



Village of Tahsis

Statement of Financial Information

For the Year Ended December 31, 2023

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Audited Financial Statements

VILLAGE OF TAHSIS Financial Statements December 31, 2023

VILLAGE OF TAHSIS

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December 31, 2023

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MANAGEMENT REPORT

December 31, 2023

The Mayor and Council of the Village of Tahsis has delegated the responsibility for the integrity and objectivity of the financial information contained in the financial statements to the management of the Village of Tahsis. The financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for preparation of the financial statements. These systems are monitored and evaluated by management.

Village of Tahsis's independent auditors, Chan Nowosad Boates Inc., Chartered Professional Accountants, are engaged to express an opinion as to whether these financial statements present fairly the Village of Tahsis' financial position and operating results in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards. These statements present, in all significant respects the financial position of the Village of Tahsis as at December 31, 2023.



Mark Tatchell
Chief Administrative Officer



Adia Mavrikos, CPA, CA
Director of Finance

May 7, 2023



INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Village of Tahsis,

Opinion

We have audited the financial statements of the Village of Tahsis (the "Village"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2023, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

Chan Nowosad Boates Inc

Chan Nowosad Boates Inc.
Campbell River, BC

May 7, 2024

VILLAGE OF TAHSIS

Statement of Financial Position

December 31, 2023

2023

2022

FINANCIAL ASSETS

Cash	\$ 1,088,382	\$ 375,528
Portfolio Investments (Note 3)	2,075,402	1,976,570
Accounts Receivable (Note 4)	865,392	409,882
Taxes and User Fees Receivable	220,262	131,054
	<u>4,249,438</u>	<u>2,893,034</u>

LIABILITIES

Accounts Payable and Accrued Liabilities	471,607	185,782
Asset Retirement Obligation (Note 5)	1,452,365	-
Deferred Grants and Unearned Revenue (Note 6)	1,318,303	790,269
Contaminated Site Remediation (Note 7)	56,700	56,700
	<u>3,298,975</u>	<u>1,032,751</u>

NET FINANCIAL ASSETS

950,463

1,860,283

NON-FINANCIAL ASSETS

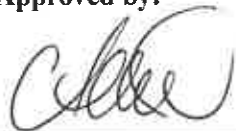
Tangible Capital Assets (Note 8)	12,386,771	9,641,661
Prepaid Expenses	71,208	63,179
	<u>12,457,979</u>	<u>9,704,840</u>

ACCUMULATED SURPLUS (Note 12)

\$ 13,408,442

\$ 11,565,123

Approved by:



Director of Finance



Mayor

VILLAGE OF TAHSIS

Statement of Operations

Year Ended December 31, 2023

	2023		2022
	Budget	Actual	
	(Note 13)		
Revenues (Schedules 2 and 3)			
Taxation	\$ 854,641	\$ 853,616	\$ 816,885
Utility Connection Fees and User Rates	407,000	422,594	411,529
Government Grants (Schedule 1)	1,328,840	2,985,986	1,318,024
Fee and Services Charges	329,939	245,898	182,042
Other Revenues	31,750	341,995	111,328
	<u>2,952,170</u>	<u>4,850,089</u>	<u>2,839,808</u>
Expenditures (Schedules 2 and 3)			
General Departmental Expenditures	3,037,864	2,631,588	2,011,762
Water System Operations	168,739	203,197	200,843
Sewer System Operations	152,457	171,985	145,359
	<u>3,359,060</u>	<u>3,006,770</u>	<u>2,357,964</u>
Annual Surplus (Deficit)	<u>\$ (406,890)</u>	1,843,319	481,844
Accumulated Surplus - Beginning of Year		<u>11,565,123</u>	<u>11,083,279</u>
Accumulated Surplus - End of Year		<u>\$13,408,442</u>	<u>\$11,565,123</u>

