



CITY OF
SALMON ARM

2022 Annual Report

City of Salmon Arm, British Columbia
For the fiscal period ending December 31, 2022



2022 Annual Report

For the fiscal period ending December 31, 2022

The City of Salmon Arm 2022 Annual Report has been prepared by the Corporate Services and Financial Services Departments pursuant to Section 98 of the Community Charter.

CITY OF SALMON ARM

- City of Salmon Arm, British Columbia
Box 40, 500 - 2 Avenue NE
Salmon Arm, BC Canada V1E 4N2
- 250.803.4000
- annualreport@salmonarm.ca
- www.salmonarm.ca



Like Us on Facebook



@SalmonArmBC



cityofsalmonarmbc

Territorial Acknowledgment

Mayor and Council are grateful for the land on which the City of Salmon Arm is located, which is the Traditional Territory of the Secwepemc people, with whom we share these lands where we live and work together.



Table of Contents

Introductory Section

Territorial Acknowledgment	2
Salmon Arm at a Glance	4
Visions and Values	6
Message from the Mayor	7
Message from the Chief Administrative Officer	8
Meet our Council	9
Council Committee Appointments	10
Strategic Plan	12
City Management	16
Departmental Services	18
Message from the Chief Financial Officer	27

Financial Section

Annual Budget	29
City Award	31
2022-2026 Financial Plan	32
Average Residential Taxes	34
Tax Exemptions	35
Community Grants	37
Funds Provided to Other Agencies	38
Statement of Financial Information	39
Financial Statistics	48-61
Financial Statements - Table of Contents	63
Management's Responsibility for Financial Reporting	64
Independent Auditor's Report	65-66
Statement of Financial Position	67
Statement of Operations	68
Statement of Change in Net Financial Assets	69
Statement of Cash Flows	70
Notes to the Financial Statements	71-83
Schedule 1 - Long Term Debt	84
Schedule 2 - Schedule of Tangible Capital Assets	85-86
Schedule 3 - Grants from Federal and Provincial Governments	87
Schedule 4 - Reserve Funds Statements	88
Schedule 5 - Schedule of Segment Disclosure	89-90
Schedule 6 - COVID-19 Safe Restart Grant	91
Photo Credits	92

SALMON ARM

COMMUNITY PROFILE



Elevation 358 M



Area 18,541 HA



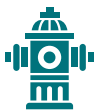
Population 20,103



Voters List 15,619



Water Mains 205 KM



Water Hydrants 861



Water Service Connections 6,276



Storm & Sanitary Mains 256 KM



Sanitary Service Connections 5,360



Surfaced Roads 447 KM



Active Transportation 289 KM



Building Permits Issued 333

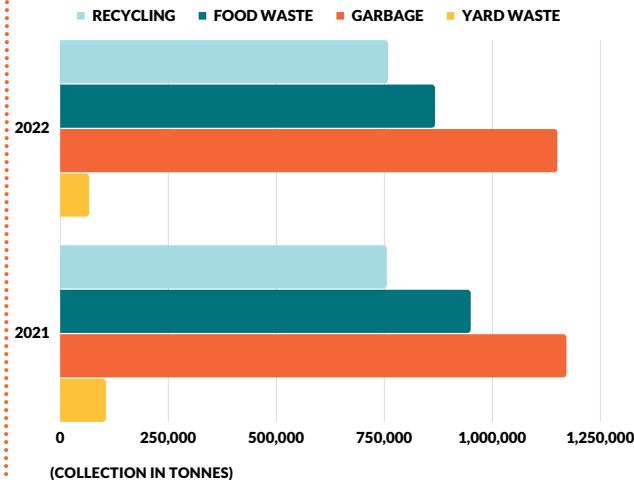


Value Of Building Permits \$60,172,009



Business Licenses Issued 1,419

CURBSIDE COLLECTION



FIELDS



- **Open 194 Days (April - October)**
- **Available for 35,168 Hours**
- **Prime Hours Available 13,692**
- **Visits Per Scheduled Season 28,890**

ROADS

- **9,150 Tonnes of Asphalt Placed**
- **133 KM of Line Paint Applied Using 5,470 Litres of Road Paint**
- **37.2 KM of Crack Seal Applied**
- **78 Street Lights Converted From HPS to LED**

POLICE SERVICES

POLICE RESPONDED CALLS

5700

POLICE BASED VICTIM SERVICES SUPPORTED

580

POLICE ATTENDED COMMUNITY MEETINGS & EVENTS

30

POLICE SCHOOL VISITS

23

PARKS



ANNUAL PLANTS PURCHASED & PLANTED

15,770

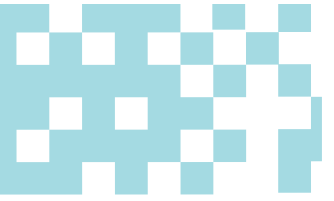
HANGING BASKETS PLANTED & HUNG

365

CITY OWNED AND MAINTAINED PLAYGROUNDS

12

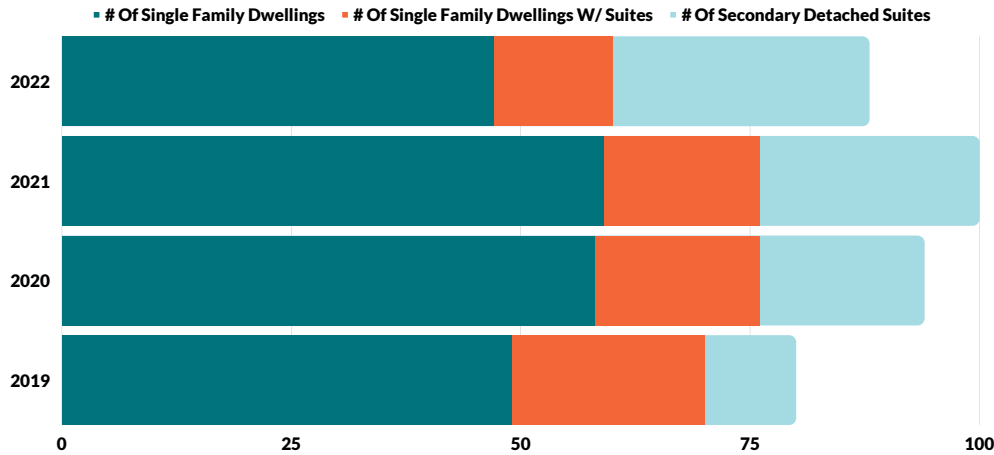
AT A GLANCE



#SMALLCITYBIGIDEAS

BUILDING SERVICES

(# OF BUILDING PERMITS)



SASCU RECREATION CENTRE

120,507 Visits From May 2022 - April 2023



33,997 PEOPLE ATTENDED DRY LAND ACTIVITIES

83,055 VISITORS TO THE AQUATIC CENTRE

RECREATION CENTRE OPEN 327 DAYS A YEAR
4,500 HOURS OF OPERATION

SANITARY SERVICES

127 KM OF MAINLINE SERVICING 1800 HECTARES

361 DRY TONNES OF CLASS A BIOSOLIDS PRODUCED

1,610,015,000 LITRES OF EFFLUENT TREATED

VISITOR SERVICES



MOBILE OUTREACH CONTACTS 7,158
188% INCREASE

130,656 GOOGLE MY BUSINESS VIEWS
207 LIVE CHATS

1,870 VISITS TO THE VISITOR CENTRE
53% INCREASE

FIRE SERVICES

OF FIRE TRUCKS
5 ENGINES
3 TENDERS
1 AERIAL LADDER
1 PLATFORM TOWER
1 RESCUE UNIT
2 BUSH UNITS
3 ADMINISTRATION VEHICLES

CALLS FOR SERVICE
399

OF MEMBERS
66 MEMBERS
3 CAREER STAFF
1 P/T RECEPTIONIST

SHAW ARENA



92,000 SQ/FT
W/ 1,500+ SEATING

2,100+ TOTAL CAPACITY

OPEN DAYS A YEAR 324
HOURS 4,800

BOOKINGS PER YEAR
5,000

VISITORS PER YEAR
180,000

Our Vision



Salmon Arm is a community that has a comfortable, safe lifestyle and a vibrant feeling. The community deeply values the City's magnificent natural setting with its healthy ecosystems. The City is nestled between mountains and the shore of Shuswap Lake, offering beautiful scenery, greenery, rich agricultural land, and a desirable climate.

As the regional centre of the Shuswap, Salmon Arm has an abundance of recreational, educational, commercial, tourism, health care, and cultural opportunities and services. The strong and growing economy supports varied employment and shopping, and innovative businesses and industry.

The community is spirited, diverse and inclusive, with housing for residents of all ages and needs. Everyone works together towards a shared vision of a good quality of life for all.

In the vibrant city centre, people live, work, visit, meet, shop and spend time enjoying diverse artistic and cultural activities. Downtown's unique urban identity combines heritage preservation, a walkable environment, and high quality, mixed-use developments.

Green space extends throughout the city, including active recreation sites and natural parks with trails. The city abounds with safe walking and cycling opportunities connecting neighbourhoods, the city centre, natural areas and parks.

Our Values

- Commitment to pragmatic leadership
- Facilitate flexible and balanced planning processes
- Foster trusted relationships with our partners
- Respect what makes us unique
- Enable future generations to inherit a city that is vibrant, prosperous and sustainable
- Encourage citizen participation and input
- Ensure an efficient government
- Excellence in service delivery



Our Guiding Principles

- **Support a prosperous, vibrant, and welcoming community** - We share in the pride of our community as a “small city with big ideas.”
- **Ensure responsible stewardship of City resources** - We are committed to the responsible management of our assets which include our infrastructure, finances, environment, recreation, health, and safety.
- **Clarify expectations for ourselves and the community** - Council and staff are committed to creating a common understanding with the community about where the City's time, energy, and financial resources will be focused while balancing multiple interests and expectations.
- **Convene community partners to leverage knowledge and expertise** - We work nimbly to determine where the City may best be positioned to lead, or convene and support community partners who may be better equipped to provide leadership or implement projects outside the scope of core City services.
- **Provide excellence in service delivery** - We are committed to a high standard of service delivery in all our areas of service while also aspiring to meet community needs and expectations within a framework that can realistically respond to growth and changes in society.

Message from the Mayor



A smokeless summer in 2022 was exactly what we needed! And what a summer it was. Both the Roots and Blues Festival and our Salmon Arm Fair had record attendance. Patios were full, and many visitors discovered what we who live here already know; the Shuswap is a wonderful place to be.

However, 2022 wasn't without its' challenges. World inflation affects everyone. We know you felt it when you visited the grocery store, or fueled your vehicle.

City Council and staff were very cognizant of this strain during budget deliberations for 2023. While the City also feels the effect of increased prices, we worked hard to keep the tax increase at about half the level of inflation, a 3.8% rise. Our goal was to try and maintain our present service level, while keeping any increase to a minimum.

We made good progress on the major projects in our area. Construction of the Ross Street Underpass throughout the year allowed us to open it this spring. It is a game changer for downtown Salmon Arm. The Province continues to add the final touches to the Salmon River Bridge west highway project. Traffic moving into town from the west is running much smoother and safer.

Work continues on the replacement of the major water pump station at Little Mountain. This important project updates our water pumping capacity throughout

the SE sector of the City. Two major projects we are working on are the updating of Lakeshore Road and expansion of the sewage treatment plant.

What has been confirmed for many of us, is that we live in a great place. Our location, climate, recreational opportunities, and especially the people who live here, make Salmon Arm special.

Sincerely,

A handwritten signature in black ink, appearing to be 'Alan Harrison', written over a white background.

Alan Harrison
Mayor,
City of Salmon Arm

Message from the Chief Administrative Officer



The 2022 Annual Report showcases the City's solid financial position and the outstanding accomplishments of the previous year, with a foreshadowing of what is to come. Each department is to be commended for the exceptional work of their teams. I am truly grateful for the incredible dedication of our talented staff and the unwavering support that Council provides. It is together that we are able to not only dream big, but also bring those ideas to life.

The Corporate Strategic Plan, adopted by Council in late 2022, sets the direction for large projects that fall outside of the City's day-to-day core services. The five strategic drivers that the plan is built upon are: People, Places, Assets, Environment and Economy. It is therefore no surprise that the priority projects are diverse and will impact all facets of the community. In the short-term, these projects include Lakeshore Road Improvements, Wastewater Pollution Control Centre Upgrades, Urban Indigenous & Truth and Reconciliation Strategy, Climate Action Initiatives and a long anticipated Official Community Plan review, among others. To say that we have our work cut out for us would be an understatement, but it is a passion for community building that has brought us together to deliver on these initiatives.

The measured growth that we have been enjoying for the last few years is expected to continue, but will come with additional pressures for housing. While the City cannot fill the gap, it can play a role in making Salmon Arm an attractive place to develop by ensuring the necessary infrastructure is in place and establishing policies that support sustainable growth.

I would be remiss not to acknowledge Salmon Arm's hardworking community organizations, businesses and citizens. A healthy community is built on meaningful engagement, and I truly believe that the City's relationships have never been stronger. From the successful 55+ BC Games bid submission to the Active Transportation Network Plan process to the Poverty Reduction Destigmatization and Education Campaign, our partners have stepped up to help us create the kind of City we all want to live, work and play in. The City values your input; please stay tuned for opportunities to get involved in shaping the future of our beautiful City!

Sincerely,

A handwritten signature in black ink that reads "Erin Jackson". The signature is fluid and cursive, written in a professional style.

Erin Jackson, CAO
City of Salmon Arm

Meet our Council

(2022-2026)

Council is the governing body of the City. It has the authority to make decisions and act for the municipal corporation (the municipality). All decisions are made collectively, meaning that it is not individual council members but rather the council as a whole, based on a majority vote, that decides and acts for the municipality.

All members of Council are elected and serve a four-year term. The term of office is set by legislation and begins on the date of the first council meeting that follows the general local elections and ends immediately before the first council meeting that follows the next general local elections.



Mayor Alan Harrison



Councillor Debbie Cannon



Councillor David Gonella



Councillor Kevin Flynn



Councillor Louise
Wallace Richmond



Councillor Tim Lavery



Councillor Sylvia Lindgren

Council Committee Appointments

Committee / Agency	Council Member Appointed
Active Transportation Task Force	Councillor Lavery
Agricultural Advisory Committee	Councillor Gonella
Chamber of Commerce	Councillor Gonella
Columbia Shuswap Regional District	Councillor Flynn Councillor Lavery
Columbia Shuswap Regional District Alternates	Mayor Harrison Councillor Cannon
Community Heritage Commission	Councillor Gonella
Development and Planning Services Committee	Mayor and Council
Downtown Parking Commission	Councillor Lavery
District Arts Council	Councillor Wallace Richmond
Downtown Salmon Arm (DSA)	Councillor Flynn
Environmental Advisory Committee	Councillor Lindgren
Fire Department Liaison	Mayor Harrison
Fire Smart Liaison	Councillor Lavery



Committee / Agency	Council Member Appointed
First Nations Partnership	Mayor Harrison Councillor Cannon
Greenways Liaison Committee	Councillor Lavery
Housing Task Force	Councillor Lavery Councillor Wallace Richmond
Kelowna Airport Committee	Councillor Wallace Richmond
MIABC Voting Delegate	Councillor Flynn Councillor Wallace Richmond (<i>1st Alternate</i>) Councillor Cannon (<i>2nd Alternate</i>)
Okanagan College Regional Advisory Committee	Councillor Lindgren
Okanagan Regional Library	Councillor Lindgren Councillor Wallace Richmond (<i>Alternate</i>)
Rail Trail Liaison	Mayor Harrison Councillor Cannon (<i>Alternate</i>)
RCMP Liaison	Mayor Harrison
Salmon Arm Bay Nature Enhancement Society (SABNES)	Councillor Lindgren
Salmon Arm Economic Development Society	Mayor Harrison
Salmon Arm Fall Fair Liaison	Councillor Cannon
Salmon Arm Museum and Heritage Association Advisory Committee	Councillor Gonella
Salmon Arm Roots and Blues Festival Liaison	Councillor Lindgren
SEP Executive Committee Liaison (CSRD Bylaw 5690)	Mayor Harrison Councillor Flynn
Shuswap Community Foundation	Mayor Harrison
Shuswap Community Futures	Councillor Gonella
Shuswap Recreation Society	Councillor Cannon
Shuswap Regional Airport (Salmon Arm) Committee	Councillor Wallace Richmond
Shuswap Regional Airport Commission	Councillor Wallace Richmond
Shuswap Watershed Council	Councillor Cannon
Social Impact Advisory Committee	Councillor Wallace Richmond

Strategic Plan

Five Strategic Drivers

The City's vision provides a clear sense of what the community is striving for over the next ten (10) to fifteen (15) years, and it sets direction for policies that exist within the Official Community Plan. The main objective of the Corporate Strategic Plan is to translate the City's vision and policies into actions that are necessary to ensure tangible outcomes that provide real benefit to the community.

Through a series of discussions with City Council and staff, as well as a comprehensive survey of residents and community organizations, five key themes have emerged that will drive the City towards its vision. These strategic drivers include:



PEOPLE
We will make Salmon Arm a great place to live.



PLACES
We will continue to foster our 'small city' lifestyle in the heart of the Shuswap.



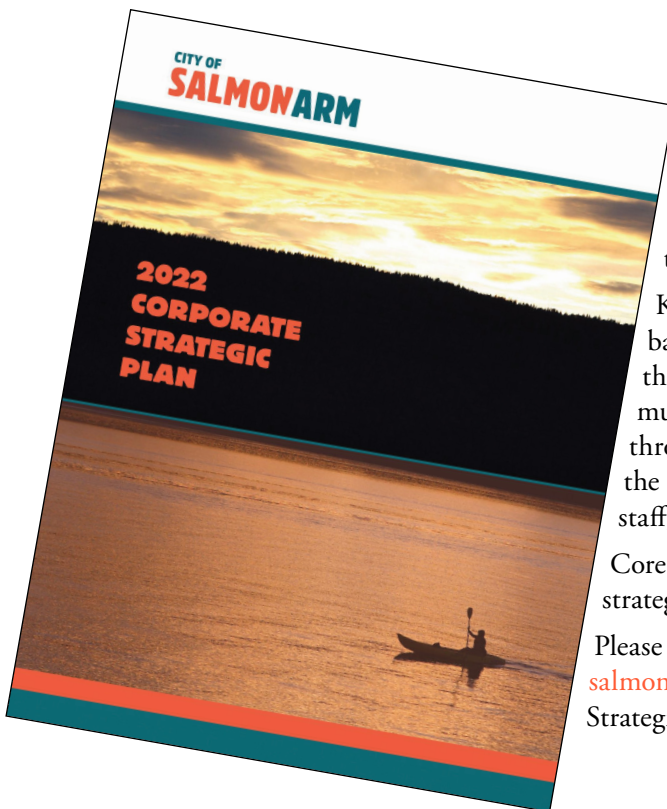
ASSETS
We will diligently invest in infrastructure which serves as the foundation of the community over the long term.



ENVIRONMENT
We will protect and enhance our natural environment.



ECONOMY
We will support initiatives which encourage and enable economic prosperity.



These strategic drivers represent several long term objectives that need to be achieved if Salmon Arm is to realize its community vision. The strategic drivers provide a balanced framework for ensuring that the City considers its investments and projects from a holistic perspective rather than unintentionally advancing one objective at the expense of another.

Keeping these strategic drivers in mind during planning will help the City balance aspirational objectives with operational considerations, and ensure that only those priorities deemed to be of the highest benefit to the community are undertaken. One of the main benefits of considering projects through the lens of multiple strategic drivers is that it brings more clarity to the issues at hand and allows greater collaboration between City Council, staff, and the community.

Core Supplementary Service Achievements and Goals are identified by their strategic drivers.

Please visit City Hall, the City website at salmonarm.ca or scan the QR code to view the Strategic Plan.



Core & Support Services



A collaborative and integrated approach has been taken in developing the City of Salmon Arm Corporate Strategic Plan (Plan) to ensure it accurately reflects the needs and interests of City Council, staff, and the community. The Plan sets out the City’s vision and values, and identifies five Strategic Drivers (People, Places, Assets, Environment/Waterfront, and Economy) which inform the list of Supplementary Core Services Projects to be undertaken over the next ten years. The Plan takes into account the efforts and resources required to deliver on core services, while also considering how these

services relate to other support services that are provided by other levels of government and organizations within the community.

The Plan also includes practical tools that can assist with decision making, prioritization of initiatives, and detailed project planning for future initiatives. The Plan, including the list of Supplementary Core Services Projects, is a living document that will be updated on an on-going basis as short term projects are completed, new priorities and projects arise, and new Councils are elected.



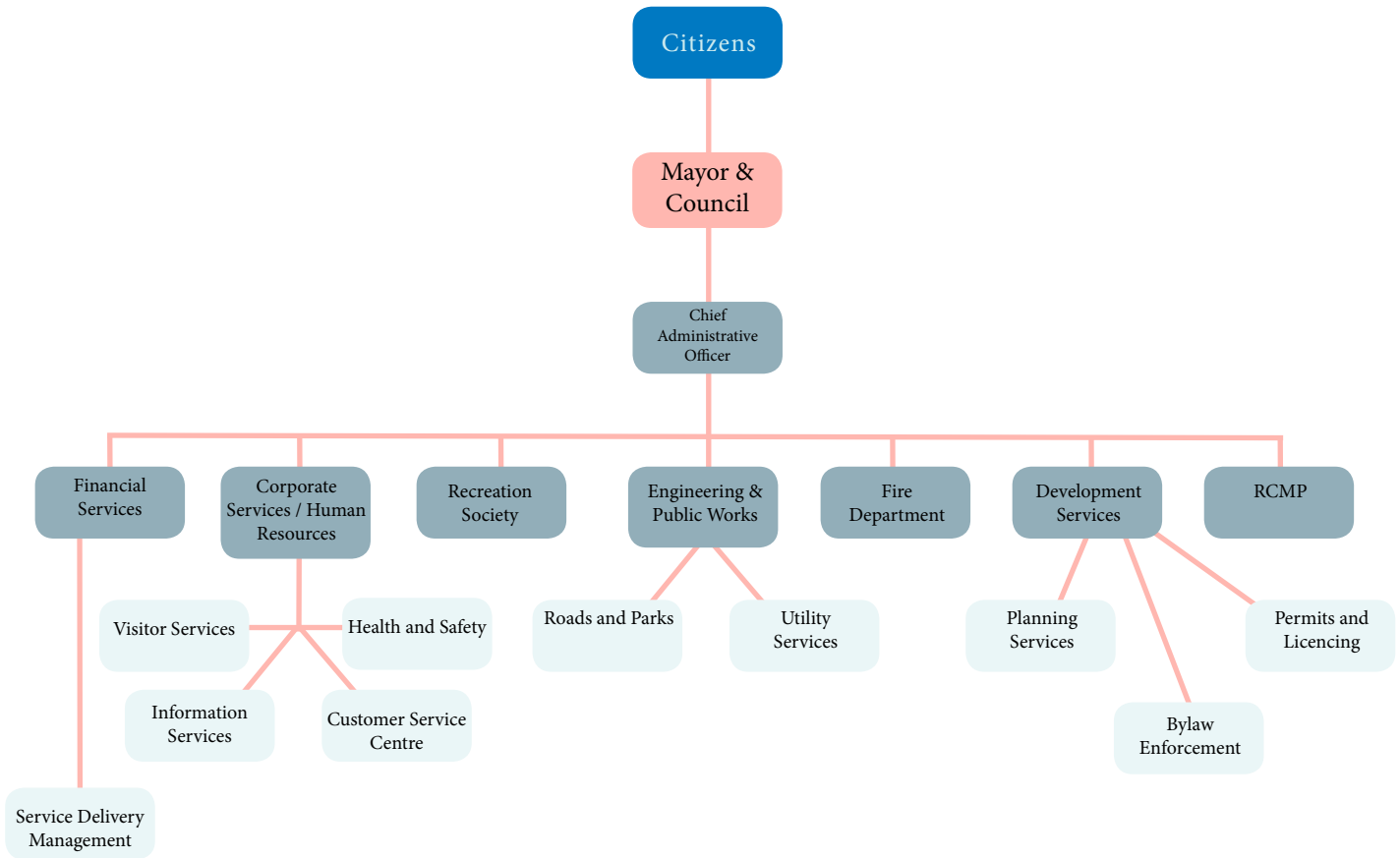


City Management



(L-R) Chelsea Van de Cappelle (Chief Financial Officer), Rob Niewenhuizen (Director of Engineering and Public Works), Erin Jackson (Chief Administrative Officer), Brad Shirley (Fire Chief), Sue Wood (Director of Corporate Services)

Organizational Chart



Departmental Services

Corporate Services

Appointed under the Community Charter, the Chief Administrative Officer (CAO) implements Councils direction guided by the Corporate Strategic Plan and leads service excellence across City operations and programs by providing leadership and direction to Senior Managers.

