

Regional District of Bulkley-Nechako **2022 Annual Report**



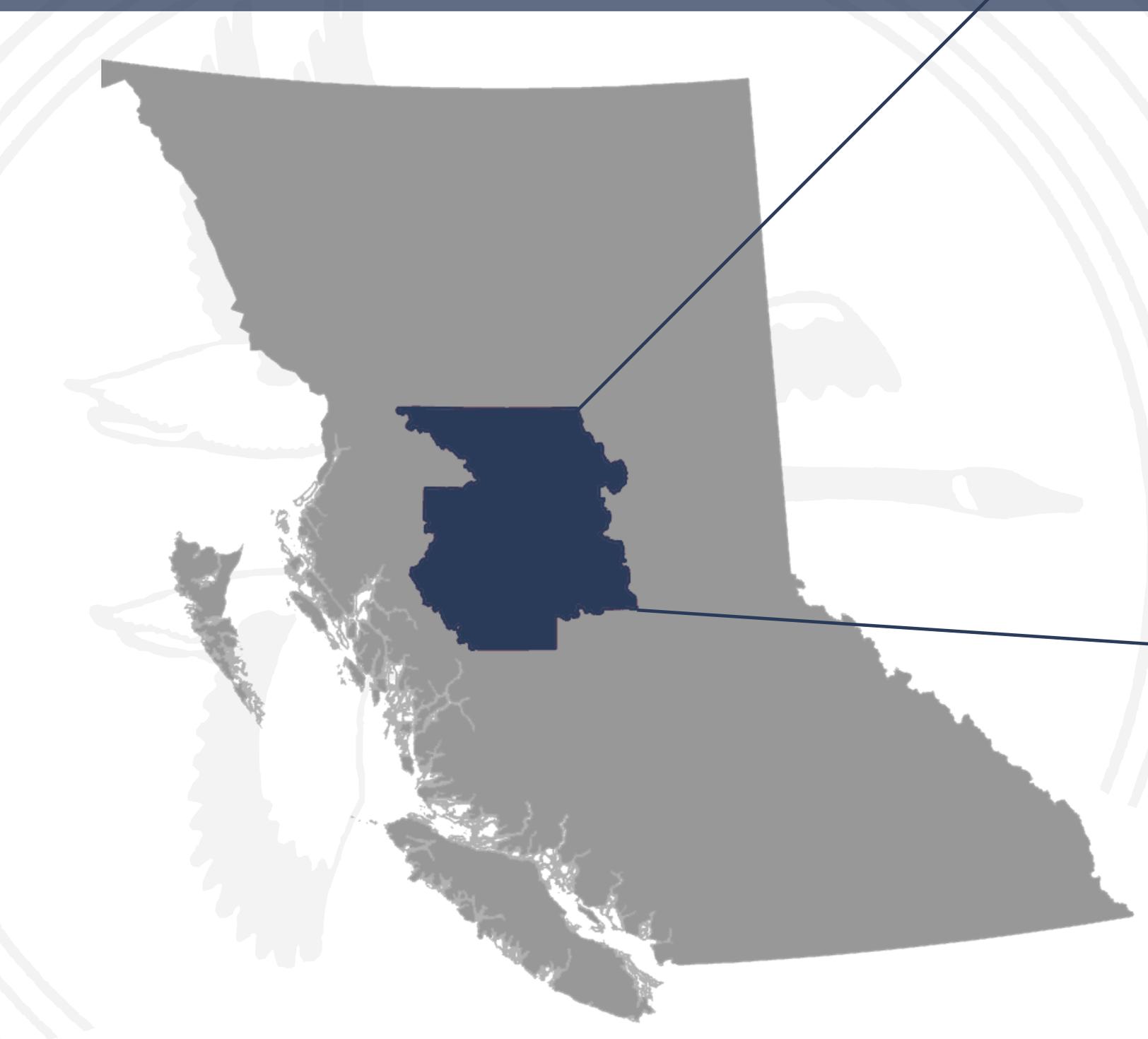
Annual Report Land Acknowledgment

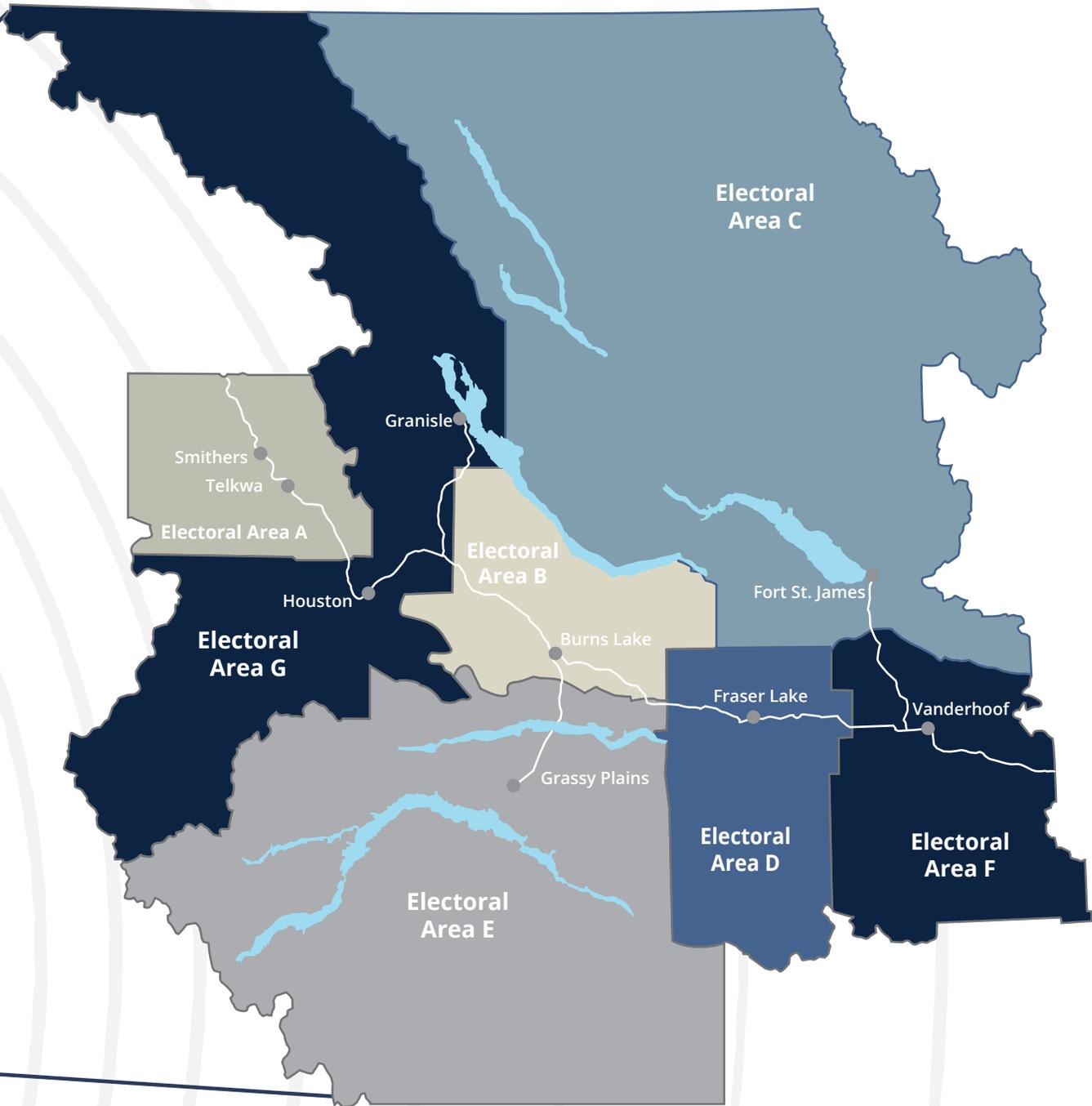
The Regional District of Bulkley-Nechako Board and staff would like to open this report by acknowledging that we deliver our local government services on the traditional territories of First Nations across the vast Bulkley-Nechako region. This region covers an area over 70,000 square kilometers, spanning the territories of the Dakelh, Nedut'en, Tse'khene, and Witsuwit'en speaking peoples. We respect the distinct cultures of the Indigenous Peoples in the Bulkley-Nechako and honour their long-standing relationship with these lands and waters since time immemorial.

We are further committed to building strong and enduring relationships with the 14 First Nations governments within the boundaries of the Regional District of Bulkley-Nechako.

Listed in Alphabetical Order They Are:

- Binche Whut'en
- Cheslatta Carrier Nation
- Lake Babine Nation
- Nadleh Whuten
- Nak'azdli Whut'en
- Nee-Tahi-Buhn
- Saik'uz First Nation
- Skin Tyee
- Stelat'en First Nation
- Takla Nation
- Tl'azt'en Nation
- Ts'il Kaz Koh (formerly Burns Lake Band)
- Wet'suwet'en First Nation
- Yekooche First Nation





The Regional District Of Bulkley-Nechako



Message from the Board Chair

The Regional District of Bulkley-Nechako (RDBN) is one of the finest places to live and work in our province. Our incredible communities, excellent recreation opportunities, abundant employment, and affordable housing are second to none. I would also like to acknowledge the Indigenous Peoples who came before us and share their spectacular land with us.

The RDBN board and staff have a deep respect for this place and its people, and I believe it is shown in the work that we have accomplished in 2022. Our team is always striving to find ways to enhance the services provided to our residents and to create a space where all people can thrive. Whether it is securing new fire protection equipment for our rural fire departments, coordinating and tightening emergency response networks, or working toward greater levels of internet connectivity all over the region, our goal remains the same: We will work tirelessly to help the RDBN grow and face the challenges of the day, while still retaining the rural spirit of our communities. The people of this region are hard working, resilient, and considerate of their neighbours, and we aim to reflect that in everything we do.

I want to thank the Board of the RDBN for their diligence and cooperation in decision making. Representing the needs of such a vast geographical region is always challenging, and I am very proud of the way in which we have met the needs of our communities through all the unforeseen challenges that the previous term brought with it. I want to thank the RDBN Board members who will not be returning for the 2022-2026 term: Mark Fisher, Dolores Funk, Tom Greenaway, Annette Morgan, Bob Motion, Jerry Petersen, and especially former Chair, Gerry Thiessen. Their dedication to the board and to their communities is something to aspire to, and we want to wish them all the best in whatever adventure they find next.

I also want to thank the RDBN staff. They are an exceptional group of dedicated professionals who provide sound advice and then take the Board's direction and make it a reality. I feel nothing but pride in the care they take of the region and its people.

Finally, I want to thank the residents of the RDBN, for being the kind of people for whom it is a joy to work for and with, for the betterment of the region. Thanks for your support through 2022. I look forward to achieving more great things in 2023.



RDBN Board of Directors

Back Row

Constable Nit

Kevin Moutray
Mayor - District of Vanderhoof

Mark Parker
Director - Area D Fraser Lake Rural

Henry Wiebe
Mayor - Village of Burns Lake

Judge Jackson

Clint Lambert
Director - Area E Francois/Ootsa Rural

Shane Brienen
Mayor - District of Houston

Chris Newell
Director - Area G Houston/Granisle Rural

Middle Row

Linda McGuire
Mayor - Village of Granisle

Judy Greenaway
Director - Area C Fort St. James Rural

Michael Riis-Christianson
Director - Area B Burns Lake Rural

Shirely Moon
Director - Area F Vanderhoof Rural

Leroy Dekens
Mayor - Village of Telkwa

Sarah Storey
Mayor - Village of Fraser Lake

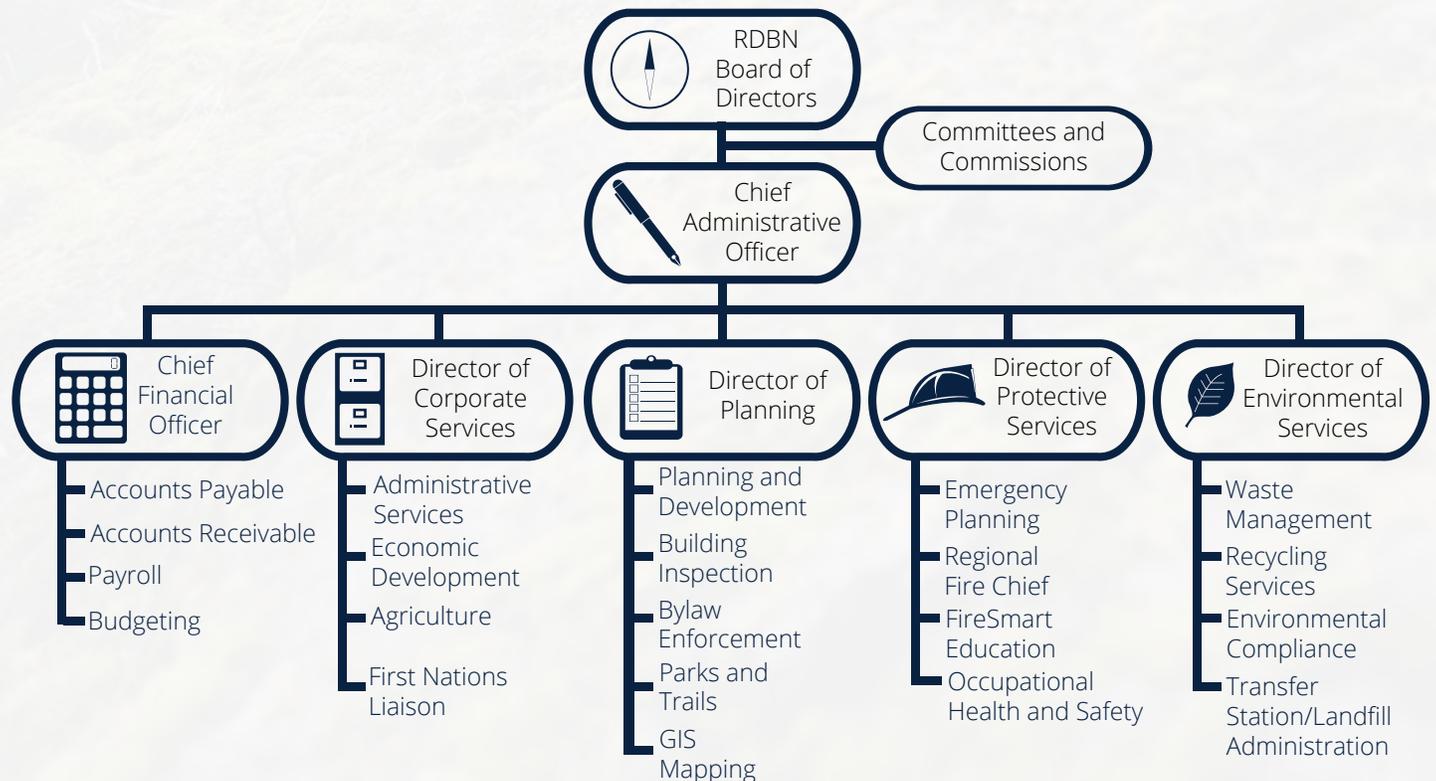
Front Row

Gladys Atrill
Mayor - Town of Smithers

Martin Elphee
Mayor - District of Fort St. James

Stoney Stoltenberg
Director - Area A Smithers/Telkwa Rural

Regional District of Bulkley-Nechako Organizational Chart



Which Government Oversees What Service?



