



## AGENDA

**Agenda for the Special Meeting of the Tahsis Village Council  
to be held on June 29, 2021 in the Council Chambers at 1:00 p.m.  
Municipal Hall, 977 South Maquinna Drive and by electronic means**

**Remote access:** To attend this meeting remotely via Zoom/ phone  
**Join the Zoom Meeting**  
<https://zoom.us/j/7473599558>

**Dial by your location**  
**+1 647 374 4685 Canada**  
**Meeting ID: 747 359 9558**  
**Find your local number: <https://zoom.us/j/7473599558>**

*Zoom is hosted on servers in the U.S., so the name you use with Zoom and metadata about how you use the application will be stored on servers outside of Canada. If you have privacy concerns: a) don't create your own account with Zoom, b) provide only your first name or a nickname when you join a session, c) keep your camera off and microphone muted, as much as you can, and d) try to avoid sharing any identifying information.*

**A. Call to Order** Mayor Davis will call the meeting to order at 1:00 p.m.

Mayor Davis will acknowledge and respect that we are meeting upon Mowachaht/Muchalaht territory.

**B. Introduction of  
Late Items**

**C. Approval of the  
Agenda**

**H. Business Arising** None.

**M. New Business** 1 **Village of Tahsis 2020 Annual Report**

2 **2020 Statement of Financial Information (SOFI)**

- 3 **Email from Sgt. K. A. Rutherford, Royal Canadian Mounted Police, Nootka Sound Detachment, E Division Re: Body Worn Camera Stakeholder Engagement/Information**

**Public Exclusion**

**Recess**

**Reconvene**

**Rise and Report**

**P. Adjournment**

# Village of Tahsis 2020 Annual Report

---



## **VILLAGE OF TAHSIS**

### **ANNUAL REPORT**

### **2020**

# Village of Tahsis 2020 Annual Report

---

The Annual Report is prepared by the Village of Tahsis as required by s. 98 of the *Community Charter*.

The Annual Report serves three purposes:

- To report on the Village's accomplishments over the past year, as well as issues and any trends that have been identified;
- To set out the priorities for the coming year; and
- To publish the Village's audited financial statements for the previous fiscal year.

# Village of Tahsis 2020 Annual Report

---

## **MESSAGE FROM THE MAYOR**

*The Village of Tahsis is on the territory of the Mowachaht/Muchalaht First Nation. We gratefully acknowledge and respect the Nation's aboriginal title and rights to the land and sea in its territory.*

The year 2020 was the most challenging for this town since the sawmill shut down 20 years ago. The COVID-19 lockdowns and the complete halt to cross-border tourism had a significant impact on our tourism economy, although to some degree this was mitigated by in-country tourism increasing in summer 2020. The province and the federal government stepped in with financial programs to help individuals, small businesses and municipalities by buffering some of the financial consequences. The Village endeavoured to keep municipal taxation down in 2020 with the combination of a 0.4% increase and maintaining utility fees at previous levels. Rents paid by businesses for village-owned properties were reduced as they didn't qualify for other business relief programs.

On a positive note, we have finally achieved protection of the pristine 2,200 hectare McKelvie Creek watershed and the ridge directly above and east of town (above the school), along with other key ecologically and culturally sensitive areas around us. The removal of a planned cutblock and logging mainline above town protects a steep, unstable slope and maintains a wildfire buffer. It also protects many of the largest remaining Douglas Fir trees in our region, a potential tourist draw. We have also signed a letter of understanding with the tree farm licensee in our region, Western Forest Products, so that they have more certainty in their fibre base (the text is available online at <https://villageoftahsis.com/environmental-protection-and-sustainability/>).

A continuing issue for Tahsis is the condition of the Head Bay Forest Service Road. Advocacy from our Council includes lobbying for paving the road or infilling the unpaved sections at our end so that grading efforts can be spent more effectively at the other end. Mild winters, lacklustre maintenance and the large increase in logging truck traffic have all contributed to the often-poor winter condition of the road. We would like to thank the efforts of our community to engage directly with our MLA, Ministry of Transportation and Infrastructure and Mainroad Contracting, to let them know our feelings about the road conditions and the risks we take, as well as our high costs of vehicle maintenance. Every voice counts in this issue.

In 2020, a grant-funded update of the community wildfire protection plan was completed for Tahsis. We have also completed another grant-driven floodplain, sea level rise and tsunami mapping work in 2020, as well as a study of our dike infrastructure along the Tahsis River. These grants have helped to inform our new zoning, development procedures and floodplain management bylaws, which aim to prevent past issues such as buildings that are prone to flooding, settling and cracking foundations, by tightening development standards in these

## Village of Tahsis 2020 Annual Report

---

areas at risk. Work on improving dikes and drainage, funded through a \$1.9 million grant, begins in 2021.

A wellhead protection plan has been completed, which includes installation of two monitoring wells to provide additional aquifer information and monitor groundwater chemistry. The wellhead protection plan and all drinking water test results are posted on the Village website: [Utilities & Taxes | Village of Tahsis, Vancouver Island British Columbia](#).

After years of neglect, the Village-owned Pete's Farm was finally cleaned up. Derelict vehicles were removed for recycling and much garbage was removed through a joint effort of volunteers and Public Works employees. An old farm fence was also pulled from the Leiner River.

Our community composting program pilot project has launched and provides compost for our Community Garden. If anyone would like to contribute to the program, contact the Village office for details.

We were happy to see the Coast Guard station open in 2020. It is a welcome addition to our community. There are four fulltime employees tasked with enhancing safety and environmental protections in Nootka Sound and Esperanza Inlet.

Respectfully,



Mayor Martin Davis on behalf of Tahsis Council

# Village of Tahsis 2020 Annual Report

---



## Village of Tahsis Council's 2021 Strategic Priorities

Looking ahead to 2021, Council established the following Strategic Priorities to inform budget and planning processes and to guide Village operations.

### **ECONOMIC VIBRANCY**

Pursue a Community Forest Agreement with the Ministry of Forests, Lands, Natural Resources and Rural Development, with the Mowachaht/Muchalaht First Nation as required.

Support the implementation of the Connected Coast project bringing fibre optic cable to the Village.

Develop and consider a strategic real estate plan and policy, including options for sub-dividing and selling Village owned lands, specifically Lot 608.

Build the Community Unity Trail linking Tahsis with Zeballos.

Promote Tahsis as a tourist destination.

### **INFRASTRUCTURE AND SERVICE**

Repair and replace infrastructure, with an emphasis on marine infrastructure, seeking grant funding whenever possible.

Consider improving or re-locating the Tahsis Fire Hall.

# Village of Tahsis 2020 Annual Report

---

Continue to pursue funding to improve the Tahsis Recreation Centre.

Construct a multi-use pavilion with access to the waterfront.

Develop and approve an Asset Management Policy and Plan.

Develop and approve a financial reserve policy.

## **COMMUNITY WELL-BEING**

Develop and implement a transportation service to Campbell River.

Support activity that improves food security for Tahsis residents, especially those financially compromised.

Enhance wildfire protection by implementing the Community Wildfire Protection Plan.

Protect drinking water by implementing the Wellhead Protection Plan.

Continue to support the construction of a new Tahsis library branch.

# Village of Tahsis 2020 Annual Report

---

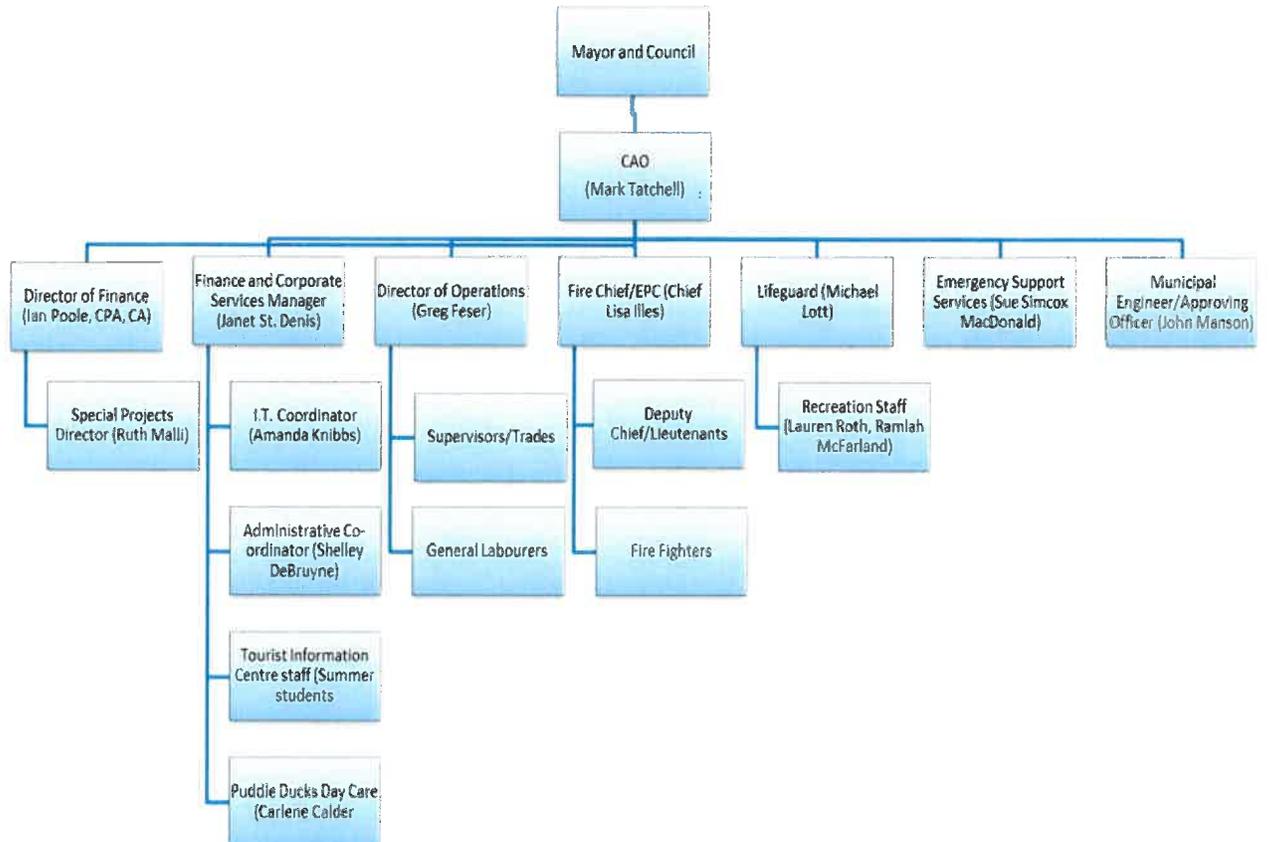
## Village of Tahsis Council



*From left to right: Councillor Cheryl Northcott, Councillor Linda Llewellyn, Mayor Martin Davis, Councillor Bill Elder, Councillor Sarah Fowler*