Corporate Services:

Corporate Services supports legislative procedures of Council meetings and ensures decision-making and record keeping is followed and accessible under the Freedom of Information and Protection of Privacy Act.

Legal and administrative services provided by this department include: the preparation and execution of leases, agreements and the development of bylaws, policies and procedures. This department manages insurance and is responsible for municipal elections, corporate document management and the City's Annual Report.

Human Resources:

The Human Resources Department provides strategic direction, vision, and leadership to the City's management team and unionized employees, CUPE Local 1908. The Department is responsible for the recruitment and selection, performance management, disability management, labour relations, collective bargaining, health and safety, training and development.

Customer Service:

As a first point of contact for information and support to the public, Customer Service at City Hall is a wealth of knowledge about the latest City services, operations and programming.

Information Services:

The role of the Information Services is to ensure reliable, stable and up-to-date technology systems to support municipal services and serve the public. This ever changing environment requires ongoing review for new and innovative technology solutions.

Geographic Information Services:

Our spatial Geographic Information Systems (GIS) database provides support to all departments for reporting and map generation. In addition, a public interactive mapping system is available on the City's website with the capability to search for addresses, zoning and various utility services.

Visitor Services:

The new Visitor Services framework, implemented in 2021, provides an excellent visitor services experience by utilizing three key distribution channels – Bricks & Mortar (Visitor Centre at City Hall), Mobile Outreach (roving through the community during peak times & events) & Digital Outreach (website, social platforms & live chat).

Achievements:

- 2022 General Local Election
- Living Wage Policy
- Council Code of Responsible Conduct

Goals:

- Council and Committee meeting management software
- Privacy Management Policy
- Accessibility Plan

Financial Services

The Financial Services and Service Delivery Management divisions, led by the Chief Financial Officer, work as strategic partners in the delivery of City services and programs. The divisions are responsible for the overall financial administration and service delivery management planning for the City.

Financial Services:

The Financial Services Department provides stewardship over the City's financial resources and provides financial expertise and information to Council, other departments, and customers.

Financial planning, budgeting and reporting provided by the division include the coordination and preparation of the five-year financial plan, long term financial and capital plan, equipment, infrastructure and replacement plans, annual financial statements, other legislated municipal reporting and the development of financial bylaws, policies and procedures. The department also develops and implements financial controls which safeguard City assets.

The department's transactional responsibilities include purchasing and accounts payable, accounts receivable, payroll and benefit administration, property taxation, utility billing, grant administration, and treasury services (financing and investing).

Service Delivery Management:

Following the completion of the City's Service Delivery Management Policy, Framework and Strategy documents; a new Service Delivery Management division was created to advance the City's asset management priorities as identified within the Corporate Strategic Plan.

The division is responsible for completing, overseeing, and implementing the City's Service Delivery Management Plans, which will include the full scope of municipal services as opposed to traditional asset management planning around core infrastructure. Service Delivery Management reviews how services are currently being provided to the community then evaluates and plans for potential risks of service interruption, such as: funding levels, changes in community needs, extreme weather events or asset conditions.

Proactive planning and risk management helps to ensure sustainable delivery of City services and plays a key role in achieving the City's strategic goals and objectives.

Achievements:

- Completed review and update of the Fee for Service Bylaw for Downtown Parking Rates and Airport User Fees.
- Funded activities identified in the SDM plans to enhance overall operations and maintenance, maximizing the lifespan and efficacy of the assets.
- Continued enhancement of budgeting process to include prioritization of projects assessed using strategic drivers and risk assessments.
- Addition of Service Delivery Management Coordinator Position

Goals:

- Continue to undertake detailed analysis and implementation of new Public Sector Accounting Standard 3280 – Asset Retirement Obligations.
- Continue with the implementation of technology to provide credit/debit paid parking payment options.
- Facility inventory and condition assessment; WPCC and WTP
- Completion of a Corporate Asset Management Plan
- Complete Critical Asset identification for Core assets

Development Services

Development services consist of: 1) land use planning and development approvals; 2) building inspection and business licensing; and 3) bylaw enforcement. This department provides reports to City Council and routinely interacts with the public, the development industry, numerous committees and higher-level government agencies.

Planning and Development:

Planning staff remained focused on managing the flow of current planning activities, mostly involving development, subdivision, and land use proposals. 90 planning applications were processed with many of those reported to City Council for decisions (there were 100 in 2021). Thirty of the applications were for zoning amendments. 76 new single-family lots were approved for registration through 22 subdivision applications, an activity level similar to 2021. Active transportation planning constituted a significant departmental project, with the City's Active Transportation Network Plan being adopted in the Fall of 2022, while staff initiated preliminary land analysis for the pending Official Community Plan review taking place in 2023-2024. Planners continued with their roles on the City's Agricultural and Greenways Committees, Active Transportation Task Force, Design Review Panel, Heritage Commission, and the Economic Development Society.

Bylaw Enforcement:

Unhoused persons continued to be the main focus of the department in 2022 and proved to be a challenge. Staffing in the department was below the full complement for a number of months in the summer which compounded service level concerns. The department recorded an overall total of 669 incident reports which was almost identical to the volume of 671 from 2021. Bylaw staff work closely with

the RCMP, Canadian Mental Health Association (CMHA) Homeless Outreach and the Downtown Salmon Arm group. Bylaw staff also participate with the Downtown Parking Commission.

Building Inspection:

Building staff provide the construction industry with professional and timely service. Their primary objective being to ensure the safety and structural integrity of new buildings. Inspection services range from building and plumbing to signage and business occupancy. The construction industry was very strong in 2022, specifically in the residential sector. The total number of building permits issued in 2022 (333) was slightly less than in 2021 (349) however the total value of construction was near record level at just over \$60 million. The residential sector accounted for \$48 million of the total.

Business Licensing:

Business license applications are checked for compliance with City bylaw requirements, and business premises are inspected for fire prevention and public safety. The number of active licenses provides a barometer for commercial activity. The number of active business licenses increased from 1,376 in 2021 to a record number of 1,419 in 2022. The City participates in the Okanagan-Similkameen intercommunity business licensing and information sharing program.

Achievements:

- "Connect Salmon Arm" the City's first Active Transportation Network Plan was adopted in the Fall of 2022. (Climate Action Initiatives)
- The City completed its' annual greenhouse gas report under the Province's Local Government Climate Action Program. (LGCAP). (Climate Action Initiatives)
- Business Continuity Plan - The initial work on this plan started and created a hazard, risk and vulnerability review. (Long Term Financial Plan & Strategy)
- Canoe Beach Cabin removals - Guided the demolition and removal of cabins on previously leased lands at Canoe Beach Park. (Canoe Beach Master Plan Initiatives)

Goals:

- Initiate the review of the Official Community Plan
- Create rental housing incentives
- Update Tree Removal and Protection Bylaw
- Update Parks Regulation Bylaw

Engineering Services

Engineering oversees road and utility construction and design, transportation planning (including traffic, pedestrian and cycling planning, parking and road construction), utility planning, and environmental programs. The overall role of the department is to provide proactive planning, expansion, renewal, and maintenance advice. The department also prepares technical documents which accompany regulatory bylaws (such as water, sewer, subdivision and development servicing, highway and traffic control, etc). The department plays an integral role in the long-term planning of infrastructure design and costing, and managing the City's infrastructure to promote sustainability.

Transit Services:

The Shuswap Regional Transit System is provided in partnership with BC Transit and the CSRD. It is operated by First Canada ULC. The transit system is comprised of eight (8) buses which provide passenger service for five (5) fixed routes, as well as custom para-transit, and regional service to Blind Bay, Sorrento, Eagle Bay and the Adams Lake Band, plus a taxi-supplemented service to minimize operation and maintenance costs. The City implemented free transit for students during the months of July and August.

Cemetery:

The City currently maintains Baker Cemetery and Mt. Ida Cemetery with Shuswap Memorial Cemetery which opened in the summer of 2019.

- Baker Cemetery is no longer active and is located at 6670 Trans Canada Highway NE.
- Mt. Ida Cemetery is located at 2290 Foothill Rd SW. The Old Section of the cemetery was established in 1894. The cemetery is approximately 110 acres of which only nine acres are suitable for cemetery development.
- Shuswap Memorial Cemetery is located at 2700 20 Ave SE.

Shuswap Regional Airport (Salmon Arm) CZAM:

The Shuswap Regional Airport is managed by the City and is a class Code 2B non-instrumental 1,370 metre runway airport, servicing both commercial and private users. Airport services include 24/7 service and a terminal building (which includes commercial rental space) and the Salmon Arm Flying Club

Achievements:

- Safety Improvement on 20 Ave NE west of 30 St
- Commenced Auto Road Connector Detailed Design
- Continuation of Ross Street Underpass construction
- Continuation of Lakeshore Road upgrade and slope stabilization

clubhouse. A new card lock aviation fueling station has been constructed along with new above ground fuel tanks which will enhance the services at the Airport.

Curbside Solid Waste and Recycling Collection:

The City of Salmon Arm provides Solid Waste Curbside Collection Services to almost 6,750 homes within the City limits. These include single-family residential dwellings, mobile homes and other eligible dwellings. The City provides collection for four (4) material streams:

- Food Waste (Weekly)
- Recycling (bi-weekly)
- Yard Waste (semi-annually)
- Refuse (bi-weekly)

The Curbside Collection Program is provided through our collection contractor, SCV Contractors.

The City works in partnership with Recycle BC (formerly Multi Material BC) to administer the Curbside Recycling Program.

Food waste is currently delivered to the CSRD transfer station located at the Salmon Arm landfill and is then transported to Spa Hills for processing into compost. Compost is used locally in Salmon Valley.

The City aims to provide the most efficient and cost-effective collection methods for its residents while maintaining low levels of contamination in order to maximize the quantity and quality of recycled commodities.

Goals:

- Completion of Ross Street Underpass
- Source protection plan
- Universal Water meter strategy
- Round-about Designs (5 Ave & 10 St SW, 30 St & 11 Ave NE, Foothills Rd & 14 Ave)
- Continuation of Lakeshore NE road slope stability, utility and MUP design

Public Works

Public Works is comprised of two (2) divisions: Roads, Transportation and Parks; and Utilities (including water and wastewater treatment facilities). The role of the department is to ensure that pro-active planning and maintenance of the City's infrastructure takes place to facilitate cost-effective and timely capital works programs that maximize benefits to the community. This department seeks to foster good communications with the community, with a view to working together to achieve the best balance between cost and benefit.

Roads, Transportation and Parks:

This division provides a wide range of services to the community. The Roads group looks after maintenance and construction of municipal roads, snow removal on roads and sidewalks, dust control, sidewalk maintenance, street lighting, traffic signage, bridge repair, storm drainage maintenance, rehabilitation of asphaltic roadways and traffic, and pedestrian safety. The department also looks after maintenance of City playing fields, wide-area mowing of major parks, boulevards and playing fields, planting, flower beds, hanging baskets, planter boxes, public washrooms, street trees, and garbage pickup in the parks.

Drainage:

The City of Salmon Arm, under both the Utilities and Roads Divisions, is responsible for the maintenance and ongoing development of the storm water collection system. The storm lines, ditches, catch basins, inlet/outlet structures, culverts, and retention ponds are maintained within the limits of available budgets, to ensure there are no issues with run-off water.

Utilities:

The Utilities Division provides for the efficient treatment and delivery of high-quality water and the collection and treatment of sanitary sewer through a schedule of systematic new improvements, upgrades, and replacements.

The water and sewer utilities have self-liquidating funds that must provide for their own revenues through fees, taxes and other charges to support the expenditures required to operate and maintain infrastructure into the future.

Sanitary Sewer System:

The City of Salmon Arm's sanitary sewer collection system

consists of 14 sewerage sub areas and 127 km of gravity and force main sanitary sewer pipes covering approximately 1,800 hectares. There are approximately 6,412 residential, commercial, industrial and institutional lots fronting onto the sanitary sewer system. There are seven (7) sewer lift stations that collect and pump sewerage to the Lakeshore Sewer Interceptor located on the foreshore where the main lift station, Wharf Street Pump Station, pumps the sewerage directly to the Water Pollution Control Centre (WPCC). The WPCC provides an enhanced tertiary level of treatment of wastewater, meeting the guidelines set by the Ministry of Environment to protect the public and the environment.

Water Treatment/Distribution System:

The City's water is supplied by way of two (2) primary sources: East Canoe Creek at Metford Dam (approximately 10%) and Shuswap Lake at Canoe Beach (approximately 90%). The water supply consistently meets the Canadian Drinking Water Guidelines, BC Drinking Water Protection Act and the Safe Drinking Water Regulations.

The distribution system includes approximately 205 km of watermain, varying in diameter from 100 mm to 600 mm. The City's waterworks system provides water through gravity and pump systems. The waterworks system is complex and is comprised of eight (8) pressure zones, 861 hydrants, seven (7) pumping stations, fourteen (14) reservoirs and one (1) dam. There is a total storage capacity of 33,146 cubic meters servicing over 6,276 connections. Approximately 40% of the City's residential customers and 96% of all other connections are on water meters.

Achievements:

- Full Completion of Asphalt Overlay Program
- South Canoe Trail Head Ph II
- 10 Ave SE Watermain extension to Little Mountain
- Sanitary main new interceptor 50th Street and 70th Ave NE

Goals:

- East Canoe Creek Culvert Replacement
- Ross Street Plaza Washroom Expansion Zone 5 Booster Station Design/Construction
- WPCC Plant process selection and design

Recreation Services

The Shuswap Recreation Society, through a lease and operating agreement with the City, is responsible for providing recreational and leisure services at the Shaw Centre, the SASCU Recreation Centre and the Little Mountain Field House. The Society's mandate is to provide diverse family and adult-oriented leisure activities with a view to promoting active living and quality of life in the community. The Society strives to maximize the productivity of resources, provide good cost recovery of taxpayers dollars, and provide affordable recreational opportunities for the residents of Salmon Arm.

SASCU Recreation Centre:

The Recreation Centre provides a wide range of services including pool and facility rentals, racquetball and squash, weight training and programming to promote the health and wellness of our citizens.

Aquatic Services:

The Aquatics Division provides an indoor lap pool, tot pool, hot tub, and sauna. It has been a priority of the aquatics staff to create a warm and inviting atmosphere. In addition to swimming lessons, four (4) levels of aquafit taught by certified instructors and special swim programs are provided to individuals who require rehabilitation exercises. Our Aquatics division is also a training center for Water Safety Instructors, Lifeguards and First Aid (including automated external defibrillator training).

This facility is also used by 3 competitive swimming clubs. This quality environment has led to competitive teams and individuals who consistently prove themselves in provincial competition.

Programming Services:

The SASCU Recreation Centre provides various programs from preschool to seniors in addition to the facilitation of contractors who also provide recreational programming. Drop-in programs such as Motoring Munchkins, after school activities and adult Pickle Ball are very popular as are registered programs such as Babysitting, Home Alone safety, Wiz Kids and Volleyball. Each season the SASCU Recreation Centre publishes a digital 'Fun Guide' promoting the various programs and events for 'Salmon Arm Recreation' as well as providing contacts to organizations and participating private recreation providers. The Programming department also provides scheduling for the various recreational facilities within the City.

Little Mountain Fieldhouse:

The Little Mountain Fieldhouse is part of the Little Mountain Sports Field complex consisting of three (3) regulation size soc-

cer fields next to Little Mountain Park. It is a great venue for meetings, birthday parties, small weddings or any other function at a reasonable rate. Little Mountain Fieldhouse is large enough to seat 60 people comfortably and is equipped with a full kitchen.

Access Program:

The Shuswap Recreation Society also offers an Access Program which minimizes barriers for financially challenged members of the community.

Shaw Centre:

The Shaw Centre provides two (2) sheets of regulation sized ice during the winter season which converts to dry floor for the summer season. It has the capacity to handle events with in-house stage, ice decking, show power, chairs, tables, meeting rooms and dressing rooms.

In addition to minor hockey, adult rec hockey, hockey schools, ringette, speed skating, figure skating, and lacrosse, the Shaw Centre promotes a variety of community events and concerts. The evidence of Shaw Centre's commitment to providing quality events can be found in the successful production of:

- Perennial host for Hockey BC High Performance Camps, including the U16 BC Cup, U17 Best Ever program, and the U18 Female BC Cup;
- Numerous Concerts such as Brett Kissel, Blue Rodeo, Emerson Drive, Alice Cooper, Paul Brandt, Teri Clarke, etc.
- National Ringette Competition;
- Female Hockey and Junior Curling Competitions; and
- Salmon Arm Homeshow.

The Shaw Centre is home to the Salmon Arm Silverbacks Junior 'A' hockey team. The Silverbacks have been providing fans with many years of exciting hockey action on the ice and home games have evolved into an eagerly anticipated social event for many Salmon Arm residents.

Achievements:

- Replacement of roofing section adjacent to courts
- Installation of new accessibility lift for the pool
- Completed replacement of players entrance canopy
- Upgraded to high efficiency LED lighting in the foyer
- Upgraded to energy efficient compressor motor in the ice plant

Goals:

- Replace diving board
- Replace lane ropes and storage reel
- Upgrade to high efficiency lighting in racquet courts
- Replace computer equipment in concession operations
- Upgrade to high efficiency LED lighting in the concourse
- Initiate door replacement rotation

Police Services

The Salmon Arm Royal Canadian Mounted Police (RCMP) Detachment is committed to ensuring the safety of the community. As the policing environment becomes more complex, preserving the peace, upholding the law and providing quality service is achieved by focusing on the strategic priorities set through consultation with City Council and our community. The Detachment provides specific programs and services to achieve these priorities, including: Public Education, Enforcement, Prevention and Protection activities.

Salmon Arm is policed by the RCMP. The Staff Sergeant in Charge of Salmon Arm Detachment reports to the District Officer at the Royal Canadian Mounted Police Southeast District Headquarters, in Kelowna. The South East District RCMP Headquarters provides assistance and asset support to Salmon Arm Detachment. RCMP Specialized response teams, Police Dog Services, and additional investigative teams are deployed through this hub. Additionally, RCMP rotary and fixed wing aircraft and other specialty equipment is available upon request to support operations at the local detachment.

The Salmon Arm Detachment is responsible for policing within the City of Salmon Arm as well as the regional area of Columbia Shuswap Regional District and three (3) First Nations Communities: Adams Lake Band, Neskonlith Band, and Little Shuswap Lake Band which are part of the Secwepemc Nation.

There are twenty six (26) regular member police officers who staff the Salmon Arm Detachment. Twenty one (21) of these officers are financially supported by the City of Salmon Arm. The remaining five (5) officers are financially supported by the provincial government. These members are supported in their duties by six (6) municipal employees, two (2) public service employees, a Police Based Victim Services unit, and volunteer Salmon Arm Citizens Patrol as well as Blind Bay Citizens Patrol.

Members of the Salmon Arm Detachment are involved in community policing initiatives, youth mentorship, and crime reduction with a mandate to enforce municipal bylaws, provincial statutes, and Federal Acts. In 2022, our members and support staff handled 8,063 calls for service and investigations. In excess of 5,700 of these calls for service were within the City of Salmon Arm. The balance were calls for service in the Columbia Shuswap Regional District which this detachment of the RCMP serves.

Achievements:

- Reduction in serious collisions by 3%
- Increased the seizure of proceeds of crime, illicit drugs and firearms by over 50% this past year.

The detachment encompasses three (3) sections: General Duty, which includes day to day policing, traffic enforcement and community policing measures; a Traffic Member position; and General Investigation Section, which targets specific crimes and individuals involved with drugs, major thefts and other high profile cases.

The Detachment has a close working relationship with many government agencies including Provincial and Federal Crown Counsel, Youth and Adult Probation Services, all Provincial Ministries, Work Safe BC, Interior Health Authority, the British Columbia Coroner's Service, City of Salmon Arm By-Law Enforcement, and the SAFE Society. In strategic partnership with community groups and these agencies (and other agencies) we work together to achieve common goals.

Police-based Victim Services (PBVS) is based in the RCMP Detachment and consists of one paid position which is shared by two employees. Our PBVS unit provides support and information to victims of crime, persons affected by family tragedies, supports victims through the court process, and refers clients to local Community-based Victim Services at the "Safe Society" as required. The PBVS unit responded to 320 incidents in the last fiscal year and supported 580 clients in that time.

Another important support to the local detachment is the Salmon Arm Citizens Patrol (SACP) and the Blind Bay Citizens Patrol (BBCP). These Citizen Patrol groups are comprised of a dedicated group of volunteers who act as extra sets of eyes and ears for the local RCMP Detachment. The groups patrol designated areas in Salmon Arm, Canoe, and the Blind Bay areas of our detachment area. Both groups also staff the "Speed Watch" speed-display boards within their respective areas. SACP members also staff information booths at local events and venues, and are of assistance to local response teams during civil emergencies.

Goals:

- Continue work to address property crime trends in the area
- Continue our work with partner agencies to protect and support local vulnerable individuals and populations
- Work to continue efforts in maintaining traffic safety
- To maintain our flexibility in responding to community issues as they arise.

Fire Services

The Salmon Arm Fire Department provides critical emergency fire services that help keep the community and citizens safe and is committed to reducing life and property loss due to fire, and promoting public safety through public fire education and awareness.

Since the formation of the Fire Department on December 13th, 1913, the members have proudly served the citizens of Salmon Arm with a commitment and dedication in protecting life, property, and business from the effects of fire and disasters.

In 2022 there were sixty six P.O.C. members working from the four fire halls. Twelve members in hall 1, twenty four at hall 2, nineteen at hall 3, and eleven in hall 4.

A team of eighteen members selected from each hall also form the Rescue Team, who train and respond to more technical responses.

Apparatus replacement (Fire Trucks) continued with a new 104' platform truck purchased in 2022. This truck replaces the 27 year old 55' ladder truck.

In 2022 the response area did not change and continues to include all areas within City boundaries as well contracted areas of both Adams Lake and Neskonlith band lands within City limits, as well a section of Kault Hill contracted from CSRD.

Training and preparation for emergency response is one of the most critical components of the fire service. In addition to training and maintaining skills relevant to our service level, members train and are certified in a number of other disciplines including first aid, air brakes, driving and pumping, wildland, gas and hydro emergencies to name a few. In 2022, face to face training resumed.

Recruit training classes are held annually based upon demand and are held on Monday evenings which includes over 110 hours of instruction and evaluations. The near-year long program results in recruits being certified to the Full Service level when completed. In 2022, seven members successfully completed the program.

The firefighters association continued to fund raise for local charities including the annual Christmas Toy Drive, donating to both the SAFE Society and Family Resource Center.

The operations at the Shuswap Regional Fire Training Center, located at 1950 40 Street S.E., continued in 2022 seeing more hands on training occur with Covid subsiding. Partners include CSRD electoral areas C, D, E, and F as well the District of Sicamous. Capital projects in 2022 included replacement of the burn building and the purchase of new classroom chairs.

The Fire Department continued collaborating with CSRD Fire Services on other items such as the Fire Smart program and co-hosting the annual B.C. Fire Training Officers conference.

In 2022, a number of Prevention and Public Safety programs took place. The Salmon Arm Fire Department promotes fire safety within the community by participating in a variety of community events through the delivery of fire safety programs and presentations to focus groups.

These include:

- Fire Hall tours to a variety of groups and ages;
- Fire Prevention Week - in partnership with the Office of the Fire Commissioner;
- Learn Not to Burn and Plan to Get Out Alive;
- Fire Chief for a Day;
- Emergency Preparedness Week;
- Smoke alarm campaigns; and
- FireSmart.

Achievements:

- Purchase new 104' platform truck
- Established a funding strategy for the replacement of Self Contained Breathing Apparatus.
- Completed preliminary design of Hall # 2 expansion
- Fire Hall upgrades including LED lighting and carpet replacement

Goals:

- Replace 2/3 of Self Contained Breathing Apparatus
- Hire an additional career Firefighter
- Continue with the Fire Smart program with combination treatments and education.
- Complete Fire Hall # 2 addition



Message from the Chief Financial Officer



May 19, 2023

I am pleased to present the City's 2022 Annual Report which contains the audited financial statements and summary of the



ongoing financial and operational activities of the City pursuant to Sections 98 and 167 of the Community Charter.