Regional District

Solid waste management • Residential service (outside municipal boundaries) • Regional parks and recreation • Rural area planning and development • Emergency services • 911 operation • Grant services • Economic development • Regional environmental services • Building Inspection



Municipal Government

Municipal road maintenance • Snow removal • Water supply • Waste water management • Municipal parks • Municipal cemetery • Recreation facilities • Fire rescue • Business licenses • Municipal property tax



BRITISH COLUMBIA

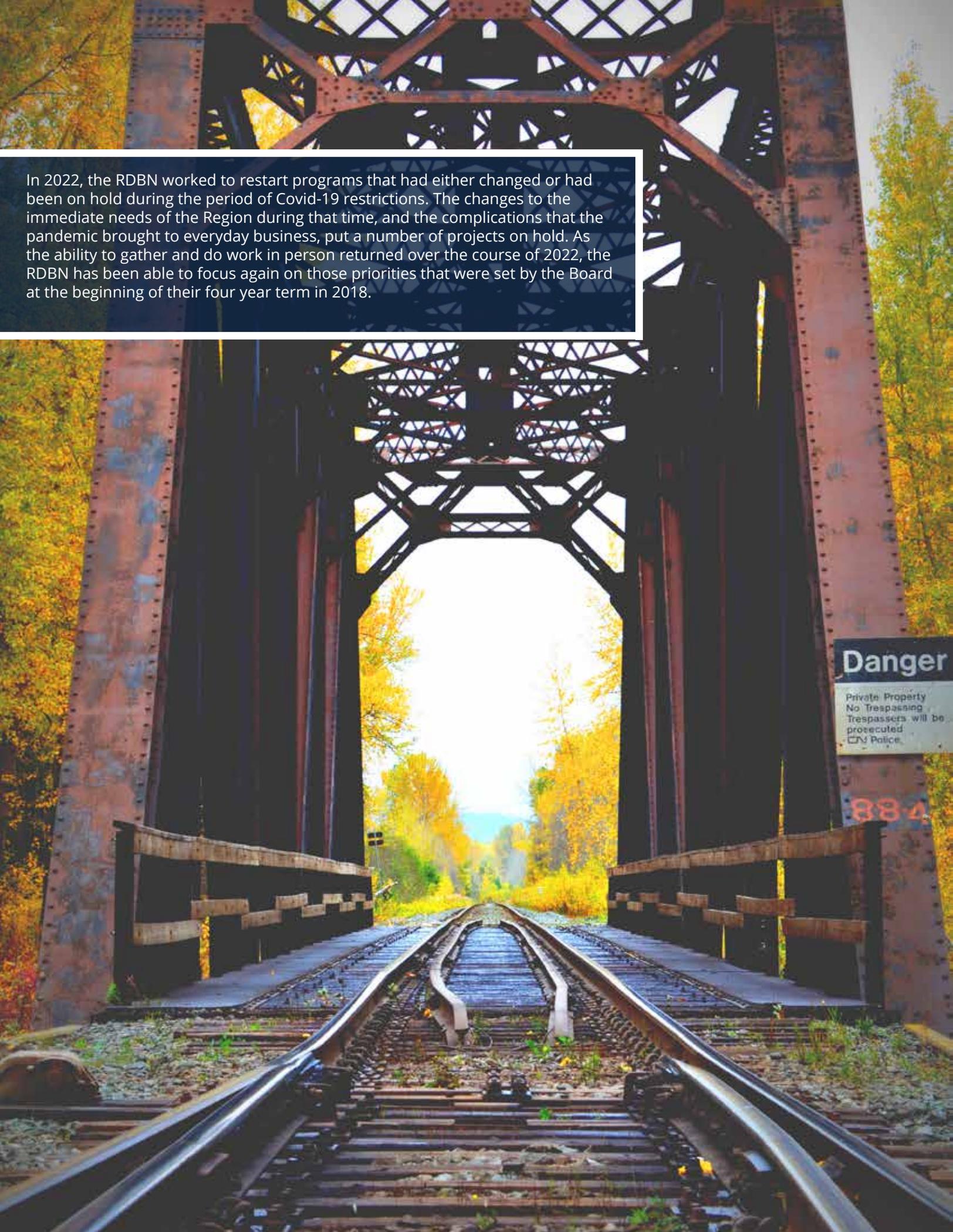
Provincial Government

Schools • Provincial parks • Rural Road Maintenance • Crown land • Health care • WorkSafe • ICBC/Driver Licensing • Provincial courts • Highway maintenance • Provincial income/property/sales tax • Water Licensing



Federal Government

Income tax • Employment insurance • Child benefit tax • Military • National parks • Immigration • Criminal law • Foreign relations • Fisheries and oceans



In 2022, the RDBN worked to restart programs that had either changed or had been on hold during the period of Covid-19 restrictions. The changes to the immediate needs of the Region during that time, and the complications that the pandemic brought to everyday business, put a number of projects on hold. As the ability to gather and do work in person returned over the course of 2022, the RDBN has been able to focus again on those priorities that were set by the Board at the beginning of their four year term in 2018.

Danger

Private Property
No Trespassing
Trespassers will be
prosecuted
CN Police

88-4

2018-2022 RDBN Board Strategic Priorities



Wildfire/Emergency Services: In the wake of the devastating wildfires in 2018, the Board wanted to address the increased need for emergency resources. As climate change increases the likelihood of natural disasters such as wildfire and flooding, the RDBN looked to increase preparedness through policy changes, advocate to other levels of government, improve communication between regions and communities, and grow public awareness in preparation for, and during, an emergency.

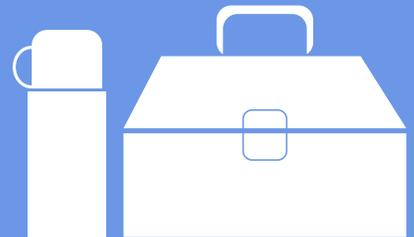
Housing Strategy: Though this goal began as a resident attraction/retention initiative, the Board decided to change the direction of the strategy in 2021 toward a housing plan, as it was discovered that potential residents were having a difficult time finding places to rent or buy. This also included work on an Economic Development Plan, a healthcare advocacy initiative, the creation of a Regional Parks and trails service, an arts and culture promotion program, an effort to increase awareness of education needs, and a push for better internet connectivity throughout the region.

HOUSING



Revenue Sharing: With the influx of industrial initiatives related to resource extraction, the Board wanted to ensure an equitable system by which the revenue generated from these efforts could be used to enrich the communities they most affect. The RDBN sought to advocate for a livability/sustainability plan for the province. This included work with the Northwest BC Resource Benefits Alliance, which seeks to create a funding agreement with the Province to ensure that more of the revenue generated in the northwest of BC remains in the region.

Work Camp Strategy: Increased industrial activity has created the need to accommodate worker camps throughout the region. These camps present unique challenges to communities and to infrastructure, and the Board sought to find ways to ensure that the temporary increase to the local population would have a positive impact on communities and that any additional strain put on infrastructure could be accommodated.



Communication and Public Engagement: Understanding the needs of residents and businesses can be a challenge for any government body. Additionally, keeping the public informed as to what their government is doing for them, especially during emergencies, is incredibly important. The RDBN prioritized the creation of a Communications Policy and Plan, and also sought to increase internal and external communication across all channels.

Administration Department





2022 Administrative Strategic Initiatives

Regional District Elections: The general elections for the RDBN Board and the Fort Fraser Local Commission were held on October 15, 2022. Two RDBN electoral areas held elections, Area C (Fort St. James Rural) and Area F (Vanderhoof Rural). All other Area Directors were acclaimed. Each municipality appointed their representatives to the board after the elections were completed and the board was sworn in for the coming term at the November 17th meeting. The board term runs from 2022 to 2026 and a new strategic plan will be developed in early 2023.

Veterinarian Shortage: The Regional District has been looking at ways to address the worsening lack of veterinarians in the region. As many vets begin to retire from their practices, there is a concern about the availability of animal care services in the coming years. Not only would this lack of service pose a danger to domestic animals, but it could also make farming in the region less sustainable. To help address this concern, the RDBN Board submitted a resolution to the Union of British Columbia Municipalities and met with ministry representatives in order to bring the issue to the attention of other levels of Government. The RDBN is hopeful that funding and programs will be made available to ensure that the shortage is addressed and that veterinarians are attracted to fill the needs of the RDBN and the rest of the North.

Cultural Awareness Training: The RDBN Board and Staff participated in cultural awareness training with leadership from the College of New Caledonia. The training was designed to increase the RDBN's engagement with First Nations groups by helping others understand how to introduce and interact with groups in an open, honest, and culturally sensitive way. The training was very well received and created meaningful connections and dialogue between the RDBN board and the First Nations groups present.

Connectivity: The RDBN Administration staff are working with communities and service providers to increase the areas serviced with cell phone and internet coverage to include the entire region. Working with the Provincial Government, staff have been meeting regularly with stakeholders to encourage the broadening of services in all regions.

Grant Funding: In 2022, administrative staff have helped local governments and not-for-profit societies to apply for over \$4 million in funding for initiatives in the region. Staff used their granting expertise to help secure funding for a variety of projects including a new fire truck for Fort Fraser, a study to determine the feasibility of a walking/biking path along Highway 35 in Area B, summer art programs and many more.

Resource Benefit Alliance: The RDBN continued to work with the Northwest BC Resource Benefits Alliance, which is a group dedicated to working with the Province to ensure that more of the revenues generated by industry in the Northwest are utilized for initiatives in Northwest regions.



Granting Services by Area

Smithers, Telkwa, and Area A

Grantwriting Assistance

- Approved Grants **\$71,665**
- Pending Grants **Approx \$4 million**

Grant In Aid

- Granted to community groups **\$24,105**

Covid Relief Funds

- Granted to Covid relief efforts **\$45,511**

Community Building Funds

- Granted to community groups **\$103,750**
- Granted to municipalities **\$70,000**
- Used for RDBN Projects **\$270,000**

Burns Lake, Area B, and Area E

Grantwriting Assistance

- Approved Grants **\$41,339**
- Pending Grants **Approx \$180,000**

Grant In Aid

- Granted to community groups **\$16,238**

Covid Relief Funds

- Granted to Covid relief efforts **\$52,448**

Community Building Funds

- Granted to community groups **\$220,862**

Fort St. James and Area C

Grantwriting Assistance

- Approved Grants **\$41,339**

Grant In Aid

- Granted to community groups **\$117,625**

Covid Relief Funds

- Granted to Covid relief efforts **\$27,623**

Community Building Funds

- Granted to community groups **\$27,000**
- Granted to municipalities **\$185,500**

Fraser Lake, Fort Fraser, and Area D

Grantwriting Assistance

- Approved Grants **\$43,000**
- Pending Grants **Approx \$68,000**

Grant In Aid

- Granted to community groups **\$4,965**

Covid Relief Funds

- Granted to Covid relief efforts **\$22,167**

Community Building Funds

- Used for RDBN Projects **\$300,000**

Vanderhoof and Area F

Grantwriting Assistance

- Pending Grants **Approx \$220,300**

Grant In Aid

- Granted to community groups **\$26,734**

Covid Relief Funds

- Granted to Covid relief efforts **\$63,884**

Community Building Funds

- Granted to community groups **\$95,000**
- Granted to municipalities **\$100,000**
- Used for RDBN Projects **\$35,000**

Houston, Granisle, and Area G

Grantwriting Assistance

- Pending Grants **Approx \$200,000**

Covid Relief Funds

- Granted to Covid relief efforts **\$17,291**

Protective Services Department





2022 Protective Services Initiatives

Emergency Operations Training: The Protective Services Department has been working to increase the skills of the entire RDBN organization in operating our Emergency Operation Centres. Onboarding of new employees and ongoing training with all levels of staff have resulted in increased proficiency for all staff in serving the public during wildfires, floods, or other emergencies. The team at the RDBN is dedicated to the residents of the region and have prepared themselves to be at their best when the need arises.

Next Generation 911: The RDBN is working with the Regional District of Fraser-Fort George to coordinate the implementation of updated dispatch consoles for fire stations around the region. These consoles will provide a greater level of information to the fire teams as they respond to all types of calls and will support greater functionality for all departments.

Hazard Risk Vulnerability Assessment: In 2022, the RDBN completed a Hazard Risk Vulnerability Assessment (HRVA), which is a document that outlines the various potential disasters and threats within the region and ranks them based on how likely they are to occur and how much potential damage they may cause. The HRVA supports the development of a collective community understanding of hazards and the development of activities to enhance our regional awareness and resilience. The findings from this analysis will serve as a tool in updating the Comprehensive Emergency Management Plan and determine the work plan for the Protective Services Department for the coming years. The HRVA is a requirement mandated by the Local Authority Emergency Management Regulations of the Emergency Program Act.



