



Statement of Financial Information – SOFI

Approved by Council

For the Fiscal Year Ended December 31, 2021

Pursuant to the *Financial Information Act*

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Village of Pemberton

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

"This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation."

Prepared under the Financial Information Regulation, Schedule 1, subsection 5 (4)

Schedule Showing the Remuneration
Paid to or on Behalf of Each Employee
2021

1 Elected Officials, Employees appointed by Cabinet and Members of the Board Of Directors			
Name	Position	Remuneration	Expenses
Richman, Michael	Mayor	31,776	200
Antonelli, Amica	Councillor	15,718	499
Noble, Leah	Councillor	15,718	604
Zant, Ryan	Councillor	15,718	499
Craddock, Ted	Councillor	15,718	0
Total		94,647	1,801
2 Other Employees > 75,000			
Name		Remuneration	Expenses
Gilmore, Nikki	CAO	149,914	0
Fraser, Sheena	Mngr of Corporate Services	115,130	100
Csima, Tom	Mngr. Operations	111,104	1,455
Adams, Cameron	Deputy Fire Chief	108,023	0
Grossman, Robert E	Fire Chief	106,769	0
Burns, Christine	Mngr, Recreation Services	101,532	100
Martin, Lena	Mngr, Finance	100,519	1,500
Pedrini, Lisa	Mngr, Development Services	98,670	261
Klufftinger, Martin	Waste Water Operator II	96,331	0
Malpus, Adam	Fire Captain	95,259	0
Westlake, Jeff	Water Operator II	90,915	874
Einarson, Jeanette	Senior Accountant/Supervisor	79,406	0
Derouin, Christopher	Building Inspector	78,594	1,660
Toews, Sarah	Emergency Program Coordinator	77,032	0
3 Total > 75,000		1,409,200	5,950
Consolidated Total of other Employees with remuneration and expenses of <75,000		1,665,977	23,142
Total Employees		3,075,177	29,092
Reconciliation			
Total remuneration - elected officials			96,448
Total remuneration - other employees			3,104,269
Subtotal			3,200,717
Reconciling Items			531,275
Total per Statement of Revenue and Expenditure (Segmented)			3,731,992
Variance			0
Reconciling Items:			
Item	Amount	Comments	
Municipal Pension	234,479		
WCB, EI, CPP	228,513		
Other Benefits	68,283		

Prepared under the Financial Information Regulation, Schedule 1, section 6 (2), (3), (4), (5) and (6).

Village of Pemberton

STATEMENT OF SEVERANCE AGREEMENTS

There was 0 severance agreement made between the Village of Pemberton and its non-unionized employees during the fiscal year 2021.

* "Compensation" agreements were based on salary and benefits.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6 (7)

2. Consolidated paid to suppliers who received aggregate pmts of < or = \$25,000	1,296,041	
Consolidated total of grants paid exceeding \$25,000	0	
Consolidated total of contributions paid exceeding \$25,000	0	
Consolidated total of all grants and contributions exceeding \$25,000	0	
3. Total payments to suppliers for grants and contributions exceeding \$25,000	0	
Total aggregate payments exceeding \$25,000 paid to suppliers		11,531,492
Consolidated total of payments of \$25,000 or less paid to suppliers		1,296,041
Consolidated total of all grants and contributions exceeding \$25,000		0
Subtotal		12,827,533
Total Expenses per Consolidated Statement of Operations and Accumulated Surplus		8,654,345
Difference		4,173,188
4. Reconciliation		
Employee and Council Wages expensed not included in payments to suppliers		(3,176,778)
Deposits/Holdbacks returned to suppliers and not expensed		1,336,461
Employee and Council portion of Dues, Tax, CPP And EI paid to supplier and not expensed		731,803
Employee portion of Benefits paid to supplier and not expensed		44,831
Transfers to Other Governments included in payments to suppliers and not expensed		3,480,222
Less School Police Tax paid in 2021		(123,466)
BC Transit paid to supplier for other governments share, not expensed		132,962
New Capital Additions, not expensed, moved to TCA		2,330,994
WIP included in payments to suppliers and not expensed		0
Add Capital Additions donated in kind		0
Less: Capital Disposals and WIP Transfers		0
Less: Amortization - not a Cash transaction		(1,191,743)
Debt Principal Payments Paid and not expensed		393,917
Variance*		213,986
*Variance occurs due to the Financial Statements prepared on an accrual basis and this report on a cash basis		

Prepared under the Financial Information Regulation, Schedule 1, section 7 and the *Financial Information Act*, section 2.

