

2024

Annual Report

castlegar.ca

CASTLEGAR





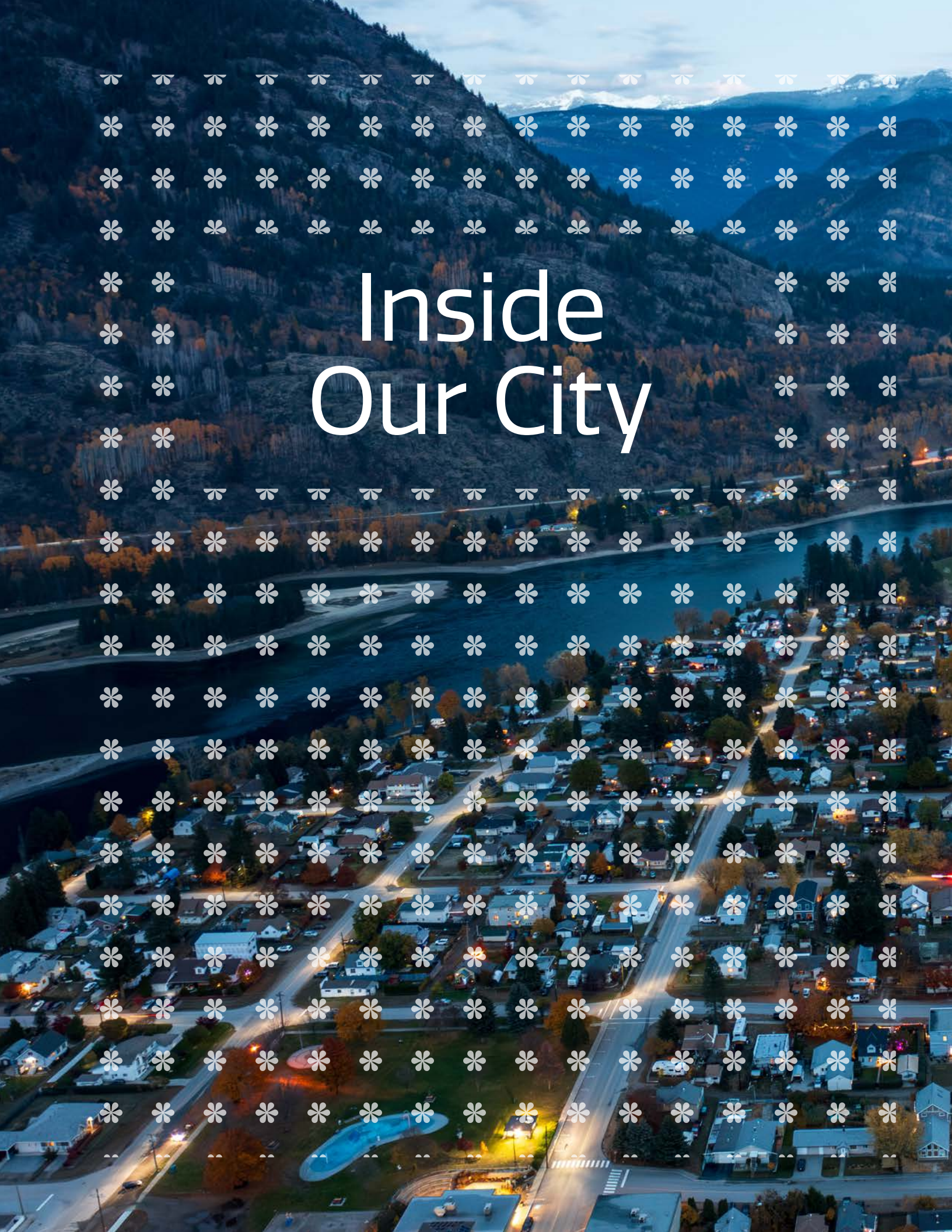
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An aerial night photograph of a city nestled in a valley. A river flows through the middle of the city, reflecting the city lights. The city is illuminated with warm yellow and orange lights, contrasting with the cool blue tones of the twilight sky and the dark, forested mountains in the background. A grid of white, stylized flower icons is overlaid on the entire image. The text "Inside Our City" is centered in the upper half of the image in a white, sans-serif font.

Inside Our City





Who We Are

Two great rivers meet at a unique place in the Southern Interior of British Columbia where people have lived for millennia, and others have brought traditions from around the world.

This is a place that values creativity, individuality, innovation, and education. It is a place of multi-generational family and love. From the converging energy of these two rivers springs the creativity and unique culture that makes the City of Castlegar an idyllic place to live, work, and grow. Creativity leads us here.

We are a population of 13,700 City and area, and a trade area of 70,000. The economy is diversified and growing, focused on forestry (Mercer-Celgar Mill, Interfor, Kalesnikoff), energy (Columbia Power, FortisBC and BC Hydro), mining (Teck), and commercial services in the City. We are the service centre within British Columbia's West Kootenay Region.

Quality of life features backcountry adventure and an increasingly dynamic urban culture, including the very popular Millennium Park & Ponds and the annual Sculpturewalk event.

The City's desirability as an affordable business and lifestyle choice will continue to grow with anticipated investments in commercial development, housing, and technology and broadband service.

City Snapshot

LOCATION

City's
elevation

450m



HOUSING



Average home value
in 2024

\$520,000

↑6% from 2023

Number of single-family
dwellings units

2,912



ECONOMY

Trade area of

70,000



TOURISM

Total visitors at
Visitor Centre

3,402



DEMOGRAPHICS

City
population

9,042





Mission

Our mission is to provide open and responsive government and well-planned and delivered services to the citizens of Castlegar.

Community Vision

Castlegar is a small city with a big heart and big ideas. It's a place where opportunity meets lifestyle. Our community is shaped through innovation: innovation in sustainability, regional servicing, and technology.

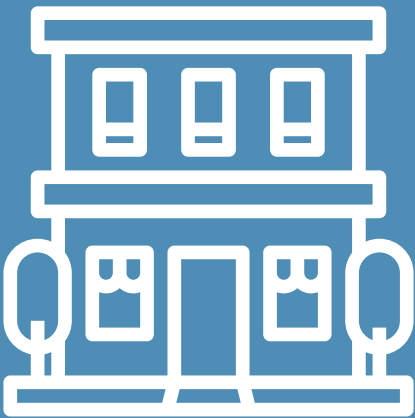
We are a community with a sense of place, created by people with purpose and passion. Surrounded by trees, mountains, and water, we have a consistently high quality landscape and local airshed.

Excellence in energy action and conservation showcases our leadership in environmental stewardship. Our economic environment is adaptable to fluctuating market conditions and attracts creative entrepreneurship.

Living is affordable, housing forms are diverse, neighbourhoods are complete and inclusive and the community is well serviced. We are a connection point that unites the region - a hub from which to explore life's adventure. Nature and technology are our enablers.

City Snapshot

DEVELOPMENT

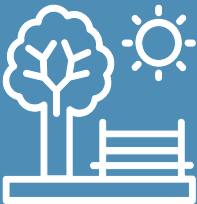


2024 Construction value
\$17,717,677



PARKS

Number of parks
in the city
23

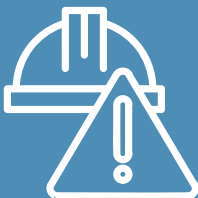


FINANCE

Total
grant revenue
\$3,250,477



DEVELOPMENT



Building permits
issued
126

DEVELOPMENT



Business
licenses issued
781

The Planning Process

Strategic planning is an important process that identifies community-level priorities. The Annual Report outlines what was achieved in relation to our stated principles, objectives and strategies.

The strategic planning process creates an opportunity for the City to reflect on what is important to the community and use that information to develop a guiding document that helps set priorities, manage resources, and track progress and successes.

The Council Strategic Plan guides what work we do for the community and how we do it. It is a critical resource when developing operational plans to guide the day-to-day work we do.



Strategic Plan Principles

PRINCIPLE 1

Governance & Service Excellence

We make difficult decisions in the best long-term interest of the community. We manage assets and infrastructure with fiscal prudence, using business-minded and long-term perspectives. Our actions are guided by community-informed master plans, which provide clarity of what we do and when and why.

ACCOMPLISHMENTS

- + Adopted Community Plan 2033 after engaging 800+ residents.
- + Administered the School District 20 Trustee Area 2 By-election.
- + Installed a Geotube Biosolids Management System at the South Sewage Treatment Plant.
- + Secured a \$10,000 grant to assess the North Well's viability as a backup water supply, supporting emergency operations and redundancy planning.
- + Approved a five-year agreement with Recycle BC, increasing incentives and reducing costs for residents.
- + Purchased a loader and vacuum truck to enhance Civic Works operations.



PRINCIPLE 2

A Future with Affordable Homes for All

We are in a housing crisis. The City of Castlegar is committed to doing everything it can to ensure the mix of housing the community needs. The City has the courage to step outside of our traditional role and take action to make housing happen. We continually minimize and reduce barriers and bureaucracy to support development.

ACCOMPLISHMENTS

- + Launched and funded an Accessory Dwelling Program to support infill development and increased housing options.
- + Adopted a new zoning bylaw to broaden housing opportunities.
- + Implemented provincial requirements for short-term accommodations.
- + Council visited the City of Salmon Arm to observe shelter services and supportive housing, gaining insights and lessons learned.
- + Extended the temporary-use permit for the emergency winter shelter for an additional season.
- + Completed the Interim Housing Needs Report, ensuring alignment with new provincial methodology.
- + Issued development approvals for 163 new housing units, of which 117 are non-market affordable units.



PRINCIPLE 3

Quality of Life

Castlegar is a community that values an exceptional quality of life. With a small-town feel, we strive to be a place that people are proud to call home, conduct their business in, and have fun in. Our community embraces diversity, and values volunteerism and social service agencies. We celebrate a natural environment that offers world-class recreational opportunities.

