investments

Investments consist of MFA short-term bond fund, money market fund, and guaranteed investment certificates. The carrying value of the MFA money market fund approximates the fair value. The investments earn interest at rates varying between (0.82)% and 0.70%. The term deposit matures October 2022. \$2,598,803 (2020 - \$2,543,332) of the investments are restricted.

	<u>2021</u>	<u>2020</u>
Money market investments	\$11,187,442	\$ 11,177,421
Term deposits	1,086,614	1,074,283
	<u>\$12,274,056</u>	<u>\$ 12,251,704</u>

3. Accounts Receivable

Accounts receivable are comprised of:

	<u>2021</u>	<u>2020</u>
Taxes	\$ 284,651	\$ 307,761
Trade and government	2,071,253	1,572,364
GST receivable	18,663	247,247
	<u>\$ 2,374,567</u>	<u>\$ 2,127,372</u>

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

4. Deferred Revenue

Deferred revenue and deposits reported on the statement of financial position is comprised of the following:

	2021 Opening	Additions	Disbursements	Interest	2021 Closing
Development Cost Charges					
Development Cost Charges - Water	\$ 667,303	\$ 61,816	\$ -	\$ 1,199	\$ 730,318
Development Cost Charges - Sewer	172,598	11,835	-	307	184,740
Total Development Cost Charges	839,901	73,651	-	1,506	915,058
Grant and Other Deferred Revenue					
Resort Municipality Initiative Funding	1,596,136	590,714	(1,333,110)	2,694	856,434
Account Prepayments (taxes, utilities and other)	484,336	30,702	(6,810)	-	508,228
BC Tourism Historic Downtown Plaza Revite	-	468,750	(6,360)	-	462,390
CBT Mt 7 Outdoor Rink	-	74,000	-	-	74,000
CBT Community Initiatives Program	-	325,562	(277,908)	-	47,654
Airport Covid Relief Project	-	90,000	(67,212)	-	22,788
Recreation Deposits	11,525	2,100	(1,725)	-	11,900
ESDBC Mt 7 Accessible Door Openers	-	16,511	(16,400)	-	111
Rural Dividend Fund Airport Feasibility Study	18,574	4,764	(23,338)	-	-
Housing Needs Report Grant	7,500	-	(7,500)	-	-
Age Friendly Grant	5,000	-	(5,000)	-	-
CBT Age Friendly Grant	1,000	-	(1,000)	-	-
Rural Dividend Fund KHR Scenic Outlook	464	-	(464)	-	-
BC Plaza Provincial Grant	323	-	(323)	-	-
Total Grant and Other Deferred Revenue	2,124,858	1,603,103	(1,747,150)	2,694	1,983,505
Total Deferred Revenue	\$ 2,964,759	\$ 1,676,754	\$ (1,747,150)	\$ 4,200	\$ 2,898,563

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

5. Restricted Deposits

The Town has received the following refundable deposits which have been specifically designated and set aside as deposits on various contracts the Town entered into.

	2021	2020
Landscaping deposits	\$ 351,571	\$ 264,946
General deposits	306,086	83,649
Security temporary building	182,275	172,775
Development deposits	48,719	38,541
FreeRide Park additions	16,310	4,309
Olympic Legacy fund	1,753	1,753
Dance recital - Mirror fund	1,189	1,189
Willy Forest Snofest	754	754
Communities in Bloom	500	500
Bench Sponsor funds	-	4,500
	\$ 909,157	\$ 572,916

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

6. Long-term Debt

	<u>2021</u>	<u>2020</u>
General	\$ 2,548,278	\$ 2,282,625
Water	182,033	203,333
Sewer	182,033	203,333
Long-term debt	<u>\$ 2,912,344</u>	<u>\$ 2,689,291</u>

Principal repayments on long-term debt over the next five years are as follows:

2022	\$ 606,696
2023	567,166
2024	537,049
2025	439,963
2026	253,456
Thereafter	<u>508,014</u>
	<u>\$ 2,912,344</u>

The Town issues debt instruments through the Municipal Finance Authority, pursuant to loan authorization bylaws issued under the authority of section 179 of the Community Charter, to finance certain capital expenditures. Debenture debt principal is disclosed net of sinking fund balances managed by the Municipal Finance Authority.

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

6. Long-term Debt (continued)

Bylaw Number	Purpose	Interest Rate %	Maturity Date	2021	2020
General					
1211-102	Street paving and construction	4.82	2027	\$ 487,943	\$ 558,676
1211-103	Street paving and construction	4.65	2028	287,067	322,013
1211-105	Street paving and construction	2.25	2029	495,407	547,105
	MFA Equipment Loan 15-195 (Floating rate)	0.90	2021	-	12,786
	MFA Equipment Loan 16-116 (Floating rate)	0.90	2021	-	25,502
	MFA Equipment Loan 16-117 (Floating rate)	0.90	2021	-	44,678
	MFA Equipment Loan 17-307 (Floating rate)	0.90	2022	51,272	101,316
	MFA Equipment Loan 18-171 (Floating rate)	0.90	2024	81,291	118,725
	MFA Equipment Loan 19-284 (Floating rate)	0.90	2024	111,997	151,771
	MFA Equipment Loan 20-123 (Floating rate)	0.90	2025	307,278	400,053
	MFA Equipment Loan 20-369 (Floating rate)	0.90	2026	726,023	-
				<u>2,548,278</u>	<u>2,282,625</u>
Water					
1211-103	Waterworks construction	2.65	2028	132,492	148,623
1211-105	Waterworks construction	2.25	2029	49,541	54,710
				<u>182,033</u>	<u>203,333</u>
Sewer					
1211-103	Sewer construction	2.65	2028	132,492	148,623
1211-105	Sewer construction	2.25	2029	49,541	54,710
				<u>182,033</u>	<u>203,333</u>
				<u>\$2,912,344</u>	<u>\$ 2,689,291</u>

