



District of Tumbler Ridge



ANNUAL REPORT 2021

Photo credit: Jessie Olsen

FOR THE YEAR ENDING DECEMBER 31, 2021

DISTRICT OF TUMBLER RIDGE 2021 ANNUAL REPORT

The Annual Report is produced by the Corporate Services and Financial Services departments of the District of Tumbler Ridge, in cooperation with all other departments.



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Photo credit: Brandon Braam

OUR COMMUNITY

Tumbler Ridge was built in the late 1970's, early 1980's to service the Northeast Coal Project a \$3 billion project involving the export of 100 million tons of metallurgical coal to Japan over a period of 15 years (1982 – 1997).

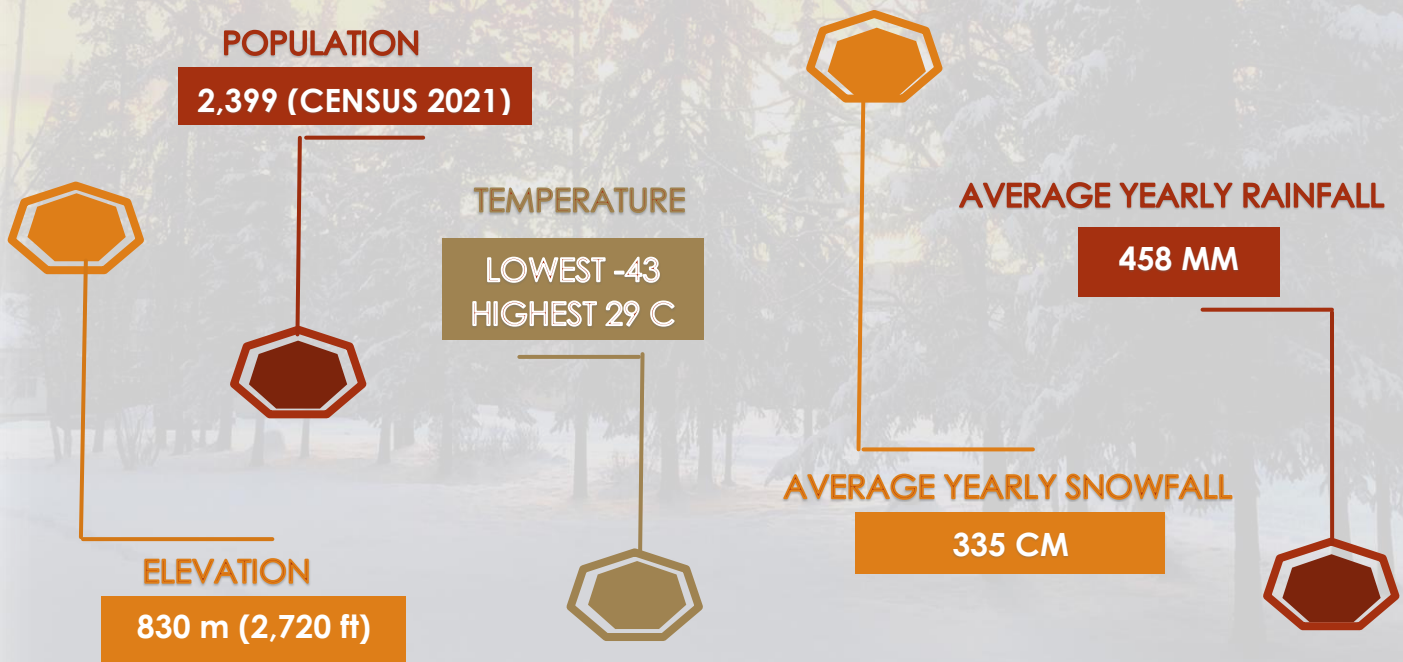
The Town is located approximately 1200 km Northeast of Vancouver close to the BC – Alberta border. The setting is a magnificent natural forested valley with rolling hills. It services an estimated population of 2500.

Today, Tumbler Ridge is a community in transition as our proud mining sector is increasingly supplemented by a diversifying economy. In particular, our international UNESCO designation, community forest expansion, growing world-class renewable energy generating capacity and unique conferencing venues are creating opportunities that you would be hard pressed to find elsewhere.

“I was impressed by the abundance of wildlife, the stunning waterfalls and rolling hills on the edge of the Rocky Mountains and the small town charm.”

~ Mark Jinks

Photo Credit: Jessie Olsen



OUR TOWN

The District's team of 59 employees and additional seasonal staff deliver quality services to ensure our Town is safe, vibrant and sustainable.

**Incorporated
April 9, 1981**



VISION

Tumbler Ridge – working together to create a proud, vibrant, diverse, and sustainable community, where life is as spectacular as our setting.

MISSION

Council is committed to excellence in government that reflects our citizens' interests, values and goals. We will strive to deliver quality public services in a proactive and responsible manner while ensuring our objectives are closely communicated to our citizens. We will strive to strengthen and diversify our economy by balancing public safety, industrial development, environmental responsibility and sustainability.

Facts and Figures		
Council	Corporate Services	Finance
Commitment	41 Years of Corporate Records Management	\$29 Million Managed and invested annually
7 Elected Members	59 Employees work for the District plus additional seasonal staff for pool, arena and parks.	Grants Received 2021 – 2.9 M 2020 - 3.5 M 2019 - 2.5 M 2018 - 2.3 M 2017 - 3.0 M
33 Regular Meetings Plus Additional	7 Bylaws Adopted	
10 Policy & Priority Committee Meetings	7 Bylaws Amended	2389 Property tax accounts managed daily and billed annually
1 Vision Working together to create a proud, vibrant, diverse and sustainable community, where life is as spectacular as our setting.	8 New Policies 3 Amended Policies	

MESSAGE FROM THE MAYOR

On behalf of Council, it is my pleasure to introduce the District of Tumbler Ridge's 2021 Annual Municipal Report. The intent of this report is to share the District's accomplishments over the last year and to discuss the challenges we have overcome as a community.

First off, I would like to thank all members of our community. I believe every one of us can share in a sense of pride for the tremendous resiliency, hard-work and collaboration that we have continued to demonstrate in the face of great challenges. Working alongside our invaluable businesses, non-profit service providers, and residents, we have continued to concentrate on developing Tumbler Ridge as a place to visit, live, prosper and grow.

2021 has been an exceptional year for transitions and transformations with the District and throughout the community. Despite the challenges of the ongoing COVID-19 pandemic, the community has benefited from the start up of new businesses that continue to diversify and strengthen our local economy.

Mayor and Council are involved on many regional committees to ensure that the District is represented collectively at this level on many initiatives. Being represented on these regional committees and boards lends the northeast a stronger combined voice to promote tourism, industry, education, health and shared services that affects the District, to name a few. As well as these boards and committees Council was also able to meet virtually with Provincial Ministers during the Union of British Columbia Municipalities' Annual Convention to discuss important issues for our community.

Working with First Nations communities continues to evolve for the betterment of all our communities. The District looks forward to strengthening these collaborative working relationships.

The District itself also underwent a period of transformation, where we said farewell to several senior staff members that served the community, John Powell and Doug Beale whose contributions will remain evident in our community for years to come.

In 2022, we are looking at some exciting changes with the municipal election being an opportunity for new perspectives and strategic priorities to guide our community. I would like to encourage anyone with a passion for teamwork and the desire to contribute to the community in a positive and meaningful way to explore getting involved, whether it be by running for election, volunteering for a worthy cause, or simply getting out to vote in October!

Stay safe and be well,

Mayor Keith Bertrand

MAYOR & COUNCIL

The District of Tumbler Ridge is governed by an elected Mayor and six Councillors for a four-year term. Council provides direction and establishes the policies and budget to guide the growth, development and operations of the town. Council meets regularly and the public is welcome to attend any open meeting or provide feedback in writing via mail or email. If you are unable to attend in person you can watch meeting online at www.tumbleridge.civicweb.net/portal/

In the fall of 2018, Tumbler Ridge residents voted in the municipal election to elect Council for the 2018 - 2022 term.



Keith Bertrand
Mayor



Chris Norbury
Councillor



Bernie Lehmann
Councillor



Darryl Krakowka
Councillor



Curtis Miedzinski
Councillor



Will Howe
Councillor



Joanne Kirby
Councillor

Photo Credit: Eye for Detail
Photography

DECLARATION OF DISQUALIFICATIONS

In accordance with Part 4, Division 7, Section 111 of the *Community Charter*, the District of Tumbler Ridge must include in its Annual Municipal Report any Declarations of Disqualification made against individual council member in the previous year.