ACCOMPLISHMENTS

- + Completed public engagement for the Brandon Neighbourhood Park Renewal, incorporating community feedback to finalize the park's design.
- + Developed comprehensive Dog Park Best Practices guidelines, addressing noise, trespass, and safety concerns while improving design, signage, and enforcement strategies to enhance user experience and neighbour relations.
- + Completed construction of Canada's tallest castle play structure at Millennium Park & Ponds, funded partly by a \$1.2 million grant.
- + Applied for a \$50,000 grant to support the development of a Transportation Master Plan to create a roadmap for sustainable and efficient multi-modal transportation.
- + Enhanced the community group funding process to align with Council's strategic priorities, ensuring efficiency, transparency, and targeted support.
- + Secured an \$85,000 FireSmart grant and completed 34 property assessments, enabling residents to access \$39,000 in rebates for FireSmart improvements.
- + Initiated a comprehensive Fire Services Review to support new provincial requirements.
- + Council hosted community events for Canada Day and Winter Wonderland.
- + Donated the 1952 Mercury Fire Engine, Castlegar's first brand-new fire apparatus, to the Castlegar & District Heritage Society for display at the Railway Museum.





PRINCIPLE 4

West Kootenay Regional Airport Excellence

West Kootenay Regional Airport is the gateway between the West Kootenay and the world. It is a catalyst for regional economic growth and opportunities. Focused on growing and improving services, West Kootenay Regional Airport will be the choice for air travel to the West Kootenay area. We are committed to improving reliability and moving beyond the reputation of CANCELGAR. We will carefully plan for growth and development and build strategic partnerships.

ACCOMPLISHMENTS

- + Received the BC Aviation Council William Templeton Airport Award, recognizing advancements in airport development and service improvements.
- + Continued to promote Air Canada's Flight Disruption Shuttle, ensuring reliable travel options for passengers affected by weather-related cancellations.
- + Advanced the Required Navigational Performance (RNP) approach to improve flight reliability, accessibility and safety.
- + Supported the Southeast Fire Centre's expansion at the airport, strengthening wildfire response and regional emergency preparedness.
- + Completion of apron expansion and taxiway rehabilitation, increasing operational capacity to accommodate larger aircraft.
- + Purchased two airfield maintenance vehicles and one airfield tractor to improve reliability and maintain regulatory compliance.

PRINCIPLE 5

Access to Healthcare

Castlegar residents have an inherent right to healthcare. The City is dedicated to stepping outside its traditional role to ensure all residents have access to the healthcare they need – now and in the future. The City is committed to advocating for healthcare in the community and addressing emerging issues.

ACCOMPLISHMENTS

- + Provided low-cost, secure space to the Kootenay Emergency Response Physicians Association (KERPA) at the airport to support regional emergency medical services.
- + Continued to support ongoing physician recruitment efforts.
- + Collaborated with local physicians to design future primary care facilities.
- + Advocated for increased funding for primary care services.

PRINCIPLE 6

A Prosperous City

Our position as the centre of the West Kootenay creates opportunities for diverse economic growth that benefits Castlegar and the region. We are committed to creating an environment where all sizes of industry and businesses can be successful. We will carefully plan for growth and development and build strategic partnerships.

ACCOMPLISHMENTS

- + Welcomed Kalesnikoff's new facility that expands production of modular and pre-fabricated mass timber systems.
- + Established the Castlegar District Economic Development Program, fostering collaboration and coordinating regional growth.
- + Supported the Confluence, a new \$8.7 million, 8,300-square-foot multi-use building designed to drive economic growth, boost tourism, support local businesses and serve as the West Kootenay Gateway Visitor Centre.
- + Achieved consistent growth in business licences, reflecting increased business activity in the community.





Message from the Mayor

This year showed what's possible when strategic priorities and community input shape real, meaningful progress.

As we look back on 2024, I'm reminded of the strength and character that define our community. Castlegar continues to be a place where people show up, whether to share feedback, support a neighbour, contribute to decision-making, or volunteer their time to help the city grow in the right direction.

Serving as your mayor is both a responsibility and a privilege. Council remained focused on the goals outlined in our Strategic Plan, with clear priorities around housing, healthcare, the West Kootenay Regional Airport, economic development, and quality of life. These are not just issues we discuss at the Council table; they are the real, everyday challenges and opportunities our residents experience.

Community engagement was at the heart of many initiatives this year, including launching our updated Community Plan. Through events, conversations, and opportunities to "say your way to 2033," hundreds of residents shared ideas that are shaping how Castlegar will grow, protect its natural assets, and strengthen neighbourhoods over the next decade.

We also celebrated progress, reinforcing Castlegar's role as a connected, resilient, and economically vibrant community. Recognition from the BC Aviation Council underscored advancements at the West Kootenay Regional Airport, while strategic partnerships, including our work with Kalesnikoff Mass Timber, drive growth and create new opportunities for residents.

National recognition through Communities in Bloom reflected our commitment to sustainable public spaces, including enhancements at Millennium Park & Ponds. These achievements show how thoughtful planning, strong leadership, and community involvement continue to move Castlegar in the right direction.

The Annual Report provides a clear picture of the City's progress, including major projects, strategic priorities, and audited financial statements, and shows how community input continues to influence our work.

Thank you to our community members, Council, and staff for another year of moving Castlegar forward.

Regards,

Mayor Maria McFaddin





City Councillors

The City is governed by a Mayor and six Councillors, elected for a four-year term. The current Mayor and Council will serve until Fall 2026.



Councillor Darcy Bell

Darcy Bell was elected to Council in 2022. Councillor Bell is dedicated to fostering diversity, inclusion, and creative planning for the sake of his constituents, neighbours, and family – including his wife Amy, daughters, son in law and extended family in the area. He is enthusiastic about the future and what can be accomplished by Castlegar's Council.



Councillor Brian Bogle Deputy Mayor

Brian Bogle was elected to Council in 2021. Councillor Bogle and his wife moved to Castlegar in 2005. They have a daughter and a son, two granddaughters and a grandson. Councillor Bogle managed the Castlegar Safeway from 2005 to September 2019 when he retired after 43 years of service with Safeway in various locations in the Interior of BC.



Councillor Sandy Bojecho

Sandy Bojecho, a grandmother and 30-year Castlegar area resident, has actively participated in the community as a scorekeeper and billet mom for the Castlegar Rebels. As President of the West Kootenay Labour Council, she enjoys advocating for people. With a background as a paralegal and experience owning three businesses, she is dedicated to listening to and acting on behalf of her community.



Councillor Shirley Falstead

Shirley Falstead was elected in 2022 and has owned several businesses, including an organic farm, market garden, and Spruce River Research, which focuses on economic development. She has developed tourism strategies, attracted industry, and identified opportunities for communities. She is skilled in evaluating business plans and managing financial and environmental risks.



Councillor Sue Heaton-Sherstobitoff

Sue Heaton-Sherstobitoff has lived in Castlegar since 1988. She and her husband Curtis have two daughters. Councillor Heaton-Sherstobitoff has an extensive history of volunteering from chairing the Selkirk College Foundation Board, to President of Selkirk Challengers Gymnastics Club to fundraising for Juvenile Diabetes Research Foundation.



Councillor Cherryl MacLeod

Cherryl MacLeod and her husband, Murray, have four children and five grandchildren. She has been an active community volunteer, coaching sports and participating in the Parent Advisory Council, Community Justice Program, and Kootenay Festival. She enjoys gardening and baking with her grandchildren. Councillor MacLeod has worked as a Child and Youth Care Worker in the school system for 27 years.

Committees & Senior Staff

The City of Castlegar has eight Standing Committees of Council that serve as advisory bodies to Council, pursuant to the *Community Charter*. Members of Council are appointed annually by the Mayor and serve as liaisons to various community groups, organizations and societies.



Community Wellness and Social Services

- + Chair, Councillor Bell
- + Deputy Chair, Councillor Bojecho
- + Deputy Chair, Councillor Heaton-Sherstobitoff

Cultural and Civic Pride

- + Chair, Councillor Heaton-Sherstobitoff
- + Deputy Chair, Councillor Bogle
- + Deputy Chair, Councillor MacLeod

Finance & Corporate Services

- + Chair, Councillor Bogle
- + Deputy Chair, Councillor Falstead

Municipal Services

- + Chair, Councillor MacLeod
- + Deputy Chair, Councillor Bell

Stage IV Labour/Management Committee

- + Chair, Mayor McFaddin
- + Member, Councillor MacLeod
- + Member, Councillor Bogle



Senior Staff

- + Director of Finance & Chief Financial Officer, Ola Oladele
- + Director of Corporate Services, Bree Seabrook
- + Director of Municipal Services, Chris Hallam
- + Chief Administrative Officer, Chris Barlow
- + Director of Protective Services & Fire Chief, Sam Lattanzio

From the Chief Administrative Officer

2024 was a year of balancing a changing landscape while turning well-developed plans into meaningful action.

The City of Castlegar continues to be guided by strong planning, developing community-informed master plans, such as our Community Plan, Fire Services Review and Parks Plan, and implementing them to meet current and future needs. This approach ensures we respond to today's challenges and lay the foundation for a resilient tomorrow.

In a year marked by high inflation and increasing regulations from other levels of government, we maintained consistent debt levels and kept reserve amounts stable. Our Infrastructure Investment Levy, now in its sixth year of seven, has been instrumental in ensuring the City can continue investing in critical infrastructure.

The City also took steps to enhance services and use resources more effectively. The permanent closure of the Yard Waste Facility reflects the success of the curbside organics program, which has diverted 61% of household waste from the landfill. This transition streamlines operations, reduces costs, and directs staff and equipment toward other essential services that benefit the community.

Healthcare and housing remained significant priorities in 2024. We continued to advocate for improved access to primary care and collaborated with local physicians to advance plans for future healthcare facilities. These efforts complement our ongoing initiatives to address the housing crisis, reduce barriers to development, and ensure a mix of housing options that meet community needs.

I am proud to share some of the progress made in 2024:

- + Advocated for improved access to primary care and collaborated with local physicians to design future primary care facilities.
- + Adopted Community Plan 2033 following meaningful public input from more than 800 residents.
- + Approved development for 163 new homes, including 117 non-market affordable housing units.
- + Launched an Accessory Dwelling Program to encourage infill development.
- + Implemented a new zoning bylaw to support a wider mix of housing types.

- + Completed Canada's tallest castle play structure at Millennium Park & Ponds.
- + Conducted meaningful engagement to guide renewal planning for Brandson Park.
- + Installed a biosolids Geotube system at the South Sewage Treatment Plant to improve operational efficiency and environmental performance.
- + Secured funding to assess the North Well as a potential backup water source, supporting water system resilience.
- + Initiated a Fire Services Review to align with new provincial requirements and better protect our community.
- + Renewed the City's agreement with Recycle BC, reducing local costs and enhancing recycling services.
- + Completed apron expansion and taxiway rehabilitation at the West Kootenay Regional Airport.
- + Developed Dog Park Best Practices to guide future improvements and enhance the experience for residents and their pets.