# Village of Tahsis 2020 Annual Report

## Village Organization Chart



## Village of Tahsis 2020 Annual Report

---

### PERMISSIVE TAX EXEMPTION

<b>Roll #</b>	<b>Legal Description</b>	<b>Civic Address</b>	<b>Owner/Occupier</b>	<b>Conditions</b>
400.222	Lot 74, Plan 26880; DL 443	744 Nootka Road	Bishop of Victoria	50% of land value

**VILLAGE OF TAHSIS**  
**Financial Statements**  
**December 31, 2020**

# VILLAGE OF TAHSIS

---

## Index to the Financial Statements

December 31, 2020

---

<b>MANAGEMENT REPORT</b>	1
<b>INDEPENDENT AUDITORS' REPORT</b>	2-3
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	4
Statement of Operations	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flows	7
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	8-16
<b>SCHEDULES</b>	
Schedule 1 - Government Grants and Transfers to the Village and Ratepayers	17
Schedule 2 - Combined Statement of Operations by Segment (2020)	18
Schedule 3 - Combined Statement of Operations by Segment (2019)	19
Schedule 4 - Reserve Fund Transactions	20
Schedule 5 - COVID-19 Safe Restart Grant	21

## MANAGEMENT REPORT

December 31, 2020

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.

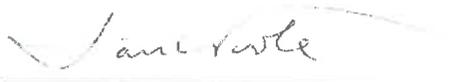
To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for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

The 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's 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, 2020.



Mark Tatchell  
Chief Administrative Officer



Ian C. Poole, CPA, CA  
Director of Finance

May 11, 2021



## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of Village of Tahsis

### Opinion

We have audited the accompanying financial statements of the Village of Tahsis (the "Village"), which comprise the statement of financial position as at December 31, 2020, the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the Village's financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020, and of its financial performance and its cash flows for the year then ended. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards.

### Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 of 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for over-seeing the Village's financial reporting process.

### Auditors' 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 auditors' 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 the users taken on the basis of these financial statements.

**Auditors' 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.
- 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 Noworad Boates Inc*

Chartered Professional Accountants  
Campbell River, BC

May 11, 2021

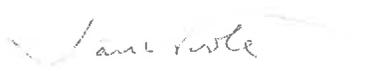
# VILLAGE OF TAHSIS

## Statement of Financial Position

December 31, 2020

	2020	2019
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	711,073	1,098,051
Portfolio Investments (Note 2)	1,988,563	1,931,911
Accounts Receivable (Note 3)	212,135	701,794
Taxes and User Fees Receivable	168,577	166,687
	<u>3,080,348</u>	<u>3,898,443</u>
<b>LIABILITIES</b>		
Accounts Payable and Accrued Liabilities	268,359	306,870
Demand Loan (Note 4)	-	816,765
Deferred Grants and Unearned Revenue (Note 5)	550,939	487,507
Contaminated Site Remediation (Note 6)	56,700	56,700
	<u>875,998</u>	<u>1,667,842</u>
<b>NET FINANCIAL ASSETS</b>	<u>2,204,350</u>	<u>2,230,601</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible Capital Assets (Note 7)	8,780,155	9,112,889
Prepaid Expenses	63,408	66,849
	<u>8,843,563</u>	<u>9,179,738</u>
<b>ACCUMULATED SURPLUS (Note 12)</b>	<u>11,047,913</u>	<u>11,410,339</u>

Approved by:

  
 \_\_\_\_\_  
 Director of Finance

  
 \_\_\_\_\_  
 Mayor

# VILLAGE OF TAHSIS

## Statement of Operations

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
<b>Revenues (Schedules 2 and 3)</b>			
Taxation	740,642	734,163	739,338
Utility Connection Fees and User Rates	245,000	251,265	248,434
Government Grants - Federal (Schedule 1)	506,241	985,971	4,144,779
Fee and Services Charges	221,330	166,563	190,644
Other Revenues	<u>31,400</u>	<u>140,463</u>	<u>280,907</u>
	<u>1,744,613</u>	<u>2,278,425</u>	<u>5,604,102</u>
<b>Expenditures (Schedules 2 and 3)</b>			
General Departmental Expenditures	1,865,502	1,964,665	2,148,083
Water System Operations	126,104	230,946	164,691
Sewer System Operations	<u>122,225</u>	<u>142,242</u>	<u>168,344</u>
	<u>2,113,831</u>	<u>2,337,853</u>	<u>2,481,118</u>
<b>Annual Surplus (Deficit) from Operations</b>	(369,218)	(59,428)	3,122,984
Impairment of Tangible Capital Assets	<u>-</u>	<u>(302,998)</u>	<u>-</u>
<b>Annual Surplus (Deficit)</b>	<u>(369,218)</u>	<u>(362,426)</u>	<u>3,122,984</u>
<b>Accumulated Surplus - Beginning of Year</b>		<u>11,410,339</u>	<u>8,287,355</u>
<b>Accumulated Surplus - End of Year</b>		<u>11,047,913</u>	<u>11,410,339</u>

## VILLAGE OF TAHSIS

### Statement of Change in Net Financial Assets

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
<b>Annual Surplus (Deficit)</b>	(369,218)	(362,426)	3,122,984
Acquisition of Tangible Capital Assets	-	(379,830)	(3,756,973)
Amortization of Tangible Capital Assets	305,000	409,566	365,392
Use of (Acquisition of) Prepaid Expenses	-	3,441	(1,785)
Disposition or Impairment of Tangible Capital Assets	-	302,998	12,739
	<u>(64,218)</u>	<u>(26,251)</u>	<u>(257,643)</u>
<b>Net Financial Assets - Beginning of Year</b>		<u>2,230,601</u>	<u>2,488,244</u>
<b>Net Financial Assets - End of Year</b>		<u>2,204,350</u>	<u>2,230,601</u>

## VILLAGE OF TAHSIS

### Statement of Cash Flows

Year Ended December 31, 2020

	2020	2019
	\$	\$
<b>Cash Flows From Operating Activities:</b>		
Annual Surplus (Deficit)	(362,426)	3,122,984
Items Not Involving Cash		
Amortization of Tangible Capital Assets	409,566	365,392
Loss (Gain) on Disposal or Impairment of Tangible Assets	<u>302,998</u>	<u>(123,261)</u>
	350,138	3,365,115
Changes in Non-Cash Operating Balances		
Accounts and Taxes Receivable	487,769	(339,792)
Accounts Payable and Accrued Liabilities	(38,511)	(65,292)
Demand Loan	(816,765)	816,765
Deferred Grants and Unearned Revenue	63,432	67,371
Prepaid Expenses	<u>3,441</u>	<u>(1,785)</u>
	<u>49,504</u>	<u>3,842,382</u>
<b>Cash Flows From Capital Activities:</b>		
Purchase of Tangible Capital Assets	(379,830)	(3,756,973)
Proceeds on Disposition of Tangible Capital Assets	<u>-</u>	<u>136,000</u>
	<u>(379,830)</u>	<u>(3,620,973)</u>
<b>Cash Flows From Investing Activities:</b>		
Redemption of (Investment in) Portfolio Investments	<u>(56,652)</u>	<u>402,985</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(386,978)	624,394
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>1,098,051</u>	<u>473,657</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u>711,073</u>	<u>1,098,051</u>

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

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 (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) Deferred Revenue

Revenues from rental revenues pertaining to the subsequent year have been deferred. These amounts will be recognized as revenue in the next fiscal year.

#### f) 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, 2020

### 1. Significant Accounting Policies (continued):

#### f) 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 service and other revenue is recognized on an accrual basis as earned.

#### g) Financial Instruments

Financial instruments consist of cash and portfolio investments, accounts receivable and accounts payable. 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.

#### h) 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 relates to the collectability of accounts receivable, valuation of investments, estimates of contingent liabilities, the provision for amortization and the estimation of potential environmental liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### i) 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 under the new standard including sites that are no longer in productive use and sites which the Village accepts responsibility.

#### j) Government Partnerships

Government partnerships are accounted for using the proportionate consolidation method.

### 2. Portfolio Investments:

	<u>2020</u>	<u>2019</u>
	\$	\$
Short-Term Bond Funds	623,001	585,326
Intermediate	648,171	635,220
Money Market Funds - Municipal Finance Authority	<u>717,391</u>	<u>711,365</u>
	<u>1,988,563</u>	<u>1,931,911</u>

## VILLAGE OF TAHSIS

### Notes to the Financial Statements

December 31, 2020

#### 2. Portfolio Investments (continued):

The portfolio investments are held with the Municipal Finance Authority (MFA) and are carried at market value.