Village of Pemberton

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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

Mike Richman, Mayor

Thomas Sikora, Chief Financial Officer

Date: _____

Date: _____

Prepared under the Financial Information Regulation, Schedule 1, subsection 9



Management Report

PO Box 100
7400 Prospect St.
Pemberton

British Columbia

CANADA

V0N2L0

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To the Mayor and Council of the Village of Pemberton,

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards and ensuring that all information in the annual report is consistent with the statements. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Mayor and Council are composed entirely of individuals who are neither management nor employees of the Village. The Mayor and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Mayor and Council fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Mayor and Council are also responsible for appointing the Village's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Mayor and Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Council and management to discuss their audit findings.

In accordance with the *Community Charter*, the 2021 Audited Consolidated Financial Statements were presented and approved by Council on October 18, 2022; the Statement of Financial Information (SOFI) was presented to Council for approval on October 18, 2022.

Elizabeth Tracy
Chief Administrative Officer

Date

Village of Pemberton
Financial Statements
December 31, 2021

Village of Pemberton Contents

For the year ended December 31, 2021

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Management's Responsibility

To the Mayor and Council of the Village of Pemberton,

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October 18, 2022



Chief Administrative Officer

Independent Auditor's Report

To the Mayor and Council of the Village of Pemberton,

Opinion

We have audited the financial statements of the Village of Pemberton (the "Village"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations and accumulated surplus, changes in net financial assets (debt), cash flows for the year then ended, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the annual report. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Independent Auditor's Report

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 Village'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 Village'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 Village 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.

Kelowna, British Columbia

October 18, 2022

MNP LLP

Chartered Professional Accountants

Village of Pemberton
Statement of Financial Position
As at December 31, 2021

	2021	2020
Financial assets		
Cash and cash equivalents (Note 2)	11,796,515	8,171,229
Accounts receivable (Note 3)	1,651,639	2,362,751
Investments in government business partnerships (Note 4)	245,217	-
Municipal Finance Authority debt reserve	101,320	99,625
	13,794,691	10,633,605
Financial liabilities		
Accounts payable and accrued liabilities (Note 5)	1,250,905	1,874,725
Deferred revenue (Note 6)	4,209,011	2,634,160
Deposits and permits	2,274,052	1,768,794
Long-term debt (Note 7)	4,083,682	4,258,763
	11,817,650	10,536,442
Net financial assets (debt)	1,977,041	97,163
Non-financial assets		
Prepaid expenses	168,698	245,858
Tangible capital assets (Schedule 1)	31,793,846	30,654,595
	31,962,544	30,900,453
Accumulated surplus (Note 8)	33,939,585	30,997,616

Commitments and contingencies (Note 11)



Mayor

The accompanying notes are an integral part of these financial statements

Village of Pemberton
Statement of Operations and Accumulated Surplus
For the year ended December 31, 2021

	Budget (Note 13)	2021	2020
Revenue			
Taxation (Note 10)	2,440,992	2,349,257	2,185,141
Water and sewer user rates	2,034,447	2,237,148	2,091,516
Government transfers (Note 9)			
Federal and provincial	4,989,416	2,006,983	1,466,872
Other local governments	1,848,338	1,473,239	1,315,302
Other	695,960	1,560,612	560,875
User charges	2,315,887	1,129,930	576,785
Contributions	-	504,307	24,440
Earnings from government business partnership (Note 4)	-	245,217	-
Penalties and interest income	32,500	66,802	103,802
Investment income	27,860	22,819	47,991
	14,385,400	11,596,314	8,372,724
Expenses			
General government	3,497,504	2,508,269	1,730,971
Fire protection services	701,857	975,529	711,743
Development and planning services	748,153	617,569	391,079
Public works and parks	1,317,678	1,167,307	922,181
Recreation services	1,293,107	1,030,129	1,023,748
Water utility	1,010,408	1,080,271	1,050,948
Sewer utility	1,279,481	1,162,719	1,164,787
Airport services	124,521	112,552	126,934
	9,972,709	8,654,345	7,122,391
Annual surplus	4,412,691	2,941,969	1,250,333
Accumulated surplus, beginning of year	30,997,616	30,997,616	29,747,283
Accumulated surplus (Note 8)	35,410,307	33,939,585	30,997,616