VILLAGE OF TAHSIS

Statement of Change in Net Financial Assets

Year Ended December 31, 2023

	2023		2022
	Budget	Actual	
	(Note 13)		
Annual Surplus (Deficit)	\$ (406,890)	\$ 1,843,319	\$ 481,844
Acquisition of Tangible Capital Assets	-	(2,114,216)	(699,409)
Recognition of Asset Retirement Obligation Asset	-	(1,396,647)	-
Amortization of Tangible Capital Assets	410,866	424,435	410,866
Amortization of Asset Retirement Obligation	-	189,999	-
Use of Prepaid Expenses	-	(8,029)	(1,211)
Transfer of Work in Progress to Tangible Capital Assets	-	151,319	-
	<u>\$ 3,976</u>	<u>(909,820)</u>	<u>192,090</u>
Net Financial Assets - Beginning of Year		<u>1,860,283</u>	<u>1,668,193</u>
Net Financial Assets - End of Year		<u>\$ 950,463</u>	<u>\$ 1,860,283</u>

VILLAGE OF TAHSIS

Statement of Cash Flows

Year Ended December 31, 2023

2023

2022

Cash Flows From Operating Activities:

Annual Surplus	\$ 1,843,319	\$ 481,844
Non-Cash Transactions		
Gain on Disposal of Tangible Capital Assets	-	(7,551)
Amortization of Tangible Capital Assets	424,435	410,866
Amortization of Asset Retirement Obligations	189,999	-
Recognition of ARO Asset	<u>1,452,365</u>	<u>-</u>
	3,910,118	885,159
Changes in Non-Cash Operating Balances		
Accounts and Taxes Receivable	(544,718)	(323,271)
Accounts Payable and Accrued Liabilities	285,825	(158,756)
Demand Loan	-	(160,000)
Deferred Grants and Unearned Revenue	528,034	103,635
Prepaid Expenses	(8,029)	(1,211)
Recognition of ARO Liability	<u>(1,396,647)</u>	<u>-</u>
	<u>2,774,583</u>	<u>345,556</u>

Cash Flows From Capital Activities:

Proceeds on Disposal of Tangible Capital Assets	-	7,551
Purchase of Tangible Capital Assets	<u>(1,962,897)</u>	<u>(699,409)</u>
	<u>(1,962,897)</u>	<u>(691,858)</u>

Cash Flows From Investing Activities:

Redemption of Portfolio Investments	<u>(98,832)</u>	<u>7,936</u>
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Increase (Decrease) in Cash and Cash Equivalents 712,854 (338,366)

Cash and Cash Equivalents - Beginning of Year 375,528 713,894

Cash and Cash Equivalents - End of Year \$ 1,088,382 \$ 375,528

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

The Village of Tahsis (the "Village") is a municipality in the province of British Columbia and operates under the provisions of the Community Charter. Its principal activities are the provision of local government services to the residents of the Village. These services include fire protection, public works, planning, parks and recreation, water distribution and sewer collection and other general government services.

1. Significant Accounting Policies:

a) Basis of Presentation

The Village prepares its financial statements in accordance with Canadian public sector accounting standards using guidelines developed by the Public Sector Accounting Board ("PSAB") for the Chartered Professional Accountants of Canada.

b) Portfolio Investments

Portfolio investments are comprised entirely of Municipal Finance Authority of British Columbia (the "MFA") pooled investments including money market, intermediate and short-term bond funds. Portfolio investments are recorded at fair value.

c) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Amortization is recorded on a straight-line basis over the estimated useful life of the tangible capital asset commencing once the asset is in use. Donated tangible capital assets are recorded at fair value at the time of the donation.

Estimated useful lives of tangible capital assets are as follows:

Buildings	20 to 40 years
Machinery and Equipment	5 to 20 years
Roads and Bridges	30 to 50 years
Drainage	30 to 50 years
Water Infrastructure	30 to 50 years
Sewer Infrastructure	30 to 50 years

d) Collection of Taxes on Behalf of Other Taxation Authorities

The Village collects taxation on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these financial statements.

e) Revenue Recognition and Deferred Grants

Taxes are recorded at estimated amounts when they meet the addition of an asset, have been authorized and the taxable event occurs. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The affects of these adjustments on taxes are recognized at the time they are awarded.

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

1. Significant Accounting Policies (continued):

e) Revenue Recognition and Deferred Grants (continued)

Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government transfers, which include legislative grants, are recognized in the financial statements when received if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Sale of services and other revenue is recognized on an accrual basis as earned.

f) Financial Instruments

Financial instruments consist of cash and portfolio investments, accounts receivable, taxes and user fees receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

g) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period.

