



Village of Tahsis

Statement of Financial Information

For the Year Ended December 31, 2022

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Audited Financial Statements

VILLAGE OF TAHSIS Financial Statements December 31, 2022

VILLAGE OF TAHSIS

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December 31, 2022

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MANAGEMENT REPORT

December 31, 2022

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

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

Village of Tahsis's independent auditors, Chan Nowosad Boates Inc., Chartered Professional Accountants, are engaged to express an opinion as to whether these financial statements present fairly the Village of Tahsis'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, 2022.



Mark Tatchell
Chief Administrative Officer



Adia Mavrikos, CPA, CA
Director of Finance

May 2, 2023



INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of the Village of Tahsis,

Opinion

We have audited the financial statements of the Village of Tahsis (the "Village"), which comprise the statement of financial position as at December 31, 2022, and 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 accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2022, and the results of its operations and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Opinion

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Chartered Professional Accountants
Campbell River, BC

May 2, 2023

VILLAGE OF TAHSIS

Statement of Financial Position

December 31, 2022

2022

2021

FINANCIAL ASSETS

Cash	\$ 375,528	\$ 713,894
Portfolio Investments (Note 2)	1,976,570	1,984,506
Accounts Receivable (Note 3)	409,882	73,791
Taxes and User Fees Receivable	131,054	143,874
	<u>2,893,034</u>	<u>2,916,065</u>

LIABILITIES

Accounts Payable and Accrued Liabilities	185,782	344,538
Demand Loan (Note 4)	-	160,000
Deferred Grants and Unearned Revenue (Note 5)	790,269	686,634
Contaminated Site Remediation (Note 6)	56,700	56,700
	<u>1,032,751</u>	<u>1,247,872</u>

NET FINANCIAL ASSETS

1,860,283 1,668,193

NON-FINANCIAL ASSETS

Tangible Capital Assets (Note 7)	9,641,661	9,353,118
Prepaid Expenses	63,179	61,968
	<u>9,704,840</u>	<u>9,415,086</u>

ACCUMULATED SURPLUS (Note 11)

\$ 11,565,123 \$ 11,083,279

Approved by:



Director of Finance



Mayor

VILLAGE OF TAHSIS

Statement of Operations

Year Ended December 31, 2022

	2022		2021
	Budget	Actual	
	(Note 13)		
Revenues (Schedules 2 and 3)			
Taxation	\$ 823,034	\$ 816,885	\$ 793,894
Utility Connection Fees and User Rates	390,500	411,529	377,203
Government Grants (Schedule 1)	654,460	1,318,024	1,003,951
Fee and Services Charges	281,030	182,042	168,953
Other Revenues	<u>37,500</u>	<u>111,328</u>	<u>137,191</u>
	<u>2,186,524</u>	<u>2,839,808</u>	<u>2,481,192</u>
Expenditures (Schedules 2 and 3)			
General Departmental Expenditures	2,243,611	2,011,762	1,989,872
Water System Operations	214,204	200,843	252,180
Sewer System Operations	<u>186,005</u>	<u>145,359</u>	<u>203,774</u>
	<u>2,643,820</u>	<u>2,357,964</u>	<u>2,445,826</u>
Annual Surplus (Deficit)	<u>\$ (457,296)</u>	481,844	35,366
Accumulated Surplus - Beginning of Year		<u>11,083,279</u>	<u>11,047,913</u>
Accumulated Surplus - End of Year		<u>\$11,565,123</u>	<u>\$11,083,279</u>

VILLAGE OF TAHSIS

Statement of Change in Net Financial Assets

Year Ended December 31, 2022

	<u>2022</u>		<u>2021</u>
	<u>Budget</u>	<u>Actual</u>	
	(Note 13)		
Annual Surplus (Deficit)	\$ (457,296)	\$ 481,844	\$ 35,366
Acquisition of Tangible Capital Assets	-	(699,409)	(999,509)
Amortization of Tangible Capital Assets	415,384	410,866	415,384
Use of Prepaid Expenses	-	(1,211)	1,440
Disposition or Impairment of Tangible Capital Assets	-	-	11,162
	<u>\$ (41,912)</u>	<u>192,090</u>	<u>(536,157)</u>
Net Financial Assets - Beginning of Year		<u>1,668,193</u>	<u>2,204,350</u>
Net Financial Assets - End of Year		<u>\$ 1,860,283</u>	<u>\$ 1,668,193</u>