#### 3. Accounts Receivable:

	<u>2020</u>	<u>2019</u>
	\$	\$
GST Receivable	16,533	105,754
Accounts Receivable	203,664	604,102
Allowance for Doubtful Accounts	<u>(8,062)</u>	<u>(8,062)</u>
	<u>212,135</u>	<u>701,794</u>

#### 4. Demand Loan:

The demand loan is a non-revolving loan held with the Municipal Finance Authority of British Columbia and bears interest at an annual variable rate equal to 2.58% at December 31, 2020. The loan has an authorized limit of a maximum of \$3,510,980 available until April 24, 2024 and is due on demand, with interest payable monthly.

The demand loan was approved by Council by enacting Section 177 of the Community Charter, allowing for Revenue Anticipation Borrowing in order to fund capital projects prior to grant funding being received. Bylaw 613 authorizing the demand loan was adopted by Council on April 16, 2019.

#### 5. Deferred Grants and Unearned Revenue:

	<u>2020</u>	<u>2019</u>
	\$	\$
Deferred Rental Revenue	2,325	4,461
Other Grants	<u>548,614</u>	<u>483,046</u>
	<u>550,939</u>	<u>487,507</u>

#### 6. 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 of the Village that the total cost to obtain the report that would allow for the deregistration of the site 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.

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

### 7. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening \$	Additions \$	Disposals \$	Closing \$	Opening \$	Amort \$	Disposals \$	Closing \$	2020 \$	2019 \$
Land	1,127,284	-	-	1,127,284	-	-	-	-	1,127,284	1,127,284
Buildings	4,690,657	-	605,997	4,084,660	3,387,086	125,600	302,999	3,209,687	874,973	1,303,571
Machinery and Equipment	2,157,600	82,576	-	2,240,176	1,573,225	81,004	-	1,654,229	585,947	584,375
Roads and Bridges	7,134,705	201,292	-	7,335,997	3,984,182	100,710	-	4,084,892	3,251,105	3,150,523
Drainage	259,990	1,351	-	261,341	259,990	-	-	259,990	1,351	-
Other	210,810	-	-	210,810	166,263	9,341	-	175,604	35,206	44,547
Water Infrastructure	3,218,615	4,385	-	3,223,000	1,205,791	53,851	-	1,259,642	1,963,358	2,012,824
Sewer Infrastructure	<u>3,608,218</u>	<u>90,226</u>	<u>-</u>	<u>3,698,444</u>	<u>2,718,453</u>	<u>39,060</u>	<u>-</u>	<u>2,757,513</u>	<u>940,931</u>	<u>889,765</u>
	<u>22,407,879</u>	<u>379,830</u>	<u>605,997</u>	<u>22,181,712</u>	<u>13,294,990</u>	<u>409,566</u>	<u>302,999</u>	<u>13,401,557</u>	<u>8,780,155</u>	<u>9,112,889</u>

Subsequent to year end, the Village's Fire Hall, included within Buildings, was confirmed to have been impaired at December 31, 2020. The building underwent rapid differential settlement starting in late 2020. In February 2021 an assessment was conducted of the site and a third party report was provided stating that the building was unsafe and could no longer be used to provide services to the community. The net book value of the Fire Hall building has been adjusted to its residual value which is estimated to be \$Nil as a result of the third party report verifying conditions that existed at December 31, 2020 and the Fire Hall have no further service value to the Village or its residents.

The Village recognized an impairment loss of \$302,998 which represented the net book value of the Fire Hall building as at December 31, 2020.

### 8. Collections for Other Governments:

The Village is required to collect taxes on behalf of 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.

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

### 8. Collections for Other Governments (continued):

	Budget <u>2020</u> \$	Actual <u>2020</u> \$	Actual <u>2019</u> \$
General Municipal Purposes	740,642	738,319	739,152
Collections for Other Governments			
Strathcona Regional District	-	11,157	10,675
Province of British Columbia - School Tax	-	196,810	198,687
Comox Strathcona Regional Hospital District	-	26,760	27,239
Municipal Finance Authority	-	10	10
British Columbia Assessment Authority	-	2,452	2,220
Vancouver Island Regional Library	-	11,378	12,264
Province of BC - Police Tax	-	14,175	13,302
Comox Valley Regional District			
Waste Management	-	9,381	9,559
	<u>740,642</u>	<u>1,010,442</u>	<u>1,013,108</u>
Transfers			
Strathcona Regional District	-	11,170	10,665
Province of British Columbia - School Tax	-	201,240	198,688
Comox Strathcona Regional Hospital Districts	-	26,792	27,279
Municipal Finance Authority	-	10	-
British Columbia Assessment Authority	-	2,455	2,223
Vancouver Island Regional Library	-	11,207	12,088
Province of BC - Police Tax	-	14,171	13,252
Comox Valley Regional District			
Waste Management	-	9,234	9,575
	<u>-</u>	<u>276,279</u>	<u>273,770</u>
Available for General Municipal Purposes	<u>740,642</u>	<u>734,163</u>	<u>739,338</u>

### 9. 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.

## VILLAGE OF TAHSIS

### Notes to the Financial Statements

December 31, 2020

#### 10. 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, 2020, the Plan had about 213,000 active members and approximately 106,000 retired members. Active members include approximately 40,000 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.

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

The Village paid \$42,632 (2019 - \$44,330) for employer contributions while employees contributed \$37,839 (2019 - \$39,077) to the Plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

#### 11. Related Party Transactions:

##### Government Partnership

The Village of Tahsis and the Village of Zeballos established a non-formalized government partnership in 2016 in pursuing an economic development tourism trail project between the two villages. The Village of Tahsis is the project manager. In 2020, total funds received from the Village of Zeballos were \$Nil (2019 - \$17,424).

Condensed government partnership financial statement information:

	<u>2020</u>	<u>2019</u>
	\$	\$
Statement of Financial Position		
Total Assets	<u>106,172</u>	<u>106,172</u>
Total Liabilities	141,467	141,467
Total Equity (Deficit)	<u>(35,295)</u>	<u>(35,295)</u>
	<u>106,172</u>	<u>106,172</u>

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

### 11. Related Party Transactions (continued):

Statement of Comprehensive Income		
Revenues	-	28,059
Expenditures	-	42,572
Net Loss	-	(14,513)
Statement of Changes in Equity		
Retained Earnings (Deficit), beginning of the year	(35,295)	(20,782)
Net Income (Loss)	-	(14,513)
Retained Earnings (Deficit), end of the year	(35,295)	(35,295)

### 12. Accumulated Surplus:

The Village segregates its accumulated surplus in the following categories:

	<u>2020</u>	<u>2019</u>
	\$	\$
Internally Restricted Funds for Future Expenditure	515,124	515,124
Unrestricted Funds	886,161	912,590
Reserve Funds (a)	803,065	802,887
Investment in Non-Financial Assets (b)	<u>8,843,563</u>	<u>9,179,738</u>
	<u>11,047,913</u>	<u>11,410,339</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>2020</u>	<u>2019</u>
	\$	\$
Capital Works, Machinery and Equipment Reserve (c)	288,191	329,398
Fire Hall Reserve (d)	321,546	283,871
Recreation Centre Capital Works, Machinery and Equipment Reserve (e)	162,551	160,123
Economic Development Reserve (f)	<u>30,777</u>	<u>29,495</u>
	<u>803,065</u>	<u>802,887</u>

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

### 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.

### 13. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw adopted by Council on May 12, 2020.

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.

	<u>2020</u>
	\$
Financial Plan (Budget) Bylaw Surplus Approved for the Year	-
Less:	
Budgeted Transfers to Offset Amortization	(305,000)
Budgeted Transfers from Accumulated Surplus	<u>(64,218)</u>
Annual Deficit Presented in Financial Statements	<u>(369,218)</u>

# VILLAGE OF TAHSIS

## Notes to the Financial Statements

December 31, 2020

### 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 item relates to the revenues and expenses of the operations of the Village itself and cannot be directly attributed to a specific segment.

#### Protective Services

Protection 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 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 department develops outside awareness of the economic area.

#### Recreation and Cultural Services

This service area 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

The service provides distribution of water to residents.

#### Sewer Utility

Provision of sanitary sewer collection by providing and maintaining pipes, manholes, and culverts and sewer treatment.

### 15. COVID-19:

As of this date, the global outbreak of the coronavirus disease (COVID-19) has caused economic uncertainties that are likely to continue to have a material negative impact on the net income of the Village for the year ending December 31, 2021.

The COVID-19 outbreak has caused business disruptions through the reduction of non-essential services provided by the Village. While the disruption is expected to be temporary and the Village continues to provide essential services, there is considerable uncertainty regarding the duration of the disruption to non-essential services. Additionally, there is uncertainty regarding the collectability of taxation revenues for the year ending December 31, 2021 as the effect of the pandemic on the residents of the Village and the economy as a whole continues to vary.