The Financial Services Division is responsible for the preparation of the financial statements. These statements are prepared in accordance with Canadian public sector accounting standards. Management is responsible for implementing and

maintaining a system of internal controls for safeguarding of assets and to provide reasonable assurance that reliable financial information is produced.

The financial statements are externally and independently audited by BDO Canada LLP, in accordance with Canadian generally accepted auditing standards. As expressed in the audit report, it is BDO Canada' LLP's opinion that the City's financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2022, and the results of operations, change in net financial assets, and cash flows for the year ended.

The City continued to strengthen its financial position in 2022. The City's net financial assets reached \$30.2M (2021 - \$29.2M) as a result of increased trade accounts receivables of \$1.3M related to third party contributions towards the Ross Street Underpass project. Cash and investments and deferred revenues decreased to \$74.7M (2021 - \$79.9M) and \$3.3M (2021 - \$8.4M) respectively, primarily driven by the City's investment in tangible capital assets. Overall the City's investment in capital assets, less the cost of amortization, was \$11.8M (2021 - \$7.0M) resulting in a net increase in total tangible capital assets. The City recognizes the importance of diligently investing in infrastructure to support future capac-

ity needs, minimize unexpected costs and emergency works, and to reduce risks to health and safety. The City continues to practice good fiscal management of its debt with a net reduction of \$1.2M, representing a debt capacity ratio of approximately 30% of the prescribed limit.

Revenues for 2022 totaled \$47.7M (2021 - \$45.2M). The largest driver of the increase was a result of grants and government transfers of \$7.4M (2021 - \$2.0M), an overall increase of \$5.4M. The most significant transfers related to Community Works (Canada Community-Building), BC Active Transportation Infrastructure, and the Local Government Climate Action Program. Investment returns increased by \$1.1M, reflective of the City's investment strategy and economic environment. Developer contributed assets were \$1.9M less than the prior year; however, continue to reflect a steady level of development and re-development within the community.

Expenses for 2022 totaled \$35.2M (2021 - \$34.3M). Increases were attributed to operating expenses, amortization, and repair and maintenance costs associated with the City's fleet, equipment, grounds and facilities. Increases in expenditures were offset in part by a net reduction in community grants.

The City closed the year with an increase of \$12.5M (2021 - \$7.0M) to accumulated surplus, representing a consolidated balance of \$271M. The City's surplus, inclusive of individual fund surpluses, was \$38.0M; representing reserves committed to fund future expenditures of \$34.3M and unappropriated surplus of \$3.8M. Unappropriated surplus is to be used only for extraordinary events, consistent with financial best practices. The accumulated surplus is a key indicator of the City's overall financial ability to provide future services, consisting of both cash and non-cash components, and is equal to the sum of net financial assets and non-financial assets.

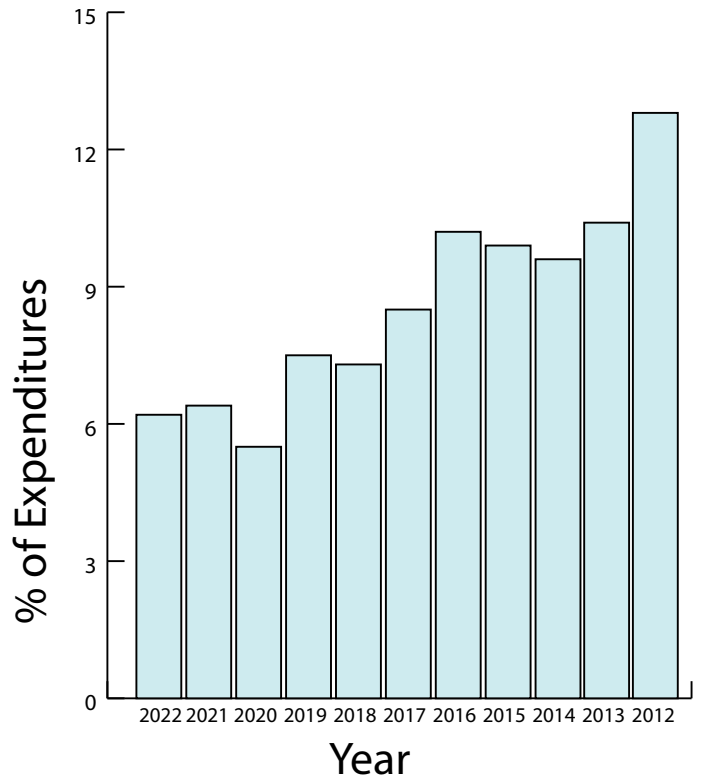
At the end of 2022, net operating surpluses (operating surplus less any year-end transfers to reserves and unexpended operating funds carried forward to 2023) for the following functions were:

- General Operating Net Year End Surplus - \$77,184 which is within 0.28% of actual and budgeted revenues and expenses;
- Regional Fire Training Centre Net Year End Surplus - \$7,040;
- Downtown Parking Specified Area Net Year End Surplus - \$16,115;

- Water Operating Fund Net Year End Surplus - \$42,503; and
- Sewer Operating Fund Net Year End Surplus - \$15,792.

Reserves for future expenditures have decreased by \$1.5M, primarily the result of utilization for capital projects of \$4.9M; most notably due to the Ross Street Underpass project. The overall reduction in reserves was offset in part due to the collection of developer contributions towards future works and transfers to reserves for specific projects and future expenditures. The City's statutory reserves have decreased to \$11.2M (2021 - \$11.6M). Most of this decrease was realized in the Emergency Apparatus Reserve as a result of the replacement of the Ariel Ladder Fire Truck.

The Statistical section of the Annual Report shows five-year comparisons of key financial measurements. The results signify that the City continues to be in a good financial position and strives to be innovative and creative in terms of service delivery that reflects Council priorities and community expectations. The City continues to be accountable in spending, sensitive to public needs, and aims to preserve community infrastructure while balancing the changing economic conditions of the community.



This graph reflects that principle and interest payments on long term debt over the past ten (10) years are, on average, 8.2% of the total expenditures of the City.

Chelsea Van de Cappelle, CPA
Chief Financial Officer

Annual Budget

The City is responsible for the delivery of many services to both the residents and business community. The core services provided by the City are depicted in greater detail on page 13 of the annual report. These services account for the majority of the City's resources. In August of each year, the City starts preparing for the development of the annual budget. Public input is sought through a participative meeting generally held in September. Council places great value on the public's input and resulting consultation. Council is presented with the next year's proposed budget in November. After an extensive Council and staff review, Council adopts that year's budget with bylaw approval typically in December or January.

The budget is a plan for the upcoming year, as well as a pre-plan for future years which reflects the goals, objectives, and priorities of the community. The operating budget projects revenue and expenditures for the current operating year while the capital budget identifies the capital projects approved by Council. The budget focuses on the current year's operation and maintenance of the following general service areas: water and sewer systems, transportation network, parks and recreation, fire and policing services, airport, cemetery, environmental health and development, and legislative services. In the last several years the City has successfully completed two draft Asset Management Plans, trained several employees on asset management practices, and formalized a Service Delivery Management Policy, Strategy and five year Road Map to provide a framework and direction to the program. In 2022, a Service Delivery (Asset) Management Coordinator was hired to provide a lead role in the development and ongoing maintenance of the City's Service Delivery Management Program.

The 2023 budget includes a 3.83% property tax increase for all property classes and new construction tax revenue of

0.92%. This additional property tax revenue will primarily assist in funding operational increases as a result of inflationary pressures, the renewal and replacement of infrastructure within parks, recreation and transportation as well as an allocation to reserve for the purchase of a new tandem multi-use truck in 2024.

The 2023 budget also reflects a 5% increase to Water User Fees and a 7% increase to Sewer User Fees to address rising costs pertaining to labour, equipment and materials, and to maintain reserves and adequate annual capital upgrades. In accordance with Council's objective to maintain tax stability while maintaining equality between property classifications, the 2023 general municipal property tax rate and associated

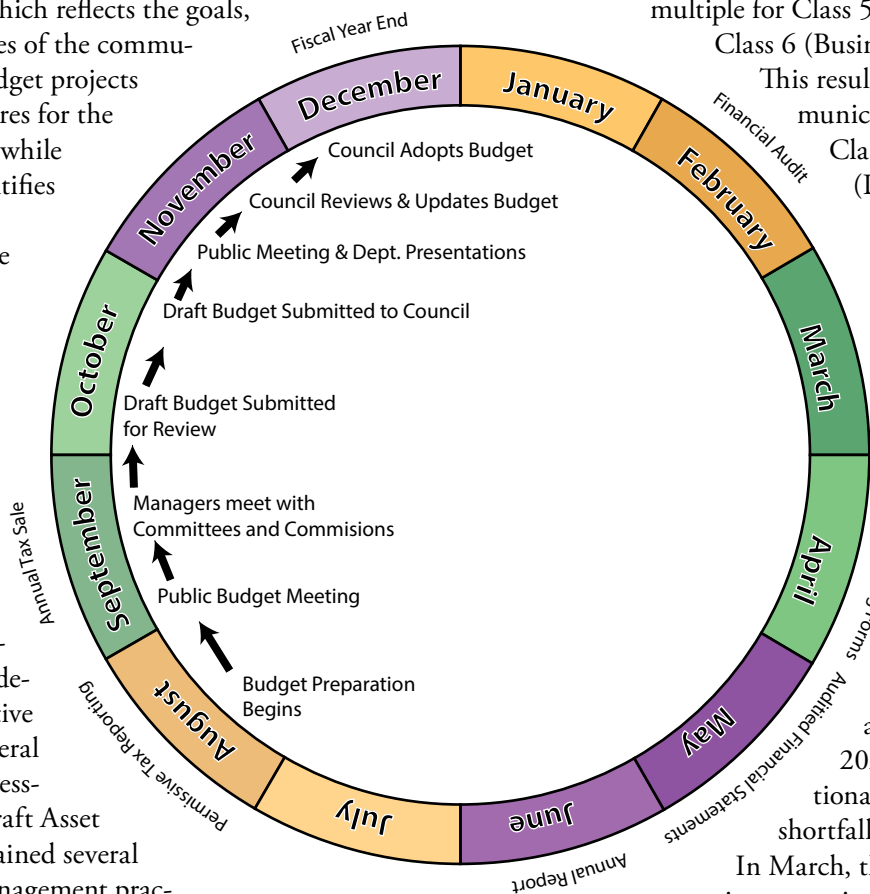
multiple for Class 5 (Light Industry) and Class 6 (Business) has been equalized.

This resulted in a shift of general municipal property taxes from Class 6 (Business) to Class 5 (Light Industry).

The Canada Community-Building Fund (Community Works Fund) continued in 2023 and as a result the City's budget includes grant funding of \$1.6M towards various capital and operational projects. The City continues to utilize the Provincial COVID-19 Safe Restart Grant received in 2020 and has allocated \$1.4M within the 2023 budget to offset operational expenditures, revenue shortfalls, and capital initiatives.

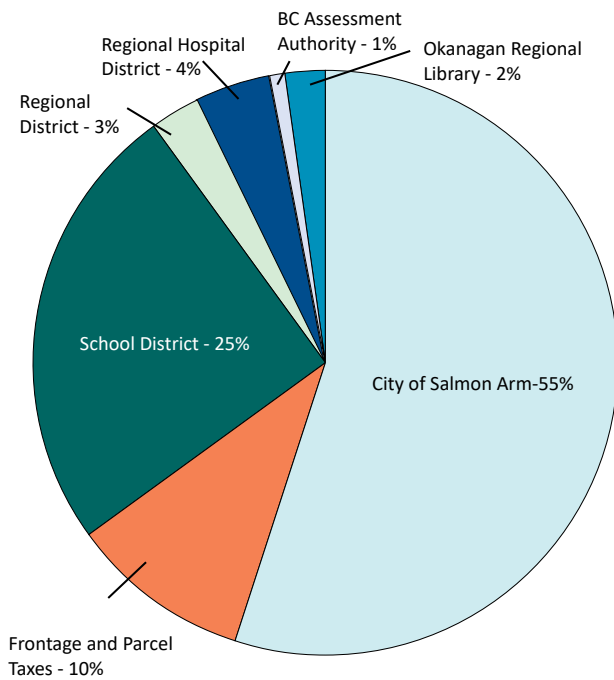
In March, the City was fortunate to receive a one-time Provincial Growing Communities Fund Grant of \$6.1M to be utilized towards infrastructure and amenities that will increase the local housing supply. Other significant grants secured and included within the 2023 budget include:

- BC Air Access Program (Airport Runway Rehabilitation) - \$1.2M;
- Building Safer Communities Fund (Gun and Gang Violence Strategy) - \$253K;

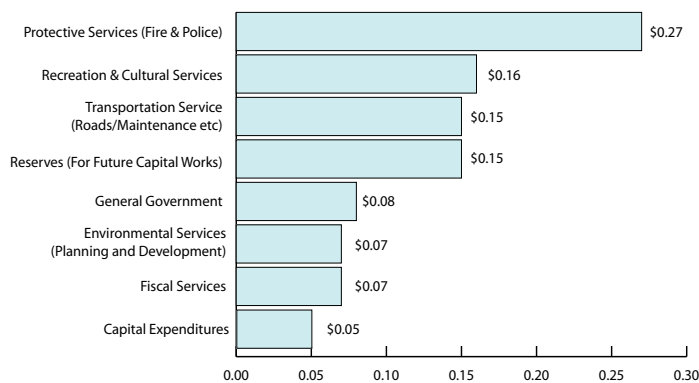


- Community Resiliency Investment Fund (Community FireSmart) - \$198K; and
- Local Government Climate Action Program - \$147K.

The capital budget includes the upgrade of the Ross Street Plaza Washrooms, an expansion to Fire Hall No. 2, the purchase of new self-contained breathing apparatus (SCBA) for the fire department, the expansion of Canoe Beach (Ph. 1),



This graph reflects that only 55% of the residential property tax bill is retained by the City to fund the annual budget



This graph reflects the portion of each municipal tax dollar that funds each function with the City's annual budget. For example \$0.15 of each tax dollar levied funds transportation services

the construction of the Zone 5 Booster Station, and various other important community projects.

The budget provides for one debenture borrowing, which was anticipated in the prior year and has been carried forward for completion in 2023. The borrowing, subject to elector assent, will allow for the construction of the Zone 2 Booster Station, located at Canoe Beach (\$4.3M). This is one of two main boosters that feed the treated water from the Water Treatment Plant into the water system. As discussed in the prior year, the Zone 2 Booster Station has reached its anticipated useful life.

The use of long term debt and the accumulation of reserves to undertake certain projects is prudent and a combination of both funding mechanisms is a good strategy to maintain a healthy financial foundation. While long term debt should not be a means to finance all projects, projects with an expenditure threshold of one million dollars or more should be financed through long term debt or a combination of debt and reserves. The reality is that there are some City projects that cannot be undertaken unless long term debt is accessed.

The City allocates funds annually to reserves for various large scale projects such as the Auto Road (Shoemaker) extension, the construction of the West Bay Connector Trail, a Downtown Parkade as well as equipment replacement, major maintenance and operational activities. The City establishes reserves to undertake works once the funds required have been accumulated. The 2023 budget continues to reflect the allocation of predetermined amounts to reserves.

Many City staff members participate in the budget development process each year. The onus is on senior staff to ensure the required financial and operational resources are utilized by each department for the intended purpose and that annual budget targets are met each year.

City Award 2021

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the City of Salmon Arm for its annual financial report for the fiscal year ended December 31, 2021. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an

understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.

“The Canadian Award for Financial Reporting recognizes excellence in governmental accounting and financial reporting and represents a significant accomplishment by a municipal government and its management” quotes GFOA. It recognizes and encourages excellence in reporting and producing high quality financial reports.

This is the fifteenth year in a row that the City has received this national award. The 2021 Annual Report can be viewed on the City's website at salmonarm.ca.



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**City of Salmon Arm
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2021

2022-2026 Financial Plan

Schedule "A" - Bylaw #4524

City of Salmon Arm 2022 - 2026 Financial Plan

	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Consolidated Revenues					
Property and MRDT Taxes - Net	\$ 20,745,065	\$ 21,159,966	\$ 21,583,165	\$ 22,014,828	\$ 22,455,125
Frontage & Parcel Taxes	3,686,220	3,759,944	3,835,143	3,911,846	3,990,083
Sales of Service	8,610,910	8,783,128	8,958,791	9,137,967	9,320,726
Revenue From Own Sources	2,321,155	2,367,578	2,414,930	2,463,229	2,512,494
Rentals	440,945	449,764	458,759	467,934	477,293
Provincial Government Transfers	453,100	462,162	471,405	480,833	490,450
Other Government Transfers	241,710	246,544	251,475	256,505	261,635
Transfer From Prior Year Surplus	397,680	405,634	413,747	422,022	430,462
Transfer From Reserve Accounts	2,756,575	2,811,707	2,867,941	2,925,300	2,983,806
Total Consolidated Revenues	39,653,360	40,446,427	41,255,356	42,080,464	42,922,074
Consolidated Expenditures					
General Government Services	4,012,535	4,092,786	4,174,642	4,258,135	4,343,298
Protective Services	7,392,050	7,539,891	7,690,689	7,844,503	8,001,393
Transportation Services	5,602,910	5,714,968	5,829,267	5,945,852	6,064,769
Environmental Health Services	62,850	64,107	65,389	66,697	68,031
Environmental Development Services	2,706,085	2,760,207	2,815,411	2,871,719	2,929,153
Recreation and Cultural Services	5,522,500	5,632,950	5,745,609	5,860,521	5,977,731
Fiscal Services - Interest	1,388,950	1,416,729	1,445,064	1,473,965	1,503,444
Fiscal Services - Principal	1,304,380	1,330,468	1,357,077	1,384,219	1,411,903
Capital Expenditures	3,418,600	3,034,371	2,929,967	4,160,000	4,223,131
Transfer to Reserve Accounts	2,069,145	2,563,128	2,779,482	1,663,639	1,716,983
Transfer to Reserve Funds	1,095,000	1,116,900	1,139,238	1,162,023	1,185,263
Water Services	2,741,605	2,796,437	2,852,366	2,909,413	2,967,601
Sewer Services	2,336,750	2,383,485	2,431,155	2,479,778	2,529,374
Total Consolidated Expenditures	\$ 39,653,360	\$ 40,446,427	\$ 41,255,356	\$ 42,080,464	\$ 42,922,074

City of Salmon Arm
2022 - 2026 Financial Plan

	2022 Budget	2023 Budget	2024 Budget	2025 Budget	2026 Budget
Capital Projects					
Finances Acquired					
General Operating Fund	\$ 2,248,600	\$ 1,959,371	\$ 1,954,967	\$ 2,968,000	\$ 2,924,150
Water Operating Fund	500,000	500,000	800,000	391,000	892,825
Sewer Operating Fund	670,000	575,000	175,000	801,000	406,156
Federal Government Grants	3,568,456	-	-	100,000	187,500
Provincial Government Grants	3,831,383	-	-	100,000	187,500
Prior Year Surplus	23,000	-	-	-	-
Reserve Accounts	10,854,405	340,000	1,200,000	2,842,500	937,500
Reserve Funds	4,895,550	550,000	1,122,000	1,936,000	1,363,500
Development Cost Charges	768,750	3,445,000	3,373,000	225,000	480,000
Long Term Debt	6,589,721	-	500,000	2,000,000	3,470,000
Developer Contributions	2,564,000	40,000	40,000	-	-
Total Funding Sources	36,513,865	7,409,371	9,164,967	11,363,500	10,849,131
Finances Applied					
Transportation Infrastructure	20,423,870	3,619,500	5,219,500	5,193,000	5,851,650
Buildings	6,880,705	458,500	140,000	20,000	150,000
Land	-	300,000	-	-	-
IT Infrastructure	199,500	65,000	185,000	70,000	20,000
Machinery and Equipment	1,679,550	443,871	397,967	1,341,000	718,500
Vehicles	1,926,220	-	-	555,000	140,000
Parks Infrastructure	993,355	262,500	782,500	212,500	440,000
Utility Infrastructure	4,410,665	2,260,000	2,440,000	3,972,000	3,528,981
Total Capital Expense	36,513,865	7,409,371	9,164,967	11,363,500	10,849,131
Departmental Summary					
General Government Services	153,800	138,500	208,500	120,000	100,000
Protective Services	2,189,030	55,000	55,000	125,000	125,000
Transportation Services	22,640,490	4,233,500	5,518,500	6,849,000	6,545,150
Environmental Health Services	45,000	327,500	27,500	2,500	60,000
Recreation and Cultural Services	1,816,480	319,871	840,467	275,000	470,000
Water Services	6,836,650	1,760,000	2,340,000	691,000	3,142,825
Sewer Services	2,832,415	575,000	175,000	3,301,000	406,156
Total by Department	\$ 36,513,865	\$ 7,409,371	\$ 9,164,967	\$ 11,363,500	\$ 10,849,131

Average Residential Taxes

The City of Salmon Arm acts as a collection agency for other taxing authorities and as a result your property tax notice reflects taxes collected for municipal purposes as well as taxes collected for these other authorities.