The accompanying notes are an integral part of these financial statements

Village of Pemberton
Statement of Changes in Net Financial Assets (Debt)
For the year ended December 31, 2021

	Budget (Note 13)	2021	2020
Annual surplus	4,412,691	2,941,969	1,250,333
Acquisition of tangible capital assets	(7,495,858)	(2,330,994)	(713,863)
Amortization of tangible capital assets	1,234,066	1,191,743	1,136,461
	(6,261,792)	(1,139,251)	422,598
Change in prepaid expenses	-	77,160	(101,360)
Increase (decrease) in net debt	(1,849,101)	1,879,878	1,571,571
Net financial assets (debt), beginning of year	97,163	97,163	(1,474,408)
Net financial assets (debt), end of year	(1,751,938)	1,977,041	97,163

The accompanying notes are an integral part of these financial statements

Village of Pemberton
Statement of Cash Flows

For the year ended December 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating Activities		
Annual surplus	2,941,969	1,250,333
Items not involving cash included in annual surplus:		
Amortization of tangible capital assets	1,191,743	1,136,461
Income from government business partnerships	(245,217)	-
Actuarial reduction of debt	(110,775)	(105,953)
Change in financial assets and liabilities:		
Accounts receivable	711,112	323,982
Municipal Finance Authority debt reserve	(1,695)	(2,008)
Accounts payable and accrued liabilities	(623,820)	442,006
Deferred revenue	1,574,851	685,218
Deposits and permits	505,258	455,988
Change in non-financial assets:		
Prepaid expenses	77,160	(101,360)
	6,020,586	4,084,667
Capital Activities		
Acquisition of tangible capital assets	(2,330,994)	(713,863)
Financing Activities		
Principal repayments of long-term debt	(393,917)	(383,910)
Advances of long-term debt	329,611	20,516
	(64,306)	(363,394)
Increase in cash and cash equivalents	3,625,286	3,007,410
Cash and cash equivalents, beginning of year	8,171,229	5,163,819
Cash and cash equivalents, end of year	11,796,515	8,171,229

The accompanying notes are an integral part of these financial statements

Village of Pemberton

Notes to the Financial Statements

For the year ended December 31, 2021

The Village of Pemberton (the "Village") was incorporated as a Village in 1956 under statute of the Province of British Columbia. Its principal activities include the provision of local government services to residents of the incorporated area. These include general government, fire protection, planning and development, recreation, public works, parks and cultural services, water utility, sewer utility, and airport services.

The Village is committed to building and maintaining a village which preserves and enhances the natural environment, heritage and uniqueness of the community. The Village's objectives are to provide open, fair, and responsive government, recognizing the impact of decisions on the residents of the community; to provide opportunities for commerce and industry; and to deliver municipal services in an effective manner at a cost acceptable to the taxpayers.

Impact on operations of COVID-19

In early March 2020 the impact of the global outbreak of COVID-19 began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

Due to the on-going COVID-19 pandemic the Village experienced interruption to regular business, however the negative impact to service levels and operations were minimized in the year and mitigated through use of the COVID Restart Fund.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Village as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Village's business and financial condition.

1. Significant accounting policies

The financial statements of the Village are prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada. Significant accounting policies adopted by the Village are as follows:

(a) Reporting entity

The financial statements of the Village reflect the combination of all assets, liabilities, revenues, expenses and accumulated surplus of the Village. Inter-departmental balances and transactions have been eliminated.

The Village's government business partnership, the Speikúmtn Community Forest Limited Partnership, which is 50% owned and controlled by the Village and not dependent on the Village for their continuing operations, are included in the financial statements using the modified equity method.

The modified equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to confirm to those of the Village. Thus, the Village's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received.

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

(b) Basis of accounting

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

(c) Property tax and other revenues

Property tax revenue is recognized at the date property tax notices are issued, based on property assessment values issued by BC Assessment for the current year and tax rates established annually by bylaw. Assessments are subject to appeal and tax adjustments are recorded when the results of appeals are known.

Water and sewer user rates, connection fees, sale of services, interest and penalties are recognized as revenue in the year the related service is provided.

(d) Government transfers

Government transfers are recognized as revenue in the period the transfers are authorized and any eligibility criteria have been 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 and recognized in the statement of operations as revenue as the stipulation liabilities are settled.

