

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

December 31, 2021



THE CORPORATION OF THE
CITY OF VERNON
3400 - 30TH STREET
VERNON, BC V1T 5E6

P:250-545-1361
F:250-545-7876

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying financial statements of The Corporation of the City of Vernon (the "City") are the responsibility of management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting standards for local governments established by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of 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 City'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 financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by KPMG LLP, independent external auditors appointed by the City. The accompanying independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the City's financial statements.

A handwritten signature in black ink, consisting of a stylized 'C' followed by a dot.

Chief Administrative Officer

A handwritten signature in black ink, appearing to read "Law".

Director of Financial Services

May 9, 2022



KPMG LLP
3205-32 Street
4th Floor
Vernon BC
V1T 5M7
Telephone (250) 503-5300
Fax (250) 545-6440
www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To Mayor and Council of the Corporation of the City of Vernon

Opinion

We have audited the consolidated financial statements of the Corporation of the City of Vernon (the "City"), which comprise:

- the consolidated statement of financial position as at December 31, 2021;
- the consolidated statement of operations for the year then ended;
- the consolidated statement of changes in net financial assets for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control.



*The Corporation of the City of Vernon
Independent Auditors Report*

- 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 City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a single horizontal line.

Chartered Professional Accountants

May 10, 2022

Vernon, Canada

The Corporation of the City of Vernon
Consolidated Statement of Financial Position
Statement A



December 31, 2021 (in thousands of dollars)

2021

2020

Financial Assets

Cash and cash equivalents	Note 2	\$ 60,010	\$ 59,121
Investments	Note 3	53,883	49,689
Accounts receivable	Note 4	17,968	17,276
Loans receivable	Note 5	81	112
Municipal Finance Authority cash deposits	Note 6	339	333
Land held for resale	Note 7	1,396	4,254
		<u>133,677</u>	<u>130,785</u>

Liabilities

Accounts payable and accrued liabilities	Note 8	35,874	32,102
Deferred charges	Note 9	17,596	15,663
Deferred revenue	Note 10	471	1,488
Debt	Note 11	8,527	9,440
Landfill remediation liability	Note 12	286	185
		<u>62,754</u>	<u>58,878</u>
		<u>70,923</u>	<u>71,907</u>

Net Financial Assets

Non-financial Assets

Tangible capital assets	Note 13	616,674	603,947
Inventory of supplies		524	493
Prepaid expenses		631	600
		<u>617,829</u>	<u>605,040</u>

Accumulated Surplus

Note 14	\$ 688,752	\$ 676,947
---------	------------	------------

Commitments and contingencies

Note 19

Approved by:

 Director of Financial Services

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

The Corporation of the City of Vernon
Consolidated Statement of Operations
Statement B



For the Year Ended December 31, 2021 (in thousands of dollars)			Budget 2021 Note 22	Actual 2021	Actual 2020
Revenue					
Taxation	Note 15	\$	46,235	\$ 46,030	\$ 44,749
Government transfers	Note 16		7,256	16,456	16,832
Services provided to other governments			3,084	3,065	2,925
Sale of services:					
Sewer fees and charges			9,931	10,423	10,077
Environmental health			2,365	2,950	2,458
Recreation fees			2,323	2,450	2,129
Public transit and parking			1,970	1,934	1,634
Fines and rentals			616	610	528
Licences and permits			1,586	2,237	1,624
Airport			992	1,290	986
Other			1,504	1,791	1,246
Development fees			134	223	170
Fiscal services:					
Penalties, interest earned and actuarial adjustments			1,802	2,810	2,365
Net gain on sale of assets			-	32	-
Developer contributions of assets	Note 9 & 13b		4,153	2,897	4,100
			83,951	95,198	91,823
Expenses					
	Note 21				
General government and common services			10,574	9,437	9,881
Bylaw compliance and parking control			1,613	1,582	1,529
Protective Services:					
Police			13,447	14,349	12,849
Fire rescue			7,071	7,055	6,705
Emergency measures			242	571	339
Planning and building inspection			3,133	3,336	2,903
Engineering			3,563	3,709	4,220
Operations Services:					
Road transportation			18,320	17,106	16,976
Sanitary sewer			11,632	10,612	11,437
Solid waste and recycling			2,057	2,621	2,068
Park services			2,654	2,574	2,780
Storm drainage			1,466	1,729	1,476
Airport			1,161	1,346	1,053
Other			392	447	566
Cemetery			344	330	284
Recreation			6,390	6,589	6,448
			84,059	83,393	81,514
Annual surplus			(108)	11,805	10,309
Accumulated surplus, beginning of year			676,947	676,947	666,638
Accumulated surplus, end of year	Note 14	\$	676,839	\$ 688,752	\$ 676,947

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

The Corporation of the City of Vernon
Consolidated Statement of Change in Net
Financial Assets