There are no Declaration of Disqualifications to report in 2021 for the Council of the District of Tumbler Ridge.

COUNCIL LIASONS & COMMITTEE APPOINTMENTS 2021

COMMITTEE OR BOARD	COUNCIL LIAISON OR REPRESENTATIVE
<i>Northeast Regional Advisory Committee</i>	Councillor Kirby & Councillor Miedzinski
<i>Tumbler Ridge Health Needs Task Force</i>	Councillor Krakowka & Councillor Lehmann
<i>South Peace Health Services Society</i>	Councillor Norbury
<i>Building Healthy Communities Committee</i>	Councillor Lehmann & Councillor Norbury
<i>Tumbler Ridge Chamber of Commerce</i>	Councillor Howe
<i>Tumbler Ridge Community Forest</i>	Councillor Norbury
<i>Tumbler Ridge Mountain Bike Association</i>	Councillor Lehmann
<i>Tumbler Ridge Museum Foundation</i>	Councillor Krakowka & Councillor Kirby
<i>Tumbler Ridge UNESCO Global Geopark</i>	Councillor Kirby & Councillor Krakowka
<i>Tumbler Ridge Public Library Board</i>	Mayor Bertrand
<i>Tumbler Ridge Society for Children's Needs</i>	Councillor Norbury
<i>Alaska Highway Community Society</i>	Councillor Kirby
<i>North East Destination Development</i>	Councillor Kirby

PEACE RIVER REGIONAL DISTRICT (PRRD) APPOINTMENTS

PRRD Director: Mayor Bertrand

Alternate: Councillor Kirby

2021 STRATEGIC PRIORITIES & CAPITAL/SPECIAL PROJECTS

CHIEF ADMINISTRATIVE OFFICER

- Asset Management Progress
- Budget and Service Level Reduction
- Urban Reserve Progress
- Community Connectivity
- Subdivision Bylaw
- District Land Development Feasibility
- Computer Server Replacement
- Rail Export Study

FINANCE

- Assist Department Heads with Departmental Budgets
- Produce Consolidated Financial Plan
- Financial Statements and Audit Reporting
- LGDE, SOFI, Gas Tax Grant
- Covid-19 Fiscal Impact
- Investment Review

OPERATIONS

- Golf Course Road Options
- Airport Lighting Replacement
- Interpretive Trail Visual Enhancements
- Arena Parking Lot Repairs
- Equipment Replacements
- Fleet Replacements
- Upgrade to Fuel Dispenser
- Golf Course Equipment Replacements
- Well Pump Upgrades

CORPORATE ADMINISTRATION

- Council Chamber Upgrades
- Official Community Plan Bylaw

PROTECTIVE SERVICES

- Emergency Response Training
- Recruit New Members
- Fire Services Master Plan
- Unsightly Premise Amendment

ECONOMIC DEVELOPMENT

- Rural Residential Lot Creation
- Residential Development Feasibility
- Housing Needs Assessment
- Complete Welcome Signage

COMMUNITY SERVICES

- Child Care Spaces
- Visitor Centre Maintenance
- Pathway System Map and Standards
- Recreation and Parks Master Plan
- Portable Seating in Skaters' Lounge
- Adiabatic Condenser/Frame Chiller
- Low Carbon Heat Recovery System

COUNCIL

- Volunteer Appreciation
- Caribou/Back Country Access
- Treaty Land Entitlement
- BC Housing Status
- Dark Sky Reserve Status
- Acquisition of 100 Acre Woods
- Tenue for Mt. Bike Trails
- Regional District Waste Strategy



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

The Chief Administrative Officer for the District of Tumbler Ridge serves Council directly and acts as the primary liaison between staff, the Mayor's Office and District Council. The CAO is responsible for service delivery within the District as well as policy developments and governance advice to Mayor and Council.

The District of Tumbler Ridge Annual Report contains a summary of highlights which have taken place during a busy and productive 2021. While we continue to provide core services to our residents, the management team and staff continue to undertake a number of initiatives and services identified in Council's Strategic Plan.

A number of staffing changes took place within the organization with the appointment of Lisa Teggarty to the role of Chief Financial Officer and John Simcock to the role of Director Public Works and Infrastructure.

2021 was an exciting year that presented many opportunities for growth within the organization and the community. Throughout the year, the District completed a number of capital projects that focused on replacing key infrastructure in order to maintain the amazing quality of life we have all come to enjoy in our community.

The progress with asset management continues and is a key factor for effective planning, financial resources, quality engineering, effective operations and maintenance. Along with support from stakeholders, this makes up the essential components to supply the long-term levels of satisfactory service to the community.

Staff at the District of Tumbler Ridge strive to provide our community with an exemplary level of service. I am looking forward to the coming year and all of the exciting opportunities!

Warmest Regards,

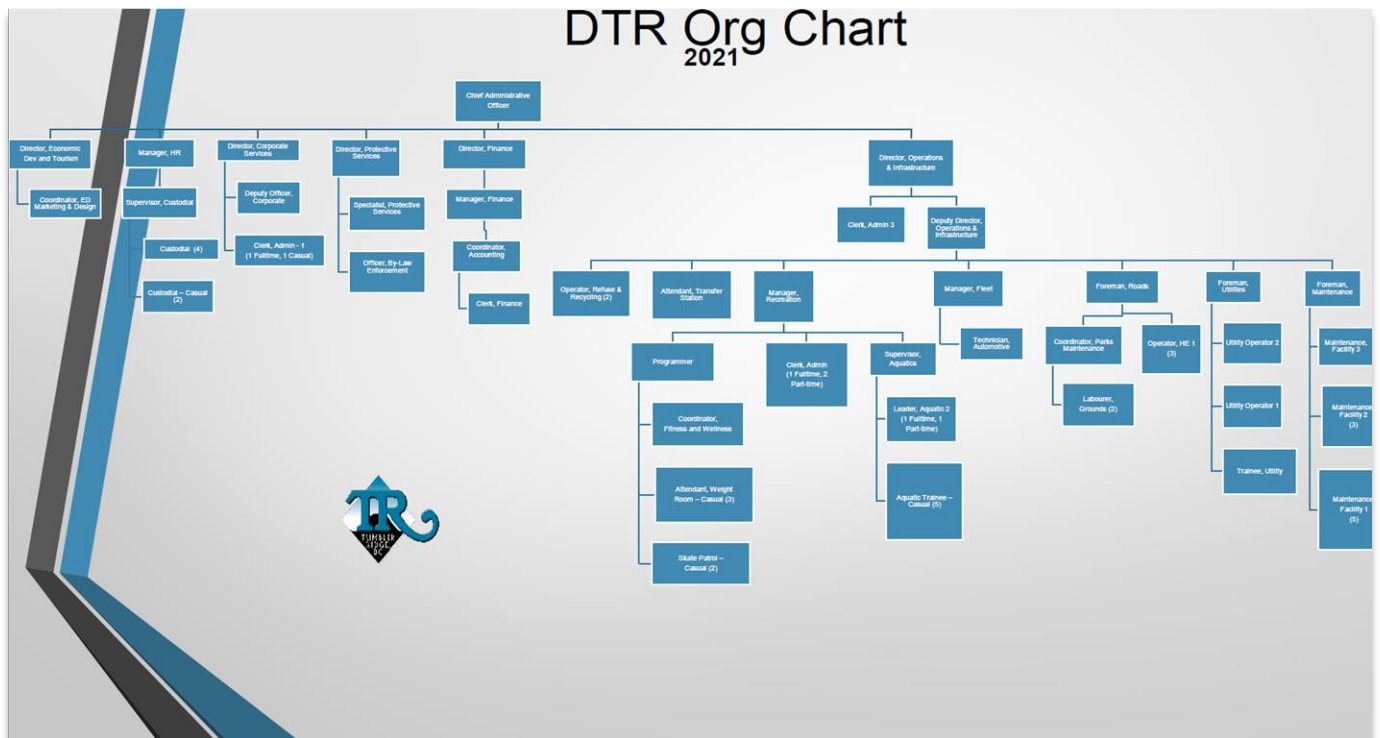
Aleen Torraville, *for*
Chief Administrative Officer

2021 ANNUAL DEPARTMENTAL WORK PLANS

Annual Department Work Plans are developed in conjunction with the District's current 2021 - 2026 Budget and Financial Plan. These plans assist the Management Team to help align District initiatives and undertakings with Council's current Strategic Plan.