(e) Deferred revenue

Deferred revenue represents development cost charges (DCCs), licenses and other fees which have been collected, but for which the related services or expense have yet to be performed or incurred. These amounts will be recognized as revenues in the fiscal year the services are performed or expenditures incurred.

(f) Investment income

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

(g) Reserves

Reserves for operating and capital purposes represent amounts reserved either internally or by statute for specific future purposes.

(h) Cash and cash equivalents

Cash and cash equivalents include cash and highly liquid investments with a term to maturity of 90 days or less at acquisition and readily convertible to cash.

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

1. Significant accounting policies (continued)

(i) Long-term debt

Long-term debt is recorded net of principal repayments and actuarial adjustments.

(j) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Village is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2021. No liability has been recorded at December 31, 2021 as no contaminated sites existed.

(k) 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.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost less residual value of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings and building improvements	5 - 50
Engineering structures	10 - 40
Machinery, equipment, and vehicles	5 - 25
Water systems	5 - 50
Sewer systems	10 - 50

Annual amortization is charged in the year of acquisition. Amortization is charged to the date the asset is sold in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

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

(iii) Natural resources

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

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

1. Significant accounting policies (continued)

(k) Non-financial assets (continued)

(iv) Works of art and cultural and historic assets

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

(v) Interest capitalization

The Village does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(l) Use of estimates

The preparation of financial statements 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 amounts of revenues and expenses during the period.

Significant estimates include assumptions used in estimating provisions for accrued liabilities, estimated useful lives of tangible capital assets, and valuation of accounts receivable.

Liabilities for contaminated sites are estimated based on the best information available regarding potential contamination where the Village is responsible.

(m) Employee future benefits

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

(n) Expenses

Expenses are recognized as they are incurred and measurable based on receipt of goods or services and/or the creation of a legal obligation to pay.

(o) Prepaid expenses

Various items are included in prepaid expenses including insurance and deposits. These items are intended to be included in expenses in the next financial reporting period and as such are not considered financial instruments.

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

2. Cash and cash equivalents

	2021	2020
Restricted cash and cash equivalents		
Development cost charges	1,773,116	1,253,569
Unrestricted cash and cash equivalents	10,023,399	6,917,660
	11,796,515	8,171,229

Cash equivalents include investments in Municipal Finance Authority Money Market Fund and term deposits.

3. Accounts receivable

	2021	2020
Trade receivables	1,052,674	1,718,587
Taxes receivable	333,492	437,312
Goods and Services Tax receivable	144,039	117,329
Utilities receivable	121,434	89,523
	1,651,639	2,362,751

4. Investments in government business partnerships

The Village has an investment in the following entity:

	2020 total investment	Share of earnings	Withdrawals	2021 total Investment
Government business partnerships:				
Speikúmtn Community Forest Limited Partnership (50% ownership)	-	245,217	-	245,217

Summary audited financial information for the Village's government business partnership, accounted for using the modified equity method, for the respective year-end is as follows:

Speikúmtn Community Forest LP as at December 31, 2021	
Assets	
Cash	399,975
Other current assets	3,117
Deferred logging and engineering	168,613
Community forest agreement	52,436
	624,141
Liabilities	
Current liabilities	63,711
Reforestation obligation	17,941
	81,202
	542,939
Total revenues	945,932
Total expenses	455,449
	490,483

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

5. Accounts payable and accrued liabilities

	2021	2020
Trade payables and accrued liabilities	907,641	658,364
Wages payable	231,276	309,176
Government remittances	111,988	907,185
	1,250,905	1,874,725

6. Deferred revenue

	December 31, 2020	Collections	Transfers	December 31, 2021
Development cost charges				
General	376,483	122,178	(948)	497,713
Water utility	25,668	101,738	(440)	126,966
Sewer utility	558,119	208,813	(930)	766,002
Parks	264,195	78,701	-	342,896
Drainage	29,104	10,434	-	39,538
	1,253,569	521,864	(2,318)	1,773,115
Deferred revenue				
Canada Community-Building Fund	682,093	342,288	(10,063)	1,014,318
Deferred grants	102,863	1,212,709	(93,433)	1,222,139
Future local improvements	488,181	-	(377,228)	110,953
Prepaid utilities and taxes	107,454	88,486	(107,454)	88,486
	1,380,591	1,643,483	(588,178)	2,435,896
	2,634,160	2,165,347	(590,496)	4,209,011