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

7. Tangible Capital Assets

	Land and improvements	Buildings	Equipment, vehicles and technology	Engineering Structures			Capital Work In Progress	2021 Total	2020 Total
				Infrastructure Water	Infrastructure Sewer	Infrastructure Roads			
Cost									
Balance, beginning of year	\$ 13,191,950	\$ 10,391,566	\$ 6,710,437	\$ 11,248,736	\$ 17,646,555	\$ 56,007,793	\$ 7,088,274	\$ 122,285,311	\$ 116,978,796
Additions	938,989	372,373	558,947	707,096	476,080	8,512,313	6,244,454	17,810,252	6,677,313
Transfer of capital work in progress	-	-	-	-	-	-	(11,565,797)	(11,565,797)	(976,798)
Disposals and write downs	(1,902)	(177,593)	(86,076)	-	(15,000)	(10,288)	-	(290,859)	(394,000)
Balance, end of year	14,129,037	10,586,346	7,183,308	11,955,832	18,107,635	64,509,818	1,766,931	128,238,907	122,285,311
Accumulated amortization									
Balance, beginning of year	2,172,580	4,675,574	3,917,903	6,426,105	8,679,387	33,041,765	-	58,913,314	56,526,354
Amortization	206,090	312,304	380,505	237,501	478,941	1,244,146	-	2,859,487	2,747,224
Effect of disposals and write downs	-	(150,055)	(86,076)	-	(15,000)	(10,288)	-	(261,419)	(360,264)
Balance, end of year	2,378,670	4,837,823	4,212,332	6,663,606	9,143,328	34,275,623	-	61,511,382	58,913,314
Net book value, end of year	\$ 11,750,367	\$ 5,748,523	\$ 2,970,976	\$ 5,292,226	\$ 8,964,307	\$ 30,234,195	\$ 1,766,931	\$ 66,727,525	\$ 63,371,997

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

8. Accumulated Surplus

Accumulated surplus consists of:

	<u>2021</u>	<u>2020</u>
Surplus		
Invested in tangible capital assets (Note 9)	\$63,815,182	\$ 60,682,706
Unrestricted	732,429	(1,373,874)
Annual Surplus	4,313,633	5,086,621
	<u>68,861,244</u>	<u>64,395,453</u>
Reserves set aside by Council		
Capital Reserve (Note 10)	6,636,296	6,242,984
Operating Reserve (Note 10)	1,842,912	2,052,840
	<u>8,479,208</u>	<u>8,295,824</u>
Reserve set aside for specific purpose by Council		
Statutory Reserves (Note 10)	794,967	1,130,512
	<u>794,967</u>	<u>1,130,512</u>
Total accumulated surplus	<u>\$78,135,419</u>	<u>\$ 73,821,789</u>

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

9. Equity in Tangible Capital Assets

Equity in tangible capital assets (TCA) represent the net book value (NBV) of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity of tangible capital assets is as follows:

	<u>2021</u>	<u>2020</u>
Equity in TCA, beginning of year	\$60,682,706	\$ 57,716,885
Add:		
Purchases of tangible capital assets	6,244,454	5,700,515
Principal payment on long-term debt	588,477	438,736
Actuarial adjustment on long-term debt	75,222	67,530
Less:		
Proceeds on disposal of tangible capital assets	(30,500)	(96,700)
Proceeds from borrowing	(886,751)	(460,000)
Loss (gain) on disposal of assets	1,061	62,964
Amortization	<u>(2,859,487)</u>	<u>(2,747,224)</u>
Equity in TCA, end of year	<u>\$63,815,182</u>	<u>\$ 60,682,706</u>