Allocation of 2023 Property Taxes Based on \$660,173 Average Residential Assessment					
Municipal Taxes	2023 Net Cost	%	2023 Tax	2022 Tax	\$ Change
General Government Services	\$ 1,768,447	8.42%	\$ 152.53	\$ 150.16	\$ 2.37
Protective Services (Fire and Police)	5,689,134	27.07%	490.38	481.30	9.08
Transportation Services (Roads/Maintenance etc)	3,152,494	15.00%	271.73	245.41	26.32
Environmental, Health and Development Services	1,415,374	6.74%	122.09	117.24	4.85
Recreation and Cultural Services	3,425,970	16.30%	295.28	295.12	0.16
Fiscal Services	1,557,613	7.41%	134.23	121.93	12.30
Capital Expenditures	954,230	4.54%	82.24	87.81	(5.57)
Reserves (For Future Capital Works)	3,051,163	14.52%	263.03	232.94	30.09
Total General Municipal	\$ 21,014,425	100.00%	\$ 1,811.52	\$ 1,731.91	79.60
Water Frontage (based on 60 taxable feet)			124.80	124.80	-
Sewer Frontage (based on 60 taxable feet)			118.80	118.80	-
Transportation Parcel Tax (flat rate per parcel)			150.00	150.00	-
Total City of Salmon Arm Taxes			\$ 2,205.12	\$ 2,125.51	\$ 79.60
Collections For Other Agencies					
School (Province of BC)			\$ 968.41	\$ 881.95	\$ 86.46
Columbia Shuswap Regional District			111.11	99.09	12.02
Columbia Shuswap Regional District - SIR Levy			4.66	4.53	0.13
Regional Hospital District			156.53	147.58	8.95
Okanagan Regional Library			69.25	66.25	3.00
B.C. Assessment Authority			22.18	19.93	2.25
Municipal Finance Authority			0.13	0.11	0.02
Total Other Agencies			\$ 1,332.27	\$ 1,219.44	\$ 112.83
Gross Property Taxes			\$ 3,537.39	\$ 3,344.95	\$ 192.43
Less: Home Owner Grant (\$1,045.00 if Over 65)			(770.00)	(770.00)	-
Net Property Taxes			\$ 2,767.39	\$ 2,574.95	\$ 192.43
Solid Waste Collection and Recycling			101.00	101.00	-
Net Amount Due			\$ 2,868.39	\$ 2,675.95	\$ 192.43

Tax Exemptions

Tax Exemptions Provided By Council For the Year Ended December 31, 2022

	Municipal Taxes	Other Taxes	Total Taxes
1. Properties Used for Public Worship*			
Broadview Evangelical Free Church	\$ 35,846	\$ 19,365	55,211
Canoe United Church	769	685	1,454
Church of Jesus Christ of Latter-day Saints	3,722	4,103	7,825
Cornerstone Christian Reformed Church	5,201	5,584	10,785
Crossroads Free Methodist Church	1,449	1,435	2,884
Deo Lutheran Church of Salmon Arm	1,674	1,682	3,356
First United Church	2,970	3,111	6,081
Five Corners Pentecostal Church	2,326	2,980	5,306
Lakeside Community Church	1,176	1,295	2,471
Little Mountain Bible Chapel	1,990	2,032	4,022
Mount Ida Congregation of Jehovah Witnesses	3,207	3,370	6,577
Salmon Arm Mennonite Church Society	1,934	1,508	3,442
Seventh Day Adventist Church (British Columbia Conference)	2,706	2,818	5,524
Shuswap Community Church	8,652	9,524	18,176
St. Andrews Presbyterian Church	2,444	2,537	4,981
St. John the Evangelist Anglican Church of Canada	2,083	2,134	4,217
St. Joseph's Catholic Church	4,341	4,781	9,122
The Salvation Army New Hope Community Church	1,418	1,405	2,823
	83,908	70,349	154,257
2. Properties Used for Charitable Purposes			
Canadian Mental Health Association	60,867	36,513	97,380
Churches of Salmon Arm Used Goods Society	21,070	10,599	31,669
Gleneden Community Association	3,846	1,872	5,718
Good Samaritan Canada (Lutheran Social Service Organization) Inc.	47,002	32,849	79,851
Nature Trust of BC	2,340	1,934	4,274
Royal Canadian Legion - Branch 62	12,316	5,211	17,527
Salmar Community Association	41,470	17,989	59,459
Salmon Arm & Shuswap Lake Agricultural Association	96,811	49,126	145,937
Salmon Arm Elks Recreation Society	9,677	5,741	15,418
Salmon Arm Folk Music Society	2,670	1,732	4,402
Salmon Arm Masonic Holdings Society	946	1,044	1,990
Salmon Arm Museum and Heritage Association	31,856	16,000	47,856
Salmon Arm Rescue Unit	5,144	2,537	7,681
Scout Properties (BC/Yukon) Ltd.	1,369	1,348	2,717
Shuswap Area Family Emergency Society	3,668	2,478	6,146
Shuswap Association for Community Living	4,772	3,150	7,922
Shuswap Association for Rowing & Paddling	8,362	4,182	12,544
Shuswap Day Care Society	1,824	1,181	3,005
Shuswap District Art Council	9,034	3,812	12,846
Shuswap Family Resource and Referral Society	18,218	8,078	26,296
Shuswap Housing Society	9,644	6,688	16,332
Shuswap Recreation Society	16,002	7,987	23,989
Shuswap Theatre Society	4,931	2,053	6,984
SPCA (The British Columbia Society of the Prevention of Cruelty to Animals)	4,431	2,220	6,651

Tax Exemptions

Tax Exemptions Provided By Council For the Year Ended December 31, 2022

	Municipal Taxes	Other Taxes	Total Taxes
The Elks Recreation Children's Camp Society of BC	16,590	15,380	31,970
The Salvation Army Food Bank & Lighthouse Shelter	8,662	4,328	12,990
	<u>443,522</u>	<u>246,032</u>	<u>689,554</u>
3. Properties Used for Senior Recreation Purposes			
Senior Citizens Association of British Columbia - Branch 92 (Canoe)	3,685	1,792	5,477
Seniors' Fifth Avenue Activity Centre Association	10,252	5,100	15,352
	<u>13,937</u>	<u>6,892</u>	<u>20,829</u>
4. Properties Used for Recreation and Other Purposes			
City of Salmon Arm Leased Land (621/641 Ross Street NE)	5,021	2,108	7,129
Salmon Arm Curling Club	16,590	8,367	24,957
Salmon Arm Fish & Game Club	3,794	3,244	7,038
Salmon Arm Horseshoe Club	1,786	908	2,694
Salmon Arm Lawn Bowling Club	2,069	1,051	3,120
Salmon Arm Tennis Club	15,920	8,592	24,512
Shuswap Recreation Society	229,362	118,850	348,212
	<u>274,542</u>	<u>143,120</u>	<u>417,662</u>
Total Taxes Exempted by Council in 2022	<u>\$ 815,909</u>	<u>\$ 466,393</u>	<u>\$ 1,282,302</u>

* A portion is statutorily exempt.

Community Grants

The City of Salmon Arm supports voluntary non-profit organizations each year by allocating, through the Annual Budget process, a contribution to the Shuswap Community Foundation for distribution of cash grants within the community.

Summarized below is a listing of all grants awarded, both direct and indirect, through the City of Salmon Arm and the Shuswap Community Foundation.

Distributed Through the Shuswap Community Foundation

2021 Shuswap Music Festival	- Rental Costs	1,500
Columbia Shuswap Selkirks Swim Club Society	- Pool Rental Fees	900
Kamloops Symphony Society	- Concert Series in Salmon Arm	1,200
Play Shuswap	- Community Outreach	4,000
Rise Up	- One Heart, One Mind, One Drum	2,400
Salmon Arm & Shuswap Lake Agricultural Association	- Utilities and Grounds Maintenance	6,034
Salmon Arm Bay Nature Enhancement Society	- Hire Summer Student	3,400
Salmon Arm Minor Hockey Association	- Tournament Costs	5,000
Salmon Arm Museum & Heritage Association	- Dr. Mary Thomas Exhibit	6,828
Salmon Arm Secondary Dry Grad Committee	- Alcohol Free Event for Grads	750
Salmon Arm Sockeyes	- Pool Rental Fees	900
Shuswap Association for Community Living	- Utility Costs	3,300
Shuswap Association of Writers	- Young Writers Program	1,400
Shuswap District Arts Council	- WOW - Gazebo Rental	1,100
Shuswap Food Action Society	- Manager Wages	3,000
Shuswap String Orchestra Society	- Operating Costs	2,350
Shuswap Theatre Society	- Replace Curtains	2,600
Shuswap Youth Soccer Association	- Storage Container	3,750
Voice of the Shuswap Broadcast Society	- Antenna Space Rental	3,500
		<u>53,912</u>

Distributed Through the City of Salmon Arm

BC SPCA - Shuswap Branch	- Operating	12,000
Fletcher Park Seniors' Resource Centre	- Operating	23,444
S.A.F.E. Society	- Victims Assistance Program	27,000
Salmon Arm & Shuswap Lake Agricultural Association	- Lighting	39,046
Salmon Arm Citizens on Patrol Society	- Operating	5,000
Salmon Arm Downtown Improvement Association	- Community Day Cleanup	477
Salmon Arm Elks #455	- Park Maintenance	1,471
Salmon Arm Folk Music Society	- Operating	51,000
	- Temporary Use Permit Fee	937
Salmon Arm Lawn Bowling Club	- Greens Maintenance	16,464
Salmon Arm Museum and Heritage Association	- Building Insurance	4,660
	- Grounds Maintenance	1,349
Salmon Arm Secondary School	- Scholarship	500
Salmon Arm Senior Citizens' Association - Branch 109	- Landscaping Maintenance	4,511
School District No. 83	- Jackson Campus Grounds Maintenance	19,785
	- Jackson Campus Fieldhouse Maintenance	10,839
	- Safeway Fields Maintenance	5,101
Shuswap Community Foundation	- Endowment Fund	19,549
	- Unallocated Grant Funding	713
	- Operating	2,875
Shuswap District Art Council/Shuswap Art Gallery Assoc.	- Operating	43,430
	- Pride Festival	5,000
	- Building Maintenance	8,546
Shuswap Hut and Trail Alliance	- Operating	45,232
	- Shuswap Roundtable	1,500
South Canoe Firesmart	- Operating	500
		<u>350,930</u>

Total Contributions	404,842
Indirect Contributions	(73,665)
Direct Contributions	<u>331,178</u>

Funds Provided to Other Agencies

The City of Salmon Arm contracts with some outside agencies to provide services to the community.

		2022	2023 (Budget)
Funds Provided to Other Agencies			
Downtown Salmon Arm	- Operating	\$ 203,589	\$ 211,735
Economic Development Society	- Operating	316,048	335,000
Economic Development Society	- MRDT Program	320,909	237,600
Okanagan Regional Library	- Operating	766,363	802,770
Regional District (See Below)	- Operating	1,089,786	1,202,188
Salmon Arm Museum and Heritage Association	- Operating	142,892	154,000
Shuswap Watershed Council	- Operating	40,000	40,000
Shuswap Recreation Society - Little Mtn. Fieldhouse	- Operating	30,429	27,600
Shuswap Recreation Society - Memorial Arena	- Operating	1,765	3,400
Shuswap Recreation Society - Shaw Centre	- Operating	721,649	894,100
Shuswap Recreation Society - Shaw Centre	- Capital	194,689	464,900
Shuswap Recreation Society - Recreation Centre	- Operating	747,491	780,300
Shuswap Recreation Society - Recreation Centre	- Capital	94,396	385,130
		\$ 4,670,006	\$ 5,538,723
Regional District - (Detail)			
General Government		178,292	171,482
911 Emergency Telephone Service		48,367	56,030
Feasibility Reserve		21,169	7,958
Solid Waste - Recycling		252,423	335,557
Shuswap Search & Rescue		50,927	50,882
Shuswap Emergency Preparedness		133,883	147,594
Milfoil Control		118,753	118,685
Weed Control		4,071	4,134
Tourism Shuswap		137,133	150,323
Film Commission		9,326	9,361
Sterile Insect Control - Levy		54,915	56,890
Rail Trail Corridor		74,388	87,378
Sterile Insect Control - Parcel Tax		5,523	5,745
Adjustments		616	169
		\$ 1,089,786	\$ 1,202,188

Statement of Financial Information Approval For the Year Ended December 31, 2022

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



Chelsea Van de Cappelle
Chief Financial Officer
May 19, 2023



Alan Harrison
Mayor
May 19, 2023

Statement of Employee Remuneration and Expenses

For the Year Ended December 31, 2022

A statement showing the gross remuneration, bonuses, gratuities and expenses paid to each employee whose total remuneration exceeded \$75,000.00 during the Year 2022.

Name	Position	Remuneration	Expenses	Total
Adams, Kenneth	Mechanic	\$82,141	\$0	\$82,141
Arvay, Mervin	Utility Supervisor	95,499	758	96,257
Bux, Adam	Building Inspector III	82,819	692	83,511
Clarkson, Mary	Health, Safety & Human Resources Coordinator	80,544	677	81,221
Collens, Joseph	Mechanic	75,094	1,591	76,685
Frese, Hart	Chief Operator of Waste Water Treatment Plant	102,132	0	102,132
Gerow, Darin	Manager of Roads & Parks	105,193	774	105,967
Graham, Kirk	Supervisor of Roads & Transportation	94,199	0	94,199
Greencorn, Jamie	Roads & Transportation Sub Foreman	78,419	0	78,419
Hansen, Kevin	Supervisor of Parks & Facilities	93,994	1,978	95,972
Jackson, Erin	Chief Administration Officer	165,390	9,572	174,962
Kendall, Michelle	Accountant	76,539	0	76,539
Larson, Chris	Senior Planner	86,441	1,164	87,605
Lebeter, Gary	Deputy Fire Chief	93,018	1,874	94,892
Miller, Marcus	Operator III of Water Treatment Plant	81,769	1,459	83,228
Moore, Christopher	Engineering Assistant II	81,556	0	81,556
Niewenhuizen, Robert	Director of Engineering & Public Works	138,066	1,683	139,749
Patterson, Gregg	GIS Coordinator	83,226	994	84,220
Pearson, Kevin	Director of Development Services	117,305	1,164	118,469
Perepolkin, Tim	Capital Works Supervisor	91,991	392	92,383
Purves, Allan	Mechanic	83,378	0	83,378
Rasmuson, John	Manager of Utilities	106,169	934	107,103
Shirley, Brad	Fire Chief	119,461	3,064	122,525
Smyrl, Melinda	Planner III	81,279	1,323	82,602
Stalker, Doug	Operator III of Waste Water Treatment Plant	86,348	99	86,447
Struch, Donna	Building Inspector III	82,760	692	83,452
Tulak, Tracy	Manager Financial Services	102,925	1,235	104,160
Turley, Samuel	Carpenter II	77,534	0	77,534
Van De Cappelle, Chelsea	Chief Financial Officer	128,108	2,197	130,305
Webb, Rick	Chief Operator of Water Treatment Plant	98,108	407	98,515
Wilson, Jennifer	Service Delivery Management Coordinator	106,629	4,900	111,529
Wood, Susan	Director of Corporate Services	123,190	1,587	124,777
Employee Wages Over \$75,000		3,101,224	41,210	3,142,434
Employee Wages Under \$75,000		5,080,173	18,771	5,098,944
Volunteer Fire Department Wages		325,707	11,985	337,692
Total		\$ 8,507,104	\$ 71,966	\$ 8,579,070

Statement of Council Indemnities & Expenses

For the Year Ended December 31, 2022

A statement showing remuneration and expenses paid to each Elected Official during the Year 2022.

Name	Position	Remuneration	Expenses	Life & Health Benefit	Total
Harrison, Alan	Mayor/Councillor	\$ 70,171	\$ 6,085	\$ 2,732	\$ 78,988
Cannon, Debbie	Councillor	30,407	8,563	2,847	41,817
Eliason, Chad	Councillor	23,879	6,074	1,096	31,049
Flynn, Kevin	Councillor	30,485	8,559	2,732	41,776
Gonella, David	Councillor	6,669	2,570	-	9,239
Lavery, Timothy	Councillor	30,485	3,155	2,732	36,372
Lindgren, Sylvia	Councillor	30,292	8,368	2,732	41,392
Wallace-Richmond, Louise	Councillor	30,485	8,525	2,732	41,742
Total		<u>\$ 252,873</u>	<u>\$ 51,899</u>	<u>\$ 17,603</u>	<u>\$ 322,375</u>

Reconciliation of Remuneration

For the Year Ended December 31, 2022

A reconciliation of the difference between wages and benefits listed on the Consolidated Financial Statements and the total remuneration and expenses listed.

Description	Amount
Employee Remuneration and Expenses	\$ 8,579,070
Council Indemnity and Expenses	322,375
Revenue Canada Agency (Employers CPP and EI)	501,137
Pension	623,409
Workers' Compensation	163,502
Employer Health Tax	125,789
Other (including accrual versus cash basis and labour capitalized)	<u>187,645</u>
Wages and Benefits Per Financial Statements	<u>\$ 10,502,927</u>

For the Year Ended December 31, 2022

A statement of supplier accounts paid \$25,000 or more during the Year 2022.

Name	Amount
1261694 BC Ltd	\$ 85,713
478868 BC Ltd. a/o McDiarmid Construction	681,209
A & D Asphalt Solutions	115,629
All Phase Electric Ltd.	80,903
Alumichem Canada Inc.	135,779
Andrew Sheret Limited	25,749
ASI Group Ltd.	29,243
Associated Engineering (BC) Limited	54,027
BC - Employer Health Tax	125,789
BC Hydro & Power Authority	1,003,950
BC Transit	643,271
Bernd Hermanski Architect Inc.	25,738
Black Press Group Ltd.	40,307
Blackburn Excavating Ltd.	352,488
Braby Motors Ltd.	131,132
Canadian Pacific Railway Company	1,157,114
Canadian Ramp Company	39,490
Canoe Procurement Group of Canada	368,133
CB Process Instrumentation & Controls	38,576
Centralsquare Canada Software Inc.	53,024
Centrix Control Solutions LP.	87,729
Chance's Bulk Unloading Ltd.	137,403
City Electric Supply Corporation	27,059
Clear Tech Industries Inc.	36,162
Columbia Shuswap Regional District	228,667
Commissionaires BC	33,393
Comtex Micro Systems Inc.	35,833
D Webb Contracting Ltd.	128,001
Digital Postage On Call	36,750
East West Transportation (2000) Corp.	80,365
Electric Motor and Pump Service Ltd.	73,811
EMCO Waterworks	63,925
ESRI Canada	37,251
Fletcher Paine Associates Ltd.	34,082
Fort Garry Industries	246,404
Fortis BC - Natural Gas	130,259
Fountain Tire	28,513
Fraser Basin Council	40,000
Fred Surridge Ltd.	103,663
Fulton & Company LLP	38,296
General Assembly Excavating (1994) Ltd.	122,259
Great West Equipment	308,637
Grizzly Curb & Concrete Ltd.	74,524
Group Health Global - Trust	522,654
Hack Sales & Service Canada LP.	44,087

Statement of Payments Made for the Provision of Goods and Services - Continued

For the Year Ended December 31, 2022

Name	Amount
Home Building Centre	\$ 29,404
ICBC	95,990
Inskip Electric Ltd.	29,473
ISL Engineering and Land Services Ltd.	112,713
Kendrick Equipment (2003) Ltd.	220,641
Kimco Controls Ltd.	117,882
Kingston Construction Ltd.	9,577,547
KS2 Management Ltd.	59,760
Landmark Solutions Ltd.	366,519
Larratt Aquatic Consulting Ltd.	26,962
Line West Ltd.	46,681
Little Projects Ltd.	175,661
Lordco Parts Ltd.	46,776
MADA Contracting	120,945
Mearl's Machine Works Ltd.	37,238
Metro Motors Ltd.	125,399
Milestone Fabrication Ltd.	41,989
Minister of Finance	39,669
Mountain Side Earthworks Ltd.	145,188
Municipal Insurance Association of BC	374,901
Municipal Pension Plan - Employers Portion	623,409
Okanagan Aggregates Ltd.	1,475,361
Okanagan Traffic Control Inc.	28,364
Onsite Engineering Ltd.	31,125
Petrovalue Products Canada Inc.	533,651
R.F. Binnie & Associates Ltd.	1,238,147
Ramtech Environmental Products	40,318
Receiver General for Canada	3,770,402
Receiver General for Canada - Employers CPP and EI	501,137
Rite-Way Fencing Inc.	58,468
Rocky Mountain Phoenix	1,513,027
Salmon Arm Economic Development Society	630,863
Salmon Arm GM	41,173
Salmon Arm Gravel Products Ltd.	29,606
Salmon Arm Janitorial Ltd.	112,698
Salmon Arm Museum & Heritage Association	142,892
Salmon Arm Ready Mix Ltd.	33,260
Salmon Arm Security Inc.	60,124
Savoy Equipment	45,936
SCV Contractors	748,530
Sealtec Industries Ltd.	36,270
Shaw Business A Division of Shaw Telecom GP	43,280
Shaws Enterprises Ltd.	33,626
Shuswap Hut and Trail Alliance	32,534
Shuswap Recreation Society	765,167
SkySail Technologies	250,852

Statement of Payments Made for the Provision of Goods and Services - Continued

For the Year Ended December 31, 2022

Name	Amount
Standard Roofing (2016) Ltd.	\$ 45,695
Stewart McDannold Stuart Barristers & Solicitors	30,524
Sybertech Waste Reduction Ltd.	39,848
Telus Communications and Services Ltd.	41,632
Urban Systems Ltd.	119,734
W.H. Laird Holdings Ltd.	51,341
Waterhouse Environmental Services Corporation	129,224
Wayside Press Ltd./Wayside Express	26,641
Western Road Distribution Inc.	74,235
Wolseley Canada Inc.	118,684
Work Truck West a Division of West Coast	37,925
Worksafe BC	163,502
WSP Canada Group Limited	194,285
Zappone Aggregate Processors	40,250
Supplier Accounts Over \$25,000	33,612,067
Supplier Accounts Under \$25,000	1,918,313
Total	<u>\$ 35,530,380</u>

Reconciliation of Payments Made for the Provision of Remuneration, Expenses, Goods and Services

For the Year Ended December 31, 2022

A reconciliation showing the gross remuneration and expenses paid to employees and suppliers during the year 2022, compared to total expenses on the Consolidated Financial Statements.

Description	Amount
Employee Remuneration and Expenses	\$ 8,579,070
Council Indemnity and Expenses	322,375
Payments Made for the Provision of Goods and Services	35,530,380
Direct Grants or Contributions	331,178
Total Disbursements	44,763,003
Total Expenses Per Financial Statements	35,194,678
Difference	9,568,325
Amortization, Not a Cash Expense	8,608,968
Capital Purchases, Not Included in Expenses on Financial Statements	(19,221,356)
Interest on Long-Term Debt, Not Included in Payments to Suppliers	1,285,789
Increase in Accounts Payable (Net of Taxes Payable)	145,817
Variance (1.1%)	\$ 387,543

The variance occurs for the following reasons:

- The financial statements are prepared on an accrual basis and this report is on a cash basis
- GST is included in the payments made to suppliers, but is net of rebate in the financial statement total

Statement of Guarantee and Indemnity Agreements

The City of Salmon Arm has one (1) guarantee and indemnity agreement, outlined below.

The City has entered into an agreement to act as a loan guarantor to assist the Salmon Arm Tennis Club in the financing of an Indoor Tennis Facility at 3440 Okanagan Avenue SE, Salmon Arm, BC. The outstanding balance at December 31, 2022 was \$729,929 (2021 - \$746,949). The loan bears interest at 4.47% (2021 - 4.47%) repayable in monthly instalments of \$4,156. The loan has a term of 25 years and is secured by the assets of the Tennis Club and an indemnity agreement from the City.

Statement of Severance Agreements

There was one (1) severance agreement under which payment commenced between the City of Salmon Arm and its non-unionized employees during the fiscal year 2022. This agreement represents 8 weeks of salary and benefits.





Financial Statistics

- Page 49
 - Reporting Expenses by Function
 - Reporting Expenses by Object
- Page 50
 - Revenues by Source and Type
- Page 51
 - Taxable Assessments of Land and Improvements
 - Assessment Base by Property Class (General Net Taxable Values)
- Page 52
 - Revenue Sources Sorted by Category
 - General Municipal Taxes as a Percentage of Operating Revenue
- Page 53
 - Taxes Levied and Collected
 - 2022 Taxes by Jurisdiction
- Page 54
 - Taxation Collection Rates
 - General Municipal Tax Rates
- Page 55
 - Debenture Debt
- Page 56
 - Debt Servicing Costs
 - Debt Per Capita
 - Debt Capacity Limits
- Page 57
 - Statutory Reserve Funds and Statement of Surplus
- Page 59
 - Capital Expenses and Funding Sources
- Page 60
 - Principal Corporate Taxpayers and Percentage of Total Taxes 2022
- Page 61
 - New Construction
 - Number of Full Time Employees

Reporting Expenses by Function

Expenses by Function	2022	2021	2020	2019	2018
General Government Services	\$ 5,373,222	\$ 5,700,081	\$ 5,171,196	\$ 4,932,640	\$ 5,097,173
Protective Services	6,044,078	6,118,831	5,342,258	5,096,792	4,991,552
Transportation Services	10,690,169	9,695,360	9,436,810	9,319,785	9,769,223
Public Health Services	1,216,306	1,183,841	1,245,794	1,417,534	1,059,210
Development Services	1,470,031	1,422,508	1,269,852	1,304,274	1,293,887
Recreation and Cultural Services	4,102,886	3,712,276	3,311,274	3,274,365	3,295,417
Water Services	3,542,743	3,677,488	3,378,392	3,481,768	3,352,792
Sewer Services	2,755,243	2,799,791	2,583,576	2,493,051	2,400,550
	<u>\$35,194,677</u>	<u>\$ 34,310,176</u>	<u>\$ 31,739,152</u>	<u>\$ 31,320,209</u>	<u>\$ 31,259,804</u>

This table reflects total City expenses by function. For example, the City spent approximately \$10.7 million on transportation services, such as roads and infrastructure, as opposed to approximately \$6.0 million on protective services.

