



*Village of
Kaslo*



Village of Kaslo 2022 Annual Report

www.kaslo.ca



Vision

The Village of Kaslo supports a full, productive and meaningful life for all citizens through policies, services and programs that reflect community values and encourage sustainable development.

Corporate Strategic Plan

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2022 in Summary

The Village of Kaslo is the oldest incorporated community in the Kootenays and is located 70 kilometres north of Nelson on Highway 31 on the western shore of Kootenay Lake. With a rich and colourful history, this community of 1,050 is home to people from all walks of life, who have gathered here to enjoy and appreciate their beautiful surroundings and outdoor opportunities. Kaslo is also home to two National Historic Sites: Kaslo City Hall and the S.S. Moyie sternwheeler. Long before modern settlers arrived in the late 1800s, these unceded lands were traversed for centuries by the Ktunaxa, Sinixt, and Syilx peoples. Many Indigenous and Metis residents call Kaslo home.

Kaslo is within the Regional District of Central Kootenay, which provides regional or sub-regional local government services to Kaslo and electoral Area 'D'.

The year 2022 was the final year of the 2018-2022 Council's term, consisting of Mayor Suzan Hewat and Councillors Kellie Knoll, Robert Lang, Molly Leathwood, and Henry Van Mill. After the municipal election in October, Mayor Hewat and Councillors Lang and Leathwood were returned, and two new Councillors joined them at the table, Erika Bird and Matthew Brown. We thank Kellie Knoll and Henry Van Mill for their hard work and dedication to the community over their Council term.

Staff are overseen by Chief Administrative Officer, Ian Dunlop. Council and staff worked together to update the Corporate Strategic Plan and continue working on community development projects, setting the stage for continued successes in 2022, including the completion of the new Official Community Plan.



2018-2022 Kaslo Village Council, from left: Rob Lang, Kellie Knoll, Mayor Suzan Hewat, Molly Leathwood and Henry Van Mill.



2022-2026 Kaslo Village Council, from left: Rob Lang, Molly Leathwood, Mayor Suzan Hewat, Matthew Brown and Erika Bird.

Declaration and Identification of Disqualified Council Members

None.



Report Respecting Municipal Services and Operations

Mayor's Message

There have been many accomplishments in the past year, both for Council and in the community.

In 2021, we embarked on a review of our Official Community Plan (OCP), which hadn't seen a complete review since 2011. We couldn't have done this without the help of the community members who volunteered to sit on our steering committee. The review was completed and presented to Council for adoption in the fall of 2022.

The washrooms and performance venue in Front Street Park were completed and a Grand Opening was held on the Friday of May Days. We celebrated those who participated in the design and construction and recognized Columbia Basin Trust as our major funder for the project. We enjoyed some great local entertainment including dance and musical performances. There were several local organizations who provided food and beverages for attendees.

For the first time ever, Kaslo had an elected member on the Board of Directors for the Federation of Canadian Municipalities.

For much of the summer, our community was under the haze of smoke from the Briggs Creek wildfire. Although the fire was close and at times it seemed like our community might be impacted to a greater extent, BC Wildfire staff kept it from coming closer. We were fortunate to have them in the community to provide updates and answer questions.

The Kaslo Jazz Festival was able to return to an in-person event after not being able to operate for the last 2 years. Festival organizers put on a well coordinated event that was enjoyed by visitors and locals.

In August, Kaslo's Events Committee hosted Kaslo's birthday celebration in Legacy Park. We were joined by MLA Brittany Anderson who helped present the Kaslo 2022 Citizen of the Year award. This year's very deserving award winner was Tom Duchastel.

The Village received a Community Economic Recovery Infrastructure Program (CERIP) grant to fund renovations at the Kemball Memorial Centre. These funds will be used to bring the building up to code, increase the comfort for tenants through updated systems and to facilitate use of the building as a tech hub.

After a joint process, undertaken with the Kaslo Housing Society, Council signed an agreement to sell the lot behind the Kemball Memorial Centre for a much-needed housing project. We continued to work together to arrive at a design that fit into the heritage zone and that blended well with the neighboring homes. A ground-breaking ceremony was held on April 29th, 2022.

Thanks to a generous donation and a grant through the Investing in Canada Infrastructure Program Resilience Infrastructure Stream, the Kaslo Arena was able to undertake some needed repairs as well as a few other upgrades.

The Kaslo & District Public Library also received significant community donations towards its new Library project. The Village has played a significant role with this project by applying for and



receiving a land acquisition grant through Columbia Basin Trust and they continue to raise funds in anticipation of receiving a major grant which will help a new library become a reality. One of those fundraisers was the highly successful Gala held in November.

The Murray Pearson ball field has seen many improvements over the past year to meet the needs of the growing number of players, both young and old. Much of these improvements were due to the efforts of a group of volunteers in our community.

Now who could forget one of our two National Historic Sites, the SS Moyie! Their volunteer board has put in countless hours successfully applying for grants to do the much-needed restoration work. This meant though that she wasn't open to receive visitors, but with 2023 being the 125th anniversary of her launch, it will be well worth it!

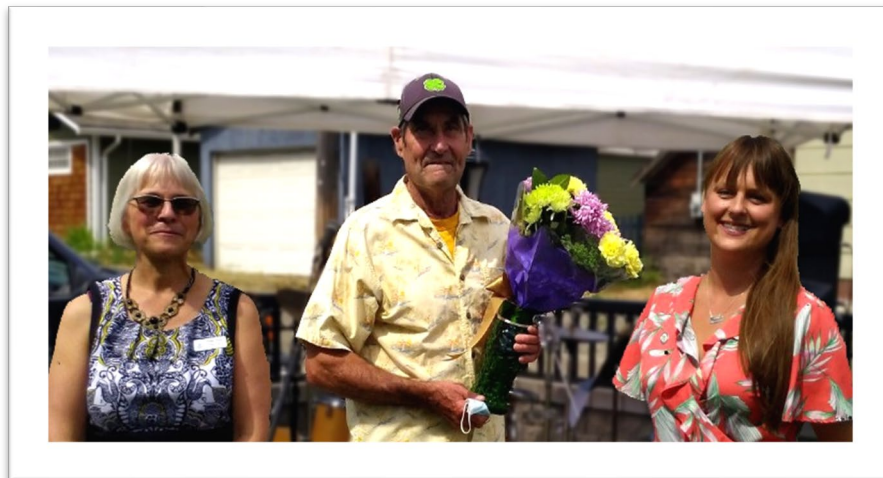
This year was also the year for local government elections across the province. We saw a changeover in 2 members of Council. A big thanks to both Kellie Knoll and Henry Van Mill for their years of service to the Village. We are pleased to welcome Erika Bird and Matthew Brown to the Council table.

I am proud of what we have done as a Council and staff to support our local community and to make it a place where people want to live and work.