Gas tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Village and the Union of British Columbia Municipalities. Gas tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

7. Long-term debt

	2021	2020
Outstanding debt, beginning of year	4,258,763	4,728,110
Issues of debt	329,611	20,516
Repayment of debt	(393,917)	(383,910)
Actuarial reduction of debt	(110,775)	(105,953)
	4,083,682	4,258,763

Bylaw	Year Maturing	% Rate	Cash Payments		Balance Outstanding	
			Interest	Principal	2021	2020
427	2022	3.05	11,375	19,658	49,674	96,983
515	2025	1.80	19,110	85,572	552,257	680,417
580	2036	3.00	35,273	35,939	1,295,995	1,358,229
756	2024	3.00	8,100	22,488	92,378	120,834
776	2040	2.75	33,000	30,809	998,199	1,034,789
795	2036	2.10	11,204	19,856	428,118	450,466
1433	2021	Variable	87	23,690	-	23,690
N/A	2021	Variable	30	10,783	-	10,783
N/A	2027	Variable	2,117	35,632	207,650	243,282
N/A	2023	Variable	118	6,237	9,656	15,893
N/A	2023	Variable	118	6,237	9,656	15,893
N/A	2023	Variable	48	2,496	3,861	6,357
N/A	2023	Variable	70	3,559	5,848	9,407
N/A	2023	Variable	236	12,478	19,309	31,787
N/A	2023	Variable	668	35,354	54,707	90,061
N/A	2024	Variable	213	7,169	19,631	26,800
N/A	2024	Variable	354	6,192	16,944	23,136
N/A	2023	Variable	354	6,812	13,144	19,956
N/A	2026	Variable	233	4,402	40,598	-
N/A	2026	Variable	1,065	18,554	266,057	-
			123,773	393,917	4,083,682	4,258,763

The estimated aggregate repayments on long-term debt over the next five years are as follows:

2022	401,780
2023	338,126
2024	290,990
2025	661,871
2026	151,513

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

8. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2021	2020
Surplus		
Invested in tangible capital assets	27,710,164	26,395,831
Invested in government business partnerships	245,217	-
Unrestricted	442,988	727,085
	28,398,369	27,122,916
Non-statutory reserves		
General reserve	180,844	102,300
Reserves set aside by Council		
Centennial building	7,161	7,161
Capital	511,361	288,983
CAC Reserve	720,537	537,267
Recreation	917,338	302,638
Fire department	803,000	495,791
Water – general	1,310,939	1,077,753
Sewer – general	277,403	94,438
Transit	118,596	84,829
COVID Restart (<i>Note 15</i>)	694,037	883,540
	5,360,372	3,772,400
	33,939,585	30,997,616

9. Government transfers

The government transfers reported on the statement of operations are:

	2021	2020
Federal and provincial grants		
COVID Restart	-	987,000
Social assistance and community development	413,384	396,964
Miscellaneous	103,382	36,286
Capital improvements	1,484,918	24,395
Gas tax	5,299	22,227
	2,006,983	1,466,872
Other municipalities and regional districts		
Recreation services	1,010,988	921,935
Fire protection	307,233	304,847
Rescue services	89,018	80,799
Other	66,000	7,721
	1,473,239	1,315,302
Total government transfer revenues	3,480,222	2,782,174

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

10. Taxation

Taxation revenue, reported on the statement of operations, is made up of the following:

	2021	2020
Municipal and school property taxes levied	5,638,567	4,874,275
Payments in-lieu of taxes	70,589	81,461
	5,709,156	4,955,736
Less transfers to other governments		
Province of B.C. – School taxes	1,732,861	1,218,843
Squamish-Lillooet Regional District	1,251,555	1,197,857
Policing costs	272,388	262,424
B.C. Assessment Authority	60,164	56,289
Sea to Sky Regional Hospital District	42,670	34,944
Municipal Finance Authority	261	238
	3,359,899	2,770,595
Net taxation revenue available for municipal purposes	2,349,257	2,185,141

11. Commitments and contingencies

- (a) The Village of Pemberton debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the Squamish-Lillooet Regional District and each member municipality within the Regional District, including the Village of Pemberton. The loan agreements with the Regional District and the Municipal Finance Authority provide that if any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the Village.
- (b) The Village 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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Village of Pemberton paid \$225,825 (2020 - \$217,405) for employer contributions to the plan in fiscal 2021. The next valuation will be as at December 31, 2021, with results available in 2022.