Cluculz Lake Fire Hall Grand Opening

In 2022, the RDBN celebrated the grand opening of the Cluculz Lake Volunteer Fire Department. This infrastructure project was made possible through the Northern Capital and Planning grant from the Province of BC. The new fire hall at Cluculz Lake is part of a larger plan to increase fire response capacity in the Cluculz Lake area. The Hall also provides a training area and space for equipment storage, components that will assist with volunteer recruitment and retention. In addition to equipment, further support will ensure that volunteer firefighters in the area have access to the resources they need, such as in-house training in Critical Incident Stress Management.





The new fire engine was delivered to the Fort Fraser Volunteer Fire Department in October of 2022.

Fire Apparatus: The RDBN worked alongside two fire departments this year to acquire new equipment for fire response. The first was a new Pierce Fire Engine purchased for the Fort Fraser Volunteer Fire Department. The truck was received in a push-in ceremony on October 15, 2022. Firefighters and local residents gathered to push the truck into the firehall in a traditional Fire Service act of dedication.

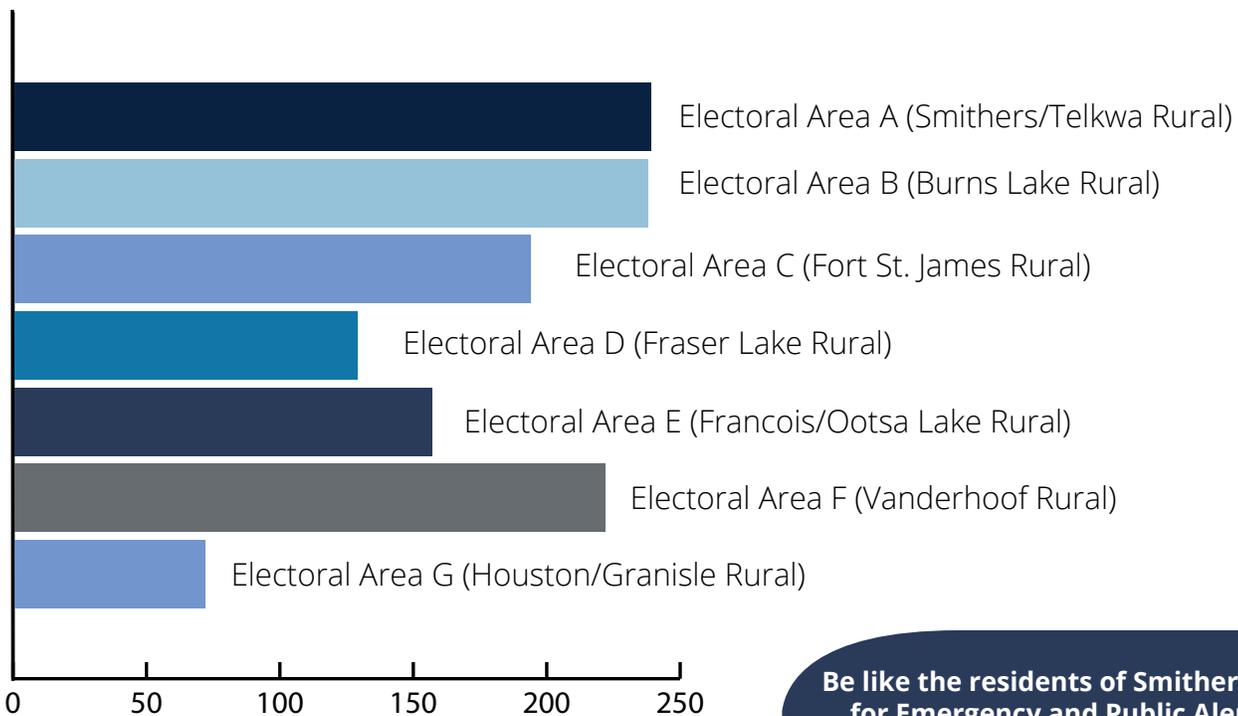
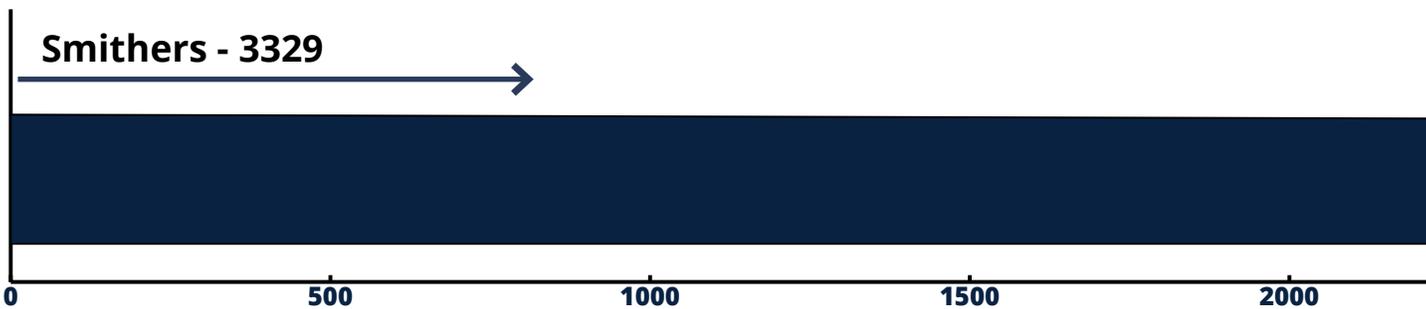
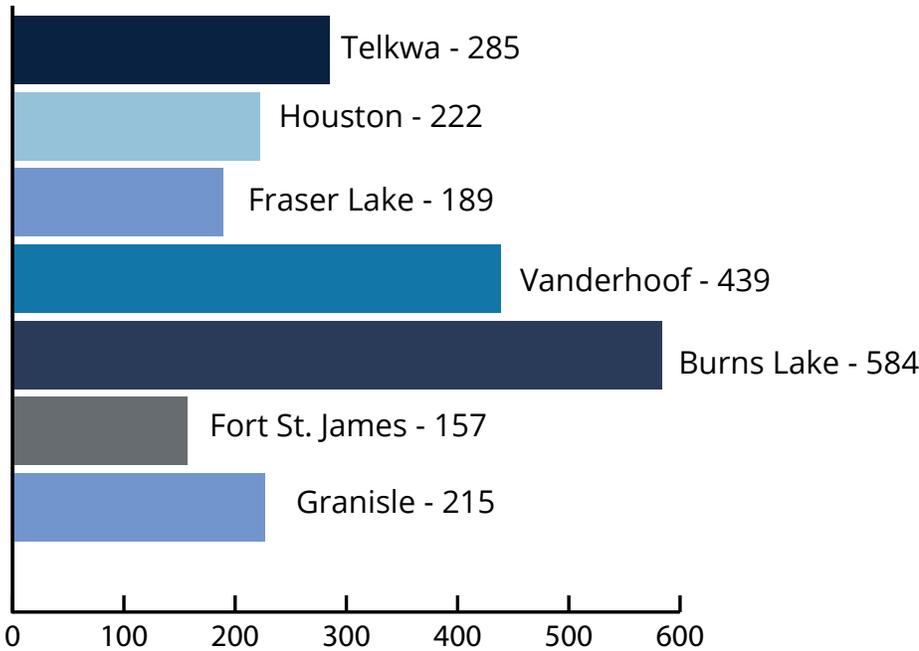
The new truck, which will allow the department to be better prepared to respond to fires throughout the Fort Fraser Fire Protection service area, is the first new truck in the department's history. Its purchase was supported by Northern Capital and Planning Grant funding, Capital Reserve Funds, and a generous donation from the Nechako-Kitimaat Development Fund. This made it possible for the truck to be purchased without any additional tax burden for residents in the service area. The delivery of this truck also allowed the outgoing fire truck to be passed on to the Cluculz Lake Volunteer Fire Department, which will expand their capability to fight fire in their rural region.

The RDBN also purchased a Wildland Engine for the Southside Fire Department. The engine is a flatbed truck equipped with a large tank, hoses, and pumps that allow for filling from almost any water source. The truck is smaller than the fire tender, allowing it to access fires in more difficult to reach regions of the Southside and attack the blazes before they begin to spread. This versatile tool will provide the Southside Fire Department with more capability to address the challenges in fighting fire in a rural region.



RDBN Emergency and Public Alert System

Number of residents subscribed to the Emergency and Public Alert System by region/municipality:



In 2022 the RDBN worked to expand and promote the Emergency and Public Alert System. This service allows all residents to sign up for alerts in the event of an emergency situation, an evacuation order or alert, or other events which could endanger those within the Region.

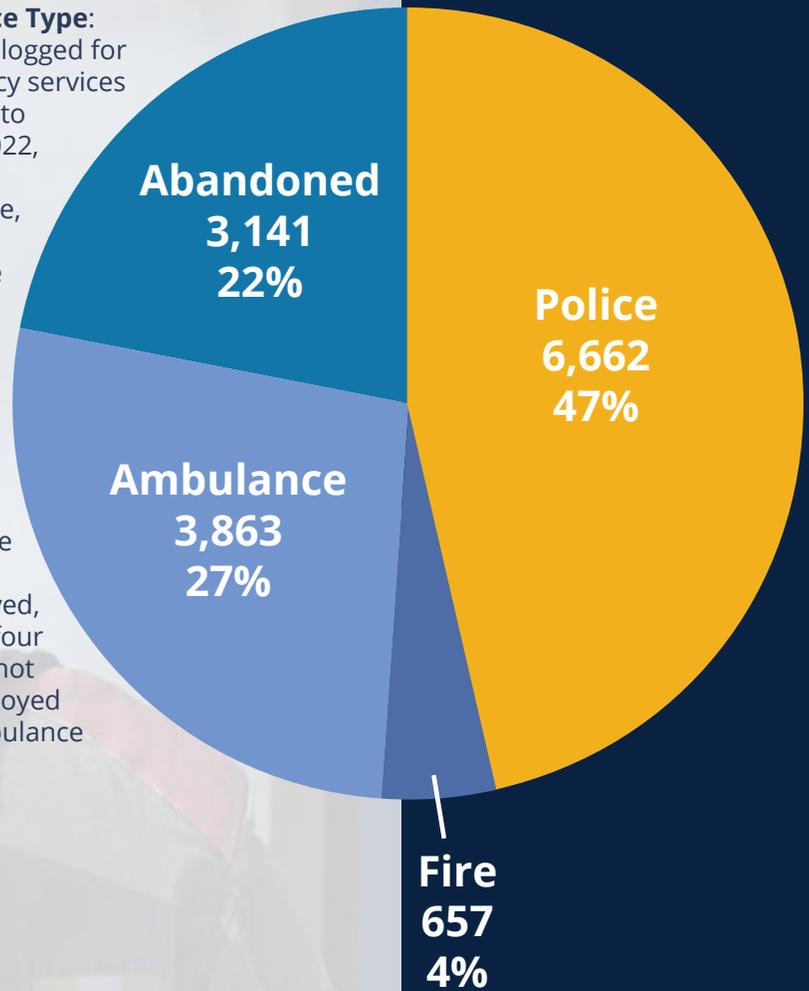
Registration for the service has been excellent, and there is still room for improvement! Smithers currently sits at the highest number of residents subscribed by a substantial margin. In the coming year, staff will strive to increase these numbers in other areas around the region

Be like the residents of Smithers and sign up for Emergency and Public Alerts System:
rdbn.bc.ca/departments/protective-services

Percentage of Emergency Calls for Each Service Type:

Every call that is made to 911 within the RDBN is logged for the purpose of ensuring that adequate emergency services of every type are available in our area, as well as to identify ways to improve response services. In 2022, 911 received 14,323 calls from the RDBN area. These calls break down into four types: Police, fire, ambulance, and abandoned calls. Abandoned calls are those which 911 receives but are unable to communicate with anyone on the other side of the call. This is most often an accidental call or one during which the caller no longer wants emergency service. These calls, though often made in error, still require follow up by 911 dispatchers. Fire calls are further broken down by type below.

In 2022, calls for police made up nearly half of the 911 calls made from the RDBN, Ambulance calls made up approximately a quarter of those received, and another near quarter were abandoned, and four per cent were for fire response (this figure does not include calls that require departments to be deployed to emergencies primarily requiring police or ambulance presence).

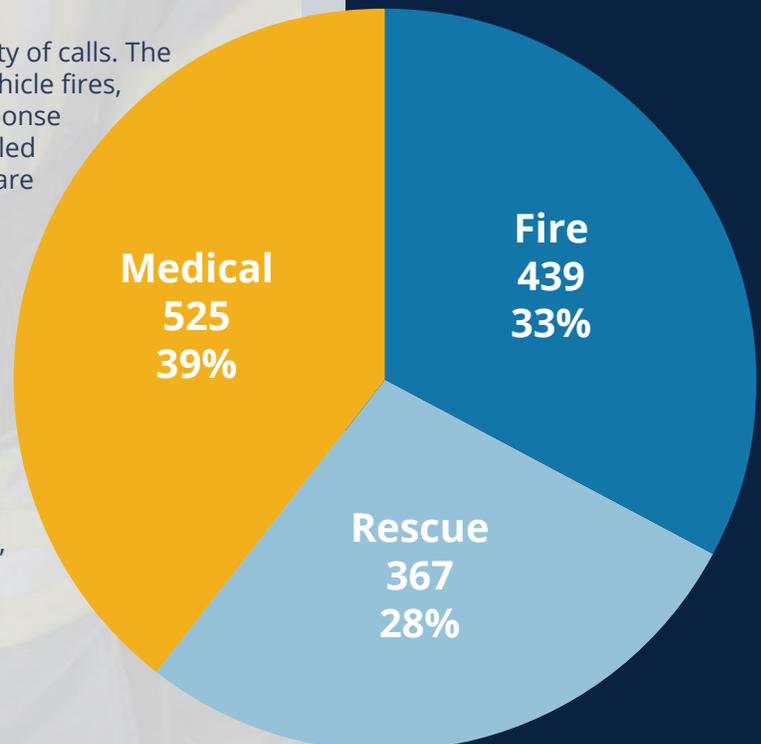


2500 3000 3500

Percentage of Fire Response Calls by Type:

Fire departments within the RDBN respond to a variety of calls. The fire tender trucks respond to structural and motor vehicle fires, or grass or other wildfires that occur within their response area. Even more often, however, the fire service is called to respond to medical and rescue calls. Medical calls are those in which medical attendants require assistance with the patient, either in lifting them or restraining them as they are transported to the hospital. Rescue calls are primarily at the scenes of motor vehicle incidents. Removing accident victims who have become trapped in their vehicle or otherwise need extraction from the scene in order to be treated are assisted by firefighters trained in safely removing people from life threatening situations.