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

10. Reserves

	Balance, beginning of year	Transfers and Others	2021 Interest	Balance, end of year
Statutory Reserves				
Land sale	\$ 567,532	\$ (513,694)	\$ 833	\$ 54,671
Parking	91,755	45,000	170	136,925
Gas Tax Community Works	402,626	114,630	992	518,248
Climate Action	68,599	16,402	122	85,123
	<u>1,130,512</u>	<u>(337,662)</u>	<u>2,117</u>	<u>794,967</u>
Capital Reserve				
Airport	58,426	(579)	100	57,947
Buildings & Facilities	607,307	69,034	984	677,325
Equipment	737,279	17,030	1,172	755,481
Parks & Site Improvements	63,909	27,154	98	91,161
Roads	922,195	(185,840)	1,414	737,769
Water	1,685,200	251,801	2,873	1,939,874
Sewer	1,410,552	317,311	2,389	1,730,252
COVID-19 Safe Restart	758,116	(112,865)	1,236	646,487
	<u>6,242,984</u>	<u>383,046</u>	<u>10,266</u>	<u>6,636,296</u>
Operating Reserve				
Airport	7,537	(7,548)	11	-
Buildings & Facilities	119,277	-	205	119,482
Equipment	181,526	44,761	324	226,611
Parks & Site Improvements	36,824	(24,438)	21	12,407
Roads	190,352	1,318	315	191,985
Water	98,418	(77,302)	107	21,223
Sewer	62,305	(45,928)	54	16,431
COVID-19 Safe Restart	505,410	(89,289)	829	416,950
Asset Operating	396,384	(17,425)	627	379,586
Financial Stabilization	454,807	2,652	778	458,237
	<u>2,052,840</u>	<u>(213,199)</u>	<u>3,271</u>	<u>1,842,912</u>
	<u>\$ 9,426,336</u>	<u>\$ (167,815)</u>	<u>\$ 15,654</u>	<u>\$ 9,274,175</u>

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

11. Net Taxation Available For Municipal Purposes

	<u>2021</u>	<u>2020</u>
Property taxes:		
General purposes	\$ 6,011,190	\$ 5,727,754
Grants in lieu of taxes	101,601	104,841
Collections for other governments	3,337,768	2,683,686
Frontage taxes	200,861	211,674
	<u>9,651,420</u>	<u>8,727,955</u>
Less: transfers to other governments		
Province of BC school taxes	(2,076,688)	(1,524,068)
Columbia Shuswap Regional District	(569,858)	(566,954)
Kootenay East Regional Hospital District	(349,946)	(250,497)
Police tax	(289,634)	(289,815)
British Columbia Assessment Authority	(53,614)	(52,057)
Municipal Finance Authority	(220)	(213)
	<u>(3,339,960)</u>	<u>(2,683,604)</u>
Net taxes available for municipal purposes	<u>\$ 6,311,460</u>	<u>\$ 6,044,351</u>

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

12. Conditional Grants

The Town recognizes the transfer of government funding as revenues in the year that the events giving rise to the transfer occurred. The Government conditional grants are reported on the statement of operations are as follows:

	2021	2020
Provincial Resort Municipality Program	\$ 1,333,110	\$ 168,507
Federal Gas Tax Strategic Priorities Fund	1,168,080	2,963,958
Canada Community Works Fund	432,353	211,276
BC Investing in Canada Infrastructure CVRIS EM0006	321,323	-
Columbia Basin Trust Community Initiatives Program	277,907	442,473
Columbia Basin Trust ESG Mt7 Energy Retrofit	80,400	-
Pacific Economic Development Canada - Regional Air Transportation Initiative	72,777	-
BC COVID-19 Airport Relief	67,212	-
Recycle BC	57,864	58,837
BC Investing in Canada Infrastructure CVRIS IV0280	22,500	-
Provincial Rural Dividend Fund	18,574	61,426
MOTI BC Active Transportation Plan	16,998	-
Employment and Social Development Canada	16,400	-
UBCM Housing Needs Grant	15,000	-
ICBC Traffic Control Enhancements	8,500	-
BC Investing in Canada Infrastructure Planning Grant	7,750	-
BC Tourism Dependant Community Fund	6,360	-
Municipal Insurance Association Risk Management Grant	5,425	-
UBCM Age-friendly Communities	5,000	10,000
FCABC Road Rescue Funding	4,320	-
Tree Canada Foundation	3,060	-
CSRD Emergency Services Grant	1,471	-
EMBC Task Number 224769	347	-
Provincial National Disaster Mitigation Program	-	98,002
UBCM Community Emergency Preparedness	-	52,734
UBCM Community Child Care Planning	-	4,757
Federal Canadian Heritage Grant	-	3,200
Columbia Basin Trust Community Outdoor Revitalization	-	1,600
	\$ 3,942,731	\$ 4,076,770

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

13. Unconditional Grants

The Town recognizes the transfer of government funding as revenues in the year that the events giving rise to the transfer occurred. The Government unconditional transfers are reported on the statement of operations as follows:

	2021	2020
Province of BC Small Community Grant	\$ 492,000	\$ 480,192
Province of BC Climate Action Grant	16,402	14,457
Provincial COVID-19 Safe Restart Grant for Local Governments	-	1,263,000
	<u>\$ 508,402</u>	<u>\$ 1,757,649</u>

14. Expenditures By Object

	2021	2020
Salaries, wages and benefits	\$ 4,132,011	\$ 3,527,750
Contracted and general services	3,340,623	2,853,256
Materials, goods and utilities	1,380,982	1,200,215
Bank charges, short/long-term interest	112,449	114,687
Gain on disposal of assets	(1,061)	(62,964)
Amortization	2,859,487	2,747,224
	<u>\$11,824,491</u>	<u>\$10,380,168</u>

15. Commitments and Contingent Liabilities

1) Debt Instruments

The Town issues debt instruments through the Municipal Finance Authority. As a condition of these borrowings, 1% of gross proceeds are required to be deposited into a debt reserve. The Town is also required to execute demand notes in connection with each debenture whereby the Town may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent demand notes at December 31, 2021 are as follows:

	General	Water Utility	Sanitary Sewer	2021	2020
Cash Deposits	\$ 42,573	\$ 5,819	\$ 5,819	\$ 54,211	\$ 53,304
Demand Notes	90,159	12,156	12,156	114,471	114,471
	<u>\$ 132,732</u>	<u>\$ 17,975</u>	<u>\$ 17,975</u>	<u>\$ 168,682</u>	<u>\$ 167,775</u>

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

15. Commitments and Contingent Liabilities (continued)

2) Municipal Pension Plan

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has 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 Town of Golden paid \$265,464 (2020 - \$263,709) for employer contributions to the plan in fiscal 2021.