Significant areas requiring the use of management estimates include the collectability of accounts receivable, valuation of investments, estimates of contingent liabilities, the provision for amortization and the estimation of potential environmental liabilities and asset retirement obligations. Actual results could differ from management's best estimates as additional information becomes available in the future.

h) Contaminated Sites

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

Management has assessed its potential liabilities for contaminated sites including sites that are no longer in productive use and sites for which the Village accepts responsibility. At this point in time the Village has identified one contaminated site that is described further in Note 6.

i) Asset Retirement Obligations

The Village recognizes a liability for an asset retirement obligation when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. The liability is adjusted yearly for accretion expense.

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

2. Implementation of New Accounting Standard:

On January 1, 2023, the Village adopted Public Sector Standard PS 3280 – Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets. The Village determined that the removal of asbestos in Village owned buildings and structures and the decommissioning of well's, waste water plants and wharf's would result in asset retirement obligations. This standard was adopted on the prospective application basis at the date of adoption. Under the prospective application method, assets in productive use recognize an increase in the carrying amount of the related tangible capital asset by the same amount of the estimated asset retirement obligation liability at January 1, 2023.

3. Portfolio Investments:

	<u>2023</u>	<u>2022</u>
Short-Term Bond Funds	\$ 629,105	\$ 597,210
Intermediate Bond Funds	678,082	646,984
Money Market Funds	<u>768,215</u>	<u>732,376</u>
	<u>\$ 2,075,402</u>	<u>\$ 1,976,570</u>

4. Accounts Receivable:

	<u>2023</u>	<u>2022</u>
GST Receivable	\$ 57,007	\$ 19,471
Accounts Receivable	816,447	398,473
Allowance for Doubtful Accounts	<u>(8,062)</u>	<u>(8,062)</u>
	<u>\$ 865,392</u>	<u>\$ 409,882</u>

5. Asset Retirement Obligation:

The Village has a number of buildings, water wells, waste water treatment plants, underground assets and a dock that are still in use which have a legal remediation requirement associated with them at the completion of their use. The Village has estimated removal and remediation costs for these assets to have a present value of \$1,452,365 at December 31, 2023. These costs, and the associated liability have been discounted by estimating their remaining useful lives and the timing of the remediation costs.

The identified asset retirement costs are amortized using the straight-line method over the estimated remaining useful lives of the associated assets. The Village has an estimated period for replacement or retirement of 10-30 years from recognition of the obligation at January 1, 2023. Amortization expense of \$189,969 of the asset retirement obligation was recognized during the year ending December 31, 2023 as well an accretion expense of \$55,758.

6. Deferred Grants and Unearned Revenue:

	<u>2023</u>	<u>2022</u>
Deferred Rental Revenue	\$ 1,174	\$ 3,192
Other Grants	<u>1,317,129</u>	<u>787,077</u>
	<u>\$ 1,318,303</u>	<u>\$ 790,269</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

7. Contaminated Site Remediation:

A parcel of land that was previously used as a seaplane base has been under the ownership of the Village since 2009. In 1995, it was noted there were contaminate concentrations in the soil at the sea plane base and the site was registered as a contaminated site. An environmental assessment carried out by the Federal Government in November 2018 on an adjacent property determined that there were still minimal levels of petroleum hydrocarbons and polychromatic hydrocarbons, but they were at such a level that the site would no longer be considered to be contaminated. The site, however, remains on the registered contaminated site listing.

To remove the site from the registered contaminated site listing to allow for building on the property or alternatively the future sale of the property, it is estimated by management that the total cost to obtain the report that would allow for deregistration as a contaminated site is \$56,700. The Village has recognized the liability for this amount which was recorded as an expenditure during the year ended December 31, 2017.