In 2022, fire departments within the Regional District responded to 1,331 call outs. Of those, 439 were fires, 367 were rescues, and 525 were medical assists.





BRITISH COLUMBIA FireSmart™

The FireSmart Program helps homeowners to get their property assessed for hazards that might make them vulnerable to wildfire, and to take action to mitigate the issue. A review of their property is completed and recommendations are made such as removing flammable plants from beside the house, cutting off low limbs of trees, and not connecting wooden fences to the structure of the house. In 2022, the RDBN helped property owners receive four times more rebates for household remediation projects than in any year previous. This success has helped make our area safer from wildfires as small factors can make the difference between spark and blaze.

The results of the program can be found in the table to the right. Stream One funding is ongoing and is open to all applicants. Stream Three funding was for those 65 or older, or those with disabilities.

Stream One FireSmart Funding

Year	Assessments	Rebates
2020	33	\$10,757
2021	116	\$10,945
2022	80	\$17,582
Total	229	\$39,284

Stream Three FireSmart Funding

Year	Assessments	Rebates
2021	39	\$62,894
2022	155	\$276,323
Total	194	\$339,217



Being prepared for an emergency is an essential activity that many of us ignore. Having the right supplies available to shelter in place or evacuate quickly can mean the difference between relative comfort and considerable difficulty during an emergency. The RDBN has created a series of short, helpful videos with instructions on how to prepare for all types of emergency situations. Now is the time to get your house and family ready to act in the event of an emergency. Take a few moments to watch these videos and follow up on the preparation steps.

Find the videos on YouTube at:

www.rdbn.bc.ca/departments/protective-services

Planning Department



2022 Planning Department Initiatives

Permitting - A sharp uptick in construction throughout the region has resulted in significantly more building and development permits for the RDBN planning department. In addition to applications in rural areas, the RDBN planning department contracts to some of the municipalities within the region, handling permits and inspections. Data showing the number of permits can be found later in the document.

Cannabis and Liquor Licensing Policy - The RDBN liquor licensing policy was last updated in 2003. To reflect changes in legislation, the policy was reviewed and updated to include cannabis licenses as well, and was adopted by the board in February. The policy details the process of applying for a liquor or cannabis sales license within the rural regions and lays out how the application is forwarded through the provincial liquor licensing department and reviewed at varying levels of government.

Agricultural Land Commission Changes - Much of the RDBN lies within the Agricultural Land Reserve, which are areas designated by the Provincial Government as farm land that cannot be developed for other purposes. These regulations are governed by the Agricultural Land Commission (ALC), and any variances to the use of the land are required to be approved by this body. In the past year, the planning department worked with the ALC to implement changes to the regulations, which now allow for more than one dwelling to be built on an ALR property. This allows those with agricultural land more flexibility in their property, and will let multiple generations of families continue to farm while not being forced to find alternative housing.

Tenas Coal Project Review - The planning department participated in an environmental assessment for the Tenas Coal Project (Telkwa Coal). This assessment ensures that the presence of the coal mine project will have as little impact as possible on the local environment. Staff then worked with the project coordinators to address areas of concern and make corrections to the plan where necessary.

Coastal Gaslink Pipeline Socio-Economic Effects - Staff have been continually tracking the effects of the pipeline's presence in the region through a report called the Socio-Economic Effects Management Plan. This plan is designed to address the issues that face local communities as pipeline construction ramps up and declines.



Cycle 16 Trail

The Cycle 16 Trail Phase 1 is a newly installed cycling and walking path that parallels Highway 16. In 2022, phase one of construction brought the trail from Smithers to Laidlaw Rd. The next two phases of the trail will bring it all the way to Telkwa, creating a path for bike commuters and hobbyists that is much safer than using the shoulder of the highway. The groundbreaking event was held in June, and the final touches on phase one are expected to be completed in spring of 2023. (Photo left to right: RDBN Board Chair Gerry Thiessen, Smithers Mayor Gladys Atrill, Skeena Bulkley Valley MP Taylor Bachrach, Cycle 16 Director Tony Harris, Telkwa Acting Mayor Derek Meerdink, and RDBN Area A Director Mark Fisher)



Planning and Engaging - The task of bringing together the many stakeholders and interests connected with the trail was monumental. In addition to talking to property owners, liaising with the Cycle 16 Trail Society and staff with the Ministry of Transportation and Infrastructure, RDBN staff reviewed the design work, applied for grants, and coordinated the construction for this important regional trail. The project has been years in development and would not have been possible without the cooperation of all levels of government, the countless hours of volunteers, the RDBN Board and staff, and last but not least, the diligent and continued advocacy and fundraising by the Cycle 16 Trail Society.

2022 Building Permit Data

Area	Total Permits	Total Construction Value	Permit Fees
A	68	\$16,219,900	\$95,366
B	25	\$4,808,000	\$25,871
C	5	\$848,659	\$5,092
D	8	\$1,471,600	\$8,494
E	N/A	N/A	N/A
F	30	\$6,197,400	\$33,444
G	2	\$100,000	\$160
Burns Lake	22	\$8,982,016	\$52,240
Fort St. James	11	\$96,604,211	\$578,129
Fraser Lake	11	\$3,671,437	\$24,487
Granisle	4	\$217,000	\$1,476
Houston	24	\$2,819,558	\$19,586
Telkwa	11	\$339,000	\$1,300
2022 RDBN Totals	237	\$142,278,781	\$842,635
Vanderhoof	28	\$8,633,057	\$23,942
Smithers	75	\$10,389,063	\$67,750
Totals	312	\$161,300,901	\$934,327

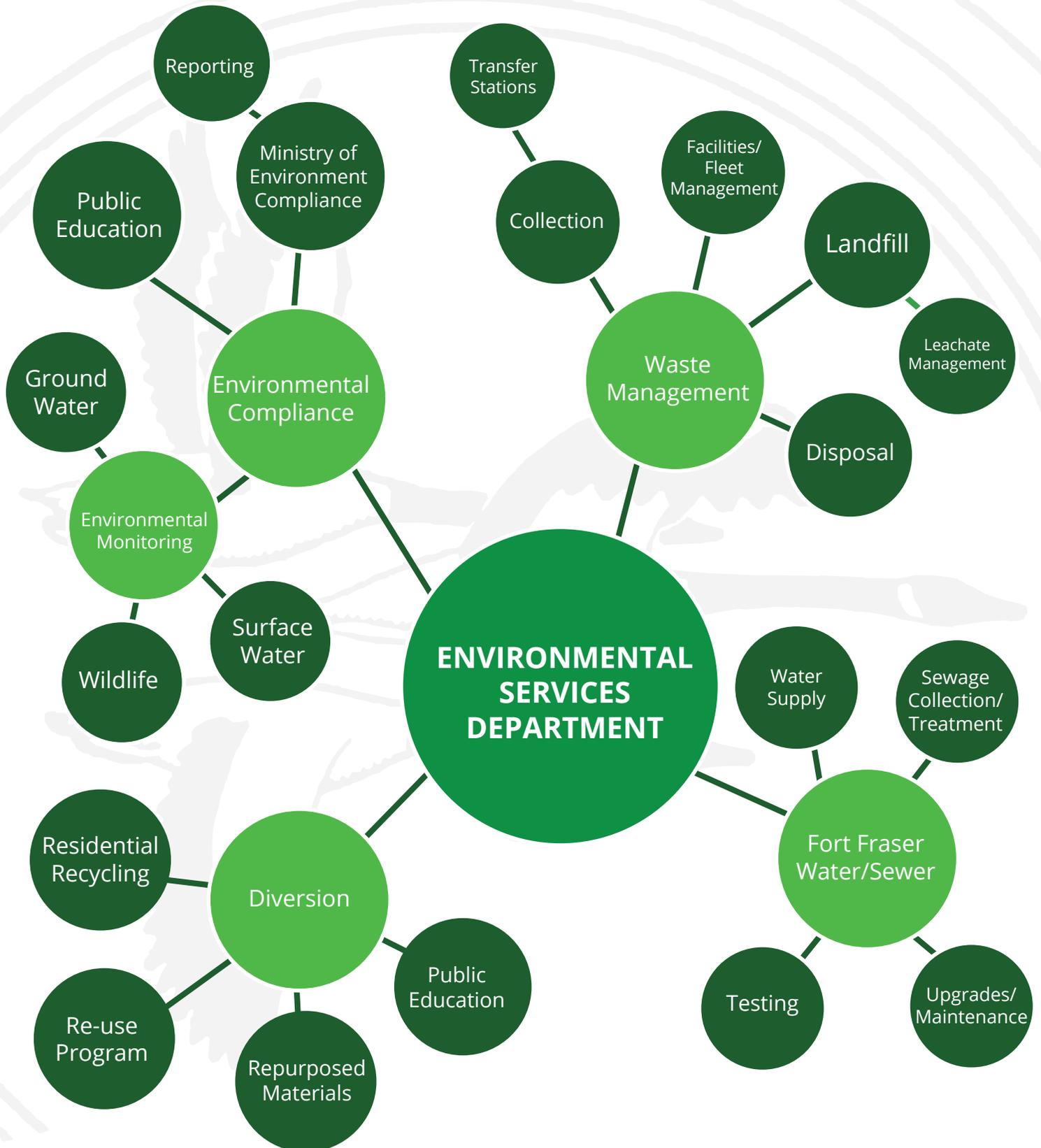
The RDBN has seen record high building permit applications since 2020. As well as the rural area permits, the RDBN contracts permit services to the smaller municipalities in the region, processing applications and performing inspections.

10 Year Historical Rural Area Permit Data

Year	Number of New Permits	Construction Values	Permit Fees
2022	138	\$29,653,559	\$168,763
2021	147	\$30,238,356	\$163,668
2020	137	\$17,784,976	\$93,473
2019	128	\$17,665,394	\$97,935
2018	100	\$14,036,541	\$79,758
2017	102	\$13,699,822	\$84,353
2016	91	\$6,983,200	\$42,515
2015	101	\$8,555,444	\$47,927
2014	115	\$12,102,760	\$71,235
2013	116	\$12,781,476	\$73,477



Environmental Services Department



2022 Environmental Services Initiatives

Clearview Landfill Expansion Funding - In 2022, the RDBN worked to find funding to offset the cost of expanding the Clearview Landfill near Fort St. James. This landfill receives about half of the waste in the RDBN, serving Fraser Lake, Fort St. James, Fort Fraser and Vanderhoof. This is the first time it has needed to be expanded since it was built in 2005, and the new construction must adhere to modern environmental safety standards. These standards dictate that all leachate (water from precipitation that passes through waste in a landfill) must be collected and treated before passing off site. This ensures that the surrounding area is not polluted by the presence of the landfill. While important, these changes will make the expanded landfill much more expensive to build. Additionally, the expansion has come much more quickly than anticipated as local industries such as mines and pipelines have deposited a large quantity of waste into the landfill during their construction, operation, and demobilization phases. This has resulted in a reduced timeline to create capital budget savings for the expansion. To alleviate this shortfall, the RDBN has applied to NDIT's Northern Healthy Communities Fund, which is designed to fund local projects that have been made necessary by the presence of the pipelines and other industry. The results of this application will be released in the first half of 2023 and construction is slated to begin in 2024.

Air Curtain Burner - The Environmental Services Department regularly burns untreated and clean wood as a means of diverting it from the landfill. This year, the department purchased and implemented an Air Curtain Burner, which is a machine that burns fuel such as wood under forced air, making the combustion process more complete. This results in a cleaner burn, producing fewer emissions and particles which can negatively affect air quality, reducing the impact on the environment from landfill operations.

Fort Fraser Water and Sewer - The Environmental Services Department has been working for several years to upgrade the water and sewer services in Fort Fraser. This year, the water distribution system was upgraded along Dock Avenue. This work on the water and sewer infrastructure will make the service safer and more reliable for the residents of Fort Fraser.

Sampling and Testing - The ongoing mandate for the waste management service within the RDBN is to ensure that the environment is impacted as little as possible by the active and closed landfills, and the surrounding operations. To this end, samples of ground and surface waters surrounding the sites are continually tested and monitored for contaminants. With the installation of leachate collection systems at the active landfills, contamination will become less likely as the leachate treatment is actively managed.



Knockholt Landfill Expansion



The project was completed in 2022 with a combination of contractors and RDBN Landfill staff. The expansion covers about 70,000 square meters and will hold approximately 250,000 tonnes of solid waste.



The Knockholt Landfill services the entire western half of the RDBN, receiving waste from Smithers, Telkwa, Houston, Granisle, and Burns Lake, as well as the rural areas around them. This year, the landfill was expanded, which included the construction of a clay liner and installing a leachate collection system. The project began in 2020, but was delayed due to permitting issues with the Ministry of Environment and Climate Change Strategy. Significant groundwater was discovered at the site, and the Environmental Services Department worked closely with MOECCS to redesign the expansion to prevent the impact it would have on the environment.