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.

3) Municipal Insurance Association of British Columbia

The Town participates in the Municipal Insurance Association of British Columbia pooled insurance plan. Under the terms of participation, the Town could become liable for its proportional share of any claim losses in excess of funds held by the Association. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

16. COVID-19 Safe Restart Grant

In response to COVID-19, the Province of British Columbia has provided COVID-19 Safe Restart Grants to support local governments with increased operating costs, lower revenues and fiscal pressures related to COVID-19. The Town received \$1,263,000 in 2020.

The COVID-19 Safe Restart Grant is unconditional and has been accounted for as an unrestricted government transfer in 2020; recognized as revenue in the year received. Grant funds utilized in 2021 amounted to \$202,154 (2020 - \$nil) leaving \$1,060,846 remaining for future years. Grant funds were utilized in the year as follows:

	<u>2021</u>
Facility reopening and operating costs	\$ 103,927
Technology improvements	58,227
Revenue shortfalls	<u>40,000</u>
	<u>\$ 202,154</u>

17. Funds Held in Trust

At the year end, the Town held \$340,214 (2020 - \$334,180) for the Golden Community Cemetery Care Trust fund. These funds are not included in these consolidated financial statements. Certain assets have been conveyed or assigned to the Town to be administered as directed by agreement or statute. The Town holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries. The following trust fund and assets are excluded from the Town's consolidated financial statements:

	<u>2021</u>	<u>2020</u>
Cash	\$ 31,066	\$ 25,039
Investment	<u>309,148</u>	<u>309,141</u>
	<u>\$ 340,214</u>	<u>\$ 334,180</u>

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

18. Budget

The Town of Golden 2021-2025 Five Year Financial Plan Amendment Bylaw No. 1466, 2022 (Budget) adopted by Council on March 15, 2022 was not prepared on a basis consistent with that used to report actual results (Public Sector Account Standards). The Budget was prepared on a modified accrual basis while Public Sector Account Standards now require a full accrual basis. The Budget figures anticipated use surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the Budget expensed all tangible capital expenditures rather than including amortization expenses. As a result, the budget figures presented in the consolidated statements of operations and change in net financial assets (debt) represent the Financial Plan adopted by Council on March 15, 2022 with adjustments as follows:

	<u>2021</u>
Financial Plan (Budget) Bylaw surplus (deficit) for the year	\$ -
Add:	
Capital expenditures	4,942,804
Transfer to reserve and accumulated surplus	3,523,550
Principle repayments of debt	771,612
Less:	
Borrowing proceeds	(889,170)
Cemetery care funds	(12,700)
Transfers from reserve and accumulated surplus	<u>(3,960,247)</u>
Budget surplus per statement of operations	<u>\$ 4,375,849</u>

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

18. Budget (continued)

Budgeted figures included in the financial statements were adopted by Council on March 15, 2022 as an amendment to the original Five Year Financial Plan Bylaw No. 1452, 2021 adopted by Council on April 20, 2021.

	Amended Budget March 2022	Original Budget April 2021	Change
Revenues			
Net taxes (Municipal)	\$ 5,898,948	\$ 5,898,948	\$ -
Frontage taxes - water and sewer	212,735	212,735	-
Grants-in-lieu and 1% utility tax	216,706	216,706	-
Sales and user charges	2,481,984	2,065,534	416,450
Actuarial adjustment	75,222	75,222	-
Licenses, permits and fines	-	132,400	(132,400)
Interest earned and penalties	261,084	266,650	(5,566)
Grants	3,688,457	2,567,145	1,121,312
Debt proceeds	889,170	-	889,170
Other revenue	4,340,704	1,374,002	2,966,702
	18,065,010	12,809,342	5,255,668
Transfer from reserve funds	3,960,247	208,250	3,751,997
Total revenue	22,025,257	13,017,592	9,007,665
Expenses			
Salary, wages and benefits	4,394,510	4,359,135	35,375
Contract and general services	4,103,274	1,986,052	2,117,222
Materials, goods, and utilities	1,581,559	1,084,610	496,949
Operating projects	224,000	209,114	14,886
Capital projects	4,135,983	695,775	3,440,208
Other expense	3,130,746	285,457	2,845,289
Interest payments on debt	235,244	195,650	39,594
Principal payments on debt	696,391	19,203	677,188
	18,501,707	8,834,996	9,666,711
Transfer to reserve funds	3,523,550	4,182,596	(659,046)
Total expenses	22,025,257	13,017,592	9,007,665
Financial plan balance	\$ -	\$ -	\$ -

Town of Golden

Notes to Consolidated Financial Statements

December 31, 2021

19. Segmentation Information

The Town of Golden is a diversified municipal government institution that provides a wide range of services to its residents. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and activities they encompass are as follows:

General Government

This segment is comprised of the Mayor and Council, Corporate Administration, Corporate Services, Financial Services, Information Technology, Labour Management and Health and Safety, Elections and Referendums, Resort Municipality Initiatives, Asset Management, Columbia Basin Trust Community Initiatives Grant funds, and other areas that are not directly related to a specific segment.

