

# 2023 Annual Report

For the fiscal period ending December 31, 2023







## CITY OF **SALMON ARM**

The City of Salmon Arm 2023 Annual Report has been prepared by the Corporate Services & Financial Services Departments, pursuant to section 98 of the *Community Charter*.

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@CityOfSalmonArm



@cityofsalmonarmbc



@SalmonArmBC



@SalmonArmBC





**Secwépemc Landmarks Project, Sculpture Unveiling**

R.J. Haney Heritage Village & Museum

September 21, 2023



**Kayleigh Seibel Photography**



**Secwépemc Landmarks Project, Písell Sculpture**

R.J. Haney Heritage Village & Museum

September 21, 2023



**Kayleigh Seibel Photography**



***"Mayor & Council are grateful for the land on which  
the City of Salmon Arm is located, which is the traditional territory  
of the Secwépemc People, with whom we share these lands,  
and where we live & work together."***







Western Grebe  
Marine Peace Park Wharf  
May 24, 2023  
John G Woods





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# Message from the Mayor



2023 was filled with both celebrations and challenges. In mid-August the wildfires in the North Shuswap erupted. Smoke engulfed our region. Our city welcomed hundreds of evacuees. Thank you to the many volunteers who did everything they could, to bring some comfort and calm to those fleeing the fire.

We also celebrated the completion of two major projects in our city. In May the Ross Street Underpass opened. We now have safe easy access to our waterfront. The Salmon River Bridge west highway project was also completed, concluding with the naming of the new, "Dr. Mary Thomas Bridge."

Housing and water infrastructure were our focus. Housing starts continue to be strong, with higher density units being started in the city core. Our focus is specifically on purpose -rental, with several larger rental projects underway. Residents have noticed extensive in-ground construction work, as we replace aging water pump stations and upsize water piping.

Despite the late summer wildfires and corresponding cancelling of key events, our residents pulled together to support one another. We live in a wonderful place. It is the people who live here who make Salmon Arm extra special!

Sincerely,

A handwritten signature in black ink, appearing to read 'Alan Harrison', with a long horizontal flourish extending to the right.

Alan Harrison, Mayor  
City of Salmon Arm





# Message from the CAO

As I reflect on the past year, I am incredibly proud of what the City accomplished in 2023. With clear direction from Council, and the dedicated efforts of staff and community partners, we were able to move forward on many important initiatives. This report showcases the City's strong financial position, the progress we are making on Council's Corporate Strategic Plan and the many core services we provide.

Notably, the much anticipated Ross Street Underpass was completed, effectively bringing the waterfront into downtown and significantly increasing safety. The Marshlands shelter was opened, providing year-round support for those experiencing homelessness in our community. We also began planning for the 2024 BC 55+ Games and the long-awaited Official Community Plan (OCP) review kicked off.

Staged water restrictions were implemented, and you did your part to conserve. We heard what you had to say and modified the program for 2024 so that food bearing plants could continue to be watered during all stages, acknowledging the importance of food security at a time when the cost of living has been steadily increasing.

Looking ahead, we will be working through the Small Scale Multi Unit Housing legislative changes intended to facilitate more options for housing in our community. This will also come with changes to how citizens can participate in zoning amendments as public hearings for rezonings will be discontinued for housing projects that are consistent with the City's OCP. These changes make participating in the OCP review even more important.

Planning is also underway for the Water Pollution Control Centre expansion. This critical infrastructure is nearing its capacity and is vitally important to the health of our community. We will share updates as the project progresses.

There is so much to celebrate in Salmon Arm. I hope you find this report informative, but invite you to reach out to staff with your questions, concerns and ideas. We want to hear from you and will ensure that there are opportunities to engage on the issues that are important to you.

Sincerely,



Erin Jackson, Chief Administrative Officer  
City of Salmon Arm







**Canoe Beach Expansion Project Completion**

Canoe Beach

August 8, 2023



**City of Salmon Arm**



# Meet Your Council (2022 - 2026)



**Debbie Cannon**

- Development & Planning Services Committee
- Columbia Shuswap Regional District (Rep. I Alt)
- First Nations Partnerships, West Bay Connector
- Shuswap Recreation Society
- Shuswap Watershed Council
- MIABC Voting (2nd Alt)
- Rail Trail Liaison (Alt)
- Salmon Arm Fall Fair Liaison



**Tim Lavery**

- Development & Planning Services Committee
- Active Transportation Advisory Committee
- Greenways Liaison Committee
- Downtown Parking Commission
- Housing Task Force
- Columbia Shuswap Regional District Rep. II
- Fire Smart Liaison



**Kevin Flynn**

- Development & Planning Services Committee
- Columbia Shuswap Regional District Rep. I
- Downtown Salmon Arm (DSA)
- MIABC Voting Delegate
- SEP Executive Committee Liaison



**Louise Wallace  
Richmond**

- Development & Planning Services Committee
- District Arts Council
- Housing Task Force
- Social Impact Advisory Committee
- Shuswap Regional Airport Commission
- Kelowna Airport Committee
- MIABC Voting Delegate and Alternate (1st Alt)
- Okanagan Regional Library (Alt)



**Sylvia Lindgren**

- Development & Planning Services Committee
- Environmental Advisory Committee
- Okanagan College Regional Advisory Committee
- Okanagan Regional Library Board
- Salmon Arm Roots and Blues Festival Liaison
- Salmon Arm Bay Nature Enhancement Society



**David Gonella**

- Agricultural Advisory Committee
- Chamber of Commerce
- Community Heritage Commission
- Salmon Arm Museum/Heritage Association Advisory
- Shuswap Community Futures





**Downtown Kick Off Party, Roots & Blues Festival**

Alexander Street

August 15, 2023



Vanessa Morris Photography

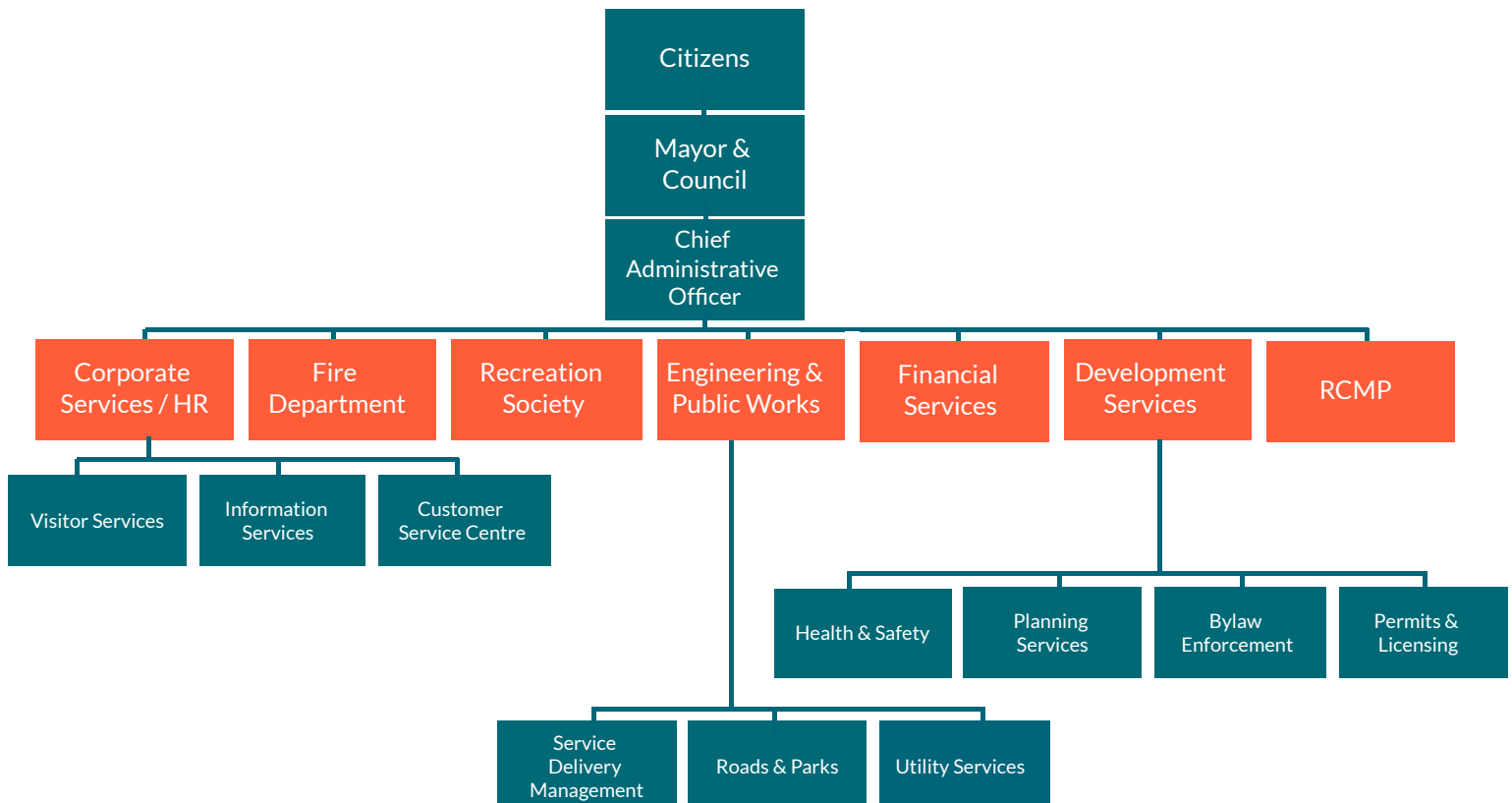


# Meet Your City Management Team



(L-R) Chelsea Van de Cappelle (Chief Financial Officer), Rob Niewenhuizen (Director of Engineering & Public Works), Erin Jackson (Chief Administrative Officer), Brad Shirley (Fire Chief), Sue Wood (Director of Corporate Services)  
Missing: Gary Buxton (Director of Planning & Community Services)

## Our Organizational Chart







**60th Anniversary Celebration**  
R.J. Haney Heritage Village & Museum  
July 10, 2023



Salmon Arm Observer, Lachlan Labere



**25th Annual Spooktacular Event**  
R.J. Haney Heritage Village & Museum  
October 21, 2023



Salmon Arm Observer, Lachlan Labere







Kenthen Thomas, Secwépemc Storyteller Series

Salmon Arm Arts Centre

August 12, 2023



Salmon Arm Arts Centre





## Our Vision

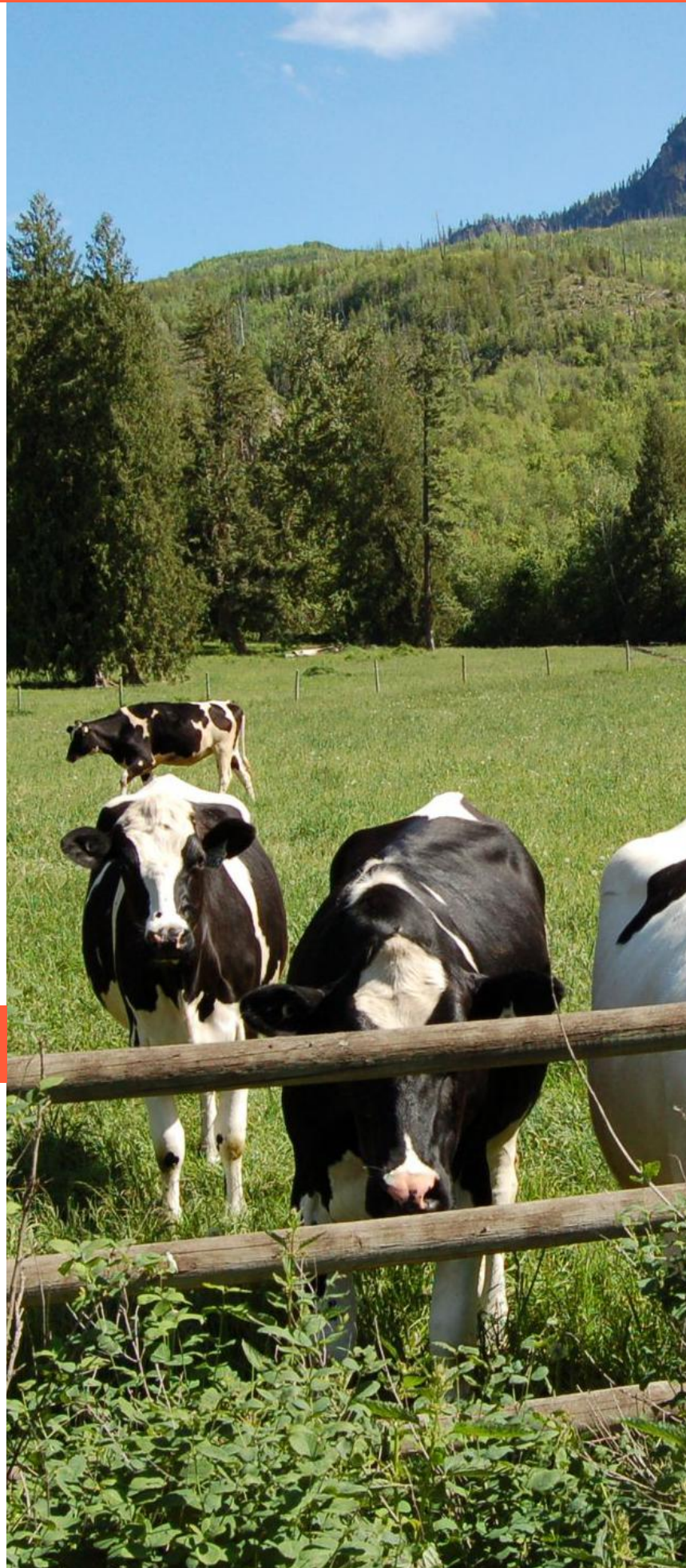
Salmon Arm is a community that has a comfortable, safe lifestyle and a vibrant feeling. The community deeply values the city's magnificent natural setting with its healthy ecosystems. The city is nestled between mountains and the shore of Shuswap Lake, offering beautiful scenery, greenery, rich agricultural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

As the regional center 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 center, 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 neighborhoods, 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



**We will support a prosperous, vibrant and welcoming community.** We share in the pride of our community as a "Small City with Big Ideas".

**We will 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.

**We will 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.

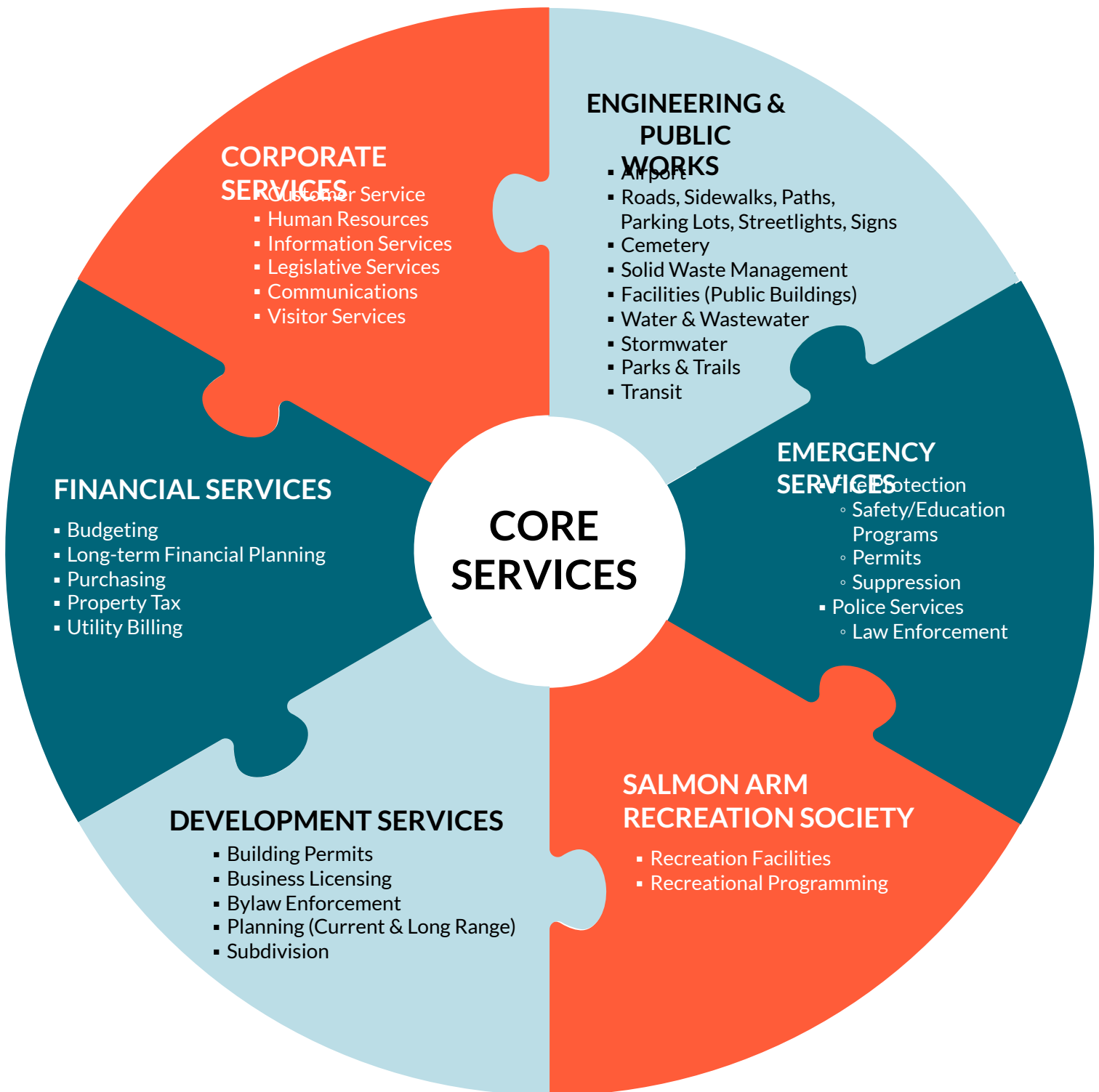
**We will convene community partners to leverage knowledge and expertise.** We work nimbly to determine where the city may be better positioned to lead, or convene and support community partners who may be better equipped to provide leadership or implement projects outside the scope of core city services.

**We will provide excellence in service delivery.** We are committed to a high standard of service delivery in all 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.





# Our Core Services



In Salmon Arm, we're dedicated to delivering essential services that enhance community life. Our core services include Corporate Services, Engineering & Public Works, Financial Services, Emergency Services, and Salmon Arm Recreation. Corporate Services ensure smooth governance and administrative support, while Engineering & Public Works maintain crucial infrastructure. Financial Services manage resources for sustainable growth, and Emergency Services provide swift, reliable protection. Meanwhile, Salmon Arm Recreation offers diverse programs promoting health and community engagement. Together, these services form the foundation of our city, fostering progress and resilience.



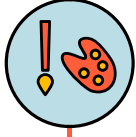
# Our Support Services



**Economic Development**



**Affordable Housing**



**Arts & Culture**



**Heritage**



**Health Care/Hospital**



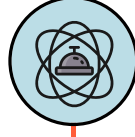
**Regional Transportation**



**Regional Library**



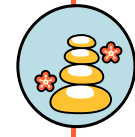
**Emergency Planning**



**Senior Services**



**Education**



**Social Well-Being**



**Tourism**

Salmon Arm is not just a city; it's a community thriving on diverse support services catering to all aspects of life. From robust economic development initiatives nurturing businesses to the provision of affordable housing ensuring everyone has a place to call home, the city is committed to fostering growth and inclusivity.

Moreover, its vibrant arts and cultural scene, rich heritage, and access to quality healthcare at the local hospital enhance residents' quality of life. With a well-connected regional transportation network and a comprehensive library system, knowledge and mobility are at everyone's fingertips. Additionally, meticulous emergency planning ensures safety during unforeseen events.

Tailored services for seniors, comprehensive education opportunities, and a focus on social well-being underline Salmon Arm's dedication to holistic community development. Lastly, the city's promotion of tourism showcases its unique charm, inviting visitors to experience the warmth and hospitality that define this remarkable locale.

## #SMALLCITYBIGIDEAS





Mayor Harrison, Modelling - New Salmon Arm T-shirt  
Salmon Arm Innovation Centre  
September 21, 2023  
Salmon Arm Economic Development





# Five Strategic Drivers



## 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.



## ENVIRONMENT

We will protect and enhance our natural environment.



## ASSETS

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



## ECONOMY

We will support initiatives which encourage and enable economic prosperity.

## Our Corporate Strategic Plan

The City of Salmon Arm's Corporate Strategic Plan 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 emerged that drive the City towards its vision.

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 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](http://salmonarm.ca) or scan the QR code to view the Corporate Strategic Plan.