Although Staff may have already worked on several of the initiatives outlined in the Work Plan, the 2021 Work Plan provides general guidance to the District on anticipated target or milestone completion dates for the upcoming year. Sometimes estimated project completion dates may change or require adjustment throughout the year due to the influence of other factors. As such, quarterly reports will be provided to Council in order to review current project/initiative status and re-review priority levels during the 2021 fiscal year.

The following pages introduce the District of Tumbler Ridge departments and their 2021 Work Programs.



ADMINISTRATION & CORPORATE SERVICES

Jennifer Thompson, Chief Administrative Officer
Aleen Torraville, Director of Corporate Services
Jane Butters, Deputy Director of Corporate Services
Iris Notley, Human Resources
Colette Ernst, Administrative Assistant 2

WHAT WE DO

Administration and Corporate Services works closely with Council to provide necessary information and the tools to promote effective decision making in an open and accountable manner. The department keeps Council up to date on corporate matters and ensuring that Council policy is implemented.



Photo credit: Jessie Olsen

Administrative and Corporate Services are also the primary access point for citizens and outside agencies wishing to communicate or interact with Council and also acts as support staff for all other departments.

2021 WORK PROGRAM & INITIATIVES

- **Preparing minutes and agendas,**
- **Composing, reviewing and providing advice on municipal bylaws and policies,**
- **Initiating the follow-up action to Council decisions,**
- **Administering Freedom of Information and Protection of Privacy Act requests,**
- **Managing the District’s legal contracts and agreements,**
- **Official Community Plan**

Reports To Council By Position For The Year 2021

Position	Totals
Chief Administrative Officer	37
Director of Corporate Services	34
Chief Financial Officer	18
Director of Economic Development & Tourism	11
Director of Protective Services/Fire Chief	13
Director of Operations & Infrastructure	11
Director of Community Services	6

FINANCE

Lisa Teggarty, Chief Financial Officer
Dianna Gies, Finance Manager
Tamara Dell, Accounting Coordinator
Karen Curry, Finance Clerk

WHAT WE DO

The Finance Department consists of four full-time finance staff. The Finance Department is responsible for monitoring, controlling and allocating of financial resources in order to achieve the District's immediate short and long-term goals and objectives.

The Department also provides Council with financial updates and variance analysis. Annual Financial Statements, which are audited by an independent auditor, are prepared by the Chief Financial Officer along with other reports to meet the legislative requirements of the Province.

2021 WORK PLAN & INITIATIVES

Asset Management Progress

- The five-year financial plan seeks to meet the vision and mission statements by using best practice Asset Management principles to inform the budget process and build on those principles

Collecting and reporting on all District's Revenues by Maintaining Property Tax Assessment Roll Information and Annual Billing

- Roll information is now updated weekly using electronic files available from BC Assessments keeping property owner and land information current to improve service to the public.

Electronic Financial Records

- Ensuring financial record keeping is kept electronically reduces paper and improves productivity for all departments.

Photo Credit: Simon Ratcliffe

Process Business License Billing

- Continuing with the tracking of business activity and short term rental license monitoring.

Annual Tax Sale Process

- Being proactive about collections has seen a decrease in delinquent accounts in the past few years.

Budgeting

- Training in Questica budgeting software has assisted departments with their budgeting projections and streamlined the budgeting process.

Property Tax Collection and Policy

- Establishing the Annual Municipal Tax Rates and User Fees consistent with the Five-Year Plan.

Administer Permissive and Revitalization Tax Exemptions

- Council continues to support local not-for-profit organizations that provide benefits to the community as a whole and are eligible under the *Community Charter* through permissive tax exemptions.
- Council did not consider any Revitalization Tax Exemption applications for 2021



The District's operational banking is administered through Lake View Credit Union in Tumbler Ridge.

FEE FOR SERVICE & GRANTS IN AID 2021

Tumbler Ridge Library Association	369,792.00
Tumbler Ridge Youth Services Society	43,000.00
Tumbler Ridge Mountain Bike Association	30,000.00
Tumbler Ridge Global Geopark Society	150,000.00
Tumbler Ridge Forever Young Society	22,870.00
Summit Avalanche Consulting	3,500.00
Tumbler Ridge Chamber of Commerce	29,820.00
South Peace Health Services Society	30,000.00
TR Days Society	30,000.00
Tumbler Ridge Society for Children's Needs	8,500.00
Tumbler Ridge Youth Services	43,000.00
Tumbler Ridge Museum Foundation	220,000.00
Tumbler Ridge Hospice and Respite Care	22,400.00
TOTAL	\$1,002,882.00

2021 Permission Tax Exemptions

Registered Owner	Roll Number	Civic Address	Class	2021 Assessments	2021 Tax Rates	2021 Municipal Exempt Tax Values
Permissive Exemptions						
DTR - TR Curling Club	517.001	340 Front Street	06	64,300	14.6560	942.38
DTR - TR Oldtimers Hockey Club	517.002	340 Front Street	06	28,400	14.6560	416.23
DTR - TR Lions Club	517.003	340 Front Street	06	8,400	14.6560	123.11
DTR - Municipal Library	517.004	340 Front Street	06	349,700	14.6560	5,125.20
DTR - TR Youth Services	517.005	340 Front Street	06	74,600	14.6560	1,093.34
DTR - TR Children's Society	517.006	340 Front Street	01	159,900	7.1572	1,144.44
DTR - TR Arts Council	517.007	340 Front Street	06	5,600	14.6560	82.07
DTR - TR Minor Hockey Association	517.009	340 Front Street	06	3,700	14.6560	54.23
DTR - TR Snowmobile Club	520.010	Lot 2 Becker Road	08	2,800	7.1572	20.04
DTR - TR Museum	575.531	255 Murray Drive	06	2,191,000	14.6560	32,111.30
DTR - TR Museum	575.531	255 Murray Drive	08	56,500	7.1572	404.38
DTR - Community Garden	575.532	255 Murray Drive	06	10,300	14.6560	150.96
DTR - Community Garden	575.532	255 Murray Drive	08	39,200	7.1572	280.56
DTR - Grizzly Valley Saddle Club	624.000	MacKenzie Way	06	289,900	14.6560	4,248.77
TR Branch Royal Canadian Legion	645.000	380 Pioneer Loop	06	10,000	14.6560	146.56
TR Branch Royal Canadian Legion	645.000	380 Pioneer Loop	08	37,400	7.1572	267.68
DTR - TR Sportsman's Association	50066.000	Crown Land #8003744	08	320,200	7.1572	2,291.74
TOTAL Permissive Exemptions						48,902.99
Statutory Exemptions						
TR Fellowship Baptist Church	543.001	115 Commercial Park	08	183,800	7.1572	1,315.49
Pentacostal Assemblies of Canada	575.525	275 Murray Drive	08	412,800	7.1572	2,954.49
Roman Catholic Episcopal Corporation	590.100	103 Commercial Park	08	484,400	7.1572	3,466.95
Seventh Day Adventist	637.001	107 Commercial Park	08	185,400	7.1572	1,326.94
TOTAL Statutory Exemptions						9,063.88
TOTAL Exemptions						57,966.86

ECONOMIC DEVELOPMENT & TOURISM

John Powell, Director of Economic Development & Tourism (Jan-Aug)
Jessie Olsen, Marketing & Design Coordinator

WHAT WE DO

The Economic Development Department facilitates, promotes and enhances economic development across the community. The team is responsible for the day-to-day management of the economic development function, which includes tourism, product development, and marketing.

Economic Development involves significant contact with the local business community, industries and government agencies, as well as, responsibility for gathering data research and application.

2021 Work Plan and Initiatives

The Economic Development team is guided by two documents over in addition to The Official Community Plan and other District documents;

- The five-year Tumbler Ridge Tourism Strategy 2020 entitled “Land of Ancient Footprints, Land of New Discoveries”
- Investment Readiness and Economic Development Plan, a three-year plan 2018-2020.

Priority Projects

Downtown Design Guidelines

A guidelines workshop and review with public engagement to produce a final document.

Housing and Residential Development

Progressed with the finalization of the purchase of the ‘46 acres’.

Digital Marketing Strategy

With the support of an NDIT grant and in collaboration with the Northern BC Tourism Association, working with a digital marketing professional to create unified digital marketing strategies for the District, Geopark, Museum and the TRMBA.

Implementation of the strategy included designing graphics, writing content, creating advertising campaigns and putting advertising dollars towards sponsored posts.

Destination BC Content Production Initiative

In partnership with the Geopark, hosted a professional photographer Tumbler Ridge with the support of DBC which provided over 400 edited professional images and videos for our content library.