Protective Services

Protective services is comprised of fire protection, flood protection services, bylaw services and the shared emergency services program.

Transportation

Transportation consists of the maintenance of the roads, sidewalks, pathways, street signs, street lighting, snow removal, surface drainage, fleet equipment, shop yard and buildings, operation and maintenance of the airport.

Economic Development

Economic Development consists of support provided to Imagine Kootenay, Golden Visitor Centre and Broadband services.

Planning and Development

Planning and Development consists of community and land use planning; development issues generally, including the process of re-zoning applications, development permits and development variances; building permit review and inspections.

Environmental health services

Environmental health services covers the administration of the collection and disposal of household garbage and recyclables; mosquito control; contaminated sites.

Water Supply and Distribution

Water supply and distribution consists of the development of water sources, and supply, storage, treatment and transportation of potable and irrigation water.

Sewer Services

Sewer services comprises the gathering, treatment, storage, utilization and discharge of municipal sewage and reclaimed water.

Cemetery

The service relates to the care of the Town's cemetery.

Town of Golden
Notes to Consolidated Financial Statements

December 31, 2021

19. Segmentation Information (continued)

Recreation, parks and cultural services

This segment is responsible for the development and maintenance of the Town's open space, parks and other landscaped areas, maintenance and operation of recreation facilities (excludes Arena), campground and the development and provision of recreation programs and services.

Capital income

Capital income represents income recognized related to capital and infrastructure improvements.

Town of Golden Notes to Consolidated Financial Statements

December 31, 2021

19. Segmentation Information (continued)

	General Government	Protective Services	Transportation	Economic Development	Planning & Development	Environmental Heath	Water Supply	Sewer Services	Cemetery	Recreation & Cultural	Capital Income	2021 Total
Revenue												
Net taxes	\$ 6,110,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,005	\$ 112,856	\$ -	\$ -	\$ -	\$ 6,311,460
Sale of services	157,269	484,180	62,823	9,565	85,261	192,005	-	-	23,340	179,825	-	1,194,268
Water service fees	-	-	-	-	-	-	827,255	-	-	-	30,160	857,415
Sewer user fees	-	-	-	-	-	-	-	1,037,008	-	-	7,798	1,044,806
Conditional grants	358,029	1,819	607,913	20,000	-	57,864	-	7,750	-	5,425	2,876,551	3,935,351
Unconditional grants	508,402	-	-	-	-	-	-	-	-	-	-	508,402
Licences, Permits, & Fines	-	5,952	800	46,820	158,388	-	-	-	-	-	-	211,960
Interest & Penalties	134,351	-	11	-	-	1,704	7,116	7,995	-	-	-	151,177
Regional and other municipal contributions	-	74,726	29,061	103,000	-	-	-	-	39,056	78,511	35,000	359,354
MFA actuarial adjustment	-	-	59,488	-	-	-	7,867	7,867	-	-	-	75,222
Other	-	-	-	-	-	-	-	-	-	5,964	1,482,745	1,488,709
Total Revenue	7,268,650	566,677	760,096	179,385	243,649	251,573	930,243	1,173,476	62,396	269,725	4,432,254	16,138,124
Expenses												
Salaries, wages, benefits	1,474,122	457,216	744,636	8,001	322,696	63,296	173,286	174,750	34,371	679,637	-	4,132,011
Contracted and general services	706,873	375,227	699,565	79,610	143,861	271,204	271,981	269,479	28,133	494,690	-	3,340,623
Materials, goods, & utilities	141,797	171,007	508,211	4,680	2,786	3,243	122,175	197,896	6,811	222,376	-	1,380,982
Bank charges, short/long term interest	8,176	9,514	72,565	-	-	-	10,200	10,200	-	1,794	-	112,449
Gain on disposal of assets	-	-	(1,061)	-	-	-	-	-	-	-	-	(1,061)
Amortization	898,899	-	1,244,146	-	-	-	237,501	478,941	-	-	-	2,859,487
Total Expenses	3,229,867	1,012,964	3,268,062	92,291	469,343	337,743	815,143	1,131,266	69,315	1,398,497	-	11,824,491
Annual Surplus (Deficit)	\$ 4,038,783	\$ (446,287)	\$ (2,507,966)	\$ 87,094	\$ (225,694)	\$ (86,170)	\$ 115,100	\$ 42,210	\$ (6,919)	\$ (1,128,772)	\$ 4,432,254	\$ 4,313,633