Our progress this year reflects the dedication of all City staff—both those on the front lines and behind the scenes. Whether maintaining essential services, advancing complex projects, or ensuring smooth daily operations, their commitment drives our success. Together, we have created a culture of excellence that allows us to adapt and thrive despite evolving challenges.

I also want to thank Council for its leadership and Castlegar residents for their continued support and engagement.

I encourage you to explore this Annual Report and see how we invest in the community we proudly call home.

Regards,

Chris Barlow

Chief Administrative Officer



Corporate Services

The City of Castlegar's Corporate Services Department oversees Human Resources, Legislative Services (including Bylaw Enforcement), Health and Safety, and Communications.

The department ensures the effective and efficient overall management of the City's administrative operations, supporting the organization and the community.

Corporate Services provides legislative and procedural support to Council and the Chief Administrative Officer, manages protocol and legal matters, coordinates records management, publishes official notices, administers local government and school district elections, and responds to requests under the Freedom of Information and Protection of Privacy Act.

Legislative Services prepares and distributes Council agendas and minutes, maintains bylaws, policies, and contracts, enforces bylaws, and ensures City processes align with legislative requirements and best practices.

Human Resources (HR) supports approximately 70 employees through the full employment cycle from recruitment and retention initiatives, wellness and engagement, labour relations, collective agreement administration, performance management, employee recognition, job evaluations, employee compensation and benefits, and training and development.

Health and Safety develops and implements safe work procedures, coordinates safety training, conducts workplace inspections, manages return-to-work programs, and promotes employee wellness initiatives. The program also includes creating and maintaining specialized safety initiatives such as heat stress prevention, ergonomics programs, and hazard-specific response plans to ensure a safe and healthy workplace.

The department also manages the City's communications and engagement, delivering timely, accurate, and accessible information to residents and creating opportunities for meaningful public participation. This includes strategic communications planning, sharing important information, creating awareness of City initiatives and decision-making, strengthening the City's reputation, and developing engagement programs to ensure community-guided City decisions.

Key Stats



121

Reports reviewed



15

Bylaws adopted



22

Jobs posted



112+

Council meeting hours



144

Facebook posts made



497

New followers gained

2024 Accomplishments

- + Administered the School District 20 Trustee Area 2 By-Election.
- + Supported Council with agendas, minutes, and meeting materials.
- + Advanced Records Information Management through department file clean-up and alignment with Local Government Management Association (LGMA) standards.
- + Delivered communications and engagement for key projects, including Brandson Park Renewal, Liquid Waste Management Plan, and other public awareness campaigns.
- + Added a dedicated HR staff for approximately 70 employees, including recruitment, onboarding, performance planning, employee wellness benefits, and labour relations.
- + Implemented health and safety initiatives, including a Heat Stress Program.

2025 Priorities

- + Implement Phase 1 of the Electronic Records Information Management system with staff training.
- + Review and update bylaws to ensure compliance and relevance.
- + Advance the Health & Safety Program towards legislative compliance.
- + Create a new onboarding program for all staff.
- + Develop a new Bullying & Harassment program and corresponding training for all staff.
- + Deliver communications and engagement plans for priority City projects, ensuring decisions are guided by community input.
- + Maintain and use the Annual Communications Activity Calendar for cross-departmental coordination.
- + Support corporate initiatives and ensure compliance with policies, the Collective Agreement, and legislation.



Development Services

Development Services guides Castlegar's growth and evolution, ensuring the community is connected, inclusive, resilient, and sustainable. The department oversees long-range planning, land-use regulation, business licensing, building inspection, and community development initiatives. This work is grounded in the City's Community Plan and delivered through collaboration with staff, agencies, community groups, and residents.

2024 Accomplishments

- + Adopted the City's new Community Plan and Zoning Bylaw (Bylaws 1427 and 1428) in July 2024.
- + Launched the Accessory Dwelling Unit Program (ADU), which includes user-friendly web tools, guides, and in-person support to help residents build additional housing on existing lots.
- + Developed Best Practices Guidelines for dog parks in consultation with the community.
- + Completed an updated Interim Housing Needs Report aligned with new provincial requirements.

2025 Priorities

- + Monitor the Community Plan and Zoning Bylaw implementation and evaluate impacts on growth and development.
- + Promote the Accessory Dwelling Unit Program and build additional capacity to support infill housing.
- + Develop regulatory tools to support parking management in the downtown and uptown areas.
- + Continue enhancing dog park signage and public education at Millennium Park & Ponds.
- + Support new housing starts in alignment with identified community needs.

Key Stats



781

Business
Licences
issued



126

Building
permits
issued with a
construction
value of \$17.7
million



\$520k

Typical
assessed value
of a single-
family home



2nd

Building
Official
recruited to
streamline
development
approvals



Launched Accessory Dwelling Unit Program

The City launched its Accessory Dwelling Unit Program, helping property owners build attached and detached suites to increase housing supply. This initiative supports provincial direction to enable up to four units per lot in urban areas and encourages gentle infill across Castlegar's neighbourhoods. With easy-to-follow development guides, web-based resources, and direct support from staff, the program is already generating new interest, permits, and momentum toward more diverse housing options in the city.



Municipal Services

Municipal Services develops and maintains the City's infrastructure and municipal facilities.

Operational areas include roads, sewers, water, parks, fleet, facilities and solid waste. Through the technical expertise and skill of more than thirty individuals, this team implements the City's policies, and bylaws. The department plans, designs, constructs and maintains all City-owned assets with effective coordination to enhance and maintain service delivery to the community in a cost-effective manner. In addition, the department provides professional services and advice to Council, the public, and the development/building industry on a broad range of items related to planning, building, capital construction, maintenance and operations. The department provides policy and strategic advice to Council and the Chief Administrative Officer.

Key Stats



62

Permits issued for work on City lands



78

Water meter investigations



53

Fleet vehicles and heavy equipment units



7

New service install requests



5.5

Weeks repairing potholes



27

Water leaks repaired

2024 Accomplishments

- + Purchased a loader and vacuum truck to enhance Civic Works operations.
- + Installed a new UV disinfection system at the North Treatment Lagoons to improve treated wastewater quality.
- + Completed construction of Canada's tallest castle play structure at Millennium Park & Ponds, supported by a \$1.2 million grant.
- + Completed public engagement for the Brandson Neighbourhood Park Renewal.
- + Applied for a \$50,000 Transportation Master Plan grant to guide sustainable multi-modal transportation.

2025 Priorities

- + Initiate key infrastructure projects, including the South Sewage Treatment Plant (SSTP) North Train Renewal, pavement rehabilitation, and drainage improvements.
- + Implement the updated UV disinfection system at the North Treatment lagoons, update mapping, and complete the uni-directional flushing of the water system for the south end of Castlegar's drinking water distribution system.
- + Deliver upgrades to the utility SCADA system to address aging communications infrastructure and improve overall system efficiency.
- + Develop and implement the new Geospatial Information System (GIS) program.
- + Update safe work procedures and emergency response plans, and strengthen compliance with WorkSafeBC, Interior Health, and environmental standards.
- + Implement the Fleet Replacement Plan and complete priority facility condition and security assessments, ensuring City-owned assets are safe, reliable, and cost-effective.
- + Advance the Liquid Waste Management Plan (LWMP) by completing Stage 1 in 2025 and preparing for Stage 2 in 2026, ensuring long-term planning and investment in sanitary and storm sewer infrastructure.



Protective Services

Castlegar Fire Department operates out of a centrally located fire station at 2161 6th Avenue that was built in 1999 and a satellite station located at the West Kootenay Regional Airport. The department consists of a Fire Chief, two Deputy Fire Chiefs and 29 Paid-On-Call Officers and Firefighters.

This group of dedicated personnel represents the diversity of the community and works every day of the year to ensure the service provides high-quality fire protection and life safety to meet the needs of the community. Our values are diversity, respect, trust, equality, and teamwork. Our team members are our most valuable assets, and we strive for excellence.

Key Stats



876

Service calls



2

Wildfire deployments:
Argenta and
Slocan



42nd

Annual Toy
Drive donated to
Food Bank



20

Years in
Community
Safety Net fire
prevention
program



\$500

Bursary
awarded to
Stanley
Humphries
student

2024 Accomplishments

- + Completed Phase 1 of wildfire prescription and mitigation work at Millennium Park & Ponds with Selkirk College.
- + Completed a tabletop Emergency Operations Centre exercise for City staff.
- + Continued commercial and business inspections; implemented Fire Inspector and Investigator roles per the *Fire Safety Act*.
- + Participated in Fire Prevention Week's provincial contest, with Castlegar students representing 10% of all entries and one local student winning a prize for his entry.

2025 Priorities

- + Continue Phase 2 wildfire mitigation and prescription work at Millennium Park & Ponds with Selkirk College.
- + Transition FireSmart program delivery to City staff, supported by a new Wildfire Mitigation Specialist and Climate Readiness Coordinator.
- + Launch a self-compliance inspection program for low-risk businesses and develop a hazard classification system.
- + Update the Fire Services Bylaw to reflect the *Fire Safety Act*.
- + Advance implementation of the Fire Services and Emergency Management Review recommendations, including recruitment, flexible training, and a tiered Paid-On-Call compensation model.
- + Deliver further emergency and wildfire training in partnership with provincial agencies.
- + Deliver advanced training programs, including Live Fire training in Kamloops, Rescue Canada Ropes course, and First Responder Instructor certification.
- + Host S231 Engine Boss and SPP-115 Structure Protection courses with BC Wildfire Service.

Advanced wildfire mitigation efforts in Millennium Park

In 2024, the Castlegar Fire Department and Selkirk College advanced wildfire mitigation efforts in Millennium Park. This multi-phase partnership includes hands-on student learning, expert prescription work, and fire risk reduction in one of Castlegar's most beloved green spaces. Phase 1 was completed in 2024, and work will continue over the next few years, demonstrating the City's leadership in wildfire preparedness and educational collaboration.



West Kootenay Regional Airport

The West Kootenay Regional Airport is owned and operated by the City of Castlegar.

The Airport provides vital air travel services to the entire West Kootenay region and is a key driver of regional economic development. The airport supports commercial air travel, general aviation, medevac services, and wildfire response through the Southeast Fire Centre. Focused on improving reliability, enhancing passenger experience, and planning for growth, the West Kootenay Regional Airport is the region's connection to the world.