[www.salmonarm.ca/292/Corporate-Strategic-Plan](http://www.salmonarm.ca/292/Corporate-Strategic-Plan)



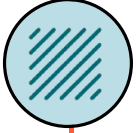




# Community Profile



Elevation 358 m



Area 18,541 ha



Population 21,034

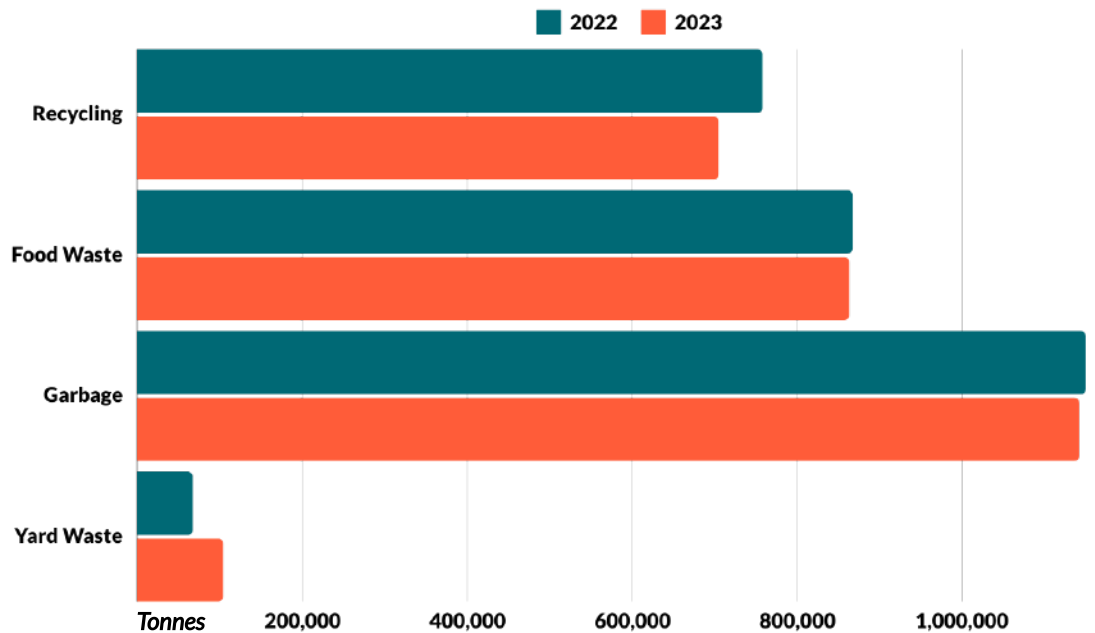


Voters List 15,619



Water Mains 205 km

## Curbside Collection



### Bylaw Services

- 703 incident reports in 2023 vs 671 in 2022



### Downtown Parking Enforcement

- 818 tickets issued



### Roads

- 13,695 tonnes of asphalt placed
- 150 km of line paint applied
- 31.2 km of crack seal applied
- 70 street lights converted from HPS to LED



### Fields

- Open 189 days (April - October)
- Fields booked for 4,529 hours
- 16,064 visits per season



### Rogers Rink

- 92,000 sq/ft w/ 1,500+ seating
- 2,100+ total capacity
- 4,500 bookings per year
- 280,000+ visitors per year



Surfaced Roads 447 km



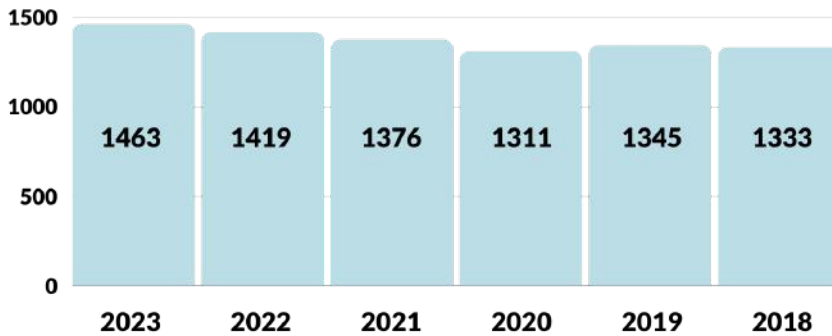
Active Transportation 252 km



# Community Profile



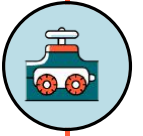
## # of Active Business Licenses



5,415 Sanitary Service Connections



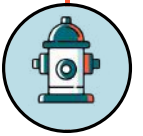
6,337 Water Service Connections



244 km Storm & Sanitary Mains



864 Water Hydrants



## Fire Services



- 478 calls for service
- 5 engines, 3 tenders, 1 aerial ladder, 1 platform tower
- 1 rescue unit, 2 bush units, 3 admin vehicles

## Parks



- 15,700 annual plants planted
- 370 hanging baskets planted & hung
- 12 city owned & maintained playgrounds



## SASCU Recreation Centre

- 41,526 participants in dry land activities
- 82,921 visitors to Aquatic Centre
- 129,414 visitors to Rec Centre



## Visitor Services

- 6,957 mobile outreach visitors
- 183 live chats, 304 QR Scans
- 1,510 visits to the Visitor Centre
- 4 DT Pillars, 2 Outdoor Kiosks & addition of Wharf Info Hub



## Police Services

- 8,075 calls for service
- 5,990 within Salmon Arm
- 271 police-based victim services incidents
- 428 PBVS clients supported



Building Permits Issued 264



Value of Building Permits \$62,906,026





Wednesday On The Wharf Team Members

Salmon Arm Arts Centre

July 5, 2023



Salmon Arm Arts Centre





## Who Does What?

MUNICIPAL GOVERNMENT	REGIONAL DISTRICT	PROVINCIAL GOVERNMENT	FEDERAL GOVERNMENT
<ul style="list-style-type: none"> <li>▪ Road Maintenance</li> <li>▪ Snow Removal</li> <li>▪ Water Supply</li> <li>▪ Sewer/Storm Water Management</li> <li>▪ Solid Waste Collection</li> <li>▪ Parks, Trails and Playgrounds</li> <li>▪ Cemetery</li> <li>▪ Recreational Facilities</li> <li>▪ Bylaws</li> <li>▪ Municipal RCMP</li> <li>▪ Fire Rescue</li> <li>▪ Business Licenses</li> <li>▪ Community Planning and Development</li> <li>▪ City Hall</li> <li>▪ Municipal Property Tax</li> </ul>	<ul style="list-style-type: none"> <li>▪ Solid Waste Management (landfill, recycling depot and transfer stations)</li> <li>▪ Residential Services Outside City Boundaries</li> <li>▪ Regional Parks and Recreation</li> <li>▪ Rural Area Planning &amp; Development</li> <li>▪ 911 Operation</li> <li>▪ Fire Dispatch</li> <li>▪ Emergency Management</li> </ul>	<ul style="list-style-type: none"> <li>▪ Schools</li> <li>▪ Provincial Parks</li> <li>▪ Crown Land Resource Extraction</li> <li>▪ Health Care</li> <li>▪ Social Services</li> <li>▪ WorkSafe</li> <li>▪ ICBC</li> <li>▪ Subsidized Housing</li> <li>▪ Post-Secondary Education</li> <li>▪ Highway Maintenance (including highways within city boundaries)</li> <li>▪ Provincial Income Tax</li> <li>▪ Provincial Property Tax</li> <li>▪ Sales Tax</li> <li>▪ Heritage Conservation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Income Tax</li> <li>▪ Employment Insurance</li> <li>▪ Child Tax Benefits</li> <li>▪ Student Loans</li> <li>▪ Military</li> <li>▪ National Parks</li> <li>▪ International Travel</li> <li>▪ Banking</li> <li>▪ Criminal Law</li> <li>▪ Foreign Affairs</li> </ul>











#### Ross Street Underpass Opening Ceremony

September 21, 2023



City of Salmon Arm



#### Opening of the Dr. Mary Thomas Bridge

October 27, 2023



Salmon Arm Observer, Heather Black



#### Le7 Tmicw Exhibition

*The Whole Earth is Connected By Hop You Haskett's*  
Salmon Arm Arts Center

July 9, 2023



Salmon Arm Observer, Rebecca Willson



#### cnéwelc: Follow a Trail

R.J. Haney Heritage Village & Museum

July 10, 2023



R.J. Haney Heritage Village & Museum





Outreach Event with Visitor Services



City of Salmon Arm



# Departmental Report: Corporate Services



Appointed under the Community Charter, the Chief Administrative Officer (CAO) implements council's 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, labor 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 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 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. In 2023, Visitor Services served 1,510 visitors at the Visitor Centre at City Hall and 6,957 visitors via mobile outreach. Digital Channels all reached new milestones & the strategy added 4 new downtown pillars and saw the addition of the Wharf Info Hub in Marine Peace Park. For the full 2023 Visitor Services Year End Report visit - <https://my.visme.co/v/ep3p8xem-x11mzyd>.



**Achievement:**  
Implementation of council  
meeting management  
software

**Goal:** Privacy Management  
Policy



**Achievement:**  
Public Art Policy

**Goal:** Accessibility Plan



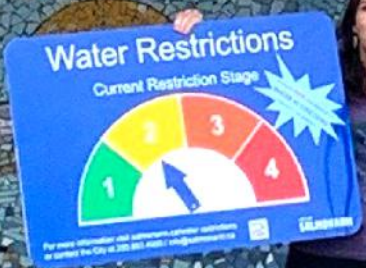
**Achievement:** Streamlining  
of 'Request for Use' of city  
spaces and facilities

**Goal:** Implementation of  
committee meeting  
management software





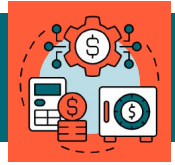
# Earth Day Gathering



Earth Day Gathering  
Ross Street Plaza  
April 22, 2023  
City of Salmon Arm



# Departmental Report: Financial Services



The Financial Services division, led by the Chief Financial Officer, works as a strategic partner in the delivery of City services and programs. The division is responsible for overall financial administration 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).



**Achievement:** Completed detailed analysis and implementation of new Public Sector Accounting Standard 3280 – Asset Retirement Obligations.

**Goal:** Update/Establish financial policies to reflect modern practices (Purchasing Policy/Donation Policy)



**Achievement:** Completed implementation of technology to provide credit/debit paid parking payment options.

**Goal:** Investigate bill batch payments



**Achievement:** Streamlined the 'Public Budget Referral' process.

**Goal:** Investigate Online Property Tax Certificates





**BC Housing 25 Bed Shelter**  
341 Fraser Avenue NW  
December 21, 2023  
Salmon Arm Observer, Lachlan Labere



**Land Development**  
25 Avenue SW  
Spring 2023  
City of Salmon Arm





# Departmental Report: Development Services



Development services consist of: 1) land use policy planning and development approvals; 2) building inspection and business licensing; 3) bylaw enforcement; and 4) health and safety. 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 continue to manage the flow of current planning activities, mostly involving development, subdivision, and land use proposals. Fifty eight planning applications were processed with many of those submitted to council for decisions (there were 90 in 2022). Seventeen of the applications were for zoning amendments. Fifty five new single-family lots were approved for registration through 14 subdivision applications, activity levels that were all lower than in 2022. Staff initiated preliminary background research for the pending Official Community Plan review taking place in 2024-2025. Staff also developed the Priority Planning and Development Review Policy which was approved by council, to expedite the review of applications for affordable and purpose-built rental housing. Reductions to city fees for affordable and rental housing were also approved by council. Planning staff were successful in obtaining a grant from UBCM to complete a review of the impacts of full development of the high density residential area in the OCP. Very late in the year, the province passed new legislation, that will require significant amendments to the Zoning Bylaw to allow additional development in single family residential zones. Planners continued with their support roles on the City's Agricultural Advisory, Greenways, Active Transportation Advisory Committees, Design Review Panel and Heritage Commission.

**Bylaw Enforcement:** 2023 saw a new Parks and Open Spaces Bylaw approved that provided new powers to assist in dealing with temporary structures built in parks, and a new Tree Preservation Bylaw was drafted but is not yet approved by Council. Bylaw staff continued to work closely with the RCMP, Interior Health and the Canadian Mental Health Association (CMHA) homeless outreach workers on homelessness issues and encampments. Additional staff also enabled a downtown parking enforcement program to operate in the summer months, with over 818 tickets issued (compared to the 856 for 2022). The department recorded an overall total of 703 incident reports which is up from 671 from 2022. Bylaw staff also participate on the Downtown Parking Commission.

**Building Inspection:** Building staff provide the construction industry with professional and timely service and plan and permit review. 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 remained very strong in 2023, specifically in the residential sector. The total number of building permits issued in 2023 (264) was less than in 2022 (333); however the total value of construction was at a near record level at almost \$63 million. The residential sector accounted for \$38.7 million of the total.

**Business Licensing:** Business license applications are checked for compliance with city 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 year over year again in 2023, continuing the recent trend that has seen licensing numbers grow in parallel with the overall community. The city participates in the Okanagan-Similkameen intercommunity business licensing and information sharing program.

**Health & Safety:** The Health and Safety Program is responsible for developing and overseeing the overall safety program at the city to ensure that our work is conducted safely at all times, and is consistent with the requirements of the Workers Compensation Act and the Occupational Health and Safety Regulation. The department works closely both with WorkSafeBC and all managers and supervisors at the city to ensure safe work practices are followed.



**Achievement:** Worked with BC Housing on opening of Marshlands Shelter

**Goal:** Complete Community High Density Study Project



**Achievement:** Initiated Official Community Plan Review Process

**Goal:** Significantly advance review of Official Community Plan



**Achievement:** Approval of Priority Planning & Development Review Policy

**Goal:** Complete Zoning Bylaw Amendments required by Province





Shuswap Regional Airport Open House & Emergency Preparedness Expo  
June 25, 2023  
Salmon Arm Observer, Lachlan Labere



# Departmental Report: Engineering Services



Engineering Services oversees road and utility construction and design, transportation planning (including vehicular and active transportation, 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 through its Service Delivery Management responsibilities for 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. The service is operated by Transdev Canada. 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 three (3) regional service routes which include 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 (resurfaced in 2023), 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 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 6,900 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. 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.

**Capital Works Program:** The Engineering Department administers the annual Capital Works program consisting of replacement and expansion of water, sewer, drainage and transportation projects. In 2023, there were 66 active Capital Works projects managed by the Engineering Department valued at over \$32 million.

**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.



**Achievement:** Commenced Auto Road Connector Detailed Design

**Goal:** Completion Ross Street Underpass



**Achievement:** Continuation of Ross Street Underpass construction

**Goal:** Source Protection Plan



**Achievement:** Continuation of Lakeshore Road Project

**Goal:** Universal Water Meter Strategy

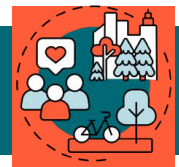




Public Works Staff, Rainbow Crosswalk Repair  
September 21, 2023  
Salmon Arm Arts Centre



# Departmental Report: Public Works



**Public Works** is comprised of Roads, Transportation, 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.

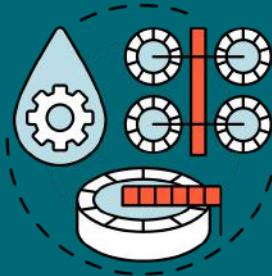
**Water Treatment/Distribution System:** The city's water is supplied by way of two (2) primary sources: East Canoe Creek at Metford Dam (approximately 10%) and Shuswap Lake at Canoe Beach (approximately 90%). The water supply consistently meets the Canadian Drinking Water Guidelines, BC Drinking Water 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.



**Achievement:** Canoe Beach Phase I Expansion

**Goal:** Continued Conversion to LED Street Lights



**Achievement:** Zone 5 New Water Pump Station

**Goal:** Zone 2 New Water Pump Station Construction



**Achievement:** Pedestrian Crossing Safety Projects in partnership with ICBC

**Goal:** Blackburn Park Synthetic Field Construction

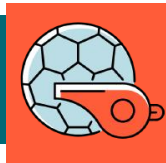




Salmon Arm Selkirk's Meet  
February 26, 2023  
Salmon Arm Selkirk's



# Departmental Report: 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 Rogers Rink, 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 three 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 soccer 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.

**Rogers Rink:** Rogers Rink 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, Rogers Rink promotes a variety of community events and concerts. The evidence of Rogers Rink's commitment to providing quality events can be found in the successful production of: Annual 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. National Ringette Competition; Female Hockey and Junior Curling Competitions; and Salmon Arm Homeshow. Rogers Rink 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.



**Achievement:** Replaced roofing adjacent to courts

**Goal:** Replace diving board



**Achievement:** Installed new accessibility lift for pool

**Goal:** Replace lane ropes & storage reel



**Achievement:** Replaced Players Entrance Canopy

**Goal:** Upgrade to high efficiency lighting in racquet courts





150 Anniversary RCMP Musical Ride  
Salmon Arm Fair Grounds  
July 1, 2023  
Salmon Arm Observer, Lachlan Labere





# Departmental Report: 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 the 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 the Salmon Arm Detachment. RCMP Specialized response teams, Police Dog Services, RCMP Rotary and Fixed wing aircraft and additional investigative teams are deployed through this hub. 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 2023, members and support staff handled 8,075 calls for service and investigations. In excess of 5,990 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.

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 Bylaw Enforcement, and the SAFE Society. In strategic partnership with community groups and these agencies (and other agencies) the detachment worked together to achieve common goals.

Police-based Victim Services (PBVS) is based in the RCMP Detachment and consists of one position which is shared by two employees. The 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 271 incidents in the last fiscal year and supported 428 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. 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.



**Achievement:** 3.6% < Serious Collisions (2022 - 2023)

**Goal:** Continue work to reduce property crime trends in the area



**Achievement:** 37% < Business Break & Enter Complaints (2022 - 2023)

**Goal:** Continue with partners to protect & support local vulnerable populations



**Achievement:** 3% reduction Car and Truck Theft

**Goal:** Work to continue efforts in maintaining traffic safety





Fire Chief for a Day Fire Hall # 3  
October 16, 2023  
Salmon Arm Fire Department



# Departmental Report: Fire Services



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

The members of the Fire Department continued to serve the citizens of Salmon Arm with a commitment and dedication in protecting life, property, and business from the effects of fire and disasters. The response area in 2023 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.

In 2023 there were sixty eight P.O.C. members working from the four fire halls and career staff consisting of the Fire Chief, Deputy Fire Chief and two firefighters. A team of eighteen members selected from each hall also form the departments Rescue Team, who train and respond to more technical responses. Apparatus replacement (Fire Trucks) continued with a new administration, quick response unit. Capital investments included year two of three of the departments Self Contained Breathing Apparatus replacement and secured funding for an expansion to Fire Hall # 2.

As training and preparation for emergency response is one of the most critical components of the fire service, training and maintaining skills relevant to our service level continued in 2023. Members train and are certified through a third party agency to the Full Service Level. Other training includes driving and pumping, air brakes, first aid, wildland firefighting, gas and hydro emergencies to name a few. Recruit training consisting of over 110 hours of instruction and evaluations continued in 2023 with nine members completing the requirements and graduating to full level service firefighters.

The Salmon Arm Firefighters Association continued to fundraise 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, continued in 2023. The City of Salmon Arm is a partner in this facility with CSRD electoral areas C, D, E, and F as well the District of Sicamous. Capital projects in 2023 included purchase of minor equipment and new classroom tables.

The FireSmart program continues to grow with the City working on both treatments and FireSmart education, including a number of home FireSmart assessments being completed.

As Prevention and Public Safety programs are critical to life safety and property prevention, a number of presentations at local community events and focus groups took place including Fire Prevention Week in partnership with the Office of the Fire Commissioner, Emergency Preparedness Week, Smoke alarm campaigns, and Fire Hall tours to a variety of groups and ages.



**Achievement:** Replaced 2/3 of self contained breathing apparatus

**Goal:** Complete Fire Hall # 2 addition



**Achievement:** Hired additional career firefighter

**Goal:** Complete self contained breathing apparatus replacement



**Achievement:** Replaced administration quick response vehicle

**Goal:** Replace Engine # 5 with Type 6 Wildland Engine



# Message from the CFO



May 23, 2024

I am pleased to present the City's 2023 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 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 the opinion of BDO Canada LLP that the City's financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2023, 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 2023. The City's net financial assets reached \$36.8M (2022 -\$26.7M) driven by an increase in cash of \$1.7M and investments of \$10.1M, primarily related to the receipt of a \$6.1M Growing Communities Fund Grant from the Province of BC. Trade accounts receivable have decreased by \$2.5M due to the collection of third party contributions associated with the Ross Street Underpass project.

Effective January 1, 2023, the City adopted the new accounting standard PSAS 3280 Asset Retirement Obligations (ARO) and applied the standard using the modified retroactive approach with restatement of prior year comparative information. The standard requires the reporting of legal obligations associated with the retirement of tangible capital assets. The impact of adoption on the prior year Statement of Financial Position included the recording of an ARO liability of \$5.6M and a net increase of \$0.56M in tangible capital assets, resulting in a net decrease of \$5.1M to the accumulated surplus. For more detailed information on the restatement to the prior year financial information, refer to Note 3 in the financial statements.

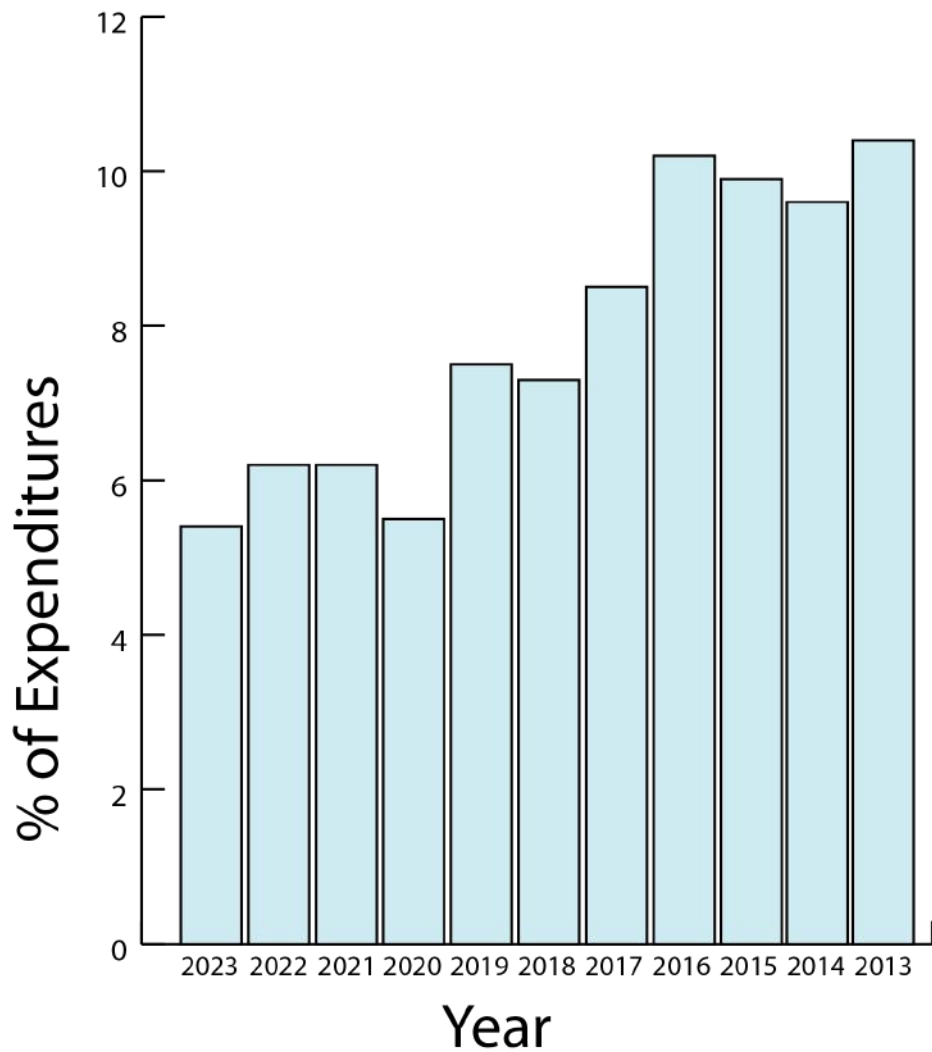




Overall the City's investment in capital assets, less the cost of amortization, was \$9.0M resulting in a net increase in total tangible capital assets. The City recognizes the importance of diligently investing in infrastructure to support future capacity needs, minimize unexpected costs and emergency works and to reduce risks to health and safety. The City continues to practice good fiscal management of its debt. Repayments during the year of \$2.1M were offset by the issuance of new debt of \$2M attributed to the replacement of the Zone 5 Booster Station, resulting in a net reduction of \$0.11M. The City's debt capacity ratio continues to be approximately 30% of the prescribed limit.

Revenues for 2023 totaled \$57M (2022 - \$49.8M). The largest drivers of the increase were development and other contributions and return on investments, reflecting increases of \$3.4M and \$2.2M respectively. An increase in interest rates from 1.93% in 2022 to 5.07% in 2023 resulted in higher returns on the investment portfolio. Developer contributed assets were \$4.6M more than the prior year, due to the timing of completion of developer donated assets, which can vary from year to year.

Expenses for 2023 totaled \$37.9M (2022 - \$35.4M), an increase of \$2.5M. As budgeted, wages and benefits contributed to most of this increase across all departments. Other increases related to operating costs associated with FireSmart activities, funded by the Community Resiliency Investment Fund and the City's Building Safer Communities work, funded by Public Safety Canada. Amortization and interest costs also increased over the prior year. Increases in expenditures were offset in part by a reduction in repair and maintenance costs associated with the City's fleet, equipment, grounds and facilities.



This graph reflects that principle and interest payments on long term debt over the past ten (10) years are, on average, 7.5% of the total expenditures of the city.



