



VILLAGE OF CLINTON 2020 ANNUAL REPORT



Photo Credit: Explore TNRD / Mary Pu

MUNICIPALITY

Village of Clinton

ANNUAL REPORT

For the year ended December 31, 2020

PREPARED BY

Administrative + Finance Departments

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INTRODUCTORY SECTION

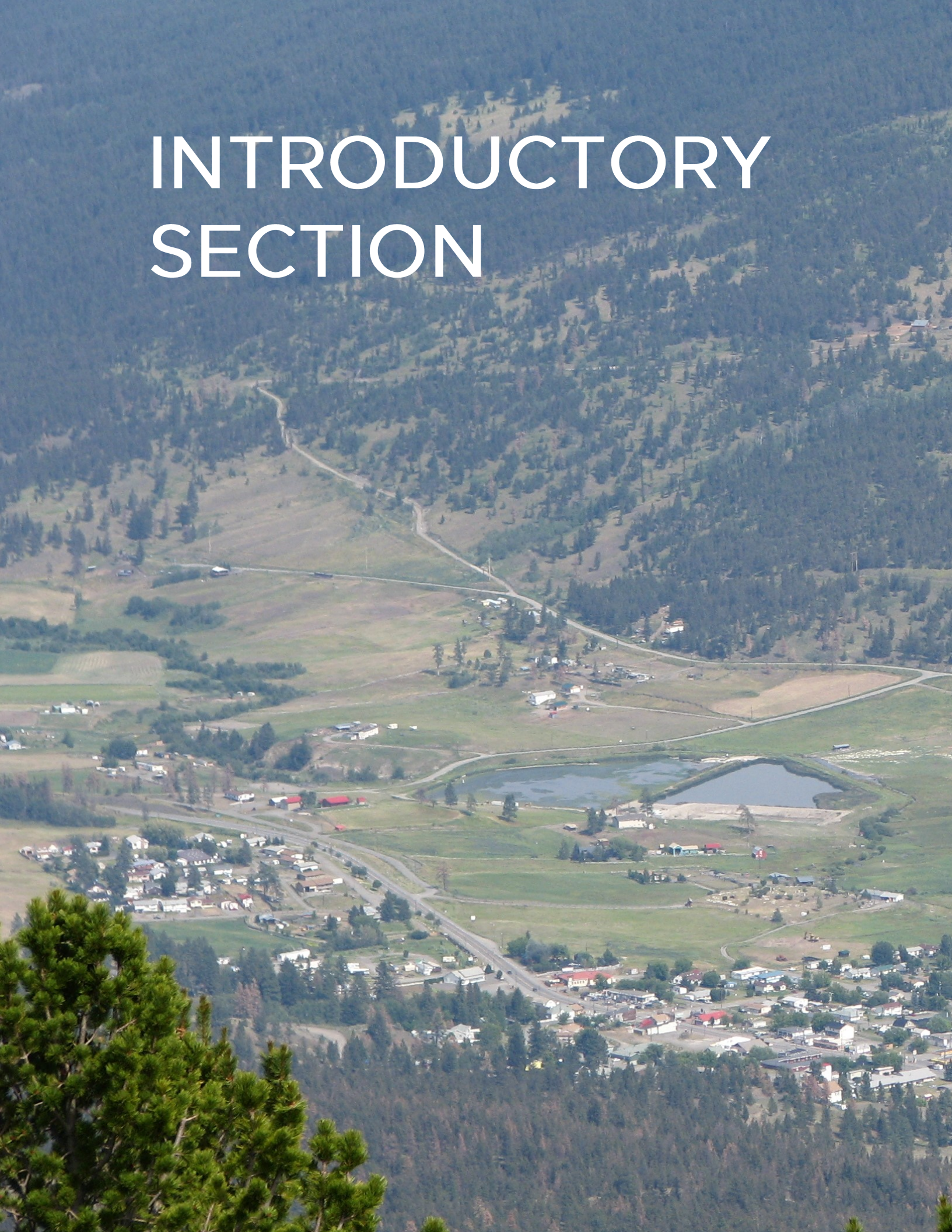




Photo Credit: Nick Astle

WHAT IS THE ANNUAL REPORT?