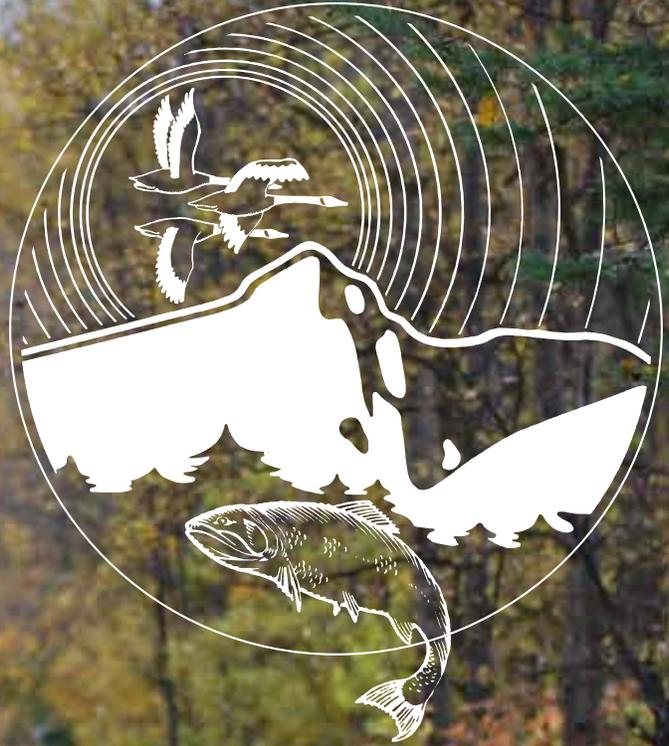
The primary work of expanding the Knockholt Landfill included several stages. First, the sub base was contoured with earth moving machines to create slopes which control the flow of leachate. Then approximately 24,000 tonnes of blue clay was used to create a layer of less-permeable soil approximately 1.2 meters thick. Then 288 meters of perforated pipe was installed which is designed to collect and divert leachate to the treatment lagoon. On top of this, a layer of drainage rock was installed. Finally, a 270 meter perimeter berm was created around the edge of the expansion. This system will ensure that leachate created by precipitation on the landfill will be diverted to treatment ponds before being discharged safely off site.

The previous drop areas at the site for wood, yard waste, metal and agricultural plastics needed to be relocated due to the footprint of the expansion. A high-quality public area was constructed that will function for the next 10-20 years, with room for diversion program expansion.

Photo Below:

Additional works included contouring the quarry pit for wood waste curing (top left), relocating topsoil piles to one location (bottom left), clearing and developing stockpile area (top right), developing the new public drop-off area (bottom right), construction of 450m of new ditching and installing 4 new culverts.





**Attached are the
2022 Audited Financial
Statements**

REGIONAL DISTRICT OF BULKLEY-NECHAKO

FINANCIAL STATEMENTS

December 31, 2022

REGIONAL DISTRICT OF BULKLEY-NECHAKO

FINANCIAL STATEMENTS

December 31, 2022

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Management's Responsibility for the Financial Statements

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

The Board of Directors are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and external audited financial statements yearly. The Board also discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, Beswick Hildebrandt Lund Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Regional District of Bulkley-Nechako and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of Regional District of Bulkley-Nechako

John Illes
Chief Financial Officer

Mark Parker
Chairperson

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Regional District of Bulkley-Nechako

Opinion

We have audited the financial statements of Regional District of Bulkley-Nechako (the Entity), which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standard.

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 Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Partners

Allison Beswick CPA, CA
Norm Hildebrandt CPA, CA
Robin Lund CPA, CGA

Dane Soares CPA
Taylor Turkington CPA

Beswick Hildebrandt Lund CPA
556 North Nechako Road, Suite 10,
Prince George BC, Canada V2K 1A1
T: +1 250 564 2515, F: +1 250 562 8722

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Entity 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.



CHARTERED PROFESSIONAL ACCOUNTANTS

Beswick Hildebrandt Lund

Chartered Professional Accountants

Prince George, British Columbia

May 4, 2023

REGIONAL DISTRICT OF BULKLEY-NECHAKO
STATEMENT OF FINANCIAL POSITION

December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 21,370,937	\$ 21,973,326
Accounts receivable	701,755	731,917
Grants receivable	1,395,230	493,912
Investments (Note 3)	89	89
Debt Reserve Fund - Municipal Finance Authority (Note 4)	158,165	164,364
Debentures recoverable from municipalities (Note 5)	7,326,906	7,927,385
	30,953,082	31,290,993
LIABILITIES		
Accounts payable and accrued liabilities (Note 6, 10 and 11)	6,791,289	6,278,759
Deferred revenue (Note 7)	9,285,825	10,370,653
Debt Reserve Fund - Municipal Finance Authority (Note 4)	158,165	164,364
Debentures issued for municipalities (Note 5)	7,326,906	7,927,385
Debentures issued for the Regional District (Note 9)	346,702	366,535
	23,908,887	25,107,696
NET FINANCIAL ASSETS	7,044,195	6,183,297
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 3)	22,767,614	20,357,779
Prepaid expenses	356,261	141,488
	23,123,875	20,499,267
ACCUMULATED SURPLUS (Note 13)	\$ 30,168,070	\$ 26,682,564

CONTINGENCIES (Note 10)

Approved by the Board:


 _____ Chairperson

 _____ Chief Financial Officer

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

STATEMENT OF OPERATIONS

For the year ended December 31, 2022

	2022		2021
	Budget (Note 14)	Actual	Actual
REVENUE (Schedule 4)			
Property tax requisition			
Electoral area	\$ 7,568,575	\$ 7,564,039	\$ 8,432,249
Municipal	4,045,150	4,048,150	2,654,173
	11,613,725	11,612,189	11,086,422
Grants-in-lieu of taxes	1,106,259	1,249,205	1,193,141
Federal grants - conditional	858,116	863,098	676,477
Fees and permits	1,537,225	2,054,102	1,960,061
Municipal debt payments (Note 5)	797,885	749,535	757,399
Provincial grants - northern capital	1,201,850	1,068,539	1,334,843
Provincial grants - unconditional	1,031,350	394,654	185,000
Other grants - conditional	10,000	929,144	1,274,950
Emergency expenditure recoveries	600,000	30,573	115,264
Provincial grants - conditional	-	-	-
Interest	500	183,478	249,321
Municipal cost sharing	200,544	258,141	214,305
Sundry	1,819,860	1,504,096	290,619
Administration recoveries	17,210	16,657	16,788
Donations	-	12,946	21,799
Debt sinking fund actuarial earnings (Note 9)	-	8,088	4,384
Community forest	-	89,600	89,600
	20,794,524	21,024,045	19,470,373
EXPENSES (Schedule 1) (Schedule 4)			
Environmental services	5,183,449	5,829,679	6,176,468
Government - general, rural and local commission	4,295,499	3,375,196	3,041,810
Recreation and culture	3,112,914	2,871,661	2,654,502
Fire protection and emergency response	3,309,395	2,606,552	2,276,228
Building inspection, building numbering, planning and development services	1,134,110	1,138,201	1,135,998
Economic development	780,318	553,639	559,629
Municipal debt payments (Note 5)	797,885	749,535	757,399
Street lighting and transportation	349,344	282,492	299,898
Sewer and water	208,644	131,584	185,225
	19,171,558	17,538,539	17,087,157
ANNUAL SURPLUS	1,622,966	3,485,506	2,383,216
ACCUMULATED SURPLUS - BEGINNING OF YEAR	26,682,564	26,682,564	24,299,348
ACCUMULATED SURPLUS - END OF YEAR (Note 13)	\$ 28,305,530	\$ 30,168,070	\$ 26,682,564

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the year ended December 31, 2022

	<u>2022</u>		<u>2021</u>
	<u>Budget</u> <u>(Note 14)</u>	<u>Actual</u>	<u>Actual</u>
ANNUAL SURPLUS	\$ 1,622,966	\$ 3,485,506	\$ 2,383,216
Acquisition of tangible capital assets	(5,198,143)	(3,959,850)	(2,662,270)
Loss on sale of tangible capital assets	-	7,633	638
Proceeds on sale of tangible capital assets	-	-	-
Amortization of tangible capital assets	1,164,185	1,542,382	1,366,252
	(2,410,992)	1,075,671	1,087,836
Net use of (addition to) prepaid expenses	-	(214,773)	(51,379)
CHANGE IN NET FINANCIAL ASSETS	(2,410,992)	860,898	1,036,457
NET FINANCIAL ASSETS AT BEGINNING OF THE YEAR	6,183,297	6,183,297	5,146,840
NET FINANCIAL ASSETS AT END OF THE YEAR	<u>\$ 3,772,305</u>	<u>\$ 7,044,195</u>	<u>\$ 6,183,297</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

STATEMENT OF CASH FLOWS

For the year ended December 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Annual surplus	\$ 3,485,506	\$ 2,383,216
Add: Non-cash items		
Debt sinking fund actuarial earnings (Note 9)	(8,088)	(4,384)
Amortization of tangible capital assets	1,542,382	1,366,252
Loss (gain) on sale of tangible capital assets	7,633	638
	5,027,433	3,745,722
Changes in non-cash working capital:		
Accounts receivable	30,162	595,898
Grants receivable	(901,318)	(242,227)
Accounts payable and accrued liabilities	512,530	1,517,013
Deferred revenue	(1,084,828)	(258,647)
Prepaid expenses	(214,773)	(51,379)
	3,369,206	5,306,380
FINANCING ACTIVITIES		
Repayments from Debt Reserve Fund - Municipal Finance Authority	-	-
Debt repayments	(11,745)	(14,801)
	(11,745)	(14,801)
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(3,959,850)	(2,662,270)
Proceeds on disposal of tangible capital assets	-	-
	(3,959,850)	(2,662,270)
INCREASE (DECREASE) DURING THE YEAR	(602,389)	2,629,309
CASH AT BEGINNING OF THE YEAR	21,973,326	19,344,017
CASH AT END OF THE YEAR	\$ 21,370,937	\$ 21,973,326

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

The Regional District of Bulkley-Nechako (“the Regional District”) was incorporated as a Regional District on February 1, 1966 under the Municipal Act (replaced by the Local Government Act) of British Columbia. The Regional District provides a political and administrative framework for region-wide, inter-municipal and sub-regional services and acts as the local government for electoral areas.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

Funds and reserves

Certain amounts, as approved by the Board of Directors, through a bylaw, are set aside in accumulated surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development improvement or betterment of the asset. Costs include overhead directly attributable to construction and development but exclude interest costs directly attributable to the acquisition or construction of the asset.

Contributed tangible capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where there are stipulations on their use or where fair value cannot be reasonably determined, in which case they are recognized at a nominal value.

The cost, less residual value, or the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful life of the asset.

Buildings	40-50 years
Water and waste systems	50 years
Heavy vehicles	10-20 years
Passenger vehicles	6-10 years
Other equipment	5-10 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Regional District’s ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Assets under construction are not amortized until the asset is available for productive use.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis

Tax revenue from local government requisitions are recognized in the year levied, provided that the effective date of tax has passed and the related bylaws have been approved by the Board of Directors.

Government transfers are recognized as revenues 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.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for the specific purpose. Restricted contributions that must be maintained in perpetuity are recorded as revenue when received or receivable and are presented as non-financial assets in the statement of financial position.

Grants received from the Federal Gas Tax Agreement and Northern Capital Planning Grant Agreement are each contributed to a designated reserve and recorded as revenue in the year amounts are expended on qualifying projects.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Unfunded landfill liability

The landfill for closure of operational sites and post-closure care has been recognized based on estimated future expenses, estimated for inflation and the usage of the sites capacity during the year. The change in this liability during the year is recorded as a charge to operations. These estimates are reviewed and adjusted annually.

Measurement uncertainty

The preparation of the financial statements in accordance with Canadian PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the year. These estimates and assumptions are based on management's judgement and the best information available at the time of preparation and may differ significantly from actual results. Estimates are reviewed periodically or as new information becomes available, by management, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Significant estimates include the determination of the useful life of tangible capital assets, valuation of the landfill closure and post-closure obligation, and provisions for contingencies.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES, continued

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Financial instruments

Measurement of financial instruments

The Regional District initially measures its financial assets and financial liabilities at fair value. The Regional District subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash and cash equivalents, accounts receivable, cash deposits included in the debt reserve fund – Municipal Finance Authority, investments, and debentures recoverable from municipalities.

Financial liabilities measured at cost include accounts payable and accrued liabilities, debentures issued for municipalities, debentures issued for the Regional District, and financial liabilities included in the debt reserve fund –Municipal Finance Authority.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Transaction costs

The Regional District recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

Investments

Investments are reported at cost or amortized cost less any write-downs associated with a loss in value that is other than a temporary decline.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

2. CASH AND CASH EQUIVALENTS

	<u>2022</u>	<u>2021</u>
Bank accounts	\$ 5,220,693	\$ 5,890,025
Petty cash	250	400
Guaranteed investment certificates	<u>16,149,994</u>	<u>16,082,901</u>
	<u>\$ 21,370,937</u>	<u>\$ 21,973,326</u>

Cash and cash equivalents consist unrestricted cash and fixed income guaranteed investment certificates, which have a maturity of one year or less, and are carried at market value which approximates cost. For the year ended December 31, 2022, the guaranteed investment certificate interest rates ranged between 1.30% to 5.60% (2021 – ranged between 1.10% to 1.80%).

3. INVESTMENTS

The Regional District has a 9% interest in the Chinook Comfor Limited Partnership and Chinook Comfor Ltd.

4. DEBT RESERVE FUND – MUNICIPAL FINANCE AUTHORITY

The Regional District issues debt instruments through the Municipal Finance Authority of British Columbia (“MFA”), and as a condition of borrowing, one percent of the debenture proceeds is withheld as a debt reserve fund. The Regional District also executes demand notes in connection with each debenture whereby the Regional District could be required to pay certain amounts to MFA in excess of the debt borrowed. The demand notes are contingent in nature, and it is unlikely that they will be called; therefore, a liability has not been reported in the financial statements (see note 10).

The Regional District reports the debt reserve fund balances for both debts issued on its behalf, and on behalf of member municipalities, as a financial asset. Because all debt reserve fund refunds received on behalf of Municipal borrowing are repayable to those Municipalities, the Municipal portion of the Debt Reserve Fund balances are also reported as a financial liability.