Suzan Hewat

Mayor

Kaslo is a diverse, inclusive, and welcoming community that aspires to be a model for small, mountain communities across British Columbia and around the world.



Tom Duchastel was celebrated as Kaslo's 2022 Citizen of the year, pictured here with Mayor Hewat and MLA Brittney Anderson at the Village's 129th birthday festivities in Legacy Park.



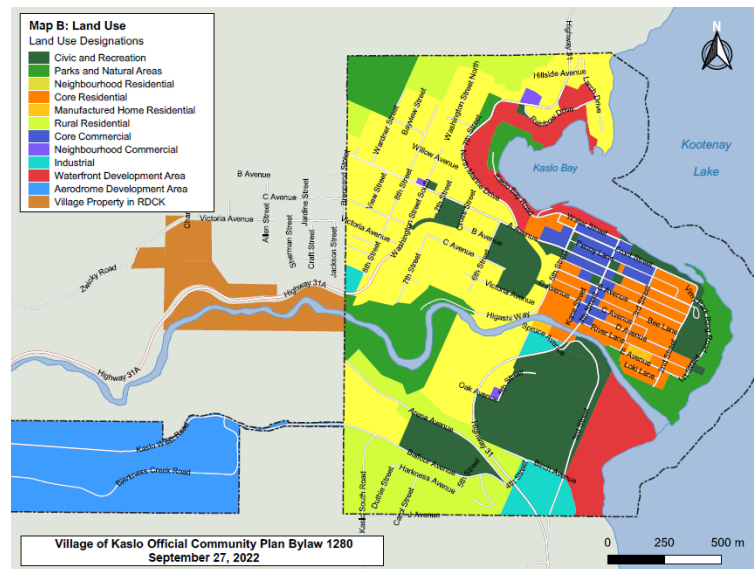
Community-wide goals and Corporate Strategy

Council last updated the Corporate Strategic Plan in 2021. The new 2022-2026 Council initiated a review of the strategic priorities in November, and this process is continuing into mid 2023. The first year of a new Council usually sees the continuation and completion of the strategic initiatives of the previous Council, giving the new Council an opportunity to thoughtfully review and prioritise the initiatives that they would like to tackle during their term of office. The following section identifies the progress on the current goals of the Corporate Strategic Plan.

- An innovative community that supports diverse economic development;
- Invest in public infrastructure;
- Explore new, local, energy generation possibilities;
- Stewards of the natural environment;
- A community of attainable and affordable housing for all;
- Restoration and growth of community capacities in health and well-being;
- Continued development of cultural, social and educational opportunities;
- An engaged public;
- Continued development and improvement of amenities;
- Public-private partnerships that produce improved service delivery.

AREAS OF FOCUS

- ▲ ECONOMY
- ▲ COMMUNITY HEALTH
- ▲ ARTS, CULTURE, HERITAGE
- ▲ GOVERNANCE
- ▲ CORPORATE CAPACITY
- ▲ PLANNING & LAND USE
- ▲ INFRASTRUCTURE
- ▲ ASSET MANAGEMENT
- ▲ PARKS & RECREATION



2022 Accomplishments towards the goals of the Corporate Strategy

Economy:

- Leaseholds established at Kaslo Aerodrome for hangar development.
- The Kemball building is almost fully rented and generating positive income.
- Funding secured for renovation of Kemball building through a CERIP economic recovery grant. Renovation planning is underway, and a construction management contract will be



opened for proposals soon. Water service to the building has been upgraded. Shelter to protect the backup generator is under construction.

- Kemball renovation will include a tech/innovation hub.
- The Rural Resident Attraction pilot project, in cooperation with the BC government and Village of New Denver, enabling studies toward the development of vacant land needs to be scoped-out and RFP issued for planning/engineering consultant now that the new OCP is completed.
- Upcoming opportunity through Rural Economic Diversity and Infrastructure Program.

Arts, Culture, Heritage:

- New art was procured for Legacy Park through the ongoing partnership with the Castlegar Sculpture Walk project.
- Heritage Development Permit Area regulations were updated in the new OCP including streamlining of the application process to reduce delay.
- Kaslo Front Street Park stage officially opened on May Days weekend and was used regularly over the summer.
- Our major festivals, May Days and Kaslo Jazz Etc Festival resumed after a 2-year hiatus.

Community Health:

- The Health Select Committee continued to advocate for expansion of Kaslo's Hospital and improvements to BC Ambulance service. Province announced changes to BC Ambulance service model are coming in the New Year, in part thanks to this advocacy.
- A \$3.7 million affordable housing project on the Kemball lands is under construction and will be complete by Spring 2023.
- Need for a diversity of housing types was identified in the OCP and residential land use categories were updated.

Capital Projects:

- Arena improvements through the ICIP-CVRIS program along with funding from the Village/RDCK reserve funds and a generous private donation. Ice plant upgrades are complete and fire alarm system upgrades are underway. Total project cost \$356,675.
- The asset management project has received funding but staff capacity remains a challenge. We expect to address this in early 2023 with a temporary staff position.
- The Village's partnership with the Kaslo & District Public Library continues. Completion of the design and Class B cost estimate make this project ready for the next major grant intake opportunity.
- Front Street Park buildings are complete. Final site works, including perimeter wall, will be tackled in Spring 2023. Project funded through CBT, CDP, Canada Community Building Fund and Village Parks reserve funds.
- The A Avenue watermain project is substantially complete. The new line was put into service on November 23. Night-time water volume through the water treatment plant is down approximately 20% now that the old leaky pipe is out of commission. Final site works will be completed in Spring 2023. The \$800,000 project was funded through the Canada Community Building Fund (\$450,000) and the Village's water reserve fund.



- Preliminary design work began on the Moyie Amphitheatre (slope stabilization) project. CBT has indicated that surplus funds from the Front Street Park project could be allocated to this work, but further funding will be needed to cover the \$250,000 estimated cost.
- An application to the Strategic Priorities Fund (UBCM/Canada Community Building Fund) was made for expansion of the wastewater treatment plant.
- An application to the Invest Canada Infrastructure Program was made for UV treatment and improvements to the water treatment plant to meet upcoming Interior Health requirements.
- Kaslo Seniors completed renovations to the Village-owned Seniors Hall thanks to their own fundraising efforts and a CDP contribution from the Village.
- Periwinkle Children's Centre is also undergoing expansion to their facility at the Village-owned Vimy Park Pavilion building, opening much-needed daycare spaces.
- The S.S. Moyie restoration is also underway to replace ageing and deteriorated components of the ship's exterior envelope and renovation of the Men's lounge. Thanks again to the fundraising efforts of the Kootenay Lake Historical Society, the ship's long-term lease holder.
- A perimeter fence is being installed at the Public Works Yard. Construction of a new equipment shelter is expected to start in early 2023. Design is being finalized.