VILLAGE OF TAHSIS

Statement of Cash Flows

Year Ended December 31, 2022

2022

2021

Cash Flows From Operating Activities:

Annual Surplus	\$ 481,844	\$ 35,366
Non-Cash Transactions		
Gain on Disposal of Tangible Capital Assets	(7,551)	(2,588)
Amortization of Tangible Capital Assets	410,866	415,384
	885,159	448,162
Changes in Non-Cash Operating Balances		
Accounts and Taxes Receivable	(323,271)	163,047
Accounts Payable and Accrued Liabilities	(158,756)	76,179
Demand Loan	(160,000)	160,000
Deferred Grants and Unearned Revenue	103,635	135,695
Prepaid Expenses	(1,211)	1,440
	345,556	984,523

Cash Flows From Capital Activities:

Proceeds on Disposal of Tangible Capital Assets	7,551	13,750
Purchase of Tangible Capital Assets	(699,409)	(999,509)
	(691,858)	(985,759)

Cash Flows From Investing Activities:

Redemption of Portfolio Investments	7,936	4,057
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Increase (Decrease) in Cash and Cash Equivalents	(338,366)	2,821
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Cash and Cash Equivalents - Beginning of Year	713,894	711,073
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Cash and Cash Equivalents - End of Year	\$ 375,528	\$ 713,894
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VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

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

1. Significant Accounting Policies:

a) Basis of Presentation

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

b) Portfolio Investments

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

c) Tangible Capital Assets

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

Estimated useful lives of tangible capital assets are as follows:

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

d) Collection of Taxes on Behalf of Other Taxation Authorities

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

e) Revenue Recognition and Deferred Grants

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

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

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

1. Significant Accounting Policies (continued):

e) Revenue Recognition and Deferred Grants (continued)

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

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

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

f) Financial Instruments

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

g) Use of Estimates

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

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

h) Contaminated Sites

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

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

2. Portfolio Investments:

	<u>2022</u>	<u>2021</u>
Short-Term Bond Funds	\$ 597,210	\$ 617,891
Intermediate Bond Funds	646,984	648,129
Money Market Funds	<u>732,376</u>	<u>718,486</u>
	<u>\$ 1,976,570</u>	<u>\$ 1,984,506</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

3. Accounts Receivable:

	<u>2022</u>	<u>2021</u>
GST Receivable	\$ 19,471	\$ 26,766
Accounts Receivable	398,473	55,087
Allowance for Doubtful Accounts	<u>(8,062)</u>	<u>(8,062)</u>
	<u>\$ 409,882</u>	<u>\$ 73,791</u>

4. Demand Loan:

The demand loan was a non-revolving loan held with the MFA and bore interest at an annual variable rate equal to 0.97% at December 31, 2021. The demand loan was repaid in full on February 25, 2022 and at December 31, 2022 there are no active loan bylaws registered with MFA.

5. Deferred Grants and Unearned Revenue:

	<u>2022</u>	<u>2021</u>
Deferred Rental Revenue	\$ 3,192	\$ 3,906
Other Grants	<u>787,077</u>	<u>682,728</u>
	<u>\$ 790,269</u>	<u>\$ 686,634</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 that the total cost to obtain the report that would allow for deregistration as a contaminated site is \$56,700. The Village has recognized the liability for this amount which was recorded as an expenditure during the year ended December 31, 2017.