Statement C



	Budget 2021		
For the Year Ended December 31, 2021 (in thousands of dollars)	Note 22	2021	2020
Annual Surplus	\$ (108)	\$ 11,805	\$ 10,309
Amortization of tangible capital assets	12,556	11,860	11,513
Net (gain) loss on sales of assets	-	(32)	4
Proceeds on sale of tangible capital assets	-	209	252
Capitalize land held for resale	-	(2,858)	-
Acquisition of tangible capital assets	-	(20,349)	(18,770)
Contributed tangible capital assets from developers	-	(1,557)	(676)
Change in tangible capital assets	12,556	(12,727)	(7,677)
Consumption of supplies inventories	-	1,042	961
Use of prepaid expenses	-	436	1,243
Acquisition of supplies inventories	-	(1,073)	(971)
Acquisition of prepaid expenses	-	(467)	(1,186)
Change in other non-financial assets	-	(62)	47
(Decrease) Increase in net financial assets	12,448	(984)	2,679
Net financial assets, beginning of year	71,907	71,907	69,228
Net financial assets, end of year	\$ 84,355	\$ 70,923	\$ 71,907

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

The Corporation of the City of Vernon
Consolidated Statement of Cash Flows
Statement D



For the Year Ended December 31, 2021 (in thousands of dollars)

	2021	2020
Operating Activities:		
Annual surplus	\$ 11,805	\$ 10,309
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	11,860	11,513
Net (gain) loss on disposal of tangible capital assets	(32)	4
Increase in landfill remediation liability	101	7
Developer contributions of assets	(1,557)	(676)
	Note 13b	
Change in non-cash operating items:		
Increase in accounts receivable	(692)	(149)
Increase in accounts payable and accrued liabilities	3,773	2,669
Increase (decrease) in deferred charges	1,933	(908)
Decrease in deferred revenue	(1,017)	(77)
Actuarial adjustments on long-term debt	(386)	(588)
Increase in supplies inventories	(31)	(10)
(Increase) decrease in prepaid expenses	(31)	57
(Increase) decrease in Municipal Finance Authority cash deposits	(6)	96
Decrease in loans receivable	30	-
	<u>25,750</u>	<u>22,247</u>
Investing Activities:		
Net change in investments	(4,194)	24,741
	<u>(4,194)</u>	<u>24,741</u>
Financing Activities:		
Principal payments on debt	(527)	(831)
	<u>(527)</u>	<u>(831)</u>
Capital Activities:		
Proceeds on sale of tangible capital assets	209	252
Acquisition of tangible capital assets	(20,349)	(18,770)
	<u>(20,140)</u>	<u>(18,518)</u>
Increase in cash and cash equivalents	889	27,639
Cash and cash equivalents, beginning of year	59,121	31,482
Cash and cash equivalents, end of year	\$ 60,010	\$ 59,121
Non-cash transaction:		
Reclassification of land held for resale to tangible capital assets	\$ 2,858	\$ -

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

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies:

The Corporation of the City of Vernon (the "City") is incorporated and operates under the provisions of the Local Government Act and Community Charter of British Columbia. The City provides local government services to residents of its incorporated area including administrative, protective, transportation, sewer, storm drainage, park maintenance, recreation, community development and environmental.

On March 11, 2020 the COVID-19 outbreak was declared a pandemic by the World Health Organization. The pandemic caused significant impacts to the City's operations. The pandemic continues to provide uncertainty over the City's future cash flows and may have a significant impact on the City's future operations. Potential impacts on the City's business could include future decreases in revenue, reduction in investment income and delays in completing capital project work. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the City is not known at this time.

a) Basis of Accounting:

The consolidated financial statements of the City are prepared by management in accordance with Public Sector Accounting Standards ("PSAS") established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Professional Accountants.

All revenue is recorded using the accrual basis, whereby revenue is recognized as it is earned and measurable. Property taxes are recognized as revenue in the year they are levied. Utility charges are recognized as revenue in the period earned. Expenses are recorded in the period in which the goods or services are acquired and a liability is incurred.

b) Basis of Consolidation:

The consolidated statements include all funds of the City and its wholly-owned other government organization subsidiaries. Inter-fund revenues, expenses, assets, and liabilities have been eliminated. The following controlled entities have been consolidated:

CBW Development Corp.	100%
Hesperia Development Corp.	100%

c) Measurement Uncertainty:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the 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, estimating provisions for accrued liabilities and contingent liabilities, the carrying value of the landfill remediation liability, measurement of contaminated site liabilities (if identified), and in performing valuations of employee future benefits. Actual results could differ from those estimates and adjustments, if any, will be reflected in the period of settlement or upon a change in the estimate.

d) Cash and Cash Equivalents:

Management classifies all highly liquid investments with maturity of three months or less at acquisition as cash equivalents.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

e) Investments:

Investments are recorded at cost. Short-term investments are those that mature between three months and one year. Long-term investments are those that mature in more than one year. All investments are comprised of Guaranteed Investment Certificates, with accrued interest being recognized, as such, the cost equals the fair market value.

f) Land Held for Resale:

Land held for resale is valued at the lower of cost and net realizable value.

g) Deferred Charges:

Deferred charges are comprised of levied and unused Development Cost Charges and Works Contribution funds. These funds are recorded as revenue in the year they are used to fund tangible capital asset acquisitions or eligible operating expenses.