Planning & Land Use

- The Official Community Plan review was completed. The new OCP was adopted by Council on September 27th.
- Village's internal GIS mapping system continues to improve and was used extensively for the OCP update.
- Record number of new subdivision applications; from 2015 to 2020, there was 1 residential subdivision application per year, and then in 2021 - 4, and 2022 - 7.
- Building permits applications are also up while RDCK struggles with staff retention in the building services department (shortage of qualified building inspectors is province-wide).

Parks, Recreation and Natural Areas

- Implementation of the tree planting plan began with the planting of 11 trees along Village boulevards this Spring.
- Improvements to the Murray Pearson Ball Park were completed with installation of a new fence and irrigation improvements.
- Arena renovations (see capital projects).
- The campground had another very successful year.
- New recognition of parks and natural areas, and development permit area requirements for waterfront and stream protection were enacted in the new OCP.

Corporate Capacity & Governance

- The Corporate Officer / Manager of Corporate Services position was made permanent, which has significantly improved management capacity.
- Internal review of administrative positions is underway ahead of anticipated union contract negotiations in April 2023.
- An OCP Coordinator was contracted to assist with the OCP process, meetings and public consultation.



- CAO attended LGMA CAO conference, UBCM, and completed PADM course in Ethics in Local Government. CO attended Corporate Officer workshop.
- Admin Clerk and Foreman completed Local Government Foundations online training.
- Continued improvements to asset management mapping but allocating resources to this project remains challenging.
- New electric utility vehicle put into service.
- Fencing being installed at public works yard to improve security of the facility.
- Records management project started.
- Newly elected officials training, and strategic planning are underway.
- New Council Procedure Bylaw adopted.

These are certainly not the only accomplishments of 2022, just the ones that were previously identified in the Strategic Plan. The impacts of COVID-19 health restrictions diminished over the year, but joint threats of wildfire and climate change became amplified. The Briggs Creek fire felt like it was right on the Village's doorstep and has greatly impacted the tenure area of the Kaslo and District Community Forest. Through regional emergency coordination, the Village remained safe and the watershed from which we draw our drinking water was protected.

Looking ahead to 2023 and 2024

Council set aside strategic planning days in November 2022, February 2023 and soon to come in summer 2023. Housing has already emerged as a top theme, along with another urgent matter, the impacts of climate change. Here are some of the other important initiatives that will help Council focus in on the important priorities.

Economy:

- The Village was successful in obtaining a Rural Economic Diversification and Infrastructure Program grant for \$100,000 to support the "Kaslo Economic Infrastructure Acceleration Project." The funds will go primarily to increase administrative capacity to get projects like Rural Resident Attraction underway, which is the planning and future development of Village-owned land for new housing.
- Additional funding for the Kemball Building renovation was also secured through CBT's Basin Charge-up program, but even more funding will be needed.

Arts, Culture, Heritage:

- Completion of Front Street Park including sound improvements and perimeter fence.
- Supporting improvements to the Moyie grounds.

Community Health:

- Celebrating the opening of the 10-unit Penny Lane Apartments and looking forward to start planning the next housing project.

Capital Projects:

- Completion of the Arena renovation project.
- Asset Management.
- Submission of a grant application through the Green and Inclusive Municipal Buildings program for the Kaslo Library.



- Completion of A Avenue watermain project. The project was funded in part through the Canada Community Building Fund.
- Completion of Phase 1 and 2 of the Kaslo River Dike and Bank Remediation Project.
- The application to the Invest Canada Infrastructure Program was successful. The project will start in 2023 and be completed in 2025.
- An application to the Strategic Priorities Fund (UBCM/Canada Community Building Fund) for expansion of the wastewater treatment plant was turned down. Work on preliminary design will continue so the next grant application will be stronger.
- The S.S. Moyie restoration by the Kootenay Lake Historical Society continues as they prepare for the Moyie's 125th anniversary of her launch.
- A new equipment shelter for Public Works will be finished, so valuable heavy equipment can be protected from the weather.
- An electric truck will be added to the Public Works fleet to retire a gasoline-powered truck thanks to CBT's Basin Charge-up grant.

Planning & Land Use

- Consultant opportunities will be available for work on the Kaslo South Lands and Waterfront planning projects.
- Staff capacity will be improved through the REDIP grant.

Parks, Recreation and Natural Areas

- Completion of the Arena renovation to improve ice plant reliability and public safety.
- Continuing the tree planting program.

Corporate Capacity & Governance

- Newly elected officials training was completed.
- New temporary staff position will be created to assist with planning and project management to achieve the goals of the REDIP grant.
- Asset management plan will be drafted.
- Bylaw review (noise, business licensing, ticketing, utilities and more).
- Review Land Use (Zoning) bylaw now that the new OCP is implemented.



2022 Permissive Tax Exemptions

Permissive tax exemptions give relief to the owners or leases of properties that provide a direct public benefit and community services to the municipality and improve the quality of life for our residents. These properties were approved for tax exemption by Bylaw 1268 for a 3-year period.

Occupier Name	Annual Value of Exemption
Bishop of New Westminster	\$672.26
Hospice Society of North Kootenay Lake	\$238.99
Kaslo & District Arena Association	\$9,818.61
Kaslo Community Church	\$413.70
Kaslo Community Garden Society	\$331.90
Kaslo Curling Club	\$3,963.69
Kaslo Golf Club	\$12,853.75
Kaslo Housing Society	\$4,236.72
Kaslo Masonic Holding Society	\$821.76
Kaslo Racquet Club	\$773.97
Kaslo Riding Club Society	\$681.66
Kaslo Search & Rescue	\$1,077.13
Kaslo Senior Citizens Society	\$1,162.72
Kootenay Lake Historical Society	\$9,003.09
Kootenay Lake Independent School Society	\$1,415.82
Langham Cultural Society	\$4,913.20
North Kootenay Lake Community Services Society	\$4,135.09
Roman Catholic Bishop of Nelson	\$1,001.34
Royal Canadian Legion Kaslo District Branch No. 074	\$1,990.48
St Andrews United Church	\$241.17
Victorian Hospital of Kaslo Auxiliary (Thrift Store)	\$950.00
TOTAL VALUE OF PERMISSIVE TAX EXEMPTIONS, 2022	\$60,697.05

- The “Value of the permissive tax exemption” is the estimated amount of 2022 property tax that would be imposed on each property if it were not exempt. The value of the annual tax exemption has been calculated using the assessed value of each property and the applicable tax rate.
- These amounts do not include the amounts exempted to other agency collections such as the Municipal Finance Authority, BC Assessment, Provincial School and Police taxes.
- **Statutory exemptions** under Section 220 of the *Community Charter* are not listed (i.e., , hospitals, public libraries, church buildings, federal/provincial/local government properties).