Town of Golden Notes to Consolidated Financial Statements

December 31, 2021

19. Segmentation Information (continued)

	General Government	Protective Services	Transportation	Economic Development	Planning & Development	Environmental Health	Water Supply	Sewer Services	Cemetery	Recreation & Cultural	Capital Income	2020 Total
Revenue												
Net taxes	\$ 5,832,676	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 92,736	\$ 118,939	\$ -	\$ -	\$ -	\$ 6,044,351
Sale of services	150,733	52,078	33,505	-	19,480	186,092	-	-	9,036	83,464	7,142	541,530
Water service fees	-	-	-	-	-	-	758,674	-	-	-	13,444	772,118
Sewer user fees	-	-	-	-	-	-	-	961,402	-	-	9,326	970,728
Conditional grants	586,473	98,002	1,540,502	14,757	-	58,837	-	-	-	-	1,778,199	4,076,770
Unconditional grants	494,649	-	-	-	-	-	-	-	-	-	1,263,000	1,757,649
Licences, Permits, & Fines	-	-	800	23,964	217,061	-	-	-	-	-	-	241,825
Interest & Penalties	169,561	-	120	-	-	1,622	31,404	25,755	106	-	-	228,568
Regional and other municipal contributions	-	84,656	30,955	88,000	-	-	-	-	29,991	98,560	35,000	367,162
MFA actuarial adjustment	-	-	53,436	-	-	-	7,047	7,047	-	-	-	67,530
Other	-	-	-	-	-	-	-	-	-	486	398,072	398,558
Total Revenue	7,234,092	234,736	1,659,318	126,721	236,541	246,551	889,861	1,113,143	39,133	182,510	3,504,183	15,466,789
Expenses												
Salaries, wages, benefits	1,370,528	367,477	699,011	7,399	218,668	50,410	167,938	156,315	25,720	464,284	-	3,527,750
Contracted and general services	923,097	308,998	411,257	74,500	114,083	260,432	174,956	220,423	12,999	352,511	-	2,853,256
Materials, goods, & utilities	158,805	116,355	415,819	4,500	2,387	1,007	113,804	181,388	6,285	199,865	-	1,200,215
Bank charges, short/long term interest	9,909	5,408	77,361	-	-	-	10,200	10,200	-	1,609	-	114,687
Gain on disposal of assets	-	-	(62,964)	-	-	-	-	-	-	-	-	(62,964)
Amortization	866,484	-	1,181,894	-	-	-	227,684	471,162	-	-	-	2,747,224
Total Expenses	3,328,823	798,238	2,722,378	86,399	335,138	311,849	694,582	1,039,488	45,004	1,018,269	-	10,380,168
Annual Surplus (Deficit)	\$ 3,905,269	\$ (563,502)	\$ (1,063,060)	\$ 40,322	\$ (98,597)	\$ (65,298)	\$ 195,279	\$ 73,655	\$ (5,871)	\$ (835,759)	\$ 3,504,183	\$ 5,086,621

**Golden and District Recreation
Centre
Client Information Package
For the Year Ended December 31, 2021**

Contact Information

**Angie Spencer, CPA, CA
BDO Canada LLP
Chartered Professional Accountants
Ph: 250-832-7171 Fax: 250-832-2429
Email: aspencer@bdo.ca**

**Golden and District Recreation Centre
Statement of Operations
For the Year Ended December 31, 2021**

Contents

Independent Auditor's Report	1 - 2
Statement of Operations	3
Note to Statement of Operations	4



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Fax: 250-832-2429
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BDO Canada LLP
571 6th Street NE
Suite 201
Salmon Arm BC V1E 1R6 Canada

Independent Auditor's Report

To the Mayor and Council of the Town of Golden

Opinion

We have audited the Statement of Operations of Golden and District Recreation Centre ("the Arena"), for the year ended December 31, 2021 and the notes to the Statement of Operations for the Arena, including other explanatory information (together "the Statement").

In our opinion, the accompanying Statement for the year ended December 31, 2021 is prepared in all material respects, in accordance with the management agreement between Town of Golden and Columbia Shuswap Regional District ("the Regional District").

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 Statement* section of our report. We are independent of the Arena in accordance with the ethical requirements that are relevant to our audit of the Statement 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the Statement, which describes the basis of accounting. The Statement is prepared to assist the Arena to meet the reporting requirements of the management agreement. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of the Statement in accordance with the management agreement; this includes determining that the basis of accounting is an acceptable basis for preparation of the Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of the Statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement is 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 this Statement.



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 Statement, 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 Arena's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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.

BDO Canada LLP

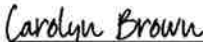
Chartered Professional Accountants

Salmon Arm, British Columbia
May 10, 2022

Golden and District Recreation Centre Statement of Operations

For the year ended December 31	2021 Budget (unaudited)	2021	2020
Revenue			
Facility rental	\$ 99,140	\$ 97,527	\$ 77,210
Curling club contribution	26,640	21,505	22,208
Admissions	7,558	13,725	9,052
Merchandise	1,139	522	1,124
Grant funding and other	837	40,000	155
Boards advertising and recoverable work	-	333	-
	<u>135,314</u>	<u>173,612</u>	<u>109,749</u>
Expenditures			
Administration	10,243	6,478	5,767
Professional fees	6,250	11,263	6,571
Repairs and maintenance - building	55,750	34,808	61,159
Repairs and maintenance - plant and equipment	112,500	101,863	83,380
Utilities	135,950	124,549	114,064
Wages and benefits	339,624	335,487	279,340
	<u>660,317</u>	<u>614,448</u>	<u>550,281</u>
Deficiency of revenues over expenses	(525,003)	(440,836)	(440,532)
Cash advances from Regional District	<u>525,003</u>	<u>485,118</u>	<u>435,419</u>
Balance due to (from) Regional District	\$ -	\$ 44,282	\$ (5,113)