h) Deferred Revenue:

Deferred revenue represents property taxes, permits and other fees that have been collected, but for which the related taxes have not yet been levied and services or inspections have yet to be performed. These amounts will be recognized in revenue in the fiscal year taxes are levied, services are performed, or revenues are earned. Deferred revenue amounts are included in Accounts Payable and Accrued Liabilities (note 8), Deferred Charges (note 9) and Deferred Revenue (note 10).

i) Debt:

Debt principal payments are not charged against current operating revenue pursuant to PSAS. Interest is recorded on an accrual basis. Interest expense on long-term debt in 2021 was \$252,000, (\$439,000 in 2020). Gains or losses on repayment of debt is recorded in the Statement of Operations.

j) Landfill Closure and Post-Closure Liability:

The estimated cost for closure and post-closure care for the Hesperia landfill is based on estimated future expenses in current dollars and charged as an expense in the reporting period that the landfill site's capacity is used. There is significant measurement uncertainty in the estimate for the closure liability as it does not include a cost for obtaining suitable material for the final cover. This material is anticipated to be obtained at no charge as some materials that are discharged at the landfill are suitable to be used for the final cover and are diverted and stored to be used for progressive closure activities.

During 2018 the City's consultants responsible for reporting to the Province determined there were some discrepancies with the 2016 Closure plan ("the Plan") prepared for the City by external consultants. A revised Operating and Closure plan will be prepared; however, the original Plan will be used for the purposes of calculating the closure and post-closure liability (note 13) until the revised plan is prepared. Due to the identified discrepancies there is additional measurement uncertainty regarding the estimated closure costs and lifespan of the landfill.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

k) Liability for Contaminated Sites:

A liability for remediation of contaminated sites is recognized when all the following criteria are met: an environmental standard exists, contamination exceeds the environmental standard, the City is directly responsible or accepts responsibility, and a reasonable estimate of the amount can be made. The liability is recorded net of any expected recoveries. The City currently has not identified any contaminated sites.

l) Non-Financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus/deficit, provides the consolidated change in net financial assets for the year.

m) Tangible Capital Assets and Amortization:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs and engineering fees, and site preparation costs. The City does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on the basis of straight-line or declining balance over the estimated useful life of the tangible capital asset, as follows:

Transportation Infrastructure:

Roads (surface)	Straight-line	25 years
Roads (base)	Straight-line	75 years
Bridges	Straight-line	50 to 75 years
Sidewalks	Straight-line	25 to 50 years
Traffic signals	Straight-line	15 years
Street lighting	Declining Balance	5%
Parking meters	Declining Balance	10%
Storm Drainage Infrastructure	Straight-line	75 years
Sanitary Sewer Infrastructure	Straight-line	75 years
Buildings	Straight-line	15 to 60 years
Vehicles	Straight-line	5 to 29 years
Miscellaneous Equipment	Straight-line	10 to 30 years
Information Technology	Declining Balance	40%

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

1. Significant Accounting Policies: (continued)

n) Reserves:

Statutory reserve funds are used for future capital expenses as designated by bylaw and City Council. Non-statutory reserves are amounts set aside from past and current operations and are not governed by bylaw.

o) Employee Future Benefits:

The City and its employees make contributions to the Municipal Pension Plan. As this plan is a multi-employer plan, the City's contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the City's employees. The costs of these benefits are determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn future benefits.

p) Government Transfers:

Government transfers are recognized as revenue in the period in which the event giving rise to the transfer occurs, provided the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received in the current year that do not meet these criteria are recorded as accrued liabilities.

q) Budget Figures:

The budget figures are from the annual Financial Plan Bylaw. They have been reallocated to conform to PSAS financial statement presentation requirements where appropriate. Subsequent amendments have been authorized by City Council to reflect changes in the budget. Such amendments are not reflected in the financial statement budget figures (note 22).

r) Segment Disclosures:

Segmented financial information is presented in groups of distinguishable activities in a similar approach to the City's internally reported cost centres. These segments are structured in a fashion to assist users of financial statements in understanding and identifying the resources allocated to support commonly recognized functions of the City. Segments are identified primarily by function and secondarily by organizational relationship. Revenues are allocated to segments when there is a direct cause and effect relationship to the expenses of those segments. Revenues that cannot be reasonably allocated in such a manner are considered common to the City as a whole and reported in general government (note 21).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

2. Cash and Cash Equivalents:

	2021	2020
Restricted:		
Deferred charges	\$ 17,596	\$ 15,663
Deferred revenue	471	1,488
Statutory reserves	4,079	3,819
	22,146	20,970
Unrestricted:	37,864	38,151
	\$ 60,010	\$ 59,121

The City has access to an operating line of credit not exceeding \$2.0 million (2020 - \$2.0 million). Interest is accrued based on Bank of Montreal's prime lending rate. As of December 31, 2021, this line of credit was not being utilized (2020 - \$0).