Reporting Expenses by Object

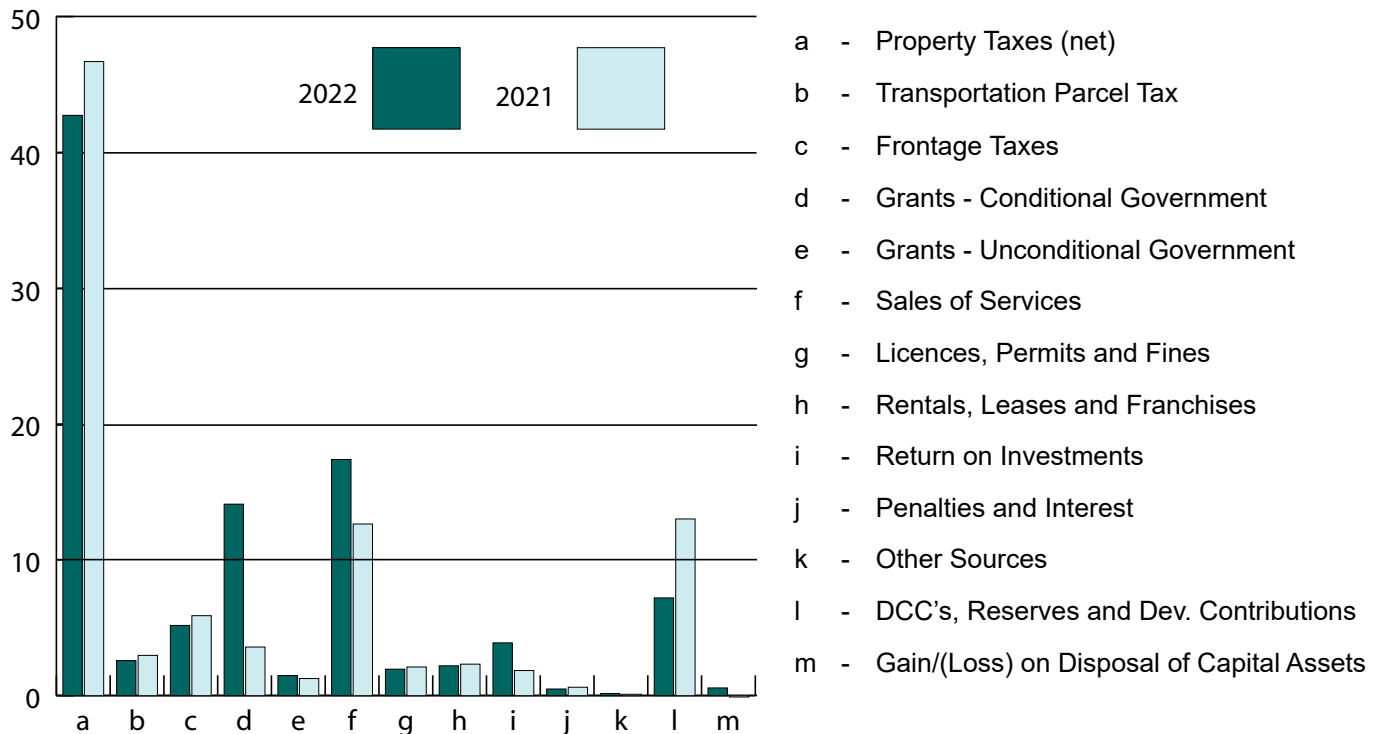
Expenses by Object	2022	2021	2020	2019	2018
Amortization Expense	\$ 8,608,968	\$ 8,196,572	\$ 7,897,010	\$ 7,651,127	\$ 7,545,346
Collections for Other Governments	12,626	12,553	9,660	11,336	10,553
Community Grants	276,671	744,318	471,069	347,188	434,683
Contracts	7,109,856	7,104,560	6,491,767	6,410,890	6,159,480
Insurance	479,306	450,562	461,484	450,487	418,674
Interest and Debt Issuance Expense	1,285,789	1,264,431	1,321,824	1,407,574	1,463,291
Operating Expenses	2,545,305	2,114,271	1,831,490	1,775,578	1,948,781
Professional and Legal Fees	110,461	73,321	66,633	56,966	85,523
Repairs and Maintenance	3,242,563	2,786,974	2,616,415	2,636,338	2,895,042
Salaries, Wages and Benefits	10,502,926	10,468,937	9,529,379	9,494,136	9,208,314
Utilities and Property Taxes	1,020,207	1,093,677	1,042,421	1,078,589	1,090,117
	<u>\$ 35,194,678</u>	<u>\$ 34,310,176</u>	<u>\$ 31,739,152</u>	<u>\$ 31,320,209</u>	<u>\$ 31,259,804</u>

This table reflects total City expenses allocated by component within each City function. In 2022, of the total \$35.2 million expenses, the City spent \$1.3 million on interest and debt issuance expenses.

Revenues by Source and Type

Revenue Sources	2022	2021	2020	2019	2018
Property Taxes (net)	\$ 20,391,047	\$ 19,306,833	\$ 18,977,526	\$ 18,625,597	\$ 17,678,316
Transportation Parcel Tax	1,234,350	1,226,250	1,210,200	1,196,430	948,120
Frontage Taxes	2,470,163	2,438,988	2,422,956	2,395,891	2,378,976
Grants - Conditional Government	6,730,772	1,484,081	1,320,197	1,556,588	1,822,514
Grants - Unconditional Government	709,591	525,061	4,084,614	475,601	481,788
Sales of Services	8,301,926	8,124,053	7,135,252	7,343,176	7,253,244
Licences, Permits and Fines	930,887	876,199	834,915	842,439	949,856
Rentals, Leases and Franchises	1,056,610	961,933	1,022,172	1,066,107	1,023,997
Return on Investments	1,858,524	769,013	1,053,431	1,777,816	1,516,192
Penalties and Interest	235,473	256,844	170,626	198,527	198,944
Other Sources	75,615	42,964	66,786	62,888	65,656
DCCs, Reserves and Developer Contributions	3,451,779	5,381,703	616,619	2,233,115	2,875,908
Gain/(Loss) on Disposal of Capital Assets	272,535	(44,173)	2,617	245,571	(17,525)
	\$ 47,719,272	\$ 41,349,749	\$ 38,917,911	\$ 38,019,746	\$ 37,175,986

This table reflects the City’s various revenue streams. In 2022, the City saw a decrease in Developer Contributions of \$1.9 million, trending down from a rapid rise in 2021.



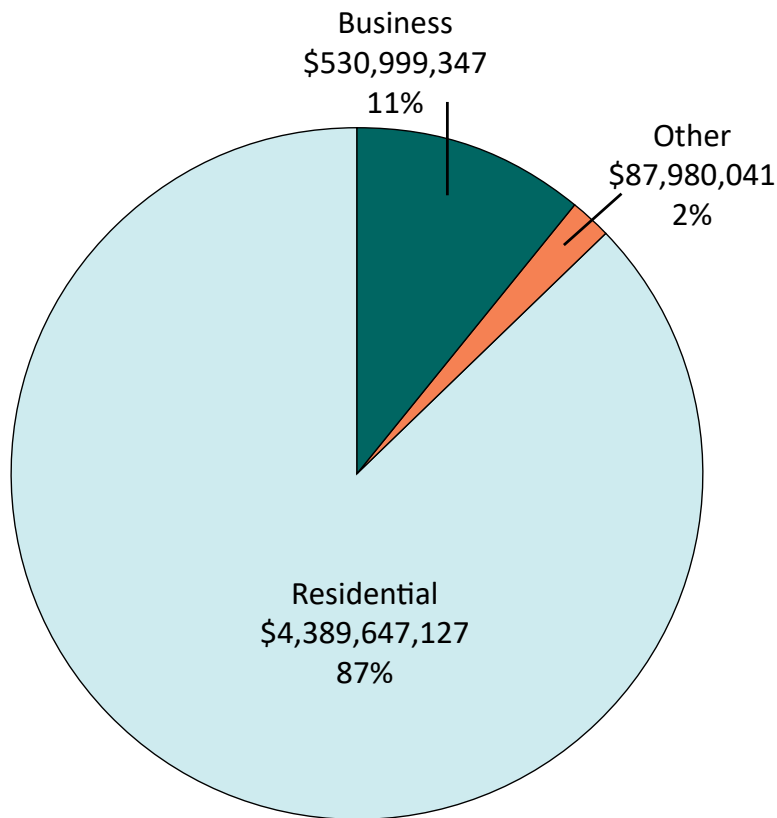
This graph reflects the percentage of the City’s various revenue streams to total revenue collected. In 2022, the City saw a decrease in Developer Contributions and a significant increase in Conditional Government Grants.

Taxable Assessments of Land and Improvements

Property Classifications	2022	2021	2020	2019	2018
Residential	\$ 4,389,647,127	\$ 3,306,334,994	\$ 3,162,771,292	\$ 3,055,539,749	\$ 2,806,511,479
Utilities	6,825,385	6,650,785	6,498,725	5,886,730	5,537,180
Supportive Housing	-	-	56	56	56
Major Industry	8,404,700	8,007,200	7,884,500	7,883,500	7,392,500
Light Industry	51,539,200	42,419,000	43,282,000	36,930,100	33,390,500
Business	530,999,347	468,788,661	471,228,150	444,465,459	422,137,150
Managed Forest Land	234,400	38,700	38,500	322,000	29,500
Recreation Non-Profit	12,067,000	9,832,600	8,011,000	7,344,300	7,011,600
Farm	8,909,356	8,784,593	8,761,326	8,749,307	8,770,004
	<u>\$ 5,008,626,515</u>	<u>\$ 3,850,856,533</u>	<u>\$ 3,708,475,549</u>	<u>\$ 3,567,121,201</u>	<u>\$ 3,290,779,969</u>

This table reflects the City's assessment base by property class for the past five (5) years.

Assessment Base by Property Class (General Net Taxable Values)



Class	Assessed Value	% of Total
Residential	\$ 4,389,647,127	87
Business	530,999,347	11
Other	87,980,041	2
	<u>\$ 5,008,626,515</u>	<u>100</u>

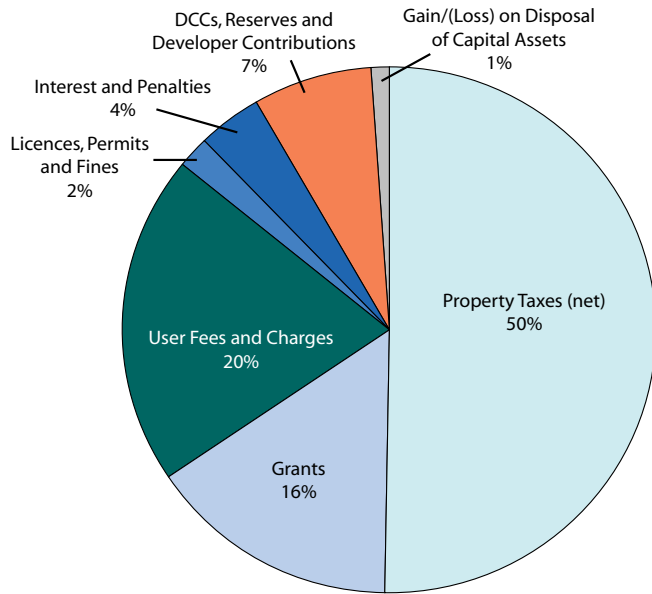
Other Includes:

Utilities	\$ 6,825,385
Supportive Housing	-
Major Industry	8,404,700
Light Industry	51,539,200
Managed Forest Land	234,400
Recreation Non Profit	12,067,000
Farm	8,909,356
	<u>\$ 87,980,041</u>

This graph reflects that 87% of the assessment base in Salmon Arm is residential. Typically, business and industry provide the assessment base that is required to financially support services.

Revenue Sources Sorted by Category

Revenue	2022	2021	2020	2019	2018
Property Taxes (net)	\$ 24,095,560	\$ 22,972,071	\$ 22,610,682	\$ 22,217,918	\$ 21,005,412
Grants	7,440,363	2,009,142	5,404,811	2,032,189	2,304,302
User Fees and Charges	9,434,151	9,128,950	8,224,210	8,472,171	8,342,897
Licences, Permits and Fines	930,887	876,199	834,915	842,439	949,856
Interest and Penalties	2,093,997	1,025,857	1,224,057	1,976,343	1,715,136
DCCs, Reserves and Developer Contributions	3,451,779	5,381,703	616,619	2,233,115	2,875,908
Gain/(Loss) on Disposal of Capital Assets	272,535	(44,173)	2,617	245,571	(17,525)
	\$ 47,719,272	\$ 41,349,749	\$ 38,917,911	\$ 38,019,746	\$ 37,175,986



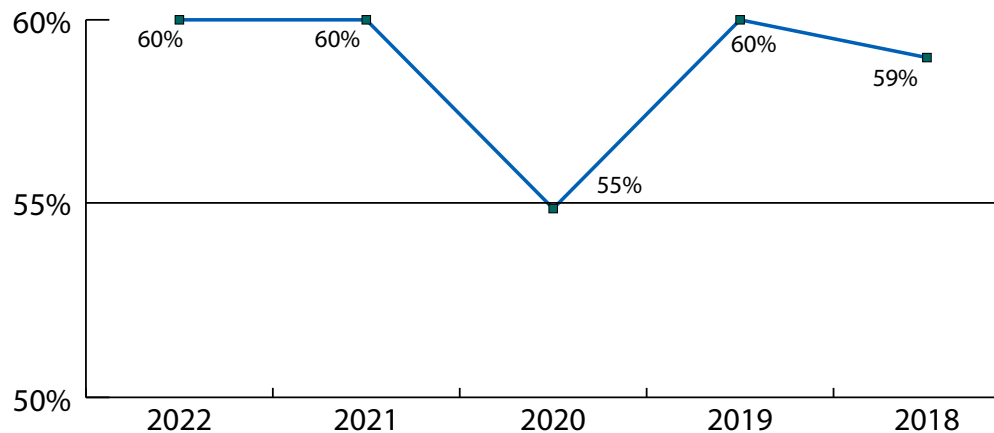
This table reflects the City's various revenue streams sorted by category. The City collected approximately \$9.4 million in user fees and charges for services such as rentals, parking and transit levies, airport fuel and oil sales, water and sewer user rates, and sanitation and recycling fees, etc.

This graph reflects the percentage of each revenue source by category.

General Municipal Taxes as a Percentage of Operating Revenue

Year	Tax Revenue	Total Revenue	% of Revenue
2018	17,318,313	29,444,196	59%
2019	18,242,112	30,479,863	60%
2020	18,603,542	33,729,265	55%
2021	18,934,889	31,410,125	60%
2022	20,034,082	33,565,856	60%

This table and graph reflects that in 2022, 60% of the City's general operating revenue to finance services was funded by property taxation.

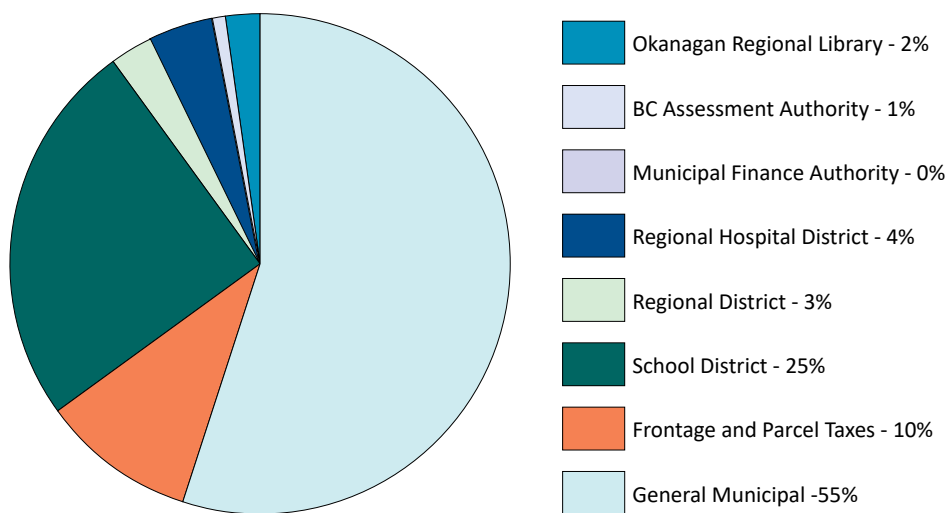


Taxes Levied and Collected

Jurisdictions	2022	2021	2020	2019	2018
General Municipal	\$ 20,594,644	\$ 19,503,113	\$ 19,167,197	\$ 18,806,903	\$ 17,859,388
Frontage and Parcel Taxes	3,704,513	3,665,239	3,633,156	3,592,321	3,327,095
School District	9,345,759	8,895,657	7,332,380	8,166,378	8,045,387
Regional District	1,089,890	1,071,237	1,085,978	1,017,339	990,458
Regional Hospital District	1,533,201	1,549,289	1,536,753	1,240,110	996,794
Municipal Finance Authority	1,194	939	909	870	807
BC Assessment Authority	227,175	207,241	203,925	183,537	182,069
Okanagan Regional Library	766,274	756,217	764,703	757,311	712,274
	<u>37,262,651</u>	<u>35,648,932</u>	<u>33,725,001</u>	<u>33,764,769</u>	<u>32,114,272</u>
Total Current Taxes Levied	37,262,651	35,648,932	33,725,001	33,764,769	32,114,272
Current Taxes Collected	36,707,426	35,246,100	33,166,049	33,146,109	31,590,902
Percentage Collected	98.51%	98.87%	98.34%	98.17%	98.37%
Outstanding at Beginning of Year	551,879	842,201	822,856	765,568	999,677
Arrears/Delinquent Collected	410,977	693,153	539,607	561,373	757,479
Percentage Collected	74.47%	82.30%	65.58%	73.33%	75.77%
Total Tax Collections	<u>\$ 37,118,403</u>	<u>\$ 35,939,253</u>	<u>\$ 33,705,656</u>	<u>\$ 33,707,482</u>	<u>\$ 32,348,381</u>

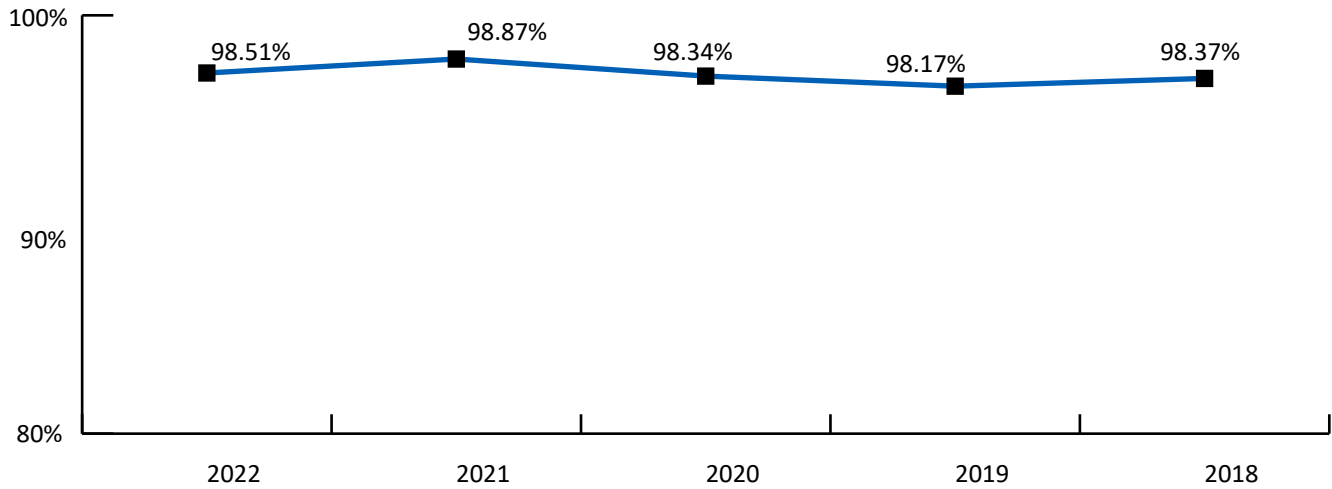
This table reflects the amount of taxes collected for general municipal purposes and for other jurisdictions (i.e. School District, Regional District, etc). The table also outlines the City's property taxation collection rates.

2022 Taxes by Jurisdiction



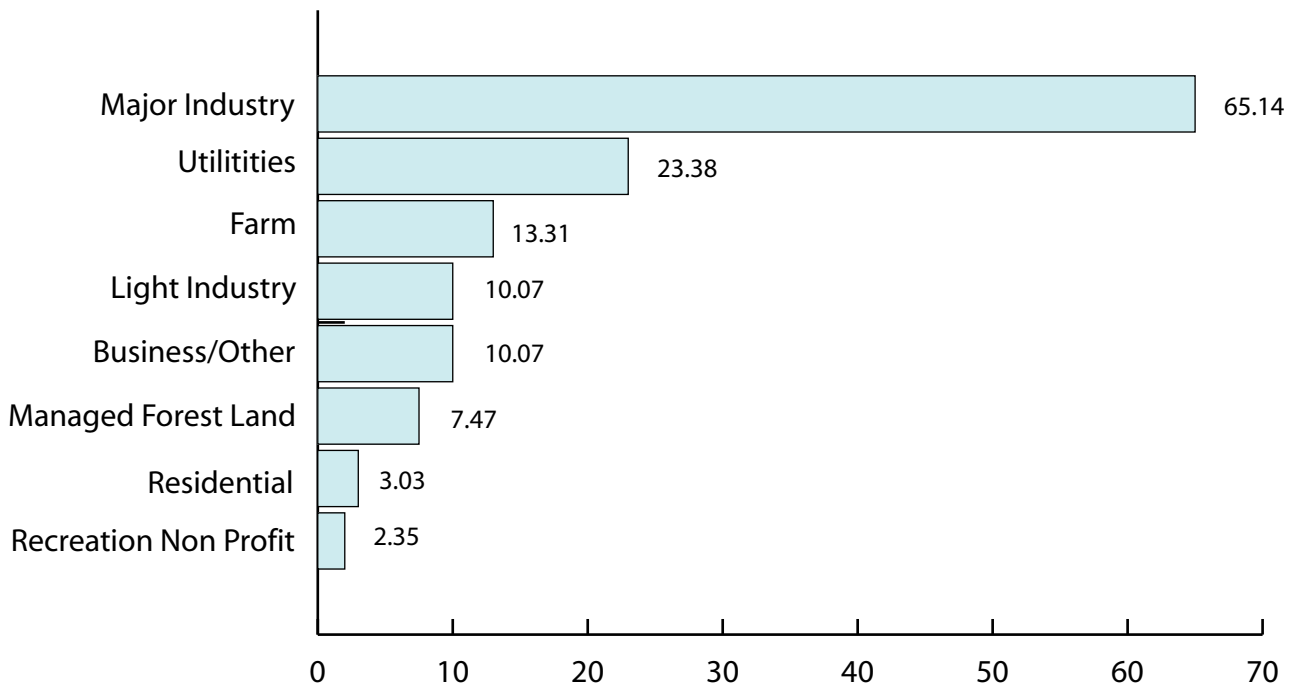
This graph reflects that of the total tax dollars (\$37.1 million) levied in 2022 by the City and other jurisdictions, only 55% (\$20.6 million) was for municipal services such as police, fire, roads, etc. and the remainder was for other jurisdictions.

Taxation Collection Rates



This graph reflects the percentage of property taxes collected in the year that the tax was levied.

General Municipal Tax Rates

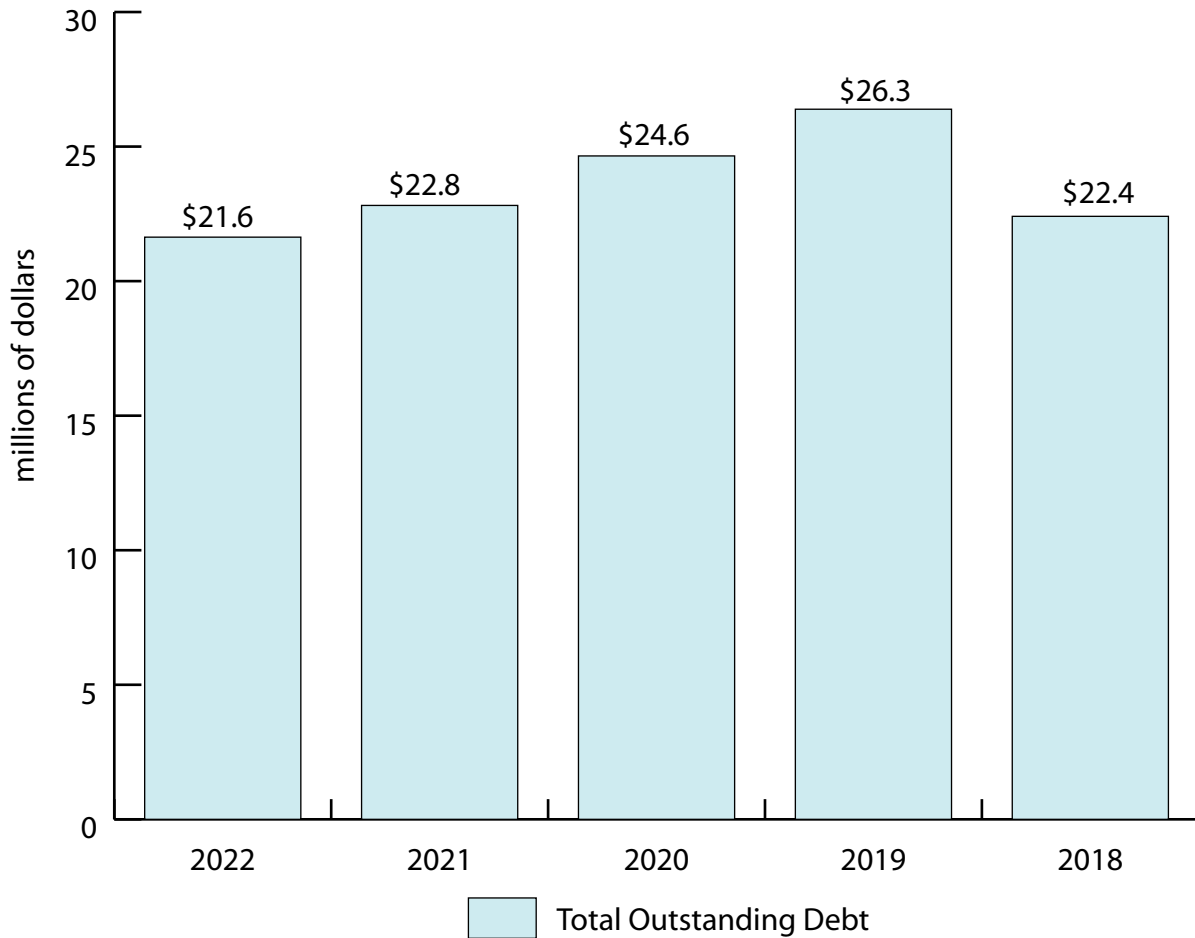


This graph reflects the tax rates that are charged on each \$1,000 of assessed property value for each classification of the property.