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

7. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening	Additions	Disposals	Closing	Opening	Amort	Disposals	Closing	2022	2021
Land	\$ 1,216,122	\$ 105,000	\$ -	\$ 1,321,122	\$ -	\$ -	\$ -	\$ -	\$ 1,321,122	\$ 1,216,122
Buildings	4,084,660	-	11,123	4,073,537	3,320,137	110,450	11,123	3,419,464	654,073	764,523
Machinery and Equipment	2,285,035	-	-	2,285,035	1,741,507	80,032	-	1,821,539	463,496	543,528
Roads and Bridges	7,335,997	-	-	7,335,997	4,189,906	105,014	-	4,294,920	3,041,077	3,146,091
Drainage	1,074,991	-	-	1,074,991	268,126	16,273	-	284,399	790,592	806,865
Other	251,810	39,476	-	291,286	184,945	3,932	-	188,877	102,409	66,865
Water Infrastructure	3,223,000	-	-	3,223,000	1,313,603	53,961	-	1,367,564	1,855,436	1,909,397
Sewer Infrastructure	3,698,444	-	-	3,698,444	2,798,717	41,204	-	2,839,921	858,523	899,727
Work in Progress	-	554,933	-	554,933	-	-	-	-	554,933	-
	<u>\$ 23,170,059</u>	<u>\$ 699,409</u>	<u>\$ 11,123</u>	<u>\$ 23,858,345</u>	<u>\$ 13,816,941</u>	<u>\$ 410,866</u>	<u>\$ 11,123</u>	<u>\$ 14,216,684</u>	<u>\$ 9,641,661</u>	<u>\$ 9,353,118</u>

8. Collections for Other Governments:

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

	Actual 2022	Actual 2021
General Municipal Purposes	\$ 816,485	\$ 793,730
Collections for Other Governments		
Strathcona Regional District	12,700	13,561
Province of British Columbia - School Tax	231,704	223,735
Comox Strathcona Regional Hospital District	21,829	22,604
Municipal Finance Authority	15	12
British Columbia Assessment Authority	3,459	2,819
Vancouver Island Regional Library	14,602	12,917
Province of BC - Police Tax	20,140	15,768
Comox Valley Regional District		
Waste Management	8,619	8,914
	<u>\$ 1,129,553</u>	<u>\$ 1,094,060</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

8. Collections for Other Governments (continued):

	Actual 2022	Actual 2021
Sub-total from Previous Page	\$ 1,129,553	\$ 1,094,060
Transfers		
Strathcona Regional District	12,702	13,995
Province of British Columbia - School Tax	231,704	223,735
Comox Strathcona Regional Hospital Districts	21,830	22,603
Municipal Finance Authority	-	-
British Columbia Assessment Authority	3,073	2,860
Vancouver Island Regional Library	14,600	12,497
Province of BC - Police Tax	20,140	15,768
Comox Valley Regional District		
Waste Management	8,619	8,708
	312,668	300,166
Available for General Municipal Purposes	\$ 816,885	\$ 793,894

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.
- (c) The Village is involved in ongoing legal proceedings related to a claim made against it for damages related to a sewer blockage. The total amount that is sought in the claim is \$35,156. No amounts have been accrued in the financial statements for this potential future liability as at December 31, 2022 it is not determinable if any amount will be found to be owing a result of the claim.

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, 2022, the Plan had about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local government.

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

10. Pension Plan (continued):

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, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$49,198 (2021 - \$52,754) for employer contributions while employees contributed \$45,499 (2021 - \$46,225) to the Plan in fiscal 2022.

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

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

11. Accumulated Surplus:

The Village segregates its accumulated surplus in the following categories:

	<u>2022</u>	<u>2021</u>
Unrestricted Funds	\$ 983,819	\$ 846,465
Reserve Funds (a)	876,464	821,728
Investment in Non-Financial Assets (b)	<u>9,704,840</u>	<u>9,415,086</u>
	<u>\$ 11,565,123</u>	<u>\$ 11,083,279</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>2022</u>	<u>2021</u>
Capital Works, Machinery and Equipment Reserve (c)	\$ 393,568	\$ 326,713
Fire Hall Reserve (d)	280,331	301,012
Recreation Centre Capital Works, Machinery and Equipment Reserve (e)	168,597	162,993
Economic Development Reserve (f)	<u>33,968</u>	<u>31,010</u>
	<u>\$ 876,464</u>	<u>\$ 821,728</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

11. 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.

12. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw No. 649 adopted by Council on May 3, 2022.

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>2022</u>
Financial Plan (Budget) Bylaw Surplus Approved for the Year	\$ -
Less:	
Budgeted Transfers to Offset Amortization	(415,384)
Budgeted Transfers from Accumulated Surplus	(41,912)
Annual Deficit Presented in Financial Statements	<u>\$ (457,296)</u>

VILLAGE OF TAHSIS

Notes to the Financial Statements

December 31, 2022

13. Segmented Information:

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

General Government

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

Protective Services

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

Transportation Services

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

Environmental Treatment Services

Environmental Treatment Services consists of providing waste disposal to citizens.