3. Investments

	2021	2020
Short-term investments	\$ 23,249	\$ 26,693
Long-term investments	30,634	22,996
	\$ 53,883	\$ 49,689

4. Accounts Receivable:

	2021	2020
Property taxes	\$ 2,355	\$ 3,253
Utility billings	7,689	7,543
Other governments	4,801	3,463
Trade and other receivables	3,226	3,119
	18,071	17,378
Allowance for doubtful trade accounts receivable	(103)	(102)
	\$ 17,968	\$ 17,276

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

5. Loans receivable:

The City has a loan receivable in the amount of \$81,200 (2020 - \$111,600) from the Vernon Pickleball Association to assist in financing the construction of a Pickleball facility. The loan receivable does not bear interest and is to be repaid in full by December 31, 2029.

6. Municipal Finance Authority – Cash Deposits:

The City's debt is issued through the Municipal Finance Authority ("MFA"). As a condition of these borrowings, the City is obligated to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. The deposits are included in the City's financial statements as Municipal Finance Authority deposits. If the debt is repaid without default, the deposits are refunded to the City. The demand notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default. As at December 31, 2021, there were contingent demand notes of \$491,000 (2020 - \$491,000) which are not recorded in the financial statements (note 19(b)). Upon the maturity of a debt issue, the demand notes are released and deposits refunded to the City.

7. Land held for resale:

In 2017, the City entered into a Land Purchase and Development Framework agreement for the conditional sale of City owned land. The accumulated value of these lands is \$1,396,000 (2020 - \$4,254,000) which is comprised of the historical cost of the lands plus all prior improvements. Such costs have not been included in tangible capital assets since the land and improvements are subject to resale.

8. Accounts Payable and Accrued Liabilities:

	2021	2020
Trade accounts payable and other accrued liabilities	\$ 19,083	\$ 17,204
Salaries, wages and related costs	6,181	5,858
	<u>25,264</u>	<u>23,062</u>
Deferred revenue		
Prepaid property taxes	5,559	4,684
Deposits and holdbacks	4,688	4,016
Prepaid fees and charges	363	340
	<u>10,610</u>	<u>9,040</u>
	<u>\$ 35,874</u>	<u>\$ 32,102</u>

The City has entered into a lease agreement for a transit maintenance facility with BC Transit for 40 years from November 2, 2011 to November 2, 2051 with two 10-year renewal options. The 40-year lease was prepaid in full in the amount of \$1,310,000 upon occupancy by BC Transit of the site with the remaining portion of \$1,002,000 included above as an accrued liability.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

9. Deferred Charges:

Deferred Charges include Works Contribution funds and Development Cost Charges ("DCC's"). Works Contribution funds are charged to developers through a works contribution agreement requiring the City to use funds for future work to, or adjacent to, each property. DCC's are collected to pay for 95% of the general capital costs due to development and 90% of utility capital costs on specified projects. In accordance with the Local Government Act, these funds must be deposited into a separate reserve fund. DCC's are deferred and recognized as revenue when the related costs are incurred.

	2021	2020
Deferred charges		
DCC - roads	\$ 6,863	\$ 5,778
DCC - storm	2,525	2,312
DCC - sewer	5,217	5,211
DCC - parks	757	399
Works Contributions	2,234	1,963
	<u>\$ 17,596</u>	<u>\$ 15,663</u>
Deferred charges, beginning of year	\$ 15,663	\$ 16,571
DCC's levied during the year	2,648	2,402
Works Contributions received	284	155
Investment income	150	236
Contributions available	18,745	19,364
Less: Capital transfers	838	3,167
Less: Operating transfers	311	534
Deferred charges, end of year	<u>\$ 17,596</u>	<u>\$ 15,663</u>

10. Deferred Revenue:

	2021	2020
Recreation Facility Major Maintenance*	\$ 471	\$ 1,488

*Funding transferred from the Regional District of North Okanagan for future expenditures

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

11. Debt:

Bylaw #	Purpose of Bylaw	Interest Rate %	Year of Maturity	Gross Debt	Sinking Fund Asset	2021 Net Debt	2020 Net Debt
4680	Treatment Plant Phase I	1.47 %	2027	\$ 5,000	\$ 3,200	\$ 1,800	\$ 2,053
4680	Treatment Plant Phase II	2.85 %	2028	2,038	1,201	837	935
4791	Water Reclamation Plant	0.91 %	2030	12,556	6,666	5,890	6,452
				<u>\$ 19,594</u>	<u>\$ 11,067</u>	<u>\$ 8,527</u>	<u>\$ 9,440</u>

Repayments of debt for Sewer Bylaws in the next five years and thereafter are as follows:

	Repayment
2022	\$ 527
2023	527
2024	527
2025	527
2026	527
2027 & thereafter	<u>1,709</u>
	4,344
Actuarial adjustments	<u>4,183</u>
Net Debt	<u>\$ 8,527</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

12. Landfill Remediation Liability

The City operates its Hesperia landfill as a demolition, land clearing and construction material disposal facility under an Operational Certificate ("OC") issued by the Province of BC's Ministry of Environment ("MOE"). The OC excludes domestic refuse, plastics, rubber, contaminated soils and other non-construction wastes. The Hesperia landfill only accepts waste from City projects and does not accept public waste.