The City ended the year with an increase of \$19.1M (2022 - \$14.5M) to accumulated surplus, representing a consolidated balance of \$287M. The City's surplus, inclusive of individual fund surpluses, was \$41.9M; representing reserves committed to fund future expenditures of \$37.9M and unappropriated surplus of \$4M. Unappropriated surplus is to be used only for extraordinary events, such as wildfires or flooding, 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 2023, net operating surpluses (operating surplus less any year-end transfers to reserves and unexpended operating funds carried forward to 2024) for the following functions were:

- General Operating Net Year End Surplus - \$71,091 which is within 0.25% of actual and budgeted revenues and expenses;
- Regional Fire Training Centre Net Year End Surplus - \$11,953;
- Downtown Parking Specified Area Net Year End Surplus - \$31,374;
- Water Operating Fund Net Year End Surplus - \$66,817; and
- Sewer Operating Fund Net Year End Surplus - \$68,398.

Reserves for future expenditures have increased by \$1.5M. This increase is due to the reallocation of year-end operating surpluses for specific projects, unexpected challenges and opportunities such as leveraging senior government grant funding. The City's statutory reserves have increased by \$6.8M mainly due to the established of the Growing Communities Fund Reserve with a closing balance of \$5.5M. For more details on this government transfer, refer to Schedule 2 in the financial statements.

The Statistical section of the Annual Report shows five-year comparisons of key financial measurements. This section has been updated to reflect the restatement of prior year information. 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.

Sincerely,



Chelsea Van de Cappelle, CPA

Chief Financial Officer





# Annual Budget

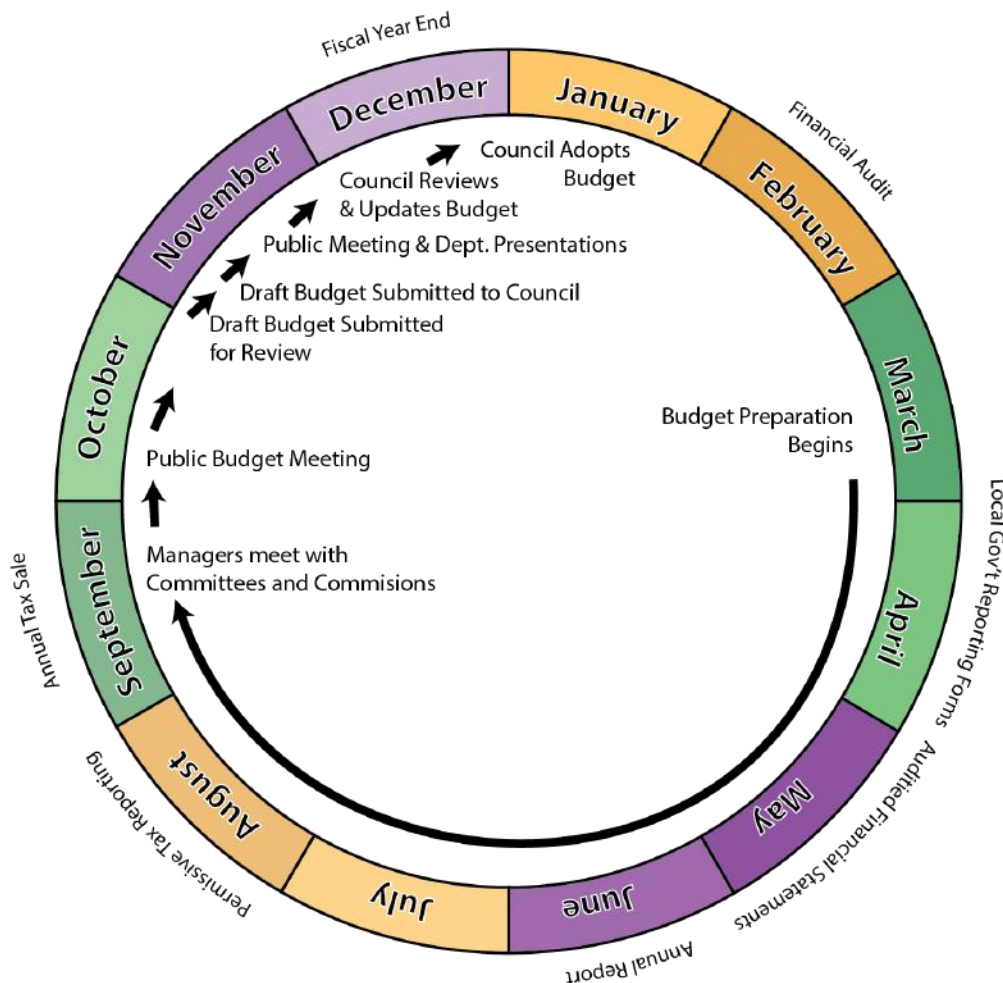


The City is responsible for the delivery of many services to both the residents and business community. The core services provided by the City are depicted in greater detail on page 16 of the annual report. These services account for the majority of the City's resources. Salmon Arm taxpayers also contribute to a number of regional services, such as the Shuswap Emergency Program, through the Columbia Shuswap Regional District. In the spring 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 October. Council places great value on the public's input and resulting consultation. Council is presented with the next year's proposed budget in early December. After an extensive review by Council and staff, Council adopts that year's budget through bylaw approval typically in December or January.

The budget is a plan for the upcoming year, as well as a preplan for future years that 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.

Solid progress has been made towards the ongoing development of the City's Service Delivery Management program. The challenge facing the community, like most municipalities, is that the City has significant infrastructure replacement obligations into the long-term. A sustainable infrastructure replacement funding model is necessary to ensure continued service and demonstrates a fair and equitable intergenerational funding approach.

The 2024 budget includes a 5.6% property tax increase for all property classes and new construction tax revenue of 1.18%. This additional taxation revenue will assist in funding operational increases as a result of inflationary pressures, wages and benefits, police services, and the renewal and replacement of infrastructure within protective services and transportation. The budget continues to prioritize safety while maintaining core service levels, with 27% of municipal taxes collected being allocated towards protective services. Consistent with Council's objective to maintain tax stability while maintaining equality between property classifications, the 2024 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 2024 budget also reflects a 30% increase to Water User Fees and a 10% increase to Sewer User Fees to address capital investments (replacements and upgrades), increased borrowing costs, increasing costs pertaining to labour, equipment and materials and to address diminishing reserves.

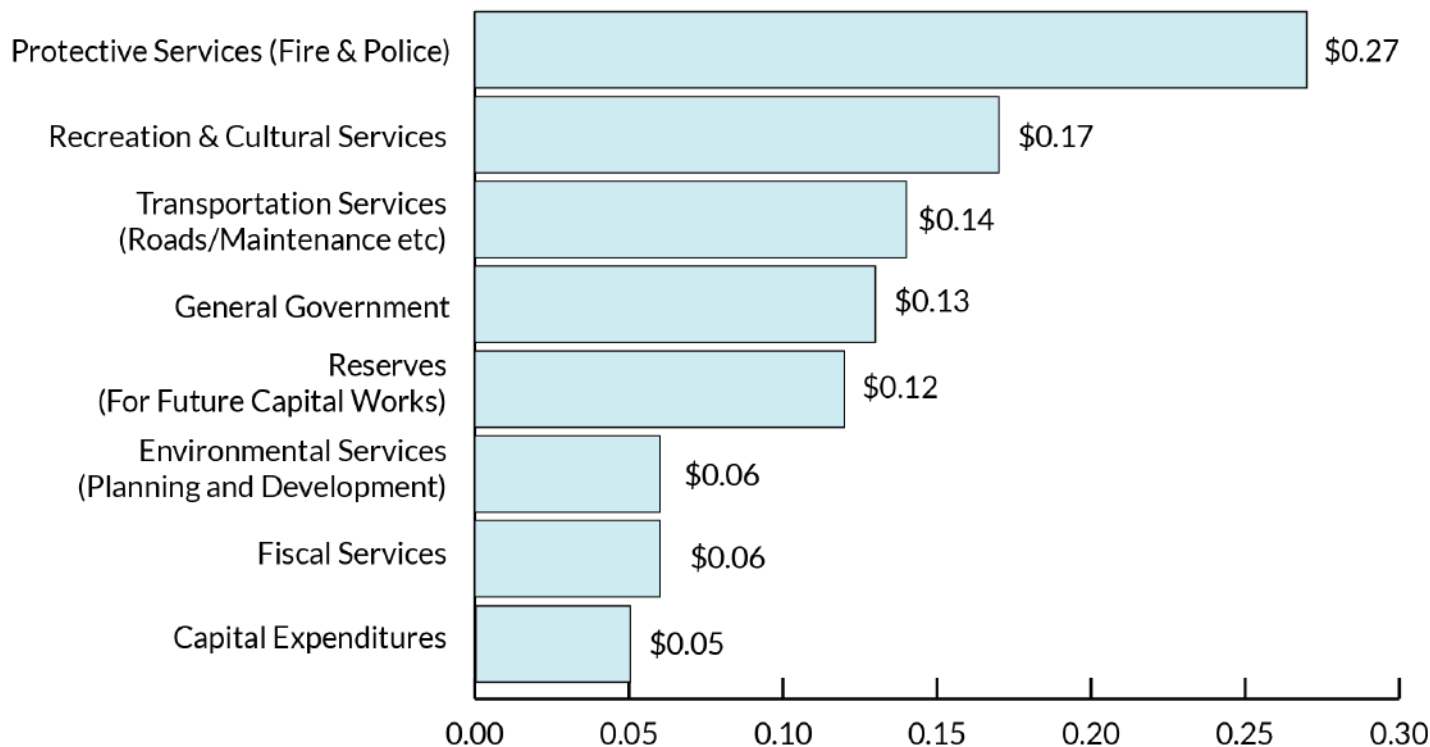
The current Canada Community-Building Fund program (Community Works Fund) expired on March 31, 2024, however the City is optimistic that a new renewed long-term agreement will be reached during the year. As a result, the City's budget includes anticipated grant funding of \$835K and has allocated \$3.7M of the total grant funds received towards various capital and operational projects such as:

- A new Public Sanitary Dump Station (\$520K);
- The expansion of Fire Hall No. 2 (\$500K); and
- The Lakeshore Road Stabilization project (\$409K).

The City plans to utilize the remaining Provincial COVID-19 Safe Restart Grant received in 2020 and has allotted \$702K within the 2024 budget to offset operational expenditures and budget shortfalls. In March 2023, 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.

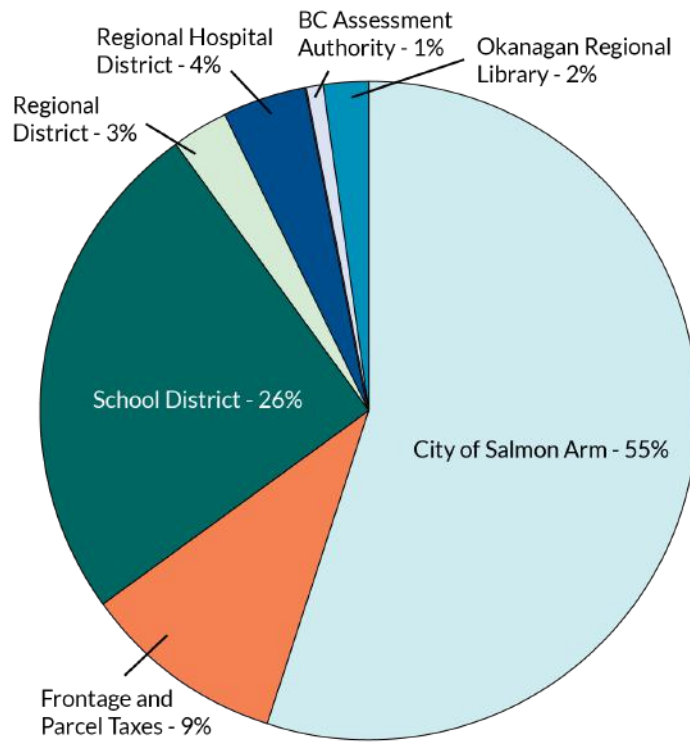
Of this, \$4.7M has been allocated within the 2024 budget and \$735K earmarked for future projects. Other significant grants secured and included within the 2024 budget include:

- BC Active Transportation Infrastructure Grant Program (16 Ave NE - Multi-Use Path) - \$411K;
- Investing in Canada Infrastructure /CleanBC Communities Fund (Shaw Centre MUA Loop Upgrade) - \$310K;
- Building Safer Communities Fund - \$290K;
- Local Government Housing Initiative Program (Legislative Changes to Support Housing) - \$240K;
- UBCM Complete Communities Fund (Complete Community Study) - \$150K; and
- Local Government Climate Action Program - \$147K.



*This graph reflects the portion of each municipal tax dollar that funds each function with the city's annual budget. For example \$0.14 of each dollar levied funds transportation services.*





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

The capital budget includes the purchase of an accessible beach water access mat for Canoe Beach, the purchase of new self-contained breathing apparatus (SCBA) for the fire department, the construction of the replacement Zone 2 Pump Station, construction of a new public sanitary dump station, the rehabilitation of the Foreshore Main – phase 2, 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 2024. The borrowing, will allow for the construction of the replacement Zone 2 Pump Station, located at Canoe Beach (\$4.2M). This is one of two pump stations that feed the treated water from the Water Treatment Plant into the water system. As discussed in the prior year, the Zone 2 Pump 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. Long term debt should not be a means to finance all projects, however, the reality is that there are some City projects that cannot be undertaken unless long term debt is accessed.

The City continues to allocate funds annually to reserves for various projects, such as the Shoemaker/Auto Road extension, the construction of the West Bay Connector Trail, a Downtown Parkade, the replacement of the Wharf and the Waste Water Treatment Plant expansion 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 2024 budget continues to reflect the allocation of predetermined amounts to reserves.

Many City staff members contribute to 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.





# Award for Financial Reporting



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, 2022**

*Christopher P. Morill*

Executive Director/CEO

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, 2022. 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 sixteenth year in a row that the City has received this national award. The 2022 Annual Report can be viewed on the City's website at [salmonarm.ca](http://salmonarm.ca).









# 2023-2027 Financial Plan

Schedule "A" - Bylaw #4586

## City of Salmon Arm 2023 - 2027 Financial Plan

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget
Consolidated Revenues					
Property and MRDT Taxes - Net	\$ 21,754,265	\$ 22,189,350	\$ 22,633,137	\$ 23,085,800	\$ 23,547,516
Frontage & Parcel Taxes	3,723,440	3,797,909	3,873,867	3,951,344	4,030,371
Sales of Service	9,157,585	9,340,737	9,527,552	9,718,103	9,912,465
Revenue From Own Sources	3,170,180	3,233,584	3,298,256	3,364,221	3,431,505
Rentals	343,435	350,304	357,310	364,456	371,745
Federal Government Transfers	255,620	260,732	265,947	271,266	276,691
Provincial Government Transfers	6,795,535	6,931,446	7,070,075	7,211,477	7,355,707
Other Government Transfers	236,258	240,983	245,803	250,719	255,733
Transfer From Prior Year Surplus	407,975	416,135	424,458	432,947	441,606
Transfer From Reserve Accounts	2,756,125	2,811,248	2,867,473	2,924,822	2,983,318
Total Consolidated Revenues	48,600,418	49,572,428	50,563,878	51,575,155	52,606,657
Consolidated Expenditures					
General Government Services	4,263,620	4,348,892	4,435,870	4,524,587	4,615,079
Protective Services	7,295,970	7,441,889	7,590,727	7,742,542	7,897,393
Transportation Services	5,756,430	5,871,559	5,988,990	6,108,770	6,230,945
Environmental Health Services	130,205	132,809	135,465	138,174	140,937
Environmental Development Services	3,351,420	3,418,448	3,486,817	3,556,553	3,627,684
Recreation and Cultural Services	5,377,310	5,484,856	5,594,553	5,706,444	5,820,573
Fiscal Services - Interest	1,352,725	1,379,780	1,407,376	1,435,524	1,464,234
Fiscal Services - Principal	1,364,760	1,392,055	1,419,896	1,448,294	1,477,260
Capital Expenditures	3,725,325	6,563,160	6,196,950	4,918,606	5,091,106
Transfer to Reserve Accounts	3,313,213	616,152	1,125,949	2,550,751	2,527,639
Transfer to Reserve Funds	7,260,520	7,405,730	7,553,845	7,704,922	7,859,020
Water Services	2,910,100	2,968,302	3,027,668	3,088,221	3,149,985
Sewer Services	2,498,820	2,548,796	2,599,772	2,651,767	2,704,802
Total Consolidated Expenditures	\$ 48,600,418	\$ 49,572,428	\$ 50,563,878	\$ 51,575,155	\$ 52,606,657

# 2023-2027 Financial Plan



Schedule "A" - Bylaw #4586

## City of Salmon Arm 2023 - 2027 Financial Plan

	2023 Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget
Capital Projects					
Finances Acquired					
General Operating Fund	\$ 2,189,925	\$ 4,887,360	\$ 5,157,650	\$ 3,581,150	\$ 3,746,150
Water Operating Fund	763,100	912,300	716,800	1,042,800	819,300
Sewer Operating Fund	772,300	763,500	322,500	294,656	525,656
Federal Government Grants	1,058,650	548,500	-	-	-
Provincial Government Grants	2,369,150	838,500	-	-	-
Prior Year Surplus	28,000	-	-	-	-
Reserve Accounts	10,749,380	3,460,500	1,365,000	842,500	1,447,500
Reserve Funds	2,694,920	2,737,000	3,523,500	1,226,000	1,296,500
Development Cost Charges	785,750	607,250	875,000	480,000	695,000
Short Term Debt	-	399,500	-	-	-
Long Term Debt	6,577,820	4,380,000	56,025,000	3,470,000	1,500,000
Developer Contributions	836,200	-	-	-	-
Total Funding Sources	28,825,195	19,534,410	67,985,450	10,937,106	10,030,106
Finances Applied					
Transportation Infrastructure	11,457,890	10,481,650	9,638,650	6,088,650	4,813,650
Buildings	8,932,330	430,000	555,000	330,000	130,000
Land	510,000	-	-	-	-
IT Infrastructure	70,000	120,000	20,000	20,000	20,000
Machinery and Equipment	1,415,850	1,204,500	2,363,500	746,000	936,500
Vehicles	518,500	265,000	655,000	95,000	145,000
Parks Infrastructure	775,980	1,553,460	764,000	370,000	445,000
Utility Infrastructure	5,144,645	5,479,800	53,989,300	3,287,456	3,539,956
Total Capital Expense	28,825,195	19,534,410	67,985,450	10,937,106	10,030,106
Departmental Summary					
General Government Services	564,300	250,000	100,000	100,000	100,000
Protective Services	1,120,850	502,000	292,000	167,000	617,000
Transportation Services	12,664,365	11,444,150	12,385,150	6,682,650	5,198,150
Environmental Health Services	29,715	555,000	255,000	70,000	60,000
Recreation and Cultural Services	1,840,610	1,253,460	914,000	580,000	465,000
Water Services	9,401,530	4,203,800	716,800	3,042,800	1,316,800
Sewer Services	3,203,825	1,326,000	53,322,500	294,656	2,273,156
Total by Department	\$ 28,825,195	\$ 19,534,410	\$ 67,985,450	\$ 10,937,106	\$ 10,030,106





# 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 2024 Property Taxes Based on \$659,113 Average Residential Assessment					
Municipal Taxes	2024 Net Cost	%	2024 Tax	2023 Tax	\$ Change
General Government Services	\$ 2,898,402	12.92%	\$ 247.07	\$ 152.53	\$ 94.54
Protective Services (Fire and Police)	5,926,029	26.39%	504.65	490.38	14.27
Transportation Services (Roads/Maintenance etc)	3,202,052	14.27%	272.88	271.73	1.15
Environmental, Health and Development Services	1,348,330	6.01%	114.93	122.10	(7.17)
Recreation and Cultural Services	3,839,111	17.11%	327.19	295.28	31.91
Fiscal Services	1,423,976	6.35%	121.43	134.23	(12.80)
Capital Expenditures	1,046,210	4.66%	89.11	82.24	6.87
Reserves (For Future Capital Works)	2,757,840	12.29%	235.02	263.03	(28.01)
<b>Total General Municipal</b>	<b>\$ 22,441,950</b>	<b>100.00%</b>	<b>\$ 1,912.28</b>	<b>\$ 1,811.52</b>	<b>100.76</b>
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	-
<b>Total City of Salmon Arm Taxes</b>			<b>\$ 2,305.88</b>	<b>\$ 2,205.12</b>	<b>\$ 100.76</b>
<b>Collections For Other Agencies</b>					
School (Province of BC)			\$ 995.19	\$ 968.41	\$ 26.78
Columbia Shuswap Regional District			128.46	111.11	17.35
Columbia Shuswap Regional District - SIR Levy			4.75	4.66	0.09
Regional Hospital District			152.06	156.53	(4.47)
Okanagan Regional Library			72.11	69.25	2.86
B.C. Assessment Authority			22.87	22.18	0.69
Municipal Finance Authority			0.13	0.13	-
<b>Total Other Agencies</b>			<b>\$ 1,375.57</b>	<b>\$ 1,332.27</b>	<b>\$ 43.30</b>
<b>Gross Property Taxes</b>			<b>\$ 3,681.45</b>	<b>\$ 3,537.39</b>	<b>\$ 144.06</b>
Less: Home Owner Grant (\$1,045.00 if Over 65)			(770.00)	(770.00)	-
<b>Net Property Taxes</b>			<b>\$ 2,911.45</b>	<b>\$ 2,767.39</b>	<b>\$ 144.06</b>
Solid Waste Collection and Recycling			101.00	101.00	-
<b>Net Amount Due</b>			<b>\$ 3,012.45</b>	<b>\$ 2,868.39</b>	<b>\$ 144.06</b>

# Tax Exemptions



## Tax Exemptions Provided By Council For the Year Ended December 31, 2023

	Municipal Taxes	Other Taxes	Total Taxes
<b>1. Properties Used for Public Worship*</b>			
Broadview Evangelical Free Church	\$ 34,958	\$ 18,823	\$ 53,781
Canoe United Church	540	599	1,139
Church of Jesus Christ of Latter-day Saints in Canada	4,314	4,766	9,080
Cornerstone Christian Reformed Church	3,703	4,105	7,808
Deo Lutheran Church of Salmon Arm	1,688	1,867	3,555
First United Church	2,611	2,887	5,498
Five Corners Pentecostal Church	2,491	3,194	5,685
Lakeside Community Church	2,441	2,698	5,139
Little Mountain Bible Chapel	2,085	2,308	4,393
Mt Ida Congregation of Jehovah's Witnesses	3,292	3,637	6,929
Salmon Arm Mennonite Church	1,168	995	2,163
Seventh Day Adventist Church (British Columbia Conference)	2,696	2,978	5,674
Shuswap Community Church	8,144	8,986	17,130
St. Andrew's Presbyterian Church	2,776	2,783	5,559
St. John the Evangelist Anglican Church of Canada	2,053	2,271	4,324
St. Joseph's Catholic Church	3,721	4,108	7,829
The Salvation Army New Hope Community Church	1,231	1,367	2,598
	79,912	68,372	148,284
<b>2. Properties Used for Charitable Purposes</b>			
(SPCA) The British Columbia Society for the Prevention of Cruelty to Animals	4,076	2,084	6,160
Canadian Mental Health Association	60,747	37,170	97,917
Churches of Salmon Arm Used Goods Society	20,392	10,140	30,532
Gleneden Community Association	4,210	2,093	6,303
Good Samaritan Canada (Lutheran Social Service Organization) Inc	44,329	32,573	76,902
Nature Trust of BC	2,013	2,239	4,252
Royal Canadian Legion Branch 62	12,234	5,204	17,438
Salmar Community Association	39,338	17,053	56,391
Salmon Arm & Shuswap Lake Agricultural Association	109,511	54,920	164,431
Salmon Arm Elks Recreation Society	9,720	5,821	15,541
Salmon Arm Folk Music Society	2,966	1,960	4,926
Salmon Arm Masonic Holding Society	936	1,035	1,971
Salmon Arm Museum & Heritage Association	35,221	17,631	52,852
Salmon Arm Rescue Unit	4,792	2,388	7,180
Scout Properties (BC/Yukon)	1,039	1,152	2,191
Shuswap Area Family Emergency Society	3,825	2,813	6,638
Shuswap Association for Community Living	4,437	3,265	7,702
Shuswap Association for Rowing & Paddling	8,660	4,326	12,986
Shuswap Day Care Society	1,421	1,049	2,470
Shuswap District Arts Council	6,892	2,943	9,835
Shuswap Family Resource and Referral Society	17,929	7,769	25,698