8. Tangible Capital Assets:

	Cost					Accumulated Amortization				Net Book Value	
	Opening	Additions	ARO	Transfers	Closing	Opening	Amort	Amort ARO	Closing	2023	2022
Land	\$ 1,321,122	\$ 56,809	-	-	\$ 1,377,931	\$ -	\$ -	\$ -	\$ -	\$ 1,377,931	\$ 1,321,122
Buildings	4,073,537	10,870	665,764	-	4,750,171	3,419,464	110,722	76,513	3,606,699	1,143,472	654,073
Machinery and Equipment	2,285,034	-	-	-	2,285,034	1,821,539	62,734	-	1,884,273	400,761	463,495
Roads and Bridges	7,335,996	-	-	-	7,335,996	4,294,920	105,014	-	4,399,934	2,936,062	3,041,076
Drainage	1,074,992	1,430,831	-	-	2,505,823	284,399	44,994	-	329,393	2,176,430	790,593
Other	291,286	9,369	-	-	300,655	188,877	5,806	-	194,683	105,972	102,409
Water Infrastructure	3,223,001	-	179,350	-	3,402,351	1,367,564	53,961	8,231	1,429,756	1,972,595	1,855,437
Sewer Infrastructure	3,698,444	-	551,533	-	4,249,977	2,839,921	41,204	105,255	2,986,380	1,263,597	858,523
Work in Progress	554,933	606,337	-	151,319	1,009,951	-	-	-	-	1,009,951	554,933
	<u>\$23,858,345</u>	<u>\$ 2,114,216</u>	<u>\$ 1,396,647</u>	<u>\$ 151,319</u>	<u>\$27,217,889</u>	<u>\$14,216,684</u>	<u>\$ 424,435</u>	<u>\$ 189,999</u>	<u>\$14,831,118</u>	<u>\$12,386,771</u>	<u>\$ 9,641,661</u>

9. Collections for Other Governments:

The Village is required to collect taxes on behalf of citizens and transfer these amounts to the governments and/or its agencies noted below. These sums are not included in the schedules to these financial statements or in the reported revenues and expenses of the Village.

	Actual 2023	Actual 2022
General Municipal Purposes	\$ 854,238	\$ 816,485
Collections for Other Governments		
Strathcona Regional District	12,890	12,700
Province of British Columbia - School Tax	235,282	231,704
Comox Strathcona Regional Hospital District	20,653	21,829
Municipal Finance Authority	16	15
British Columbia Assessment Authority	3,120	3,459
Vancouver Island Regional Library	13,729	14,602
Province of BC - Police Tax	22,887	20,140
Comox Valley Regional District		
Waste Management	<u>8,160</u>	<u>8,619</u>
	<u>\$ 1,170,975</u>	<u>\$ 1,129,553</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

9. Collections for Other Governments (continued):

	Actual 2023	Actual 2022
Sub-total from Previous Page	\$ 1,170,975	\$ 1,129,553
Transfers		
Strathcona Regional District	12,893	12,702
Province of British Columbia - School Tax	235,914	231,704
Comox Strathcona Regional Hospital Districts	20,651	21,830
Municipal Finance Authority	-	-
British Columbia Assessment Authority	3,120	3,073
Vancouver Island Regional Library	13,731	14,600
Province of BC - Police Tax	22,887	20,140
Comox Valley Regional District		
Waste Management	8,163	8,619
	<u>317,359</u>	<u>312,668</u>
Available for General Municipal Purposes	\$ 853,616	\$ 816,885

10. Contingent Liabilities:

- (a) The Village is responsible as a member of the Strathcona Regional District and a member of the Comox Strathcona Waste Management Function for its share of any operating deficits or long-term debt related to functions in which it participates. Management of the Village has assessed the risks of any contingent liabilities as unlikely at this time therefore no provision has been recorded in the financial statements.
- (b) The Village is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the Village along with the other participants, would be required to contribute towards the deficit.

11. Pension Plan:

The Village and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly-trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the Plan, including investment of the assets and administration of the 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 had about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local government.

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 is then adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

11. Pension Plan (continued):

The most recent valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$60,536 (2022 - \$49,198) for employer contributions while employees contributed \$55,984 (2022 - \$45,499) to the Plan in fiscal 2023.

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

Employers participating in the Plan record their pension expense as the amount of the employer contributions made during the fiscal year (defined contributions 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.

12. Accumulated Surplus:

The Village segregates its accumulated surplus in the following categories:

	<u>2023</u>	<u>2022</u>
Unrestricted Funds	\$ 774,027	\$ 983,819
Reserve Funds (a)	1,628,801	876,464
Investment in Non-Financial Assets (b)	<u>11,005,614</u>	<u>9,704,840</u>
	<u>\$ 13,408,442</u>	<u>\$ 11,565,123</u>

(a) Reserve funds represent funds set aside by bylaw or council resolution for specific purposes.