The liability for closure and post-closure care is recognized based on the 2016 Operating and Closure Plan ("the Plan"). The Plan estimates closure costs based on the assumption that the landfill will be closed at the end of its predetermined useful life; however, some of the estimated closure costs will be expended sooner as the landfill is anticipated to be closed progressively.

The closure liability estimated in the Plan is in current dollars and has been inflated to the end of the landfill's useful life using an inflation rate of 1.75% (2020 - 1.5%) and then discounted to the financial reporting date at 1.29% (2020 - 1.90%), which is the City's cost of capital on debt outstanding as of the same date.

The liability for closure and post-closure care at December 31, 2021 is \$286,000 (2020 - \$185,000), the estimated total expenditures for closure and post-closure care are \$2,363,000 (2020 - \$1,633,000), which leaves \$2,077,000 (2020 - \$1,448,000) remaining to be recognized. The landfill is estimated to have remaining capacity of 843,962 cubic meters (88%) and remaining life of 49 years.

The City has implemented a tipping fee charged to internal projects that discharge waste at the landfill with net proceeds contributed to a reserve to pay for closure related expenses. On December 31, 2021 the balance of this reserve is \$424,000 (2020 - \$378,000).

When the landfill closes at the end of its useful life it is estimated that post-closure care will be required for 25 years. The reported liability is based on estimates and assumptions with respect to anticipated events over the expected remaining service life of the landfill. Management periodically performs an assessment of the underlying assumptions and utilizes the expertise of a qualified firm of engineers external to the City in forming the estimate.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets:

Cost	December 31, 2020	Additions	Disposals	December 31, 2021
Land	\$ 282,234	\$ 4,376	\$ 9	\$ 286,601
Buildings	90,308	5,800	-	96,108
Vehicles	16,699	1,413	404	17,708
Miscellaneous equipment	5,441	3,929	-	9,370
Information technology	3,007	107	328	2,786
Transportation infrastructure	243,982	4,503	499	247,986
Storm drainage infrastructure	82,550	1,951	80	84,421
Sanitary sewer infrastructure	107,694	2,684	16	110,362
	<u>\$ 831,915</u>	<u>\$ 24,763</u>	<u>\$ 1,336</u>	<u>\$ 855,342</u>

Accumulated Amortization	December 31, 2020	Amortization	Disposals	December 31, 2021
Buildings	\$ 32,164	\$ 2,076	\$ -	\$ 34,240
Vehicles	8,236	715	366	8,585
Miscellaneous equipment	1,679	250	-	1,929
Information technology	2,543	186	286	2,443
Transportation infrastructure	123,914	6,082	452	129,544
Storm drainage infrastructure	26,152	1,116	42	27,226
Sanitary sewer infrastructure	33,279	1,435	13	34,701
	<u>\$ 227,967</u>	<u>\$ 11,860</u>	<u>\$ 1,159</u>	<u>\$ 238,668</u>

Net Book Value	December 31, 2020	December 31, 2021
Land	\$ 282,234	\$ 286,601
Buildings	58,144	61,868
Vehicles	8,463	9,123
Miscellaneous equipment	3,762	7,441
Information technology	463	343
Transportation infrastructure	120,067	118,442
Storm drainage infrastructure	56,398	57,195
Sanitary sewer infrastructure	74,416	75,661
	<u>\$ 603,947</u>	<u>\$ 616,674</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

13. Tangible Capital Assets: (continued)

a) Work-in-progress

Work-in-progress is comprised of costs related to projects currently under planning, development or construction that will result in a finished asset at a future date. Such costs are capitalized until such time as the property is ready for use. Work-in-progress having a value of \$16,633,000 (2020 - \$16,547,000) has not been amortized. Amortization of these assets will commence the year following when each specific asset is put into service.

b) Contributed Tangible Capital Assets

Contributed tangible capital assets from developers have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$1,557,000 (2020 - \$675,000) comprised of transportation infrastructure in the amount of \$538,000 (2020 - \$362,000), playground equipment in the amount of \$696,000 (2020 - \$nil), storm drain infrastructure in the amount of \$212,000 (2020 - \$221,000), sanitary sewer infrastructure in the amount of \$111,000 (2020 - \$92,000).

c) Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value is not determinable, the tangible capital asset is recognized at a nominal value.

d) Intangible Assets

The City manages and controls various works of art and non-operational historical cultural assets including buildings, artifacts, paintings and sculptures located at city sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

e) Write-down of Tangible Capital Assets

Tangible capital assets are written down when conditions indicate that they no longer contribute to the City's ability to provide goods and services. Any impairment is accounted for as an expense in the consolidated statement of operations. No impairments were identified or recorded during the year ended December 31, 2021 and 2020.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

14. Accumulated Surplus:

Accumulated surplus consists of individual fund surpluses and reserves. Operating surplus for the City is as follows:

	2021	2020
Accumulated surplus per Statement of Financial Position	\$ 688,752	\$ 676,947
Less:		
Tangible capital assets	(616,674)	(603,947)
Debt	8,527	9,440
Inventory of supplies	(524)	(493)
Prepaid expenses	(631)	(600)
	<u>79,450</u>	<u>81,347</u>
Non-Statutory Reserves		
Budget Carryover Reserve General	6,879	6,228
Budget Carryover Reserve Sewer	182	87
Capital Reserves General	32,595	16,014
Capital Reserves Sewer	6,183	7,226
Operating Reserves General	161	169
Tax Equalization Reserves General	6,704	8,447
Tax Equalization Reserves Sewer	14,458	15,802
Special Purpose Reserves	7,135	6,723
Fortis BC Lease Legacy Reserve	1,074	13,562
	<u>75,371</u>	<u>74,258</u>
Statutory Reserve Funds		
Highway Access to Water Reserve	721	656
Land Sale Reserve	450	445
Local Improvement Reserve	676	901
Parkland Reserve	265	269
Recreation Facility Operating Reserve	1,416	1,127
Recreation Facility Major Maintenance Reserve	551	420
	<u>4,079</u>	<u>3,818</u>
Total Restricted Funds	<u>79,449</u>	<u>78,076</u>
Unappropriated Surplus	<u>\$ -</u>	<u>\$ 3,271</u>

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

15. Taxation Revenue:

Total tax revenue net of transfers of taxes collected for other governments and agencies were as follows:

	2021	2020
Specific assessments:		
Residential	\$ 29,784	\$ 28,563
Business	13,751	13,508
Utilities	346	316
Light industrial	665	519
Non-profit	165	160
Farm land	4	4
	44,715	43,070
Payments in lieu of taxes	1,624	1,573
Specified area taxes and other	(309)	106
	\$ 46,030	\$ 44,749

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

16. Transfers from Other Governments:

	2021	2020
Federal government transfers		
Transportation infrastructure	\$ 3,971	\$ 3,931
Storm infrastructure	-	2,257
	3,971	6,188
Provincial government transfers		
Union of British Columbia Municipalities grants	2,640	278
Transit subsidy	2,486	2,270
Hotel tax	1,017	757
Casino revenue sharing	854	342
Traffic fine revenue sharing	545	499
Airport COVID Relief	360	-
Emergency Management BC	312	124
Transportation infrastructure	261	231
Keep of Prisoners	135	199
Tourism BC	121	170
Certificate of Recognition safety program	76	74
Municipal Insurance Association	25	21
Carbon tax rebate	12	84
BC Hydro initiatives	7	-
Safe communities projects	4	-
COVID Safe Restart	-	4,997
Other Transfers	-	204
	8,855	10,250
Regional government transfers		
Regional initiatives	1,861	110
Recreational initiatives	1,655	149
Okanagan Basin Water Board	114	135
	3,630	394
Total transfers from other governments	\$ 16,456	\$ 16,832

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

17. Long-term Agreements with the Regional District of North Okanagan (the "Regional District"):

a) Water Agreement

The City has entered into a five-year agreement with the Regional District for the operation of the water system in Vernon and Electoral Areas B and C and owned by the Regional District. Under this agreement, the City is responsible for the day-to-day operation of the water system within the City, a portion of the Township of Spallumcheen and Areas B and C, and is wholly reimbursed by the Regional District for the operating expenses made to undertake these duties. The agreement expires January 31, 2023.

b) Parks Agreements

The City entered into an agreement with the Regional District to assume responsibility for the management and operation of local parks commencing January 1, 2018. This agreement transfers the legal interest in Vernon fields and beaches (previously designated as "sub-regional parks") to the City. As per the requirements of the agreement, the City has a Parks DCC bylaw approved by the Ministry of Housing and Municipal Affairs ("the Ministry"). Prior to the City's Parks DCC bylaw being approved by the Ministry, Parks DCCs were collected under the Regional District's Parks DCC bylaw with an allocation based on contributions from each jurisdiction. The amount allocated to the City as of December 31, 2021 was \$5,187,000 (2020 - \$6,703,000), which is not recognized in the financial statements.

c) Recreation Agreements

The City has entered into a 5-year agreement with the Regional District to assume the responsibility for the management and operation of local recreational facilities commencing January 1, 2019. The new agreement maintains the commitment to transfer recreation facilities and related land from the Regional District to the City to re-align responsibility for the facilities and programming to the City. Facilities owned by the Regional District with fair market value of \$14,241,000 have not yet transferred to the City, and are anticipated to transfer in the year ending December 31, 2037. The agreement expires December 31, 2023.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

18. Cemetery Care Trust Fund:

The City owns and maintains Pleasant Valley Cemetery. Pursuant to provincial legislation, a Cemetery Care Trust Fund was established to ensure continuity of cemetery maintenance. A portion of all plot sales and memorial setting fees is credited to this Fund. The Fund balance is not included in the consolidated financial statements.