Key Stats



95%

Winter reliability when factoring in the Air Canada bus service



2024

Completed Apron rehabilitation and taxiway extension



32,219

Total passengers

2024 Accomplishments

- + Achieved 97.5% same-itinerary completion with the continuation of Air Canada's Flight Disruption Shuttle (bus).
- + Received the BC Aviation Council's William Templeton Airport Award for development and service advancements.
- + Acquired two new airfield vehicles and a tractor to improve operational reliability and regulatory compliance.
- + Completed apron rehabilitation and taxiway extension to accommodate larger Q400 aircraft.
- + Benchmarked carbon emissions to support future grant applications for green infrastructure.
- + Supported Southeast Fire Centre expansion to enhance regional wildfire response and emergency preparedness.
- + Established an internal team and project charter for terminal building expansion planning.

2025 Priorities

- + Begin detailed design and procurement for the terminal building redevelopment.
- + Advance Required Navigational Performance (RNP) regulatory approvals with industry partners.
- + Modernize the airport certification program to streamline compliance.
- + Implement findings from the Airport Service Quality (ASQ) survey to improve the passenger experience.
- + Continue to explore long-term lease opportunities for premium airside land.
- + Finalize a general aviation development concept to attract investment.
- + Pursue grant funding aligned with green infrastructure and emission reduction goals.



Awarded the William Templeton Airport Award.

In 2024, the West Kootenay Regional Airport was honoured with the William Templeton Airport Award from the BC Aviation Council. This prestigious award recognizes outstanding achievement in the development of a community airport and reflects years of strategic effort to improve reliability, infrastructure, and passenger experience. The award celebrates projects like the Air Canada Flight Disruption Shuttle, ongoing RNP advancement, and the soon-to-begin terminal expansion—solidifying the airport's role as a regional connector and catalyst for economic opportunity.

Finance & Technology

The Finance and Technology Department provides financial expertise, risk management, technology systems, and guidance to support all City operations.

The Finance and Technology Department provides financial expertise, risk management, technology systems, and guidance to support all City operations. In addition to leading process improvements, it sets and maintains best financial and security practices, policies and standards. This department's core services include: accounting services, budgeting, long-range financial planning, revenue services, procurement & risk management, network security, asset management, and business software development.

2024 Technology Accomplishments

- + Upgraded all City computers to Windows 11 with new hardware.
- + Renewed mobility contracts, reducing roaming charges and improving cellular service.
- + Upgraded backup server for faster and more reliable data recovery.
- + Replaced phone system hardware and software to ensure consistent, high-quality communication.
- + Continued implementation of the City's IT Master Plan, led by a Managed Service Provider, Sea to Sky.

2025 Technology Priorities

- + Complete the transition to SharePoint as part of the Records Information Management system.
- + Replace firewall and switch equipment to improve internet security and network reliability.
- + Upgrade security camera server for municipal facilities.
- + Replace remaining aging laptops and access points to support mobile work and wireless connectivity.
- + Continue implementation of the IT Master Plan with oversight from a virtual Chief Information Officer.

Key Stats



72

Computers maintained



17

Servers



40

Smart phones and tablets maintained



85

Office phones maintained



22

Printers maintained



13,465

Utility Bills



3,159

Active Utility accounts



3,979

Property Tax notices

2024 Finance Accomplishments

- + Converted Columbia Avenue Phase 2 project borrowing to long-term debt, securing a lower interest rate of 4.03%.
- + Enhanced the community group funding process, aligning support with Council's strategic priorities, and improving transparency and efficiency.
- + Continued implementation of the Finance Workplan, including progress on procurement policy updates, accounts payable modernization, and initial steps toward automating financial reporting.

2025 Finance Priorities

- + Update Procurement Policy 3-1 to modernize the City's centralized purchasing processes and ensure consistency, transparency, and alignment with best practices.
- + Develop an Asset Disposal policy to guide the responsible and cost-effective management of surplus or end-of-life City assets.
- + Introduce a Credit Card policy that establishes clear standards for usage, monitoring, and accountability to strengthen financial controls.
- + Streamline the accounts payable process by implementing automation tools, improving efficiency, accuracy, and turnaround times.
- + Review and update the stormwater funding model to create a sustainable long-term approach for maintaining infrastructure and meeting asset renewal needs.
- + Finalize and execute new service agreements for community groups to provide clarity, accountability, and alignment with Council's strategic funding priorities.
- + Develop a Tax Class Distribution policy to ensure a fair, transparent, and well-researched allocation of property tax revenues across all property classes.



Financial Statements

Year Ended December 31, 2024



The City of Castlegar
Management Report
For the Year Ended December 31, 2024

RESPONSIBILITY FOR FINANCIAL REPORTING

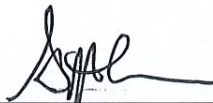
Management is responsible for the preparation of the accompanying financial statements. The financial statements have been prepared in accordance with the accounting principles disclosed in Note 1 and include amounts that are based on estimates and judgments. Management believes that the financial statements fairly present the City of Castlegar's financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgments relating to matters not concluded by fiscal year-end, is the responsibility of management. The financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that the City of Castlegar's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of the financial statements.

The independent external auditors, Doane Grant Thornton LLP, have been appointed by Council to express an opinion as to whether the financial statements present fairly, in all material respects, the City of Castlegar's financial position, results of operations, and changes in net financial assets in conformity with the accounting principles disclosed in Note 1 to the financial statements. The report of Doane Grant Thornton LLP follows and outlines the scope of their examination and their opinion on the financial statements.



Chris Barlow
Chief Administrative Officer



Steffan Klassen
Director of Finance and IT



Independent Auditor's Report

Doane Grant Thornton LLP
 4 – 615 Columbia Ave
 Castlegar, BC
 V1N 1G9

T +1 250 365 7745
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www.DoaneGrantThornton.ca

To the Mayor and Council of
 City of Castlegar

Opinion

We have audited the financial statements of City of Castlegar (the "City"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of City of Castlegar as at December 31, 2024, and its results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. Schedules 1 – 3 are presented for purposes of additional analysis and are not a required part of the financial statements. Such supplemental information has not been subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

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

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

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

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

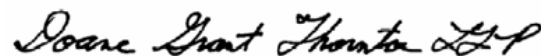
Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



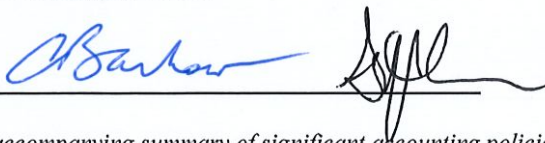
Castlegar, Canada
August 25, 2025

Chartered Professional Accountants

CITY OF CASTLEGAR
Statement of Financial Position

As at December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and investment deposits, note 1	\$ 21,385,443	\$ 22,119,192
Taxes and accounts receivable, note 2	7,034,754	4,831,411
Deposit - municipal finance authority, note 3	110,902	110,902
	28,531,099	27,061,505
LIABILITIES		
Accounts payable and accrued liabilities, note 5	4,658,286	3,199,337
Deferred revenue, note 6	3,397,159	3,240,770
Holdbacks, refundable, and other deposits	966,692	719,949
Equipment financing loans, note 7	2,976,032	-
Reserve - municipal finance authority, note 3	110,902	110,902
Long term debt, note 7	12,741,178	11,951,852
Asset retirement obligations, note 21	1,321,156	1,321,156
	26,171,405	20,543,966
NET FINANCIAL ASSETS	2,359,694	6,517,539
NON FINANCIAL ASSETS		
Tangible capital assets, note 13	87,944,575	79,679,698
Work in progress, note 14	1,708,762	3,601,695
Inventory of supplies	124,073	124,073
Prepaid expenses	282,319	213,104
	90,059,729	83,618,570
ACCUMULATED SURPLUS, note 9	\$ 92,419,423	\$ 90,136,109
Contingencies, note 4		
Commitments, note 17		
Segmented Information, note 18		
Contractual Rights, note 20		



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

CITY OF CASTLEGAR**Statement of Operations**

For the Year Ended December 31, 2024

	Budget 2024 note 19	Actual 2024	Actual 2023
REVENUES			
Taxation, note 10	\$ 12,600,207	\$ 12,890,855	\$ 12,083,707
Government transfers, note 16	8,775,444	3,250,477	6,730,802
Fees and service charges, note 10	5,477,774	7,044,300	6,377,075
Community works funding	585,000	443,073	429,851
Developer contributions	-	2,094,807	166,195
Other revenue	1,307,800	1,383,464	1,128,229
Gain on sale of tangible capital assets	-	64,634	4,710
Interest and other investment income	130,760	1,229,975	1,230,552
	28,876,985	28,401,585	28,151,121
EXPENSES, note 15			
General government	3,990,538	3,860,525	3,578,291
Environmental development	1,042,151	674,852	831,207
Transportation and civic works	3,812,763	4,085,150	3,501,218
Waste disposal and recycling	1,293,547	1,170,033	1,280,045
Protection	3,558,867	4,467,776	3,620,517
Public health and welfare	230,810	179,795	308,462
Recreation and culture	1,725,461	1,871,201	1,502,049
Water system	1,593,471	1,431,719	1,350,242
Sewer system	1,439,067	1,383,152	1,486,466
Storm system	193,132	196,728	113,476
Airport	1,599,918	1,670,707	1,579,082
Interest on long term debt and agreements payable	3,000	604,981	530,077
Amortization	3,862,000	4,521,652	4,414,957
Accretion, note 21	-	-	56,892
	24,344,725	26,118,271	24,152,981
Annual surplus	4,532,260	2,283,314	3,998,140
Accumulated surplus, beginning of year	90,136,109	90,136,109	86,137,969
Accumulated surplus, end of year, note 9	\$ 94,668,369	\$ 92,419,423	\$ 90,136,109

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

CITY OF CASTLEGAR**Statement of Change in Net Financial Assets**

For the Year Ended December 31, 2024

	Budget 2024 note 19	Actual 2024	Actual 2023
Annual surplus	\$ 4,532,260	\$ 2,283,314	\$ 3,998,140
Acquisition of tangible capital assets	(19,090,042)	(12,956,409)	(2,570,252)
Work in progress, construction of tangible capital assets	-	1,892,933	(1,669,534)
Amortization of tangible capital assets	3,862,000	4,521,652	4,414,957
Proceeds on sale of tangible capital assets	-	234,514	10,369
(Gain) on disposition of tangible capital assets	-	(64,634)	(4,710)
Change in prepaid expense	-	(69,215)	(78,844)
Increase (Decrease) in Net Financial Assets	(10,695,782)	(4,157,845)	4,100,126
Net Financial Assets, beginning of year	6,517,539	6,517,539	2,417,413
Net Financial Assets, end of year	\$ (4,178,243)	\$ 2,359,694	\$ 6,517,539