## VILLAGE OF TAHSIS

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

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
<b>Federal Government</b>			
Grants in Lieu of Taxes	10,785	23,224	10,785
Other	<u>700</u>	<u>5,000</u>	<u>700</u>
	11,485	28,224	11,485
<b>Province of BC and Federal/Provincial Programs</b>			
General Fund			
Small Communities Protection	351,692	353,462	351,692
Planning	75,000	298,903	159,204
COVID Safe Restart	-	249,000	-
Other	<u>2,500</u>	<u>2,500</u>	<u>2,400</u>
	<u>429,192</u>	<u>903,865</u>	<u>513,296</u>
General Capital			
Infrastructure	<u>65,564</u>	<u>53,882</u>	<u>3,619,998</u>
	<u>506,241</u>	<u>985,971</u>	<u>4,144,779</u>

# VILLAGE OF TAHSIS

## Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2020 Actual	2020 Budget (Note 13)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>										
Taxation	734,163	-	-	-	-	-	-	-	734,163	740,642
Utility Connection Fees and User Rates	-	-	-	-	-	-	138,884	112,381	251,265	245,000
Government Grants and Transfers	932,089	-	53,882	-	-	-	-	-	985,971	506,241
Fees and Service Charges	-	-	4,706	150,716	-	11,141	-	-	166,563	221,330
Other Revenues	<u>137,723</u>	<u>2,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,463</u>	<u>31,400</u>
	<u>1,803,975</u>	<u>2,740</u>	<u>58,588</u>	<u>150,716</u>	<u>-</u>	<u>11,141</u>	<u>138,884</u>	<u>112,381</u>	<u>2,278,425</u>	<u>1,744,613</u>
<b>Expenses</b>										
<b>Operating</b>										
Goods and Services	239,692	70,177	103,834	66,730	69,238	92,500	126,428	61,193	829,792	994,857
Labour	621,196	48,763	120,318	25,823	-	189,739	50,667	41,989	1,098,495	813,974
Amortization	<u>28,609</u>	<u>58,399</u>	<u>136,071</u>	<u>2,395</u>	<u>-</u>	<u>91,181</u>	<u>53,851</u>	<u>39,060</u>	<u>409,566</u>	<u>305,000</u>
	<u>889,497</u>	<u>177,339</u>	<u>360,223</u>	<u>94,948</u>	<u>69,238</u>	<u>373,420</u>	<u>230,946</u>	<u>142,242</u>	<u>2,337,853</u>	<u>2,113,831</u>
Excess (Deficiency) of Revenues over Expenses from Operations	914,478	(174,599)	(301,635)	55,768	(69,238)	(362,279)	(92,062)	(29,861)	(59,428)	(369,218)
Impairment of Tangible Capital Assets	<u>-</u>	<u>(302,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302,998)</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenses	<u>914,478</u>	<u>(477,597)</u>	<u>(301,635)</u>	<u>55,768</u>	<u>(69,238)</u>	<u>(362,279)</u>	<u>(92,062)</u>	<u>(29,861)</u>	<u>(362,426)</u>	<u>(369,218)</u>

# VILLAGE OF TAHSIS

## Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2019 Actual	2019 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>										
Taxation	739,338	-	-	-	-	-	-	-	739,338	714,228
Utility Connection Fees and User Rates	-	-	-	-	-	-	136,957	111,477	248,434	235,000
Government Grants and Transfers	524,781	-	3,619,998	-	-	-	-	-	4,144,779	745,596
Fees and Service Charges	-	-	6,963	152,088	-	31,593	-	-	190,644	230,292
Other Revenues	<u>276,116</u>	<u>4,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>280,907</u>	<u>177,000</u>
	<u>1,540,235</u>	<u>4,791</u>	<u>3,626,961</u>	<u>152,088</u>	<u>-</u>	<u>31,593</u>	<u>136,957</u>	<u>111,477</u>	<u>5,604,102</u>	<u>2,102,116</u>
<b>Expenses</b>										
<b>Operating</b>										
Goods and Services	368,591	82,227	100,328	91,438	189,897	153,426	71,609	119,522	1,177,038	1,107,332
Labour	450,195	50,011	98,801	25,897	-	240,665	49,145	23,974	938,688	905,999
Amortization	<u>42,935</u>	<u>57,567</u>	<u>104,605</u>	<u>2,395</u>	<u>-</u>	<u>89,105</u>	<u>43,937</u>	<u>24,848</u>	<u>365,392</u>	<u>252,000</u>
	<u>861,721</u>	<u>189,805</u>	<u>303,734</u>	<u>119,730</u>	<u>189,897</u>	<u>483,196</u>	<u>164,691</u>	<u>168,344</u>	<u>2,481,118</u>	<u>2,265,331</u>
Excess (Deficiency) of Revenues over Expenses	<u>678,514</u>	<u>(185,014)</u>	<u>3,323,227</u>	<u>32,358</u>	<u>(189,897)</u>	<u>(451,603)</u>	<u>(27,734)</u>	<u>(56,867)</u>	<u>3,122,984</u>	<u>(163,215)</u>

## VILLAGE OF TAHSIS

### Schedule 4 - Reserve Fund Transactions

Year Ended December 31, 2020

	Capital Works Machinery and Equipment	Fire Hall	Rec Centre	Economic Development	Total 2020	Total 2019
	\$	\$	\$	\$	\$	\$
<b>Balance, Beginning of Year</b>	329,398	283,871	160,123	29,495	802,887	892,615
<b>Interest Earned</b>	12,950	37,675	2,428	1,282	54,335	40,092
<b>Transfer From Other Funds</b>	-	-	-	-	-	-
<b>Used for Capital Expenditures</b>	<u>(54,157)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,157)</u>	<u>(129,820)</u>
<b>Balance, End of Year</b>	<u>288,191</u>	<u>321,546</u>	<u>162,551</u>	<u>30,777</u>	<u>803,065</u>	<u>802,887</u>

## VILLAGE OF TAHSIS

### Schedule 5 - COVID-19 Safe Restart Grant

Year Ended December 31, 2020

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>2020</u>
	\$
COVID-19 Safe Restart Grant Received	249,000
Funds Spent During the Year	<u>-</u>
Balance, End of Year	<u>249,000</u>



## **Village of Tahsis**

Statement of Financial Information

For the Year Ended December 31, 2020

### Index

<b>Audited Financial Statements .....</b>	<b>2</b>
<b>Schedule of Guarantee and Indemnity Agreements .....</b>	<b>22</b>
<b>Schedule of Remuneration and Expenses .....</b>	<b>23</b>
<b>Statement of Severance Agreements .....</b>	<b>24</b>
<b>Schedule of Payments to Suppliers of Goods and Services .....</b>	<b>25</b>
<b>Statement of Financial Information Approval .....</b>	<b>26</b>
<b>Financial Information Act for 2020 Management Report .....</b>	<b>27</b>

**Audited Financial Statements**

**VILLAGE OF TAHSIS**  
**Financial Statements**  
**December 31, 2020**

**VILLAGE OF TAHSIS**

---

**Index to the Financial Statements**

---

December 31, 2020

---

<b>MANAGEMENT REPORT</b>	1
<b>INDEPENDENT AUDITORS' REPORT</b>	2-3
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	4
Statement of Operations	5
Statement of Change in Net Financial Assets	6
Statement of Cash Flows	7
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	8-16
<b>SCHEDULES</b>	
Schedule 1 - Government Grants and Transfers to the Village and Ratepayers	17
Schedule 2 - Combined Statement of Operations by Segment (2020)	18
Schedule 3 - Combined Statement of Operations by Segment (2019)	19
Schedule 4 - Reserve Fund Transactions	20
Schedule 5 - COVID-19 Safe Restart Grant	21

## MANAGEMENT REPORT

December 31, 2020

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.

The 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's 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, 2020.



---

Mark Tatchell  
Chief Administrative Officer



---

Ian C. Poole, CPA, CA  
Director of Finance

May 11, 2021



## INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of Village of Tahsis

### Opinion

We have audited the accompanying financial statements of the Village of Tahsis (the "Village"), which comprise the statement of financial position as at December 31, 2020, the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the Village's financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020, and of its financial performance and its cash flows for the year then ended. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards.

### Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 of 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 Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for over-seeing the Village's financial reporting process.

### Auditors' 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 auditors' 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 the users taken on the basis of these financial statements.

### Auditors' 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.
- 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 Newstead Boates Inc*

Chartered Professional Accountants  
Campbell River, BC

May 11, 2021

---

**Statement of Financial Position**

December 31, 2020

**2020****2019**

\$

\$

**FINANCIAL ASSETS**

Cash	711,073	1,098,051
Portfolio Investments (Note 2)	1,988,563	1,931,911
Accounts Receivable (Note 3)	212,135	701,794
Taxes and User Fees Receivable	<u>168,577</u>	<u>166,687</u>
	<u>3,080,348</u>	<u>3,898,443</u>

**LIABILITIES**

Accounts Payable and Accrued Liabilities	268,359	306,870
Demand Loan (Note 4)	-	816,765
Deferred Grants and Unearned Revenue (Note 5)	550,939	487,507
Contaminated Site Remediation (Note 6)	<u>56,700</u>	<u>56,700</u>
	<u>875,998</u>	<u>1,667,842</u>

**NET FINANCIAL ASSETS** 2,204,350 2,230,601**NON-FINANCIAL ASSETS**

Tangible Capital Assets (Note 7)	8,780,155	9,112,889
Prepaid Expenses	<u>63,408</u>	<u>66,849</u>
	<u>8,843,563</u>	<u>9,179,738</u>

**ACCUMULATED SURPLUS (Note 12)** 11,047,913 11,410,339

Approved by:



Director of Finance



Mayor

## Statement of Operations

Year Ended December 31, 2020

	Budget	Actual	2020 2019
	\$	\$	\$
(Note 13)			
<b>Revenues (Schedules 2 and 3)</b>			
Taxation	740,642	734,163	739,338
Utility Connection Fees and User Rates	245,000	251,265	248,434
Government Grants - Federal ( <b>Schedule 1</b> )	506,241	985,971	4,144,779
Fee and Services Charges	221,330	166,563	190,644
Other Revenues	<u>31,400</u>	<u>140,463</u>	<u>280,907</u>
	<u>1,744,613</u>	<u>2,278,425</u>	<u>5,604,102</u>
<b>Expenditures (Schedules 2 and 3)</b>			
General Departmental Expenditures	1,865,502	1,964,665	2,148,083
Water System Operations	126,104	230,946	164,691
Sewer System Operations	<u>122,225</u>	<u>142,242</u>	<u>168,344</u>
	<u>2,113,831</u>	<u>2,337,853</u>	<u>2,481,118</u>
<b>Annual Surplus (Deficit) from Operations</b>	(369,218)	(59,428)	3,122,984
Impairment of Tangible Capital Assets	-	<u>(302,998)</u>	-
<b>Annual Surplus (Deficit)</b>	<u>(369,218)</u>	(362,426)	3,122,984
<b>Accumulated Surplus - Beginning of Year</b>		<u>11,410,339</u>	<u>8,287,355</u>
<b>Accumulated Surplus - End of Year</b>		<u>11,047,913</u>	<u>11,410,339</u>