Debenture Debt

Gross Debt	2022	2021	2020	2019	2018
General	\$ 14,971,725	\$ 15,354,901	\$ 16,238,071	\$ 17,058,401	\$ 12,123,767
Water	5,137,851	5,645,712	6,326,782	6,979,375	7,681,876
Sewer	1,524,782	1,812,492	2,087,581	2,350,614	2,602,130
Total Outstanding Debt	<u>\$ 21,634,358</u>	<u>\$ 22,813,105</u>	<u>\$ 24,652,434</u>	<u>\$ 26,388,390</u>	<u>\$ 22,407,773</u>

This table and graph reflects the long term debt outstanding at the end of each of the last five (5) years.



Debt Servicing Costs

Repayment Sources	2022	2021	2020	2019	2018
Property Tax Supported	\$ 1,502,602	\$ 1,479,865	\$ 1,454,369	\$ 1,585,159	\$ 1,471,006
Water Utility	722,522	723,783	756,957	821,157	878,855
Sewer Utility	264,943	264,943	264,943	264,943	263,116
Parks DCC Reserve	-	-	-	-	-
Total Debt Servicing Costs	<u>\$ 2,490,066</u>	<u>\$ 2,468,591</u>	<u>\$ 2,476,269</u>	<u>\$ 2,671,259</u>	<u>\$ 2,612,977</u>
Population	20,103	19,825	19,296	19,115	19,299
Net Debt Per Capita	<u>\$ 1,076</u>	<u>\$ 1,151</u>	<u>\$ 1,278</u>	<u>\$ 1,381</u>	<u>\$ 1,161</u>
Debt Service as a % of Total Expenses	4.5%	5.0%	6.7%	6.6%	6.4%
Debt Service as a % of Operating Expenses	6.2%	6.4%	5.5%	7.5%	7.3%
# of Households	8,283	8,203	8,090	7,992	7,868
Net Debt Per Household	<u>\$ 2,612</u>	<u>\$ 2,781</u>	<u>\$ 3,047</u>	<u>\$ 3,302</u>	<u>\$ 2,848</u>

Debt Per Capita



This graph reflects the equated amount of outstanding debt per individual and per household within the City.

Debt Capacity Limits

Debt Servicing	2022	2021	2020	2019	2018	2017
Debt Servicing Limit	\$ 9,061,981	\$ 8,399,567	\$ 9,026,232	\$ 8,203,394	\$ 7,862,687	\$ 7,484,112
Debt Servicing Capacity Available	<u>\$ 6,318,814</u>	<u>\$ 5,866,590</u>	<u>\$ 5,635,095</u>	<u>\$ 5,423,409</u>	<u>\$ 5,286,026</u>	<u>\$ 4,483,017</u>

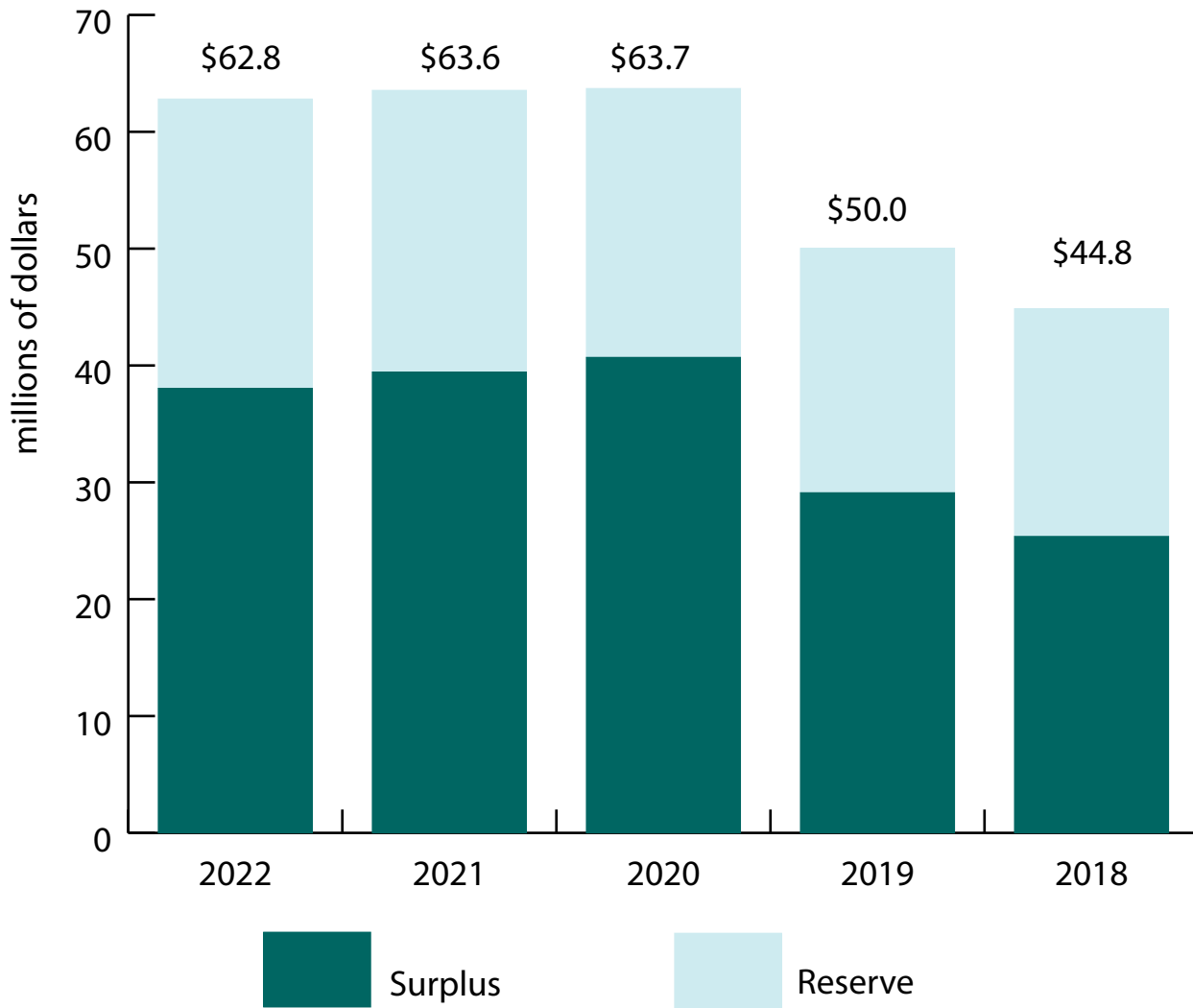
This table reflects the maximum debt servicing capacity as well as the remaining borrowing power available to the City to fund capital projects.

Statutory Reserve Funds and Statement of Surplus

Reserves and Surplus	2022	2021	2020	2019	2018	2017
Statutory Reserve Funds, Development Cost Charges and Trust Funds						
Development Cost Charge - Sewer	\$ 3,809,505	\$ 3,610,394	\$ 3,314,914	\$ 2,967,762	\$ 2,927,217	\$ 2,657,873
Development Cost Charge - Water	4,160,567	3,826,665	3,481,274	3,162,130	2,756,431	2,793,733
Development Cost Charge - Drainage	2,216,604	2,080,540	1,940,799	1,791,915	1,615,386	1,501,195
Development Cost Charge - Parks	693,356	623,478	569,644	492,192	454,197	369,989
Development Cost Charge - Highways	2,196,922	2,034,248	1,851,290	1,664,852	1,448,922	1,365,614
Development Cost Charge - Underpass	-	-	87,380	86,630	85,056	83,680
Perpetual Care	475,474	438,521	410,933	387,207	356,655	341,520
Klahani Playground Equipment	4,426	4,340	4,332	4,295	4,217	4,149
Equipment Replacement	1,959,917	2,287,724	2,355,022	2,344,411	3,060,492	2,729,561
General Capital	1,068,153	649,779	667,153	568,746	332,733	429,334
Fire Department Building and Equipment	520,651	460,729	297,267	288,243	258,244	229,244
Emergency Apparatus	468,587	1,750,812	1,532,834	1,201,942	857,631	1,239,139
Police Vehicle Replacement	247,919	242,976	261,525	250,685	186,698	291,449
Landfill Site Repurchase	233,288	228,765	228,350	226,392	222,280	218,681
Cemetery Development	164,677	161,484	159,713	158,344	155,468	152,951
Sewer Major Maintenance	3,351,893	3,071,166	3,190,372	2,988,432	2,626,147	2,389,080
Water Major Maintenance	1,637,688	1,357,518	1,311,066	1,038,710	872,132	759,631
Community Centre Major Maintenance	952,655	803,391	727,048	686,116	685,450	644,570
Cemetery Columbarium	75,527	74,063	73,929	73,295	71,964	70,799
Parks Development	517,529	474,014	543,382	536,643	509,358	501,110
	<u>\$ 24,755,338</u>	<u>\$ 24,180,607</u>	<u>\$ 23,008,227</u>	<u>\$ 20,918,942</u>	<u>\$ 19,486,678</u>	<u>\$ 18,773,302</u>
Statement of Operating Surplus						
General Operating Fund - Surplus	\$ 32,141,002	\$ 33,450,581	\$ 34,609,375	\$ 23,440,337	\$ 20,485,557	\$ 18,455,003
Water Operating Fund - Surplus	2,589,247	2,668,521	2,731,215	2,508,966	2,099,122	1,823,281
Sewer Operating Fund - Surplus	3,317,811	3,319,463	3,355,897	3,161,160	2,789,530	2,461,214
	<u>\$ 38,048,060</u>	<u>\$ 39,438,565</u>	<u>\$ 40,696,487</u>	<u>\$ 29,110,463</u>	<u>\$ 25,374,209</u>	<u>\$ 22,739,498</u>
Total Reserves and Operating Surpluses	<u>\$ 62,803,398</u>	<u>\$ 63,619,172</u>	<u>\$ 63,704,714</u>	<u>\$ 50,029,405</u>	<u>\$ 44,860,887</u>	<u>\$ 41,512,800</u>
Statement of Annual and Accumulated Surplus						
Accumulated Surplus, Beginning of Year	\$ 258,060,410	\$ 251,020,837	\$ 243,842,078	\$ 237,142,541	\$ 226,770,637	\$ 221,025,217
Annual Surplus	12,524,594	7,039,573	7,178,759	6,699,537	5,916,182	5,745,420
Prior Period Adjustment	-	-	-	-	4,455,722	-
Accumulated Surplus, End of Year	<u>\$ 270,585,004</u>	<u>\$ 258,060,410</u>	<u>\$ 251,020,837</u>	<u>\$ 243,842,078</u>	<u>\$ 237,142,541</u>	<u>\$ 226,770,637</u>
Statement of Annual and Accumulated Surplus (Detail)						
Statutory Reserves	\$ 11,198,482	\$ 11,562,421	\$ 11,347,661	\$ 10,361,959	\$ 9,838,596	\$ 9,655,550
Unexpended Capital Reserves	3,265,301	2,049,209	2,915,736	7,250,477	2,376,488	2,349,841
Surplus	3,786,660	3,683,618	3,762,162	2,952,461	2,637,962	2,257,745
Reserve Accounts	34,261,397	35,754,947	36,934,325	26,607,615	23,298,907	20,481,753
Equity in Capital Assets	218,073,165	205,010,215	196,060,953	196,669,566	198,990,588	192,025,748
	<u>\$ 270,585,004</u>	<u>\$ 258,060,410</u>	<u>\$ 251,020,837</u>	<u>\$ 243,842,078</u>	<u>\$ 237,142,541</u>	<u>\$ 226,770,637</u>
Net Financial Debt (Detail)						
Financial Assets	\$ 81,654,845	\$ 85,404,697	\$ 83,699,354	\$ 71,830,421	\$ 62,392,594	\$ 56,955,032
Financial Liabilities	(51,480,336)	(56,205,752)	(54,209,320)	(51,744,822)	(47,579,034)	(46,146,068)
Net Financial Assets	30,174,509	29,198,945	29,490,034	20,085,599	14,813,560	10,808,964
Non-Financial Assets	240,410,495	228,861,465	221,530,803	223,756,479	222,328,981	215,961,673
Accumulated Surplus, End of Year	<u>\$ 270,585,004</u>	<u>\$ 258,060,410</u>	<u>\$ 251,020,837</u>	<u>\$ 243,842,078</u>	<u>\$ 237,142,541</u>	<u>\$ 226,770,637</u>

This table reflects the balance in reserves that have been established by the City for future works, replacement of equipment (i.e. fire, police, public works, etc.), etc. It should be noted that a portion of the City's accumulated operating surplus is committed to undertake specific projects where an annual contribution is required before the works can be completed.

Statutory Reserve Funds and Statement of Surplus



This graph reflects the balance in the reserves and accumulated operating surpluses over the past five (5) years.

Capital Expenses and Funding Sources

Capital Expenditure Categories	2022	2021	2020	2019	2018
Capital Expenditures					
Civic Facilities & Services	\$ 127,976	\$ 232,178	\$ 9,701	\$ 846,752	\$ 711,262
Airport Services	13,224	154,198	419,851	448,558	217,209
Cemetery Services	15,281	33,251	-	-	23,717
Roads	13,211,952	7,865,631	1,918,276	4,161,599	2,760,056
Drainage	412,210	1,001,571	125,505	146,485	1,035,549
Sidewalks, Curbs and Gutters	530,869	570,775	297,974	67,381	355,642
Machinery and Equipment (Transportation)	1,043,817	829,610	499,638	1,559,998	260,406
Other (Transportation)	541,305	229,303	76,971	129,564	47,858
Fire Protection Services	76,833	51,623	65,088	18,509	30,967
Protective Services	47,460	338,198	3,676	131,240	87,910
Vehicles (Fire & Police)	1,654,514	133,881	51,328	-	840,402
Parks and Recreations Services	844,487	906,268	810,887	492,929	439,842
Water Utility	1,232,366	1,277,743	919,665	880,825	1,615,278
Sewer Utility	753,831	1,837,651	279,171	393,943	1,392,869
	<u>\$ 20,506,125</u>	<u>\$ 15,461,881</u>	<u>\$ 5,477,731</u>	<u>\$ 9,277,783</u>	<u>\$ 9,818,967</u>
Sources of Funds					
Tax Levy (Revenue)	\$ 3,772,830	\$ 3,818,395	\$ 3,556,982	\$ 2,639,151	\$ 2,758,716
Prior Year Surplus	63,570	56,792	-	75,000	193,208
Grants	6,100,143	635,378	689,260	963,611	1,146,966
Reserve Accounts	4,939,510	3,778,604	1,157,962	814,890	745,286
Reserve Funds	2,963,102	1,351,811	585,328	1,439,472	2,355,861
Contributions (DCC, Developer, Donation etc.)	3,229,110	5,445,984	414,083	2,324,870	1,887,042
Debt	730,000	-	-	6,092,000	835,000
Carry Forward - Expended	1,563,485	2,144,048	1,285,220	1,966,524	1,725,216
Carry Forward - Unexpended	(2,855,625)	(1,769,131)	(2,211,104)	(7,037,735)	(1,828,328)
	<u>\$ 20,506,125</u>	<u>\$ 15,461,881</u>	<u>\$ 5,477,731</u>	<u>\$ 9,277,783</u>	<u>\$ 9,818,967</u>

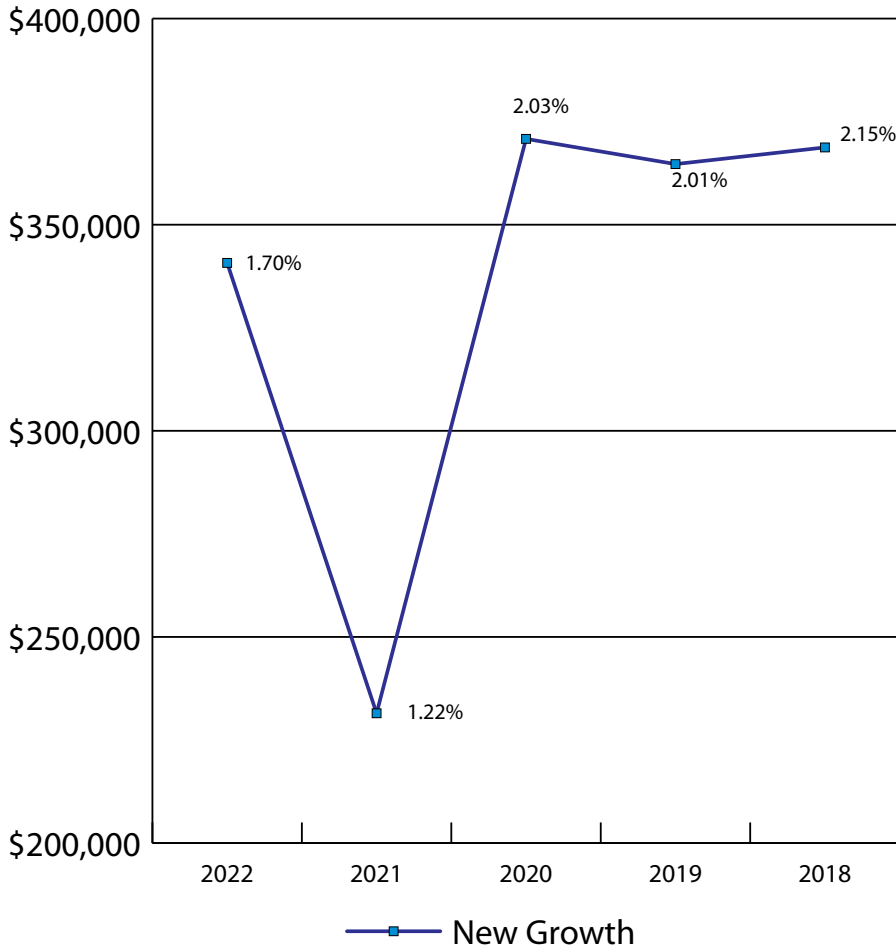
This table reflects the City's annual capital expenses and funding sources over the past five (5) years.

Principal Corporate Taxpayers and Percentage of Total Taxes 2022

Property Owner	Tax Levy	Percentage
Salmon Arm Shopping Centres Limited & Calloway Reit Inc.	515,625.50	1.384%
Piccadilly Place Mall Inc.	419,177.65	1.125%
Canoe Forest Products Ltd.	302,310.47	0.811%
R P Johnson Construction Ltd.	291,170.39	0.781%
Huber Developments Ltd. (and other multiple owners)	188,081.17	0.505%
Canoe Forest Products Ltd.	182,010.70	0.488%
BC Gas Utility Ltd.	167,692.91	0.450%
Kaien Enterprises Ltd.	155,336.00	0.417%
Canadian Pacific Railway Co.	150,605.06	0.404%
790 16 Street NE Limited	134,033.40	0.360%
Askew's Uptown Shopping Centre Ltd.	126,407.15	0.339%
Salmon Arm Savings and Credit Union	126,013.71	0.338%
USNR/Kockums Cancar Company	125,607.29	0.337%
Salmon Arm Savings and Credit Union	116,609.12	0.313%
BC Hydro and Power Authority	113,106.24	0.304%
Lakeshore Village Ltd.	109,892.50	0.295%
Westgate Building Ltd.	104,345.72	0.280%
0731010 BC Ltd.	95,501.83	0.256%
389481 BC Ltd.	92,608.67	0.249%
Gmur, Daniel	85,913.30	0.231%
Lakeside Manor Developments Ltd. (and other owner)	78,408.42	0.210%
688192 BC Ltd.	77,596.74	0.208%
Shuswap Development Ltd.	77,849.15	0.209%
Salmon Arm Developments Ltd.	75,739.15	0.203%
Shuswap Park Holdings (2013) Ltd.	75,162.81	0.202%
526761 BC Ltd.	72,554.35	0.195%
Salmik Holdings Ltd. & Shusal Holdings Ltd.	70,973.87	0.190%
BFM Holdings Ltd.	68,242.98	0.183%
Home Hardware Stores Limited	63,394.80	0.170%
Round Table Leasing Ltd.	61,772.11	0.166%
BC Hydro and Power Authority	58,845.26	0.158%
0731010 BC Ltd.	58,756.38	0.158%
Dinoflex Holdings Inc.	57,968.31	0.156%
Canoe Forest Products Ltd.	57,494.53	0.154%
Rocstan Developments Ltd.	56,839.59	0.153%
0803161 BC Ltd.	56,751.78	0.152%
Bremmvic Holdings Limited	55,799.92	0.150%
BC Telephone Co.	55,662.46	0.149%
5201 - 48th Ave SE Holdings Ltd	53,958.40	0.145%
Edmar Holdings Ltd.	53,768.58	0.144%
406900 BC LTD	53,526.47	0.144%
Northern Plastics LTD	52,396.11	0.141%
581835 BC LTD	52,392.78	0.141%
BC Gas Utility Ltd.	51,684.34	0.139%
SRG West Arm Holdings Ltd	51,160.37	0.137%
	\$ 5,150,748.44	13.824%

This table reflects principal corporate taxpayers and the amount of property taxes that they pay on individual properties in relation to the total amount of property taxes levied in 2022.

New Construction



This graph reflects the new tax revenue that is generated each year as a result of new growth or construction in Salmon Arm. In 2022, the community derived new tax revenue of 1.70% or \$340,734.

Number of Full Time Employees

Year	2018	2019	2020	2021	2022
No. of Full Time Employees	102	106	103	108	109

This table shows the number of full time employees employed by the City of Salmon Arm over the last five years.



BROKEN
GROWERS
SALMON ARM

FOXHILL FARM

DAD'S

The City of Salmon Arm
Financial Statements
For the year Ended December 31, 2022

Contents

Reports	
Management's Responsibility for Financial Reporting	64
Independent Auditor's Report	65
Financial Statements	
Statement of Financial Position	67
Statement of Operations	68
Statement of Change in Net Financial Assets	69
Statement of Cash Flows	70
Notes to the Financial Statements	71 - 83
Schedules to Financial Statements	
Schedule 1 - Long Term Debt	84
Schedule 2 - Schedule of Tangible Capital Assets	85 - 86
Schedule 3 - Grants From Federal and Provincial Governments	87
Schedule 4 - Reserve Funds Statements	88
Schedule 5 - Schedule of Segment Disclosure	89 - 90
Schedule 6 - COVID-19 Safe Restart Grant	91

Management's Responsibility for Financial Reporting

The accompanying financial statements of the City of Salmon Arm are the responsibility of management and have been approved by the Chief Financial Officer and Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Certain amounts used in the preparation of the financial statements are based on management's best estimates and judgments. Actual results could differ as additional information becomes available in the future. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The City of Salmon Arm maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the City of Salmon Arm's assets are appropriately accounted for and adequately safeguarded.

The City of Salmon Arm's Chief Financial Officer and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the financial statements.

Chief Financial Officer and Council members meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards. The independent auditor's report expresses their opinion on these financial statements. The auditors have full and free access to the accounting records and the Chief Financial Officer and Council of the City of Salmon Arm.