Trust Fund Continuity:	2021	2020
Balance, beginning of year	\$ 918	\$ 880
Interest earned	9	12
Proceeds from plot sales and memorial settings	20	26
Balance, end of year	<u>\$ 947</u>	<u>\$ 918</u>

19. Contingent Liabilities:

a) Regional District:

The City is responsible as a member of the Regional District for its proportional share of operating deficits related to functions in which it participates. Under the provisions of the Local Government Act, the Regional District's debt is a joint and several liability of the Regional District and each of its member municipalities including the City.

b) MFA Demand Notes:

Debentures are covered by a loan agreement with the MFA which provides that, if at any time the payments provided for in the agreement are not sufficient to meet the authority's obligations in respect of such borrowings, the resulting deficiency becomes a proportional liability of each member local government, including the City. As these demand notes are contingent in nature, no liability is recorded.

c) Municipal Insurance Association:

In 1987, the City entered into a self-liability insurance plan with several other local governments in British Columbia forming the Municipal Insurance Association of B.C. The City is obligated under the plan to pay a percentage of its fellow insured's losses. The City pays an annual premium, which is anticipated to be adequate to cover any losses incurred.

d) Legal Claims:

The City has been named defendant in several uninsured legal actions. No reserve or liability has been recorded regarding any of the legal actions and any possible claims because the amount of loss, if any, is not determinable. Settlement, if any, made with respect to these actions, will be accounted for as an expense in the period in which realization is known.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

19. Contingent Liabilities: (continued)

e) Pension Liability:

The City 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 provided are based on a formula. As at December 31, 2021, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local government.

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

The most recent valuation 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 City paid \$2,575,000 (2020 - \$2,444,000) for employer contributions while employees contributed \$2,150,000 (2020 - \$2,073,000) 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) Letter of Credit:

In 2007, the City issued an Irrevocable Letter of Credit in favour of the Agricultural Land Commission (ALC) of British Columbia as a guarantee to fund works required by the ALC as a condition of the property being removed from the Agricultural Land Reserve. The amount of the Letter of Credit is \$716,000. As of December 31, 2021, no drawing on the Letter of Credit has occurred (2020 - \$0).

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

20. Segmented Information:

Segmented information has been grouped into related department functions or service areas for segment reporting purposes provided in note 23 which shows the associated revenues and expenses for each segment. The various segments are described as follows:

a) General Government:

This segment is comprised of all general government and common services provided within the City. It includes legislative services, corporate administration, tourism, finance, human resources, information services, civic building maintenance, bylaw compliance, parking control, and subsidiary corporations.

- Legislative services and corporate administration are responsible for general government administration including council support, conducting elections and records management.
- Tourism is responsible for tourism marketing and managing the City's tourist booth location.
- Finance is responsible for the oversight of all financial matters including financial planning, collection of revenues, purchasing and financial reporting.
- Human resources are responsible for staff recruiting, payroll processing, occupational health and safety and labour relations.
- Information services are responsible for planning, maintaining and operating the City's information systems.
- The GIS department catalogues the city's infrastructure geographically for use by the City and its citizens.
- Civic building maintenance is responsible for maintaining all buildings owned by the City.
- Bylaw compliance and parking control is responsible for administering and encouraging compliance to regulatory bylaws, patrolling City owned/leased paid parking lots, residential permit zones and restricted parking areas. They also patrol and maintain almost 1,000 parking meters. This function focuses on community security and safety programs in conjunction with police services.
- The City's subsidiary corporation is 100% owned.
- Revenues associated with this segment include all those amounts that can not be attributed directly to other segments including taxation, grants in lieu, interest revenue and property rental revenue.

b) Protective Services:

This segment is comprised of police services, plus fire and rescue and emergency measures services.

- Police services are contracted to the RCMP with support assistance from municipal staff. The city is home to a regional detachment for the North Okanagan. The City has a proactive community policing group that provides programs for its citizens and businesses such as citizens on patrol, crime stoppers, block watch and safety patrols.
- Fire and rescue services provide fire response, investigation and prevention services within the City's fire department.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

20. Segmented Information: (continued)

c) Community Infrastructure:

This segment is comprised of community development, planning, building inspections services and the capital works program.

- Community Development is responsible for sustainable development throughout the City including environmental, economic and social development.
- Planning is responsible for land use planning – long term and short term – plus the administration of the Official Community Plan and zoning bylaws.
- Buildings Inspections is responsible for issuing permits for any developments in the City including building permits, rezoning and development permits.

d) Operations:

This segment is responsible for the engineering, operation and maintenance of the city's infrastructure assets including roads, sidewalks and storm drains. Other components include public transit, solid waste and recycling, cemetery and airport.

- Road transportation encompasses year round maintenance of roads, street lights, signs and sidewalks; plus the public transit system which is contracted with BC Transit with subsidies provided from the Province
- Storm drainage includes the maintenance of storm infrastructures including mains, manholes and catch basins.
- The Vernon Regional Airport provides services to small aircraft and executive jets in the region and includes a paved lighted runway, hangars, jet and regular air fuel dispensing.
- The City has one cemetery whose operation is overseen by the Operations group. Other services provided within the City include; overseeing fleet activities and support for the Regional District water services.
- Engineering is responsible for the planning and implementation of the capital works program for all infrastructure - storm, sewer and transportation. They work in conjunction with Planning and Operations.

e) Sanitary Sewer Operations:

This segment is responsible for the entire sanitary sewer operation and maintenance of the sewer infrastructures including mains, manholes, catch basins and lift stations. Plus, it is responsible for the operation and maintenance of the Vernon Water Reclamation Centre and spray irrigation system.

f) Recreation:

This segment is responsible for the management, maintenance and operation of all recreation facilities within the City. This includes planning and delivery of recreation programs for all ages of citizens, maintenance and operation of all arenas and indoor pool. As well as operating two outdoor pools in the summer.