(b) The investment in non-financial assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Details of reserve funds are shown below:

	<u>2023</u>	<u>2022</u>
Capital Works, Machinery and Equipment Reserve (c)	\$ 485,416	\$ 393,568
Fire Hall Reserve (d)	312,226	280,331
Recreation Centre Capital Works, Machinery and Equipment Reserve (e)	182,326	168,597
Economic Development Reserve (f)	41,844	33,968
Growing Community's Reserve Fund (g)	<u>606,989</u>	<u>-</u>
	<u>\$ 1,628,801</u>	<u>\$ 876,464</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

12. Accumulated Surplus (continued):

(c) Capital Works, Machinery and Equipment Reserve

The Capital Works, Machinery and Equipment Reserve was established by Bylaw 364 to provide for new capital works, extensions or renewals of existing works and to provide for machinery and equipment necessary for capital projects for the maintenance of municipal property or for the protection of persons and property. Money from the sale of land, current revenue or General Operating Fund surpluses may be transferred into the Reserve Fund.

(d) Fire Hall Reserve

The Hall Reserve fund was established by Bylaw 400 to provide for the cost of a new fire hall including land, buildings, machinery and equipment. Money from current revenue, General Operating Fund surpluses or as otherwise provided in the Local Government Act may be transferred into the Reserve Fund.

(e) Recreation Centre Capital Works, Machinery and Equipment Reserve

The Recreation Centre Capital Works, Machinery and Equipment Reserve Fund was established by Bylaw 418 to provide for the cost of the recreation centre. Money from current revenue, General Operating fund surpluses, or as otherwise provided in the Local Government Act may be transferred into the Reserve Fund.

(f) Economic Development Reserve

The Economic Development Fund was not established through bylaw. The Community Charter stipulates that reserve funds may be established for certain types of activities, which is how this fund was established. Money from current revenue, General Operating fund surpluses, or as otherwise provided in the Local Government Act may be transferred into the Reserve Fund.

(g) Growing Community's Reserve Fund

The Growing Communities Reserve was established by Bylaw 666 to increase the local housing supply with investments in community infrastructure and amenities. The initial grant provided was \$650,000. These funds are limited to one-off costs needed to build infrastructure and amenities and are to be incremental to already planned investments and capital projects. Monies from these planned investments and capital projects may be transferred through the Reserve fund.

13. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw No. 649 adopted by Council on May 2, 2023.

The budget anticipated use of surpluses accumulated in previous years to balance against current expenditures in excess of current year revenues. In addition, the budget anticipated capital expenditures rather than amortization expense. The following schedule reconciles the approved bylaw to the amounts presented in the financial statements.

	2023
Financial Plan (Budget) Bylaw Surplus Approved for the Year	\$ -
Less:	
Budgeted Transfers to Offset Amortization	(410,866)
Budgeted Transfers from Accumulated Surplus	3,976
Annual Budgeted Deficit Presented in Financial Statements	<u>\$ (406,890)</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2023

14. Segmented Information:

The Village is a diversified municipal government institution that provides a wide range of services to its citizens such as recreation, fire, sewer, water, and solid waste. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and activities they encompass are noted below and detailed further in Schedules 2 and 3 of these financial statements.

General Government

This segment relates to the revenues and expenses of the operations of the Village itself that cannot otherwise be directly attributed to a specific segment.

Protective Services

This segment is comprised of fire protection services. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consist of volunteers.

Transportation Services

Public works and transportation services is responsible for the maintenance of roads and outdoor lighting.

Environmental Treatment Services

Environmental Treatment Services consists of providing waste disposal to citizens.

Economic Development Services

This segment develops outside awareness of the economic area.

Recreation and Cultural Services

This segment provides services meant to improve health and development of the Village's citizens. Recreational programs and cultural programs are provided at the aquatic centre and community centre.

Water Utility

This segment provides distribution of water to citizens.

Sewer Utility

This segment provides sanitary sewer collection by providing and maintaining pipes, manholes, and culverts and sewer treatment.