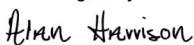
DocuSigned by:



0B42A71EEB34439

Chief Financial Officer

DocuSigned by:



0D7BCA622CBB464...

Mayor

Independent Auditor's Report

To the Mayor and Council of the City of Salmon Arm

Opinion

We have audited the financial statements of the City of Salmon Arm (the "City") which comprise the statement of financial position as at December 31, 2022, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2022, and its results of operations, its change in net financial assets (debt), 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our 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.

Other Matter – Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedule 6 of the City's financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal 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.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Salmon Arm, British Columbia
April 24, 2023

The City of Salmon Arm

Statement of Financial Position

As at December 31

2022

2021

Financial Assets

Cash	\$ 819,278	\$ 2,568,494
Investments - Note 2	73,854,610	77,344,118
Accounts Receivable		
Property Taxes	696,127	552,805
Trade	4,088,381	2,770,115
Water and Sewer Levies	362,950	343,600
Inventories for Resale	87,264	92,165
M.F.A. Debt Reserve - Note 3	1,578,235	1,565,400
Loan Receivable - Note 4	168,000	168,000
	<u>81,654,845</u>	<u>85,404,697</u>

Liabilities

Accounts Payable and Accrued Liabilities	5,781,490	5,613,205
Deposits and Performance Bonds	2,331,351	2,143,125
Prepaid Property Taxes and Levies	3,590,627	3,309,023
Deferred Revenues - Note 5	3,302,736	8,378,910
Deferred Development Cost Charges - Schedule 4	13,076,954	12,175,325
M.F.A. Debt Reserve - Note 3	1,578,235	1,565,400
Long Term Liability	184,585	207,659
Long Term Debt - Note 6 and Schedule 1	21,634,358	22,813,105
	<u>51,480,336</u>	<u>56,205,752</u>

Net Financial Assets

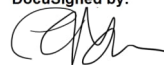
30,174,509 29,198,945

Non-Financial Assets

Tangible Capital Assets - Schedule 2	239,707,523	227,894,194
Inventories of Supplies	627,317	661,778
Prepaid Expenses	75,655	305,493
	<u>240,410,495</u>	<u>228,861,465</u>

Accumulated Surplus

\$ 270,585,004 \$ 258,060,410

DocuSigned by:

 0B42A71EEB34439

Chief Financial Officer

Chelsea Van de Cappelle, CPA

The accompanying notes to the financial statements and schedules are an integral part of these financial statements.

The City of Salmon Arm

Statement of Operations

For The Year Ended December 31	2022	2022	2021
	Actual	Budget (Note 8)	Actual (Note 14)
Revenues			
Taxation - Net - Note 9	\$ 20,391,047	\$ 20,395,220	\$ 19,306,833
Transportation Parcel Tax - Note 9	1,234,350	1,229,000	1,226,250
Frontage Tax - Note 9	2,470,163	2,451,695	2,438,988
Grants - Schedule 3	7,241,941	8,237,289	1,822,840
Grants - Other	198,422	200,355	186,302
Sales of Services	8,301,926	7,391,610	8,124,053
Licences, Permits and Fines	930,887	811,200	876,199
Rentals, Leases and Franchises	1,056,610	737,945	961,933
Return on Investments	1,858,524	196,195	769,013
Penalties and Interest	235,473	192,500	256,844
Other Revenue	75,615	800	42,964
Developer and Other Contributions	3,451,779	3,332,750	5,381,703
Gain (Loss) on Disposal of Tangible Capital Assets	272,535	-	(44,173)
	47,719,272	45,176,559	41,349,749
Expenses			
General Government Services (Schedule 5)	5,373,222	4,631,265	5,700,081
Protective Services	6,044,078	7,250,615	6,118,831
Transportation Services	10,690,169	5,772,335	9,695,360
Environmental, Health and Development Services	2,686,337	2,775,835	2,606,349
Recreation and Cultural Services	4,102,886	4,400,000	3,712,276
Water and Sewer Services	6,297,986	4,877,920	6,477,279
	35,194,678	29,707,970	34,310,176
Annual Surplus	12,524,594	15,468,589	7,039,573
Accumulated Surplus, Beginning of Year	258,060,410	258,060,410	251,020,837
Accumulated Surplus, End of Year	\$ 270,585,004	\$ 273,528,999	\$ 258,060,410

The accompanying notes to the financial statements and schedules are an integral part of these financial statements.

The City of Salmon Arm

Statement of Change in Net Financial Assets

For The Year Ended December 31	2022	2022	2021
	Actual	Budget (Note 8)	Actual
Annual Surplus	\$ 12,524,594	\$ 15,468,589	\$ 7,039,573
Acquisition of Tangible Capital Assets	(20,506,125)	(36,427,365)	(15,461,881)
Amortization of Tangible Capital Assets	8,608,968	-	8,196,573
Disposal of Tangible Capital Assets	83,829	-	226,993
	711,266	(20,958,776)	1,258
Acquisition of Inventories of Supplies	(627,317)	-	(661,778)
Acquisition of Prepaid Expenses	(75,654)	-	(305,491)
Usage of Inventories of Supplies	661,778	-	486,823
Usage of Prepaid Expenses	305,491	-	188,099
Net Change in Net Financial Assets	975,564	(20,958,776)	(291,089)
Net Financial Assets , Beginning of Year	29,198,945	29,198,945	29,490,034
Net Financial Assets , End of Year	\$ 30,174,509	\$ 8,240,169	\$ 29,198,945

The accompanying notes to the financial statements and schedules are an integral part of these financial statements.

The City of Salmon Arm

Statement of Cash Flows

For The Year Ended December 31

2022

2021

(Note 14)

Cash Flows From Operating Activities

Annual Surplus	\$ 12,524,594	\$ 7,039,573
Items Not Involving Cash		
Actuarial Adjustments	(704,466)	(635,171)
Amortization Expense	8,608,968	8,196,573
Developer Contributed Tangible Capital Assets	(1,284,769)	(4,019,260)
(Gain) Loss on Disposal of Tangible Capital Assets	(272,535)	44,173
Changes in Non-Cash Operating Items		
Accounts Receivable	(1,480,937)	(1,366,334)
Accounts Payable	168,281	429,940
Deferred Revenues	(5,076,175)	1,530,999
Deferred Development Cost Charges	901,629	930,024
Deposits and Performance Bonds	188,226	780,024
Inventories for Resale	4,901	(56,212)
Inventories of Supplies	34,462	(174,956)
Loan Receivable	-	2,333
Long Term Liability	(23,074)	(23,073)
Prepaid Expense	229,837	(117,392)
Prepaid Property Taxes and Levies	281,603	178,237
	14,100,545	12,739,478

Cash Flows From Investing Activity

Decrease in Investments	3,489,509	291,000
-------------------------	-----------	---------

Cash Flows From Capital Activity

Acquisition of Tangible Capital Assets	(19,221,356)	(11,442,620)
Proceeds on Disposal of Tangible Capital Assets	356,364	182,820
	(18,864,992)	(11,259,800)

Cash Flows from Financing Activities

Issuance of Long Term Debt	730,000	-
Repayment of Long Term Debt	(1,204,278)	(1,204,159)
	(474,278)	(1,204,159)

(Decrease) Increase In Cash During Year

(1,749,216) 566,519

Cash, Beginning of Year

2,568,494 2,001,975

Cash, End of Year

\$ 819,278 \$ 2,568,494

The accompanying notes to the financial statements and schedules are an integral part of these financial statements.

December 31, 2022

1. Summary of Significant Accounting Policies

Nature of Business

The City of Salmon Arm (the "City") is incorporated under the laws of British Columbia and is engaged in the operation of a municipality.

Basis of Presentation

It is the City's policy to follow Canadian generally accepted accounting principles. The financial statements include the accounts of all funds of the City. All inter fund transactions have been eliminated. The statements have been prepared by management using guidelines issued by the Public Sector Accounting Board (PSAB).

Accrual Accounting

The accrual method for reporting revenues and expenses has been used. Revenues are recognized in the period in which the transactions or events occur that give rise to the revenues. Expenses are recognized in the period in which the goods or services are acquired and a liability is incurred.

Revenue Recognition

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts. Sale of services and user fee revenues are recognized when the service or product is provided by the City.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in active markets and derivatives are reported at fair value, with any unrealized gains or losses reported in income. All other financial instruments are subsequently recorded at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in the circumstances indicate the assets could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on the acquisition or issue. These costs are amortized using the straight-line method or effective interest rate method.

December 31, 2022

1. Summary of Significant Accounting Policies - Continued

Grants and Government Transfers

When the City is the recipient, government transfers are recognized as revenue 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. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

When the City is the transferor, government transfers are recognized as an expense when they are authorized and all eligibility criteria have been met by the recipient.

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

Development Cost Charges

Development cost charges (DCC) collected to pay for capital costs due to development are recorded as deferred revenue. DCC's are recognized as revenue during the period in which the related development costs are incurred.

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 and Amortization

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all cost directly attributable to the acquisition or construction of the tangible capital asset, including transportation, site preparation, design, engineering, and legal fees. Contributed tangible capital assets are recorded at fair value at the time of contribution, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Buildings	10 to 50 years
Machinery and Equipment	5 to 25 years
Vehicles	10 to 25 years
Information Technology Infrastructure	3 to 10 years
Parks Infrastructure	10 to 100 years
Utility Infrastructure	20 to 70 years
Transportation Infrastructure	10 to 75 years

December 31, 2022

1. Summary of Significant Accounting Policies - Continued

Inventories

Inventories are stated at cost. Cost is generally determined on a first-in, first-out basis. Inventories for resale are classified as financial assets. Inventories of supplies are classified as non-financial assets.

Intangible Assets

Intangible assets include works of art and historic assets located throughout City Hall. They are not reflected in these consolidated financial statements.

Reserves

Reserves for future expenditures are non-statutory reserves which represent an appropriation of surplus for specific purposes. Transfers to reserves for future expenditures represent amounts set aside to finance future projects and accumulations for specific purposes.

Statutory reserve funds are restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and investments.

Loan Guarantees

The City has guaranteed a loan to assist the Salmon Arm Tennis Club in the financing and construction of an Indoor Tennis Facility. When it is determined that a loss is likely, a provision for loss is recorded. The provision is determined using the best estimates available and taking into consideration the principal amount outstanding, any guaranteed accrued and unpaid interest, any amounts recoverable from the borrower and from the sale of assets pledged as security, and all known circumstances. The provision for loan losses is reviewed by management on an annual basis.

Long Term Debt

Long term debt is recorded net of any sinking fund balances. Debt charges, including interest, are charged to current operations. Interest charges are accrued for the period from the date of the last interest payment to the end of the year.

Employee Future Benefits

The City participates in a multi-employer defined benefit pension plan, however, sufficient information is not available to use defined benefit accounting. Therefore, the City accounts for the plan as if it were a defined contribution plan. As such, no pension liability is included in the City's financial statements and contributions are recognized as an expense in the year to which they relate. All full-time employees are eligible to participate in the plan. Contributions are a defined amount based upon a set percentage of salary.

December 31, 2022

1. Summary of Significant Accounting Policies - Continued

Contaminated Sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard including sites that are no longer in productive use and sites which the City accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized as at December 31, 2022.

Budget Figures

The budget figures are from the Annual Budget Bylaw adopted on or before May 15 of each year. They have been reallocated to conform to PSAS financial statement presentation. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

Use of Estimates

The preparation of the 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. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates in these financial statements include the valuation of accounts receivable, useful life and amortization of tangible capital assets and contingent liabilities.

2. Investments

Investments of \$73,554,609 (2021 - \$77,044,118) are deposited with the Municipal Finance Authority and are held in a money market fund. The interest rate as at December 31, 2022 was approximately 1.93% (2021 – 0.15%). The City holds three \$100,000 Royal Bank debenture bonds due in 2083 with a floating interest rate. All investments are recorded at cost; the fair market value at December 31, 2022 was \$73,854,610 (2021 - \$77,344,118).

The City of Salmon Arm

Notes to the Financial Statements

December 31, 2022

3. Reserves – Municipal Finance Authority

The City issues the majority of its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld as cash deposits by the Municipal Finance Authority as a Debt Reserve Fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature.

The details of the cash deposits and demand notes at the year end are as follows:

	Demand Notes	Cash Deposits	Total
General Fund	\$ 488,419	\$ 322,990	\$ 811,409
Water Fund	369,407	189,561	558,968
Sewer Fund	132,947	74,911	207,858
Total Long Term Debt	\$ 990,773	\$ 587,462	\$ 1,578,235

4. Loan Receivable

The City has entered into a loan agreement with the Salmon Arm Tennis Club to assist in the financing of an Indoor Tennis Facility at 3440 Okanagan Avenue SE, Salmon Arm, BC. The outstanding balance at December 31, 2022 was \$168,000 (2021 - \$168,000). The loan bears interest at 0%, with monthly payments of \$583 commencing January 15, 2024 until December 2047.

5. Deferred Revenue

	2021	Inflow	Outflow	Interest	2022
BC Buildings Corporation	\$ 691,817	\$ -	\$ (401,492)	\$ -	\$ 290,325
Community Works Fund	6,737,350	837,156	(5,574,516)	130,031	2,130,021
Recycling User Fee Rebate	245,757	256,193	(245,757)	-	256,193
Grants	200,000	195,378	(100,000)	-	295,378
Other	503,986	330,819	(503,986)	-	330,819
Total Deferred Revenues	\$ 8,378,910	\$ 1,619,546	\$ (6,825,751)	\$ 130,031	\$ 3,302,736

Included in deferred revenue is a prepayment amount of \$290,325 (2021 - \$691,817) received from British Columbia Buildings Corporation for future rental of the Law Courts facility to be used for annual rent payments. Deferred revenue amounts of \$2,130,021 (2021 - \$6,737,350) have been received under the Community Works Fund for future restricted capital projects.

The City of Salmon Arm

Notes to the Financial Statements

December 31, 2022

6. Long Term Debt

Future principle requirements, not including sinking fund additions, on existing debt:

	General Fund	Water Fund	Sewer Fund	Total
2023	\$ 729,405	\$ 471,439	\$ 150,688	\$ 1,351,532
2024	553,332	471,439	63,650	1,088,421
2025	553,332	471,439	63,650	1,088,421
2026	553,332	471,439	63,650	1,088,421
2027	553,332	418,212	63,650	1,035,194
2028 and thereafter	4,708,010	540,962	509,199	5,758,171
	<u>7,650,743</u>	<u>2,844,930</u>	<u>914,487</u>	<u>11,410,160</u>
Actuarial Adjustment	7,320,982	2,292,922	610,294	10,224,198
Total Long Term Debt	<u>\$ 14,971,725</u>	<u>\$ 5,137,852</u>	<u>\$ 1,524,781</u>	<u>\$ 21,634,358</u>

7. Contingent Liabilities and Commitments

Pension Liabilities

The City of Salmon Arm 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 227,000 active members and approximately 118,000 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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The City of Salmon Arm paid \$623,409 (2021 - \$695,051) for employer contributions while employees contributed \$571,317 (2021 - \$599,022) to the plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

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 the individual employers participating in the plan.

December 31, 2022

7. Contingent Liabilities and Commitments - Continued

Columbia Shuswap Regional District

Columbia Shuswap Regional District (the "Regional District") debt is, under the provisions of the Local Government Act, a joint and several liability of the Regional District and each member municipality within the Regional District, including the City of Salmon Arm. The loan agreements with the Regional District and the Municipal Finance Authority provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligations with respect to such borrowing, the resulting deficiency becomes a liability of the member municipalities.

Contractual Obligation

The City has entered into a contract with the Shuswap Recreation Society to manage the Recreation and Shaw Centres and is contingently liable for deficits incurred when expenses exceed revenues. The City provides an annual provision for the operation and maintenance of these facilities.

Other

The City is the defendant in various lawsuits. In the opinion of management, the overall estimation of loss is not 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 accounted for as a charge to expenditures in the period in which realization is known.

Equipment Leases

The City is the lessee of a postage machine valued at approximately \$14,363 excluding taxes. The lease terms are March 2019 to February 2024. The City has no equity in the leased equipment, and the lease payments are disclosed as operating expenses of the year in which they are paid.

Future annual lease payments are as follows:

2023	\$	2,873
2024		478

Guarantor Agreement

The City has entered into an agreement to act as a loan guarantor to assist the Salmon Arm Tennis Club in the financing of an Indoor Tennis Facility at 3440 Okanagan Avenue SE, Salmon Arm, BC. The outstanding balance at December 31, 2022 was \$729,929 (2021 - \$746,949). The loan bears interest at 4.47% (2021 - 4.47%) repayable in monthly instalments of \$4,156. The loan has a term of 25 years and is secured by the assets of the Tennis Club and an indemnity agreement from the City.

The City of Salmon Arm

Notes to the Financial Statements

December 31, 2022

8. Budget

The City of Salmon Arm 2022 to 2026 Financial Plan Bylaw No. 4524 (Financial Plan Bylaw) was adopted by Council on April 25, 2022. The Financial Plan Bylaw was prepared utilizing a budget method consistent with Local Governments while the actual operating results have been prepared in accordance with the requirements of PSAS. The Financial Plan Bylaw was prepared on a modified accrual basis while the actual operating results utilizing PSAS requirements were prepared on a full accrual basis. The Financial Plan Bylaw projected the use of Reserve Fund transfers and prior year surpluses to balance the Financial Plan. PSAS requires that the actual operating results capitalize all tangible capital expenditures and that an amortization expense for tangible capital assets be included. The Financial Plan Bylaw expenses all tangible capital expenditures as opposed to including an amortization expense. As a result, the Financial Plan Bylaw figures presented in the Statements of Operations and Change in Net Financial Debt represent the Financial Plan Bylaw adopted by Council on April 25, 2022 with adjustments as follows:

Financial Plan Bylaw	\$ -
Add:	
Capital Grants	7,399,839
Capital Expenditures	36,427,365
Debt Repayment	1,304,380
Transfer to Reserve Accounts	2,058,145
Transfer to Reserve Funds	1,095,000
Transfer from DCC Reserve Funds	768,750
Other Developer Contributions	2,564,000
Less:	
Transfer from Prior Year Surplus	(397,680)
Transfer from Reserve Accounts	(2,736,945)
Transfer to Capital Reserve Accounts	<u>(33,014,265)</u>
Budget Surplus as per Statement of Operations	<u>\$ 15,468,589</u>

The City of Salmon Arm

Notes to the Financial Statements

December 31, 2022

9. Taxation

Taxation revenue comprises the following amounts raised less transfers to other governments:

	<u>2022</u>	<u>2021</u>
Taxes Collected:		
Property Taxes	\$ 33,241,163	\$ 31,666,229
Transportation Parcel Tax	1,234,350	1,226,250
Frontage Tax - Water	1,484,444	1,468,830
Frontage Tax - Sewer	985,719	970,158
1% Utility Tax	316,974	317,463
	<u>37,262,650</u>	<u>35,648,930</u>
Collections for Other Governments		
Province of BC (School Taxes)	9,345,759	8,895,657
BC Assessment Authority	227,169	207,261
Regional Hospital District	1,533,230	1,549,439
Columbia Shuswap Regional District	1,089,786	1,071,463
Okanagan Regional Library	766,363	756,341
Municipal Finance Authority	1,194	939
Downtown Improvement Area	203,589	195,759
	<u>13,167,090</u>	<u>12,676,859</u>
Net Taxes Available for Municipal Purposes	<u>\$ 24,095,560</u>	<u>\$ 22,972,071</u>

10. Trust Funds

Trust funds are not included in the City's Financial Statements. The City administers a Cemetery Maintenance Fund for the perpetual care and maintenance of the City owned and operated cemeteries. As at December 31, 2022, the Trust Fund balance is \$479,900 (2021 - \$442,861).

December 31, 2022

11. Segment Reporting

The City of Salmon Arm is a municipal government that provides a range of services to its citizens. The City is governed by an elected Council comprised of a Mayor and six (6) Councillors whose authority is set out in the Community Charter and Local Government Act. For management reporting purposes, the City's operations and activities are organized and reported by Fund. The General Fund has been further segmented for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, along with the services they provide, as follows:

General Government Services – Legislative Services, Information Services, Customer Service, Financial Services and Human Resources. Legislative Services is responsible for the statutory obligations under the Community Charter and Local Government Act and provides the legal and administrative support to City Council. It is responsible for recording resolutions, decisions and minutes of Council to allow the direction and policies of Council to be carried out. Legislative Services manages the City's property and liability insurance portfolio, freedom of information inquiries, municipal elections and referendums, the corporate document management system, City Policy Manual and completion of the City's Annual Report and Civic Calendar. The role of the Information Services is to provide reliable, stable and current technology systems to all City departments. Information Services maintains all servers, workstations, firewalls, printers, digital cameras, scanners, telephones, cellular phones, pagers, security systems, Geographic Information Systems (GIS) and the corporate website. Customer Service recognizes the importance of its customers and endeavours to provide quality services in a timely and efficient manner to reflect the growing and changing needs of our citizens. Customer Service representatives provide information and service in building inspection, cash payments, taxation, transit, pet and business licensing, etc. Financial Services provides financial expertise, information, guidance and advice on day-to-day operational matters to internal and external customers. Financial Services develops financial policies and procedures which assist Council and guide staff in shaping the direction of the City. Financial Services provides accurate and full disclosure on the financial affairs of the City as set out in the Community Charter and Local Government Act. This information includes annual municipal reporting forms, operational and capital budgets, setting of annual property tax and water and sewer rates, annual financial statements, long term financial plan, investments, public bodies report, etc. Long term growth management strategies such as the Long Term Financial Plan, Five (5) Year Capital Plan, and the Long Term Equipment and Infrastructure Replacement Plans are developed and implemented to better plan for our community. Human Resources is responsible for all issues surrounding the employees of the City of Salmon Arm. It represents the City in union negotiations and is key in setting human resource policies and procedures. Human Resources encourages and coordinates staff development, training and recognition programs to better and more efficiently deliver services to the community and plays a major role in recruiting, transferring, promoting and retaining the best people for the job.

December 31, 2022

11. Segment Reporting - Continued

Protective Services – Fire Prevention and Suppression, Police Protection, Bylaw Enforcement, Building Inspection, Business Licensing and Animal Control Services. The City provides community-based fire prevention and suppression services and responds to a geographical area of 185 square kilometres. It provides fire protection services to approximately 6,559 properties (residential, commercial, etc.) and inspection services to approximately 1,050 buildings. Fire Prevention and Suppression encompasses a Rescue Team designed, pursuant to WorkSafe BC, to provide rescue services to municipal employees who work in areas where identifiable hazards are present and manages the City Safety Program. The Police Department strives to provide a quality service to the community which includes calls for service, proactive enforcement and interaction with the community to gain insight into community concerns so that policing priorities may be set. Salmon Arm is policed by the Royal Canadian Mounted Police. Bylaw Enforcement encompasses all matters relating to the enforcement of City bylaws, and for the maintenance and accuracy of all files on matters relating to court actions on behalf of the City of Salmon Arm. Building Inspection addresses residential, commercial, institutional and industrial building construction within the City. The focus is to provide the public and the building industry with high quality service such that the structural integrity of the buildings constructed conform to the requirements of the BC Building Code and zoning, building and servicing bylaws and are safe for their intended purpose. Business Licensing is responsible for reviewing and issuing business licenses within the City. Business applications and premises are inspected to ensure that they are safe for the public and that they meet zoning bylaw requirements. Animal Control enforces the Animal Control regulations within the City and the issuance of dog licenses.

Transportation Services – This function is comprised of engineering, public works (transit, roadway systems, bridge repair, storm drainage, sidewalks, boulevards, street lighting, airport, downtown parking, etc.) utilities, parks, municipal facilities, marina/wharf, garage, vehicle and equipment fleet and cemeteries and provides a broad spectrum of services to the community. These services are provided in a participative fashion between City Council, the public, management and employees in a safe, effective, efficient and financially responsible manner. Transportation Services is responsible for the maintenance of over 224 kilometres (excluding the Trans Canada Highway and Highway 97B) of roadway, 71 kilometres of sidewalk, as well as, 126 kilometres of storm sewer complete with retention ponds and currently operates a +/- 70 unit municipal fleet of major vehicles and equipment.