Snowmobiling in the Geopark

With the support of an NDIT grant, hosted professional snowmobilers Brett Turcotte and Brock Hoyer for a weekend of filming backcountry riding in Tumbler Ridge. Ran a successful contest in conjunction with the Ridge Riders Snowmobile Association to increase their membership. Received a collection of videos and images for our content library featuring the riders.

Tumbler Ridge Pump Track

Supported the Tumbler Ridge Mountain Bike Association in their efforts to bring the Pump Track project to completion. The department also designed all the graphics and signage for the track.

Tourism Advisory Committee

Met monthly during 2021 with the last meeting held in November 2021. The need and future of the TAC are under review.



Photo Credit: Sheena Urness

Labor Marketing Partnership

Did the initial groundwork for the Labour Market Partnership application. The project was paused due to staff capacity.

Publications

Produced the 2021 Tumbler Ridge Global Geopark Visitor & Relocation Guide and the 2021 Tumbler Ridge Business & Resource Directory.

Welcome Signage

Lit signs were installed at each of the three town entrances.

Certificate in Economic Development

Ms. Olsen completed the Community Economic Development program through the University of Waterloo.

Grants Applied For

Included UBCM Housing Needs Assessment, Capital Investment Analysis, NDIT Marketing Initiatives (2), Love Tumbler Ridge and Economic Development Capacity Building.

The Economic Development Officer sits on the following boards:

- BC Small Business Roundtable board of Directors
- BC Economic Development Association Board of Directors
- Community Futures Peace Liard Board of Directors.



PROTECTIVE SERVICES

Dustin Curry, Director of Protective Services/ Fire Chief/Emergency Program Manager
Mike Thibodeau, Protective Services Specialist
Ann More, Bylaw Enforcement Officer
Volunteer Fire Fighters
Volunteer ESS Responders

The Protective Service department strives to deliver quality service to the residents and visitors to the District of Tumbler Ridge in a fiscal responsible manner. The District of Tumbler Ridge supports this service delivery through a series of well-established training programs based on specific roles.

The Protective Service department provides the framework for a network of functions that work tirelessly in the pursuit of making Tumbler Ridge a safer place to visit, live, work and play. Each of these functions play distinct roles in the protection of the community but ultimately work in concert in order to provide a truly essential service.

WHAT WE DO

<p><u>Tumbler Ridge Fire Rescue</u></p> <ul style="list-style-type: none"> • Fire Suppression (Urban and Wildland). • Vehicle Extrication. • Hazardous Materials Response. • Technical Rescue Response. • Medical First Responder. • Fire Inspections in 93 Commercial and Industrial properties. • Residential Home Safety Inspections. <p>Fire Prevention Activities:</p> <ul style="list-style-type: none"> ○ Fire Prevention Week ○ Hall Tours ○ Public Speaking Events ○ Pop-up Educational Events 	<p><u>Bylaw Enforcement</u></p> <p>Education and enforcement of municipal bylaws including:</p> <ul style="list-style-type: none"> ○ Unsightly Premises ○ Traffic and Highways ○ Noise Control ○ Zoning ○ Solid Waste/Recycling ○ Animal Responsibility <ul style="list-style-type: none"> • Animal Control Enforcement • Daily patrols throughout the community with the goal to interact with the public in a positive manner. • Point of contact for information or to register a complaint.
<p><u>Emergency Management</u></p> <ul style="list-style-type: none"> • Emergency Preparedness Planning. • Emergency Response Plan Updates. • Emergency Management. Training and Exercise Activities. • COVID -19 Response Hub. • Emergency Operations Centre. 	<p><u>Emergency Support Services</u></p> <ul style="list-style-type: none"> • 24/7 response for residents who have experienced a disaster event such as a fire, flood or earthquake. • Recruitment and Training.



2021 Bylaw Enforcement Stats



4
Municipal Tickets - \$500 in fines



84
Municipal Ticket Warnings



72
Unsightly Premise Letters



7
Property Clean Ups



186
Dog Licences



38
Cat Licences



2021 Fire Rescue Stats



167
Calls for Service



4 min 31 sec - Av. In Town Response Time
7 min 20 sec - Av. out of Community Response Time



1,544
2021 Training Hours



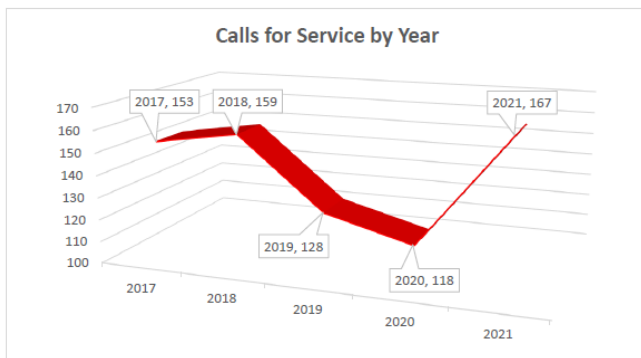
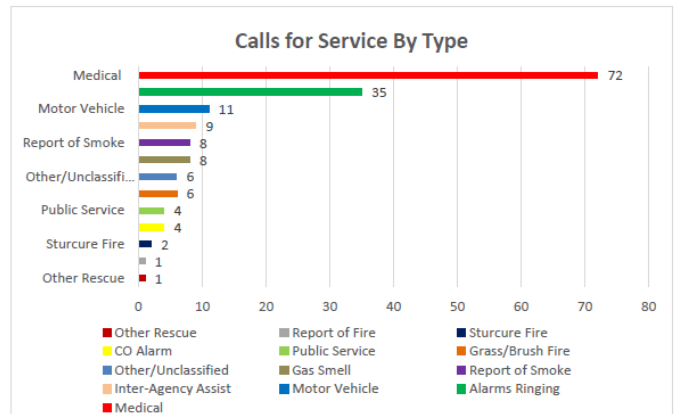
Inspections
91 Commercial, 37 WETT, 5 Home Safety



June
Busiest Month of the Year



Monday
Busiest Day of the Week



PUBLIC WORKS & OPERATIONS

John Simcock, Director of Operations & Infrastructure
Tyler Oliver, Deputy Director of Operations & Infrastructure
Doug Lowther, Fleet Manager
Angela Zimmer, Fleet Technician
Sandra Cutler, Administrative Clerk
Public Works Crew

WHAT WE DO

The Public Works & Operations Department provides many of the basic services that affect the daily lives of everyone who lives and works in the District. The department's primary responsibility is to ensure that existing core municipal services are delivered effectively and efficiently. This is achieved through short and long term planning to identify and address where new infrastructure and improvements are required.

2021 WORK PROGRAM & INITIATIVES

- **Airport Terminal Building and Lights**
 - Completion of the airport runway and apron lights, installed a new beacon light, and a new terminal building with a washroom facility and a new underground septic tank.
- **Fleet Replacement**
 - As part of the fleet replacement policy the snow blower, public works mower and fire command vehicle were replaced.
- **PW 8 Pump Replacement**
 - The production well #8 had its pump replaced.



Sandra Cutler, Bruce Zimmer, Sean Shea, Sean O'rielly, Roxanne Gale, Brian Link, Jenna Johnston, Amber Doonan, Tyler Oliver, Ella Head, Courtney Pilgrim, Kailey Alyward, Brady Turner, Sierra Eagles, Justin Zimmer, Austin Lundgard, Brandon Caldwell, John Simcock

COMMUNITY SERVICES

John Simcock, Interim Director of Community Services
Joy McKay, Recreation Manager
Monica Pittman, Aquatic Supervisor
Ken MacEachern, Maintenance Foreman
Roxanne Trudeau, Community Programmer

WHAT WE DO

The Community Services Department operates the Tumbler Ridge Community Center. The center consists of a swimming pool, fitness center, ice arena, curling rink and administration area. Included within the facility is the community library, restaurant, indoor play space, meeting rooms and many historical displays. The Community Services department also operates the Tumbler Ridge Golf Course, many trails, parks and Visitor Center maintenance.

Community Services provided programs for the community ranging from hockey camps, swim lessons, learn to skill development, crafting and club / league play for many residents. Programs offered by the Community Services department include services for youth, teens, adults and seniors.