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

CITY OF CASTLEGAR
Statement of Cash Flows

For the Year Ended December 31, 2024

	2024	2023
Cash provided by (used for) :		
Operating Activities		
Annual surplus	\$ 2,283,314	\$ 3,998,140
Change in non cash items:		
Amortization	4,521,652	4,414,957
Gain on disposition of tangible capital assets	(64,634)	(4,710)
Increase in pre-paid expenses	(69,215)	(78,844)
Change in financial assets and liabilities:		
Increase in taxes and accounts receivable	(2,203,343)	(2,404,982)
Increase (decrease) in accounts payable and accrued liabilities	1,458,949	(1,178,804)
Increase in deferred revenue	156,389	524,239
Increase in holdbacks, refundable and other deposits Increase	246,743	169,720
Increase in asset retirement obligations	-	56,892
	6,329,855	5,496,608
Investing Activities		
Acquisition of tangible capital assets and work in progress	(11,063,476)	(4,239,786)
Proceeds from sale of tangible capital assets	234,514	10,369
	(10,828,962)	(4,229,417)
Financing activities		
Proceeds from temporary borrowing	5,000,000	-
Repayment of temporary borrowing	(5,000,000)	-
Proceeds from long-term borrowing	1,000,000	-
Repayment of long-term borrowing	(210,674)	(205,139)
Proceeds from equipment financing	3,054,018	-
Repayment of equipment financing	(77,986)	-
	3,765,358	(205,139)
(Decrease) increase in cash	(733,749)	1,062,052
Cash and investment deposits, beginning of year	22,119,192	21,057,140
Cash and investment deposits, end of year	\$ 21,385,443	\$ 22,119,192

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

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

Nature of Operations

The Corporation of the City of Castlegar (the "City") is incorporated by Letters Patent under the laws of British Columbia and its principal activities include the provision of local government services to residents of the incorporated area. These include administrative, protective, infrastructure, environmental, planning, building, recreational, waterworks, sanitary sewer and storm services.

Significant Accounting Policies

The following is a summary of significant accounting policies of the City:

a) Basis of Presentation

The financial statements of the City of Castlegar are the responsibility of, and prepared by, management in accordance with Canadian Public Sector Accounting Standards (PSAS). The financial statements include the result of operations for all functions.

b) Investment deposits are recorded at cost.

c) Inventories are recorded at the lower of cost, determined on a first in, first out basis, or replacement cost.

d) Tangible capital assets

Purchased or constructed tangible capital assets are recorded at cost in the period they are put into use. The cost of a tangible capital asset includes the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation, insurance costs, and duties. Contributed tangible capital assets are recorded at fair value at the date of the contribution. Amortization is provided on a straight-line basis over their estimated useful lives, as follows:

Asset	Rate
Buildings	10 - 70 years
Roads and road features	15 - 50 years
Water	10 - 60 years
Storm sewers	40 - 50 years
Parks and recreation	5 - 25 years
Traffic control and lighting including airport hazard beacons	15 years
Vehicles and equipment	6 - 25 years
Sanitary sewers	5 - 50 years
Fibre optics cable	20 years
Furniture and office equipment	10 years
Technology and computer equipment	5 - 10 years
Other	5 - 40 years

Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life of an asset and enhance the service potential of capital assets are capitalized.

When a tangible capital asset no longer contributes to the City's ability to provide services, its carrying amount is written down to its residual value with no reversals of such write downs in subsequent periods.

The City holds and maintains a collection of nineteen sculptures as works of art. Works of art, artifacts, cultural and historical assets are not recorded as assets in the financial statements.

e) Use of Estimates

The preparation of financial statements in accordance with Canadian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as disclosure of contingent assets and liabilities in the financial statements. Actual results may differ from these estimated amounts. Significant areas requiring the use of management estimates include the determination of the estimated useful life of tangible capital assets, asset retirement obligations, and accrued liabilities included in accounts payable and accrued liabilities.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

Significant Accounting Policies (continued)

f) Financial Instruments

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses (if applicable). Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged, cancelled or expire.

The City's financial instruments consist of cash and investment deposits; taxes and accounts receivable; accounts payable and accrued liabilities; holdbacks, refundable, and other deposits; long term debt; and asset retirement obligations.

g) Expenses

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

h) Budget Figures

The budget figures are from the Annual Five Year Financial Plan Bylaw adopted by May 15 of each year. Subsequent amendments to the Five Year Financial Plan may have been made by Council to reflect budgetary changes as required by Council.

i) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting.

j) Revenue recognition

Unrestricted grants and contributions are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted grants or contributions received under funding agreements which relate to a subsequent period are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met, is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred.

Taxation revenue is recognized as revenue in the year it is levied. Fees and service charges and other revenue are recognized when the services are rendered.

Community works funding is recognized when received or receivable.

Interest and other investment income is recorded on the accrual basis and recognized when earned.

Transactions where goods or services are provided for consideration include performance obligations to a specific payor. Revenue from these transactions is recognized as the performance obligations are satisfied. Transactions without performance obligations are recognized when the revenue is received or receivable.

k) Government transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

l) Contaminated sites

Accrued liabilities for the costs to remediate a contaminated site are recognized when an environmental standard exists, contamination exceeds the standard, the City has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities including, sites that are no longer in productive use and sites which the City accepts responsibility. There are no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized as at December 31, 2024.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

Significant Accounting Policies (continued)

m) Asset Retirement Obligation

A liability is recognized when, as at the financial reporting date:

- (a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) the past transaction or event giving rise to the liability has occurred;
- (c) it is expected that future economic benefits will be given up; and
- (d) a reasonable estimate of the amount can be made.

The liability for the removal of asbestos and other hazardous material in several of the buildings owned by the City has been initially recognized using the modified retroactive method. The liability has been measured using a discount rate equal to MFA's long term lending rate. The resulting costs have been capitalized into the carrying amount of tangible capital assets and are being amortized on the same basis as the related tangible capital asset. Assumptions used in the calculations are reviewed annually.

1 Cash and Investment Deposits

Cash and investment deposits are held in Canadian Chartered Bank current bank accounts earning interest at a rate of prime minus 1.75% and in a short-term Municipal Finance Authority (MFA) money market fund. Included in cash and investment deposits is \$2,771,883 (2023 - \$2,199,752) held for statutory reserves.

The Canada Deposit Insurance Corporation (CDIC) insures each of the Canadian Chartered Bank current accounts up to \$100,000. The aggregate funds held in one account may exceed the CDIC insured limit from time to time and funds held by the institution may not be covered by CDIC insurance. The MFA money market funds are not insured. Management does not anticipate any material effect on the financial position of the City as a result of this concentration.

2 Taxes and Accounts Receivable

	2024	2023
Taxes, current	\$ 441,418	\$ 668,764
Taxes, arrears	224,885	168,829
Province of British Columbia	(7,583)	(7,271)
Federal Government	263,374	166,273
Other Receivables	6,112,660	3,834,816
	<u>\$ 7,034,754</u>	<u>\$ 4,831,411</u>

3 Deposit and Reserve - Municipal Finance Authority

The City issues its debt instruments through the MFA. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the MFA as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The details of the cash deposits and demand notes at year end are as follows:

	2024	2023
Demand notes	\$ 69,387	\$ 69,387
Cash deposits	41,515	41,515
	<u>\$ 110,902</u>	<u>\$ 110,902</u>

4 Contingencies

Regional District of Central Kootenay Debt

Regional District debt is, under the provisions of the *Local Government Act* and the *Community Charter*, a direct joint and severable liability of the District and each City within the District, including the City of Castlegar.

Claims for Damages

Certain claims, suits, and complaints arising in the ordinary course of operations have been filed or are pending against the City of Castlegar. The City cannot predict, with any certainty, the outcome of such litigation. Management is of the opinion, based upon information presently available, that it is unlikely that any liability, to the extent not provided through insurance or otherwise, would be material in relation to the City's financial position.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

5 Accounts Payable and Accrued Liabilities

	2024	2023
Province of British Columbia	\$ 63,094	\$ 28,841
Regional and other levels of government	31,880	210,636
Other payables	3,506,152	1,971,700
Wages, vacation, sick and banked liabilities	1,057,160	988,160
	\$ 4,658,286	\$ 3,199,337

6 Deferred Revenue

a)

	2024	2023
Development cost charges, note 11	\$ 2,160,618	\$ 2,117,108
Prepaid taxes	1,004,183	1,020,081
Prepaid utility rates	78,884	47,273
Other	153,474	56,308
	\$ 3,397,159	\$ 3,240,770

b) Restricted flows

In "Other" Deferred Revenue is certain government transfers with certain restrictions that have not been realized in fiscal 2024. Deferred Revenues will be recognized in the year that the approved project is undertaken. The following provides a summary of funds received that are included in "Other" Deferred Revenue on the Statement of Financial Position.

	FireSmart Community	Next Generation 911	Local Government Housing Initiative	Various small grants
December 31, 2023	\$ 26,126	\$ 22,500	\$ -	\$ 7,682
Externally restricted inflows	-	-	189,154	4,800
Revenue earned	(26,126)	-	(67,952)	(2,710)
December 31, 2024	\$ -	\$ 22,500	\$ 121,202	\$ 9,772

7 Equipment Financing Loans, Long-Term Debt and Temporary Borrowing

a) Equipment Financing Loans

Equipment financing loans are demand loans payable to the MFA in monthly installments with an interest rate based on the Canadian Dealer Offered Rate, which at December 31, 2024 was 4.05%. They are repayable in blended monthly principal and interest payments and are approved under section 175 of the Community Charter. The following equipment loans are outstanding:

	2024	2023
Monthly installments of \$2,769, maturing in 2029	\$ 133,984	\$ -
Monthly installments of \$2,621, maturing in 2029	134,782	-
Monthly installments of \$8,936, maturing in 2029	460,625	-
Monthly installments of \$11,952, maturing in 2029	645,018	-
Monthly installments of \$11,453, maturing in 2029	1,601,623	-
	\$ 2,976,032	\$ -

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

7 Equipment Financing Loans, Long-Term Debt and Temporary Borrowing (continued)

b) Long-Term Debt and Temporary Borrowing

The City issues debt instruments through the MFA, pursuant to loan security issuing bylaws under the authority of section 179 of the Local Government Act, to finance certain capital expenditures. Debenture debt principal is disclosed net of sinking fund balances managed by the MFA. Interest on long-term debt is charged on the original issue amount of the loan throughout the term of the loan.