11. Commitments and contingencies (continued)

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.

- (c) From time to time, the Village is brought forth as defendant in various lawsuits. The Village reviews its exposure to any potential litigation, for which it would not be covered by insurance, and assesses whether a successful claim against the Village would significantly affect the financial statements of the Village. Management has determined that potential liabilities, if any, arising from these claims will not be significant to the financial statements.
- (d) The Village is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the *Insurance Act* of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact on any subscriber. Under the Reciprocal Insurance Exchange Agreement the Village is assessed a premium and specific deductible for its claims based on population. The obligation of the Village with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint and several.

12. Segmented information

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

(i) General government

General government operations provide the functions of corporate administration, finance, human resources, legislative services, building services and maintenance, and any other functions not categorized to a specific department.

(ii) Fire protection services

The Fire department is responsible to provide fire suppression services, fire prevention programs, training and education related to prevention, and detection or extinguishment of fires.

(iii) Development and planning services

Development and planning services work to achieve the Village's goals to maintain and enhance community spirit and vitality and use of public space. It does so through official community plans, urban design, zoning and other policy initiatives.

(iv) Recreation services

Recreation services include various recreational programs, facilities and parks operations.

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

12. Segmented information (continued)

(v) Public works and parks

The public works and parks department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, the maintenance of parks and open space, and street lighting.

(vi) Water and sewer utilities

The Village is responsible for environmental programs including the engineering and operation of the potable drinking water and wastewater systems.

(vii) Airport services

The Village operates the Pemberton Regional Airport, collecting landing and lease fees and maintaining the grounds and facilities.

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments-in-lieu of taxes are allocated to the segments based on the segment's budgeted net expenditure. User charges and other revenue have been allocated to the segments based upon the segment that generated the revenue.

Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development charges earned and developer contributions received were allocated to the segment for which the charge was collected.

13. Budget data

The budget data presented in these financial statements is based upon the 2021 operating and capital budgets adopted by Council on April 13, 2021. The following table reconciles the approved budget to the budget figures reported in these financial statements.

	Budget amount
Surplus – Statement of Operations	4,412,691
Adjust for budgeted non-cash items included in statement of operations	
Amortization of tangible capital assets	1,234,066
Adjust for budgeted cash items not included in statement of operations	
Capital expenditures	(7,495,858)
Loan proceeds	420,000
Reduction in long-term debt	(229,843)
Capital equipment loans repayments	(180,538)
Transfers from Statutory Reserves	532,540
Transfers from Non-Statutory Reserves	1,399,468
Transfers to Non-Statutory Reserves	(849,908)
Transfers from Unrestricted Surplus	757,382
Total adjustments	(4,412,691)
Financial plan balance	-

14. Comparative Figures

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

Village of Pemberton
Notes to the Financial Statements
For the year ended December 31, 2021

15. Schedule of COVID Restart Fund Revenues and Disbursements

COVID-19 Safe Restart funding is provided by the Province of British Columbia. COVID-19 Safe Restart funding may be used towards designated categories that address the impacts of COVID-19. Eligible costs will include:

- addressing revenues shortfalls;
- facility reopening and operating costs;
- emergency planning and response costs;
- bylaw enforcement and protective services like fire protection and police;
- computer and other electronic technology costs (to improve interconnectivity and virtual communications);
- services for vulnerable persons (e.g. persons living with disabilities, mental illness or addictions, persons experiencing homelessness or other vulnerabilities); and
- other related costs.

Revenues under the COVID-19 Safe Restart program have been recognized when allocated to the Municipality. The Municipality continues to track the unspent amounts in the General Financial Stabilization Reserve. The continuity of this fund is presented in the table below:

	2021	2020
COVID Restart Fund, beginning of year	883,540	-
COVID Restart Fund Revenues	-	987,000
Interest earned on COVID Restart Funds	7,051	
Eligible expenses incurred:		
Capital Expenditures	102,865	-
Technology and communication expenses	58,600	45,662
Repairs and Maintenance	16,722	-
Administrative Salaries	14,567	-
Cleaning Supplies	3,800	15,690
Revenue losses	-	28,512
Additional cleaning/contractors	-	6,667
Signage	-	5,084
Advertising expenses	-	1,619
Bylaw expenses	-	226
Total eligible expenses incurred	203,605	103,460
COVID Restart Fund, end of year	694,037	883,540