VILLAGE OF TAHSIS

Schedule 1 - Government Grants and Transfers to the Village and Ratepayers

Year Ended December 31, 2023

	2023		2022
	Budget	Actual	
Federal Government			
Grants in Lieu of Taxes	\$ 80,000	\$ 72,922	\$ 82,086
Other	<u>118,318</u>	<u>45,840</u>	<u>5,725</u>
	<u>198,318</u>	<u>118,762</u>	<u>87,811</u>
Province of BC and Federal/Provincial Programs			
General Fund			
Small Communities Protection	341,000	341,000	451,000
Planning	39,867	25,291	23,858
Growing Communities Fund	650,000	650,000	-
Other	<u>99,655</u>	<u>124,256</u>	<u>56,140</u>
	<u>1,130,522</u>	<u>1,140,547</u>	<u>530,998</u>
General Capital			
Infrastructure	<u>-</u>	<u>1,726,677</u>	<u>699,215</u>
	<u>1,130,522</u>	<u>2,867,224</u>	<u>1,230,213</u>
	1,328,840	2,985,986	1,318,024
Transfers from Reserves for Capital Grants	<u>1,770,376</u>	<u>-</u>	<u>-</u>
Total Government Grants	<u>\$ 3,099,216</u>	<u>\$ 2,985,986</u>	<u>\$ 1,318,024</u>

VILLAGE OF TAHSIS

Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2023 Actual	2023 Budget (Note 12)
Revenues										
Taxation	\$ 853,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 853,616	\$ 854,641
Utility Connection Fees and User Rates	-	-	-	-	-	-	225,648	196,946	422,594	407,000
Government Grants and Transfers	2,666,385	-	-	-	98,155	-	-	221,446	2,985,986	1,328,840
Fees and Service Charges	-	-	2,638	218,062	-	25,198	-	-	245,898	329,939
Other Revenues	<u>293,977</u>	<u>3,570</u>	<u>-</u>	<u>-</u>	<u>44,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341,995</u>	<u>31,750</u>
	<u>3,813,978</u>	<u>3,570</u>	<u>2,638</u>	<u>218,062</u>	<u>142,603</u>	<u>25,198</u>	<u>225,648</u>	<u>418,392</u>	<u>4,850,089</u>	<u>2,952,170</u>
Expenses										
Operating										
Goods and Services	688,607	85,756	135,661	691	14,735	154,812	82,572	88,436	1,251,270	1,621,507
Labour	512,217	63,519	143,741	38,201	-	246,481	60,761	20,427	1,085,347	1,326,587
Amortization	<u>547,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,864</u>	<u>63,122</u>	<u>670,151</u>	<u>410,966</u>
	<u>1,747,989</u>	<u>149,275</u>	<u>279,402</u>	<u>38,892</u>	<u>14,735</u>	<u>401,293</u>	<u>203,197</u>	<u>171,985</u>	<u>3,006,770</u>	<u>3,359,060</u>
Excess (Deficiency) of Revenues over Expenses	\$ <u>2,065,989</u>	\$ <u>(145,705)</u>	\$ <u>(276,764)</u>	\$ <u>179,170</u>	\$ <u>127,868</u>	\$ <u>(376,095)</u>	\$ <u>22,451</u>	\$ <u>246,407</u>	\$ <u>1,843,319</u>	\$ <u>(406,890)</u>

VILLAGE OF TAHSIS

Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2022

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2022 Actual	2022 Budget
Revenues										
Taxation	\$ 816,885	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 816,885	\$ 823,034
Utility Connection Fees and User Rates	-	-	-	-	-	-	213,981	197,548	411,529	390,500
Government Grants and Transfers	1,264,419	-	-	-	53,605	-	-	-	1,318,024	654,460
Fees and Service Charges	-	-	3,799	157,562	-	20,681	-	-	182,042	281,030
Other Revenues	<u>110,518</u>	<u>810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,328</u>	<u>37,500</u>
	<u>2,191,822</u>	<u>810</u>	<u>3,799</u>	<u>157,562</u>	<u>53,605</u>	<u>20,681</u>	<u>213,981</u>	<u>197,548</u>	<u>2,839,808</u>	<u>2,186,524</u>
Expenses										
Operating										
Goods and Services	381,558	84,351	136,316	843	57,966	120,803	92,013	85,504	959,354	1,225,640
Labour	452,794	57,939	158,867	33,184	-	211,440	54,869	18,651	987,744	1,002,796
Amortization	<u>57,098</u>	<u>47,740</u>	<u>120,434</u>	<u>2,395</u>	<u>88,034</u>	<u>-</u>	<u>53,961</u>	<u>41,204</u>	<u>410,866</u>	<u>415,384</u>
	<u>891,450</u>	<u>190,030</u>	<u>415,617</u>	<u>36,422</u>	<u>146,000</u>	<u>332,243</u>	<u>200,843</u>	<u>145,359</u>	<u>2,357,964</u>	<u>2,643,820</u>
Excess (Deficiency) of Revenues over Expenses from Operations	\$ <u>1,300,372</u>	\$ <u>(189,220)</u>	\$ <u>(411,818)</u>	\$ <u>121,140</u>	\$ <u>(92,395)</u>	\$ <u>(311,562)</u>	\$ <u>13,138</u>	\$ <u>52,189</u>	\$ <u>481,844</u>	\$ <u>(457,296)</u>