Every local government must prepare an annual report and an annual meeting must occur at least 14 days after the annual report is made available for public inspection and the council must give notice of the date, time and place of the annual meeting.

Section 98 of the Community Charter

(1) Before June 30 in each year, a council must

- (a) prepare an annual report,
- (b) make the report available for public inspection under section 97, and
- (c) have the report available for public inspection at the meeting required under section 99.

The annual report must include the following:

- ◆ The audited **annual financial statements** referred to in section 167 (4) for the previous year;
- ◆ For each tax exemption provided by a council under Division 7 [Permissive Tax Exemptions] of Part 7 [Municipal Revenue], the amount of property taxes that would have been imposed on the property in the previous year if it were not exempt for that year;
- ◆ A report respecting **municipal services and operations** for the previous year;
- ◆ A **progress report** respecting the previous year in relation to the objectives and measures established for that year under paragraph (f);
- ◆ Any **declarations of disqualification** made under section 111 [application to court for declaration of disqualification] in the previous year, including identification of the council member or former council member involved and the nature of the disqualification;
- ◆ A statement of **municipal objectives**, and **the measures** that will be used to determine progress respecting those objectives, for the current and next year;
- ◆ Any **other information** the council considers advisable.



VILLAGE OF CLINTON COMMUNITY PROFILE

The Village of Clinton is a small friendly community in one of the most pristine natural environments in the world, while still being close and accessible to larger centres. Clinton is located on Highway 97, 40km north of the junction of the Trans Canada Highway in Cache Creek and 30km south of 70 Mile House.

Clinton was incorporated on July 16, 1963 and lies within Electoral Area “E” of the Thompson-Nicola Regional District (TNRD). The Village of Clinton is governed by a mayor, who also sits on the TNRD Board of Directors, and four councilors, who each serve 4-year concurrent terms.

Located on the Historic Gold Rush trail within traditional Secwépemc territory, Clinton is the destination to discover *Where History Meets Adventure*. With a rich heritage, stunning scenery, and an abundance of recreational opportunities, Clinton sits immediately below the southern edge of the Cariboo Plateau and allows for endless outdoor adventure opportunity including hiking, fishing, horseback riding, and much more.

Mission
To Increase Economic Opportunity
and Improve the Quality
of Life for all Citizens.

Vision
Clinton is a Lively, Resilient
Community, Proud of its Rich
Heritage While Building a
Sustainable Future with Local
Secwépemc and Neighbouring
Communities

Every May, Clinton celebrates heritage week beginning Victoria Day long weekend with the Annual Ball, where many people dress as the first settlers did. This is one of British Columbia's oldest continual events having first been held in 1867 and was a highlight of the social calendar in the British Columbia Interior for many decades. The popular May rodeo and dance are held on the following weekend. The Clinton Museum, built in 1892, has several historical artifacts on display that date back to the gold rush and founding of the area.



2020 STRATEGIC PLAN UPDATE

Emergency Plan Update	In-Progress
Zoning Bylaw Update	In-Progress
Public Works Building	In-Progress
Park Master Plan Update	In-Progress
Asset Management Plan	In-Progress
Building & Land Plan Update	Not Started
Lee Sawmill Road Access	In-Progress
BC Housing Strategy—TNRD	Complete
Flood Risk Assessment—Fraser Basin Council	Complete
Fire Protection Area—TNRD	In-Progress
Invasive Plant Project—TNRD	Ongoing
Internet Upgrades—ABC Communications	Complete
Memorial Hall Anniversary—Spirit of Clinton	Not Started

A MESSAGE FROM OUR MAYOR

The Annual Report and Mayor's message are an opportunity to review the previous year and update our residents and taxpayers on initiatives that took place during that period.

This year has been much different than any in recent history. 2020 was an exceptional year marked by conditions requiring us to reinvent ourselves and the way in which things were done. It has been a year of challenges, losses, and slow progress. Due to the COVID-19 pandemic, the Village Office had to close to the public. The office space was sufficient that staff were able to continue to work in the office and keep all Municipal services running.