Financial Statements of

VILLAGE OF KASLO

December 31, 2022

VILLAGE OF KASLO
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December 31, 2022

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RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

The independent external auditors, Grant Thornton LLP, Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the financial statements present fairly, in all material respects, the Village of Kaslo's financial position, results of operations, and changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards. The report of Grant Thornton LLP, Chartered Professional Accountants, follows and outlines the scope of their examination and their opinion on the financial statements.

Ian Dunlop
Chief Administrative Officer

Independent Auditor's Report

To the Mayor and Council of
Village Of Kaslo

Opinion

We have audited the financial statements of Village of Kaslo, which comprise the statement of financial position as at December 31, 2022, and the statements of operations, changes in net financial assets, cash flows, schedules 1 through 2 for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2022, and its results of operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public accounting standards.

Basis for opinion

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

Other matter

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

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.

Independent Auditor's Report (continued)

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

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

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

Trail, Canada
May 9, 2023

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

VILLAGE OF KASLO
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022

	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (note 3)	\$ 4,190,314	\$ 3,646,558
Accounts receivable (note 4)	464,779	225,577
	4,655,093	3,872,135
LIABILITIES		
Accounts payable and accrued liabilities	338,531	270,572
Deferred revenue (note 5)	1,478,032	505,517
Employee future benefits (note 6)	82,921	73,111
MFA equipment finance loans (note 7)	31,992	59,435
	1,931,476	908,635
NET FINANCIAL ASSETS	2,723,617	2,963,500
NON-FINANCIAL ASSETS		
Supplies inventory	44,409	35,720
Prepaid expenses	34,865	28,913
Tangible capital assets (schedule 1)	10,110,929	9,351,650
	10,190,203	9,416,283
ACCUMULATED SURPLUS (note 10)	\$ 12,913,820	\$ 12,379,783
CONTINGENT LIABILITIES (note 12)		

Ian Dunlop, CAO

See Accompanying Notes

VILLAGE OF KASLO
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2022

	2022 Budget	2022 Actual	2021 Actual
REVENUE			
Municipal property taxes and grants in lieu	\$ 723,364	\$ 731,189	\$ 701,477
Sewer and water parcel taxes	81,158	75,480	74,366
Government transfers - unconditional (note 13)	505,082	505,082	367,375
Government transfers - conditional (note 13)	1,546,902	656,595	358,939
Grants - other	436,131	39,159	268,184
Sale of services	239,104	447,268	305,615
Donations, interest and other income	351,396	221,358	419,410
Sewer user fees	149,547	149,106	136,839
Water user fees	282,500	310,526	270,841
Insurance proceeds and emergency funding - water	34,555	34,555	219,903
	4,349,739	3,170,318	3,122,949
EXPENSES			
General government services	968,607	927,328	732,221
Protective services	369,250	322,368	119,849
Public works	515,403	392,079	344,712
Recreation and cultural services	58,381	110,119	113,063
Aerodrome	14,946	12,951	20,399
Sewer utility operations	137,637	122,101	163,331
Water utility operations	267,500	230,437	380,040
Amortization of tangible capital assets	-	471,696	437,147
Loss on disposal of tangible capital assets	-	47,202	-
	2,331,724	2,636,281	2,310,762
ANNUAL SURPLUS	2,018,015	534,037	812,187
ACCUMULATED SURPLUS, BEGINNING OF YEAR	12,379,783	12,379,783	11,567,596
ACCUMULATED SURPLUS, END OF YEAR	\$ 14,397,798	\$ 12,913,820	\$ 12,379,783

See Accompanying Notes

VILLAGE OF KASLO
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2022

	2022 Budget	2022 Actual	2021 Actual
ANNUAL SURPLUS	\$ 2,018,015	\$ 534,037	\$ 812,187
Acquisition of tangible capital assets	(2,037,837)	(1,278,188)	(655,674)
Amortization of tangible assets	-	471,696	437,147
Net change in supplies inventory	-	(8,689)	4,764
Net change in prepaid expenses	-	(5,952)	10,478
Loss on disposal of tangible capital assets	-	47,202	-
Proceeds from sale of tangible capital assets	10	11	-
INCREASE IN NET FINANCIAL ASSETS	(19,812)	(239,883)	608,902
NET FINANCIAL ASSETS, BEGINNING OF YEAR	2,963,500	2,963,500	2,354,598
NET FINANCIAL ASSETS, END OF YEAR	\$ 2,943,688	\$ 2,723,617	\$ 2,963,500

See Accompanying Notes

VILLAGE OF KASLO
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

	2022	2021
OPERATING TRANSACTIONS		
Annual surplus	\$ 534,037	\$ 812,187
Non-cash items		
- Amortization of tangible capital assets	471,696	437,147
- Loss on disposal of tangible capital assets	47,202	-
- Actuarial adjustments	-	(5,289)
- Decrease (increase) in supplies inventory	(8,689)	4,764
- Decrease (increase) in prepaid expenditures	(5,952)	10,478
Changes to financial assets and liabilities		
- Accounts receivable	(239,202)	105,508
- Accounts payable and accrued liabilities	67,959	(4,636)
- Employee future benefits	9,810	10,066
- Deferred revenue	972,515	92,887
Cash Provided By Operating Transactions	1,849,376	1,463,112
FINANCING TRANSACTIONS		
Repayment of long-term debt	-	(12,494)
Repayment of equipment finance loans	(27,443)	(46,869)
Cash Used For Financing Transactions	(27,443)	(59,363)
CAPITAL TRANSACTIONS		
Tangible capital asset additions	(1,278,188)	(655,674)
Proceeds from sale of tangible capital assets	11	-
Cash Used For Investing Transactions	(1,278,177)	(655,674)
INCREASE IN CASH	543,756	748,075
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,646,558	2,898,483
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,190,314	\$ 3,646,558

See Accompanying Notes

1. NATURE OF THE ENTITY

The Village of Kaslo (the "Village") is incorporated under the Local Government Act of British Columbia and is subject to the provisions of the Community Charter and legislation under the Province. The Village's principal activities include the provision of local government services to residents of the incorporated area.

The financial statements are the responsibility of management and prepared in accordance with Canadian public sector accounting standards ("PSAS"). The preparation of these financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of The Village of Kaslo (the "Village").

Basis of Presentation

The Financial Statements of the Village comprise the Village's Operating, Capital, and Reserve funds. All inter-fund balances have been eliminated.

- i) **Operating Funds:** These funds include the General, Waterworks Utility, and Sewer Utility operations of the Village. They are used to record the operating costs of the services provided by the Village.
- ii) **Capital Funds:** These funds include the General, Waterworks Utility and Sewer Utility Capital funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii) **Reserve Funds:** Reserve funds include statutory reserves restricted by the Community Charter and associated Municipal bylaws and reserves set aside by Council for future expenditures.