Economic Development Services

This segment develops outside awareness of the economic area.

Recreation and Cultural Services

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

Water Utility

This segment provides distribution of water to citizens.

Sewer Utility

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

VILLAGE OF TAHSIS

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

Year Ended December 31, 2022

	<u>2022</u>		<u>2021</u>
	<u>Budget</u>	<u>Actual</u>	
Federal Government			
Grants in Lieu of Taxes	\$ 47,100	\$ 82,086	\$ 52,865
Other	<u>58,000</u>	<u>5,725</u>	<u>40,000</u>
	<u>105,100</u>	<u>87,811</u>	<u>92,865</u>
Province of BC and Federal/Provincial Programs			
General Fund			
Small Communities Protection	351,692	451,000	359,000
Planning	53,500	23,858	13,620
Other	<u>75,080</u>	<u>56,140</u>	<u>38,516</u>
	<u>480,272</u>	<u>530,998</u>	<u>411,136</u>
General Capital			
Infrastructure	<u>69,088</u>	<u>699,215</u>	<u>499,950</u>
	<u>549,360</u>	<u>1,230,213</u>	<u>911,086</u>
	<u>\$ 654,460</u>	<u>\$ 1,318,024</u>	<u>\$ 1,003,951</u>

VILLAGE OF TAHSIS

Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2022

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

VILLAGE OF TAHSIS

Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental Treatment Services	Economic Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2021 Actual	2021 Budget
Revenues										
Taxation	\$ 793,894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 793,894	\$ 792,815
Utility Connection Fees and User Rates	-	-	-	-	-	-	180,725	196,478	377,203	355,350
Government Grants and Transfers	967,935	-	-	-	36,016	-	-	-	1,003,951	689,653
Fees and Service Charges	-	-	4,504	150,780	-	13,669	-	-	168,953	284,940
Other Revenues	<u>135,471</u>	<u>1,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>137,191</u>	<u>73,500</u>
	<u>1,897,300</u>	<u>1,720</u>	<u>4,504</u>	<u>150,780</u>	<u>36,016</u>	<u>13,669</u>	<u>180,725</u>	<u>196,478</u>	<u>2,481,192</u>	<u>2,196,258</u>
Expenses										
Operating										
Goods and Services	337,698	91,229	138,900	1,046	36,164	102,091	128,537	146,625	982,290	1,234,150
Labour	514,653	66,214	133,423	24,092	-	224,143	69,682	15,945	1,048,152	1,009,759
Amortization	<u>55,037</u>	<u>49,899</u>	<u>123,783</u>	<u>2,395</u>	<u>-</u>	<u>89,105</u>	<u>53,961</u>	<u>41,204</u>	<u>415,384</u>	<u>409,566</u>
	<u>907,388</u>	<u>207,342</u>	<u>396,106</u>	<u>27,533</u>	<u>36,164</u>	<u>415,339</u>	<u>252,180</u>	<u>203,774</u>	<u>2,445,826</u>	<u>2,653,475</u>
Excess (Deficiency) of Revenues over Expenses from Operations	\$ <u>989,912</u>	\$ <u>(205,622)</u>	\$ <u>(391,602)</u>	\$ <u>123,247</u>	\$ <u>(148)</u>	\$ <u>(401,670)</u>	\$ <u>(71,455)</u>	\$ <u>(7,296)</u>	\$ <u>35,366</u>	\$ <u>(457,217)</u>

VILLAGE OF TAHSIS

Schedule 4 - Reserve Fund Transactions

Year Ended December 31, 2022

	Capital Works Machinery and Equipment	Fire Hall	Rec Centre	Economic Development	Total 2022	Total 2021
Balance, Beginning of Year	\$ 326,713	\$ 301,012	\$ 162,993	\$ 31,010	\$ 821,728	\$ 803,065
Investment Income (Loss) Earned	(1,145)	(20,681)	5,604	2,958	(13,264)	(4,478)
Transfer From Other Funds	68,000	-	-	-	68,000	68,000
Used for Capital Expenditures	-	-	-	-	-	(44,859)
Balance, End of Year	<u>\$ 393,568</u>	<u>\$ 280,331</u>	<u>\$ 168,597</u>	<u>\$ 33,968</u>	<u>\$ 876,464</u>	<u>\$ 821,728</u>

VILLAGE OF TAHSIS

Schedule 5 - COVID-19 Safe Restart Grant

Year Ended December 31, 2022

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>2022</u>
Balance, Beginning of Year	\$ 249,000
Funds Spent During the Year	<u>-</u>
Balance, End of Year	\$ <u>249,000</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 2022 fiscal year.