# Tax Exemptions

## Tax Exemptions Provided By Council For the Year Ended December 31, 2023

	Municipal Taxes	Other Taxes	Total Taxes
Shuswap Housing Society	11,017	8,102	19,119
Shuswap Recreation Society	18,112	9,037	27,149
Shuswap Theatre Society	3,865	1,651	5,516
The Elks Recreation Children's Camp Society of BC	18,394	17,552	35,946
The Governing Council of the Salvation Army	9,066	4,529	13,595
	455,142	256,499	711,641
<b>3. Properties Used for Senior Recreation Purposes</b>			
Canoe Senior Citizen Association, Branch 92	2,953	1,472	4,425
Seniors' Fifth Avenue Activity Centre Association	10,137	5,026	15,163
	13,090	6,498	19,588
<b>4. Properties Used for Recreation and Other Purposes</b>			
Salmon Arm Curling Club	18,646	9,227	27,873
Salmon Arm Fish & Game Club	3,853	3,475	7,328
Salmon Arm Horseshoe Club	1,681	838	2,519
Salmon Arm Lawn Bowling Club	2,014	1,003	3,017
Salmon Arm Tennis Club	18,668	10,027	28,695
Shuswap Recreation Society	261,785	133,647	395,432
City of Salmon Arm	4,867	1,993	6,860
	311,514	160,210	471,724
<b>Total Taxes Exempted by Council in 2023</b>	<b>\$ 859,658</b>	<b>\$ 491,579</b>	<b>\$ 1,351,237</b>

\* 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

Shuswap Association for Community Living	- Customized Truck	\$ 4,500
Literacy Alliance of the Shuswap Society	- Unplug and Play Program	4,300
Rise Up Indigenous Wellness Society	- Rental Costs for Office Space	4,800
Salmon Arm & Shuswap Lake Agricultural Association	- Water, Sewer, and Frontage Tax	6,086
Salmon Arm Lawn Bowling Club	- Fencing Project	3,961
Salmon Arm Minor Hockey Association	- Tournament Costs	4,500
Salmon Arm Museum & Heritage Association	- Preserving Memories Exhibit	1,500
Salmon Arm Secondary Dry Grad Committee	- Alcohol Free Event for Grads	800
Shuswap Association of Writers	- Young Writers Program	2,000
Shuswap District Arts Council	- WOW - Gazebo Rental	1,100
Shuswap Food Action Society	- Manager Wages	2,500
Shuswap Music Festival	- Rental Costs for Virtual Performance	1,500
Shuswap Pipes n Drum	- Chanters	2,600
Shuswap Rowing and Paddling Club	- Shuswap Dragon Boat Festival Sponsorship	1,700
Shuswap Theatre Society	- Siding and Stair Replacement	4,000
The Canadian Red Cross Society	- Rental Assistance	4,500
Voice of the Shuswap Broadcast Society	- Antenna Space Rental	2,300
		<u>52,647.00</u>

## Distributed Through the City of Salmon Arm

BC SPCA - Shuswap Branch	- Operating	12,000
BC Housing	- Water and Sewer Connections	7,745
Canadian Mental Health Association / BC Housing	- Development Cost Charge Subsidy	15,455
Fletcher Park Seniors' Resource Centre	- Operating	23,913
S.A.F.E. Society	- Victims Assistance Program	27,000
Salmon Arm Citizens on Patrol Society	- Operating	5,000
Salmon Arm Downtown Improvement Association	- Community Day Cleanup	500
Salmon Arm Elks #455	- Park Maintenance	10,262
Salmon Arm Folk Music Society	- Operating	52,000
Salmon Arm Lawn Bowling Club	- Greens Maintenance	18,677
Salmon Arm Museum and Heritage Association	- Building Insurance	5,082
	- Grounds Maintenance	1,484
Salmon Arm Senior Citizens' Association - Branch 109	- Landscaping Maintenance	4,121
Salmon Arm 55+ BC Games Society	- 55+ BC Games Contribution	60,000
School District No. 83	- Jackson Campus Grounds Maintenance	20,574
	- Jackson Campus Fieldhouse Maintenance	11,152
	- Safeway Fields Maintenance	18,711
Shuswap Community Foundation	- Endowment Fund	21,866
	- Emergency Response Fund	5,000
	- Unallocated Grant Funding	1,978
	- Operating	2,875
Shuswap Climate Action Society	- Xeriscaping Education	513
Shuswap District Art Council/Shuswap Art Gallery Assoc.	- Operating	46,427
	- Pride Festival	5,000
	- Building Maintenance	9,011
Shuswap Hut and Trail Alliance	- Operating	47,036
	- Shuswap Roundtable	1,500
		<u>\$ 434,882</u>
Total Contributions		487,529
Indirect Contributions		(122,273)
Direct Contributions		<u>\$ 365,255</u>





# Funds Provided to Other Agencies

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

## Funds Provided to Other Agencies

		2023	2024 (Budget)
Adams Lake Indian Band	- BSCF Program	\$ 31,173	\$ 48,460
Downtown Salmon Arm	- Operating	211,733	220,200
Economic Development Society	- Operating	337,856	351,000
Economic Development Society	- MRDT Program	335,379	277,000
Okanagan Regional Library	- Operating	802,766	845,400
Regional District (See Below)	- Operating	1,202,187	1,428,982
Rise Up Indigenous Wellness	- BSCF Program	14,710	29,575
Shuswap Immigrant Services Society	- BSCF Program	11,088	25,920
Salmon Arm Museum and Heritage Association	- Operating	161,304	176,100
Shuswap Recreation Society - Little Mtn. Fieldhouse	- Operating	28,442	30,400
Shuswap Recreation Society - Memorial Arena	- Operating	609	2,900
Shuswap Recreation Society - Shaw Centre & Other Facility Services	- Operating	543,348	848,335
Shuswap Recreation Society - Shaw Centre & Other Facility Services	- Capital	74,851	609,740
Shuswap Recreation Society - Recreation Centre	- Operating	741,143	817,700
Shuswap Recreation Society - Recreation Centre	- Capital	133,770	346,870
Shuswap Resource and Referral Society (Shuswap Family Centre)	- BSCF Program	49,670	92,560
Shuswap Watershed Council	- Operating	40,000	-
		<b>\$ 4,599,186</b>	<b>\$ 6,010,122</b>

## Regional District - (Detail)

General Government	-	21,029
Administration & IT	171,482	198,911
911 Emergency Telephone Service	56,030	63,910
Feasibility Reserve	7,958	7,809
Solid Waste - Recycling	335,557	331,729
Solid Waste - Closure	-	78,091
Shuswap Search & Rescue	50,882	51,078
Shuswap Emergency Preparedness	147,594	147,648
Milfoil Control	118,685	125,142
Weed Control	4,134	4,321
Tourism Shuswap	150,323	182,012
Film Commission	9,361	12,375
Sterile Insect Control - Levy	56,890	58,522
Rail Trail Corridor	87,378	134,660
Sterile Insect Control - Parcel Tax	5,744	5,865
Adjustments	169	5,880
	<b>\$ 1,202,187</b>	<b>\$ 1,428,982</b>

## **Statement of Financial Information Approval For the Year Ended December 31, 2023**

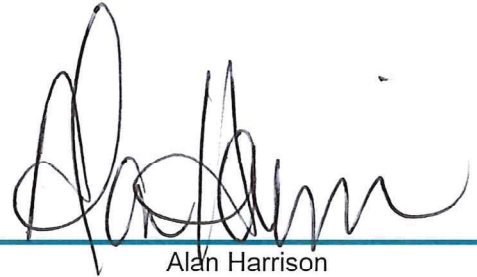
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The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.



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Chelsea Van de Cappel  
Chief Financial Officer  
May 30, 2023



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Alan Harrison  
Mayor  
May 30, 2023



## Statement of Employee Remuneration and Expenses

For the Year Ended December 31, 2023

A statement showing the gross remuneration, bonuses, gratuities and expenses paid to each employee whose total remuneration exceeded \$75,000.00 during the Year 2023.

Name	Position	Remuneration	Expenses	Total
Adams, Kenneth	Mechanic	\$ 83,840	\$ 20	\$ 83,860
Anderson, Reece	Operator III of Waste Water Treatment Plant	76,823	-	76,823
Arvay, Mervin	Utility Supervisor	100,527	608	101,134
Baker, Jason	Utility Person III	75,808	2,106	77,914
Bau Baiges, Gabriel	City Engineer	118,585	1,755	120,340
Buxton, Michael	Director of Planning & Community Services	105,491	5,980	111,471
Clarkson, Mary	Health, Safety & Human Resources Coordinator	83,940	1,645	85,585
Collens, Joseph	Mechanic	83,432	20	83,452
Frese, Hart	Chief Operator of Waste Water Treatment Plant	98,701	340	99,041
Gerow, Darin	Manager of Roads & Parks	118,016	1,910	119,926
Graham, Kirk	Supervisor of Roads & Transportation	102,662	1,543	104,204
Greencorn, Jamie	Roads & Transportation Sub Foreman	78,198	-	78,198
Guidos, Carmen	Fire Fighter	80,484	-	80,484
Hansen, Kevin	Supervisor of Parks & Facilities	102,440	2,582	105,022
Hay, Jonathan	Parks Sub Foreman	78,589	975	79,563
Jackson, Erin	Chief Administrative Officer	195,132	6,521	201,653
Larson, Chris	Senior Planner	88,834	1,947	90,780
Lebeter, Gary	Deputy Fire Chief	98,358	2,323	100,681
Moore, Christopher	Engineering Assistant II	91,597	-	91,597
Morland, Dan	Equipment Operator II	77,637	-	77,637
Niewenhuizen, Robert	Director of Engineering & Public Works	143,525	1,635	145,160
Patterson, Gregg	GIS Coordinator/IT Coordinator	96,657	2,272	98,929
Philps, Jason	Utility Sub Foreman	77,094	965	78,059
Rasmuson, John	Manager of Utilities	113,369	507	113,876
Roy, Maurice	Manager of Permits & Licensing	75,565	692	76,256
Shirley, Brad	Fire Chief	126,866	2,916	129,782
Smyrl, Melinda	Planner III/Manager of Planning & Building	92,072	1,134	93,206
Stalker, Doug	Operator III of Waste Water Treatment Plant	87,884	99	87,983
Stefanyk, Kyle	Equipment Operator IV	76,613	-	76,613
Tomson, Richard	Tradesman Certified Fabricator Millwright	77,301	-	77,301
Tulak, Devon	Operator II of Water Treatment Plant	83,292	2,626	85,918
Tulak, Tracy	Manager Financial Services	107,836	1,417	109,253
Turley, Samuel	Carpenter II	79,014	-	79,014
Van De Cappelle, Chelsea	Chief Financial Officer	138,356	4,421	142,777
Webb, Rick	Chief Operator of Water Treatment Plant	109,744	99	109,843
West, Rhonda	Deputy Corporate Officer	86,283	2,239	88,522
Wilson, Jennifer	Service Delivery Management Coordinator/City Eng	93,446	3,563	97,010
Wood, Susan	Director of Corporate Services	145,744	7,992	153,736
Employee Wages Over \$75,000		3,749,754	62,849	3,812,604
Employee Wages Under \$75,000		5,065,212	27,736	5,092,949
Volunteer Fire Department Wages		369,501	-	369,501
Total		\$ 9,184,468	\$ 90,585	\$ 9,275,053

## Statement of Council Indemnities & Expenses

For the Year Ended December 31, 2023

A statement showing remuneration and expenses paid to each Elected Official during the Year 2023.

Name	Position	Remuneration	Expenses	Life & Health Benefit	Total
Harrison, Alan	Mayor	\$ 72,276	\$ 8,359	\$ 2,876	\$ 83,511
Cannon, Debbie	Councillor	28,824	6,966	2,866	38,656
Flynn, Kevin	Councillor	28,824	7,415	2,876	39,114
Gonella, David	Councillor	28,626	6,325	3,110	38,061
Lavery, Timothy	Councillor	28,824	-	2,876	31,700
Lindgren, Sylvia	Councillor	28,843	7,376	2,904	39,124
Wallace-Richmond, Louise	Councillor	28,626	18,092	2,876	49,594
Total		\$ 244,844	\$ 54,533	\$ 20,382	\$ 319,759

## Reconciliation of Remuneration

For the Year Ended December 31, 2023

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

Description	Amount
Employee Remuneration and Expenses	\$ 9,275,053
Council Indemnity and Expenses	319,759
Revenue Canada Agency (Employers CPP and EI)	549,337
Pension	678,847
Workers' Compensation	275,420
Employer Health Tax	127,209
Other (including accrual versus cash basis and labour capitalized)	504,221
Wages and Benefits Per Financial Statements	\$ 11,729,846



## Statement of Payments Made for the Provision of Goods and Services

For the Year Ended December 31, 2023

A statement of supplier accounts paid \$25,000 or more during the Year 2023.

Name	Amount
1056875 Alberta Ltd	\$ 33,210
478868 BC Ltd. a/o McDiarmid Construction	284,183
A & D Asphalt Solutions	136,496
Acera Insurance Services Ltd	27,929
All Phase Electric Ltd.	67,026
Allnorth Consultants Limited	32,737
Alumichem Canada Inc.	278,769
Andrew Sheret Limited	50,404
Associated Engineering (BC) Limited	39,725
ATS Traffic British Columbia	36,995
Avenue Machinery Corp	138,916
Avex Architecture Inc	32,629
BC - Employer Health Tax	127,209
BC Hydro & Power Authority	962,144
BC Transit	655,926
BDO Canada LLP	40,163
Bedroc Greenhouses Inc	27,177
Bernd Hermanski Architect Inc.	25,554
Big Rock Construction Company Ltd	1,610,377
Black Press Group Ltd.	37,953
Braby Motors Ltd.	126,797
Brooke Downs Vennard LLP in Trust	41,229
Canadian Pacific Railway Company	537,203
Canoe Procurement Group of Canada	313,163
CB Process Instrumentation & Controls	41,889
Centralsquare Canada SoftwareInc.	45,621
Centrix Control Solutions LP.	126,899
Chance's Bulk Unloading Ltd.	252,564
Cheap Garbage Service Ltd	29,764
Clear Tech Industries Inc.	29,735
Columbia Shuswap Regional District	223,704
Commissionaires BC	40,019
Cool Creek Energy Ltd	37,107
D Webb Contracting	136,544
Electric Motor and Pump Service Ltd.	127,219
ESRI Canada	38,013
Fletcher Paine Associates Ltd.	29,709
Fortis BC - Natural Gas	168,635
Fountain Tire	27,979
Fraser Basin Council	40,000
Fred Surridge Ltd.	70,695
Fulton & Company LLP	45,093
Gentech Engineering Inc	90,844
Great West Equipment	29,282
Grizzly Curb & Concrete Ltd.	39,855

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

For the Year Ended December 31, 2023

Name	Amount
Group Health Global - Trust	\$ 543,762
Hack Sales & Service Canada LP.	26,743
Home Building Centre	26,240
ICBC	107,329
Inskip Electric Ltd.	26,415
Ironman Directional Drilling Ltd	43,743
Kimco Controls Ltd.	122,245
Kingston Construction Ltd.	4,260,440
KS2 Management Ltd.	143,002
Kuster Michelle M	36,976
Lawson Engineering Ltd	25,833
Leko Precast Ltd	54,684
Letourneau Notary Corporation in Trust	1,239,369
Limb Master Tree Service	60,732
Line West Ltd	95,015
Lordco Parts Ltd.	40,646
MADA Contracting	122,727
Mcelhanney Ltd	81,692
Milestone Fabrication Ltd.	26,395
Mounce Construction Ltd	29,182
Municipal Insurance Association of BC	407,194
Municipal Pension Plan - Employers Portion	678,847
Okanagan Aggregates Ltd.	2,904,636
Okanagan Traffic Control Inc.	35,410
Onsite Engineering Ltd.	143,676
Petrovalue Products Canada Inc.	538,936
R.F. Binnie & Associates Ltd.	499,910
Ramtech Environmental Products	48,785
Receiver General for Canada	3,807,227
Receiver General for Canada - Employers CPP and EI	549,337
Rite-Way Fencing Inc.	32,221
Rocky Mountain Phoenix	392,610
Salmon Arm Economic Development Society	663,100
Salmon Arm Gravel Products Ltd.	67,386
Salmon Arm Janitorial Ltd.	91,883
Salmon Arm Museum & Heritage Association	161,304
Salmon Arm Ready Mix Ltd.	32,944
SCV Contractors	816,736
Sealtec Industries Ltd.	49,935
Shaw Business A Division of Shaw Telecom GP	44,062
Shaws Enterprises Ltd.	35,407
Sherwin Williams Company	31,607
Shuwap Family Resource Centre	27,235
Shuswap Recreation Society	271,648
Siteone Landscape Supply Ltd	27,734
SkySail Technologies	167,600



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

For the Year Ended December 31, 2023

Name	Amount
Source Office Furnishings	\$ 38,028
Stewart McDannold Stuart Barristers & Solicitors	50,208
Sybertech Waste Reduction Ltd.	43,290
Syme Structural Engineering Ltd	25,200
Telus Communications and Services Ltd.	64,451
Titan Sport Systems Ltd	43,860
Total Office Supply Ltd	37,948
Total Power Limited	47,467
Urban Matters CCC	45,383
Vadium Security Inc	80,777
Western Road Distribution Inc	71,395
W.H. Laird Holdings Ltd.	58,839
Wolseley Canada Inc.	87,655
Worksafe BC	275,420
WSP Canada Group Limited	274,014
Zappone Aggregate Processors	100,760
Supplier Accounts Over \$25,000	28,320,319
Supplier Accounts Under \$25,000	2,141,559
Total	\$ 30,461,878

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

For the Year Ended December 31, 2023

A reconciliation showing the gross remuneration and expenses paid to employees and suppliers during the Year 2023, compared to total expenses on the Consolidated Financial Statements.

Description	Amount
Employee Remuneration and Expenses	\$ 9,275,053
Council Indemnity and Expenses	319,759
Payments Made for the Provision of Goods and Services	30,461,878
Direct Grants or Contributions	365,255
	<hr/>
Total Disbursements	40,421,946
	<hr/>
Total Expenses Per Financial Statements	37,868,533
	<hr/>
Difference	2,553,413
Accretion, Not a Cash Expense	147,099
Amortization, Not a Cash Expense	9,260,517
Capital Purchases, Not Included in Expenses on Financial Statements	(12,882,046)
Decrease in Accounts Payable (Net of Taxes Payable)	(597,270)
Interest on Long-Term Debt, Not Included in Payments to Suppliers	1,421,334
	<hr/>
Variance (-0.26%)	\$ (96,954)
	<hr/>

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, 2023 was \$712,133 (2022 - \$729,929). The loan bears interest at 4.47% (2022 - 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 2023. This agreement represents 4.5 weeks of salary and benefits.



**The City of Salmon Arm**  
**Financial Statements**  
**For the year Ended December 31, 2023**

**Contents**

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## Management's Responsibility for Financial Reporting

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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 fulfill 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 The City of Salmon Arm.

DocuSigned by:



0B42A71EFB34499...

DocuSigned by:

*Alan Harrison*

0D7BCA622CBB464...

Chief Financial Officer

Mayor





Tel: 250 832 7171  
Fax: 250 832 2429  
www.bdo.ca

BDO Canada LLP  
571 6th Street NE, Suite 201  
Salmon Arm, BC, V1E 1R6

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## Independent Auditor's Report

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To the Mayor and Council of The City of Salmon Arm

### Opinion

We have audited the financial statements of the The City of Salmon Arm (the "City"), which comprise the statement of financial position as at December 31, 2023, and the statement of operations, change in net financial assets, and the statement of 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, 2023, and its results of operations, its change in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *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 of Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter - Restated Comparative Information

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes that certain comparative information presented for the year ended December 31, 2022 has been restated.