2021 WORK PROGRAM & INITIATIVES

- **TRCC Ammonia Upgrade and Energy Recovery System Project**
- **Community Centre Snow/Ice Guards Installed**
- **GMHL West Facility Use Agreement**
- **Relocated Fair Ground Building and Repaired Roof**
- **Skaters Lobby Seating Project**
- **Summer Fun Area Project**

Community Events Hosted:

January – Winter Carnival Week
February 15 – Family Day
March 15-26 – Spring Break Activities
April 24 – Volunteer Appreciation BBQ
May 10 - Move for Health Day/Sneaker Day
May 10-14 Pitch in Week
July 1 - Canada Day Celebrations
July 14 – Picnic in the Park
August 7 – TR 40th Anniversary
September 19 – Terry Fox Run
Halloween –Pumpkin Patch and Halloween Skate
December – Holly Jolly/Sledding Santa
Monthly Free Skate and Swim Nights





Photo Credit: Jesaja Class

INDEPENDENT AUDITORS REPORT & CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021



CHARTERED PROFESSIONAL ACCOUNTANTS

Partners

- * Ben Sander, B. Comm., FCPA, FCA
- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA
- * Jaron Neufeld, B. Comm., CPA, CA

813 - 103rd AVENUE, DAWSON CREEK, BC V1G 2G2
TEL: (250) 782-3374 • FAX: (250) 782-3379 • dc@srbg.ca

10208 - 99th AVENUE, FORT ST. JOHN, BC V1J 1V4
TEL: (250) 785-5645 • FAX: (250) 785-0064 • fsj@srbg.ca

203 - 9815 - 97th STREET, GRANDE PRAIRIE, AB T8V 8B9
TEL: (780) 532-8303 • FAX: (780) 532-8374 • gp@srbg.ca

May 2, 2022

The District of Tumbler Ridge
Box 100
TUMBLER RIDGE, BC V0C 2W0

Dear Mayor and Council

THE DISTRICT OF TUMBLER RIDGE

We are pleased to inform you that the audit of The District of Tumbler Ridge is now complete for the year ending December 31, 2021. Canadian auditing standards require that we communicate the following information with you in relation to your audit.

Evaluation of Internal Controls

The audit includes consideration of internal controls relevant to the preparation of the financial statements 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 internal controls. Matters that are reported to the Mayor and Council are limited to those deficiencies that the auditor has identified during the audit and that the auditor has concluded are of sufficient importance to merit being reported to those charged with governance.

We found the system of internal controls was functioning adequately, and therefore we have no issues to bring to your attention at this time.

Misstatements

We have attached the Schedule of Unadjusted Financial Statement Misstatements. These are uncorrected misstatements aggregated by us during the audit that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



Member, Chartered Professional Accountants of British Columbia and Alberta

* Denotes Professional Corporations

Significant Accounting Principles

Management is responsible for the appropriate selection and application of accounting policies. Our role is to review the appropriateness and application as part of our audit. The accounting policies used by The District of Tumbler Ridge are described in Note 1, Significant Accounting Policies, in the financial statements.

Significant Unusual Transactions

We are not aware of any significant or unusual transactions entered into by The District of Tumbler Ridge that you should be informed about.

Accounting Estimates

Management is responsible for the accounting estimates included in the financial statements. Estimates and the related judgments and assumptions are based on management's knowledge of the business and past experience about current and future events.

Our responsibility as auditors is to obtain sufficient appropriate evidence to provide reasonable assurance that management's accounting estimates are reasonable within the context of the financial statements as a whole. An audit includes performing appropriate procedures to verify the:

- Calculation of accounting estimates;
- Analyzing of key factors such as underlying management assumptions;
- Materiality of estimates individually and in the aggregate in relation to the financial statements as a whole;
- Estimate's sensitivity to variation and deviation from historical patterns;
- Estimate's consistency with the entity's business plans; and
- Other audit evidence.

We have found management's accounting estimates are reasonable within the context of the financial statements as a whole.

The District of Tumbler Ridge
May 2, 2022

3.

Disagreements with Management

We are required to communicate any disagreements with management, whether or not resolved, about matters that are individually or in aggregate significant to The District of Tumbler Ridge's financial statements or auditor's report. Disagreements may arise over:

- Selection or application of accounting principles;
- Assumptions and related judgments for accounting estimates;
- Financial statement disclosures;
- Scope of the audit; or
- Wording of the auditor's report.

We are pleased to inform you that we had no disagreements with management during the course of our audit.

Consultation with Other Accountants (Second Opinions)

Management may consult with other accountants about auditing and accounting matters to obtain a "second opinion". When an entity requests that another accountant provide a written report or oral advice on the application of accounting principles to a specific transaction or the type of opinion that may be rendered on the entity's financial statements, we are required to ensure that the accountant has ensured that the reporting accountant has knowledge of all facts and circumstances and has conducted the engagement in accordance with Canadian auditing standards on the Reports on the Application of Accounting Principles.

We are not aware of any consultations that have taken place with other accountants regarding issues that might affect the financial statements for the year ended December 31, 2021.

Issues Discussed

The auditor generally discusses among other matters, the application of accounting principles and auditing standards, and fees, etc. with management in the initial or recurring appointment of the auditor during the normal course of business. There were no major issues discussed during our audit with regards to our retention that were not in the normal course of business.

Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Mayor and Council.

We would like to take this time to thank Lisa Teggarty, Dianna Gies, and the staff at The District of Tumbler Ridge for their assistance in completing the audit.

Sander Rose Bone Grindle LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

The District of Tumbler Ridge
May 2, 2022

4.

This communication is prepared solely for the information of the Council and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

Should any member of the Council wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact me at any time.

Yours very truly
SANDER ROSE BONE GRINDLE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS



Jaron Neufeld, B.Comm, CPA, CA

JJN/nhp
ENCLS.

cc: Lisa Teggarty
Director of Finance

Sander Rose Bone Grindle LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

THE DISTRICT OF TUMBLER RIDGE
Financial Statements
Year Ended December 31, 2021

Sander Rose Bone Grindle LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

THE DISTRICT OF TUMBLER RIDGE
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Year Ended December 31, 2021

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated 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 are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises these responsibilities through regular council meetings. The Mayor and Council review internal consolidated financial statements on a quarterly basis and external audited consolidated financial statements yearly.

The external auditors, Sander Rose Bone Grindle LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of the District of Tumbler Ridge and meet when required.



Director of Finance



Mayor

Tumbler Ridge, BC



CHARTERED PROFESSIONAL ACCOUNTANTS

Partners

- * Ben Sander, B. Comm., FCPA, FCA
- * Dale J. Rose, CPA, CA
- * Alan Bone, B. Comm., CPA, CA
- * Jason Grindle, B. Comm., CPA, CA
- * Jaron Neufeld, B. Comm., CPA, CA

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of The District of Tumbler Ridge

Report on the Consolidated Financial Statements

Opinion

We have audited the financial statements of The District of Tumbler Ridge (the District), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus, changes in net financial assets and 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 District as at December 31, 2021, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 District in accordance with 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 the consolidated financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

(continues)



Member, Chartered Professional Accountants of British Columbia and Alberta

* Denotes Professional Corporations

Independent Auditor's Report to the Mayor and Council of The District of Tumbler Ridge (continued)

Those charged with governance are responsible for overseeing the District'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 District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 District 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.

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.


Dawson Creek, BC
May 2, 2022

Sander Rose Bone Grindle LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

THE DISTRICT OF TUMBLER RIDGE
Statement of Financial Position
December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 10,062,875	\$ 12,332,235
Accounts receivable (Note 3)	725,886	786,610
Investments	24,684,992	19,082,011
Municipal Finance Authority deposit	32,320	31,779
Investment in Tumbler Ridge Community Forest Corp. (Note 4)	2,500,353	2,455,071
	38,006,426	34,687,706
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	782,645	480,784
Deferred revenue (Note 6)	1,151,926	125,381
Deposits and holdbacks (Note 7)	469,289	548,124
Long-term debt, net of sinking funds (Note 8)	570,774	746,588
	2,974,634	1,900,877
NET FINANCIAL ASSETS	35,031,792	32,786,829
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	53,798,646	55,060,790
Inventories	71,544	44,204
Prepaid expenses	270,328	210,531
	54,140,518	55,315,525
ACCUMULATED SURPLUS (Note 11)	\$ 89,172,310	\$ 88,102,354

Approved by



Director of Finance

See notes to financial statements

THE DISTRICT OF TUMBLER RIDGE
Statement of Operations and Accumulated Surplus
Year Ended December 31, 2021