Basis of Accounting

The Village's financial statements are prepared using the accrual basis of accounting. Revenues are recognized in the year which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and/or the creation of a legal obligation to pay.

Revenue Recognition

Taxation revenues are recognized at the time of the issuing of the property tax notices for the fiscal year. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Sale of services and user fees are recognized when the service or product is rendered by the Village.

Government transfers are recognized as revenue in the period that the transfer is authorized, eligibility criteria, if any, have been met, and a reasonable estimate of the amount to be received can be made.

Grants and other contributions provided for certain purposes are recorded as revenue when receivable and the related expenditures are incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenue

Deferred revenue relates to restricted government transfers, grants and other funds received, but not yet spent on the stipulated eligible expenditures.

Cash and cash equivalents

Cash and cash equivalents consist of demand deposits with the Kootenay Savings Credit Union and highly liquid short-term bond funds with the Municipal Finance Authority.

Municipal pension plan

The Village's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers is responsible for administering the plan, including investment assets and administration of benefits. The plan is a multi-employer defined benefit plan.

Liability for Contaminated Sites

Contaminated sites are a result of contamination being introduced into air, soil, water, or sediment of a chemical, organic or radioactive material, or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met;

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Village is directly responsible or accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized at management's estimate of the cost of post remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for the contaminated site. The Village has no liabilities under this standard as at December 31, 2022.

Inventories

Inventories consist of supplies for the Village's own use and recorded at the lower of cost or net replacement value.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible Capital Assets

Tangible capital assets, comprised of capital assets, and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives are as follows:

Building	20 - 50 years
Building improvements	10 - 50 years
Fixtures, furniture, equipment, and vehicles	5 - 25 years
IT infrastructure	3 - 10 years
Parks infrastructure	15 - 60 years
Paving and roads	10 - 100 years
Sewer infrastructure	10 - 100 years
Water infrastructure	10 - 100 years

Municipal Finance Authority cash deposits and demand notes

The Municipal Finance Authority of British Columbia (the Authority) provides capital financing for regional districts and their member Municipalities. The Authority is required to establish a Debt Reserve Fund. The Authority must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs, the regional districts may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenditures, becomes an obligation of the Authority to the regional districts.

Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. The balance in the Debt Reserve Fund was \$Nil as at December 31, 2022.

Budgeted Figures

The budgeted figures are based on the adopted Five-Year Financial Plan for the year 2022 adopted under Bylaw No.1282 on December 12, 2022.

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include the provision for contingencies and the determination of the useful lives of assets for amortization. Actual results could differ from management's best estimates as additional information becomes available in the future.

VILLAGE OF KASLO
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2022

3. CASH AND CASH EQUIVALENTS

	2022	2021
Credit Union demand deposits	\$ 4,171,712	\$ 3,627,312
MFA short-term bonds	<u>18,602</u>	<u>19,246</u>
	<u>\$ 4,190,314</u>	<u>\$ 3,646,558</u>

The MFA short-term bonds are considered equivalent to cash due to their liquid nature and market value approximating the recorded cost.

4. ACCOUNTS RECEIVABLE

Accounts receivable are recorded net of any allowance and are comprised of the following:

	2022	2021
Property tax and utility fees receivable	\$ 47,810	\$ 43,930
Trade accounts and other	<u>416,969</u>	<u>181,647</u>
	<u>\$ 464,779</u>	<u>\$ 225,577</u>

5. DEFERRED REVENUE

These funds are externally restricted for the purposes for which they were collected.

	Balance, Beginning of Year	Contributions Received	Revenue Recognized	Balance, End of Year
Federal Gas Tax Fund*	\$ -	\$ 100,484	\$ (100,484)	\$ -
CBT Front Street Park	123,948	20,350	(46,909)	97,389
CBT Wildlife Risk Reduction	45,000	-	(45,000)	-
Provincial Rural Dividend Grant	77,342	-	(3,739)	73,603
Provincial Community Preparedness	91,799	-	-	91,799
RDCK Community Grants	19,757	40,500	(42,532)	17,725
Rural Resident Attraction Project	45,000	-	-	45,000
UBCM Grants	67,217	168,412	(168,412)	67,217
CERIP Grant	-	979,173	(22,533)	956,640
Other grants and contributions	2,440	357,102	(257,052)	102,490
Prepaid taxes, licenses, and fees	33,014	16,584	(23,429)	26,169
	<u>\$ 505,517</u>	<u>\$ 1,682,605</u>	<u>\$ (710,090)</u>	<u>\$ 1,478,032</u>

The Federal Gas Tax Fund is recognized into revenue and immediately transferred to the Community Works reserve.

6. EMPLOYEE FUTURE BENEFITS

The Village records liabilities for accrued employee benefits in the period in which they are earned by the employee. Short-term benefits, such as banked overtime and vacation entitlements are included in accounts payable and accrued liabilities. Certain eligible employees are also able to accumulate unused sick days and have a portion of the benefit paid out if certain retirement criteria are met. These benefits are calculated based on years of service and pay out percentages vary depending on the union contract and accrued at management's estimate of future entitlements.

7. MFA EQUIPMENT FINANCE LOANS

	2022	2021
Municipal Finance Authority equipment finance loans. Annual interest rates range from 1.86% to 6.02% per annum, secured by the assets, maturing at various dates through to April 2024.	\$ 31,992	\$ 59,435

The requirements for future repayments of principal for the next three years are estimated as follows:

2023	\$ 24,933
2024	7,059
	\$ 31,992

8. MUNICIPAL PENSION PLAN

The Village and its employees contribute to the Municipal Pension Plan, (a jointly trusted pension plan). The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2021, the plan had about 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

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

The Village of Kaslo paid \$63,114 for employer contributions to the plan in fiscal 2022 (2021 - \$56,190).

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 employer contributions made during the fiscal year (defined contribution 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.

VILLAGE OF KASLO
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2022

9. COLLECTION FOR OTHER GOVERNMENTS

The Village collected and remitted the following taxes on behalf of other Governments. These are not included in the Village's financial statements.