### Other Matter - Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the attached Schedules to 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 the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



### **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 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

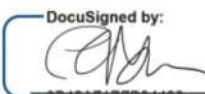
Salmon Arm, British Columbia  
April 29, 2024



## The City of Salmon Arm

### Statement of Financial Position

As at December 31	Actual 2023	Restated 2022
<b>Financial Assets</b>		
Cash	\$ 2,513,927	\$ 819,278
Investments (Note 4)	83,969,856	73,854,610
Accounts Receivable		
Property Taxes	851,551	696,127
Trade	1,575,343	4,088,381
Water and Sewer Levies	398,912	362,950
Land Held for Sale	500,798	-
Inventories for Resale	114,537	87,264
M.F.A Debt Reserve (Note 5)	1,430,976	1,578,235
Loan Receivable (Note 6)	168,000	168,000
	<u>91,523,900</u>	<u>81,654,845</u>
<b>Liabilities</b>		
Accounts Payable and Accrued Liabilities	5,203,548	5,781,488
Assets Retirement Obligation (Note 7)	5,804,764	5,644,308
Deposits and Performance Bonds	1,935,502	2,331,351
Prepaid Property Taxes and Levies	3,867,491	3,590,627
Deferred Revenues (Note 8)	798,904	1,172,719
Deferred Development Cost Charges (Note 9)	13,934,150	13,076,954
M.F.A. Debt Reserve (Note 5)	1,430,976	1,578,235
Long Term Liability	161,512	184,585
Long-Term Debt (Note 10)	21,547,117	21,634,358
	<u>54,683,964</u>	<u>54,994,625</u>
<b>Net Financial Assets</b>	<u>36,839,936</u>	<u>26,660,220</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 11)	249,288,052	240,275,661
Inventories of Supplies	582,285	627,317
Prepaid Expenses	30,888	75,657
	<u>249,901,225</u>	<u>240,978,635</u>
<b>Accumulated surplus (Note 12)</b>	<u>\$286,741,160</u>	<u>\$267,638,855</u>

DocuSigned by:  
  
 0842A71E9B34439... 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	Budget 2023	Actual 2023	Restated Actual 2022
<b>Revenues</b>			
Taxation - Net (Note 13)	\$ 21,357,835	\$21,346,010	\$ 20,391,047
Transportation Parcel Tax (Note 13)	1,234,000	1,165,800	1,234,350
Frontage Tax (Note 13)	2,483,695	2,493,894	2,470,163
Government Transfers (Note 14)	10,915,505	9,669,318	9,241,931
Grants - Other	189,423	162,534	198,422
Sales of services	7,889,565	8,760,135	8,301,926
Licenses, Permits and Fines	825,300	941,083	930,887
Rentals, Leases and Franchises	734,935	1,042,709	1,056,610
Return on Investments	851,735	4,172,174	1,988,555
Penalties and Interest	202,500	260,748	235,473
Other Revenue	42,600	102,736	75,615
Development and Other Contributions	1,621,950	6,831,862	3,451,779
Gain on Disposal of Tangible Capital Assets	-	35,863	272,535
Loss on Asset Retirement Obligation Settlements	-	(14,028)	-
	<u>48,349,043</u>	<u>56,970,838</u>	<u>49,849,293</u>
<b>Expenses</b>			
General Government Services	4,941,795	5,884,312	5,441,992
Protective Services	7,151,435	6,401,453	6,044,078
Transportation Services	5,981,595	11,324,687	10,700,437
Environmental, Health and Development Services	3,423,975	3,351,517	2,686,337
Recreation and Cultural Services	4,195,065	4,071,576	4,134,749
Water and Sewer Services	5,100,535	6,834,988	6,360,666
	<u>30,794,400</u>	<u>37,868,533</u>	<u>35,368,259</u>
<b>Annual Surplus</b>	<u>17,554,643</u>	<u>19,102,305</u>	<u>14,481,034</u>
<b>Accumulated Surplus, Beginning of Year</b>	267,638,855	267,638,855	258,060,410
Adjustment on adoption of asset retirement obligations (Note 3)	-	-	(4,902,589)
<b>Accumulated Surplus, Beginning of Year, As Restated</b>	<u>267,638,855</u>	<u>267,638,855</u>	<u>253,157,821</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$285,193,498</u>	<u>\$286,741,160</u>	<u>\$267,638,855</u>

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	Budget 2023	Actual 2023	Restated Actual 2022
<b>Annual surplus</b>	\$ 17,554,643	<b>\$19,102,305</b>	\$ 14,481,034
Acquisition of Tangible Capital Assets	(28,779,695)	<b>(18,773,703)</b>	(21,104,812)
Amortization of Tangible Capital Assets	-	<b>9,260,517</b>	8,639,516
Land Held for Resale	-	<b>500,798</b>	-
Disposal of Tangible Capital Assets	-	-	83,829
	(11,225,052)	<b>10,089,917</b>	2,099,567
Acquisition of Inventories of Supplies	-	<b>(582,285)</b>	(627,317)
Acquisition of Prepaid Expenses	-	<b>(30,887)</b>	(75,654)
Usage of Inventories of Supplies	-	<b>627,317</b>	661,777
Usage of Prepaid Expenses	-	<b>75,654</b>	305,491
<b>Net Change in Net Financial Assets</b>	(11,225,052)	<b>10,179,716</b>	2,363,864
<b>Net Financial Assets, Beginning of Year</b>	26,660,220	<b>26,660,220</b>	29,198,945
Adjustment on adoption of asset retirement obligations (Note 3)	-	-	(4,902,589)
<b>Net Financial Assets, Beginning of Year as Restated</b>	26,660,220	<b>\$26,660,220</b>	24,296,356
<b>Net Financial Assets, End of Year</b>	<b>\$ 15,435,168</b>	<b>36,839,936</b>	<b>\$ 26,660,220</b>

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	Actual 2023	Restated 2022
<b>Cash Flows from Operating Activities</b>		
Annual Surplus	\$19,102,305	14,481,035
Items Not Involving Cash		
Actuarial Adjustments	(775,708)	(704,466)
Amortization Expense	9,260,517	8,639,516
Accretion Expense	147,099	143,033
Developer Contributed Tangible Capital Assets	(5,891,657)	(1,284,769)
(Gain) Loss on Disposal of Tangible Capital Assets	(35,863)	(272,535)
(Gain) Loss on Settlement of Asset Retirement Obligation	14,028	-
 Changes in Non-Cash Operating Items		
Accounts Receivable	2,321,652	(1,480,937)
Accounts Payable	(577,937)	168,281
Deferred Revenues	(373,815)	(7,206,197)
Deferred Development Cost Charges	857,196	901,629
Deposits and Performance Bonds	(395,849)	188,226
Inventories for Resale	(27,273)	4,901
Inventories of Supplies	45,033	34,462
Long Term Liability	(23,073)	(23,074)
Prepaid Expense	32,697	229,837
Prepaid Property Taxes and Levies	276,865	281,603
	<u>23,956,217</u>	<u>14,100,545</u>
 <b>Cash Flows From Investing Activity</b>		
(Increase) Decrease in Investments	<u>(10,115,247)</u>	<u>3,489,509</u>
 <b>Cash Flows From Capital Activity</b>		
Acquisition of Tangible Capital Assets	(12,882,046)	(19,283,649)
Proceeds on Disposal of Tangible Capital Assets	35,864	356,364
Tangible Capital Asset Additions due to Asset Retirement Obligation	59,995	62,293
Retirement of Asset Retirement Obligations	(48,601)	-
	<u>(12,834,788)</u>	<u>(18,864,992)</u>
 <b>Cash Flows from Financing Activities</b>		
Issuance of Long Term Debt	2,000,000	730,000
Repayment of Long Term Debt	(1,311,533)	(1,204,278)
	<u>688,467</u>	<u>(474,278)</u>
 <b>(Decrease) Increase In Cash During Year</b>	<u>1,694,649</u>	<u>(1,749,216)</u>
Cash, Beginning of Year	<u>819,278</u>	<u>2,568,494</u>
 Cash, End of Year	<u><u>\$ 2,513,927</u></u>	<u><u>\$ 819,278</u></u>

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



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## The City of Salmon Arm

### Notes to the Financial Statements

December 31, 2023

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#### 1. Summary of Significant Accounting Policies

<b>Nature of Business</b>	The City of Salmon Arm (the "City") is incorporated under the laws of British Columbia and is engaged in the operation of a municipality.
<b>Basis of Presentation</b>	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 in accordance with Public Sector Accounting Standards.
<b>Accrual Accounting</b>	The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or creation of a legal obligation to pay.
<b>Revenue Recognition</b>	<p>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.</p> <p>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.</p>

## **Financial Instruments**

Cash and equity instruments quoted in an active market are measured at fair value (hierarchy level one - quoted market prices). All other financial instruments, are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

For investments measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

## **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.

## **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.



<b>Deferred Revenue</b>	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.														
<b>Non-Financial Assets</b>	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.														
<b>Tangible Capital Assets and Amortization</b>	<p>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:</p> <table> <tr> <td>Buildings</td><td>10 to 50 years</td></tr> <tr> <td>Information Technology infrastructure</td><td>3 to 10 years</td></tr> <tr> <td>Machinery and Equipment</td><td>5 to 25 years</td></tr> <tr> <td>Parks Infrastructure</td><td>10 to 100 years</td></tr> <tr> <td>Transportation infrastructure</td><td>10 to 75 years</td></tr> <tr> <td>Utility infrastructure</td><td>20 to 70 years</td></tr> <tr> <td>Vehicles</td><td>10 to 25 years</td></tr> </table>	Buildings	10 to 50 years	Information Technology infrastructure	3 to 10 years	Machinery and Equipment	5 to 25 years	Parks Infrastructure	10 to 100 years	Transportation infrastructure	10 to 75 years	Utility infrastructure	20 to 70 years	Vehicles	10 to 25 years
Buildings	10 to 50 years														
Information Technology infrastructure	3 to 10 years														
Machinery and Equipment	5 to 25 years														
Parks Infrastructure	10 to 100 years														
Transportation infrastructure	10 to 75 years														
Utility infrastructure	20 to 70 years														
Vehicles	10 to 25 years														
<b>Inventories</b>	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.														
<b>Intangible Assets</b>	Intangible assets include works of art and historic assets located throughout City Hall. They are not reflected in these financial statements.														
<b>Reserves</b>	<p>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.</p> <p>Statutory reserve funds are restricted by the Community Charter and associated Municipal Bylaws. Statutory reserve funds are funded 100% by cash and investments.</p>														
<b>Long Term Debt</b>	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.

**Asset Retirement Obligations** An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- 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.

Liabilities are recognized for statutory, contractual, or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development, or normal operation of the assets. The liability is initially recorded at fair value, which is an amount that is the best estimate of the expenditure required to retire a tangible capital asset determined using present value calculation, and the resulting costs are capitalized as part of the carrying amount of the related tangible capital asset. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. The changes in the liability for the passage of time are recorded as accretion expense in the Statement of Operations and Accumulated Surplus and all other changes are adjusted to the tangible capital asset. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

**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, 2023.



**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, asset retirement obligations, and contingent liabilities.

**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

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## The City of Salmon Arm

### Notes to the Financial Statements

**December 31, 2023**

#### 2. Restatement of Prior Year Figures

During the current year, the City determined that revenues deferred from the Community Works Fund as at December 31, 2022, did not meet the eligibility criteria to be deferred. Previously, the City had publicly committed to spending the funds on specific projects, resulting in deferral until the project was fully spent and deferred funds were utilized. At December 31, 2022, all of the project spending was completed and no other commitments have been made for the funds. As a result, the deferred revenue was overstated and revenue was understated in fiscal 2022. This error has been corrected retroactively with restatement of prior periods. This correction had the following effect on the financial statements.

	<u>2022</u>
(Decrease) in Deferred Revenues	\$ (2,130,021)
Increase in Investment Revenues	130,031
Increase in Grant Revenues	1,999,990
Increase in Accumulated Surplus	2,130,021

#### 3. Asset Retirement Obligations

Effective January 1, 2023, the City adopted the new Public Sector Accounting Handbook Standard, PS 3280 Asset Retirement Obligations. The standard requires the reporting of legal obligations associated with the retirement of tangible capital assets by public sector entities. The standard was adopted on the modified retroactive basis at the date of adoption. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. The impact of adoption of this standard including the restatement described in Note 2 was as follows:

	2022 as Originally Presented	Restatement from Note 2	Restatement due to PS 3280 Transition	2022 Restated
Tangible capital assets - cost \$	\$ 387,995,449	\$ -	\$ 1,581,882	\$ 389,577,331
Accumulated amortization - tangible capital assets	148,287,926	-	1,013,744	149,301,670
Asset retirement obligation	-	-	5,644,308	5,644,308
Amortization of tangible capital assets	8,608,968	-	30,548	8,639,516
Accretion expense	-	-	143,033	143,033
Grant Revenue	7,241,941	1,999,990	-	9,241,931
Return on Investments	1,858,524	130,031	-	1,988,555
Deferred Revenue	3,302,740	(2,130,021)	-	1,172,719
Annual Surplus	12,524,594	2,130,021	(173,581)	14,481,034
Opening Accumulated Surplus	258,060,410	-	(4,902,589)	253,157,821



## The City of Salmon Arm

### Notes to the Financial Statements

**December 31, 2023**

#### 4. Investments

	2023	2022
Guaranteed Investment Certificate	\$ 2,000,000	\$ 3,140,534
MFA Pooled Investment Funds	82,301,031	70,973,018
Debenture Bonds	300,000	300,000
Less amounts held in trust (Note 18)	(631,175)	(558,942)
	<u>\$83,969,856</u>	<u>\$ 73,854,610</u>

Investments are carried at cost or amortized cost.

The guaranteed investment certificate earns interest at a fixed rate of 5.51% with a maturity date of February 2024.

MFA pooled investment funds earn rates of return that are based on the market performance of a basket of securities with no fixed rate of return. The 2023 annual rate of return was 5.07% (2022 - 1.93%).

Debenture bonds have a floating interest rate of interest per annum, with a maturity date of October 2083.

#### 5. 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	\$ 478,582	\$ 327,241	\$ 805,823
Water Fund	369,407	195,453	564,860
Sewer Fund	38,575	21,718	60,293
Total Long Term Debt	<u>\$ 886,564</u>	<u>\$ 544,412</u>	<u>\$ 1,430,976</u>

#### 6. 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, 2023 was \$168,000 (2022 - \$168,000). The loan bears interest at 0%, with monthly payments of \$583 re-commencing January 15, 2024 until December 2047.

**December 31, 2023**

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## **7. Asset Retirement Obligations**

The City's asset retirement obligation consists of the following obligations:

### **a) Buildings**

The City owns and operates several buildings that are known to have asbestos and lead paint which represents a health hazard upon remediation, that creates a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the removal of the asbestos and lead paint in these buildings as estimated at January 1, 2023. The buildings all have an estimated useful life of 10 to 50 years from the date of completion of construction, of which various numbers of years remain. Estimated costs have been discounted to the present value using a discount rate of 2.6% per annum (2022 - 2.6%).

### **b) Leases**

The City has entered into various lease agreements for land use for parks, IT, and transportation infrastructure. The lease terms create legal obligations for the City to remove structures upon termination of the agreements. The lease terms range from 3 to 100 years. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the removal structures as estimated at January 1, 2023. Estimated costs have been discounted to present value using a discount rate of 2.6% per annum (2022 - 2.6%).

### **c) Utility Infrastructure**

The City owns underground pipes used for utility delivery that contain asbestos. There is a legal obligation to remove any portions of the pipes that are exposed. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the removal of the asbestos pipes as estimated at January 1, 2023. The pipes all have an estimated useful life of 20 to 70 years from the date of completion of construction, of which various numbers of years remain. Estimated costs have been discounted to the present value using a discount rate of 2.6% per annum (2022 - 2.6%).

### **d) Other Hazardous Assets**

The City owns several other assets that have a legal obligation to remediate due to hazardous substances. These assets include fuel tanks and transformers containing PCBs. Following the adoption of PS 3280 - Asset Retirement Obligations, the City recognized an obligation relating to the removal of the asbestos pipes as estimated at January 1, 2023. The assets all have an estimated useful life of 40 to 55 years from the date of completion of construction, of which various numbers of years remain. Estimated costs have been discounted to the present value using a discount rate of 2.6% per annum (2022 - 2.6%).



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**The City of Salmon Arm**  
Notes to the Financial Statements

**December 31, 2023**

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**7. Asset Retirement Obligations (continued)**

Changes in the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	General	Sewer	Water	2023
Opening Balance	3,481,651	1,321,564	841,092	5,644,307
Additions	59,995	-	-	59,995
Settlements	(46,637)	-	-	(46,637)
Accretion Expense	90,870	34,361	21,868	147,099
Closing Balance	3,585,879	1,355,925	862,960	5,804,764

Asset Retirement Obligation	General	Sewer	Water	2022
Opening Balance	3,331,129	1,288,074	819,778	5,438,981
Additions	62,294	-	-	62,294
Settlements	-	-	-	-
Accretion Expense	88,229	33,490	21,314	143,033
Closing Balance	3,481,652	1,321,564	841,092	5,644,308

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**The City of Salmon Arm**  
Notes to the Financial Statements

**December 31, 2023**

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**8. Deferred Revenue**

	(Restated) 2022	Received	Recognized in Revenue	2023
BC Buildings Corporation	290,325	-	(290,325)	-
Recycling User Fee Rebate	256,193	266,120	(256,193)	266,120
Grants	295,378	158,714	(189,878)	264,214
Other	330,823	506,790	(569,043)	268,570
Total Deferred Revenue	1,172,719	931,624	(1,305,439)	798,904

Included in deferred revenue is a prepayment amount of \$Nil (2022 - \$290,325) received from British Columbia Buildings Corporation for future rental of the Law Courts facility to be used for annual rent payments.

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**9. Development Cost Charges**

Development cost charges ("DCC's") are imposed by the City for the purposes of providing funds to pay the capital costs of providing, constructing, altering or expanding infrastructure, as well as acquiring and improving parkland. The funds are recorded as restricted revenues when received and are recognized as revenue when the related expenses are incurred.

	2022	Interest	Contribution from Developers	Transfers	2023
Drainage	\$2,216,604	\$111,187	\$71,406	\$ (200,000)	\$ 2,199,197
Parks	693,356	34,908	31,541	-	759,805
Water	4,160,566	209,515	169,821	(100,000)	4,439,902
Sewer	3,809,505	191,346	133,179	-	4,134,030
Highways	2,196,923	110,684	93,609	-	2,401,216
	\$13,076,954	\$657,640	\$499,556	\$ (300,000)	\$13,934,150

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## The City of Salmon Arm

### Notes to the Financial Statements

December 31, 2023

#### 10. Long Term Debt

	Bylaw	Maturity Date	Interest Rate	Balance Outstanding 2023	Balance Outstanding 2022
<b>General Fund</b>					
Fire Hall and Little Mountain	3184	2023	2.250	\$ -	\$ 22,926
City Hall and Law Courts	3334	2034	5.950	5,349,407	5,708,016
City Hall and Law Courts	3479	2035	0.973	403,768	427,118
Blackburn Park	3569	2027	1.421	84,126	103,411
Underpass 20/21 Street	3758	2029	2.250	964,314	1,104,104
New Cemetery	4048	2040	2.750	782,959	816,277
Blackburn Park Improvement	4072	2035	2.750	339,961	362,456
Drainage Improvements	4244	2023	P - 1.0	-	167,000
Airport Taxiway Charlie	4289	2040	1.990	738,567	774,750
Ross Street Underpass	4500	2049	2.240	4,833,935	4,955,667
Property Acquisition	4249	2026	P - 1.0	424,000	530,000
				<u>\$ 13,921,037</u>	<u>\$ 14,971,725</u>
<b>Water Fund</b>					
Water	3458	2025	1.530	\$ 106,182	\$ 138,889
Water	3551	2026	1.530	217,469	284,455
Water	3576	2028	2.650	2,948,156	3,471,531
Water	3816	2030	1.280	895,132	1,006,305
Water	3793	2041	1.470	35,280	36,671
Water	4502	2026	P - 1.0	2,200,000	200,000
				<u>\$ 6,402,219</u>	<u>\$ 5,137,851</u>
<b>Sewer Fund</b>					
Sewer	3207	2023	2.250	\$ -	\$ 219,941
Sewer	4051	2035	2.750	1,223,861	1,304,841
				<u>1,223,861</u>	<u>1,524,782</u>
				<u>\$ 21,547,117</u>	<u>\$ 21,634,358</u>

The gross interest paid relating to the above noted debt was \$1,341,830 (2022 - \$1,261,464).

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**The City of Salmon Arm**  
Notes to the Financial Statements

**December 31, 2023**

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**10. Long Term Debt (Continued)**

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

	General Fund	Water Fund	Sewer Fund	Total
2024	\$ 553,332	\$ 981,439	\$ 63,650	\$ 1,598,421
2025	553,332	981,439	63,650	1,598,421
2026	553,332	981,439	63,650	1,598,421
2027	553,332	928,212	63,650	1,545,194
2028	435,478	378,212	63,650	877,340
2029 and thereafter	4,272,531	162,750	445,550	4,880,831
	6,921,337	4,413,491	763,800	12,098,628
Actuarial Adjustment	6,999,700	1,988,728	460,061	9,448,489
Total Long Term Debt	<u>\$ 13,921,037</u>	<u>\$ 6,402,219</u>	<u>\$ 1,223,861</u>	<u>\$ 21,547,117</u>



# The City of Salmon Arm

## Notes to the Financial Statements

### December 31, 2023

#### 11. 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	2023 Total
Cost, Beginning of Year	\$40,127,936	\$ 75,999,495	\$13,016,014	\$ 5,880,340	\$ 2,237,562	\$ 12,864,330	\$ 78,313,488	\$ 141,262,077	\$ 19,876,089	\$ 389,577,331
Additions	433,200	967,469	839,745	301,680	34,325	54,824	1,885,596	5,869,964	8,386,900	18,773,703
Work In Progress Completed	-	1,446,448	32,336	-	-	217,605	1,049,680	19,753,372	(22,499,441)	-
Disposals	(500,798)	-	(81,653)	(85,329)	-	-	-	-	-	(166,982)
Assets Held for Resale	-	-	-	-	-	-	-	-	-	(500,798)
Balance, End of Year	40,060,338	78,413,412	13,806,442	6,096,691	2,271,887	13,136,759	81,248,764	166,885,413	5,763,548	407,683,254

#### Accumulated Amortization

Balance, Beginning of Year	-	29,564,124	4,982,372	3,509,491	1,645,224	6,729,171	30,715,082	72,156,206	-	149,301,670
Amortization	-	1,655,912	793,650	327,438	117,589	358,990	1,365,445	4,641,493	-	9,260,517
Disposals	-	-	(81,653)	(85,329)	-	-	-	-	-	(166,982)
Balance, End of Year	-	31,220,036	5,694,369	3,751,600	1,762,813	7,088,161	32,080,527	76,797,699	-	158,395,205
Net Book Value, End of Year	40,060,338	47,193,376	8,112,073	2,345,091	509,074	6,048,598	49,168,237	90,087,714	5,763,548	249,288,052

For the Year Ended December 31	Land	Buildings	Machinery and Equipment	Vehicles	Information Technology Infrastructure	Parks Infrastructure	Utility Infrastructure	Transportation Infrastructure	Work In Progress	(Restated) 2022 Total
Cost, 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
Asset Retirement Obligations (Note 3)	-	547,311	-	-	-	364,518	645,370	24,683	-	1,581,882
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	75,999,495	13,016,014	5,880,340	2,237,562	12,864,330	78,313,488	141,262,077	19,876,089	389,577,331

#### Accumulated Amortization

Balance, Beginning 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
Amortization	-	1,587,700	719,704	306,939	112,325	341,620	1,328,534	4,242,694	-	8,639,516
Asset Retirement Obligations (Note 3)	-	380,676	-	-	-	193,879	405,882	2,759	-	983,196
Disposals	-	-	(179,158)	(226,498)	-	-	-	-	-	(405,656)
Balance, End of Year	-	29,564,124	4,982,372	3,509,491	1,645,224	6,729,171	30,715,082	72,156,206	-	149,301,670
Net Book Value, End of Year	40,127,936	46,435,371	8,033,642	2,370,849	592,338	6,135,159	47,598,406	69,105,871	19,876,089	240,275,661

Tangible capital assets that were contributed by developers for various infrastructure projects were \$5,891,657 (2022 - \$1,284,769).