The City has temporary borrowing through the MFA. Temporary borrowing financing agreements provide cash flow for ongoing projects, with a maximum term of five years during which the regular principal payments are not required. These loans must either be repaid or converted to long-term borrowing through a debenture issue at maturity, with interest at a variable rate calculated daily and payable monthly. The interest rate as at December 31, 2024 was 4.05% (2023 - 5.61%).

	2024	2023
Temporary borrowing repayable to MFA, matures in the year 2026	\$ 6,200,000	6,200,000
Debenture debt repayable to the MFA through semi annual payments of \$41,790 in April (principal & interest) and \$9,648 in October (interest only). The existing debenture matures in the year 2041 and annual interest payable is \$19,297	702,089	735,694
Debenture debt repayable to the MFA through semi annual payments of \$40,267 in April (principal & interest) and \$13,608 in October (interest only). The existing debenture matures in the year 2042 and annual interest payable is \$27,216	767,720	799,553
Debenture debt repayable to the MFA through semi annual payments of \$124,884 in April (principal & interest) and \$40,782 in October (interest only). The existing debenture matures in the year 2044 and annual interest payable is \$81,564	2,619,791	2,714,449
Debenture debt repayable to the MFA through semi annual payments of \$67,658 in April (principal & interest) and \$19,280 in October (interest only). The existing debenture matures in the year 2046 and annual interest payable is \$38,560	1,451,578	1,502,156
Non-interest bearing grant repayable to Columbia Basin Trust through annual payments of \$40,000 beginning in October 2026. The repayable grant matures in the year 2050	1,000,000	-
	\$ 12,741,178	\$ 11,951,852

c) Future Payments

Future minimum principal payments and actuarial additions on the equipment financing loans, long-term debt and temporary borrowing for the next five years and thereafter, including actuarial adjustments, are due as follows:

	Principal
2025	\$ 570,640
2026	6,831,582
2027	650,345
2028	669,537
2029	1,755,829
Thereafter and actuarial	5,239,277
	\$ 15,717,210

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

8 Reserve Funds

	2024	2023
<u>Statutory reserves, note 9</u>		
Cemetery Maintenance Fund	\$ 449,270	\$ 422,741
Regional Infrastructure	603,850	512,800
Property Tax Sale	(3,612)	(3,613)
Equipment Replacement	1,309,193	954,710
Parkland Acquisition	389,721	426,442
Cemetery Replacement Fund	14,146	18,906
Community Works Fund	672,322	1,435,576
Land Sale	388,069	210,107
	<u>3,822,959</u>	<u>3,977,669</u>
<u>Operating reserves, note 9</u>		
General fund	9,155,652	8,889,636
Water fund	5,268,692	4,659,230
Sewer fund	866,045	1,506,185
Storm fund	2,246,927	1,864,182
Airport fund	707,902	(29,205)
	<u>18,245,218</u>	<u>16,890,028</u>
	<u>\$ 22,068,177</u>	<u>\$ 20,867,697</u>

Statutory reserves funds represent amounts that are restricted by the Community Charter and associated Municipal Bylaws. The funds are set aside for the specific purpose stipulated and can only be used for this purpose.

Operating reserves represent amounts that are set aside for anticipated future expenditures. The funds are not governed by bylaw and are not restricted.

9 Accumulated surplus

	2024	2023
Equity in tangible capital assets	\$ 72,614,971	\$ 70,008,385
Statutory reserve funds, note 8	3,822,959	3,977,669
Operating reserve funds, note 8	18,245,218	16,890,028
Current funds	(2,263,725)	(739,973)
	<u>\$ 92,419,423</u>	<u>\$ 90,136,109</u>

Equity in tangible capital assets represents the net book value of total tangible capital assets, plus work in progress, less long term debt obligations assumed to acquire tangible capital assets and asset retirement obligations.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

10 Taxation and Fees and Services Revenues

Taxation and fees and services revenues comprise the following amounts raised:

	2024		2023	
Collection for City purposes:				
General	\$	11,376,540	38%	\$ 10,613,075
Parcel Tax		537,150	2%	537,979
Grants in lieu of taxes		977,165	3%	932,653
		12,890,855	44%	12,083,707
Waste disposal fees		970,742	3%	509,573
Other fees and service charges		704,352	2%	837,627
Water utility fees		2,352,333	8%	2,291,512
Sewer utility fees		1,826,953	6%	1,719,459
Airport fees		1,189,920	4%	1,018,904
		7,044,300	23%	6,377,075
Total for City purposes	\$	19,935,155	67%	\$ 18,460,782

The City is required to collect taxes on behalf of and transfer to the following government agencies:

Province of BC - School taxes				
Residential	\$	2,770,661	9%	\$ 2,725,020
Non-residential		2,409,620	8%	2,264,625
		5,180,281	17%	4,989,645
Regional District of Central Kootenay		4,041,964	14%	3,650,938
Regional Hospital Districts		452,676	2%	448,661
B.C. Assessment Authority		161,947	1%	155,731
Municipal Finance Authority		578	0%	559
		4,657,164	16%	4,255,889
Total for Other Governments		9,837,445	33%	9,245,534
Total Taxation	\$	29,772,600	100%	\$ 27,706,316

11 Development Cost Charges

The City collects development cost charges in accordance with the Local Government Act and the City's Development Cost Charge Bylaw. These funds must be used for specific purposes as stipulated by the Local Government Act and the Municipal Development Cost Charges Bylaw.

	Total	Road	Water	Sewer	Drainage
Balance, beginning of year	\$ 2,117,108	\$ 1,110,488	\$ 303,474	\$ 614,407	\$ 60,877
Interest earned	77,934	41,187	11,255	22,786	2,258
Contributions	43,039	26,205	5,670	10,058	73
Expenditures	(77,463)	(77,463)	-	-	-
Balance, end of year	\$ 2,160,618	\$ 1,100,417	\$ 320,399	\$ 647,251	\$ 63,208

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

12 Pension Liability

The City of Castlegar 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, 2023, the plan has about 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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 next valuation will be as at December 31, 2024, with results available in 2025.

The City of Castlegar paid \$545,045 (2023 - \$473,879) for employer contributions to the plan in fiscal 2024.

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.

CITY OF CASTLEGAR
Notes to the Financial Statements
For the Year Ended December 31, 2024

Note 13: Schedule of Tangible Capital Assets - As at December 31, 2024

	Land	Buildings	Equipment / Furniture / Vehicles	Engineering Structures				Other Tangible Capital Assets	2024 Total
				Water	Sewer	Roads	Drainage		
COST									
Opening Balance	\$ 14,551,410	\$ 18,598,762	\$ 15,278,517	\$ 32,716,070	\$ 26,760,272	\$ 45,699,501	\$ 9,466,190	\$ 7,031,276	\$ 170,101,998
Add: Additions	102,000	134,530	1,373,105	617,958	1,749,960	6,923,611	245,481	1,809,764	12,956,409
Less: Disposals	76,716	-	166,869	-	-	-	-	-	243,585
Closing Balance	14,576,694	18,733,292	16,484,753	33,334,028	28,510,232	52,623,112	9,711,671	8,841,040	182,814,822
ACCUMULATED AMORTIZATION									
Opening Balance	-	11,387,163	10,421,551	18,298,287	17,056,030	22,839,662	5,929,228	4,490,379	90,422,300
Add: Amortization	-	739,427	988,005	720,438	540,824	1,040,774	128,526	363,658	4,521,652
Less: Acc. Amortization on Disposals	-	-	73,705	-	-	-	-	-	73,705
Closing Balance	-	12,126,590	11,335,851	19,018,725	17,596,854	23,880,436	6,057,754	4,854,037	94,870,247
Net Book Value for year ended December 31, 2024	\$ 14,576,694	\$ 6,606,702	\$ 5,148,902	\$ 14,315,303	\$ 10,913,378	\$ 28,742,676	\$ 3,653,917	\$ 3,987,003	\$ 87,944,575
Net Book Value year ended December 31, 2023	\$ 14,833,054	\$ 7,576,987	\$ 4,298,508	\$ 15,336,048	\$ 10,950,612	\$ 23,464,397	\$ 3,500,384	\$ 3,206,991	\$ 79,679,698

CITY OF CASTLEGAR
Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 13: Schedule of Tangible Capital Assets - As at December 31, 2023

	Land	Buildings	Equipment / Furniture / Vehicles	Engineering Structures				Other Tangible Capital Assets	2023 Total
				Water	Sewer	Roads	Drainage		
COST									
Opening Balance	\$ 14,551,410	\$ 18,420,668	\$ 13,805,557	\$ 32,200,827	\$ 26,760,272	\$ 45,646,481	\$ 9,466,190	\$ 7,031,276	\$ 167,882,681
Add: Additions	-	297,730	1,549,417	670,085	-	53,020	-	-	2,570,252
Less: Disposals	-	119,636	76,457	154,842	-	-	-	-	350,935
Closing Balance	14,551,410	18,598,762	15,278,517	32,716,070	26,760,272	45,699,501	9,466,190	7,031,276	170,101,998
ACCUMULATED AMORTIZATION									
Opening Balance	-	10,922,327	9,584,764	17,555,012	16,398,397	21,910,637	5,816,816	4,164,666	86,352,619
Add: Amortization	-	578,813	913,244	898,117	657,633	929,025	112,412	325,713	4,414,957
Less: Acc. Amortization on Disposals	-	113,977	76,457	154,842	-	-	-	-	345,276
Closing Balance	-	11,387,163	10,421,551	18,298,287	17,056,030	22,839,662	5,929,228	4,490,379	90,422,300
Net Book Value for year ended December 31, 2023	\$ 14,551,410	\$ 7,211,599	\$ 4,856,966	\$ 14,417,783	\$ 9,704,242	\$ 22,859,839	\$ 3,536,962	\$ 2,540,897	\$ 79,679,698
Net Book Value year ended December 31, 2022	\$ 14,551,410	\$ 7,223,039	\$ 4,220,793	\$ 14,639,170	\$ 10,362,143	\$ 23,735,844	\$ 3,649,374	\$ 2,866,610	\$ 81,530,062