5. DEBT RECOVERABLE FROM MUNICIPALITIES

When a member Municipality within the Regional District wishes to issue debenture debt through the Municipal Finance Authority of British Columbia (“MFA”), the borrowing is done through the Regional District. The Regional District is therefore responsible for repayment of the debt to MFA. When payments (interest and sinking fund or principal) are made on this debt, the Regional District pays MFA and is in turn reimbursed by the Municipality.

The Regional District therefore reports the net outstanding debt borrowed on behalf of Municipalities as both a financial liability and a financial asset.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

5. DEBT RECOVERABLE FROM MUNICIPALITIES, continued

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Net Debt Outstanding	
	Year	Amount			2022	2021
Vanderhoof Issue 145	2018	1,000,000	2038	3.15%	844,303	884,970
Smithers Issue 142	2017	3,000,000	2037	3.15%	2,407,250	2,532,910
Vanderhoof Issue 142	2017	2,000,000	2037	3.15%	1,604,833	1,688,607
Smithers Issue 127	2013	650,000	2034	3.30%	448,872	477,595
Fort St. James Issue 124	2013	304,879	2033	3.15%	196,528	210,540
Smithers Issue 124	2012	147,639	2033	3.15%	95,170	101,955
Fort St. James Issue 124	2013	121,952	2028	3.15%	57,499	65,834
Smithers Issue 116	2011	800,000	2026	1.47%	260,587	320,321
Houston Issue 99	2006	2,407,125	2032	1.53%	1,145,671	1,249,766
Smithers Issue 81	2004	500,000	2024	2.85%	74,602	109,260
Smithers Issue 79	2003	500,000	2023	2.25%	38,211	74,602
Smithers Issue 77	2002	500,000	2022	0.65%	-	38,211
Granisle 149	2019	210,000	2029	2.24%	153,380	172,814
		<u>\$ 12,141,595</u>			<u>\$ 7,326,906</u>	<u>\$ 7,927,385</u>

Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA.

Principal paid during 2022 was \$430,836 (2021 - \$427,844). Interest paid during 2022 was \$308,964 (2021 - \$329,555).

The MFA performs a rate reset on long-term loans each 5 year period beginning after the first 10 year term; therefore, interest rates on long-term debt are subject to change.

Actuarial earnings received during 2022 was \$169,642 (2021 - \$150,483). Future principal payments, including sinking fund additions, on existing debt are as follows:

2023	\$ 582,475
2024	563,314
2025	542,928
2026	561,368
2027	509,501
Thereafter	<u>4,567,320</u>
	<u>\$ 7,326,906</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2022</u>	<u>2021</u>
Trade payables	\$ 852,005	\$ 982,240
Vacation accrual	248,290	203,055
Sick leave accrual (Note 10)	304,324	253,385
Retirement accrual (Note 10)	315,279	144,407
Accrued debenture interest	-	-
Landfill closure cost accrual (Note 12)	<u>5,071,391</u>	<u>4,695,672</u>
	<u><u>\$ 6,791,289</u></u>	<u><u>\$ 6,278,759</u></u>

7. DEFERRED REVENUE

	<u>2022</u>	<u>2021</u>
Government transfers - Northern Capital Planning Grant	\$ 2,611,985	\$ 3,612,795
Government transfers - Federal Gas Tax Reserve	6,593,666	6,395,443
Government transfers - COVID Restart Grant	8,924	351,470
Government transfers - Provincial	70,000	-
Other	<u>1,250</u>	<u>10,945</u>
	<u><u>\$ 9,285,825</u></u>	<u><u>\$ 10,370,653</u></u>

Government transfers – Federal Gas Tax Reserve

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards qualifying expenditures as specified in the funding agreement. The Regional District maintains the amounts in a statutory reserve.

	<u>2022</u>	<u>2021</u>
Opening balance	\$ 6,395,443	\$ 5,229,104
Add: Amounts received in the year	897,100	1,755,216
Interest earned	<u>151,176</u>	<u>87,600</u>
	<u>1,048,276</u>	<u>1,842,816</u>
Less: Amounts spent in the year	<u>(850,053)</u>	<u>(676,477)</u>
Closing balance	<u><u>\$ 6,593,666</u></u>	<u><u>\$ 6,395,443</u></u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

7. DEFERRED REVENUE, continued

Government transfers – Northern Capital Planning Grant

Northern Capital and Planning funding is provided by the Province of British Columbia. The Northern Capital and Planning funding may be used towards infrastructure and eligible projects include engineering, infrastructure planning, pipes, wells, treatment facilities, building, roads, machinery, equipment, vehicles, and other associated capital that are owned and controlled by the Regional District. This can also include the cost of land associated with developing the above capital investment.

	<u>2022</u>	<u>2021</u>
Opening balance	<u>\$ 3,612,795</u>	<u>\$ 4,888,510</u>
Add: Amounts received in the year	-	-
Interest earned	<u>67,728</u>	<u>59,128</u>
	<u>67,728</u>	<u>59,128</u>
Less: Amounts spent in the year	<u>(1,068,538)</u>	<u>(1,334,843)</u>
Closing balance	<u>\$ 2,611,985</u>	<u>\$ 3,612,795</u>

The Northern Capital Planning Grant is broken into the following reserves:

<u>Reserve</u>	<u>Initial Allocation</u>	<u>Planning Expenses</u>	<u>Capital Expenses</u>	<u>Total Interest</u>	<u>December 31, 2022 Balance</u>
General Administration	\$ 1,019,248	\$ 315,772	\$ 128,019	\$ 34,814	\$ 610,271
Clucluz Lake Fire Service	623,068	31,008	603,148	11,088	-
Protective Services	1,375,000	185,617	565,625	61,022	684,780
Glacier Gulch Water Diversion	30,000	-	-	1,789	31,789
Round Lake Fires Service	10,000	-	-	596	10,596
Luck Bay Fire Service	60,000	-	45,796	1,529	15,733
Fort Fraser Fire	186,595	-	191,237	4,642	-
Economic Development	185,273	-	-	11,047	196,320
Regional Parks and Trails	1,055,345	81,231	553,110	30,364	451,368
Environmental Service	2,394,843	-	1,955,252	56,609	496,200
Fort Fraser Water and Sewer Utilities	425,628	-	332,306	21,606	114,928
	<u>\$ 7,365,000</u>	<u>\$ 613,628</u>	<u>\$ 4,374,493</u>	<u>\$ 235,106</u>	<u>\$ 2,611,985</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

7. DEFERRED REVENUE, continued

Government transfers – COVID Restart Grant

COVID Restart funding is provided by the Government of Canada. The use of the funding is established by funding agreement between the Regional District and the Union of British Columbia Municipalities. COVID Restart funding may be used towards qualifying expenditures as specified in the funding agreement.

	<u>2022</u>	<u>2021</u>
Opening balance	\$ 351,470	\$ 482,628
Add: Amounts received in the year	-	314,000
Interest earned	-	-
	<u>-</u>	<u>314,000</u>
Less: Amounts spent in the year	<u>(342,546)</u>	<u>(445,158)</u>
Closing balance	<u>\$ 8,924</u>	<u>\$ 351,470</u>

8. CREDIT FACILITY

The Regional District has available on an authorized operating line of credit to a maximum of \$400,000. This facility bears interest at prime rate of 6.45% (December 31, 2021 – 2.45%) and is secured by the current borrowing resolution. The facility remained unused at year end.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

9. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT

The Regional District issues debt instruments through the Municipal Finance Authority of British Columbia (“MFA”), pursuant to security issuing bylaws, under authority of the Community Charter, to finance certain capital expenditures. The debt is issued on a sinking fund basis, whereby MFA invests the Regional District's principal payments so that the payments plus investment income, will equal the original outstanding debt amount at the end of the repayment period. Actuarial earnings on debt represent the repayment and/or forgiveness of debt by the MFA using surplus investment income generated by the principal payments. Gross amount of debt and the repayment and actuarial earnings to retire the debt are as follows:

Service borrowing was incurred for:	Originally Borrowed		Year of Maturity	Current Rate of Interest	Repayment & Actuarial Earnings	2022 Principal Repayment	Net Debt Outstanding	
	Year	Amount					2022	2021
Round Lake Fire Protection	2017	14,909	2037	3.15%	2,391	555	11,963	12,588
Luck Bay Fire Protection	2006	125,000	2026	1.53%	87,416	4,198	33,386	40,946
Topley Rural Fire Protection	2016	366,348	2041	2.10%	54,947	10,048	301,353	313,001
		<u>\$ 506,257</u>			<u>\$ 144,754</u>	<u>\$ 14,801</u>	<u>\$ 346,702</u>	<u>\$ 366,535</u>

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

9. DEBENTURES ISSUED FOR THE REGIONAL DISTRICT, continued

Scheduled debt repayments may be suspended in the event of excess sinking fund earnings within the MFA.

Principal paid during 2022 was \$14,801 (2021 - \$14,801). Interest paid during 2022 was \$10,075 (2021 - \$10,213).

The MFA performs a rate reset on long-term loans each 5 year period beginning after the first 10 year term; therefore, interest rates on long-term debt are subject to change.

Actuarial earnings received during 2022 was \$5,032 (2021 - \$4,384). Future principal payments, including sinking fund additions, on existing debt are as follows:

2023	20,504
2024	21,197
2025	21,915
2026	22,658
2027	14,227
Thereafter	246,201
	\$ 346,702

10. CONTINGENCIES

Municipal Finance Authority Demand Notes

The Regional District is contingently liable to the Municipal Finance Authority of British Columbia ("MFA") in excess of the amounts borrowed under the terms of demand notes issued to MFA.

Member municipalities have signed offsetting demand notes to the Regional District for borrowing made on their behalf. The amounts are as follows:

	2022	2021
Demand Notes Outstanding:		
Borrowing on behalf of member municipalities	\$ 302,559	\$ 320,379
Borrowing for Regional District purposes	9,332	9,332
	\$ 311,891	\$ 329,711

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

10. CONTINGENCIES, continued

Employee Sick Leave

The Regional District is contingently liable to pay its employees sick leave. The total maximum value of the accumulated sick time is \$519,401 at December 31, 2022 (2021 - \$451,091). As at year end an amount of \$304,324 (2021 - \$253,385) has been recognized as a liability, representing the estimated future usage of accumulated sick days.

Employee Retiring Allowance

The Regional District is contingently liable to pay employees one week salary for every year of employment to a maximum of 13 weeks upon normal retirement from the Regional District. The total value of this retiring allowance is \$484,392 at December 31, 2022 (2021 - \$195,193). As at year end an amount of \$315,279 (2021 - \$144,407) has been accrued as an estimate of the liability.

11. MUNICIPAL PENSION PLAN

The Regional District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent actuarial 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 Regional District paid \$394,719 (2021 - \$329,376) for employer contributions to the plan in fiscal 2022.

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

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

12. UNDERFUNDED LIABILITY FOR LANDFILL CLOSURE COSTS

British Columbia environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance.

The estimated total liability is based on the sum of discounted future cash flows for closure and post closure activities for 30 years after closure using a discount rate of 4.0% which is net of projected annual inflation.

The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. Management had a closure cost evaluation completed in 2020; and these costs (adjusted for inflation) are utilized for management's landfill closure cost estimate.

The Knockholt landfill has been divided into six phases with only the first three phases being utilized. The total capacity of the Knockholt landfill is estimated at 2,128,200 cubic meters, with a total usage of 718,200 cubic metres of the first three phases. Phase one and two are complete with phase three utilization of 718,200 of a total of 771,400. Phase three is expected to reach capacity in 2025. The existing landfill site is estimated to last past 2075 at current landfill utilization rates.

The Clearview landfill has been divided into four phases with only the first phase being utilized. The total capacity of the Clearview landfill is estimated at 2,225,200 cubic metres with a total usage of 340,200 of the first phase. Phase one has a developed capacity of 415,800 and is expected to reach capacity in 2027. The existing landfill site is expected to reach capacity approximately in the year 2135.

Considerable uncertainty exists with these estimations. The long time span for full site utilization combined with predicting costs that will be paid in far future years relies on a large number of assumptions including the certainty of current environmental legislation, a predictable rate of inflation for costs associated with landfill work and engineering, and an even flow of waste landfilled each year. Landfilling estimates do not include allowances for population change, change in landfilling from industrial sites (such as industrial camps), the possible diversion from recycling programs currently increasing and those being developed, and the diversion potential from composting programs.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

12. UNDERFUNDED LIABILITY FOR LANDFILL CLOSURE COSTS, continued

	2022	2021
Knockholt Landfill Phase One, Two, and Three		
Estimated closure costs	\$ 864,096	\$ 865,653
Estimated post-closure costs	2,337,635	4,979,827
	3,201,731	5,845,480
Estimated capacity used	34%	18%
Accrued liability for Knockholt landfill	1,651,879	1,103,251
Clearview Landfill Phase One		
Estimated closure costs	314,337	628,317
Estimated post-closure costs	4,816,590	4,979,827
	5,130,927	5,608,144
Estimated capacity used	15%	13%
Accrued liability for Clearview landfill	1,051,275	1,051,338
Inactive sites closure estimates	2,368,237	2,541,083
Total closure and post-closure liability	\$ 5,071,391	\$ 4,695,672

The liability expense of \$5,071,391 is unfunded as at December 31, 2022. The Regional District has established Landfill Closure and Post-Closure Reserve Funds that is restricted for purposes of funding landfill closure and post-closure costs. As at December 31, 2022, the Landfill Closure and Post-Closure Reserve Funds have a balance of \$408,866 (2021 - \$399,877).

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

13. ALLOCATION OF ACCUMULATED SURPLUS

The accumulated surplus at the end of the year is comprised of the following Funds:

	2022	2021
Operating	\$ 20,376,890	\$ 18,999,020
Reserves	9,791,180	7,683,544
	\$ 30,168,070	\$ 26,682,564

14. BUDGET

In accordance with legislative requirements, the Financial Plan, adopted by the Board of Directors on March 31, 2022, was prepared on a modified accrual basis. These financial statements, in accordance with Canadian Public Sector Accounting Standards, were prepared on a full accrual basis. The following reconciles the approved amended Financial Plan from April 14, 2022 to budgeted amounts reported in these Financial Statements. The amended Financial Plan was used in order to more accurately reflect the operations in the period.