**The City of Salmon Arm**  
Notes to the Financial Statements

**December 31, 2023**

**12. Accumulated Surplus**

	2023	(Restated) 2022
Surplus		
Invested in Tangible Capital Assets	\$ 222,436,965	\$ 212,996,995
Accumulated General Surplus	35,367,367	34,271,019
Accumulated Water Surplus	3,631,331	2,589,246
Accumulated Sewer Surplus	2,883,919	3,317,811
	<u>264,319,582</u>	<u>253,175,071</u>
Unexpended Capital		
General Operating	1,198,665	1,465,062
Water Operating	1,704,331	927,523
Sewer Operating	1,470,651	872,716
	<u>4,373,647</u>	<u>3,265,301</u>
Statutory Reserves		
Cemetery Columbarium	79,261	75,527
Cemetery Development	172,818	164,677
Community Centre Major Maintenance	952,039	952,655
Emergency Apparatus	779,157	468,587
Equipment Replacement	2,245,973	1,959,917
Fire Department Building and Equipment	241,243	520,651
General Capital	1,237,476	1,068,153
Growing Communities Fund	5,522,684	-
Landfill Site Repurchase	244,822	233,288
Parks Development	560,289	517,529
Police Vehicle Replacement	259,678	247,919
Sewer Major Maintenance	3,710,109	3,351,893
Water Major Maintenance	2,042,382	1,637,687
	<u>18,047,931</u>	<u>11,198,483</u>
	<u>\$ 286,741,160</u>	<u>\$ 267,638,855</u>



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**The City of Salmon Arm**  
Notes to the Financial Statements

**December 31, 2023**

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**13. Taxation**

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

	<u>2023</u>	<u>2022</u>
Taxes Collected:		
Property Taxes	\$ 35,225,116	\$ 33,241,163
Transportation Parcel Tax	1,165,800	1,234,350
Frontage Tax - Water	1,495,776	1,484,444
Frontage Tax - Sewer	998,118	985,719
1% Utility Tax	343,414	316,974
	<u>39,228,224</u>	<u>37,262,650</u>
Collections for Other Governments		
Province of BC (School Taxes)	10,152,228	9,345,759
BC Assessment Authority	246,463	227,169
Regional Hospital District	1,605,781	1,533,230
Columbia Shuswap Regional District	1,202,187	1,089,786
Okanagan Regional Library	802,766	766,363
Municipal Finance Authority	1,362	1,194
Downtown Improvement Area	211,733	203,589
	<u>14,222,520</u>	<u>13,167,090</u>
Net Taxes Available for Municipal Purposes	<u><u>\$ 25,005,704</u></u>	<u><u>\$ 24,095,560</u></u>

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# The City of Salmon Arm

## Notes to the Financial Statements

**December 31, 2023**

### 14. Government Transfers

	Budget 2023	Actual 2023	(Restated) Actual 2022
<b>General Fund - Grants in Lieu of Taxes</b>			
Federal Government	\$ 19,200	\$ 18,586	\$ 19,109
Province of British Columbia	35,000	29,649	35,176
Provincial Government Agencies	120,600	137,861	122,176
	<u>\$ 174,800</u>	<u>\$ 186,096</u>	<u>\$ 176,461</u>
<b>General Fund - Operating Grants</b>			
Federal Government and Province of British Columbia			
Arterial Street Lighting	\$ 3,100	\$ 3,076	\$ 3,076
Municipal Regional District Tax	240,000	337,994	323,189
Small Communities Protection	170,000	173,000	236,000
Traffic Fine Revenue Sharing	150,000	163,000	147,209
Destination BC	21,750	15,000	15,000
Poverty Reduction Grant	35,000	39,778	10,122
BC Active Transportation Planning	-	-	49,777
CRI FireSmart Community Funding	198,935	37,551	6,781
Canada Summer Jobs	-	7,040	6,577
Local Government Climate Action	147,000	147,082	149,921
Public Safety Canada - BSCF	253,120	230,179	17,685
Growing Communities Fund	6,089,000	6,089,000	-
UBCM Complete Communities	-	2,164	-
Community Works Fund	5,000	873,549	1,999,990
	<u>\$ 7,312,905</u>	<u>\$ 8,118,413</u>	<u>\$ 2,965,327</u>
<b>General Fund - Capital Grants</b>			
Federal Government and Province of British Columbia			
Community Works Fund	\$ 1,562,000	\$ -	\$ 5,574,516
BC Active Transportation Infrastructure	-	-	518,627
ICBC - Road Improvement Program	88,300	111,800	7,000
BC Rural Dividend	100,000	-	-
Canada Community Revitalization Fund	84,000	15,509	-
BC Air Access Program	1,237,500	1,237,500	-
Clean BC Communities	309,000	-	-
Local Government Climate Action Plan	47,000	-	-
	<u>\$ 3,427,800</u>	<u>\$ 1,364,809</u>	<u>\$ 6,100,143</u>
<b>Total Operating Grants</b>	<u>7,487,705</u>	<u>8,304,509</u>	<u>3,141,788</u>
<b>Total Capital Grants</b>	<u>3,427,800</u>	<u>1,364,809</u>	<u>6,100,143</u>
<b>Total Grants</b>	<u>\$ 10,915,505</u>	<u>\$ 9,669,318</u>	<u>\$ 9,241,931</u>
<b>Total Federal Grants</b>	<u>\$ 1,923,320</u>	<u>\$ 1,144,863</u>	<u>\$ 7,617,877</u>
<b>Total Provincial Grants</b>	<u>8,992,185</u>	<u>8,524,455</u>	<u>1,624,054</u>
<b>Total Grants</b>	<u>\$ 10,915,505</u>	<u>\$ 9,669,318</u>	<u>\$ 9,241,931</u>



**December 31, 2023**

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**15. 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, 2022, the plan has about 240,000 active members and approximately 124,000 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 \$678,847 (2022 - \$623,409) for employer contributions while employees contributed \$619,459 (2022 - \$571,317) to the plan in fiscal 2023.

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.

**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.

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## The City of Salmon Arm

### Notes to the Financial Statements

**December 31, 2023**

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#### **15. Contingencies Liabilities and Commitments - (continued)**

##### **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:

2024	\$	<u>478</u>
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##### **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, 2023 was \$712,133 (2022 - \$729,929). The loan bears interest at 4.47% (2022 - 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.

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## The City of Salmon Arm

### Notes to the Financial Statements

December 31, 2023

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#### 16. Commitments

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

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#### 17. Budget

The City of Salmon Arm 2023 to 2027 Financial Plan Bylaw No. 4586 (Financial Plan Bylaw) was adopted by Council on May 1, 2023. 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 May 1, 2023 with adjustments as follows:

Financial Plan Bylaw	\$	-
Add:		
Capital Grants		3,427,800
Capital Expenditures		28,779,695
Debt Repayment		1,364,760
Transfer to Reserve Accounts		3,300,588
Transfer to Reserve Funds		7,260,520
Transfer from DCC Reserve Funds		785,750
Other Development Contributions		836,200
Less:		
Transfer from Prior Year Surplus		(407,975)
Transfer from Reserve Accounts		(2,738,325)
Transfer to Capital Reserves Accounts		(25,054,370)
Budget Surplus as per Statement of Operations	\$	<u>17,554,643</u>

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## The City of Salmon Arm

### Notes to the Financial Statements

December 31, 2023

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#### 18. 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, 2023, the Trust Fund balance is \$540,951 (2022 - \$479,900). The City holds investments on behalf of the Fire Training Centre. As at December 31, 2023, the Fire Training Centre investment balance is \$90,224 (2022 - \$79,043).

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#### 19. Financial Instrument Risk

The City is exposed to credit risk, liquidity risk, and interest rate risk from its financial instruments. This note describes the City's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

##### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The City is exposed to credit risk through its cash, accounts receivable, and investments.

The City manages its credit risk by holding cash at federally regulated chartered banks with cash accounts insured up to \$100,000. The City measures its exposure to credit risk based on how long amounts have been outstanding, and historical experience regarding collections. The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable. Accounts receivable arise primarily as a result of trade, taxes and utilities receivable. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

The City manages exposure to credit risk for portfolio investments by ensuring adequate diversification and by maintaining its investments in the Municipal Finance Authority (MFA) which meets the investment requirements of Section 183 of the *Community Charter* of the Province of BC. As a result, the City has reduced exposure to market or value risk. The maximum exposure to credit risk on portfolio investments is outlined in Note 4.

##### Liquidity risk

Liquidity risk is the risk that the City will encounter difficulty in meeting obligations associated with financial liabilities. The Municipality is exposed to liquidity risk through its accounts payable and accrued liabilities, long-term debt and investments.

**December 31, 2023**

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**19. Financial Instrument Risk (Continued)**

The City manages this risk by maintaining highly liquid investments, staggering maturity dates of investments, and by closely monitoring cash flow activities. Also to help manage the risk, the City has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The City's five-year financial plan is approved by the Mayor and Council, which includes operational activities and capital investments. The City measures its exposure to liquidity risk based on the results of cash forecasting and expected outflows and extensive budgeting.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The City is exposed to interest rate risk through its long-term debt and investments.

The City manages interest rate risk on its long-term debt by holding all debt through MFA at a fixed rate, with refinancing typically being completed at the five or ten year mark. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Note 10 for interest rates and maturity dates for long term debt.

Investments that are subject to interest rate risk are MFA pooled investment funds (see Note 4). The risk is caused by changes in interest rates. As interest rates rise, the fair value of the MFA pooled investment funds notes decrease and, as interest rates fall, the fair value of these investments increase.

As a result of diversification by security type, only a portion of the overall investment portfolio is exposed to interest rate risk. As at December 31, 2023 the amount of the investment portfolio exposed was \$82,301,031 (2022 - \$70,973,018) per Note 4. To mitigate interest rate risk and market risk on its investments, the City holds its MFA long term pooled investment funds for 10 years or longer.

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**20. 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:



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## The City of Salmon Arm

### Notes to the Financial Statements

December 31, 2023

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#### 20. Segment Reporting (Continued)

##### 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, 2023**

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**20. 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 183 square kilometres. It provides fire protection services to approximately 6,573 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, 80 kilometres of sidewalk, as well as, 112 kilometres of storm sewer complete with retention ponds and currently operates a +/- 145 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, 2023**

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**20. 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 five hundred seventy one (571) 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.



**December 31, 2023**

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**20. Segment Reporting (Continued)**

**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 - 97% and the Metford Dam - 3%. The waterworks system is relatively complex and is comprised of eight (8) zones, eight hundred sixty four (864) hydrants, eight (8) pumping stations, fourteen (14) reservoirs, and one (1) dam with a total storage capacity of 33,199 cubic metres and over 6,300 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.

**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 5,415 service connections.

# The City of Salmon Arm

## Notes to the Financial Statements

December 31, 2023

### 20. Segmented Reporting (Continued)

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	2023 Total
<b>Revenue</b>								
Taxation - Net	\$ 21,346,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,346,010
Transportation Parcel Tax	-	-	1,165,800	-	-	-	-	1,165,800
Frontage Tax	-	-	-	-	-	-	1,495,776	2,493,894
Grants	8,100,882	200,551	1,352,376	-	15,509	998,118	-	9,669,318
Grants - Other	-	-	92,184	2,250	68,100	-	-	162,534
Sales of Services	90,296	210,011	1,741,570	1,201,631	3,036	2,516,319	2,997,272	8,760,135
Licenses, Permits and Fines	13,884	816,104	-	111,095	-	-	-	941,083
Rentals, Leases and Franchises	873,580	45,320	34,554	-	43,655	24,000	21,600	1,042,709
Return on Investments	2,628,499	83,749	179,323	30,540	86,205	567,951	595,907	4,172,174
Penalties and Interest	219,793	-	-	-	-	18,514	22,441	260,748
Other Revenue	-	1,910	91,864	60	8,902	-	-	102,736
Developer and Other Contributions	201,590	-	4,468,555	-	60,670	922,945	1,178,102	6,831,862
Gains on Disposal of	9,648	-	26,215	-	-	-	-	35,863
Tangible Capital Assets	-	-	(14,028)	-	-	-	-	(14,028)
Loss on Disposal on ARO Settlement	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>33,484,182</b>	<b>1,357,645</b>	<b>9,138,413</b>	<b>1,345,576</b>	<b>286,077</b>	<b>5,047,847</b>	<b>6,311,098</b>	<b>56,970,838</b>
<b>Expenses</b>								
Wages and Benefits	2,430,911	1,921,371	2,087,758	1,032,056	2,222,901	901,539	1,133,310	11,729,846
Insurance	251,767	29,317	99,191	120	61,297	47,505	38,016	527,213
Community Grants	332,542	-	-	-	-	-	-	332,542
Professional and Legal Fees	147,041	-	-	10,887	-	1,393	-	159,321
Utilities and Property Taxes	64,503	72,197	226,466	1,029	32,265	267,452	405,461	1,069,373
Repairs and Maintenance	-	78,952	1,348,701	26,662	702,801	373,116	529,126	3,059,358
Contracts	336,978	3,597,038	959,386	1,671,373	506,436	20,640	30,986	7,122,837
Operating Expenses	504,818	474,354	824,812	581,340	50,293	409,493	181,230	3,026,340
Collections for Other Governments	12,753	-	-	-	-	-	-	12,753
Amortization	1,042,621	228,224	5,577,155	-	435,734	870,353	1,106,430	9,260,517
Interest and Debt Issue Expenses	701,948	-	192,520	28,050	36,107	76,910	385,799	1,421,334
Accretion Expenses	58,430	-	8,698	-	23,742	34,361	21,868	147,099
<b>Total Expenses</b>	<b>5,884,312</b>	<b>6,401,453</b>	<b>11,324,687</b>	<b>3,351,517</b>	<b>4,071,576</b>	<b>3,002,762</b>	<b>3,832,226</b>	<b>37,868,533</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 27,599,870</b>	<b>\$ (5,043,808)</b>	<b>\$ (2,186,274)</b>	<b>\$ (2,005,941)</b>	<b>\$ (3,785,499)</b>	<b>\$ 2,045,085</b>	<b>\$ 2,478,872</b>	<b>\$ 19,102,305</b>

# The City of Salmon Arm

## Notes to the Financial Statements

December 31, 2023

### 20. Segmented Reporting (Continued)

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	Restated 2022 Total
<b>Revenue</b>								
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	2,934,945	153,990	6,152,996	-	-	-	-	9,241,931
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	2,363,413	2,824,178	8,301,926
Licenses, 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	1,113,561	66,573	112,350	15,185	37,967	272,736	370,183	1,988,555
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
Gains (loss) on Disposal of Tangible Capital Assets	225,171	-	47,364	-	-	-	-	272,535
<b>Total Revenue</b>	<b>25,955,019</b>	<b>1,261,273</b>	<b>12,205,442</b>	<b>1,301,367</b>	<b>384,210</b>	<b>3,794,186</b>	<b>4,947,796</b>	<b>49,849,293</b>
<b>Expenses</b>								
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	1,005,287	187,304	5,116,862	-	408,943	842,688	1,078,432	8,639,516
Interest and Debt Issue Expenses	627,642	-	196,137	28,050	28,622	114,255	291,083	1,285,789
Accretion Expenses	55,429	-	9,660	-	23,140	33,490	21,314	143,033
<b>Total Expenses</b>	<b>5,441,992</b>	<b>6,044,078</b>	<b>10,700,437</b>	<b>2,686,337</b>	<b>4,134,749</b>	<b>2,793,745</b>	<b>3,566,921</b>	<b>35,368,259</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 20,513,027</b>	<b>\$ (4,782,805)</b>	<b>\$ 1,505,005</b>	<b>\$ (1,384,970)</b>	<b>\$ (3,750,539)</b>	<b>\$ 1,000,441</b>	<b>\$ 1,380,875</b>	<b>\$ 14,481,034</b>



**The City of Salmon Arm**  
**Schedule 1 - COVID-19 Safe Restart Grant**  
**(Unaudited)**

**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.

	<u>2023</u>	<u>2022</u>
Interest Income	\$ 76,365	\$ 43,427
Revenue Shortfalls:		
General Government Services	(37,000)	(150,000)
Protective Services	(160,000)	-
Recreation and Cultural Services	(53,500)	-
Transportation Services	(322,900)	-
Expenditures:		
General Government Services	-	(82,838)
Community Grants	(23,200)	(90,046)
Recreation and Cultural Services	(169,136)	-
Protective Services	-	(125,000)
Transportation Services	(109,845)	(267,191)
Community Grant Returned	-	20,000
Net (Deficit)	<u>(799,216)</u>	<u>(651,648)</u>
Balance, Beginning of Year	<u>1,544,620</u>	<u>2,196,268</u>
Balance, End of Year	<u><u>\$ 745,404</u></u>	<u><u>\$ 1,544,620</u></u>

**The City of Salmon Arm**  
**Schedule 2 - Growing Communities Fund**  
(Unaudited)

**For the Year Ended December 31**

The Province of British Columbia distributed conditional GCF grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. The City received \$6,089,000.00 in 2023.

The GCF Grant has been accounted for as an unrestricted government transfer; recognized in the year received. The grant has been placed to the credit of a dedicated reserve fund. The following schedule outlines how the City has utilized the grant funding.

	<u>2023</u>
Interest Income	\$ 158,684
Expenditures:	
Eligible One-Off Costs: Property Acquisition - Local Road Improvements	(725,000)
	<u>(566,316)</u>
Net (Deficit)	<u>(566,316)</u>
Balance, Beginning of Year	<u>6,089,000</u>
Balance, End of Year (Note 12)	<u><u>\$ 5,522,684</u></u>

Work related to Housing Needs Reports and pre-zoning requirements:

<b>2023 GCF Investments</b>	<b>Project Highlights</b>
Property Acquisition - Local Road Improvements	Housing Needs Report - Re-routing of the intersection at 9 Ave NE and 30 St NE to support expansion of student housing at Okanagan College and existing lots at a higher density.



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	• Reporting Expenses by Object
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## Reporting Expenses by Function

Expenses by Function	2023	2022	2021	2020	2019
	(Restated)				
General Government Services	\$ 5,884,312	\$ 5,441,992	\$ 5,700,081	\$ 5,171,196	\$ 4,932,640
Protective Services	6,401,453	6,044,078	6,118,831	5,342,258	5,096,792
Transportation Services	11,324,687	10,700,437	9,695,360	9,436,810	9,319,785
Public Health Services	1,656,701	1,216,306	1,183,841	1,245,794	1,417,534
Development Services	1,694,816	1,470,032	1,422,508	1,269,852	1,304,274
Recreation and Cultural Services	4,071,576	4,134,749	3,712,276	3,311,274	3,274,365
Water Services	3,832,226	3,566,921	3,677,488	3,378,392	3,481,768
Sewer Services	3,002,762	2,793,745	2,799,791	2,583,576	2,493,051
	<u>\$ 37,868,533</u>	<u>\$ 35,368,259</u>	<u>\$ 34,310,176</u>	<u>\$ 31,739,152</u>	<u>\$ 31,320,209</u>

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the adoption of PS 3280 Asset Retirement Obligations standard.

This table reflects total City expenses by function. For example, the City spent approximately \$11.3 million on transportation services, such as roads and infrastructure, as opposed to approximately \$6.4 million on protective services.

## Reporting Expenses by Object

Expenses by Object	2023	2022	2021	2020	2019
	(Restated)				
Accretion Expense	\$ 147,099	\$ 143,033	\$ -	\$ -	\$ -
Amortization Expense	9,260,517	8,639,516	8,196,572	7,897,010	7,651,127
Collections for Other Governments	12,753	12,626	12,553	9,660	11,336
Community Grants	332,542	276,671	744,318	471,069	347,188
Contracts	7,122,837	7,109,856	7,104,560	6,491,767	6,410,890
Insurance	527,213	479,306	450,562	461,484	450,487
Interest and Debt Issuance Expense	1,421,334	1,285,789	1,264,431	1,321,824	1,407,574
Operating Expenses	3,026,340	2,545,305	2,114,271	1,831,490	1,775,578
Professional and Legal Fees	159,321	110,461	73,321	66,633	56,966
Repairs and Maintenance	3,059,358	3,242,563	2,786,974	2,616,415	2,636,338
Salaries, Wages and Benefits	11,729,846	10,502,926	10,468,937	9,529,379	9,494,136
Utilities and Property Taxes	1,069,373	1,020,207	1,093,677	1,042,421	1,078,589
	<u>\$ 37,868,533</u>	<u>\$ 35,368,259</u>	<u>\$ 34,310,176</u>	<u>\$ 31,739,152</u>	<u>\$ 31,320,209</u>

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the adoption of PS 3280 Asset Retirement Obligations standard.

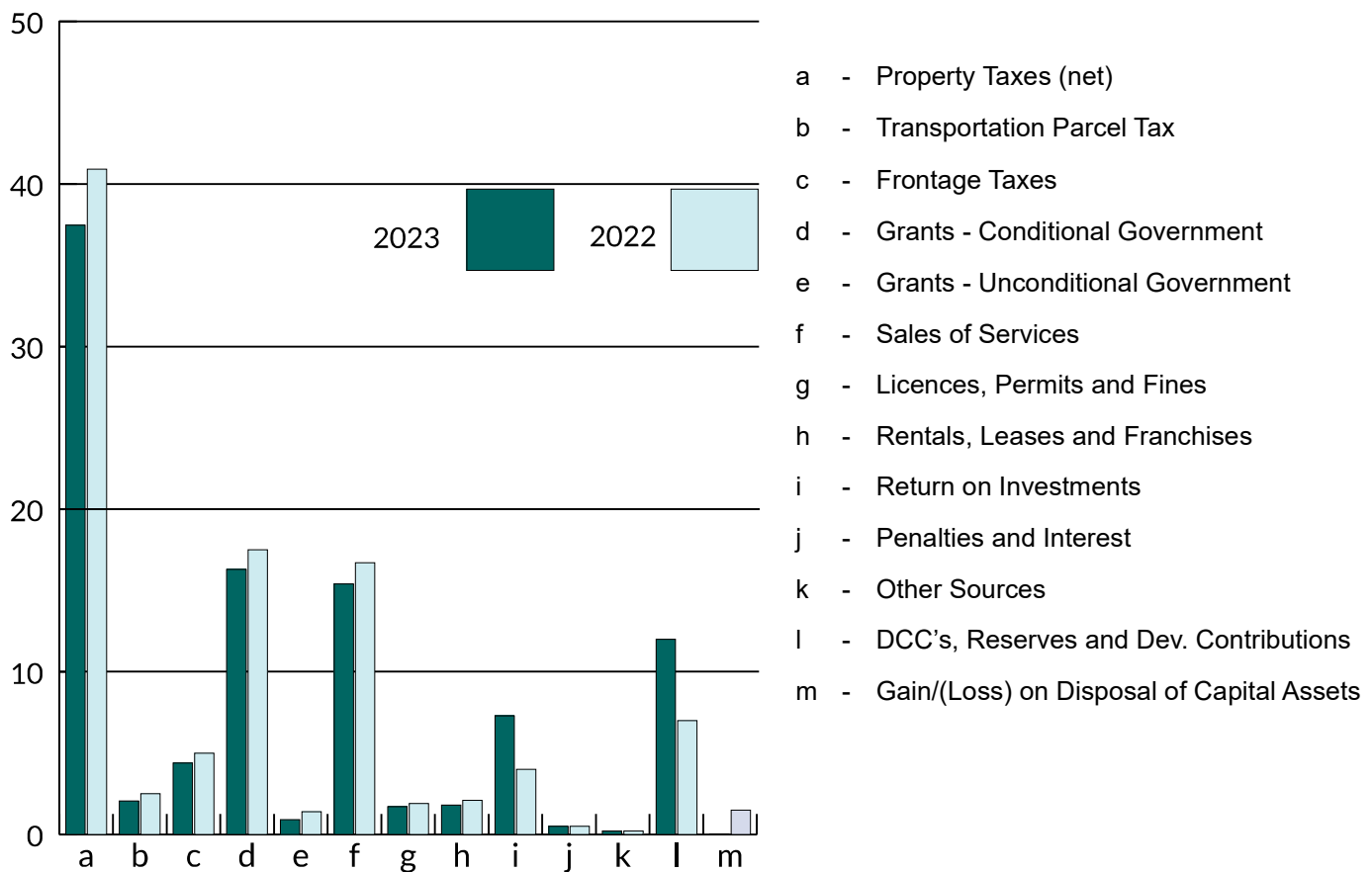
This table reflects total City expenses allocated by component within each City function. For example, of the total \$37.8 million expenses, the City spent \$1.4 million on interest and debt issuance expenses.