VILLAGE OF TAHSIS

Schedule 4 - Reserve Fund Transactions

Year Ended December 31, 2023

	Capital Works Machinery and Equipment	Fire Hall	Rec Centre	Economic Development	Growing Community Reserve Fund	Total 2023	Total 2022
Balance, Beginning of Year	\$ 393,568	\$ 280,331	\$ 168,597	\$ 33,968	\$ -	\$ 876,464	\$ 821,728
Investment Income (Loss) Earned	31,098	31,895	13,729	7,876	21,646	106,244	(13,264)
Transfer From Other Funds	68,000	-	-	-	650,000	718,000	68,000
Used for Capital Expenditures	(7,250)	-	-	-	(64,657)	(71,907)	-
Balance, End of Year	<u>\$ 485,416</u>	<u>\$ 312,226</u>	<u>\$ 182,326</u>	<u>\$ 41,844</u>	<u>\$ 606,989</u>	<u>\$ 1,628,801</u>	<u>\$ 876,464</u>

VILLAGE OF TAHSIS

Schedule 5 - COVID-19 Safe Restart Grant

Year Ended December 31, 2023

(Unaudited)

In November 2020, the Village was the recipient of a \$249,000 grant under the COVID-19 Safe Restart Grant for Local Governments. This grant funding was provided to support local governments with increased operating costs and lower revenue due to the COVID-19 pandemic and ensure local governments can continue to deliver the services people depend on in the community.

	<u>2023</u>
Balance, Beginning of Year	\$ 249,000
Funds Spent During the Year	<u>208,136</u>
Balance, End of Year	<u>\$ 40,864</u>

VILLAGE OF TAHSIS

Schedule 6 - Growing Communities Fund

Year Ended December 31, 2023

(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. The Village of Tahsis received \$650,000 of GCF funding in March 2023.

	<u>2023</u>
Balance, Beginning of Year	\$ -
Funds and Interest Received During the Year	650,000
Interest Earned	21,646
Eligible Costs	
Capital Infrastructure Costs	<u>64,657</u>
Balance, End of Year	\$ <u>606,989</u>

Schedule of Guarantee and Indemnity Agreements

The Village of Tahsis has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation during the 2023 fiscal year.

Schedule of Remuneration and Expenses

1. Elected Officials			
Name	Position	Remuneration	Expenses (Note 1)
Martin Davis	Mayor	9,640	6,689
Douglas Elliot	Councillor	5,069	89
Sarah Fowler	Councillor	5,069	13,062
Meggan Joseph	Councillor	5,069	1,180
Cheryl Northcott	Councillor	5,069	3,082
Total Elected Officials		\$ 29,916	(A) \$ 24,101
2. Employees			
Name	Position	Remuneration	Expenses (Note 1)
Remuneration over \$75,000:			
Mark Tatchell	CAO	146,006	32,463
Janet St Denis	Mgr of Fin & Corp Serv.	86,713	-
Consolidated total of other employees with remuneration of \$75,000 or less		729,213	20,332
Total Employees		\$ 961,933	(B) \$ 52,795
3. Reconciliation			
Total remuneration - elected officials		\$ 29,916	(A)
Total remuneration - employees		\$ 961,933	(B)
Subtotal		\$ 991,849	
Reconciling item:			
Employer portion of MPP costs (Note 2)		60,536	
Total after reconciling item		\$ 1,052,385	
Total Labour per Schedule 2, Combined Statement of Operations by Segment		\$ 1,085,347	
Variance		\$ 32,962	
Notes to Schedule			
1. Elected Officials and Employee Expenses include amounts paid directly to employees/Elected officials & payments to a third party on their behalf. It includes among other reasonable expenses, travel & mileage for the use of personal vehicles to attend required business meetings, professional training courses, registration fees, memberships, accomodation and conferences outside of Tahsis. This does include expenditures required for employees to perform their job function.			
2. Financial statement figures include the employer portion for Municipal Pension Plan, not included in individuals above.			