	2022
Budgeted surplus per statement of financial activities	\$ 1,622,966
Less: Capital expenditures	(5,198,143)
Internal allocations	(142,708)
Prior year net deficits	(5,458)
	(3,723,343)
Add: Prior year net surplus	2,443,719
Withdrawals from capital reserves	115,439
Transfer from equity in tangible capital assets	1,164,185
	3,723,343
	\$ -

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

15. FINANCIAL INSTRUMENTS

The Regional District's financial instruments are comprised of cash, temporary investments, accounts receivable, debt reserve funds – Municipal Finance Authority, debentures recoverable from municipalities, accounts payable and accrued liabilities, debentures issued for municipalities, and debentures issued for the Regional District.

Liquidity risk

Liquidity risk is the risk that the Regional District will encounter difficulty in meeting obligations associated with financial liabilities. The Regional District is exposed to this risk mainly in respect of its accounts payable and accrued liabilities, debentures issued for municipalities and debentures issued for the Regional District. The Regional District manages this risk by holding a sufficient amount of funds in highly liquid investments, and closely monitoring cash flows.

Credit risk

Credit risk is the risk that the Regional District will incur financial losses if a debtor fails to make payments when due. The Regional District is exposed to credit risk on its debenture recoverable from municipalities and accounts receivable. Risk in respect to the debentures recoverable from municipalities is managed primarily by the policies put in place by the Municipal Finance Authority of British Columbia ("MFA"). The maximum exposure to credit risk in respect to accounts receivable is limited to the carrying amount of accounts receivable, which is managed by credit policies such as limiting the amount of credit extended and obtaining security deposits where appropriate.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Regional District is mainly exposed to interest rate risk.

Interest Rate Risk

Interest rate risk is the risk that the Regional District's debt servicing costs and the value of certain investments will fluctuate due to changes in interest rates. In respect of debt servicing costs, the risk is minimal as all of the Regional District's long-term debentures are fixed rate and is usually refinanced every five to ten years as that is when most underlying debentures issued by the MFA mature. Investments subject to interest rate risk include guaranteed investment certificates (Note 2). The amount of risk is minimal due to the short terms of the investments.

16. SEGMENT REPORTING

The Regional District provides services to its members, that have been grouped into related departmental functions or service areas for segment reporting purposes. The various segments are as follows:

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

16. SEGMENT REPORTING, continued

Environmental Services

This segment administers services including solid and liquid waste management, recycling, invasive plant control and developing the Regional District's Corporate Energy and Emissions Plan.

Government – general, rural and local commission

This segment administers services that relate to the legislative function as well as the administrative and financial management of the Regional District.

Recreation and culture

This segment administers services that relate to recreational and cultural, activities and organizations within the Regional District.

Fire protection and emergency response

This segment administers services related to rural fire protection and rescue services, 9-1-1 services, emergency preparedness and support services, and health and safety planning.

Building inspection, building numbering, planning and development services

This segment administers services related to long range and current community planning, geographical information services, building inspections, and bylaw enforcement.

Economic Development

This segment provides economic and community development services including assisting local community groups in accessing funding opportunities for community and economic initiatives.

Municipal Debt Payments

This segment is comprised of debenture debt payments to the Municipal Finance Authority on behalf of other Regional District members.

Street Lighting and Transportation

This segment is comprised of services for street lighting and transportation within the Regional District.

Sewer and Water

This segment is comprised of services for sewer and water treatment within the Regional District.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

17. RELATED PARTY TRANSACTIONS

The Regional District of Bulkley-Nechako and the Regional Hospital District share the same management team but operate under the governance of a different board of directors.

During the year, the Regional District of Bulkley-Nechako provided administration and accounting services of \$15,900 (2021 - \$15,900) to the Regional Hospital District.

18. COMPARATIVE FIGURES

Certain prior year figures, presented for comparative purposes, have been reclassified to conform to the current year's financial statement presentation.

REGIONAL DISTRICT OF BULKLEY-NECHAKO

SCHEDULE OF EXPENSES BY OBJECT

For the year ended December 31, 2022

	2022		2021
	<u>Budget</u> (Note 14)	<u>Actual</u>	<u>Actual</u>
Staff remuneration and benefits	\$ 6,026,894	\$ 5,530,266	\$ 5,105,018
Purchased services and supplies	5,290,167	4,365,979	5,229,402
Payments to societies	1,899,218	1,647,634	1,739,877
Municipal debt payments	797,885	749,535	757,399
Payments to municipalities	2,023,575	2,040,734	1,740,652
Directors' remuneration	656,814	460,392	380,647
Insurance and permits	216,530	260,763	228,021
Electoral area grants-in-aid	596,002	497,568	393,218
Staff travel, upgrading and conferences	184,223	56,433	34,089
Directors' travel and expenses	196,787	52,625	20,556
Interest on debentures	10,213	10,075	12,542
Memberships and dues	45,650	32,314	35,314
Interest	3,150	2,306	2,936
Elections, referenda and studies	56,500	18,699	-
Bad debts	-	9,391	3,859
Volunteer benefits	3,765	2,172	507
First nations dialogue	-	-	-
Special projects	-	259,271	36,868
Amortization	1,164,185	1,542,382	1,366,252
	<u>\$ 19,171,558</u>	<u>\$ 17,538,539</u>	<u>\$ 17,087,157</u>

See notes to the consolidated financial statements.

REGIONAL DISTRICT OF BULKLEY-NECHAKO
SCHEDULE OF CONTINUITY OF RESERVE FUNDS

For the year ended December 31, 2022

	2022	2021
BALANCE AT BEGINNING OF THE YEAR	\$ 17,691,782	\$ 14,806,911
Contribution to funds	3,137,638	4,692,209
Interest earned on funds	284,182	247,473
Withdrawals from funds	<u>(2,116,771)</u>	<u>(2,054,811)</u>
BALANCE AT END OF THE YEAR	<u>18,996,831</u>	<u>17,691,782</u>
Less reserves recorded as deferred revenue (Note 7):		
Federal Gas Tax	6,593,666	6,395,443
Northern Capital Planning Grant	<u>2,611,985</u>	<u>3,612,795</u>
	<u>9,205,651</u>	<u>10,008,238</u>
	<u>\$ 9,791,180</u>	<u>\$ 7,683,544</u>
 REPRESENTED BY THE FOLLOWING RESERVE FUNDS		
911 Capital	\$ 644,835	\$ 630,657
911 Vehicle	-	7,808
Administrative Equipment	40,648	39,754
Administration/Planning Vehicle	44,434	72,318
Building	335,310	278,351
Building Inspection Vehicle	33,575	32,837
Bulkley Valley Pool	2,501,969	2,248,614
Burns Lake TV Rebroadcasting	53,835	52,652
Bylaw Enforcement	10,140	-
Climate Change	92,854	-
Cluculz Sewer	13,422	-
Rural Election	29,907	53,450
Emergency Prep	58,753	68,163
Environmental Services Vehicle	-	-
Federal Gas Tax	6,593,666	6,395,443
Fort Fraser Sewer	373,051	322,700
Fort Fraser Rural Fire Protection	168,543	164,838
Fort Fraser Water	263,355	207,978
Fort St. James Rural Fire Protection	-	66,479
Glacier Gulch Water Diversion	13,073	12,785
Houston Rural Fire Protection	-	-
Insurance	113,149	84,358
Lakes District Airport	298,583	267,225
Landfill Capital	408,866	399,877
Legal	22,552	12,139
Luck Bay Rural Fire Protection	58,206	51,968
Northern Capital Planning Grant	2,611,985	3,612,795
Operational	3,837,813	2,217,771
Planning Plotter	30,098	29,437
Round Lake Rural Fire Protection	3,168	3,099
Smithers Rural Fire Protection	146,194	182,428
Southside Rural Fire Protection Vehicle	5,070	-
Southside Rural Fire Protection	1,480	6,155
Topley Fire Department	25,072	18,669
Telkwa Rural Fire Protection	68,294	66,792
Vanderhoof Pool	94,931	77,968
Vanderhoof Rural Fire Protection	-	-
Weed Control Vehicle	-	6,274
	<u>18,996,831</u>	<u>17,691,782</u>
Less reserves recorded as deferred revenue (Note 13):		
Federal Gas Tax	6,593,666	6,395,443
Northern Capital Planning Grant	<u>2,611,985</u>	<u>3,612,795</u>
	<u>9,205,651</u>	<u>10,008,238</u>
	<u>\$ 9,791,180</u>	<u>\$ 7,683,544</u>

See notes to the consolidated financial statements.

**REGIONAL DISTRICT OF BULKLEY-NECHAKO
STATEMENT OF TANGIBLE CAPITAL ASSETS**

For the year ended December 31, 2022

	Land	Building	Equipment / Vehicles	Works in Progress	Engineered Structures					2022 Total	2021 Total
					Water	Sewer	Landfills	Transfer Stations	Regional Parks		
COST											
Opening Balance	\$ 720,208	\$ 8,767,610	\$ 8,748,499	\$ -	\$ 4,824,319	\$ 734,201	\$ 5,330,131	\$ 5,596,159	\$ -	\$ 34,721,127	\$ 32,059,495
Add: Additions	-	79,624	1,338,629	27,224	332,306	5,082	658,815	119,383	1,398,787	3,959,850	2,662,270
Less: Disposals	-	-	(200,045)	-	-	-	-	-	-	(200,045)	-
Less: Write-downs	-	-	-	-	-	-	-	-	-	-	(638)
Closing Balance	720,208	8,847,234	9,887,083	27,224	5,156,625	739,283	5,988,946	5,715,542	1,398,787	38,480,932	34,721,127
ACCUMULATED AMORTIZATION											
Opening Balance	-	3,268,569	4,959,600	-	1,106,212	433,110	2,380,956	2,214,901	-	14,363,348	12,997,096
Add: Amortization	-	285,738	725,033	-	95,352	13,651	224,542	170,090	27,976	1,542,382	1,366,252
Less: Acc. Amortization on Disposals	-	-	(192,412)	-	-	-	-	-	-	(192,412)	-
Closing Balance	-	3,554,307	5,492,221	-	1,201,564	446,761	2,605,498	2,384,991	27,976	15,713,318	14,363,348
Net Book Value for year ended											
December 31, 2022	\$ 720,208	\$ 5,292,927	\$ 4,394,862	\$ 27,224	\$ 3,955,061	\$ 292,522	\$ 3,383,448	\$ 3,330,551	\$ 1,370,811	\$ 22,767,614	
Net Book Value for year ended											
December 31, 2021	\$ 720,208	\$ 5,499,041	\$ 3,788,899	\$ -	\$ 3,718,107	\$ 301,091	\$ 2,949,175	\$ 3,381,258			\$ 20,357,779

See notes to the consolidated financial statements.

**REGIONAL DISTRICT OF BULKLEY-NECHAKO
SEGMENTED DISCLOSURE**

For the year ended December 31, 2022

	Government - General, Rural and Local	Environmental Services	Recreation and Culture	Fire Protection and Emergency Response	Building Inspection and Planning	Municipal Debt Payments	Street Lighting and Transportation	Economic Development	Sewer and Water	2022	2021
REVENUE											
Taxation	\$ 1,359,304	\$ 3,812,524	\$ 2,901,798	\$ 1,856,191	\$ 883,331	\$ -	\$ 219,790	\$ 470,581	\$ 108,670	\$ 11,612,189	\$ 11,086,422
Fees, rates and service charges	-	1,591,679	12,176	97,323	179,077	-	98,968	-	74,879	2,054,102	1,960,061
Government transfers	1,518,066	249,347	52,534	972,712	(1,088)	-	46,649	84,909	332,306	3,255,435	3,471,269
Investment income	181,148	-	-	2,330	-	-	-	-	-	183,478	249,321
Other	23,955	25,453	1,315,014	143,757	304,486	749,535	14,875	92,561	-	2,669,636	1,510,159
Grants-in-lieu of Taxes	208,313	477,238	231,549	143,829	92,946	-	35,439	59,891	-	1,249,205	1,193,141
	3,290,786	6,156,241	4,513,071	3,216,142	1,458,752	749,535	415,721	707,942	515,855	21,024,045	19,470,373
EXPENSES											
Staff Remuneration and Benefits	1,015,500	2,635,084	85,235	538,122	936,405	-	20,485	299,435	-	5,530,266	5,105,018
Purchased services and supplies	1,098,602	2,188,712	85,896	575,878	147,182	-	183,379	68,883	17,447	4,365,979	5,229,402
Insurance	43,703	92,525	55,561	33,052	29,788	-	-	1,000	5,134	260,763	228,021
Payments to Societies	5,532	8,800	1,416,783	97,144	-	-	34,375	85,000	-	1,647,634	1,739,877
Other	1,066,885	14,901	44	303,028	10,814	749,535	1,253	4,321	-	2,150,781	1,677,935
Payments to Municipalities	-	-	1,032,177	870,557	-	-	43,000	95,000	-	2,040,734	1,740,652
Amortization of capital assets	144,974	889,657	195,965	188,771	14,012	-	-	-	109,003	1,542,382	1,366,252
	3,375,196	5,829,679	2,871,661	2,606,552	1,138,201	749,535	282,492	553,639	131,584	17,538,539	17,087,157
NET REVENUE(EXPENSES)	\$ (84,410)	\$ 326,562	\$ 1,641,410	\$ 609,590	\$ 320,551	\$ -	\$ 133,229	\$ 154,303	\$ 384,271	\$ 3,485,506	\$ 2,383,216

See notes to the financial statements.