Village of Pemberton
Schedule 1 - Tangible Capital Assets

For the year ended December 31, 2021

2021	Land	Buildings	Engineering Structures	Machinery, Equipment, and Vehicles	Water Systems	Sewer Systems	Assets Under Construction	Total
Cost								
Balance, beginning of year	1,996,062	2,221,160	15,897,299	4,657,475	7,074,152	13,847,032	437,234	46,130,414
Disposals and transfers	-	-	-	-	-	-	-	-
Additions	-	42,970	1,544,342	368,924	309,414	37,730	27,614	2,330,994
Balance, end of year	1,996,062	2,264,130	17,441,641	5,026,399	7,383,566	13,884,762	464,848	48,461,408
Accumulated amortization								
Balance, beginning of year	-	729,248	4,251,171	3,472,262	1,890,848	5,132,290	-	15,475,819
Amortization Expense	-	67,679	380,798	271,917	177,502	293,847	-	1,191,743
Balance, end of year	-	796,927	4,631,969	3,744,179	2,068,350	5,426,137	-	16,667,562
Net book value, end of year	1,996,062	1,467,203	12,809,672	1,282,220	5,315,216	8,458,625	464,848	31,793,846

2020	Land	Buildings	Engineering Structures	Machinery, Equipment, and Vehicles	Water Systems	Sewer Systems	Assets Under Construction	Total
Cost								
Balance, beginning of year	1,996,062	2,202,488	15,596,845	4,631,595	6,938,116	13,401,023	650,422	45,416,551
Disposals and transfers	-	-	213,188	-	-	-	(213,188)	-
Additions	-	18,672	87,266	25,880	136,036	446,009	-	713,863
Balance, end of year	1,996,062	2,221,160	15,897,299	4,657,475	7,074,152	13,847,032	437,234	46,130,414
Accumulated amortization								
Balance, beginning of year	-	663,660	3,877,868	3,217,525	1,738,089	4,842,216	-	14,339,358
Amortization Expense	-	65,588	373,303	254,737	152,759	290,074	-	1,136,461
Balance, end of year	-	729,248	4,251,171	3,472,262	1,890,848	5,132,290	-	15,475,819
Net book value, end of year	1,996,062	1,491,912	11,646,128	1,185,213	5,183,304	8,714,742	437,234	30,654,595

Included in tangible capital assets are fully depreciated assets with cost and accumulated amortization of \$1,556,945 (2020 - \$3,396,676)

Village of Pemberton

Schedule 2 - Segmented Information (Continued)

For the year ended December 31, 2021

2020	General Government	Fire Protection Services	Development and Planning Service	Public Works and Parks	Recreation	Water Utility	Sewer Utility	Airport Services	Total
Revenues									
Taxation	784,864	475,651	177,325	417,961	-	99,994	200,309	29,037	2,185,141
Water and sewer user rates	-	-	-	-	-	1,162,428	929,088	-	2,091,516
Government transfers	1,440,759	385,646	-	32,694	923,075	-	-	-	2,782,174
Other	111,289	19,274	74,144	2,578	244,324	34,796	69,316	5,154	560,875
User charges	192,528	-	331,652	-	-	-	-	52,605	576,785
Contributions	-	-	24,440	-	-	-	-	-	24,440
Penalties and interest	79,424	-	-	-	-	12,840	11,538	-	103,802
Investment income	44,680	-	-	-	1,420	648	1,243	-	47,991
Balance, end of year	2,653,544	880,571	607,561	453,233	1,168,819	1,310,706	1,211,494	86,796	8,372,724
Expenses									
Wages, salaries	638,810	360,191	232,986	544,196	479,766	483,028	516,861	41,471	3,297,309
Materials, supplies and contracted services	445,308	339,676	158,093	374,193	543,418	364,027	283,840	32,773	2,541,328
Debt servicing	5,513	11,876	-	3,792	564	51,536	74,012	-	147,293
Amortization	641,340	-	-	-	-	152,357	290,074	52,690	1,136,461
	1,730,971	711,743	391,079	922,181	1,023,748	1,050,948	1,164,787	126,934	7,122,391
Annual surplus (deficit)	922,573	168,828	216,482	(468,948)	145,071	259,758	46,707	(40,138)	1,250,333