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

1. Elected Officials			
Name	Position	Remuneration	Expenses (Note 1)
Martin Davis	Mayor	9,823	1,651
William Elder	Councillor	4,094	0
Douglas Elliot	Councillor	975	
Sarah Fowler	Councillor	5,069	3,084
Meggan Joseph	Councillor	975	
Lynda Llewellyn	Councillor	4,094	
Cheryl Northcott	Councillor	5,069	982
Total Elected Officials		\$ 30,099	(A) \$ 5,717
2. Employees			
Name	Position	Remuneration	Expenses (Note 1)
Remuneration over \$75,000:			
Mark Tatchell	CAO	140,901	10,977
Janet St Denis	Mgr of Fin & Corp Serv.	82,554	
Consolidated total of other employees with remuneration of \$75,000 or less		657,237	17,609
Total Employees		\$ 880,692	(B) \$ 28,586
3. Reconciliation			
Total remuneration - elected officials		\$ 30,099	(A)
Total remuneration - employees		\$ 880,692	(B)
Subtotal		\$ 910,791	
Reconciling item:			
Employer portion of EI, CPP and benefit costs (Note 2)		127,824	
Total after reconciling item		\$ 1,038,615	
Total Labour per Schedule 2, Combined Statement of Operations by Segment		\$ 987,744	
Variance		\$ (50,871)	
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.			

Statement of Severance Agreements

There were no severance agreements made between the Village of Tahsis and its non-unionized employees during fiscal year 2022.

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

Schedule of Payments to Suppliers of Goods and Services

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000:	
Supplier Name	Amount paid to supplier
Coastal Mountain Fuels	36,972
BC Hydro	148,789
British Columbia Pension Corp	99,793
Coastal Mountain Fuels	27,624
Dan Dahling	105,000
DAS Designed Air Systems Ltd	28,293
GHD Limited	31,986
McElhanney Ltd.	457,187
Minister of Finance- School & Police Tax	234,340
Municipal Finance Authority of BC	257,338
Municipal Insurance Association of BC	74,839
Pacific Blue Cross	51,213
Receiver General (RP0001)	154,071
Receiver General (RP0002)	81,465
Stewart McDannold Stuart	31,344
Straight Grain Inc.	44,253
Superior Propane	28,149
Tourism Association of Vancouver Island	56,750
Total aggregate amount paid to suppliers exceeding \$25,000	\$ 1,949,405
2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less	683,019
Total Payments to Suppliers in 2022	\$ 2,632,424
Reconciling items:	
Acquisition of tangible capital assets	-699,409
Employee benefits and source deduction pymts included in payments to suppliers	-259,837
Less Transfers Collections for other Governments (Note 8 of Audited Financial Statements)	-312,668
Repayment of Debt- MFA	-160,000
Pooled Investments- MFA	-97,000
Total after reconciling items	\$ 1,103,511
Total Goods and Services , per Schedule 2 of Audited Financial Statements, Combined Statement of Operations by Segment	\$ 959,354
Variance (see Note below)	\$ 144,157
<u>Note to Schedule</u>	
<p>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.</p>	

Statement of Financial Information Approval

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



Adia Mavrikos , CPA, CA
Director of Finance, Village of Tahsis
June 21, 2023



Martin Davis
Mayor, Village of Tahsis
June 21, 2023

Financial Information Act for 2022 Management Report

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

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

Our external auditor, Chan Nowosad Boates, Chartered Professional Accountants, have conducted an independent examination of our financial statements for the period ending December 31, 2022 in accordance with generally accepted auditing standards, and have expressed their opinion of the financial statements (see the Independent Auditor's Report dated May 2, 2023 in the financial statements). Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors had full and free access to all financial records and minutes of the Village.



Adia Mavrikos, CPA, CA
Director of Finance
June 21, 2023