---

**Statement of Change in Net Financial Assets**

 Year Ended December 31, 2020
 

---

	<u>2020</u>		
	Budget	Actual	2019
	\$	\$	\$
	(Note 13)		
<b>Annual Surplus (Deficit)</b>	(369,218)	(362,426)	3,122,984
Acquisition of Tangible Capital Assets	-	(379,830)	(3,756,973)
Amortization of Tangible Capital Assets	305,000	409,566	365,392
Use of (Acquisition of) Prepaid Expenses	-	3,441	(1,785)
Disposition or Impairment of Tangible Capital Assets	-	302,998	12,739
	<u>(64,218)</u>	<u>(26,251)</u>	<u>(257,643)</u>
<b>Net Financial Assets - Beginning of Year</b>		<u>2,230,601</u>	<u>2,488,244</u>
<b>Net Financial Assets - End of Year</b>		<u>2,204,350</u>	<u>2,230,601</u>

---

**Statement of Cash Flows**

Year Ended December 31, 2020

**2020****2019**

\$

\$

**Cash Flows From Operating Activities:**

Annual Surplus (Deficit)	(362,426)	3,122,984
Items Not Involving Cash		
Amortization of Tangible Capital Assets	409,566	365,392
Loss (Gain) on Disposal or Impairment of Tangible Assets	<u>302,998</u>	<u>(123,261)</u>
	350,138	3,365,115
Changes in Non-Cash Operating Balances		
Accounts and Taxes Receivable	487,769	(339,792)
Accounts Payable and Accrued Liabilities	(38,511)	(65,292)
Demand Loan	(816,765)	816,765
Deferred Grants and Unearned Revenue	63,432	67,371
Prepaid Expenses	<u>3,441</u>	<u>(1,785)</u>
	<u>49,504</u>	<u>3,842,382</u>

**Cash Flows From Capital Activities:**

Purchase of Tangible Capital Assets	(379,830)	(3,756,973)
Proceeds on Disposition of Tangible Capital Assets	<u>-</u>	<u>136,000</u>
	<u>(379,830)</u>	<u>(3,620,973)</u>

**Cash Flows From Investing Activities:**

Redemption of (Investment in) Portfolio Investments	<u>(56,652)</u>	<u>402,985</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(386,978)	624,394
<b>Cash and Cash Equivalents - Beginning of Year</b>	<u>1,098,051</u>	<u>473,657</u>
<b>Cash and Cash Equivalents - End of Year</b>	<u><u>711,073</u></u>	<u><u>1,098,051</u></u>

---

## Notes to the Financial Statements

December 31, 2020

---

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 (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) Deferred Revenue

Revenues from rental revenues pertaining to the subsequent year have been deferred. These amounts will be recognized as revenue in the next fiscal year.

#### f) 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.

---

## Notes to the Financial Statements

December 31, 2020

---

### 1. Significant Accounting Policies (continued):

#### f) 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 service and other revenue is recognized on an accrual basis as earned.

#### g) Financial Instruments

Financial instruments consist of cash and portfolio investments, accounts receivable and accounts payable. 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.

#### h) 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 relates to the collectability of accounts receivable, valuation of investments, estimates of contingent liabilities, the provision for amortization and the estimation of potential environmental liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### i) 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 under the new standard including sites that are no longer in productive use and sites which the Village accepts responsibility.

#### j) Government Partnerships

Government partnerships are accounted for using the proportionate consolidation method.

### 2. Portfolio Investments:

	<u>2020</u>	<u>2019</u>
	\$	\$
Short-Term Bond Funds	623,001	585,326
Intermediate	648,171	635,220
Money Market Funds - Municipal Finance Authority	<u>717,391</u>	<u>711,365</u>

1,988,563

1,931,911

---

## Notes to the Financial Statements

December 31, 2020

---

### 2. Portfolio Investments (continued):

The portfolio investments are held with the Municipal Finance Authority (MFA) and are carried at market value.

### 3. Accounts Receivable:

	<u>2020</u>	<u>2019</u>
	\$	\$
GST Receivable	16,533	105,754
Accounts Receivable	203,664	604,102
Allowance for Doubtful Accounts	<u>(8,062)</u>	<u>(8,062)</u>
	<u>212,135</u>	<u>701,794</u>

### 4. Demand Loan:

The demand loan is a non-revolving loan held with the Municipal Finance Authority of British Columbia and bears interest at an annual variable rate equal to 2.58% at December 31, 2020. The loan has an authorized limit of a maximum of \$3,510,980 available until April 24, 2024 and is due on demand, with interest payable monthly.

The demand loan was approved by Council by enacting Section 177 of the Community Charter, allowing for Revenue Anticipation Borrowing in order to fund capital projects prior to grant funding being received. Bylaw 613 authorizing the demand loan was adopted by Council on April 16, 2019.

### 5. Deferred Grants and Unearned Revenue:

	<u>2020</u>	<u>2019</u>
	\$	\$
Deferred Rental Revenue	2,325	4,461
Other Grants	<u>548,614</u>	<u>483,046</u>
	<u>550,939</u>	<u>487,507</u>

### 6. 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 of the Village that the total cost to obtain the report that would allow for the deregistration of the site 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.

## Notes to the Financial Statements

December 31, 2020

### 7. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening	Additions	Disposals	Closing	Opening	Amort	Disposals	Closing	2020	2019
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land Buildings	1,127,284	-	-	1,127,284	-	-	-	-	1,127,284	1,127,284
Machinery and	4,690,657	-	605,997	4,084,660	3,387,086	125,600	302,999	3,209,687	874,973	1,303,571
Equipment	2,157,600	82,576	-	2,240,176	1,573,225	81,004	-	1,654,229	585,947	584,375
Roads and Bridges	7,134,705	201,292	-	7,335,997	3,984,182	100,710	-	4,084,892	3,251,105	3,150,523
Drainage	259,990	1,351	-	261,341	259,990	-	-	259,990	1,351	-
Other	210,810	-	-	210,810	166,263	9,341	-	175,604	35,206	44,547
	3,218,615	4,385	-	3,223,000	1,205,791	53,851	-	1,259,642	1,963,358	2,012,824
	<u>3,608,218</u>	<u>90,226</u>	<u>-</u>	<u>3,698,444</u>	<u>2,718,453</u>	<u>39,060</u>	<u>-</u>	<u>2,757,513</u>	<u>940,931</u>	<u>889,765</u>
	<u>22,407,879</u>	<u>379,830</u>	<u>605,997</u>	<u>22,181,712</u>	<u>13,294,990</u>	<u>409,566</u>	<u>302,999</u>	<u>13,401,557</u>	<u>8,780,155</u>	<u>9,112,889</u>
Water Infrastructure										
Sewer Infrastructure										

Subsequent to year end, the Village's Fire Hall, included within Buildings, was confirmed to have been impaired at December 31, 2020. The building underwent rapid differential settlement starting in late 2020. In February 2021 an assessment was conducted of the site and a third party report was provided stating that the building was unsafe and could no longer be used to provide services to the community. The net book value of the Fire Hall building has been adjusted to its residual value which is estimated to be \$Nil as a result of the third party report verifying conditions that existed at December 31, 2020 and the Fire Hall have no further service value to the Village or its residents.

The Village recognized an impairment loss of \$302,998 which represented the net book value of the Fire Hall building as at December 31, 2020.

### 8. Collections for Other Governments:

The Village is required to collect taxes on behalf of 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.

## Notes to the Financial Statements

December 31, 2020

### 8. Collections for Other Governments (continued):

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
General Municipal Purposes	740,642	738,319	739,152
Collections for Other Governments	-	11,157	10,675
Province of British Columbia - School Tax	-	196,810	198,687
Comox Strathcona Regional Hospital District	-	26,760	27,239
Municipal Finance Authority	-	10	10
British Columbia Assessment Authority	-	2,452	2,220
Vancouver Island Regional Library	-	11,378	12,264
Province of BC - Police Tax	-	14,175	13,302
Comox Valley Regional District	-	9,381	9,559
	<u>740,642</u>	<u>1,010,442</u>	<u>1,013,108</u>
	Transfers		
Strathcona Regional District	-	11,170	10,665
Province of British Columbia - School Tax	-	201,240	198,688
Comox Strathcona Regional Hospital Districts	-	26,792	27,279
Municipal Finance Authority	-	10	-
British Columbia Assessment Authority	-	2,455	2,223
Vancouver Island Regional Library	-	11,207	12,088
Province of BC - Police Tax	-	14,171	13,252
Comox Valley Regional District	-	9,234	9,575
	-	<u>276,279</u>	<u>273,770</u>
Available for General Municipal Purposes	<u>740,642</u>	<u>734,163</u>	<u>739,338</u>

### 9. Contingent Liabilities:

- 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.
- 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.

## Notes to the Financial Statements

December 31, 2020

### 10. 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, 2020, the Plan had about 213,000 active members and approximately 106,000 retired members. Active members include approximately 40,000 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.

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

The Village paid \$42,632 (2019 - \$44,330) for employer contributions while employees contributed \$37,839 (2019 - \$39,077) to the Plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

### 11. Related Party Transactions:

#### Government Partnership

The Village of Tahsis and the Village of Zeballos established a non-formalized government partnership in 2016 in pursuing an economic development tourism trail project between the two villages. The Village of Tahsis is the project manager. In 2020, total funds received from the Village of Zeballos were \$Nil (2019 - \$17,424).