Environmental, Health and Development Services – Development Services, Community Development Services and Public Health and Welfare Services. Development Services provides community planning, subdivision and development application facilitation. Taking into account various Council approved policies, bylaws, and procedures, it provides Council with professional advice on land use planning issues and is the coordinating department for the processing and approval of development applications to meet the community's objectives. It also provides advice to other City departments, community and business groups, developers, property owners, and citizens. It is responsible for the creation and recommendation of bylaws, policies and procedures to maintain the community's quality of life. Community Development Services provides services regarding environmental concerns, heritage matters, etc. Public Health and Welfare Services provides cemetery services to the citizens of the City.

December 31, 2022

11. Segment Reporting - Continued

Recreational and Cultural Services – Recreational and Leisure Services (Multi-Use Facility, Auditorium and Pool), and Park and Wharf Services. Recreational and Leisure Services' mandate is to provide diverse family and adult oriented recreational activities with a view of promoting active living and quality of life in the community. The City strives to maximize the productivity of resources, to provide good cost recovery of the taxpayers' dollars and provide affordable recreational opportunities for the citizens of Salmon Arm. The Multi-Use Facility promotes community events and concerts, in addition to, hockey, ringette, speed skating, and figure skating. The Recreation Centre provides a wide range of services from pool and facility rentals, racquetball and squash, weight training, programming, etc. to promote the health and wellness of our citizens. Recreational programming such as scuba diving, summer French and music lessons, canoeing, babysitter courses, and summer soccer camps are all components of this function. The Parks and Wharf Services is proud to promote community pride in parks through the use and enjoyment of our many green spaces and natural amenities through carefully managed maintenance and improvement of park facilities. It projects a positive impression for citizens and visitors by ensuring that facilities, parks and playing fields are safe, clean and well-maintained while at the same time protecting the environment for future generations. The City maintains seven hundred fifty four (754) hectares of park land; this includes developed, natural, and passive parks, marinas, wharves, beaches, walking trails, lawn bowling, horseshoes and playing fields. Parks receive ongoing maintenance such as turf management, hanging flower baskets, downtown flower planters, irrigation systems, general park maintenance (bathrooms, garbage control), parkland design and construction, special events and sports field construction. The City works closely with community groups to achieve localized objectives such as neighbourhood parks where the efforts and contributions of local business owners, property owners, volunteers and the City come together to enhance and build new parks.

Utilities

The Utilities function, through a schedule of systematic new improvements, upgrades and replacements, strives to maintain and improve the efficient delivery and the high quality of water and sanitary sewer services to the community. It plays an integral role in maintaining the health, safety and well-being of the community.

The Water and Sewer Utilities are self-liquidating funds which must provide for their own revenues through fees, taxes and other charges to support the expenditures required to operate and maintain infrastructure into the future.

Water Utility Services – This Utility function provides for the delivery of safe drinking water to the citizens of Salmon Arm. The municipal water system consists of two main raw water sources, chlorine treatment systems for the water sources and an extensive water pumping, distribution and storage system. The City's water supply is by way of three (3) sources: East Canoe Creek at Metford Dam, Shuswap Lake at Canoe Beach and a minor water supply from Rumball Creek for irrigation at the Mt. Ida Cemetery. Treatment of the water sources (except Rumball Creek) is by primary disinfection with chlorine. The distribution system includes approximately 205 km of watermain varying in diameter from 100mm to 1000mm. The City waterworks system provides quality water through a gravity and pump system. The primary water sources are from Shuswap Lake – 80% and East Canoe Creek – 20%. The waterworks system is relatively complex and is comprised of eight (8) zones, eight hundred sixty one (861) hydrants, seven (7) pumping stations, fourteen (14) reservoirs, and one (1) dam with a total storage capacity of 33,144 cubic metres and over 6,200 connections. The treatment process utilizes chlorination for the purposes of disinfection. The water supply consistently meets the Canadian Drinking Water Guidelines, BC Drinking Water Protection Act and the Safe Drinking Water Regulations.

December 31, 2022

11. Segment Reporting - Continued

Sewer Utility Services – The City provides effective collection and treatment of waste water to meet the guidelines set by the Ministry of Environment to protect the public and the environment. It operates both the treatment plant and seven (7) lift stations safely and at optimum efficiency. The sanitary sewer system has approximately 130 kilometres of mainline and 5,316 service connections.

The accounting policies used in these segments are consistent with those followed in preparation of the consolidated financial statements as disclosed in our Basis of Presentation Policy. For additional information, see the Consolidated Schedule of Segment Disclosure (Schedule 5).

12. Commitments

The City has entered into various agreements and contracts for services for periods ranging from one to five years.

13. Future Accounting Changes

Effective January 1, 2023, the City will be required to apply the new PSAS standard PS 3280 Asset Retirement Obligations. Under this standard, a liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. To ensure these obligations are captured, the City will continue its work on establishing reliable estimates of the future liabilities related to these obligations.

14. Comparative Figures

Certain comparative figures have been reclassified to conform to current year's presentation.

The City of Salmon Arm

Schedule 1 - Long Term Debt

As at December 31

Description	Bylaw Number	Maturity Date	Interest Rate	Balance Outstanding 2022	Balance Outstanding 2021
General Fund					
Fire Hall and Little Mountain	3184	2023	2.250	\$ 22,926	\$ 44,761
City Hall and Law Courts	3334	2034	5.950	5,708,016	6,049,548
City Hall and Law Courts	3479	2035	0.973	427,118	449,570
Blackburn Park	3569	2027	1.421	103,411	121,769
Underpass 20/21 Street	3758	2029	2.250	1,104,104	1,238,518
New Cemetery	4048	2040	2.750	816,277	848,468
Blackburn Park Improvement	4072	2035	2.750	362,456	384,190
Drainage Improvements	4244	2023	P - 1.0	167,000	334,000
Airport Taxiway Charlie	4289	2040	1.990	774,750	810,223
Ross Street Underpass	4500	2049	2.240	4,955,667	5,073,854
Property Acquisition	4549	2026	P - 1.0	530,000	-
				\$ 14,971,725	\$ 15,354,901
Water Fund					
Water	3458	2025	1.530	\$ 138,889	\$ 170,338
Water	3551	2026	1.530	284,455	348,865
Water	3576	2028	2.650	3,471,531	3,974,775
Water	3816	2030	1.280	1,006,305	1,113,719
Water	3793	2041	1.470	36,671	38,015
Water	4502	2026	P - 1.0	200,000	-
				\$ 5,137,851	\$ 5,645,712
Sewer Fund					
Sewer	3207	2023	2.250	\$ 219,941	\$ 429,409
Sewer	4051	2035	2.750	1,304,841	1,383,083
				1,524,782	1,812,492
				\$ 21,634,358	\$ 22,813,105

The gross interest paid relating to the above noted debt was \$1,261,464 (2021 - \$1,257,658).

The City of Salmon Arm

Schedule 2 - Schedule of Tangible Capital Assets

As at December 31	2022	2021
General Fund		
Land	\$ 40,127,936	\$ 40,190,839
Buildings	21,620,292	22,063,630
Machinery and Equipment	6,383,875	4,505,548
Vehicles	2,370,849	2,404,588
Information Technology Infrastructure	450,081	391,114
Parks Infrastructure	5,973,306	5,492,948
Utility Infrastructure	12,965,584	13,274,023
Transportation Infrastructure	69,084,430	70,209,409
Work in Progress	17,304,490	6,008,368
	<u>176,280,843</u>	<u>164,540,467</u>
Water Fund		
Buildings	\$ 12,176,811	\$ 12,496,680
Machinery and Equipment	1,475,927	1,483,617
Information Technology Infrastructure	99,362	115,461
Utility Infrastructure	20,645,522	20,775,276
Work in Progress	1,277,509	647,298
	<u>35,675,131</u>	<u>35,518,332</u>
Sewer Fund		
Buildings	\$ 12,484,022	\$ 12,852,358
Machinery and Equipment	173,840	149,665
Information Technology Infrastructure	42,895	47,744
Utility Infrastructure	13,756,702	13,886,149
Work in Progress	1,294,090	899,479
	<u>27,751,549</u>	<u>27,835,395</u>
	<u>\$ 239,707,523</u>	<u>\$ 227,894,194</u>

The City of Salmon Arm

Schedule 2 - Schedule of Tangible Capital Assets

For The Year Ended December 31	Land	Buildings	Machinery and Equipment	Vehicles	Information Technology Infrastructure	Parks Infrastructure	Utility Infrastructure	Transportation Infrastructure	Work In Progress	2022 Total
Balance, Beginning of Year	\$ 40,190,839	\$ 75,008,416	\$ 10,580,656	\$ 5,833,638	\$ 2,087,218	\$ 11,686,620	\$ 76,916,114	\$ 138,120,162	\$ 7,555,145	\$ 367,978,808
Additions	20,926	236,401	2,614,516	273,200	150,344	17,703	543,454	3,099,536	13,550,046	20,506,126
Work In Progress Completed	-	207,367	-	-	-	795,489	208,550	17,696	(1,229,102)	-
Disposals	(83,829)	-	(179,158)	(226,498)	-	-	-	-	-	(489,485)
Balance, End of Year	40,127,936	75,452,184	13,016,014	5,880,340	2,237,562	12,499,812	77,668,118	141,237,394	19,876,089	387,995,449
Accumulated Amortization	-	27,595,748	4,441,826	3,429,050	1,532,899	6,193,672	28,980,666	67,910,753	-	140,084,614
Balance, Beginning of Year	-	1,575,311	719,704	306,939	112,325	332,834	1,319,644	4,242,211	-	8,608,968
Amortization	-	-	(179,158)	(226,498)	-	-	-	-	-	(405,656)
Disposals	-	-	-	-	-	-	-	-	-	-
Balance, End of Year	-	29,171,059	4,982,371	3,509,491	1,645,224	6,526,506	30,300,310	72,152,964	-	148,287,926
Net Book Value, End of Year	\$ 40,127,936	\$ 46,281,125	\$ 8,033,642	\$ 2,370,849	\$ 592,338	\$ 5,973,306	\$ 47,367,808	\$ 69,084,430	\$ 19,876,089	\$ 239,707,523

For the Year Ended December 31	Land	Buildings	Machinery and Equipment	Vehicles	Information Technology Infrastructure	Parks Infrastructure	Utility Infrastructure	Transportation Infrastructure	Work In Progress	2021 Total
Balance, Beginning of Year	\$ 40,190,839	\$ 74,712,103	\$ 9,702,696	\$ 5,682,168	\$ 1,876,106	\$ 11,361,510	\$ 75,271,726	\$ 132,271,271	\$ 1,872,461	\$ 352,940,880
Additions	-	73,282	1,253,587	199,794	211,112	325,110	1,249,059	5,848,891	6,301,044	15,461,879
Work In Progress Completed	-	223,031	-	-	-	-	395,329	-	(618,360)	-
Disposals	-	-	(375,627)	(48,324)	-	-	-	-	-	(423,951)
Balance, End of Year	40,190,839	75,008,416	10,580,656	5,833,638	2,087,218	11,686,620	76,916,114	138,120,162	7,555,145	367,978,808
Accumulated Amortization	-	26,035,154	3,974,424	3,178,957	1,442,545	5,886,638	27,687,025	63,880,256	-	132,084,999
Balance, Beginning of Year	-	1,560,594	616,036	298,417	90,354	307,034	1,293,641	4,030,497	-	8,196,573
Amortization	-	-	(148,634)	(48,324)	-	-	-	-	-	(196,958)
Disposals	-	-	-	-	-	-	-	-	-	-
Balance, End of Year	-	27,595,748	4,441,826	3,429,050	1,532,899	6,193,672	28,980,666	67,910,753	-	140,084,614
Net Book Value, End of Year	\$ 40,190,839	\$ 47,412,668	\$ 6,138,830	\$ 2,404,588	\$ 554,319	\$ 5,492,948	\$ 47,935,448	\$ 70,209,409	\$ 7,555,145	\$ 227,894,194

Tangible capital assets that are either under construction or being developed are included in Work In Progress. Tangible capital assets that were contributed by developers for various infrastructure projects were \$1,284,769 (2021 - \$4,019,260). Due to the availability of historical information, some City-owned lands, such as parklands and land beneath roads and sidewalks, have been assigned a nominal (\$1.00) value. Interest capitalized in the year was Nil (2021 - Nil).

The City of Salmon Arm

Schedule 3 - Grants From Federal and Provincial Governments

For The Year Ended December 31	2022	2022	2021
	Actual	Budget	Actual
General Fund - Grants in Lieu of Taxes			
Federal Government	\$ 19,109	\$ 19,200	\$ 19,234
Province of British Columbia	35,176	27,250	27,248
Provincial Government Agencies	122,176	122,900	118,829
	<u>\$ 176,461</u>	<u>\$ 169,350</u>	<u>\$ 165,311</u>
General Fund - Operating Grants			
Federal Government and Province of British Columbia			
Arterial Street Lighting	\$ 3,076	\$ 3,100	\$ 3,076
Municipal Regional District Tax	323,189	200,000	257,025
Small Communities Protection	236,000	190,000	191,000
Traffic Fine Revenue Sharing	147,209	160,000	168,750
Destination BC	15,000	15,000	12,500
Poverty Reduction Grant	10,122	50,000	24,800
BC Active Transportation Planning	49,777	50,000	-
CRI FireSmart Community Funding	6,781	-	-
Canada Summer Jobs	6,577	-	-
Local Government Climate Action	149,921	-	-
Public Safety Canada - BSCF	17,685	-	-
Food Hub	-	-	315,000
Municipal Asset Management Program	-	-	40,000
	<u>\$ 965,337</u>	<u>\$ 668,100</u>	<u>\$ 1,012,151</u>
Water Fund - Operating Grant			
Province of British Columbia			
Infrastructure Planning	\$ -	\$ -	\$ 10,000
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,000</u>
General Fund - Capital Grants			
Federal Government and Province of British Columbia			
Community Works Fund	\$ 5,574,516	\$ 6,248,912	\$ 92,036
BC Active Transportation Infrastructure	518,627	878,627	481,373
ICBC - Road Improvement Program	7,000	88,300	-
BC Rural Dividend	-	100,000	-
Canada Community Revitalization Fund	-	84,000	-
BC Air Access Program	-	-	61,969
	<u>\$ 6,100,143</u>	<u>\$ 7,399,839</u>	<u>\$ 635,378</u>
Total Operating Grants	1,141,798	837,450	1,187,462
Total Capital Grants	6,100,143	7,399,839	635,378
Total Grants	<u>\$ 7,241,941</u>	<u>\$ 8,237,289</u>	<u>\$ 1,822,840</u>
Total Federal Grants	\$ 2,824,052	\$ 3,143,656	\$ 127,221
Total Provincial Grants	4,417,889	5,093,633	1,695,619
Total Grants	<u>\$ 7,241,941</u>	<u>\$ 8,237,289</u>	<u>\$ 1,822,840</u>

The City of Salmon Arm

Schedule 4 - Reserve Funds Statements

For The Year Ended December 31	2021 (Note 14)	Interest	Contributions	Inter-Fund Transfers	Expenditures	2022
Reserve Funds						
Development Cost Charges						
Sewer	\$ 3,582,385	\$ 72,875	\$ 154,245	\$ -	\$ -	\$ 3,809,505
Water	3,854,674	78,777	227,116	-	-	4,160,567
Drainage	2,080,540	42,190	93,874	-	-	2,216,604
Parks	623,478	13,092	56,786	-	-	693,356
Highways	2,034,248	41,587	121,087	-	-	2,196,922
Total Development Cost Charges	12,175,325	248,521	653,108	-	-	13,076,954
Other Statutory Reserves						
Equipment Replacement	2,287,724	54,411	-	565,000	(947,218)	1,959,917
General Capital	649,779	17,412	312,200	162,500	(73,738)	1,068,153
Fire Department Building and Equipment	460,729	9,922	-	50,000	-	520,651
Emergency Apparatus	1,750,812	38,111	-	265,000	(1,585,336)	468,587
Police Vehicle Replacement	242,976	5,779	-	60,000	(60,836)	247,919
Landfill Site Repurchase	228,765	4,523	-	-	-	233,288
Cemetery Development	161,484	3,193	-	-	-	164,677
Water Major Maintenance	1,357,518	29,116	-	455,000	(203,946)	1,637,688
Sewer Major Maintenance	3,071,166	60,727	-	220,000	-	3,351,893
Community Centre Major Maintenance	803,391	16,292	-	225,000	(92,028)	952,655
Cemetery Columbarium	74,063	1,464	-	-	-	75,527
Parks Development	474,014	9,865	33,650	-	-	517,529
Total Other Statutory Reserves	11,562,421	250,815	345,850	2,002,500	(2,963,102)	11,198,484
Total Reserves Funds	23,737,746	499,336	998,958	2,002,500	(2,963,102)	24,275,438
	\$ 23,737,746	\$ 499,336	\$ 998,958	\$ 2,002,500	\$ (2,963,102)	\$ 24,275,438

The City of Salmon Arm

Schedule 5 - Schedule of Segment Disclosure

For the Year Ended December 31	General Government Services	Protective Services	Transportation Services	Environmental, Health and Development Services	Recreation and Cultural Services	Sewer Utility Services	Water Utility Services	2022 Total
Revenue								
Taxation - Net	\$ 20,391,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,391,047
Transportation Parcel Tax	-	-	1,234,350	-	-	-	-	1,234,350
Frontage Tax	-	-	-	-	-	985,719	1,484,444	2,470,163
Grants	934,955	153,990	6,152,996	-	-	-	-	7,241,941
Grants - Other	-	-	113,228	2,250	82,944	-	-	198,422
Sales of Services	55,070	92,214	1,637,206	1,142,626	187,219	-	2,824,178	8,301,926
Licences, Permits and Fines	7,415	782,222	-	141,250	-	-	-	930,887
Rentals, Leases and Franchises	773,514	165,084	32,500	-	41,012	22,000	22,500	1,056,610
Return on Investments	983,530	66,573	112,350	15,185	37,967	272,736	370,183	1,858,524
Penalties and Interest	200,937	-	-	-	-	15,860	18,676	235,473
Other Revenue	20,000	1,190	52,951	56	1,418	-	-	75,615
Developer and Other Contributions	233,359	-	2,822,497	-	33,650	134,458	227,815	3,451,779
Gain (Loss) on Disposal of Tangible Capital Assets	225,171	-	47,364	-	-	-	-	272,535
Total Revenue	23,824,998	1,261,273	12,205,442	1,301,367	384,210	3,794,186	4,947,796	47,719,272
Expenses								
Wages and Benefits	2,260,464	1,676,408	1,887,467	839,305	1,973,118	822,756	1,043,408	10,502,926
Insurance	232,905	26,617	82,528	131	58,134	43,703	35,288	479,306
Community Grants	276,671	-	-	-	-	-	-	276,671
Professional and Legal Fees	101,870	-	-	8,591	-	-	-	110,461
Utilities and Property Taxes	65,289	73,296	224,511	798	32,905	251,887	371,521	1,020,207
Repairs and Maintenance	-	64,081	1,473,932	28,061	929,461	265,920	481,108	3,242,563
Contracts	283,861	3,618,901	984,711	1,467,856	636,894	53,033	64,600	7,109,856
Operating Expenses	519,948	397,471	724,629	313,545	43,532	366,013	180,167	2,545,305
Collections for Other Governments	12,626	-	-	-	-	-	-	12,626
Amortization	991,946	187,304	5,116,254	-	400,220	837,676	1,075,568	8,608,968
Interest and Debt Issue Expenses	627,642	-	196,137	28,050	28,622	114,255	291,083	1,285,789
Total Expenses	5,373,222	6,044,078	10,690,169	2,686,337	4,102,886	2,755,243	3,542,743	35,194,678
Net Surplus (Deficit)	\$ 18,451,776	\$ (4,782,805)	\$ 1,515,273	\$ (1,384,970)	\$ (3,718,676)	\$ 1,038,943	\$ 1,405,053	\$ 12,524,594

The City of Salmon Arm

Schedule 5 - Schedule of Segment Disclosure

For the Year Ended December 31	General Government Services	Protective Services	Transportation Services	Environmental, Health and Development Services	Recreation and Cultural Services	Sewer Utility Services	Water Utility Services	2021 Total (Note 14)
Revenue								
Taxation - Net	\$ 19,306,833	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,306,833
Transportation Parcel Tax	-	-	1,226,250	-	-	-	-	1,226,250
Frontage Tax	-	-	-	-	-	970,158	1,468,830	2,438,988
Grants	1,005,636	168,750	638,454	-	-	-	10,000	1,822,840
Grants - Other	-	-	119,452	2,250	64,600	-	-	186,302
Sales of Services	67,042	270,083	1,526,696	1,111,027	20,193	2,227,860	2,901,152	8,124,053
Licences, Permits and Fines	11,647	740,608	-	123,944	-	-	-	876,199
Rentals, Leases and Franchises	729,765	41,402	30,989	-	120,827	22,000	16,950	961,933
Return on Investments	277,313	15,791	53,409	5,754	12,713	140,247	263,786	769,013
Penalties and Interest	226,111	-	-	-	-	13,846	-	256,844
Other Revenue	-	709	42,255	-	-	-	-	42,964
Developer and Other Contributions	81,408	10,000	4,019,408	-	92,130	605,055	573,702	5,381,703
Gain (Loss) on Disposal of Tangible Capital Assets	-	8,025	(60,768)	1,070	7,500	-	-	(44,173)
Total Revenue	21,705,755	1,255,368	7,596,145	1,244,045	317,963	3,979,166	5,251,307	41,349,749
Expenses								
Wages and Benefits	2,384,330	1,727,492	1,776,526	813,874	1,879,866	813,172	1,073,677	10,468,937
Insurance	219,236	20,506	79,286	108	54,873	42,370	34,183	450,562
Community Grants	744,318	-	-	-	-	-	-	744,318
Professional and Legal Fees	71,930	-	-	1,391	-	-	-	73,321
Utilities and Property Taxes	66,497	70,174	254,722	(20)	30,284	268,637	403,383	1,093,677
Repairs and Maintenance	-	73,744	1,200,699	23,354	520,530	342,253	626,394	2,786,974
Contracts	274,843	3,711,649	785,041	1,417,054	793,739	67,990	54,244	7,104,560
Operating Expenses	361,719	356,129	562,159	322,538	41,929	333,733	136,064	2,114,271
Collections for Other Governments	12,553	-	-	-	-	-	-	12,553
Amortization	957,672	159,137	4,841,850	-	363,452	817,381	1,057,080	8,196,572
Interest and Debt Issue Expenses	606,983	-	195,077	28,050	27,603	114,255	292,463	1,264,431
Total Expenses	5,700,081	6,118,831	9,695,360	2,606,349	3,712,276	2,799,791	3,677,488	34,310,176
Net Surplus (Deficit)	\$ 16,005,674	\$ (4,863,463)	\$ (2,099,215)	\$ (1,362,304)	\$ (3,394,313)	\$ 1,179,375	\$ 1,573,819	\$ 7,039,573

The City of Salmon Arm

Schedule 6 - COVID-19 Safe Restart Grant

For The Year Ended December 31

In response to COVID-19, the Province of British Columbia provided COVID-19 Safe Restart Grants to support local governments with increased operating costs, lower revenues and fiscal pressures related to COVID-19. The City received \$3,598,000 in 2020.

The COVID-19 Safe Restart Grant is unconditional and has been accounted for as an unrestricted government transfer; recognized as revenue in the year received. The following schedule outlines how the City has utilized the grant funding.

	2022	2021
Interest Income	\$ 43,427	\$ 5,388
Revenue Shortfalls:		
Recreation and Cultural Services	(150,000)	(122,650)
General Government Services	-	(900)
Expenditures:		
General Government Services	(82,838)	(110,000)
Community Grants	(90,046)	(200,933)
Recreation and Cultural Services	-	(163,696)
Protective Services	(125,000)	(100,700)
Transportation Services	(267,191)	(84,230)
Community Grant Returned	20,000	-
Net (Deficit)	(651,648)	(777,721)
Balance, Beginning of Year	2,196,268	2,973,989
Balance, End of Year	\$ 1,544,620	\$ 2,196,268

Photo Credits



Salmon Arm Economic Development

Viktoria Haack

Harrison Family

Gregg Patterson



 City of Salmon Arm, British Columbia
Box 40, 500 - 2 Avenue NE
Salmon Arm, BC Canada V1E 4N2

 250.803.4000

 annualreport@salmonarm.ca

 www.salmonarm.ca

 @SalmonArmBC

 Like us on Facebook

 [cityofsalmonarmbc](https://www.instagram.com/cityofsalmonarmbc)