	2022	2021
Provincial Government - School Taxes	\$ 483,626	\$ 448,403
Provincial Government - Police Tax Levy	61,039	58,941
British Columbia Assessment Authority	11,135	10,158
Regional Hospital	53,498	50,787
Municipal Finance Authority	59	46
Other agencies	21,900	21,208
Regional District of Central Kootenay	586,792	539,051
	\$ 1,218,049	\$ 1,128,594

10. ACCUMULATED SURPLUS

	2022	2021
General Operating Fund - unappropriated surplus	\$ 584,428	\$ 527,436
General Operating Fund - appropriated surplus - COVID-19 safe restart grant	355,876	405,615
Waterworks Utility Operating Fund surplus	23,224	261,096
Sanitary Sewer Utility Operating Fund surplus	20,882	808
	984,410	1,194,955
Total Operating Funds' surplus	984,410	1,194,955
Reserve Funds (schedules 11, 12)	1,850,473	1,892,613
Equity in Tangible Capital Assets (note 11)	10,078,937	9,292,215
	\$ 12,913,820	\$ 12,379,783

The unspent funds from the Provincial COVID-19 safe start grant have been appropriated within the general operating fund accumulated surplus for use in the subsequent year. See schedule 13.

11. EQUITY IN TANGIBLE CAPITAL ASSETS

The equity in tangible capital assets represents total tangible capital assets less the long-term debt issued to acquire the assets. The balance is comprised of the following:

	2022	2021
General Capital Fund	\$ 5,238,831	\$ 4,975,325
Sanitary Sewer Capital Fund	1,975,888	2,045,648
Waterworks Capital Fund	2,864,218	2,271,242
	\$ 10,078,937	\$ 9,292,215

Details of the change in equity in tangible capital assets are described in Schedules 5 and 6.

12. CONTINGENT LIABILITIES

The Village, as a member of the Regional District of Central Kootenay, is jointly and severally liable for the future capital liabilities of the Regional District.

The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet its payments and obligations, it shall make payments from the debt reserve fund which is in turn established by a similar debt reserve fund of the Village and all other borrowing participants. If the debt reserve fund is deficient, the Authority's obligations become a liability of the Regional District, and may become a liability of the participating municipalities.

Potential Claims

In the normal course of a year, the Village may be faced with claims for damages of a diverse nature. Potential claims identified include a claim relating to the right a way for a construction project. The Village is conducting a review of these claims and as at the year end, no estimate can be made of the likely outcome, and no accrual has been made for these potential claims.

13. GOVERNMENT TRANSFERS

Government Transfers - Unconditional

	2022	2021
Provincial	<u>\$ 505,082</u>	<u>\$ 367,375</u>

Government Transfers - Conditional

Federal	\$ 23,755	\$ 3,192
Provincial	584,119	296,510
Other	<u>48,721</u>	<u>59,237</u>
	<u>\$ 656,595</u>	<u>\$ 358,939</u>

14. RECONCILIATION OF BUDGET

The following reconciles the budgeted surplus as shown on the statement of operations to the budget as presented in Bylaw No. 1282 adopted on December 12, 2022.

Budgeted annual surplus as presented	\$ 2,018,015
Capital expenditures	(1,865,350)
Proceeds from sale of tangible capital assets	10
Principal payment on debt	(28,758)
Transfers from reserve funds	<u>(123,917)</u>
	<u>\$ -</u>

15. CEMETERY CARE TRUST FUND

The Village operates the Kaslo Cemetery and maintains a Cemetery Care Fund. These funds have not been included in the statement of financial position nor have their operations been included in the consolidated statement of operations.

	2022	2021
ASSETS		
Short-term investments	<u>\$ 89,185</u>	<u>\$ 85,526</u>
OPERATIONS		
Contributions	\$ 2,150	\$ 1,175
Interest	<u>1,509</u>	<u>1,463</u>
CHANGE IN EQUITY	<u>\$ 3,659</u>	<u>\$ 2,638</u>

16. SEGMENTED INFORMATION

The Village of Kaslo is a diversified municipal government that provides a wide range of services to its citizens. The Village's operations and activities are organized and reported by funds and departments. The general fund reports on operations funded primarily by property taxes and government transfers which include services provided by the Village such as general government services, protective services, public works, recreation and cultural services and aerodrome. The utility operations are comprised of the water and sewer system each accounting for its own operations and programs within its own fund. Operating results reported by the following segments are included in Schedule 2.

General government

General government is primarily funded by property taxation and unconditional government transfers. The expenses within the segment are for legislative, general administration and finance functions as well as all garbage and recycling, operations and maintenance costs relating to the municipal buildings and grants to community organizations.

Protective services

Protective services is comprised of fire inspection, bylaw enforcement and building inspection fees.

Public works

Public works is a broad function comprised of crews engaged in the maintenance and improvements to the road systems, drainage, sidewalks, snow removal, works yard maintenance and other planning and maintenance activities.

Recreation and cultural services

Recreation and cultural services contribute to the quality of life and personal wellness through the maintenance of the parks and boulevards, campground, and contributions to the seniors' hall.

Aerodrome

The aerodrome segment reports the operations, maintenance and planning expenditures for the aerodrome.

Sewer utility operations

The sewer utility operates the sanitary sewer system networks and pump station. Revenue and expenses represent the amounts that are directly attributable to the function of the sewer utility.

Water utility operations

The water utility provides safe drinking water to the Village. Revenue and expenses represent the amounts that are directly attributable to the function of the water utility.

VILLAGE OF KASLO
SCHEDULE 1 - TANGIBLE CAPITAL ASSETS
As At December 31, 2022

	Land	Buildings	Engineering Structures	Machinery and Equipment	Office Equipment and Furniture	Roads and Paving	SS Moyie	Sewer System	Water System	2022 Total	2021 Total
COST											
Opening Balance	1,890,402	3,587,005	924,641	1,035,072	36,957	1,551,193	11	3,204,955	5,609,869	17,840,105	17,184,431
Add: Additions	8,256	374,912	84,235	61,261	-	-	-	11,500	738,024	1,278,188	655,674
Less: Disposals	(47,213)	-	-	-	-	-	-	-	-	(47,213)	-
Closing Balance	1,851,445	3,961,917	1,008,876	1,096,333	36,957	1,551,193	11	3,216,455	6,347,893	19,071,080	17,840,105
ACCUMULATED AMORTIZATION											
Opening Balance	-	2,050,288	506,024	627,140	36,957	770,112	-	1,159,307	3,338,627	8,488,455	8,051,308
Add: Amortization	-	122,097	31,269	54,657	-	37,365	-	81,260	145,048	471,696	437,147
Less: Acc. Amortization on Disposals	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	-	2,172,385	537,293	681,797	36,957	807,477	-	1,240,567	3,483,675	8,960,151	8,488,455
Net Book Value, year ended											
December 31, 2022	1,851,445	1,789,532	471,583	414,536	-	743,716	11	1,975,888	2,864,218	10,110,929	
Net Book Value, year ended											
December 31, 2021	1,890,402	1,536,717	418,617	407,932	-	781,081	11	2,045,648	2,271,242		9,351,650