Condensed government partnership financial statement information:

	<u>2020</u>	<u>2019</u>
	\$	\$
Statement of Financial Position		
Total Assets	<u>106,172</u>	<u>106,172</u>
Total Liabilities	141,467	141,467
Total Equity (Deficit)	<u>(35,295)</u>	<u>(35,295)</u>
	<u>106,172</u>	<u>106,172</u>

## Notes to the Financial Statements

December 31, 2020

### 11. Related Party Transactions (continued):

Statement of Comprehensive Income		
Revenues	-	28,059
Expenditures	-	<u>42,572</u>
Net Loss	-	<u>(14,513)</u>
Statement of Changes in Equity		
Retained Earnings (Deficit), beginning of the year	(35,295)	(20,782)
Net Income (Loss)	-	<u>(14,513)</u>
Retained Earnings (Deficit), end of the year	<u>(35,295)</u>	<u>(35,295)</u>

### 12. Accumulated Surplus:

The Village segregates its accumulated surplus in the following categories:

	<u>2020</u>	<u>2019</u>
	\$	\$
Internally Restricted Funds for Future Expenditure	515,124	515,124
Unrestricted Funds	886,161	912,590
Reserve Funds (a)	803,065	802,887
Investment in Non-Financial Assets (b)	<u>8,843,563</u>	<u>9,179,738</u>
	<u>11,047,913</u>	<u>11,410,339</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>2020</u>	<u>2019</u>
	\$	\$
Capital Works, Machinery and Equipment Reserve (c)	288,191	329,398
Fire Hall Reserve (d)	321,546	283,871
Recreation Centre Capital Works, Machinery and Equipment Reserve (e)	162,551	160,123
Economic Development Reserve (f)	<u>30,777</u>	<u>29,495</u>
	<u>803,065</u>	<u>802,887</u>

---

## Notes to the Financial Statements

December 31, 2020

---

### 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.

### 13. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw adopted by Council on May 12, 2020.

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.

	<u>2020</u>
	\$
Financial Plan (Budget) Bylaw Surplus Approved for the Year	-
Less:	
Budgeted Transfers to Offset Amortization	(305,000)
Budgeted Transfers from Accumulated Surplus	<u>(64,218)</u>
Annual Deficit Presented in Financial Statements	<u><u>(369,218)</u></u>

---

## Notes to the Financial Statements

December 31, 2020

---

### 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 item relates to the revenues and expenses of the operations of the Village itself and cannot be directly attributed to a specific segment.

#### Protective Services

Protection 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 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 department develops outside awareness of the economic area.

#### Recreation and Cultural Services

This service area 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

The service provides distribution of water to residents.

#### Sewer Utility

Provision of sanitary sewer collection by providing and maintaining pipes, manholes, and culverts and sewer treatment.

### 15. COVID-19:

As of this date, the global outbreak of the coronavirus disease (COVID-19) has caused economic uncertainties that are likely to continue to have a material negative impact on the net income of the Village for the year ending December 31, 2021.

The COVID-19 outbreak has caused business disruptions through the reduction of non-essential services provided by the Village. While the disruption is expected to be temporary and the Village continues to provide essential services, there is considerable uncertainty regarding the duration of the disruption to non-essential services. Additionally, there is uncertainty regarding the collectability of taxation revenues for the year ending December 31, 2021 as the effect of the pandemic on the residents of the Village and the economy as a whole continues to vary.

---

**Schedule 1 - Government Grants and Transfers to the Village and Ratepayers**  
Year Ended December 31, 2020

---

	<u>2020</u>		
	Budget	Actual	2019
	\$	\$	\$
	(Note 13)		
<b>Federal Government</b>			
Grants in Lieu of Taxes	10,785	23,224	10,785
Other	<u>700</u>	<u>5,000</u>	<u>700</u>
	11,485	28,224	11,485
<b>Province of BC and Federal/Provincial Programs</b>			
General Fund			
Small Communities Protection	351,692	353,462	351,692
Planning	75,000	298,903	159,204
COVID Safe Restart	-	249,000	-
Other	<u>2,500</u>	<u>2,500</u>	<u>2,400</u>
	<u>429,192</u>	<u>903,865</u>	<u>513,296</u>
General Capital			
Infrastructure	<u>65,564</u>	<u>53,882</u>	<u>3,619,998</u>
	<u>506,241</u>	<u>985,971</u>	<u>4,144,779</u>

## Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2020 Actual	2020 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
(Note 13)										
<b>Revenues</b>										
Taxation	734,163	-	-	-	-	-	-	-	734,163	740,642
Utility Connection Fees and User Rates	-	-	-	-	-	-	138,884	112,381	251,265	245,000
Government Grants and Transfers	932,089	-	53,882	-	-	-	-	-	985,971	506,241
Fees and Service Charges	-	-	4,706	150,716	-	11,141	-	-	166,563	221,330
Other Revenues	<u>137,723</u>	<u>2,740</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,463</u>	<u>31,400</u>
	<u>1,803,975</u>	<u>2,740</u>	<u>58,588</u>	<u>150,716</u>	<u>-</u>	<u>11,141</u>	<u>138,884</u>	<u>112,381</u>	<u>2,278,425</u>	<u>1,744,613</u>
<b>Expenses</b>										
Operating										
Goods and Services	239,692	70,177	103,834	66,730	69,238	92,500	126,428	61,193	829,792	994,857
Labour	621,196	48,763	120,318	25,823	-	189,739	50,667	41,989	1,098,495	813,974
Amortization	<u>28,609</u>	<u>58,399</u>	<u>136,071</u>	<u>2,395</u>	<u>-</u>	<u>91,181</u>	<u>53,851</u>	<u>39,060</u>	<u>409,566</u>	<u>305,000</u>
	<u>889,497</u>	<u>177,339</u>	<u>360,223</u>	<u>94,948</u>	<u>69,238</u>	<u>373,420</u>	<u>230,946</u>	<u>142,242</u>	<u>2,337,853</u>	<u>2,113,831</u>
Excess (Deficiency) of Revenues over Expenses from Operations	914,478	(174,599)	(301,635)	55,768	(69,238)	(362,279)	(92,062)	(29,861)	(59,428)	(369,218)
Impairment of Tangible Capital Assets	<u>-</u>	<u>(302,998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302,998)</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenses	<u>914,478</u>	<u>(477,597)</u>	<u>(301,635)</u>	<u>55,768</u>	<u>(69,238)</u>	<u>(362,279)</u>	<u>(92,062)</u>	<u>(29,861)</u>	<u>(362,426)</u>	<u>(369,218)</u>

### Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2019 Actual	2019 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>										
Taxation	739,338	-	-	-	-	-	-	-	739,338	714,228
Utility Connection Fees and User Rates	-	-	-	-	-	-	136,957	111,477	248,434	235,000
Government Grants and Transfers	524,781	-	3,619,998	-	-	-	-	-	4,144,779	745,596
Fees and Service Charges	-	-	6,963	152,088	-	31,593	-	-	190,644	230,292
Other Revenues	<u>276,116</u>	<u>4,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>280,907</u>	<u>177,000</u>
	<u>1,540,235</u>	<u>4,791</u>	<u>3,626,961</u>	<u>152,088</u>	<u>-</u>	<u>31,593</u>	<u>136,957</u>	<u>111,477</u>	<u>5,604,102</u>	<u>2,102,116</u>
<b>Expenses</b>										
Operating										
Goods and Services	368,591	82,227	100,328	91,438	189,897	153,426	71,609	119,522	1,177,038	1,107,332
Labour	450,195	50,011	98,801	25,897	-	240,665	49,145	23,974	938,688	905,999
Amortization	<u>42,935</u>	<u>57,567</u>	<u>104,605</u>	<u>2,395</u>	<u>-</u>	<u>89,105</u>	<u>43,937</u>	<u>24,848</u>	<u>365,392</u>	<u>252,000</u>
	<u>861,721</u>	<u>189,805</u>	<u>303,734</u>	<u>119,730</u>	<u>189,897</u>	<u>483,196</u>	<u>164,691</u>	<u>168,344</u>	<u>2,481,118</u>	<u>2,265,331</u>
Excess (Deficiency) of Revenues over Expenses	<u>678,514</u>	<u>(185,014)</u>	<u>3,323,227</u>	<u>32,358</u>	<u>(189,897)</u>	<u>(451,603)</u>	<u>(27,734)</u>	<u>(56,867)</u>	<u>3,122,984</u>	<u>(163,215)</u>

---

**Schedule 4 - Reserve Fund Transactions**

 Year Ended December 31, 2020
 

---

	Capital Works Machinery and Equipment	Fire Hall	Rec Centre	Economic Development	Total 2020	Total 2019
	\$	\$	\$	\$	\$	\$
<b>Balance, Beginning of Year</b>	329,398	283,871	160,123	29,495	802,887	892,615
<b>Interest Earned</b>	12,950	37,675	2,428	1,282	54,335	40,092
<b>Transfer From Other Funds</b>	-	-	-	-	-	-
<b>Used for Capital Expenditures</b>	<u>(54,157)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,157)</u>	<u>(129,820)</u>
<b>Balance, End of Year</b>	<u>288,191</u>	<u>321,546</u>	<u>162,551</u>	<u>30,777</u>	<u>803,065</u>	<u>802,887</u>

---

**Schedule 5 - COVID-19 Safe Restart Grant**Year Ended December 31, 2020

---

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>2020</u>
	\$
COVID-19 Safe Restart Grant Received	249,000
Funds Spent During	-
the Year	<u>-</u>
Balance, End of Year	<u><u>249,000</u></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 2020 fiscal year.