Council meetings were moved to the Memorial Hall to allow space for public attendance until that was also banned by Provincial Order. A special link was added to the Village website to allow members of the public to submit questions or concerns with items on an agenda prior to the Council meetings. This initiative will carry on in 2021.

The COVID-19 Pandemic and the fact that the Village was operating without a permanent Chief Administrative Officer (CAO) for several months delayed many of the projects that had been carried over from 2019. Unfortunately, COVID-19 orders also required most Village facilities to be closed for much of the year. The same restrictions meant that most (if not all) events and activities had to be cancelled or postponed.

Mayor and Council worked with a consultant through the recruiting process to find a new CAO. After holding virtual interviews, followed by in person visits, Murray Daly joined the Village team in August as the new CAO. He got busy reviewing policies, bylaws, projects, etc. so projects could proceed. I want to acknowledge and thank the Village employees for taking on extra duties and keeping things running smoothly during the period we were without a CAO.

The Village of Clinton started working with the Villages of Ashcroft and Cache Creek to establish an Inter-Community Bylaw Enforcement Officer. This collaboration continues into 2021. The shared transit service also continues with all three communities.

Projects that had been on the books for several years were finally able to get some traction. Requests for Proposals were posted for the construction of a new Public Works Building and one for the revision of the Village of Clinton Zoning Bylaws.

The Village of Clinton partnered with the Thompson Nicola Regional District to undertake a Housing Needs Assessment. This document will be very useful in future planning for the Village.

Council and staff attended meetings, conferences, and workshops virtually throughout the year. COVID-19 taught us all that reliable Internet connectivity is vital when in person attendance is not possible. With sufficient connectivity, people can work from anywhere. This meant that some people decided to exit the cities and relocate to smaller communities like Clinton. It will be interesting to see if this trend continues once the pandemic is under control.

The Council and employees of the Village of Clinton are committed to working with our residents, community organizations, neighbouring communities, First Nation neighbours and other levels of Government to tackle issues head on and make thoughtful and meaningful improvements to our community.

I look forward to continuing our collaborative work to make our vibrant, welcoming Village all that it can be.

A handwritten signature in black ink that reads "Susan Swan". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Susan Swan, Mayor



VILLAGE OF CLINTON MAYOR + COUNCIL

L-R Councillor McIlravey, Councillor Burrage, Mayor Swan, Councillor Park, Councillor Rivett



ABOUT VILLAGE COUNCIL // 2019-2022

The Village of Clinton Council consists of the Mayor and four councillors who each serve four-year terms.

Council meetings are held twice monthly on the second and fourth Wednesday of each month. The public is welcome to attend open meetings, however, due to COVID-19 by late 2020, council meetings were limited to Council and Village staff only. Meetings were live streamed by the Hub Online Network and made available on the Village website.

PART 5 — MUNICIPAL GOVERNMENT AND PROCEDURES

DIVISION 1 — COUNCIL ROLES AND RESPONSIBILITIES

Council as governing body:

- 114 (1) The members of a municipal council are the mayor and the councillors.
- (2) Despite a change in its membership, the council of a municipality is a continuing body and may complete any proceedings started but not completed before the change.
- (3) The powers, duties and functions of a municipality are to be exercised and performed by its council, except as otherwise provided under this or another Act, and a council, in exercising or performing its powers, duties and functions, is acting as the governing body of the municipality.
- (4) A council has all necessary power to do anything incidental or conducive to the exercise or performance of any power, duty or function conferred on a council or municipality by this or any other enactment.

Extract from BC Community Charter

Mayor, Susan Swan



Born and raised in a small farming community in the Upper Ottawa Valley, Mayor Swan made the permanent move to Clinton in 1995.

Mayor Swan states “that she is most passionate about communication in local government. To me that means listening to the concerns and opinions of residents, holding open, transparent Council meetings, and communicating decisions to the residents.”

mayor@village.clinton.bc.ca

Councillor, Sandi Burrage

Originally from Burnaby and the Fraser Valley, Councillor Burrage grew up on the family farm.

Councillor Burrage is an Early Learning Educator, certified in early learning programs including Parent-Child Mother Goose. Her love of kids and their educational success has led her to be the Grad sponsor at David Stoddart School for many years.