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

Statement of Severance Agreements

There was 1 severance agreement made between the Village of Tahsis and its non-unionized employees during fiscal year 2023.

The agreement represents 2 months of compensation.

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

Schedule of Payments to Suppliers of Goods and Services

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000:	
Supplier Name	Amount paid to supplier
BC Hydro	232,011.31
Can West Mechanical Inc.	215,996.10
Coastal Mountain Fuels	25,115.97
Cumberland Ready Mix	25,625.60
GNPC Investments Ltd	61,586.61
McElhanney Ltd.	437,371.20
Minister of Finance	91,804.10
Municipal Insurance Association of BC	78,839.00
Municipal Pension Plan	115,328.80
Netcetera	36,355.66
Pacific Blue Cross	82,180.60
Pacificus Biological Services Ltd.	52,518.83
Penta Transport Ltd.	28,665.00
PHI Architecture Inc.	62,070.47
PHOENIX LAW CORPORATION	45,188.98
Receiver General (RP0001)	210,473.34
Receiver General (RP0002)	82,001.23
Stewart McDannold Stuart	92,019.65
Superior Propane	28,117.48
Telus	26,695.80
Upland Contracting Ltd.	795,990.32
Western Forest Products	46,742.15
WorkSafe BC	28,926.28
Total aggregate amount paid to suppliers exceeding \$25,000	\$ 2,901,624
2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less	637,402
Total Payments to Suppliers in 2023	\$ 3,539,026
Reconciling items:	
Acquisition of tangible capital assets	-2,114,216
Employee benefits and source deduction pymts included in payments to suppliers	-315,435
Less Transfers Collections for other Governments (Note 9 of Audited Financial Statements)	-317,359
Total after reconciling items	\$ 792,016
Total Goods and Services , per Schedule 2 of Audited Financial Statements, Combined Statement of Operations by Segment	\$ 1,251,270
Variance (see Note below)	\$ (459,254)
<u>Note to Schedule</u>	

The Village of Tahsis prepares the schedule of payments to vendors based on actual disbursements (or cash basis) processed through its accounts payable system. However, the Village prepares its financial statements in accordance with Canadian Public Sector Accounting Standards which requires an accrual basis of accounting. This results in differences including transactions recorded not involving cash such as year end accruals. Accounts Payable at December 31, 2023 is \$471,607

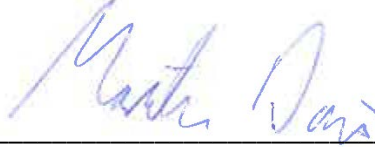
Prepared under Financial Information Regulation,
Schedule 1, section 7 and the *Financial Information Act*, Section 2

Statement of Financial Information Approval

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



Adia Mavrikos , CPA, CA
Director of Finance, Village of Tahsis
June 24, 2024



Martin Davis
Mayor, Village of Tahsis
June 24, 2024

Financial Information Act for 2023 Management Report

Financial Information Regulation, Schedule 1, Section 9(3) The Financial Statements contained in this Statement of Financial Information under the Financial Information Act have been prepared by Adia Mavrikos, CPA, CA, Director of Finance in accordance with generally accepted accounting principles or stated accounting principles and the integrity and objectivity of these statements are Director of Finance's responsibility. The Director of Finance is also responsible for all the statements and schedules and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

The Director of Finance is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Our external auditor, Chan Nowosad Boates, Chartered Professional Accountants, have conducted an independent examination of our financial statements for the period ending December 31, 2023 in accordance with generally accepted auditing standards, and have expressed their opinion of the financial statements (see the Independent Auditor's Report dated May 7, 2024 in the financial statements). Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors had full and free access to all financial records and minutes of the Village.

Adia Mavrikos, CPA, CA
Director of Finance
June 24, 2024