## Schedule of Remuneration and Expenses

### 1. Elected Officials

Name	Position	Remuneration	Expenses (Note 1)
Martin Davis	Mayor	\$9,823	\$439
William Elder	Councillor	\$5,069	\$0
Sarah Fowler	Councillor	\$5,069	\$616
Lynda Llewellyn	Councillor	\$5,069	\$0
Cheryl Northcott	Councillor	\$4,484	\$249
<b>Total Elected Officials</b>		<b>\$29,513</b>	<b>(A) \$1,304</b>

### 2. Employees

Name	Position	Remuneration	Expenses (Note 1)
Remuneration over \$75,000:			
Mark Tatchell	CAO	\$122,120	\$5,423
Consolidated total of other employees with remuneration of \$75,000 or less		\$771,516	\$8,518
<b>Total Employees</b>		<b>\$893,636</b>	<b>(B) \$13,941</b>

### 3. Reconciliation

Total remuneration - elected officials	\$29,513	(A)
Total remuneration - employees	\$893,636	(B)
Subtotal	\$923,150	
Reconciling item:		
Employer portion of EI, CPP and benefit costs (Note 2)	\$134,789	
Total after reconciling item	\$1,057,939	
Total Labour per Schedule 2, Combined Statement of Operations by Segment	\$1,098,495	
Variance	\$40,556	

#### Notes to Schedule

1. Expenses reimbursed to both Elected Officials and Employees include, among other reasonable expenses, mileage for the use of personal vehicles to attend required business meetings, professional training courses and conferences outside of Tahsis.

2. Financial statement figures include the employer portion for EI, CPP and benefit costs, 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 were no severance agreements made between the Village of Tahsis and its non-unionized employees during fiscal year 2020.

## 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
Aislin O'Hara Consulting Inc.	26,000.63
Bank of Montreal Mastercard	37,368.57
BC Hydro	148,901.46
British Columbia Pension Corp	77,487.73
Chan Nowosad Boates Inc.	27,532.31
Coastal Mountain Fuels	25,546.40
Comox Strathcona Reg Hospital District	26,791.60
Logical Developments Associates Inc.	37,199.56
McElhanney Ltd.	397,672.47
Municipal Finance Authority of BC (MFA)	816,774.78
Municipal Insurance Association of BC	73,642.00
Receiver General (RP0001)	130,364.24
Receiver General (RP0002)	122,770.71
Red Williams Well Drilling Ltd.	26,983.43
Ridgeline Mechanical Ltd.	27,489.86
Tayco Paving Company	67,295.59
Telus	27,758.82
WFR Wholesale Fire & Rescue Ltd.	<u>30,707.92</u>
Total aggregate amount paid to suppliers exceeding \$25,000	<u>2,128,288</u>
2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less	<u>554,722</u>
<b>Total Payments to Suppliers in 2020</b>	<b>\$2,683,010</b>
Reconciling items:	
Acquisition of tangible capital assets	(379,830)
Less Repayment of MFA Debt.	(816,775)
Employee benefits and source deduction pymts included in Total Labour	<u>(246,002)</u>
Total after reconciling items	1,240,404
<b>Total Goods and Services</b> , per Schedule 2, Combined Statement of Operations by Segment	<u><b>\$829,792</b></u>
Variance (see Note below)	<u>\$410,612</u>

### Note to Schedule

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

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*.

\_\_\_\_\_  
Ian C. Poole, CPA, CA  
Director of Finance, Village of Tahsis  
Date

\_\_\_\_\_  
Martin Davis  
Mayor, Village of Tahsis  
Date

## **Financial Information Act for 2020 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 Ian C. Poole, 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, 2020 in accordance with generally accepted auditing standards, and have expressed their opinion of the financial statements (see the Independent Auditor's Report dated May 11, 2021 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.

Ian C. Poole, CPA, CA  
Director of Finance  
Date

---

**From:** Rutherford, Kimberly <kimberly.rutherford@rcmp-grc.gc.ca>  
**Sent:** Monday, June 14, 2021 2:00 PM  
**To:** Wanda Wilson <admin@yuquot.ca>; Michael Roy <mroy@goldriver.ca>; Mark Tatchell <MTatchell@villageoftahsis.com>  
**Cc:** Boucher, Chris <chris.boucher@rcmp-grc.gc.ca>  
**Subject:** Body Worn Camera Stakeholder Engagement/Information

Hi Wanda, Mike and Mark,

First off my apologies for my lack of communication in the last three weeks. I have attended two deployments to Fairy Creek and playing catch up in the middle. We have also deployed Cst Larkin there three times as he is a member of the TAC Troop.

Needless to say we are both extremely grateful to be posted to the Nootka Sound RCMP.

The purpose of the below noted email is to solicit feedback, questions and concerns from you and your leadership team about the future of our Body Worn Camera (BWC) program that will be rolling out this fall. Please have a look at the attached power point and let me know your thoughts. Please also cc S/Sgt Boucher who I have cc'd on this email.

As you know, the RCMP is committed to enhancing trust with the communities it serves. One way to promote that trust is to increase the transparency of police interactions with citizens through the use of BWC. In general, the RCMP plans to equip front-line officers who have operational interactions with the public with BWC while on duty. The RCMP is currently examining the full extent of duties where BWC will be required.

There is an expectation the BWC will start to be rolled out in Fall 2021 and the implementation could take up to 18 months. Once the vendor is selected, a phased rollout will be conducted. They expect to start with three locations (one rural, one North and one urban) before implementing more broadly. Locations have not yet been determined. The first phase will allow for the RCMP to test and adjust procedures and training materials before expanding the use to other locations. This approach will be further defined once a vendor is in place.

The data generated by the BWC will be stored using a centralized cloud-based system, which would include a Data Evidence Management System (DEMS). More details about the storage and DEMS will become known when a vendor is established.

Once a vendor is established more will be known about costs. The RCMP estimates that BWC's will cost \$2,000-\$3,000 per camera per year. This includes costs for storage as part of a DEMS. Any operational cost such as maintenance are still not yet known. The RCMP will develop/finalize multi-year financial plans for BWC implementation. However, BWC funding would not require contracting partners to pay until 2024/2025 allowing three years to plan for this pressure. The Government of Canada has allocated \$238.5 Million over six years for BWC.

The training requirement will be set when the vendor is identified. As reference, members as part of the limited pilot in V Division received about 4 hours of online training provided by the vendor and 4 hours of RCMP specific training on policy and use.

Thank-you in advance,

Sgt K.A Rutherford  
Royal Canadian Mounted Police  
Nootka Sound Detachment  
"E" Division British Columbia  
ph (250) 283 2227  
fax (250) 283 7657

Sgt. K.A Rutherford  
Gendarmerie royale du Canada  
Détachement de Nootka Sound  
Division "E" Colombie-Britannique  
Téléphone (250) 283 2227  
Télécopieur (250) 283 7657

***We acknowledge and respect that we are on the territory of the Mowachaht/Muchalaht First Nation***

This email and any files transmitted with it are privileged, confidential, subject to copyright and intended solely for the use of the individual or entity to whom they are addressed. Views expressed are those of the user and not necessarily those of the Royal Canadian Mounted Police. Any unauthorized use, copying, review or disclosure is prohibited under Sec. 7 of the Privacy Act. Please notify the sender immediately if you have received this communication in error. Thank you for your assistance and co-operation.

# RCMP Body Worn Camera BWC Program Overview

April 28, 2021



RCMP Body Worn Camera

# BWC Program Overview



## Table of Contents

## Page

Context and Program Overview	3
Expectations	4
Context and Program Overview	5
Program Objectives	6
V Division BWC Pilot in Iqaluit	7
Limited Pilot in V Division Underway	8
V Division Policy: BWC Use and indicators	9
BWC V Division Recordings and Use	10
BWC use and activation	11
BWC recording use by RCMP members	12
BWC information and support	13

# Context and Program Overview

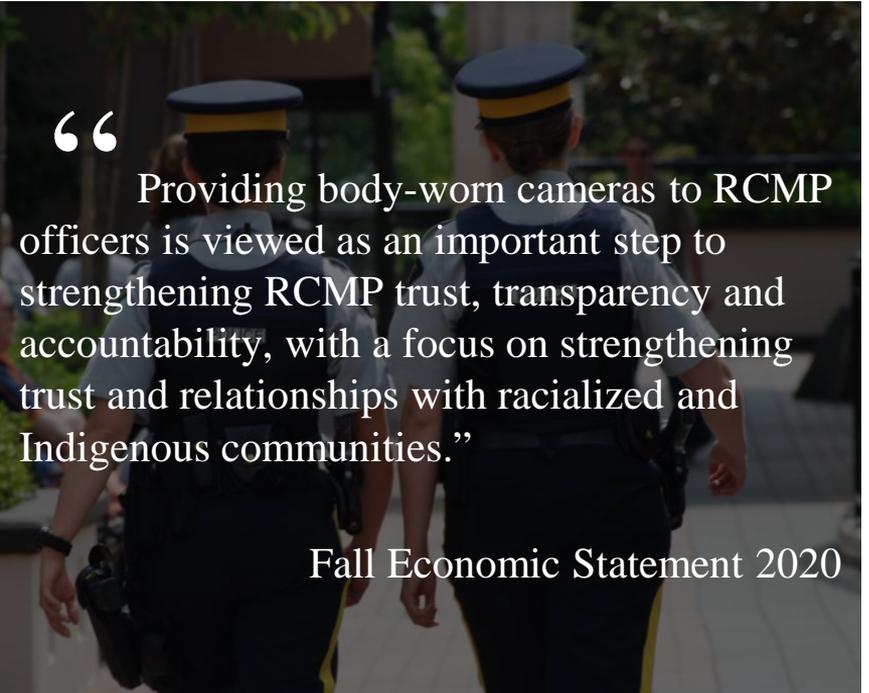
M3

The reason behind the Body Worn Camera (BWC) Program

## Why are we getting Body Worn Cameras?

In keeping with the Prime Minister's commitment from June 2020 and as part of a broader strategy to enhance transparency, trust and confidence, the RCMP will be rolling out body worn cameras (BWC) in FY 2021.