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

14 Work in progress

Work in progress are tangible capital assets that are not being amortized because they are under construction. Work in progress will be included in the tangible capital asset inventory and amortized when the project is complete and operating at full capacity. The book values of work in progress and their expected in-service dates are as follows:

	2024	2023	Expected in-service date
Airport Required Navigational Performance	\$ 895,047	\$ 896,045	2025
Columbia Ave Phase III	269,336	267,404	2029
South Sewage Treatment Plant N. Train Reinstatement	201,694	44,328	2025
Airport Terminal Expansion	70,480	9,859	2027
Brandson Memorial Park Upgrades	62,892	-	2025
Blueberry Fire System Upgrades	37,290	37,290	2026
Airport Groundside Entrance Improvement	36,696	-	2028
North Sewer Lagoon Safety Fence	33,760	33,760	2025
2nd and 5th Avenue Storm Sewer	24,603	24,603	2025
2nd Ave Wall and Road Upgrade	20,921	20,921	2025
SCADA Upgrades	11,029	-	2025
Airport Land Plan	10,007	10,007	2025
Schulte Crescent Storm Project	9,011	9,011	2025
Highland Booster	7,568	7,568	2025
Civic Works Washbay & Pipe Racks	6,173	6,173	2025
Carpenters' Bay Vacuum System	6,000	6,000	2025
South Sewage Treatment Plant Cover All Building	3,780	3,780	2025
Irrigation Upgrades	1,565	1,565	2025
Drainage Improvements	910	910	2025
Millennium Park & Ponds Upgrade Phase III	-	1,368,870	
Park Pumphouse MCC Upgrades	-	227,364	
Airport Apron Expansion	-	167,332	
Orchard Avenue Phase II	-	109,062	
Lift Station Kiosk	-	105,710	
Ventilation Upgrades	-	66,150	
Taxiway B Expansion	-	61,052	
Geotubes Construction	-	60,029	
North Lagoon UV Disinfection System	-	56,902	
	\$ 1,708,762	\$ 3,601,695	

15 Expenses by Object

	2024	2023
Salary, wages and taxable employee benefits	\$ 8,537,655	\$ 7,400,631
Materials, goods, utilities, services, contracts	12,453,983	11,750,424
Accretion	-	56,892
Amortization	4,521,652	4,414,957
Interest on long term debt and agreements payable	604,981	530,077
Total Expenses	\$ 26,118,271	\$ 24,152,981

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

16 Government Transfers

In 2024, the City received and recorded as revenue the following transfers:

	2024	2023
<u>Provincial Unconditional Transfers</u>		
Small Community Grant	\$ 493,100	\$ 450,000
Climate Action Revenue Incentive Program	281,527	96,082
Traffic Fine Revenue Sharing Grant	71,000	62,000
	<u>845,627</u>	<u>608,082</u>
<u>Provincial Conditional Transfers</u>		
Airports Capital Assistance Program	\$ 1,660,069	\$ -
Canada Community-Building Fund	90,781	9,859
Local Government Housing Initiative	67,952	-
FireSmart	47,374	-
UBCM - ADU Program	45,000	-
Indigenous Engagement Requirements Funding	40,000	-
Investing in Canada Infrastructure Program	39,633	1,408,714
Canada Day Fund	4,000	-
Growing Communities Fund	-	3,094,000
2022 Strengthening Communities' Services	-	106,289
Strengthening Communities' Services	-	18,915
Housing Needs Report	-	10,834
	<u>1,994,809</u>	<u>4,648,611</u>
<u>Federal Conditional Transfers</u>		
Municipal Asset Management Program	\$ 11,880	\$ 29,304
Airports Capital Assistance Program	-	167,333
	<u>11,880</u>	<u>196,637</u>
<u>Regional and Other External Conditional Transfers</u>		
Other Conditional Transfers	\$ 398,161	\$ 381,639
Clean BC - Organic Infrastructure and Collection Program	-	895,833
	<u>398,161</u>	<u>1,277,472</u>
Total Government Transfers	\$ 3,250,477	\$ 6,730,802

17 Contracts and Commitments

a) West Kootenay Regional Airport

In October 2021, the City of Castlegar and Dexterra Integrated Facilities Management entered into a five year agreement to operate and maintain the West Kootenay Regional Airport.

The terms of the contract require that Dexterra Integrated Facilities Management provide all labour, materials, superintendence and other services necessary to provide operations and maintenance services at the Airport.

Minimum payments required under the contract with Dexterra Integrated Facilities Management are as follows:

Year	Amount
2025	\$ 687,563
2026	583,962

c) Capital Projects

The City has purchase and service contracts related to current capital projects, valued at \$251,012, plus taxes.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

18 Segmented Information

The City of Castlegar is a diversified municipal government institution that provides a wide range of services to its citizens such as police, fire, water, sewer and roads maintenance. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government Services:

This item is related to the revenues and expenses that relate to the operations of the Municipality itself and cannot be directly attributed to specific segments.

Protection Services:

Protection Services is comprised of police services, fire protection, municipal emergency programming, building inspection and animal control. The police services department is responsible for ensuring the safety of the lives and property of citizens, preserving the peace and good order, preventing crimes from occurring, detecting offenders, and enforcing the law. Police services are contracted, under a Municipal Police Service Agreement with the Province of British Columbia, to the Royal Canadian Mounted Police. The Fire Department is responsible for providing fire suppression services, fire prevention programs, training and education. The members of the fire department consist of a Fire Chief, a Deputy Fire Chief and a number of volunteer fire fighters. Building inspection ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards, and by-laws for the protection of occupants.

Transportation and Civic Works:

The Department of Transportation and Civic Works is responsible for the delivery of municipal public works services relating to the development and maintenance of roadway systems, the maintenance and development of parks and open space, street lighting, and storm sewer systems.

Waste Disposal and Recycling:

Waste disposal and recycling consists of providing waste disposal services to citizens.

Public Health and Welfare:

Public Health and Welfare consists of the operation, maintenance, and development of a public cemetery and community health care initiatives.

Environmental Development Services:

The Environmental Development Services Department provides a diverse bundle of services such as city planning, urban development for business interests, environmental concerns, and downtown planning. It facilitates economic development by providing services for the approval of all land development plans, and the application and enforcement of zoning by-laws. It processes building permits and business licenses, develops the City's geographic information systems and provides by-law enforcement services.

Recreation and Cultural Services:

The municipality owns facilities which house The Castlegar and District Heritage Museum, The Kootenay Gallery of Arts, The Doukhobor Discovery Centre and The Castlegar and District Public Library. The City also provides funding to these organizations. The Recreation and Cultural Services also provides maintenance of City parks.

Water, Sewer and Storm:

The Water Service provides the City's drinking water. The Sewer Service processes and cleans sewage. The Storm Services provides storm water drainage.

Airport:

The City owns and operates the West Kootenay Regional Airport. Operation and maintenance of the Airport is contracted to a third party (note 17).

CITY OF CASTLEGAR
Notes to the Financial Statements

For the Year Ended December 31, 2024

Note 18: Schedule of Segment Disclosure - For the Year Ended December 31, 2024

	General Government Services	Protection Services	Transportation and Civic Works	Waste Disposal and Recycling	Public Health and Welfare	Environmental Development Services	Recreation and Cultural Services	Water, Sewer & Storm	Airport	2024 Total
Taxation	\$ 2,857,794	\$ 4,075,611	\$ 3,903,488	\$ -	\$ 109,868	\$ 75,854	\$ 1,868,240	\$ -	\$ -	12,890,855
Government grants	-	611,475	43,580	-	14,799	434,479	393,633	-	1,752,511	3,250,477
Community works funding	443,073	-	-	-	-	-	-	-	-	443,073
Fees and charges	261,651	69,432	3,528	1,135,026	40,938	164,519	-	4,179,286	1,189,920	7,044,300
Other revenue	1,345,283	74,560	2,108,872	-	14,190	-	-	-	-	3,542,905
Interest, actuarial, other income	1,000,754	-	-	-	-	-	-	205,086	24,134	1,229,975
	5,908,555	4,831,078	6,059,468	1,135,026	179,795	674,852	2,261,873	4,384,374	2,966,565	28,401,585
Salaries and benefits	2,423,275	1,436,360	1,828,479	32,975	127,218	405,838	682,809	1,418,485	182,215	8,537,655
Goods and services	1,437,250	3,031,416	2,256,671	1,137,058	52,577	269,014	1,188,392	1,593,114	1,488,492	12,453,983
Interest and other charges	51,903	213,865	339,212	-	-	-	-	-	-	604,981
Accretion	-	-	-	-	-	-	-	-	-	-
Amortization	729,011	149,437	1,635,106	-	-	-	390,672	1,389,788	227,638	4,521,652
	4,641,439	4,831,078	6,059,468	1,170,033	179,795	674,852	2,261,873	4,401,387	1,898,345	26,118,271
Annual Surplus (Deficit)	\$ 1,267,115	\$ -	\$ -	\$ (35,007)	\$ -	\$ -	\$ -	\$ (17,013)	\$ 1,068,220	\$ 2,283,314

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

19 Budget

The Financial Plan (Budget) By-Law adopted by Council on February 20, 2024 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result the budget figures presented in the statements of operations and change in net financial assets (debt) represent the Financial Plan adopted by Council on February 20, 2024 with adjustments as follows:

	2024
Financial Plan (budget) Bylaw surplus for the year	\$ -
Budgeted Transfers	(2,437,311)
Amortization	(3,862,000)
Debt Proceeds	(7,482,171)
Capital expenditures	19,090,042
Internal Recharges	(776,300)
Budgeted surplus per statement of operations	\$ 4,532,260

20 Contractual Rights

The City has leased multiple properties to third parties with the following terms:

Lease Expiry Date	Minimum Annual Lease Payment
June 30, 2027	\$ 477,243
November 30, 2027	44,396
February 28, 2025	39,440
April 1, 2054	38,244
July 31, 2025	12,968

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

21 Asset Retirement Obligations

Legal liabilities exist for the removal and disposal of asbestos and other environmentally hazardous materials within some City owned buildings that will undergo major renovations or demolition in the future. The obligation has been measured at a discount rate of 4.45% (2023 - 4.50%), MFA's long term lending rate. These costs have been capitalized as part of the assets' carrying value and are amortized over the assets' estimated useful lives.