## Revenues by Source and Type

Revenue Sources	2023	2022	2021	2020	2019
	(Restated)				
Property Taxes (net)	\$ 21,346,010	\$ 20,391,047	\$ 19,306,833	\$ 18,977,526	\$ 18,625,597
Transportation Parcel Tax	1,165,800	1,234,350	1,226,250	1,210,200	1,196,430
Frontage Taxes	2,493,894	2,470,163	2,438,988	2,422,956	2,395,891
Grants - Conditional Government	9,309,757	8,730,762	1,484,081	1,320,197	1,556,588
Grants - Unconditional Government	522,095	709,591	525,061	4,084,614	475,601
Sales of Services	8,760,135	8,301,926	8,124,053	7,135,252	7,343,176
Licences, Permits and Fines	941,083	930,887	876,199	834,915	842,439
Rentals, Leases and Franchises	1,042,709	1,056,610	961,933	1,022,172	1,066,107
Return on Investments	4,172,174	1,988,555	769,013	1,053,431	1,777,816
Penalties and Interest	260,748	235,473	256,844	170,626	198,527
Other Sources	102,736	75,615	42,964	66,786	62,888
DCCs, Reserves and Developer Contributions	6,831,862	3,451,779	5,381,703	616,619	2,233,115
Gain/(Loss) on Disposal of Capital Assets	21,835	272,535	(44,173)	2,617	245,571
	\$ 56,970,838	\$ 49,849,293	\$ 41,349,749	\$ 38,917,911	\$ 38,019,746

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the restatement of prior year figures.

This table reflects the City's various revenue streams. In the most recent year, the City saw an increase in Developer Contributions of \$3.38 million, trending up from a decrease in 2022.



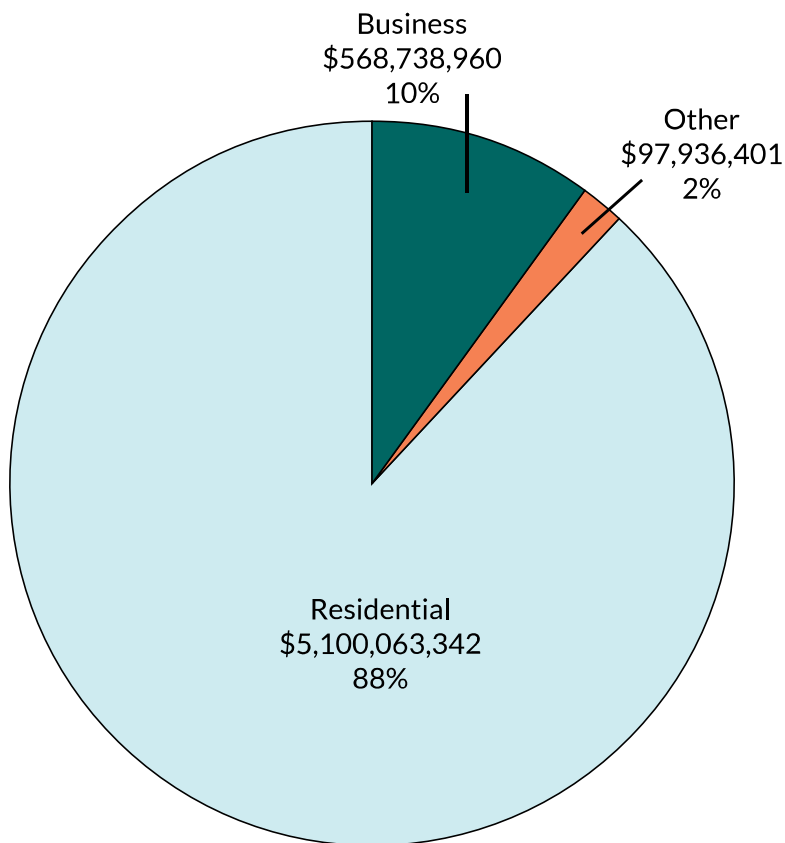
This graph reflects the percentage of the City's various revenue streams to total revenue collected. In 2023, the City saw an increase in the percentage of revenue sourced from Developer Contributions and Return on Investments.

## Taxable Assessments of Land and Improvements

Property Classifications	2023	2022	2021	2020	2019
Residential	\$ 5,100,063,342	\$ 4,389,647,127	\$ 3,306,334,994	\$ 3,162,771,292	\$ 3,055,539,749
Utilities	7,269,995	6,825,385	6,650,785	6,498,725	5,886,730
Supportive Housing	-	-	-	56	56
Major Industry	8,712,600	8,404,700	8,007,200	7,884,500	7,883,500
Light Industry	59,091,000	51,539,200	42,419,000	43,282,000	36,930,100
Business	568,738,960	530,999,347	468,788,661	471,228,150	444,465,459
Managed Forest Land	1,137,700	234,400	38,700	38,500	322,000
Recreation Non-Profit	12,758,100	12,067,000	9,832,600	8,011,000	7,344,300
Farm	8,967,006	8,909,356	8,784,593	8,761,326	8,749,307
	<u>\$ 5,766,738,703</u>	<u>\$ 5,008,626,515</u>	<u>\$ 3,850,856,533</u>	<u>\$ 3,708,475,549</u>	<u>\$ 3,567,121,201</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	\$ 5,100,063,342	88
Business	568,738,960	10
Other	97,936,401	2
	<u>\$ 5,766,738,703</u>	<u>100</u>

Other Includes:

Utilities	\$ 7,269,995
Supportive Housing	-
Major Industry	8,712,600
Light Industry	59,091,000
Managed Forest Land	1,137,700
Recreation Non Profit	12,758,100
Farm	8,967,006
	<u>\$ 97,936,401</u>

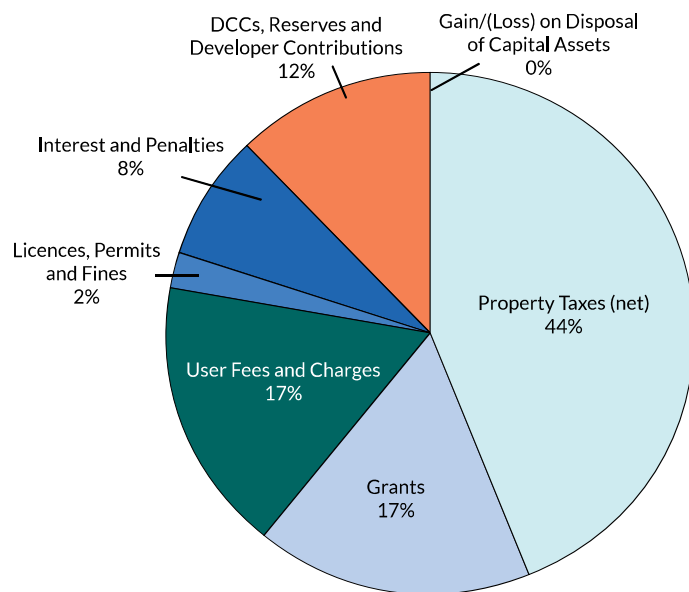
This graph reflects that 88.4% of the assessment base in Salmon Arm is residential. Typically, business and industry provide the assessment base that is required to financially support services.



## Revenue Sources Sorted by Category

Revenue	2023	2022	2021	2020	2019
	(Restated)				
Property Taxes (net)	\$ 25,005,704	\$ 24,095,560	\$ 22,972,071	\$ 22,610,682	\$ 22,217,918
Grants	9,831,852	9,570,384	2,009,142	5,404,811	2,032,189
User Fees and Charges	9,905,580	9,434,151	9,128,950	8,224,210	8,472,171
Licences, Permits and Fines	941,083	930,887	876,199	834,915	842,439
Interest and Penalties	4,432,922	2,093,997	1,025,857	1,224,057	1,976,343
DCCs, Reserves and Developer Contributions	6,831,862	3,451,779	5,381,703	616,619	2,233,115
Gain/(Loss) on Disposal of Capital Assets	21,835	272,535	(44,173)	2,617	245,571
	<u>\$ 56,970,838</u>	<u>\$ 49,849,293</u>	<u>\$ 41,349,749</u>	<u>\$ 38,917,911</u>	<u>\$ 38,019,746</u>

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the restatement of prior year figures.



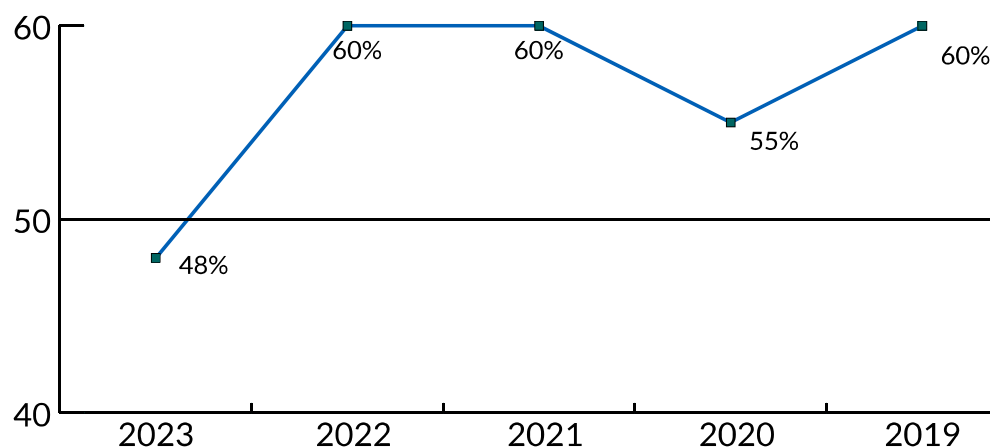
This table reflects the City's various revenue streams sorted by category. The City collected approximately \$9.9 million in user fees and charges for services such as rentals, parking and transit levies, airport fuel and oil sales, water and sewer user rates, and sanitation and recycling fees, etc.

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
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%
2023	20,983,006	43,304,613	48%

This table and graph reflects that in 2023, 48% of the City's general operating revenue to finance services was funded by property taxation.

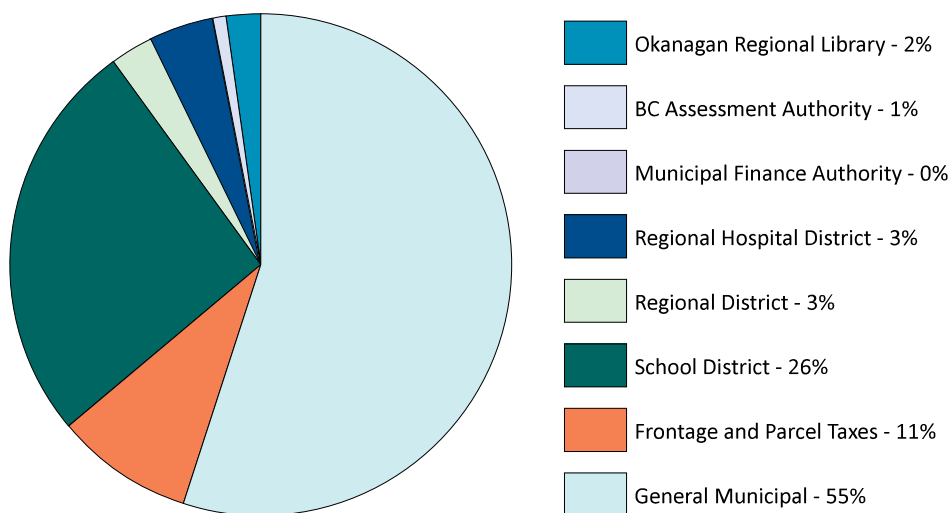


## Taxes Levied and Collected

Jurisdictions	2023	2022	2021	2020	2019	2018
General Municipal	\$ 21,559,496	\$ 20,594,644	\$ 19,503,113	\$ 19,167,197	\$ 18,806,903	\$ 17,859,388
Frontage and Parcel Taxes	3,659,694	3,704,513	3,665,239	3,633,156	3,592,321	3,327,095
School District	10,152,228	9,345,759	8,895,657	7,332,380	8,166,378	8,045,387
Regional District	1,201,713	1,089,890	1,071,237	1,085,978	1,017,339	990,458
Regional Hospital District	1,604,925	1,533,201	1,549,289	1,536,753	1,240,110	996,794
Municipal Finance Authority	1,361	1,194	939	909	870	807
BC Assessment Authority	246,371	227,175	207,241	203,925	183,537	182,069
Okanagan Regional Library	802,436	766,274	756,217	764,703	757,311	712,274
	39,228,223	37,262,651	35,648,932	33,725,001	33,764,769	32,114,272
<b>Total Current Taxes Levied</b>	<b>39,228,223</b>	<b>37,262,651</b>	<b>35,648,932</b>	<b>33,725,001</b>	<b>33,764,769</b>	<b>32,114,272</b>
Current Taxes Collected	38,604,809	36,707,426	35,246,100	33,166,049	33,146,109	31,590,902
Percentage Collected	98.41%	98.51%	98.87%	98.34%	98.17%	98.37%
Outstanding at Beginning of Year	696,127	551,879	842,201	822,856	765,568	999,677
Arrears/Delinquent Collected	467,990	410,977	693,153	539,607	561,373	757,479
Percentage Collected	67.23%	74.47%	82.30%	65.58%	73.33%	75.77%
<b>Total Tax Collections</b>	<b>\$ 39,072,799</b>	<b>\$ 37,118,403</b>	<b>\$ 35,939,253</b>	<b>\$ 33,705,656</b>	<b>\$ 33,707,482</b>	<b>\$ 32,348,381</b>

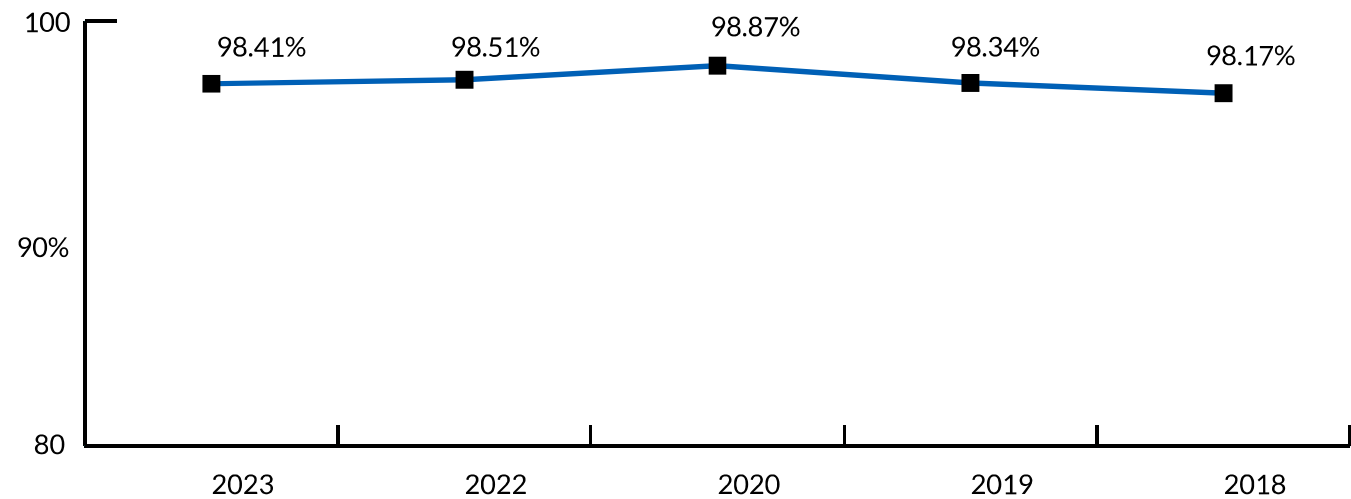
This table reflects the amount of taxes collected for general municipal purposes and for other jurisdictions (i.e. School District, Regional District, etc). The table also outlines the City's property taxation collection rates.

## 2023 Taxes by Jurisdiction



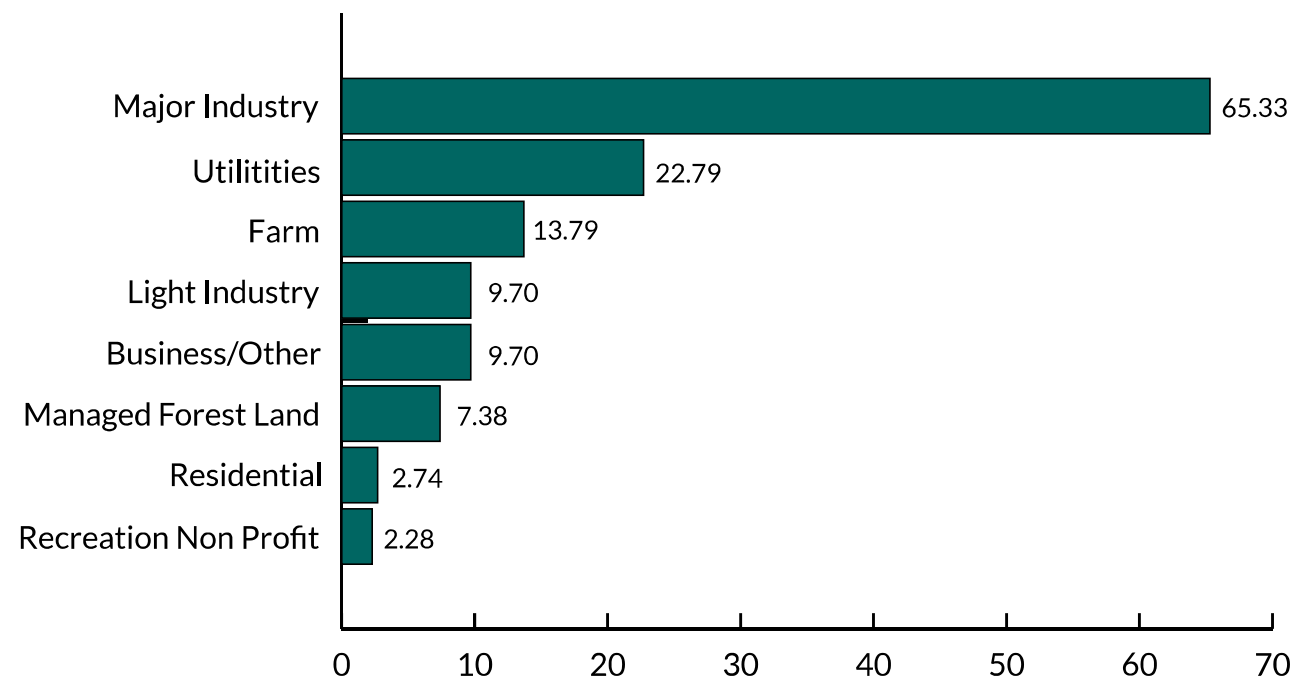
This graph reflects that of the total tax dollars (\$39.07 million) levied in 2023 by the City and other jurisdictions, only 55% (\$21.55 million) was for municipal services such as police, fire, roads, etc. and the remainder was for other jurisdictions.

## Taxation Collection Rates



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

## General Municipal Tax Rates



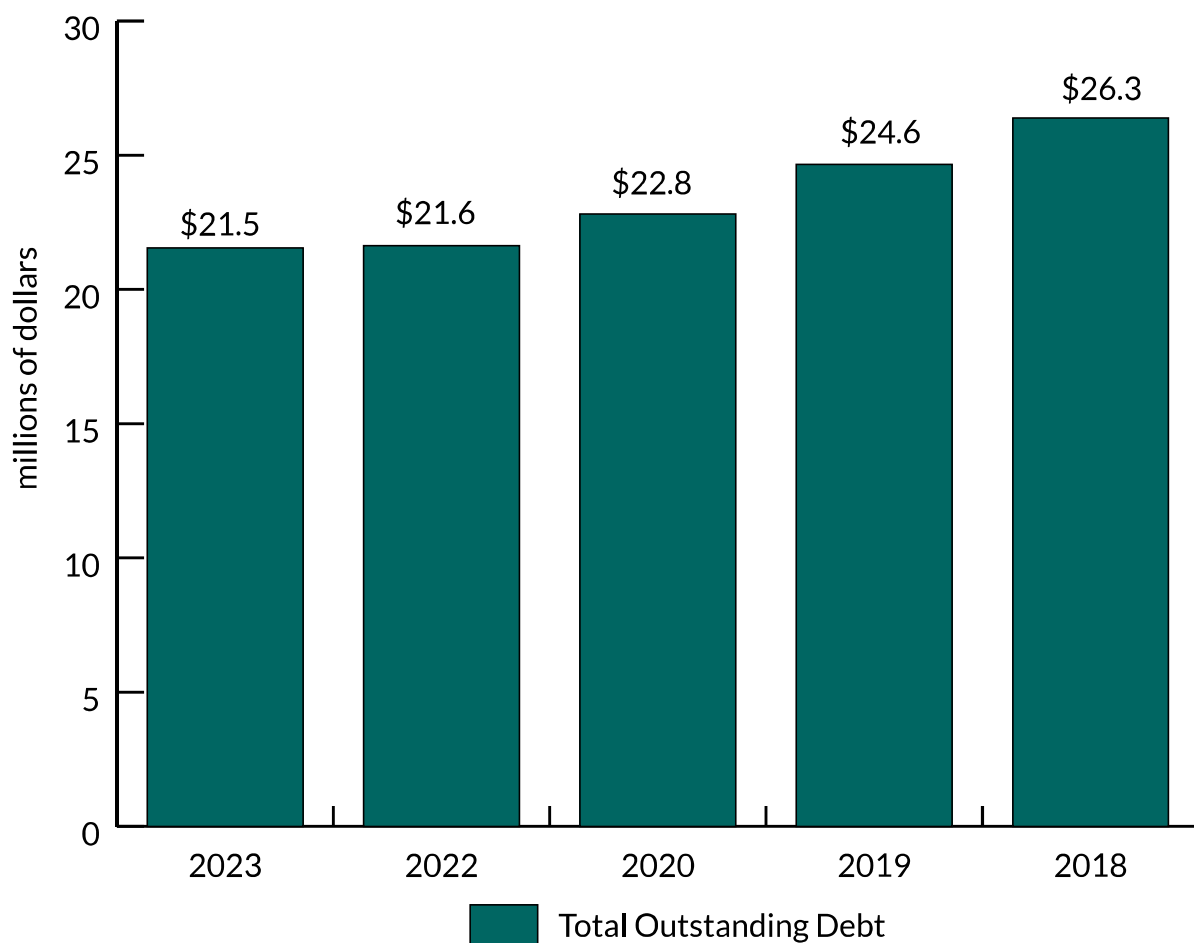
This graph reflects the tax rates that are charged on each \$1,000 of assessed property value for each classification of the property.