DocuSigned by:



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Chief Financial Officer

Golden and District Recreation Centre Note to Statement of Operations

December 31, 2021

1. Significant Accounting Policies

Basis of Accounting

The Golder and District Recreation Centre (the "Arena") is a component of the Columbia Shuswap Regional District (the "Regional District") and assets, liabilities and operating results are consolidated into the annual financial statements of the Regional District. The Town of Golden manages the Arena's daily operations and recovers any excess of expenditures over revenues from the Regional District. The statement summarizes the revenues and expenditures for the Arena using accrual basis of accounting and is prepared in accordance with the operating agreement.

2. Global Pandemic

The impact of COVID-19 in Canada and on the global economy has increased significantly. As the impacts of COVID-19 continue, there could be further impact on the Arena, that could impact the timing and amounts realized on the Arena's assets and future ability to deliver products.

At this time, the full potential impact of COVID-19 on the Arena is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The Arena will continue to focus on managing expenditures, and leveraging existing operations to ensure it is able to continue to provide its products and services.

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Schedule of Debt

Information on all long term debt is included in the Audited Financial Statements of the Town of Golden.



Carolyn Brown, CPA, CGA
Acting Chief Financial Officer
June 21, 2022

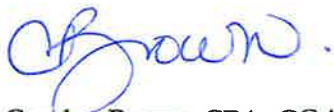


Ronald Oszust
Mayor
June 21, 2022

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Schedule of Guarantee & Indemnity Agreements

The Town of Golden has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.



Carolyn Brown, CPA, CGA
Acting Chief Financial Officer
June 21, 2022



Ronald Oszust
Mayor
June 21, 2022

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021

Statement of Severance Agreements

There were no severance agreements made between the Town of Golden and its non-unionized employees during the fiscal year 2021.



Carolyn Brown, CPA, CGA
Acting Chief Financial Officer
June 21, 2022



Ronald Oszust
Mayor
June 21, 2022

Statement of Financial Information (SOFI)

Town of Golden

Fiscal Year Ended December 31, 2021

Schedule of Remuneration and Expenses

Names	Position	Remuneration	Expense
Elected Officials			
Adams	Councillor	16,170	-
Barlow	Councillor	16,170	-
Hambruch	Councillor	16,170	-
Leigan	Councillor	16,170	-
Manuel	Councillor	16,170	-
Moss	Councillor	16,170	-
Oszust	Mayor	28,761	-
Total Elected Officials		125,778	-
Detailed Employees > \$75,000			
Armstrong	Manager of Development & Planning	101,943	647
Brown	Deputy Chief Financial Officer	94,815	1,957
Cochran	Manager of Operations	121,328	1,247
Drummond	Senior Recreation Operator	82,114	125
Hedges	Network Programmer/Analyst	77,912	-
Larrabee	Certified Tradesman	93,378	719
MacPherson	Equipment Operator	75,873	53
Murphy	Recreation Operator	75,547	-
Pecora	Deputy Fire Chief	92,347	858
Persson	Senior Recreation Operator	86,853	78
Petrovics	Manager of Recreational Services	92,460	508
Pickering	Working Foreman	99,563	152
Robison	Systems Operator	91,784	1,538
Rousseau	Equipment Operator	82,158	125
Roy	Facilities Operator	90,081	53
Sadler	Senior Recreation Operator	94,304	53
Saville	Communications Official	79,625	433
Sibilleau	Chief Financial Officer	132,564	1,259
Taylor	Systems Operator	108,568	1,589
Thoss	Manager of Legislative Services	81,313	268
Wilsgard	Chief Administrative Officer	148,020	262
Total Detailed Employees > \$75,000		2,002,551	11,922
Total Salaries < \$75,000		1,251,742	12,092
Paid on Call Firefighters		213,294	12,718
Total Remuneration & Expenses		\$ 3,593,365	\$ 36,732

Notes:

1. Remuneration includes base salary, taxable benefits and vacation payouts.

2. Expenses include expenditures required for Council and employees to perform their job functions (i.e. travel expenses, training, memberships, and registration fees)

3. Golden Recreation Centre (Arena) - The employee costs are paid by the Town of Golden and included in the above totals. A separate set of Financial Statements are prepared for the Golden Recreation Centre.