	Budget 2021	Actual 2021	Actual 2020
REVENUES			
Net taxation revenue <i>(Note 13)</i>	\$ 9,167,723	\$ 9,172,366	\$ 8,668,501
Grant-in-lieu	109,596	112,876	115,107
Government transfers <i>(Note 14)</i>	5,920,886	2,911,515	3,592,308
Return on investments	440,500	435,265	564,507
Licenses, fines, and rentals	133,650	273,677	388,674
Sale of services	649,000	929,513	582,592
Water and sewer	996,200	1,016,335	997,422
Gain (loss) on sale of tangible capital assets	-	(76,694)	7,373
Equity in earnings of Tumbler Ridge Community Forest Corp. <i>(Note 4)</i>	-	45,282	425,251
	17,417,555	14,820,135	15,341,735
EXPENSES			
General government	3,491,585	3,190,295	3,042,299
Protective services	755,897	831,620	756,219
Transportation services	2,323,618	2,953,053	3,021,843
Parks and recreation	3,544,451	4,315,249	4,051,484
Environmental health services	581,562	689,156	683,744
Economic development services	379,118	456,089	377,335
Water services	450,196	800,415	653,603
Sewer services	298,381	514,302	373,974
	11,824,808	13,750,179	12,960,501
ANNUAL SURPLUS	5,592,747	1,069,956	2,381,234
ACCUMULATED SURPLUS - BEGINNING OF YEAR	88,102,354	88,102,354	85,721,120
ACCUMULATED SURPLUS - END OF YEAR	\$ 93,695,101	\$ 89,172,310	\$ 88,102,354

See notes to financial statements

THE DISTRICT OF TUMBLER RIDGE
Statement of Changes in Net Financial Assets
Year Ended December 31, 2021

	Budget 2021	Actual 2021	Actual 2020
ANNUAL SURPLUS	\$ 5,592,747	\$ 1,069,956	\$ 2,381,234
Purchase of tangible capital assets	(6,814,000)	(2,112,117)	(2,738,332)
Amortization of tangible capital assets	-	3,225,579	3,241,540
Proceeds on disposal of tangible capital assets	-	61,491	67,173
Loss (gain) on disposal of assets	-	76,694	(7,373)
Write down of work in process assets	-	10,500	-
Acquisition of inventories	-	(71,544)	(44,204)
Acquisition of prepaid expenses	-	(270,327)	(210,519)
Consumption of inventories	-	44,204	63,460
Use of prepaid expenses	-	210,527	52,245
	(6,814,000)	1,175,007	423,990
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(1,221,253)	2,244,963	2,805,224
NET FINANCIAL ASSETS - BEGINNING OF YEAR	32,786,829	32,786,829	29,981,605
NET FINANCIAL ASSETS - END OF YEAR	\$ 31,565,576	\$ 35,031,792	\$ 32,786,829

See notes to financial statements

THE DISTRICT OF TUMBLER RIDGE
Statement of Cash Flows
Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Annual surplus	\$ 1,069,956	\$ 2,381,234
Items not affecting cash:		
Amortization of tangible capital assets	3,225,579	3,241,540
Loss/(Gain) on sale of tangible capital assets	76,694	(7,373)
Equity in earnings of Tumbler Ridge Community Forest Corp.	(45,282)	(425,251)
Write down of work in process assets	10,500	-
	4,337,447	5,190,150
Changes in non-cash working capital:		
Accounts receivable - decrease	60,724	124,927
Municipal Finance Authority deposit - (increase)	(541)	(641)
Accounts payable - increase/(decrease)	301,861	(640,244)
Deferred revenue - increase/(decrease)	1,026,545	(91,143)
Deposits received - (decrease)	(78,835)	(466,101)
Inventories - (decrease)/increase	(27,340)	19,256
Prepaid expenses - (increase)	(59,800)	(158,274)
	1,222,614	(1,212,220)
Cash flow from operating activities	5,560,061	3,977,930
INVESTING ACTIVITIES		
Proceeds on disposal of tangible capital assets	61,491	67,173
Purchase of tangible capital assets	(2,112,117)	(2,738,332)
Cash flow used by investing activities	(2,050,626)	(2,671,159)
FINANCING ACTIVITIES		
Repayment of long term debt	(175,814)	(164,121)
Purchase of guaranteed investment certificates	(5,602,981)	(383,668)
Cash flow used by financing activities	(5,778,795)	(547,789)
(DECREASE) INCREASE IN CASH FLOW	(2,269,360)	758,982
Cash - beginning of year	12,332,235	11,573,253
CASH - END OF YEAR	\$ 10,062,875	\$ 12,332,235

See notes to financial statements

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

1. NATURE OF OPERATIONS

The District of Tumbler Ridge (the "District") was incorporated on April 9, 1981 as a District Municipality under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sanitary sewer, and fiscal services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS). Significant accounting policies adopted by the District are as follows:

Basis of consolidation

1. Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

2. Accounting for Region and School Board Transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operation of the Region and the School Board are not reflected in these consolidated financial statements.

3. Trust funds:

Trust funds and their related operations administered by the District are not included in these consolidated financial statements.

4. Investment in Government Business Enterprises:

The District's investment in the Tumbler Ridge Community Forest Corp., a wholly-owned subsidiary, is accounted for on a modified equity basis, consistent with Canadian generally accepted accounting principles as recommended by PSAS. Under the modified equity basis, the Tumbler Ridge Community Forest Corp.'s accounting policies are not adjusted to conform with those of the District and inter-organizational transactions and balances are not eliminated. The District recognizes its equity interest in the annual earnings or loss of the Tumbler Ridge Community Forest Corp. in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends that the District may receive from the Tumbler Ridge Community Forest Corp. will be reflected as reductions in the investment asset account.

Basis of accounting

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(continues)

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Cash and cash equivalents

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

Investments

Investments include guaranteed investment certificates with a term to maturity of 90 day or more at acquisition and are stated at the lower of cost and market value.

Long-term debt

Long-term debt is recorded net of related sinking fund balances.

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.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives on a straight-line basis at the following rates:

Buildings	7 - 75 years
Engineered infrastructure	5 - 70 years
Equipment	5 - 20 years
Furniture and fixtures	3 - 20 years
IT Infrastructure	3 - 15 years
Land improvements	10 - 30 years
Vehicles	5 - 20 years

The District regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

Natural resources that have not been purchased are not recognized as assets in these consolidated financial statements.

Works of art and cultural and histories assets are not recorded as assets in these consolidated financial statements.

The District does not capitalize interest cost associated with the acquisition or construction of tangible capital assets.

(continues)

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Inventories

Inventories of supplies held for consumption are recorded at the lower cost and replacement cost.

Revenue recognition

Taxation and user fee revenues are recognized in accordance with the provisions of the Community Charter. The District is required to act as an agent for the collection of certain taxes and fees imposed by the other authorities. Collections for other authorities are excluded from the District's taxation revenues.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue.

Investment income

Investment income is reported as revenue in the period earned. When required by the funding agency or related Act, the income earned on deferred revenue is added to the investment and forms part of the deferred revenue balances.

Government transfers

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

Employee future benefits

The District provides certain employee benefits which will require funding in future periods. These benefits include accrued wages, vacation, sick leave, and benefits under Worker's Compensation Board. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

The District and its employees participate in the Municipal Pension Plan. The costs of the multi-employer defined contribution pension plan are the employer's contributions due to the plan in the fiscal year.

Budget

The budget figures are from the Five Year Financial Plan Bylaw adopted by May 15 of each year. They have been allocated to conform to PSAB financial statement presentation. Subsequent amendments have been made by Council to reflect changes in the budget as required by the law.

(continues)

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Use of estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the consolidated financial statements. Estimates include assumptions used in estimating grant revenues and receivables, and estimated historical cost and useful lives of tangible capital assets. Actual results could differ from these estimates.

Contaminated sites

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met

1. an environmental standard exists,
2. contamination exceeds the environmental standard,
3. the organization is directly responsible or accepts responsibility for the liability,
4. future economic benefits will be given up, and
5. a reasonable estimate of the liability can be made.