## Debenture Debt

Gross Debt	2023	2022	2021	2020	2019
General	\$ 13,921,037	\$ 14,971,725	\$ 15,354,901	\$ 16,238,071	\$ 17,058,401
Water	6,402,219	5,137,851	5,645,712	6,326,782	6,979,375
Sewer	1,223,861	1,524,782	1,812,492	2,087,581	2,350,614
Total Outstanding Debt	<u>\$ 21,547,117</u>	<u>\$ 21,634,358</u>	<u>\$ 22,813,105</u>	<u>\$ 24,652,434</u>	<u>\$ 26,388,390</u>

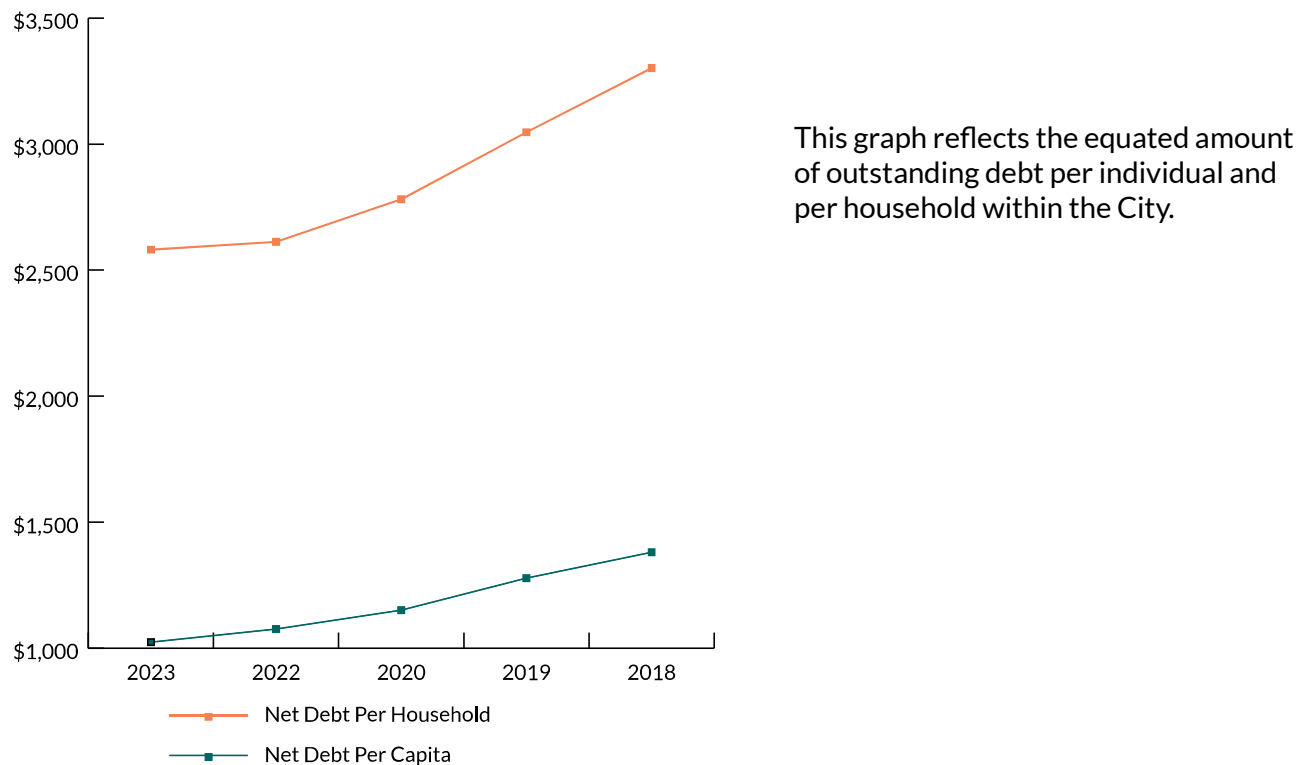
This table and graph reflects the long term debt outstanding at the end of each of the last five (5) years.



## Debt Servicing Costs

Repayment Sources	2023	2022	2021	2020	2019
Property Tax Supported	\$ 1,688,031	\$ 1,502,602	\$ 1,479,865	\$ 1,454,369	\$ 1,585,159
Water Utility	817,237	722,522	723,783	756,957	821,157
Sewer Utility	227,598	264,943	264,943	264,943	264,943
Parks DCC Reserve	-	-	-	-	-
Total Debt Servicing Costs	\$ 2,732,866	\$ 2,490,066	\$ 2,468,591	\$ 2,476,269	\$ 2,671,259
Population	21,034	20,103	19,825	19,296	19,115
Net Debt Per Capita	\$ 1,024	\$ 1,076	\$ 1,151	\$ 1,278	\$ 1,381
Debt Service as a % of Total Expenses	4.8%	4.5%	5.0%	6.7%	6.6%
Debt Service as a % of Operating Expenses	5.4%	6.2%	6.4%	5.5%	7.5%
# of Households	8,347	8,283	8,203	8,090	7,992
Net Debt Per Household	\$ 2,581	\$ 2,612	\$ 2,781	\$ 3,047	\$ 3,302

## Debt Per Capita



## Debt Capacity Limits

Debt Servicing	2023	2022	2021	2020	2019
Debt Servicing Limit	\$ 9,924,506	\$ 9,061,981	\$ 8,399,567	\$ 9,026,232	\$ 8,203,394
Debt Servicing Capacity Available	\$ 6,915,007	\$ 6,318,814	\$ 5,866,590	\$ 5,635,095	\$ 5,423,409

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

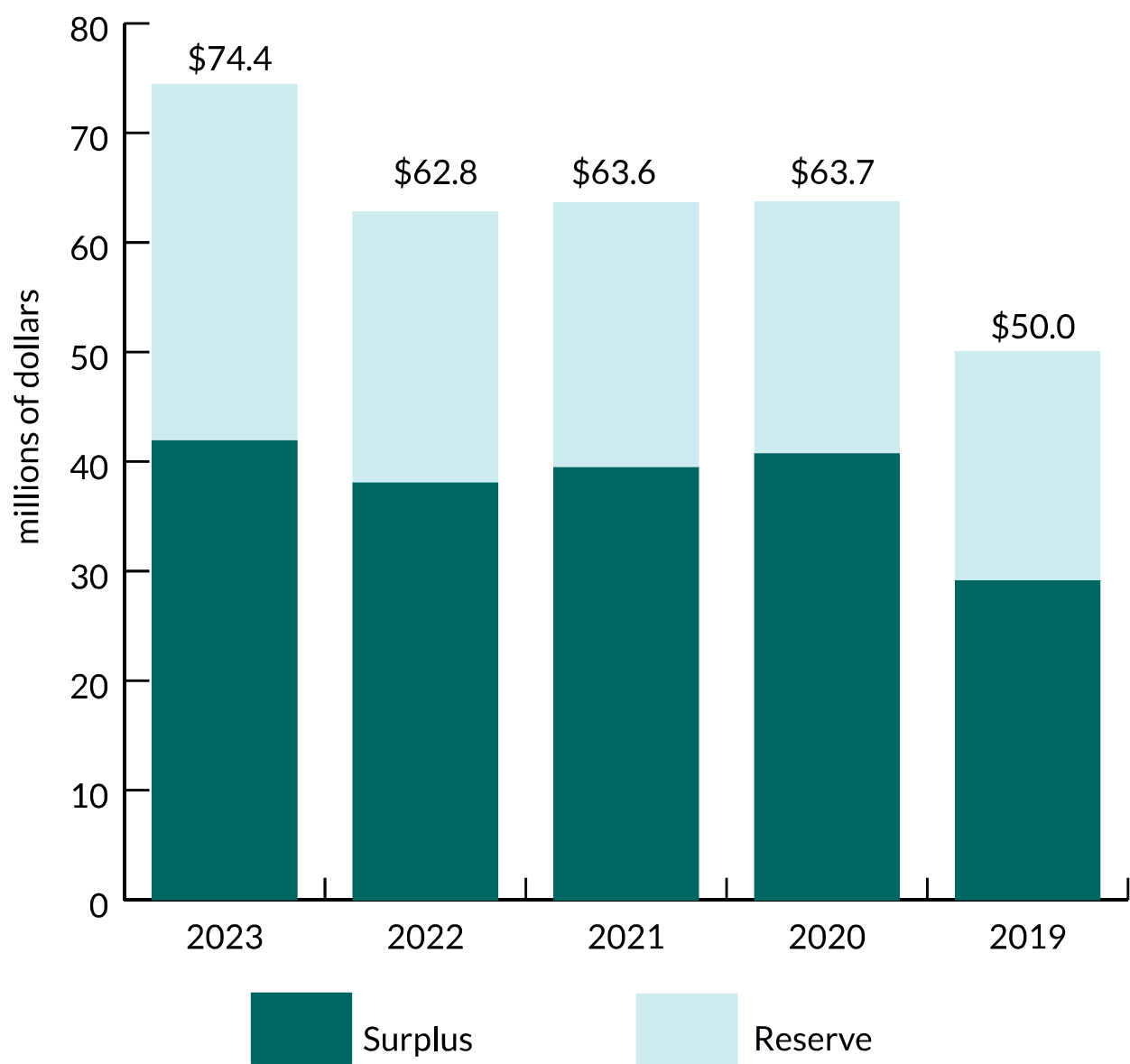
Reserves and Surplus	2023		2022		2021	2020	2019			
	(Restated)									
Statutory Reserve Funds, Development Cost Charges and Trust Funds										
Development Cost Charge - Drainage	\$	2,199,197	\$	2,216,604	\$	2,080,540	\$	1,940,799	\$	1,791,915
Development Cost Charge - Parks		759,805		693,356		623,478		569,644		492,192
Development Cost Charge - Water		4,439,902		4,160,567		3,826,665		3,481,274		3,162,130
Development Cost Charge - Sewer		4,134,030		3,809,505		3,610,394		3,314,914		2,967,762
Development Cost Charge - Highways		2,401,216		2,196,922		2,034,248		1,851,290		1,664,852
Development Cost Charge - Underpass		-		-		-		87,380		86,630
Perpetual Care		536,306		475,474		438,521		410,933		387,207
Klahani Playground Equipment		4,645		4,426		4,340		4,332		4,295
Cemetery Columbarium		79,261		75,527		74,063		73,929		73,295
Cemetery Development		172,818		164,677		161,484		159,713		158,344
Community Centre Major Maintenance		952,039		952,655		803,391		727,048		686,116
Emergency Apparatus		779,157		468,587		1,750,812		1,532,834		1,201,942
Equipment Replacement		2,245,973		1,959,917		2,287,724		2,355,022		2,344,411
Fire Department Building and Equipment		241,243		520,651		460,729		297,267		288,243
General Capital		1,237,476		1,068,153		649,779		667,153		568,746
Growing Communities Fund		5,522,684		-		-		-		-
Landfill Site Repurchase		244,822		233,288		228,765		228,350		226,392
Parks Development		560,289		517,529		474,014		543,382		536,643
Police Vehicle Replacement		259,678		247,919		242,976		261,525		250,685
Sewer Major Maintenance		3,710,109		3,351,893		3,071,166		3,190,372		2,988,432
Water Major Maintenance		2,042,382		1,637,688		1,357,518		1,311,066		1,038,710
	\$	32,523,032	\$	24,755,338	\$	24,180,607	\$	23,008,227	\$	20,918,942
Statement of Operating Surplus										
General Operating Fund - Surplus	\$	35,367,367	\$	32,141,002	\$	33,450,581	\$	34,609,375	\$	23,440,337
Water Operating Fund - Surplus		3,631,331		2,589,247		2,668,521		2,731,215		2,508,966
Sewer Operating Fund - Surplus		2,883,919		3,317,811		3,319,463		3,355,897		3,161,160
	\$	41,882,617	\$	38,048,060	\$	39,438,565	\$	40,696,487	\$	29,110,463
Total Reserves and Operating Surpluses	\$	74,405,649	\$	62,803,398	\$	63,619,172	\$	63,704,714	\$	50,029,405
Statement of Annual and Accumulated Surplus										
Accumulated Surplus, Beginning of Year	\$	267,638,855	\$	258,060,410	\$	251,020,837	\$	243,842,078	\$	237,142,541
Annual Surplus		19,102,305		14,481,034		7,039,573		7,178,759		6,699,537
Prior Period Adjustment		-		(4,902,589)		-		-		-
Accumulated Surplus, End of Year	\$	286,741,160	\$	267,638,855	\$	258,060,410	\$	251,020,837	\$	243,842,078
Statement of Annual and Accumulated Surplus (Detail)										
Statutory Reserves	\$	18,047,931	\$	11,198,482	\$	11,562,421	\$	11,347,661	\$	10,361,959
Unexpended Capital Reserves		4,373,646		3,265,301		2,049,209		2,915,736		7,250,477
Surplus		3,971,243		3,786,660		3,683,618		3,762,162		2,952,461
Reserve Accounts		37,911,374		36,391,417		35,754,947		36,934,325		26,607,615
Equity in Capital Assets		222,436,965		212,996,995		205,010,215		196,060,953		196,669,566
	\$	286,741,160	\$	267,638,855	\$	258,060,410	\$	251,020,837	\$	243,842,078
Net Financial Debt (Detail)										
Financial Assets	\$	91,523,900	\$	81,654,845	\$	85,404,697	\$	83,699,354	\$	71,830,421
Financial Liabilities		(54,683,964)		(54,994,625)		(56,205,752)		(54,209,320)		(51,744,822)
Net Financial Assets		36,839,936		26,660,220		29,198,945		29,490,034		20,085,599
Non-Financial Assets		249,901,224		240,978,635		228,861,465		221,530,803		223,756,479
Accumulated Surplus, End of Year	\$	286,741,160	\$	267,638,855	\$	258,060,410	\$	251,020,837	\$	243,842,078

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the restatement of prior year figures and the adoption of PS 3280 Asset Retirement Obligations standard.

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	2023	2022	2021	2020	2019
(Restated)					
<b>Capital Expenditures</b>					
Land	\$ 433,200	\$ 20,926	\$ -	\$ -	\$ 751,251
Buildings	2,413,917	991,079	296,313	163,294	491,103
Machinery and Equipment	872,081	2,614,516	1,253,587	1,344,042	2,249,953
Vehicles	301,680	273,200	199,794	87,871	258,755
Information Technology	34,325	150,344	211,112	38,580	173,498
Parks Infrastructure	272,429	1,177,710	325,110	127,052	364,869
Utility Infrastructure	2,935,276	1,397,374	1,644,388	853,967	740,717
Transportation Infrastructure	25,623,336	3,141,915	5,848,891	2,742,272	4,127,758
Work In Progress	(14,112,541)	12,320,943	5,682,686	120,653	119,879
	<u>\$ 18,773,703</u>	<u>\$ 22,088,007</u>	<u>\$ 15,461,881</u>	<u>\$ 5,477,731</u>	<u>\$ 9,277,783</u>
<b>Sources of Funds</b>					
General Taxation, Water & Sanitary Sewer Revenue	\$ 3,656,231	\$ 3,772,830	\$ 3,818,395	\$ 3,556,982	\$ 2,639,151
Prior Year Surplus	228,718	63,570	56,792	-	75,000
Government Transfers & Grants	1,364,809	6,100,143	635,378	689,260	963,611
Non-Statutory Reserves	4,262,132	4,939,510	3,778,604	1,157,962	814,890
Statutory Reserve Funds	1,848,274	2,963,102	1,351,811	585,328	1,439,472
Contributions (DCC, Developer, Donation etc.)	6,486,665	3,229,110	5,445,984	414,083	2,324,870
Debt	2,000,000	730,000	-	-	6,092,000
Carry Forward - Expended	2,513,994	1,563,485	2,144,048	1,285,220	1,966,524
Carry Forward - Unexpended	(3,647,115)	(2,855,625)	(1,769,131)	(2,211,104)	(7,037,735)
Equity in Tangible Capital Assets	59,995	1,581,882	-	-	-
	<u>\$ 18,773,703</u>	<u>\$ 22,088,007</u>	<u>\$ 15,461,881</u>	<u>\$ 5,477,731</u>	<u>\$ 9,277,783</u>

\*The financial statements for the prior period presented for comparative purposes has been restated to reflect the adoption of PS 3280 Asset Retirement Obligations standard.

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

## Comparative Demographic Statistics

Miscellaneous Statistics	2023	2022	2021	2020	2019
Annual Estimated Population (Source: BC Statistics 2023, Salmon Arm)	20,583	20,615	20,081	19,644	19,365
Population Growth Rates	-0.16%	2.66%	2.22%	1.44%	1.31%
Unemployment Rate (Source: BC Statistics 2023, Thompson/Okanagan Region)	4.2%	5.3%	6.4%	8.6%	5.2%
Number of Full Time City of Salmon Arm Employees	119	109	108	103	106

Population Demographics	Total	Age Group				
		0 - 14	15 - 24	25 - 44	45 - 64	65+
2021	19,705	2,850	1,795	3,870	5,190	6,000
2016	17,905	2,650	1,760	3,375	5,190	4,930
Total Net Growth	1,800	200	35	495	-	1,070
Percent Growth	9.1%	7.0%	1.9%	12.8%	0.0%	17.8%
2021 Distribution by Age Group	100.0%	14.5%	9.1%	19.6%	26.3%	30.4%
2016 Distribution by Age Group	100.0%	14.8%	9.8%	18.8%	29.0%	27.5%

(Source: Statistics Canada, 2021 and 2016 Census)

This table reflects the changes in key demographic statistics between the current and prior year.

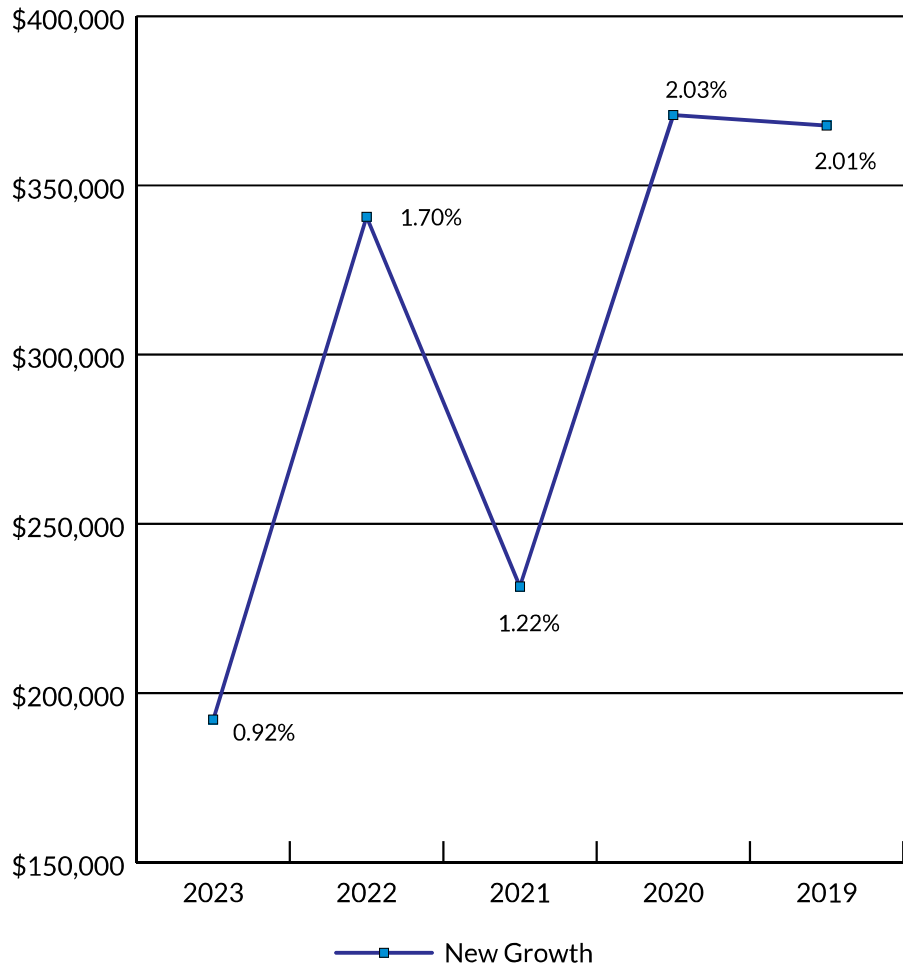


## Principal Corporate Taxpayers and Percentage of Total Taxes 2023

Property Owner	Tax Levy	Percentage
Salmon Arm Shopping Centres Ltd	516,519.45	1.317%
Piccadilly Place Mall Inc	435,652.82	1.111%
Canoe Forest Products Ltd	314,113.04	0.801%
RP Johnson Construction Ltd	309,867.80	0.790%
Huber Developments Ltd	191,289.13	0.488%
BC Gas Utility Ltd	189,615.58	0.483%
Canoe Forest Products Ltd	184,546.40	0.470%
Kaien Enterprises Ltd	164,340.64	0.419%
Canadian Pacific Railway Co	158,448.74	0.404%
790 16 Street NE Ltd	141,251.74	0.360%
USNR/Kockums Cancar Company	137,680.15	0.351%
Salmon Arm Savings And Credit Uion	128,129.62	0.327%
Salmon Arm Savings And Credit Uion	122,713.46	0.313%
BC Hydro & Power Authority	120,106.35	0.306%
Askew's Uptown Shopping Centre	119,557.52	0.305%
Lakeshore Village Ltd	105,986.38	0.270%
Westgate Building Ltd.	103,654.78	0.264%
389481 BC Ltd	97,505.02	0.249%
688192 BC Ltd	84,281.67	0.215%
Shuswap Development Ltd	80,103.76	0.204%
Shuswap Park Holdings (2013)	79,779.91	0.203%
BC Hydro & Power Authority	77,999.36	0.199%
BFM Holdings Ltd	76,835.09	0.196%
Salmik Holdings Ltd	76,147.21	0.194%
Lakeside Manor Developments Ltd	76,127.40	0.194%
0731010 BC Ltd	73,449.99	0.187%
Salmon Arm Developments Ltd.	73,249.14	0.187%
526761 BC Ltd	70,693.85	0.180%
Gmur, Daniel D	69,971.86	0.178%
Round Table Leasing Ltd.	67,080.12	0.171%
Dinoflex Holdings Inc	65,802.52	0.168%
Home Hardware Stores Ltd	63,217.25	0.161%
5201 - 48th Ave SE Holdings Ltd	60,689.74	0.155%
406900 BC Ltd	60,455.57	0.154%
Canoe Forest Products Ltd	60,418.98	0.154%
581835 BC Ltd	60,297.83	0.154%
Northern Plastics Ltd	58,933.43	0.150%
0731010 BC Ltd	56,369.00	0.144%
Stencil, Janina Z	55,689.51	0.142%
Rocstan Developments Ltd	55,164.63	0.141%
BC Gas Utility Ltd	55,147.98	0.141%
0803161 BC Ltd	54,713.69	0.139%
SRG West Arm Holdings Ltd.	53,775.33	0.137%
BC Telephone Co	53,690.95	0.137%
BC Hydro & Power Authority	53,489.31	0.136%
Edmar Holdings Ltd	51,135.28	0.130%
	<u>\$ 5,365,688.98</u>	<u>13.679%</u>
Current Taxes Levied 2023	\$ 39,228,223.73	
Tax Levy on Business	<u>\$ 5,365,688.98</u>	<u>13.678%</u>

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 2023.

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 2023, the community derived new tax revenue of 0.92% or \$192,186.



# Additional Photo Credits



## Front Cover

### Downtown Pillars Unveiling Ceremony

Ross Street Plaza

April 11, 2023



Alpine Wildbloom Images



## Inside Cover

### Gathering Together Festival

Ross Street Plaza

June 27, 2023



Salmon Arm Observer, Lachlan Labere



## Corn Harvest

Salmon Arm

October 12, 2023



City of Salmon Arm



## Back Cover

### Osprey Carrying Fish

Salmon Arm Bay

July 3, 2023



John G Woods