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements



Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

21. Segmented Disclosure:

	General Government	Protective Services	Community Infrastructure	Recreation	Operations Services	Sanitary sewer	2021	2020
Revenue								
Taxation	\$ 45,964	\$ -	\$ -	\$ 41	\$ -	\$ 25	\$ 46,030	\$ 44,749
Services to other governments	446	452	140	1,150	402	475	3,065	3,088
Government transfers	6,658	1,056	588	3,699	4,334	121	16,456	16,832
Sale of services	2,373	191	2,503	2,529	5,889	10,423	23,908	20,689
Fiscal services	2,491	-	-	-	(37)	388	2,842	2,365
Contributions of assets	190	-	43	-	2,075	589	2,897	4,100
	58,122	1,699	3,274	7,419	12,663	12,021	95,198	91,823
Expenses								
Salaries and wages	8,706	8,738	4,471	3,673	3,742	2,396	31,726	29,872
Contracted services	1,815	559	2,090	1,263	11,010	1,285	18,021	19,861
RCMP contract	-	11,489	-	-	-	-	11,489	9,963
Amortization of tangible assets	1,451	336	-	68	7,279	2,726	11,860	11,513
Supplies, materials and other	(1,911)	342	364	388	1,680	2,585	3,448	3,336
Bank fees and net loss on assets	81	-	1	39	29	252	402	549
Utilities, telephone and insurance	744	216	14	1,107	1,163	958	4,202	3,986
Equipment charges	132	296	106	51	1,250	410	2,245	2,434
	11,018	21,976	7,046	6,589	26,153	10,612	83,393	81,514
Excess (deficiency) revenue over expenses	\$ 47,104	\$ (20,277)	\$ (3,772)	\$ 830	\$ (13,490)	\$ 1,409	\$ 11,805	\$ 10,309

The Corporation of the City of Vernon

Notes to the Consolidated Financial Statements

Year Ended December 31, 2021

(tabular amounts in thousands of dollars)

22. Budget Data:

The budget data presented in these consolidated financial statements is based upon the 2021 operating and capital budgets approved by Council on January 11, 2021. The schedule below reconciles the approved budget in Bylaw #5846 to the budget figures reported in these consolidated financial statements.

	Budget Amount
Revenue:	
Operating budget	\$ 117,498
Capital budget	10,832
	<u>128,330</u>
Less:	
Transfers from other funds and reserves	10,719
Collections for other governments	33,660
	<u>(44,379)</u>
Total Revenue	<u>83,951</u>
Expenses:	
Operating budget	123,756
Capital budget	18,173
	<u>141,929</u>
Less:	
Capital expenses	18,173
Transfers to other funds and reserves	5,553
Debt principal payments	484
Collections for other governments	33,660
	<u>(57,870)</u>
Total Expenses	<u>84,059</u>
Annual Deficit	<u>\$ (108)</u>

23. Comparative Figures:

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year. The changes do not affect prior year annual surplus.

**SUPPLEMENTARY FINANCIAL INFORMATION
(UNAUDITED)**

The Corporation of the City of Vernon
Schedule of COVID-19 Safe Restart Grant spending
(unaudited)



For the Year Ended December 31, 2021 (in thousands of dollars)

In November 2020 the provincial government announced the "COVID-19 Safe Restart Grants for Local Governments", which provided up to \$425 million for local operations impacted by COVID-19. The Ministry of Municipal Affairs and Housing set a grant amount for each local government, of which \$4,997,000 was awarded to the City of Vernon. These funds are to be used to address revenue shortfalls, facility reopening and operating costs, emergency planning and response costs, protective services costs, virtual communications and enhanced interconnectivity costs, services for vulnerable persons, and other related costs. To ensure transparency regarding the use of the funds, the City is required to report annually on how it spent the grant as part of our annual report. This reporting must continue until the grant funds are fully spent.

Allocated to:	2021	2020
Revenue		
Casino gaming grant	\$ 1,110	\$ 1,623
On-street parking fees	206	441
Commercial sewer fees	-	298
Park booking fees	83	87
Surface parking lot fees	-	83
Business license fees	-	45
	<u>1,399</u>	<u>2,577</u>
Expenses		
Labour	63	135
Disinfection supplies	17	103
Contracted services	17	58
Mobile computers and technology	1	10
Furniture and fixtures for physical distancing	-	7
Vehicle rentals and fuel	-	4
	<u>98</u>	<u>317</u>
	1,497	2,894
COVID-19 Safe Restart grant, beginning of year	<u>2,103</u>	<u>4,997</u>
COVID-19 Safe Restart grant, end of year	<u>\$ 606</u>	<u>\$ 2,103</u>