To meet this requirement, the RCMP is equipping all RCMP officers who have operational interactions with the public with a body worn camera while on duty. This is estimated to be between 10,000 and 15,000 cameras. This will include RCMP officers in both Contract and Federal Policing.



“ Providing body-worn cameras to RCMP officers is viewed as an important step to strengthening RCMP trust, transparency and accountability, with a focus on strengthening trust and relationships with racialized and Indigenous communities.”

Fall Economic Statement 2020

# Expectations

What BWCs will contribute to the RCMP and Canadian Public

M3

Body Worn Cameras (BWC) are intended to overtly capture an accurate unbiased and reliable audio/video account of incidents involving uniformed police. Increasingly deployed by police in Canada and internationally to:



# Context and Program Overview

M3

## Body Worn Camera (BWC) use and impacts to contract partners

The RCMP expects BWC will become a national standard for RCMP members that are interacting directly with communities

### *Why use body worn cameras?*

Canadians need to feel protected and respected by the police. Body-worn cameras can help to increase the trust between police and the communities they serve, because:

- They show what happens during police stops
- The videos can be used as evidence for complaints or in court
- They can encourage better police and public behaviour.

### *When will the RCMP have the Cameras?*

The RCMP is planning to procure BWCs and a Digital Evidence Management Service through a transparent process. A Request for Proposals will be launched in summer 2021.

There is an expectation that BWC will start to be rolled out in **fall 2021** as part of a phased approach (i.e., starting in 3 locations – northern, rural, urban) and an understanding that roll-out could take up to 18 months.

### *How much will the Cameras Cost?*

Based on research, the RCMP estimates BWCs will cost \$2000-\$3000 per camera per year. These numbers will be confirmed once a vendor is selected.

RCMP policing services contract partners will not have to fund this until 2024/25.



# Program Objectives

What we expect and what we don't know

M3

## *What are the expected benefits/outcomes?*

Improved Evidence Gathering for Prosecutions

Improved transparency and accountability leading to increased public trust and confidence in police

Timely resolutions or withdrawal of complaints upon video viewing

Improved police and public behaviour

## *What are some things we don't know?*

- What services** an external vendor will provide vs. what will be handled within RCMP.
- How** cameras will be rolled out across the country and the factors that will be considered to make this determination (network capabilities, stakeholders consultations, size of detachment).
- How video evidence** will be handled and transferred to the courts.
- The true impacts** on workload.



# V Division BWC Pilot in Iqaluit

Body Worn Camera (BWC) testing and lessons learned

M3

Starting November 30, 2020, some officers in Iqaluit Detachment were equipped with body-worn-cameras (BWC) while attending calls for service.

The V Division BWC Pilot was launched to help the Nunavummiut to feel protected and respected by the police and enhance trust between the RCMP and the communities in Nunavut.

This pilot is important as it serves to inform the wider RCMP organization on how to implement BWC.

The RCMP expects BWCs will become a national standard for RCMP members who interact directly with communities. The processes and policies used by V Division will guide the developing National policies and procedures.

## Keys to BWC implementation:

The BWC pilot in V Division (Nunavut) found that by actively engaging with stakeholders in a transparent manner they were able to secure the communities support with the BWC implementation. Proactive engagement was conducted using discussions through their existing network connections and communicating with information about the pilot on posters and pamphlets.



## Pilot will inform community engagement strategies and how best to use the cameras

**BODY-WORN CAMERAS IN IQALUIT**

Starting in November 2020, some RCMP officers in Iqaluit will have body-worn cameras. They'll be starting to use the cameras over the next few months. This pilot will help us roll out cameras to other officers across the country.

**STARTING TO USE THE CAMERAS IN PHASES**

There will be three phases to the pilot of the cameras in Iqaluit.

**PHASE 1**

- November 2020
- 2 officers on each shift will have cameras
- 8 cameras total

**PHASE 2**

- January 2021
- 4 officers on each shift will have cameras
- 16 cameras total

**PHASE 3**

- February 2021
- All general duty officers on each shift will have cameras
- 24 cameras total

We're doing it this way so we can make changes based on new information.

**WHY USE BODY-WORN CAMERAS**

Canadians need to feel protected and respected by the police. Body-worn cameras can help to increase the trust between police and the communities they serve, because:

- they show what happens during police stops
- the videos can be used as evidence for complaints or in court
- they can encourage better police and public behaviour

**HOW OFFICERS WILL USE THE CAMERAS**

**TURNING THE CAMERA ON**

Officers may turn the camera on during calls for service, including:

- Mental health calls
- Interactions with people in crisis
- Crimes in progress
- For investigations
- Public disorder

They may also turn the camera on when they interact with the public, but not in every situation.

**TURNING THE CAMERA OFF**

You can ask the officer to turn off the camera. The officer will consider your right to privacy versus the nature of the call, the location,

and the situation. Based on this, they may or may not turn off the camera. If you disagree, you can:

- contact the detachment
- make a public complaint
- make a privacy complaint about the RCMP

**LETTING YOU KNOW THE CAMERA IS RECORDING**

If possible, officers will let you know when the camera is recording.

You can tell the camera is recording by the light above the lens. Green means the camera is on and red means it's recording.

These lights will always be on, unless the officer turns them off for their safety (in low- or no-light situations).

**BYSTANDERS CAUGHT ON VIDEO**

As a bystander to a call for service, you might be caught on video even if you're not involved in the call. To protect your privacy, we will:

- Blur your face and/or licence plate
- Mute or distort your voice

**REQUESTING A COPY OF A VIDEO**

You can make an Access to Information request to get a copy of a video.

[www.rcmp-grc.gc.ca/en/access-information-and-privacy](http://www.rcmp-grc.gc.ca/en/access-information-and-privacy)

### V Div Pilot

- Launched November 30, 2020
- 24 cameras rolled out to general duty police officers
- Communication and engagement activities effective
- Public response positive; no significant concerns
- Draft policy/procedures serve a good working model
- Working closely with Crown to meet disclosure requirements

# BWC use and activation

M3

When the BWCs will be activated and how that decision is made

## What is the general expectation for BWC use?

### BWCs are to be activated:

- Prior to arriving at a call for service
- When initiating contacts with a member of the public for the purpose of investigation
- To record information to support lawful execution of duties

### Not intended for:

- 24 hour recording
- Surveillance or covert recording
- When intimate searches are conducted
- Areas with a high expectation of privacy *unless there are exigent circumstances*

## Can BWCs be turned off by the officer?

When the BWC is activated, it shall not be deactivated, deliberately repositioned or covered except when there is a reasonable belief that the collection audio/video media no longer:

- Supports officer or public safety
- Benefits the investigation
- Support the rationale of the use of BWC

Some examples: Intimate searches, incidents of a sensitive nature, investigative discussions/enquiries between police personnel, formal statements normally taken at a detachment interview room, etc.

# BWC Use and indicators

M3

Examples of how officers may inform bystanders of its use

## *What are examples of situations where Body Worn Cameras will be used?*

V Division Officers may activate their BWC during calls for service, including:

- Mental health calls
- Interactions with people in crisis
- Crimes in progress
- For investigations
- Public disorder and protests

## *Officers to let you know the camera is recording*

- When possible, officers will let you know when the camera is recording.
- You can tell the camera is recording by the light above the lens. A green means the camera's power is ON, while a red light means the camera is ON *and* recording.
- These lights will always be on, unless the officer turns them off for their safety (e.g., in low- or no-light situations). This is permitted but the reason why must be recorded on the video or in their notes.

# BWC V Division Recordings and Use

M3

V Division recording procedures and processes have informed a model for national use

## *Bystanders caught on video*

Effort will be made to not capture unrelated incidents, investigations or members of the public. However, you might be caught on video even if you're not involved in the call.

You can make an Access to Information request to get a copy of a video.

## *Length of time V Division keeps videos*

The amount of time we will keep a video will depend on the type of call an officer attends. The shortest possible time V Division keeps a video for is 2 years. If a video doesn't capture a call for service, and does not contain any personal information, it will be discarded after 30 days.

After time expires:

- We will destroy it,
- We will send it to Library and Archives Canada if it has historical value, or
- If we were helping another non-Government of Canada agency, we will transfer it to them.

Like all RCMP holdings, legislated retention periods will be respected.

# BWC recording use by RCMP members

M3

How the recordings are used by the recording officer and who has access

## *Does the use of BWC replace officer note taking?*

- Members will write notes in the same manner as any other investigation or use of force incident before viewing footage.
- When members watch their video, they will document that in their notes including date and time viewed.

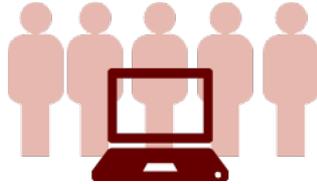
## *Who can review and/or has access to BWC video?*

- The member who captured the video or were present when the video was recorded
- Supervisor of the member that recorded the video
- Chain of command when there is a legitimate investigative or administrative reason to view it (approval required before it can be viewed)
- A member who needs to see it for an investigative purpose (approval required before it can be viewed)
- A member from the Conduct Authority Section (approval required before it can be viewed)

# BWC information and support

M3

Sources of BWC information or ways to speak to the RCMP about BWCs



## ***How do I request to view a recording?***

The process is the same for any information held by the RCMP.

Members of the public can make a Privacy Act or an Access to Information Act request to get a copy of a video at the following link:

<https://www.rcmp-grc.gc.ca/en/access-information-and-privacy>

# Feedback

M3

Do you have feedback on the implementation of Body Worn Cameras?

Let us know!

Email: [e\\_bwc@rcmp-grc.gc.ca](mailto:e_bwc@rcmp-grc.gc.ca)