VILLAGE OF KASLO
SCHEDULE 2 - SEGMENTED INFORMATION
As At December 31, 2022

	General Government	Protective Services	Public Works	Recreation and Cultural	Aerodrome	Sewer Utility	Water Utility	2022	2021
REVENUE									
Municipal property taxes and grants in lieu	731,189	-	-	-	-	-	-	731,189	701,477
Parcel taxes	-	-	-	-	-	14,018	61,462	75,480	74,366
Government transfers - unconditional	505,082	-	-	-	-	-	-	505,082	367,375
Government transfers - conditional	133,344	213,412	-	297,007	3,739	-	9,093	656,595	358,939
Grants	3,500	-	-	35,659	-	-	-	39,159	268,184
Sale of services, donations and other	505,424	-	28,494	37,202	13,202	4,640	-	588,962	664,752
Interest	78,878	-	-	-	-	-	786	79,664	60,273
User fees	-	-	-	-	-	149,106	310,526	459,632	407,680
Insurance proceeds and emergency funding	-	-	-	-	-	-	34,555	34,555	219,903
Total Revenue	1,957,417	213,412	28,494	369,868	16,941	167,764	416,422	3,170,318	3,122,949
EXPENDITURES									
Wages and benefits and Council stipends	489,190	368	252,168	69,412	734	91,215	79,812	982,899	831,912
Materials and services	357,458	322,000	138,946	40,707	12,217	30,886	150,625	1,052,839	1,016,482
Community Planning and grants in aid	29,906	50,774	-	-	-	-	-	80,680	21,521
Interest charges	-	-	965	-	-	-	-	965	3,700
Total before Amortization	876,554	373,142	392,079	110,119	12,951	122,101	230,437	2,117,383	1,873,615
Amortization of tangible capital assets	129,907	-	79,759	35,722	-	81,260	145,048	471,696	437,147
Loss on disposal of tangible capital assets	47,202	-	-	-	-	-	-	47,202	-
Total Expenditures	1,053,663	373,142	471,838	145,841	12,951	203,361	375,485	2,636,281	2,310,762
ANNUAL SURPLUS (DEFICIT)	903,754	(159,730)	(443,344)	224,027	3,990	(35,597)	40,937	534,037	812,187

VILLAGE OF KASLO
SCHEDULE 3 - GENERAL OPERATING FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022
(Unaudited)

	2022	2021
ASSETS		
Cash	\$ 2,339,841	\$ 1,780,742
Taxes receivable	25,600	28,229
Accounts receivable	416,968	181,646
Due from Sanitary Sewer Utility Operating Fund	4,958	14,911
Due from Waterworks Utility Operating Fund	11,148	-
Prepaid expenses	34,865	28,913
Supplies inventory	2,828	2,206
	2,836,208	2,036,647
LIABILITIES		
Accounts payable and accrued liabilities	337,462	269,503
Employee future benefits	82,921	73,111
Deferred Revenue	1,475,521	503,006
Due to Waterworks Utility Operating Fund	-	231,179
Due to Reserve Funds	-	26,797
	1,895,904	1,103,596
ACCUMULATED SURPLUS	\$ 940,304	\$ 933,051

VILLAGE OF KASLO
SCHEDULE 4 - GENERAL OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2022
(Unaudited)

	2022	2021
REVENUE		
General taxation	\$ 683,014	\$ 649,863
Interest and penalties on taxes	16,811	20,224
Utility taxes and grants-in-lieu of taxes	31,364	31,390
Permits and licences	190,967	78,806
Rentals and leases	105,155	74,633
Sale of services	146,506	147,481
Conditional government transfers and other grants	686,661	617,123
Unconditional government transfers	505,082	367,375
Interest on investments	47,635	32,950
Proceeds from sale of tangible capital assets	11	-
Donations and other miscellaneous revenue	141,694	359,137
	2,554,900	2,378,982
EXPENDITURES		
General government administration and buildings	746,384	613,095
Community planning and grants in aid	80,680	21,521
Solid waste, recycling and cemetery maintenance	100,264	97,604
Protective services	322,368	119,849
Public works	392,079	344,712
Aerodrome	12,951	20,399
Recreation and cultural services	110,119	113,063
Debt and lease charges		
- Interest	-	-
- Principal payment	27,443	46,869
Capital expenditures	528,664	527,527
	2,320,952	1,904,639
EXCESS OF REVENUE OVER EXPENDITURES	233,948	474,343
ACCUMULATED SURPLUS, BEGINNING OF YEAR	933,051	930,874
Transfer to Sewer Utility Operating Fund	(18,587)	(11,937)
Transfer to Reserve Funds	(312,854)	(555,112)
Transfer from Reserve Fund	104,746	94,883
ACCUMULATED SURPLUS, END OF YEAR	\$ 940,304	\$ 933,051

VILLAGE OF KASLO
SCHEDULE 5 - GENERAL, SANITARY SEWER, AND WATERWORKS UTILITY
CAPITAL FUNDS
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022
(Unaudited)

LIABILITIES	2022	2021
GENERAL		
MFA equipment finance loans	\$ 31,992	\$ 59,435
	31,992	59,435
TANGIBLE CAPITAL ASSETS		
GENERAL		
Land, buildings, and equipment	5,270,823	5,034,760
SANITARY SEWER		
Sanitary sewer treatment system	1,975,888	2,045,648
WATERWORKS UTILITY		
Plant and equipment	2,864,218	2,271,242
	10,110,929	9,351,650
ACCUMULATED SURPLUS	\$ 10,078,937	\$ 9,292,215
Represented by:		
EQUITY IN TANGIBLE CAPITAL ASSETS		
General Capital	\$ 5,238,831	\$ 4,975,325
Sanitary Sewer Capital	1,975,888	2,045,648
Waterworks Capital	2,864,218	2,271,242
	\$ 10,078,937	\$ 9,292,215

VILLAGE OF KASLO
SCHEDULE 6 - CAPITAL FUNDS
STATEMENT OF EQUITY IN TANGIBLE CAPITAL ASSETS
For the Year Ended December 31, 2022
(Unaudited)

	2022	2021
GENERAL CAPITAL FUND		
Balance, beginning of year	\$ 4,975,325	\$ 4,614,751
Add:		
Tangible capital asset additions	528,664	527,527
Equipment loan principal repayments	27,443	46,869
Deduct:		
Amortization	(245,388)	(213,822)
Net book value of assets disposed	(47,213)	-
Balance, end of year	\$ 5,238,831	\$ 4,975,325
SANITARY SEWER CAPITAL FUND		
Balance, beginning of year	\$ 2,045,648	\$ 2,071,454
Add:		
Tangible capital asset additions	11,500	54,708
Deduct:		
Amortization	(81,260)	(80,514)
Balance, end of year	\$ 1,975,888	\$ 2,045,648
WATERWORKS CAPITAL FUND		
Balance, beginning of year	\$ 2,271,242	\$ 2,322,831
Add:		
Tangible capital asset additions	738,024	73,439
Long-term debt principal repayment	-	12,494
Actuarial adjustment	-	5,289
Deduct:		
Amortization	(145,048)	(142,811)
Balance, end of year	\$ 2,864,218	\$ 2,271,242