3. ACCOUNTS RECEIVABLE

	2021	2020
Goods and services tax recoverable	\$ 85,378	\$ 151,492
Provincial and local government	26,791	28,000
Taxation - current	139,730	330,985
Taxation - arrears/delinquent	154,595	103,653
Trade	319,392	172,480
	\$ 725,886	\$ 786,610

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

4. INVESTMENT IN TUMBLER RIDGE COMMUNITY FOREST CORP.

	2021	2020
Investment in shares of the Corporation	\$ 200,000	\$ 200,000
Accumulated surplus	2,300,353	2,255,071
	\$ 2,500,353	\$ 2,455,071

The following provides condensed supplementary financial information for the Tumbler Ridge Community Forest Corp. (the "Corporation") for the year ended December 31:

	2021	2020
Financial position:		
Assets:		
Current	\$ 3,356,412	\$ 3,390,864
Total Assets	\$ 3,356,412	\$ 3,390,864
Liabilities:		
Current	184,564	166,952
Silviculture obligation	671,495	768,841
Total liabilities	856,059	935,793
Equity:		
Share capital	200,000	200,000
Retained earnings	2,300,353	2,255,071
Total Liabilities and Equity	\$ 3,356,412	\$ 3,390,864
Operations:		
Revenue	\$ 555,153	\$ 996,318
Expense	509,871	571,067
	\$ 45,282	\$ 425,251

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Trade	\$ 406,304	\$ 256,366
Due to other governments	19,011	10,713
Other	30,620	5,678
Payroll wages and benefits	326,710	208,027
	\$ 782,645	\$ 480,784

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

6. DEFERRED REVENUES

	2021	2020
Community Forest	\$ 12,000	\$ 12,000
Community centre and other	21,871	14,552
Province of BC - CERIP	1,000,000	-
Province of BC - Covid Airport Relief	19,226	-
Rural dividend grant	98,829	98,829
	\$ 1,151,926	\$ 125,381

7. DEPOSITS AND HOLDBACKS

	2021	2020
Building deposits	\$ 421,781	\$ 513,871
Holdbacks	47,313	34,058
Other	195	195
	\$ 469,289	\$ 548,124

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

8. LONG-TERM DEBT, NET OF SINKING FUNDS

	Bylaw number	Interest rate	Year of maturity	Gross debt	Sinking funds assets	2021	Net debt 2020
Community Centre	542	2.25%	2024	\$ 1,017,298	\$ 446,524	\$ 570,774	\$ 746,588

The District issues debt instruments through the Municipal Finance Authority of British Columbia ("MFA"), pursuant to security issuing bylaws under authority of the Community Charter, to finance certain capital expenditures. Sinking fund balances, managed by the MFA, are used to reduce long term debt.

Debt is reported net of sinking fund balances on the consolidated statement of financial position.

(a) Principal and sinking fund payments due within the next three years are approximately:

2022	\$ 114,206
2023	114,206
2024	114,206
	<u>342,618</u>
Estimated sinking fund income	228,156
	<u>\$ 570,774</u>

(b) Sinking fund instalments are invested by the MFA and earn income which, together with principal payments, are expected to be sufficient to retire the sinking debt at maturity. For sinking fund agreements, the MFA has established either a normal sinking fund or a capital repayment equalization fund.

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

9. TANGIBLE CAPITAL ASSETS

Cost	2020 Balance	Additions	Disposals and Other	2021 Balance
Land	\$ 6,908,099	\$ 523,021	\$ 53,548	\$ 7,377,572
Land improvements	4,767,737	-	110,533	4,657,204
Buildings	37,231,865	560,470	102,075	37,690,260
Equipment	5,377,490	326,108	358,614	5,344,984
Vehicles	5,947,902	211,917	119,238	6,040,581
IT Infrastructure	652,890	69,094	-	721,984
Furniture and fixtures	907,146	96,706	(20,724)	1,024,576
Engineered infrastructure	47,285,178	324,801	7,642	47,602,337
	\$109,078,307	\$ 2,112,117	\$ 730,926	\$110,459,498

Accumulated Amortization	2020 Balance	Amortization	Accumulated Amortization on Disposals	2021 Balance
Land improvements	\$ 2,539,889	\$ 170,915	\$ 73,959	\$ 2,636,846
Buildings	24,046,235	921,251	48,229	24,919,249
Equipment	3,301,295	374,452	362,823	3,312,924
Vehicles	2,831,862	356,892	114,715	3,074,039
IT Infrastructure	607,705	19,489	-	627,194
Furniture and fixtures	499,315	98,187	(20,853)	618,355
Engineered infrastructure	20,191,216	1,284,393	3,363	21,472,246
	\$ 54,017,517	\$ 3,225,579	\$ 582,236	\$ 56,660,853

Net book value	2021	2020
Land	\$ 7,377,572	\$ 6,908,099
Land improvements	2,020,358	2,227,848
Buildings	12,771,011	13,185,630
Equipment	2,032,060	2,076,195
Vehicles	2,966,542	3,116,040
IT Infrastructure	94,790	45,185
Furniture and fixtures	406,222	407,831
Engineered infrastructure	26,130,091	27,093,962
	\$ 53,798,646	\$ 55,060,790

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

10. COMMITMENTS AND CONTINGENCIES

a) Peace River Regional District

The District is responsible, as a member of the Peace River Regional District, for its proportional share of any operating deficits or capital debt related to functions in which it participates. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

b) Municipal Finance Authority

The District issues debt instruments through the MFA. As a condition of these borrowings, the MFA requires that 1% of gross proceeds are deposited by the District into a debt reserve fund. The District is also required to execute demand notes in connection with each debenture whereby the District may be required to loan certain amounts to the MFA. These demand notes are contingent in nature and are not reflected in the accounts. The demand notes issued at December 31, 2021 totaled \$90,701 (2020 - \$90,701).

c) Municipal Insurance Association

The District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claim in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute toward the deficit. Management does not consider external payment under this contingency to be likely and therefore no amounts have been accrued.

d) Legal claims

The District is a defendant in various lawsuits. In the opinion of management, the overall estimation of loss is no determinable. These claims have not been provided for in the consolidated financial statements. Settlement, if any, made with respect to these actions would be expected to be expensed in the period in which realization is known.

(continues)

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

10. COMMITMENTS AND CONTINGENCIES (*continued*)

e) Pension liability

The District and its employees contribute to the Municipal Pension Plan (a jointly-trusted pension plan). The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-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 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 District of Tumbler Ridge paid \$308,650 (2020 - \$320,173) for employer contributions while employees contributed \$268,462 (2020 - \$279,260) 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.

f) Other government authorities

The District is obligated to collect and remit property taxes levied on Tumbler Ridge taxpayers in respect of the following bodies:

- Ministry of Education, Province of British Columbia
- Peace River Regional Hospital District
- Peace River Regional District
- British Columbia Assessment Authority
- Municipal Finance Authority of British Columbia
- Royal Canadian Mounted Police

(*continues*)

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

10. COMMITMENTS AND CONTINGENCIES *(continued)*

g) Revenue stabilization

The District of Tumbler Ridge has a large natural resources based property taxation base. As such, the natural resource markets can affect the taxation base substantially and can impact the District's ongoing operations in economic downturns. The District has established a stabilization reserve that could provide short term assistance in the event of such circumstances.

h) Property taxes

The District may be contingently liable if a large natural resources based property tax assessment is appealed through the British Columbia Assessment Authority. This could result in the District having retroactive taxes receivable from other governments and retroactive taxes payable to the taxpayer. The potential amount, and likelihood of the liability is unknown as of the date of these financial statements.

11. ACCUMULATED SURPLUS

	2021	2020
Surplus		
Invested in tangible capital assets	\$ 53,227,869	\$ 54,314,202
Operating funds	20,434,784	20,483,368
Total surplus	73,662,653	74,797,570
Reserve funds set aside for specific purposes by Council:		
Stabilization	3,543,062	3,286,550
Equipment replacement	2,591,266	1,884,405
Land sales	385,990	585,066
Municipal buildings	139,322	32,822
RCMP building	-	103,234
Drainage	1,030,222	1,006,076
Parking	34,431	33,624
Water	880,912	860,266
Sewer	1,384,262	1,351,818
Cemetery maintenance	4,082	3,830
General	2,360,395	2,305,073
Gas tax	460,943	170,520
Covid-19 Safe Restart Funds	245,334	456,782
RFFE Asphalt	2,088,636	1,044,318
RFFE Airport	360,800	180,400
Total reserves	15,509,657	13,304,784
	\$ 89,172,310	\$ 88,102,354

THE DISTRICT OF TUMBLER RIDGE

Notes to Financial Statements

Year Ended December 31, 2021

12. TRUST FUND

The District of Tumbler Ridge administers the Alaska Challenge Snowmobile Safari '92 account funds on behalf of the Ridge Riders Snowmobile Club. The fund was created by excess revenue generated by the Alaska Challenge ride in 1992, organized by the Ridge Riders Snowmobile Club and the District. The fund is to be used to pay for groomer repairs and maintenance. The fund balance has not been incorporated into the consolidated financial statements of the District.

The District holds in trust the Cemetery Perpetual Care Fund as required by the Cremation, Interment and Funeral Services Act. The fund balance or liability has not been incorporated into the consolidated financial statements of the District.