	2024	2023
Opening balance	\$ 1,321,156	\$ -
Initial recognition of expected discounted cash flows	-	1,264,264
Adjustment to present value (accretion)	-	56,892
Asset Retirement Obligations, closing balance	\$ 1,321,156	\$ 1,321,156

The liability is estimated using a present value technique that discount the expected future expenditures. The discount rate used was based on the average Municipal Finance Authority's long term borrowing rate of 4.45% (2023 - 4.50%). The total undiscounted expenditures and the time period over which they are expected to be incurred is as follows:

2025 - 2030	\$ 1,023,495
2031 - 2040	459,705
2041 and beyond	282,520
Asset Retirement Obligations, undiscounted	\$ 1,765,720

22 Financial Instruments

a) Credit Risk

Credit risk is the risk of financial loss to the City if a debtor fails to discharge their obligation (e.g., pay the accounts receivable owing to the City). The City is exposed to this risk arising from its cash, investments, grants receivable and accounts receivable. The City holds its cash accounts with a federally regulated chartered bank who is insured by the Canadian Deposit Insurance Corporation. In the event of default, the City's cash accounts are insured up to \$100,000 (2023 - \$100,000).

Accounts receivable is primarily due from government, corporations and individuals. The City mitigates credit risk by regular submission of reporting requirements for grant installments to be paid within six months to a year of the grant approval. Property tax receivable risk is mitigated by regular notification to the residents of outstanding amounts and ultimately tax sale for recovery, if necessary. If an accounts receivable is held for a long period of time, an impairment allowance is setup to offset the receivable. There were no changes in exposures to credit risk during the period. The amounts outstanding at year end were as follows:

	2024	2023
Due from other governments (current)	\$ 255,791	\$ 159,002
Taxes receivable (current)	666,303	837,593
Other receivables (current)	6,112,660	3,834,816
Total	\$ 7,034,754	\$ 4,831,411

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

Financial Instruments (continued)

b) Liquidity Risk

Liquidity risk is the risk that the City will not be able to meet all cash outflow obligations as they come due. The City mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The following table sets out the expected maturities, representing undiscounted cash-flows of its financial liabilities:

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Accounts payable \$	4,309,792 \$	- \$	- \$	348,494 \$	4,658,286
Debt	570,640	6,831,582	1,319,882	6,995,106	15,717,210
Total	\$ 4,880,432	\$ 6,831,582	\$ 1,319,882	\$ 7,343,600	\$ 20,375,496

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

c) 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 City operates within the constraints of the investment guidelines in section 183 of the Community Charter, which puts limits on the types of investments the City may invest in. The Section permits the City's funds to be invested in securities of the Municipal Finance Authority; specified pool investments; securities issued by the Government of Canada, a Canadian province, municipality, or regional district; improvements guaranteed by a chartered bank; and deposits in savings institutions or non-equity membership shares of a credit union.

d) Currency risk

During the year, the City became exposed to currency risk when it entered into transactions in United States Dollar (USD). Management monitors exchange rates and the markets and may make use of derivative contracts if it expects the exchange rates to fluctuate significantly.

e) Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The City is exposed to this risk through its interest-bearing investments and debt. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

f) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial statement will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk). The City is not exposed to other price risk as the City does not have any investments or equity instruments.

CITY OF CASTLEGAR

Notes to the Financial Statements

For the Year Ended December 31, 2024

23 Change in Accounting Policy

Effective January 1, 2024, the City adopted new Public Sector Accounting Standards PS 3400 Revenue. This section establishes standards on how to account for and report on revenue. The standard was applied prospectively and had no impact on the comparative figures.

CITY OF CASTLEGAR
Reserve Fund Balance Sheets

Schedule 1

Unaudited

As at December 31, 2024

	Regional Infrastructure		Community Works Fund		Equipment Replacement		Parkland Acquisition		Land Sales	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
ASSETS										
Cash and deposits	\$ 537,619	\$ 478,708	\$ -	\$ -	\$ 995,084	\$ 748,809	\$ 447,714	\$ 413,558	\$ 329,410	\$ 170,428
Due from other funds	66,231	34,092	672,321	1,435,575	314,109	205,901	(57,993)	12,884	58,658	39,679
	603,850	512,800	672,321	1,435,575	1,309,193	954,710	389,721	426,442	388,069	210,107
LIABILITIES AND FUND BALANCES										
Fund Balances										
Balance, beginning of year	512,800	426,334	1,435,575	1,391,169	954,710	1,049,199	426,442	392,841	210,107	(48,396)
Contributions	50,000	50,000	443,073	429,851	947,066	337,300	-	-	291,642	252,437
Interest on investments	41,050	36,466	114,918	118,993	40,373	37,797	34,137	33,601	11,204	6,066
Sale of Assets	-	-	-	-	-	-	-	-	-	-
Transfers to operating funds	-	-	-	-	-	-	-	-	-	-
Transfers to capital funds	-	-	(1,321,245)	(504,438)	(632,956)	(469,586)	(70,858)	-	(124,884)	-
Balance, end of year	\$ 603,850	\$ 512,800	\$ 672,321	\$ 1,435,575	\$ 1,309,193	\$ 954,710	\$ 389,721	\$ 426,442	\$ 388,069	\$ 210,107

CITY OF CASTLEGAR
Reserve Fund Balance Sheets
Unaudited
As at December 31, 2024

	Property Tax Sale		Cemetery Maintenance		Cemetery Replacement		Total
	2024	2023	2024	2023	2024	2023	2023
ASSETS							
Cash and deposits	25 \$	24 \$	442,923 \$	388,045 \$	19,107 \$	178 \$	2,199,750 \$
Due from other funds	(3,637)	(3,637)	6,348	34,696	(4,960)	18,728	1,777,919
	(3,612)	(3,613)	449,271	422,741	14,146	18,906	3,977,669
LIABILITIES AND FUND B							
Fund Balances							
Balance, beginning of year	(3,613)	(3,614)	422,741	396,211	18,906	12,252	3,615,996
Contributions	-	-	-	-	-	-	1,069,588
Interest on investments	1	1	19,585	19,585	200	8	252,517
Sale of Assets	-	-	6,945	6,945	7,245	6,965	13,910
Transfers to operating funds	-	-	-	-	-	-	-
Transfers to capital funds	-	-	-	-	(12,205)	(319)	(974,343)
Balance, end of year	\$ (3,612)	\$ (3,613)	\$ 449,271	\$ 422,741	\$ 14,146	\$ 18,906	\$ 3,977,668

CITY OF CASTLEGAR
Growing Communities Fund Grant

Schedule 2

For the Year Ended December 31, 2024

	Actual 2024	Actual 2023
Opening Balance	\$ 3,219,875	\$ -
Grant funding received	-	3,094,000
Interest earned	163,785	125,875
Airport Required Navigational Performance License	(206,441)	-
South Sewage Treatment Plant Geotube System	(616,385)	-
Closing Balance	\$ 2,560,835	\$ 3,219,875

CITY OF CASTLEGAR
Local Government Housing Initiatives Grant

Schedule 3

For the Year Ended December 31, 2024

	Actual 2024	Actual 2023
Opening Balance	\$ -	\$ -
Grant funding received	189,154	-
Zoning Bylaw	(59,252)	-
Parking Regulatory Review	(8,700)	-
Closing Balance (deferred revenue)	\$ 121,202	\$ -



Permissive Tax Exemptions Granted for 2024

Total tax levy exemption for Castlegar and other authorities (unaudited)

ORGANIZATION	Total Exemption	Municipal Portion of Exemption
Places of Public Worship		
St Peter Lutheran Church of Castlegar	964	486
Synod of the Diocese of Kootenay	1,154	582
Pentecostal Assemblies of Canada	1,628	821
Trustee's of the Congregation of Castlegar-Kinnaird Pastoral Charge	1,767	891
Trustees of the Congregation of Kinnaird Church of God	1,161	586
Trustees for the Castlegar South Congregation of Jehovah's Witnesses	1,190	600
Castlegar Baptist Church	956	482
Calvary Baptist Church in Castlegar/Kinnaird Park Community Church	2,679	1,352
	\$11,499	\$5,800
Community Housing Organizations		
Castlegar Villa Society	3,026	1,394
Kootenay Society for Community Living	8,981	5,453
Kootenay Society for Community Living	3,149	1,451
Kootenay Society for Community Living	2,803	1,291
Kootenay Society for Community Living	3,846	1,772
Kootenay Society for Community Living	3,605	1,661
Woodland Park Housing Co-Operative	12,313	5,671
	\$37,723	\$18,693
Community Service Organizations		
Kootenay Family Place	1,067	491
Kootenay Family Place	296	180
Kootenay Family Place	9,179	5,574
British Columbia Society for the Prevention of Cruelty to Animals	22,605	13,727
Castlegar & District Hospital Auxiliary	10,672	6,480
Circle of Indigenous Nations Society	2,373	1,197
Blueberry Creek Community School Council	27,303	16,580
Blueberry Creek Community School Council	942	434
Freedom Quest Youth Services Society	8,511	5,168
	\$82,948	\$49,831

ORGANIZATION	Total Exemption	Municipal Portion of Exemption
Regional Health Board		
Interior Health Authority	8,014	4,866
Interior Health Authority	18,989	11,531
	\$27,003	\$16,398
Recreation and Not for Profit		
Portuguese Social Centre Society	1,001	505
Association of West Kootenay Rock Climbers	568	196
Fortis BC Energy Inc. – Terasen BTW Park	13,258	8,051
	\$14,827	\$8,752
Cultural Organizations		
Castlegar and District Heritage Society	3,415	2,074
Castlegar and District Heritage Society	1,185	720
Castlegar and District Heritage Society	3,204	1,616
Kootenay Doukhobor Historical Society (Doukhobor Village)	25,406	15,428
Kootenay Gallery of Art, History and Science Society	6,017	3,654
Castlegar and District Chamber of Commerce	31,080	18,873
	\$70,307	\$42,365
City Water Supply/Partnership Agreement		
Zellstoff Celgar Ltd.	6,240	5,419
	\$6,240	\$5,419
Corporation Vetted for Non-Profit Status		
CTN Labor Holding Ltd – Kinnaird Hall	8,609	5,228
	\$8,609	\$5,228
Total Permissive Tax Exemptions for 2024	\$259,156	\$152,485





CASTLEGAR

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