VILLAGE OF KASLO
SCHEDULE 7 - WATERWORKS UTILITY OPERATING FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022
(Unaudited)

	2022	2021
ASSETS		
Water user fees receivable	\$ 9,275	\$ 9,781
Due from General Operating Fund	-	231,179
Inventory of supplies	28,677	23,716
	37,952	264,676
LIABILITIES		
Accrued interest payable	1,069	1,069
Deferred revenue	2,511	2,511
Due to General Operating Fund	11,148	-
	14,728	3,580
ACCUMULATED SURPLUS	\$ 23,224	\$ 261,096

VILLAGE OF KASLO
SCHEDULE 8 - WATERWORKS UTILITY OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2022
(Unaudited)

	2022	2021
REVENUE		
Water user and connection fees	\$ 310,526	\$ 270,841
Parcel tax	61,462	61,318
Emergency funding and insurance proceeds	34,555	219,903
Grant	9,093	-
Interest	786	-
	416,422	552,062
EXPENDITURES		
Administration and allocation of labour costs from general	79,812	101,705
Maintenance materials and services	150,625	275,422
Debt charges		
- Interest	-	2,913
- Principal payment	-	12,494
Capital expenditures	738,024	73,439
	968,461	465,973
EXCESS OF REVENUE OVER EXPENDITURES	(552,039)	86,089
ACCUMULATED SURPLUS, BEGINNING OF YEAR	261,096	191,822
Transfer from Reserve Funds	438,961	-
Transfer to Reserve Fund	(124,794)	(16,815)
ACCUMULATED SURPLUS, END OF YEAR	\$ 23,224	\$ 261,096

VILLAGE OF KASLO
SCHEDULE 9 - SANITARY SEWER UTILITY OPERATING FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022
(Unaudited)

	2022	2021
ASSETS		
Sewer rates receivable	\$ 12,936	\$ 5,921
Inventory	12,904	9,798
	25,840	15,719
LIABILITIES		
Due to General Operating Fund	4,958	14,911
ACCUMULATED SURPLUS	\$ 20,882	\$ 808

VILLAGE OF KASLO
SCHEDULE 10 - SANITARY SEWER UTILITY OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2022
(Unaudited)

	2022	2021
REVENUE		
Sewer rates and charges	\$ 149,106	\$ 136,839
Parcel tax	14,018	13,048
Conditional grants	-	10,000
Sanidump fees	4,640	4,695
	167,764	164,582
EXPENDITURES		
Materials and services	30,886	49,055
Wages and benefits	91,215	114,276
Capital expenditures	11,500	54,708
	133,601	218,039
EXCESS OF REVENUE OVER EXPENDITURES	34,163	(53,457)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	808	20,693
Transfer from Sewer Reserve Fund	1,500	54,708
Transfer to Sewer Reserve Fund	(34,176)	(33,073)
Transfer from General Operating Fund - Village own connection and use	9,329	10,159
Transfer from General Operating Fund - Allocation from campground	9,258	1,778
ACCUMULATED SURPLUS, END OF YEAR	\$ 20,882	\$ 808

VILLAGE OF KASLO
SCHEDULE 11 - RESERVE FUNDS
STATEMENT OF FINANCIAL POSITION
As At December 31, 2022
(Unaudited)

	2022	2021
FINANCIAL ASSETS		
Cash and short-term investments	\$ 1,850,473	\$ 1,865,816
Due from General Operating Fund	-	26,797
	\$ 1,850,473	\$ 1,892,613
RESERVE FUNDS		
Aerodrome	\$ 126,953	\$ 109,619
Buildings, Vehicles, and Equipment	40,583	21,313
City Hall National Historic Site	60,178	54,219
Community Works	192,784	545,822
Contingency	123,465	120,831
Greenhouse Gas Emissions Reduction	52,466	2,383
Kaslo and Area D Arena Property	97,155	169,105
Kaslo Public Arts	2,814	812
Kemball Memorial Centre	37,205	12,198
Library	213,953	101,111
Recreation, Parks, and Open Spaces	176,778	150,007
Sick Leave Bank and Settlement	88,186	73,257
Transportation	147,446	116,874
Sewer Infrastructure	145,466	110,815
Water Infrastructure	345,041	304,247
	\$ 1,850,473	\$ 1,892,613

VILLAGE OF KASLO
SCHEDULE 12 - RESERVE FUND
STATEMENT OF TRANSACTIONS
For the Year Ended December 31, 2022
(Unaudited)

	Balance, Beginning of Year	Contributions	Transfers to Other Funds	Interest Earned	Balance, End of Year
Aerodrome	\$ 109,619	\$ 15,639	\$ -	\$ 1,695	\$ 126,953
Buildings, Vehicles, and Equipment	21,313	18,893	-	377	40,583
City Hall National Historic Site	54,219	5,000	-	959	60,178
Community Works	545,822	-	(362,511)	9,473	192,784
Contingency	120,831	-	-	2,634	123,465
Greenhouse Gas Emissions Reduction	2,383	50,082	-	1	52,466
Kaslo and Area D Arena Property	169,105	10,000	(82,904)	954	97,155
Kaslo Public Arts	812	2,000	-	2	2,814
Kemball Memorial Centre	12,198	25,000	-	7	37,205
Library	101,111	111,000	-	1,842	213,953
Recreation, Parks, Open Spaces	150,007	32,357	(8,892)	3,306	176,778
Sick Leave Bank and Settlement	73,257	14,389	-	540	88,186
Transportation	116,874	28,494	-	2,078	147,446
Sewer Infrastructure	110,815	34,176	(1,500)	1,975	145,466
Water Infrastructure	304,247	124,794	(89,400)	5,400	345,041
	\$ 1,892,613	\$ 471,824	\$ (545,207)	\$ 31,243	\$ 1,850,473

VILLAGE OF KASLO
SCHEDULE 13 - COVID-19 SAFE RESTART GRANT
STATEMENT OF TRANSACTIONS
For the Year Ended December 31, 2022
(Unaudited)

	2022	2021
Opening balance	405,615	\$ -
COVID-19 Safe Restart Grant Revenue	-	480,000
Expenditures	<u>(49,739)</u>	<u>(74,385)</u>
Balance, December 31, 2022	<u>355,876</u>	<u>\$ 405,615</u>

The Village has expended \$49,739 (2021: \$74,385) of the Provincial COVID-19 safe restart grant funding in the current year. The full amount received during 2020 was recognized in revenue with government transfers - conditional. The remaining unspent funds have been appropriated within the accumulated surplus of the general operating fund to carry forward for use in the subsequent year.