Councillor Burrage states “she is passionate about Clinton and wants to honor Clinton’s heritage and history while working to attract tourism, new business and residents to enhance Clinton’s services and ensure sustainability.”



burrage@village.clinton.bc.ca

Councillor, Kim McIlravey

Kim McIlravey returned to Clinton approximately 7 years ago. After living in the Lower Mainland, for a couple of years, the call of small-town life lured them back to Clinton.

Councillor McIlravey contemplated running for Council since the 2014 election, at that time she had concerns regarding bylaws and wanted to be involved in positive change.

Councillor McIlravey has a passion to advocate for improved services for seniors and youth in the community.



mcilravey@village.clinton.bc.ca

Councillor, Christine Rivett

Born and raised in Oakville, Ontario Councillor Rivett spent most of her adolescent spare time at the local stable as her passion was horses.

Councillor Rivett still remembers her first visit to Clinton, where she felt an instant connection with the energy of the place. In 2008, the Rivetts packed up and headed to Clinton.

As a Councillor, she wants to see Clinton continue to flourish and maintain its small-town feel. One of the many issues facing all small communities is a lack of affordable housing. Councillor Rivett feels that the more we offer our citizens in the way of places to live, shop, eat work or just to meet and pass the time, people will want to visit Clinton and/or make it their permanent residence.



rivett@village.clinton.bc.ca

Councillor, David Park

Born and raised in Clinton, Councillor Park attended school from kindergarten through to graduation here. Councillor Park's family roots run deep in Clinton and he is proud to call Clinton home.

Councillor Park chose to run for Council as he feels that his demographic should be represented at the Council table, he wants to continue to be involved in the decision making that will define Clinton's future. Councillor Park feels that the biggest challenge facing small communities is a lack of funds resulting in budget restraints.



park@village.clinton.bc.ca



VILLAGE OPERATIONS



A MESSAGE FROM OUR CAO

2020 was a year of much challenge and change for many. My family and I relocated from Terrace, our home for over 12 years, to Clinton in mid-August and despite the challenges of making social connections in the face of Covid restrictions we quickly found Clinton to be a place of community and a spectacular setting to call home.

In addition to Covid-19, the Village Office was faced with the task of operating without a permanent CAO for the majority of 2020. The Village however is fortunate to have many dedicated staff at the Village office and a Council which maintains a community focus and endeavors to deliver the best services possible to Village residents.

In the closing months of 2020, Village administration worked enthusiastically to identify and move forward a number of projects and initiatives. The replacement of the public works building has been a part of the Village's Strategic Plan for a number of years and following consultation with an architect, the Village released a Request for Proposal in December.

Village administration also made great progress on the development of a new zoning bylaw for the Village. Again, through a competitive bid process a talented consultant was selected and work quickly began on this long-anticipated project. The new zoning bylaw is slated to be completed by late 2021.

In October, staff submitted an application for an infrastructure grant to allow for development of a road to provide access to a Village owned land parcel near Cariboo Avenue known as "Lot 9". Though the Village was unsuccessful in the application, the exercise allowed for the Village to identify the scope of the project and have a "shelf ready" concept available for future funding intakes.

Also in October, Administration began working with the Villages of Ashcroft and Cache Creek to develop a shared Bylaw Enforcement Service. The framework for an inter-municipal agreement was completed and it is anticipated that a Bylaw Enforcement Officer will be in place by mid summer 2021.

In November our Village staff was bolstered with the addition of a new Community Development Coordinator. Meghan Burrage has done an exceptional job in moving a number of projects forward and continues to work enthusiastically promoting Clinton for the visiting public and improving facilities and opportunities for our residents.