**Schedule of Remuneration & Expenses: Directors
For the Year Ended December 31, 2022**

Name	Position		Expenses	Total
Atrill, Gladys	Board Member	15,775	1,396	17,170
Brienen, Shane	Board Member	21,504	1,763	23,267
Cochran, Linda	Commissioner	1,500		
Cochran, William	Commissioner	1,500		
Dekens, Leroy	Board Member	2,633	860	3,492
Elphee, Martin	Board Member	2,175	214	2,388
Fisher, Mark	Board Member	32,176	7,676	39,851
Funk, Dolores	Board Member	11,881	-	11,881
Greenaway, Judy	Board Member	4,080	1,321	5,401
Greenaway, Tom	Board Member	25,210	12,389	37,599
Lambert, Clint	Board Member	30,527	10,392	40,919
Lauze, Cynthia	Alternate Board Member	315	153	467
McGuire, Linda	Board Member	16,418	2,873	19,291
Moon, Shirley	Board Member	3,967	1,138	5,105
Morgan, Annette	Board Member	13,311	1,810	15,121
Motion, Robert	Board Member	14,389	3,050	17,439
Moutray, Kevin	Board Member	2,388	664	3,051
Newell, Andrea	Alternate Board Member	252	-	252
Newell, Christopher	Board Member	23,695	4,900	28,595
Parker, Mark	Board Member	42,145	6,716	48,861
Petersen, Jerry	Board Member	31,746	8,390	40,137
Riis-Christianson, Michael	Board Member	29,851	1,236	31,087
Stoltenberg, Harold	Board Member	4,102	1,524	5,626
Storey, Sarrah	Board Member	15,233	1,536	16,769
Thiessen, Gerry	Board Member	34,222	5,209	39,431
Webster, Don	Commissioner	1,500		
Wiebe, Henry	Board Member	3,999	-	3,999
Total Director Remuneration		386,490	75,208	457,197

Reconciliation to Financial Statements

Director Remuneration and Expenses as per Schedule	461,697
ADD SUN LIFE ASSURANCE AND LIFE WORKS	53,799
ADD RECEIVER GENERAL	12,739
ADD WORKSAFE AND EHT	7,690
YEAR END ACCRUAL ADJUSTMENTS	(325)
	535,600
Directors Remuneration and Benefits	460,392
Directors Travel and Expenses	52,625
DIRECTOR EXPENSES IN SUPPLIES AND COMMUNICATIONS	22,583
	535,600

Regional District of Bulkley-Nechako

**Schedule of Remuneration & Expenses: Employees
For the Year Ended December 31, 2022**

Name	Position		Expenses	Total
Anderson, Cheryl	Director of Corporate Services	125,033	7,007	132,040
Berlin, Jason	Chief Building Inspector	98,926	3,370	102,296
Blackwell, Jason	Regional Fire Chief	80,180	6,630	86,810
Chalmers, Ken	Environmental Services Operations Supervisor	93,522	754	94,275
Davis, Steve	Building Inspector	75,571	4,519	80,091
Demarce, Lenard	Landfill Operator 2	89,186	1,676	90,862
Derksen, Janette	Waste Diversion Supervisor	85,252	6,186	91,438
Eriksen, Alex	Director of Environmental Services	112,682	5,379	118,061
Helgesen, Curtis	Chief Administrative Officer	176,813	8,782	185,595
Illes, John	Chief Financial Officer	132,000	3,353	135,353
Jones-Middleton, Deborah	Director of Protective Services	126,555	4,495	131,050
Llewellyn, Jason	Director of Planning	130,462	4,989	135,451
Minger, Cole	Environmental Services Field Assistant	80,021	3,907	83,929
Peters, Philip	Environmental Services Field Assistant	83,994	505	84,499
Sandberg, Maria	Planner	83,040	552	83,592
Wainwright, Richard	Chief Building Inspector	111,731	850	112,580
Wainwright, Wendy	Deputy Director of Corporate Services	89,835	3,695	93,530
Wiebe, Kenneth	Landfill Operator 2	75,636		75,636
Total for Employees > \$75,000		1,850,438	66,648	1,841,450
Total of Employees with remuneration of \$75,000 or less		2,656,491	34,785	2,691,276
Total Employee Remuneration		4,506,929	101,433	4,532,726
Reconciliation to Financial Statements		4,532,726		
ADD SUNLIFE ASSURANCE AND LIFE WORKS		306,456		
ADD RECEIVER GENERAL		125,889		
ADD MUNICIPAL PENSION PLAN		340,545		
ADD RETIRING ALLOWANCE AND OTHER ACCRUALS		136,430		
ADD WORKSAFE AND EHT		189,653		
Staff Remuneration and Expenses as per Schedule		5,631,699		
STAFF REMUNERATION AND BENEFITS		5,530,266		
STAFF TRAVEL UPGRADING AND CONFERENCES		56,433		
STAFF EXPENSES IN SUPPLIES AND COMMUNICATIONS		45,000		
		5,631,699		

Regional District of Bulkley-Nechako

Schedule of Payments to Suppliers for Goods and Services For the Year Ending December 31, 2022

Vendor	Amount
ACCESSSMT HOLDINGS LTD	110,600.00
AIR BURNERS, INC.	38,949.05
ATCO STRUCTURES	31,682.54
BC HYDRO	102,683.72
BCTRANSIT	122,235.69
BESWICK HILDEBRANDT LUND	34,072.50
BLACK PRESS GROUP LTD	67,303.52
BLAIR WILSON CONTRACTING	128,601.73
BLASTPRO CONSTRUCTION LTD	161,418.00
BULKLEY AUTOMOTIVE LTD	43,903.46
BULKLEY VALLEY ROOFING	29,137.50
BURNS LAKE AUTOMOTIVE SUPPLY	28,156.10
CALIAN LTD.	90,511.57
CapriCMW Insurance	217,676.96
CARO ANALYTICAL SERVICES	47,100.52
CASCADES RECOVERY INC.	50,606.73
CGR CONTRACTING & CONSULTING	90,362.96
CHEMCO ELECTRICAL CONTRATORS LTD	59,130.29
CLEAN FARMS INC.	31,707.41
COMMERCIAL EMERGENCY EQUIPMENT CO	461,523.80
CONTAINER WEST MANUFACTURING LTD.	51,800.00
DEAN WILSON TRUCKING	80,805.38
FENCEFAST LTD.	46,441.24
FORT GARRY FIRE TRUCKS LTD	187,000.00
FRASER LAKE BOTTLE DEPOT	58,588.77
HITS CONSTRUCTION LTD.	33,048.75
HOUSTON BOTTLE DEPOT	41,462.88
INDUSTRIAL TRANSFORMERS	180,342.13
INLAND KENWORTH	27,065.53
ION UNITED INC.	55,336.81
KAL TIRE - BURNS LAKE	76,578.64
LENOVO	39,371.91
LEPKA HOLDINGS LTD.	31,206.33
M'AKOLA DEVELOPMENT SERVICES	55,312.95

MCELHANNEY LTD	39,567.15
MOBY CONCRETE LTD.	29,046.24
MORBEN CONSTRUCTION LTD	243,677.08
MUNICIPAL INSURANCE ASS. OF BC	103,062.00
MUNICIPAL PENSION PLAN	340,545.09
N.W. INVASIVE PLANT COUNCIL	40,196.77
OCEAN TRAILER	178,245.76
PACIFIC NORTHERN GAS LTD.	53,134.58
PARKLAND CORPORATION	106,823.40
PG RENTAL CENTRE	26,100.25
PROVINCE OF BC	92,794.19
R. GROOT CONTRACTING LTD.	31,665.17
RECEIVER GENERAL	138,627.46
REG. DIST.OF FRASER-FORT GEORGE	358,313.62
STEWART CONSTRUCTION LTD	42,000.00
SUN LIFE ASSURANCE COMPANY OF CANADA	356,732.46
SWEEPING BEAUTIES JANITORIAL	33,531.64
TELUS COMMUNICATIONS INC.	25,430.67
TELUS COMMUNICATIONS INC.	28,224.00
TELUS MOBILITY	34,968.45
TERUS CONSTRUCTION LTD	1,375,405.31
TORONTO AUTO SALES & LEASING LTD	102,684.75
TOWER COMMUNICATIONS	54,770.02
TRUE CONSULTING LTD	41,764.77
ULINE CANADA CORPORATION	26,388.18
VALLEY DIESEL	38,029.52
VANDERHOOF & DISTRICTS CO-OP	454,536.43
VIHAR CONSTRUCTION LTD	48,560.32
VIKING CONSTRUCTION LTD	173,121.34
WEAVER TECH CORP	54,886.93
WEST POINT RAIL & TIMBER CO.	58,743.78
WICKED RIVER OUTFITTERS	63,250.00
WILLIAMS MACHINERY	33,225.15
XCG CONSULTANTS LTD.	56,547.57

Total of aggregate payments exceeding \$25,000	7,836,325
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Consolidated total for suppliers paid \$25,000 or less	1,452,691
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Total Payments	9,289,017
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Reconciliation to Financial Statements

Total Payments to Suppliers as per Schedule	9,289,017
Add increased landfill liability	375,719
Subtract Increase in prepaid expenses	(214,773)
Subtract GST included in list of Suppliers	(333,543)
Subtract Capital Expenditures	(3,959,850)
Subtract Payroll Expenses	(839,428)
	4,317,142

Purchased Service and Supplies	4,365,979
Subtract Amount in Staff and Directors Travel and Expense	(67,583)
Subtract Amount in Payments to Societies	(358,152)
Subtract Amount in Payments to Municipalities	(198,627)
Insurance and Permits	260,763
Membership and Dues	32,314
Interest to Suppliers	2,306
Election, Referenda and Studies	18,699
Volunteer Benefits	2,172
Special Projects	259,271
	4,317,142

Regional District of Bulkley-Nechako

Payments for the Purposes of Grants and Contributions For the Year Ending December 31, 2022

Jurisdiction	Amount
District of Fort St. James	286,227
District of Houston	17,082
District of Vanderhoof	592,481
Town of Smithers	603,480
Village of Burns Lake	463,066
Village of Fraser Lake	75,002
Village of Telkwa	195,537
Village of Granisle	6,487
Total Municipal Grants and Contributions	<u>2,239,361</u>

Reconciliation to Financial Statements

Total Municipal Grants and Contributions	2,239,361
	<u>2,239,361</u>

Payments to Municipalities

Grants to Societies listed in Purchased Services and Supplies	198,627
	<u>2,239,361</u>

Regional District of Bulkley-Nechako

Payments for the Purposes of Grants and Contributions For the Year Ending December 31, 2022

Society	Amount
B V AQUATIC CENTRE MANG. SOCIE	550,693.92
B. V. HISTORICAL & MUSEUM SOC.	23,948.00
BULKLEY VALLEY FOLK MUSIC SOCIETY	9,294.00
BULKLEY VALLEY ROD AND GUN CLUB	8,091.00
BURNS LAKE PUBLIC LIBRARY	260,000.00
BURNS LAKE REBROADCAST SOCIETY	32,500.00
CHINOOK COMMUNITY SOCIETY	85,000.00
CLUCULZ LAKE VOL. FIRE DEPT	17,000.00
COMMUNITY ARTS COUNCIL OF FSJ	6,000.00
CONNEXUS COMMUNITY RESOURCES	5,500.00
CYCLE 16 TRAIL SOCIETY	25,265.00
ENDAKO HALL SOCIETY	10,523.67
EVELYN COMMUNITY ASSOCIATION	6,633.17
FORT FRASER VOL. FIRE DEP.	19,600.00
FORT SAINT JAMES TV SOCIETY	164,398.00
FORT ST JAMES CURLING CLUB	8,530.18
FORT ST. JAMES LIBRARY	16,737.00
FORT ST. JAMES SEARCH & RESCUE	100,000.00
FRASER LAKE LIBRARY BOARD	37,683.00
FRASER LAKE REBROADCASTING SOC	83,750.00
FT. ST. JAMES SNOWMOBILE CLUB	11,505.79
GLENWOOD HALL COMM. ASSOC	6,424.13
GRANISLE AND DISTRICT SENIORS ASSOC.	6,423.00
HOUSTON SMITHERS REBROADCASTIN	54,849.00
LAKE KATHLYN PROTECTION SOCIETY	18,352.58
LAKES DISTRICT AIRPORT SOCIETY	34,375.00
LAKES DISTRICT ARTS COUNCIL	7,500.00
LAKES DISTRICT FAIR ASSOC	5,369.20
LAKES DISTRICT FILM	72,504.10
LAKES DISTRICT MUSEUM SOCIETY	53,870.21
NECHAKO VALLEY EXHIBITION SOC.	56,778.00
NECHAKO VALLEY SEARCH & RESCUE	12,623.00
NESST SOCIETY	12,234.28
NORTHERN SOCIETY FOR DOMESTIC PEACE	36,973.00

NORTHWEST REGIONAL BUSINESS SOCIETY (RDKS)	15,734.00
OMINECA SKI CLUB	47,410.01
RIDE BURNS MOUNTAIN BIKING ASSOC.	18,598.61
SMITHERS ART GALLERY	10,794.00
SMITHERS PUBLIC LIBRARY	105,964.91
SMITHERS SKATE PARK SOCIETY	70,000.00
SOUTHSIDE VOLUNTEER FIRE DEPT.	52,315.40
STUART LAKE GOLF CLUB	94,445.00
TOPLEY FIRE PROTECTION SOC.	32,944.00
TWEEDSMUIR RECREATION COMMISSI	5,119.45
VANDERHOOF CURLING CLUB	17,474.33
VANDERHOOF INTERNATIONAL AIRSHOW SOCIETY	8,139.37

Grants to Organizations for a total \$5,000 or less in 2022	163,487
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Total Grants To Societies and School Districts	2,503,354
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Reconciliation to Financial Statements

Total Grants To Societies and School Districts	2,503,354
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2,503,354

Grants to Societies

1,647,634

Grants to Societies listed in Purchased Services and Supplies

358,152

Electoral Area Grant in Aid

497,568

2,503,354

Regional District of Bulkley-Nechako

Schedule of Guarantee & Indemnity Agreements

For the Year Ended December 31, 2022

NIL

The Regional District of Bulkley-Nechako has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Statement of Severance Agreements

For the Year Ended December 31, 2022

NIL

The Regional District of Bulkley-Nechako has not entered into any severance agreements in the 2022 calendar year.