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021
Schedule of Remuneration and Expenses

Reconciliation

General Ledger Salaries & Wages

Salaries, Wages & Benefits - Town of Golden 4,132,011

Salaries, Wages & Benefits - Arena 335,487

Adjustments:

Add Capitalized Wages per Financial Statements 11,496

Add Estimate - Accruals and timing differences (374,656)

Less Employer paid Benefits - Non Taxable (510,973)

(874,133)

Balance - Total Reconciled Remuneration

\$ 3,593,365

Balance - Total Remuneration per T4's

\$ 3,593,365

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021
Schedule of Payments to Suppliers of Goods and Services
Financial Information Act - Section 2 (3)(b)

Vendors Over \$25,000

Name	Amount
Aardvark Pavement Marking Services	37,322
ABC Insurance Solutions Inc	234,678
Agreement Makers: Conflict Mngt Services	35,625
Associated Fire Safety Group	41,846
Banner Recreation & Marine	38,935
BC Hydro & Power Authority	488,208
BDO Canada LLP	36,570
Blackline Asphalt Maintenance	33,437
Boosted Services Inc.	77,310
Canadian Union of Public Employees	41,121
Cangas Propane Inc.	55,926
Castle Fuels (2008) Inc	121,564
Cdw Canada Inc	37,184
Centrix Control Solutions	97,390
Columbia Shuswap Regional District	344,113
Ewan & McKenzie - In Trust	107,933
Exl Engineering Inc	25,285
Global Raymac Surveys Inc.	35,663
Golden Concrete	40,754
Golden Electrical Contracting Ltd	30,775
Golden Installations Ltd.	201,626
Gottler Bros. Trucking & Excavating Ltd.	87,713
Green Leaf Tree Services	106,184
Higginson Construction Ltd.	46,157
Hm Aero Inc.	38,278
Innovative Fall Protection Inc.	47,973
Insurance Corporation of BC	42,727
Kardash Plumbing & Heating	50,646
Kicking Horse Ford Sales Ltd	44,584
Kootenay Pumping Systems Ltd.	64,300
Kulkon	41,872
Lidstone & Company	28,492
Matrix Solutions Inc	147,920
McIntosh Lalani Engineering Ltd.	53,176
Mearl's Machine Works Ltd.	55,949
Minister of Finance - EHT	110,680
Minister of Finance - MPP	266,059
Municipal Insurance Association of B.C.	124,212
ODDYUP Ventures Inc.	195,000
Olson Projects Ltd.	88,026
Parky's Heating & Cooling	62,746
Read Jones Christoffersen Ltd.	37,913
Receiver General For Canada	177,057

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021
Schedule of Payments to Suppliers of Goods and Services
Financial Information Act - Section 2 (3)(b)

Vendors Over \$25,000 continued

Name	Amount
Reinbold Engineering Group	36,095
Rocky Mountain Phoenix	83,132
Rona Inc	27,881
Roth IAMS	42,425
Simson Maxwell	26,439
Startec Refrigeration Services Ltd	114,003
Superior Propane Inc.	28,330
Telus Mobility (BC)	34,557
Tri-Kon Precast Products Ltd.	26,493
Twenty Four Seven Response Inc.	39,000
Tybo Contracting Ltd.	2,379,463
Upanup Studios Inc.	26,081
Urban Systems (Kamloops)	55,349
Urban Systems Ltd. (Calgary)	660,280
Valley Blacktop	529,930
VP Waste Solutions Ltd.	192,876
WASP Wildfire Equipment Rental Inc.	95,259
Workers' Compensation Board	79,648
Subtotal - Vendors Over \$25,000	8,558,170
Subtotal - Vendors Under \$25,000 (Consolidated)	1,593,019
Total All Vendors	10,151,189
Grants & Contributions Over \$25,000	
Columbia Basin Trust Funding:	
Golden and District Rotary Club	66,500
Golden Light Horse Club	45,832
Golden Food Bank Society	39,350
Kicking Horse Culture Operating Grant:	
Golden District Arts Council	165,000
Resort Municipality Funding:	
Golden Cycling Club	45,000
Golden Snowmobile Trail Society	30,000
Tourism Golden	29,000
Total Grants & Contributions Over \$25,000	420,682
Total Grants & Contributions Under \$25,000 (Consolidated)	108,081
Total Expenditures: Suppliers, Grants & Contributions per Vendor List	\$ 10,679,952

Statement of Financial Information (SOFI)
Town of Golden
Fiscal Year Ended December 31, 2021
Schedule of Payments to Suppliers of Goods and Services
Financial Information Act - Section 2 (3)(b)

Reconciliation

General Ledger Expenditures

TOG - Total Expenses per Financial Statements	11,824,491	
Arena - Total Expenses per Financial Statements	614,448	
Adjustments:		
Add - Capital Expenditures	6,244,458	
Less - TOG Amortization	(2,859,487)	
Less - TOG Salaries & Wages	(4,132,011)	
Less - Arena Salaries & Wages	(335,487)	
Total Expenditures		<u>11,356,412</u>
Other Adjustments:		
Inventories, Prepaid Expenses, Accruals and Estimates	(676,460)	
		<u>(676,460)</u>

Balance - Total Reconciled Expenditures	<u>\$ 10,679,952</u>
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Balance - Total Expenditures: Suppliers, Grants & Contributions per Vendor List	<u>\$ 10,679,952</u>
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Summary of All Accounts Payable:

Total Expenditures: Suppliers, Grants & Contributions	10,679,952
Tax Transfer to Other Government	3,249,506
Refunds and Payments Collected & Paid on behalf of 3rd Parties	53,702
Payroll Deductions - Deducted & Remitted on behalf of Employees	<u>1,051,157</u>
Total - All Accounts Payable	<u>15,034,317</u>