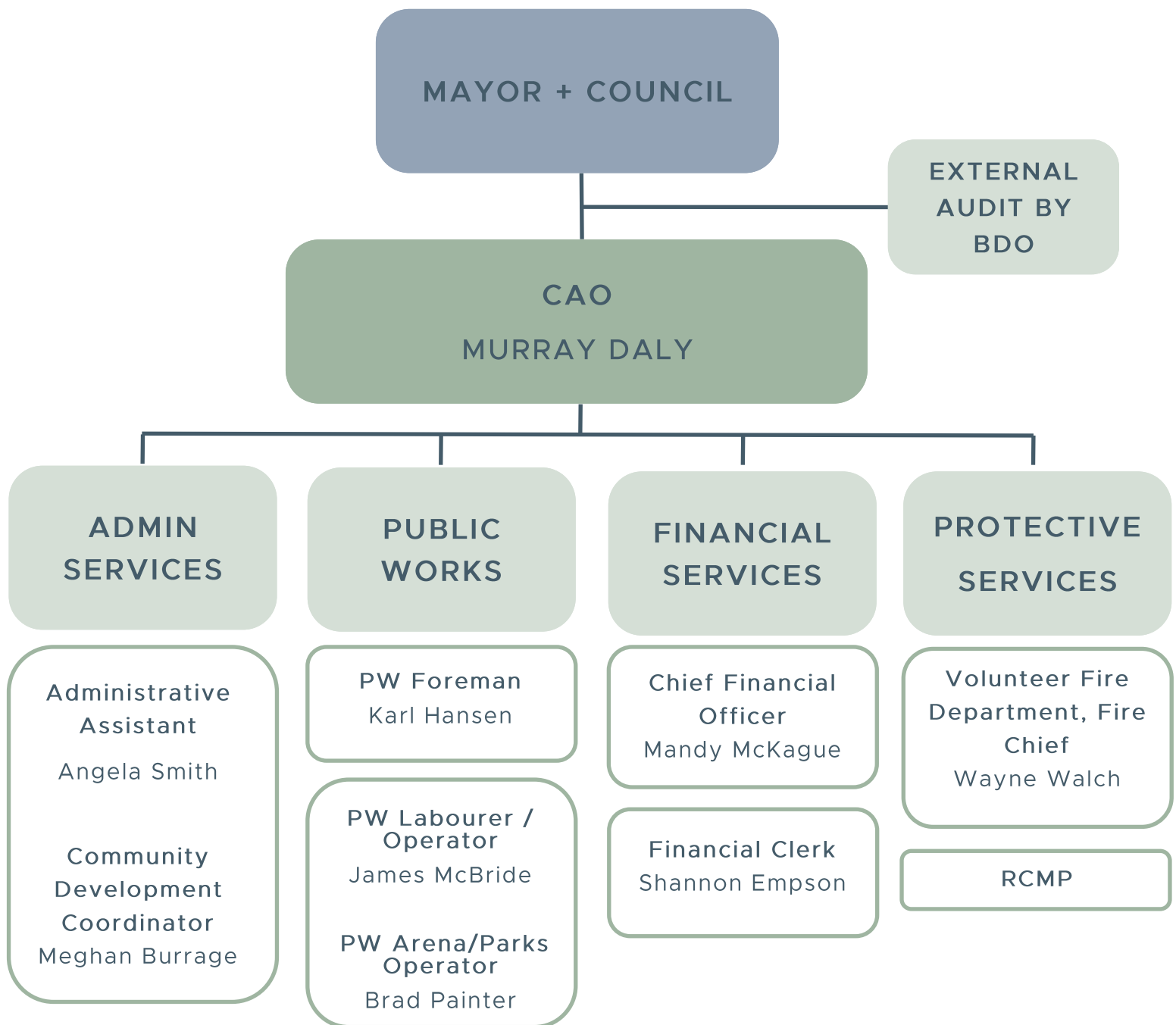
I feel very fortunate to have landed here in the Village of Clinton and to have taken on the role of CAO in an organization filled with employees who truly care about the community and to work with a council whose cohesive goal is to deliver the greatest benefit for the betterment of the residents.



Murray Daly, CAO



ORGANIZATIONAL CHART



Note:

- ♦ RCMP services are provided by the Federal Government through a policing agreement with the Province of British Columbia.
- ♦ Fire Services are provided by volunteers. The Village of Clinton provides equipment and funding.