	2021	2020
Alaska Challenge account	\$ 2,140	\$ 2,127
Cemetery Perpetual Care account	3,972	2,409
	\$ 6,112	\$ 4,536

13. NET TAXATION REVENUE

The District is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2021	2020
Taxes collected:		
General purposes	\$ 9,166,549	\$ 8,668,501
Collection of other governments	2,230,060	2,081,451
	11,396,609	10,749,952
Transfers to other governments:		
Ministry of Education, Province of British Columbia	1,300,791	1,086,060
Peace River Regional Hospital District	383,853	353,558
Peace River Regional District	286,938	374,748
British Columbia Assessment Authority	59,010	61,349
Municipal Finance Authority of British Columbia	137	144
Royal Canadian Mounted Police	193,514	205,592
	2,224,243	2,081,451
	\$ 9,172,366	\$ 8,668,501

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

14. GOVERNMENT TRANSFERS

The government transfers reported on the Consolidated Statement of Operations and Accumulated Surplus are:

	2021	2020
Provincial grants:		
Covid-19 Safe Restart	\$ -	\$ 413,500
Miscellaneous	250,817	471,854
Peace River Agreement	1,885,097	1,752,733
Unconditional	425,557	394,425
Subtotal provincial grants	2,561,471	3,032,512
Federal grants:		
Covid-19 Safe Restart	-	413,500
Gas tax	284,133	138,802
Miscellaneous	65,911	7,494
Subtotal federal grants	350,044	559,796
	\$ 2,911,515	\$ 3,592,308

15. BUDGET DATA

The budget data presented in these consolidated financial statements is based upon the 2021 operating and capital budgets approved by Council on May 5, 2021. Amortization was not contemplated on development of the budget and, as such, has not been included.

16. EXCEPTIONAL ITEM

On March 11, 2020, the World Health Organization declared a Global Pandemic for the spread of Covid-19. Management continues to assess the actual and potential impact this global pandemic may have on the operations of the District of Tumbler Ridge.

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

17. COVID-19 SAFE RESTART GRANT

In November 2020, the Province of British Columbia paid to the District of Tumbler Ridge a joint federal/provincial grant of \$827,000 to support the District's fiscal impact by COVID-19. For 2021, Council approved \$222,411 (2020 - \$370,218) of the grant to be utilized to offset operational revenue shortfalls and COVID-19 related expenses, with the remaining \$345,334 allocated to the COVID-19 Relief Reserve to offset future revenue shortfalls and/or expenditure increases resulting from the ongoing fiscal impact with COVID-19.

Balance, December 31, 2020	\$ 456,782
Plus: Interest earned on funds	10,963
Eligible Costs Incurred:	
Revenue shortfalls	106,600
Computer and communications	356
Materials and supplies	8,132
Salaries and wages	107,323
<hr/>	
Balance, December 31, 2021	\$ 245,334

18. SEGMENTED INFORMATION

Segmented information has been identified based upon lines of services provided by the District. District services are provided by departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain line of services that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

- a) General Government Services
The general government services department provides the functions of corporate administration, finance and legislative services and any other functions categorized as non-departmental in the District.
- b) Protective Services
Protective services is comprised of emergency management, fire department, bylaw services, building inspection and regulatory services.
- c) Environmental Health Services
Environmental health services is responsible for the operations of the transfer station, including the collection of waste and the disposal of waste in partnership with the Peace River Regional District.
- d) Economic Development Services
Economic development services is responsible for the economic development activities to attract and grow business within the District, along with tourism and marketing initiatives.
- e) Parks and Recreation
Parks and recreation is responsible for the construction and maintenance of the District's parks, playgrounds and green spaces. It provides funding for the operation of the arena, pool and curling complex.

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THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

18. SEGMENTED INFORMATION (continued)

f) Water Services

The water services installs and maintains water mains, pump stations and the water treatment plant. The treatment and distribution of water in the District through Public Works is included in this segment.

g) Sanitary Sewer Services

The sewer services installs and maintains sewer mains, lift stations and the sewage treatment facility. The collection and treatment of sewage in the District through Public Works is included in this segment.

The following statement provides additional information for the foregoing functions. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

17. SEGMENTED INFORMATION (Continued)

	2021							Total
	General Government	Protective Services	Transportation Services	Parks and Recreation	Environmental Health Services	Economic Development Services	Water Services	
Revenue:								
Taxation	\$ 9,172,366	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gain in lieu of Government transfers	112,876	-	-	-	-	-	-	-
Return on investments	2,911,515	-	-	-	-	-	-	-
Licenses, fines, and rentals	435,265	-	-	-	-	-	-	-
Sale of services	273,677	-	108,012	501,017	-	-	-	-
Water and sewer	320,484	-	-	-	-	-	697,769	318,566
Gain (loss) on sale of tangible capital assets	-	-	-	-	-	-	-	-
Equity in earnings of Tumbler Ridge Community Forest Corp.	(76,694)	-	-	-	-	-	-	(76,694)
	45,282	-	-	-	-	-	-	45,282
Total revenue	\$ 13,194,771	\$ -	\$ 108,012	\$ 501,017	\$ -	\$ -	\$ 697,769	\$ 318,566
Expenses:								
Amortization	\$ 205,533	\$ 162,733	\$ 1,188,617	\$ 1,064,202	\$ 104,121	\$ 117,410	\$ 220,359	\$ 162,603
Garbage	17,658	22,672	44,908	104,476	272,591	-	20,504	17,420
Insurance	67,270	-	-	-	4,660	27	-	-
Interest	-	-	-	-	-	-	-	-
Legislature	130,152	-	-	-	-	-	-	-
Operating	1,575,470	240,749	601,764	958,674	-	133,326	229,784	119,637
Professional fees	167,274	-	2,783	-	-	33,460	-	-
Salaries, wages, and benefits	1,026,938	405,466	1,114,981	2,187,897	307,384	171,866	329,788	214,642
Total expenses	3,190,296	831,620	2,953,053	4,315,249	689,156	456,089	800,415	514,302
Annual surplus (deficit)	\$ 10,004,476	\$ (631,620)	\$ (2,845,041)	\$ (3,814,232)	\$ (689,156)	\$ (456,089)	\$ (102,646)	\$ (195,736)

(continues)

Sander Rose Bone Grinnell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

THE DISTRICT OF TUMBLER RIDGE
Notes to Financial Statements
Year Ended December 31, 2021

Segmented information (continued)

	2020								
	General Government	Protective Services	Transportation Services	Parks and Recreation	Environmental Health Services	Economic Development Services	Water Services	Sanitary Sewer Services	Total
Revenue:									
Taxation	\$ 8,668,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,668,501
Grants in lieu	115,107	-	-	-	-	-	-	-	115,107
Government transfers	3,592,308	-	-	-	-	-	-	-	3,592,308
Return on investments	564,507	-	-	-	-	-	-	-	564,507
Licenses, fines, and rentals	388,674	-	-	-	-	-	-	-	388,674
Sale of services	229,232	-	-	353,360	-	-	-	-	582,592
Water and sewer	-	-	-	-	-	-	681,525	-	681,525
Gain on sale of tangible capital assets	7,373	-	-	-	-	-	-	-	7,373
Equity in earnings of Tumbler Ridge Community Forest Corp.	425,251	-	-	-	-	-	-	-	425,251
Total revenue	\$ 13,990,953	\$ -	\$ -	\$ 353,360	\$ -	\$ -	\$ 681,525	\$ 315,897	\$ 15,341,735
Expenses:									
Amortization	\$ 210,683	\$ 155,513	\$ 1,252,204	\$ 1,059,183	\$ 95,077	\$ 87,443	\$ 218,834	\$ 162,603	\$ 3,241,540
Garbage	-	-	774	-	279,891	-	-	-	280,465
Insurance	14,797	18,588	-	89,023	905	-	15,160	17,151	155,624
Interest	63,790	-	-	-	-	-	-	-	63,790
Legislature	1,577,964	168,281	737,639	955,704	3,816	99,189	208,810	72,306	3,763,699
Operating	1,577,964	168,281	737,639	955,704	3,816	99,189	208,810	72,306	3,763,699
Professional fees	102,145	-	-	-	-	-	-	-	102,145
Salaries, wages, and benefits	952,774	413,857	1,031,226	1,947,574	304,256	190,703	210,798	121,914	6,173,102
Total expenses	\$ 3,042,289	\$ 756,219	\$ 3,021,843	\$ 4,051,484	\$ 663,745	\$ 377,335	\$ 653,602	\$ 373,974	\$ 12,980,601
Annual surplus (deficit)	\$ 10,948,664	\$ (756,219)	\$ (3,021,843)	\$ (3,698,124)	\$ (663,745)	\$ (377,335)	\$ 27,923	\$ (58,077)	\$ 2,381,234

Sander Rose Bone Grindle LLP
CHARTERED PROFESSIONAL ACCOUNTANTS