ADMINISTRATIVE SERVICES

- ♦ Economic Development
- ♦ Legislative Support
- ♦ Community Development
- ♦ Bylaw Services
- ♦ Human Resources

PUBLIC WORKS

- ♦ Public Infrastructure
- ♦ Parks and Recreation
- ♦ Environmental Services
- ♦ Asset Management

FINANCIAL SERVICES

- ♦ Customer Services
- ♦ Financial Accounting and Reporting
- ♦ Financial Planning
- ♦ Taxation
- ♦ Investments
- ♦ Information and Communication Technology

PROTECTIVE SERVICES

- ♦ RCMP
- ♦ Fire Services



SERVICES PROVIDED

The Village of Clinton provides the following services:



ANIMAL
CONTROL



MUNICIPAL
ADMINISTRATION



COMMUNITY
PARKS



ROAD
MAINTENANCE



LAND USE
PLANNING



RECREATION
FACILITIES +
COMMUNITY HALL



FIRE
PROTECTION



TOURISM
INFORMATION



BUSINESS
LICENSING



ECONOMIC
DEVELOPMENT



STREET
LIGHTING



SANITARY + STORM
SEWERS



CEMETERIES



WATER SYSTEM



SUBDIVISION APPROVAL



MAYOR + COUNCIL



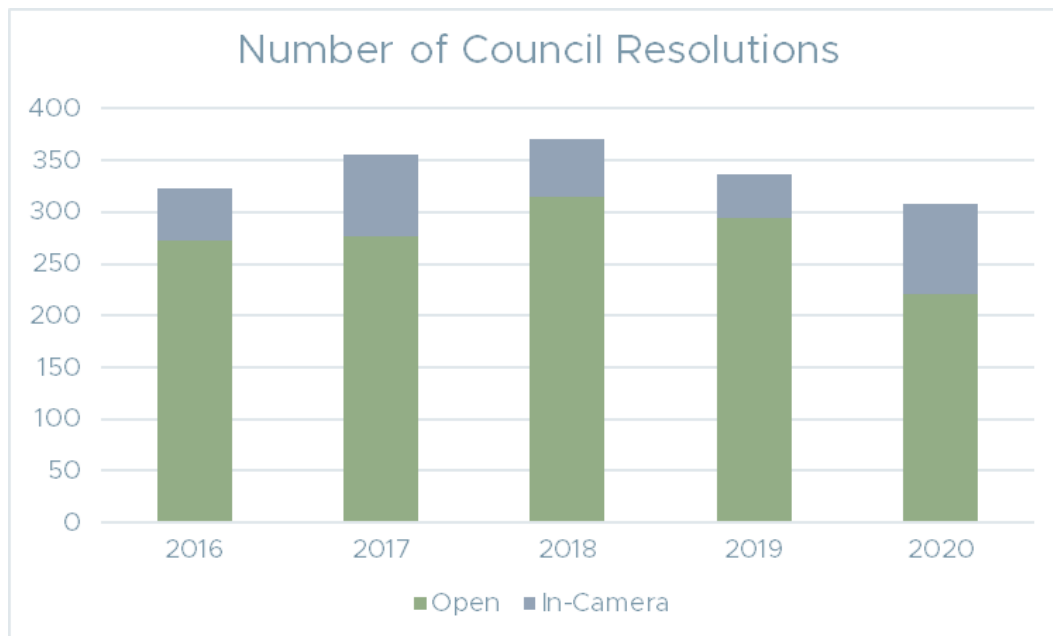
Mayor and Council are elected officials of the Village of Clinton. The Mayor and four Councillors are each elected to a 4 year term. The 5 elected officials provide governance over the affairs of the Village of Clinton. Municipal government in British Columbia is a creature of provincial legislature. It is governed primarily by the Community Charter, an Act of the British Columbia legislature. Purpose for Municipal governments in British Columbia are:

- ◆ Providing for good government of its community,
- ◆ Providing for services, laws and other matters for community benefit,
- ◆ Providing for stewardship of the public assets of its community, and
- ◆ Fostering the economic, social and environmental well-being of its community.

MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
Number of Council Meetings	35	41	39	49	40
Open Meetings	22	22	28	28	22
In-Camera Meetings	13	19	11	21	18
Number of Council Resolutions	323	356	370	336	308
Open Meetings	272	277	315	294	221
In-Camera Meetings	51	79	55	42	87

2020 BUDGET EXPENDITURE

Expenditure Budget	\$62 470
Actual	\$36 983
Variance	\$25 487



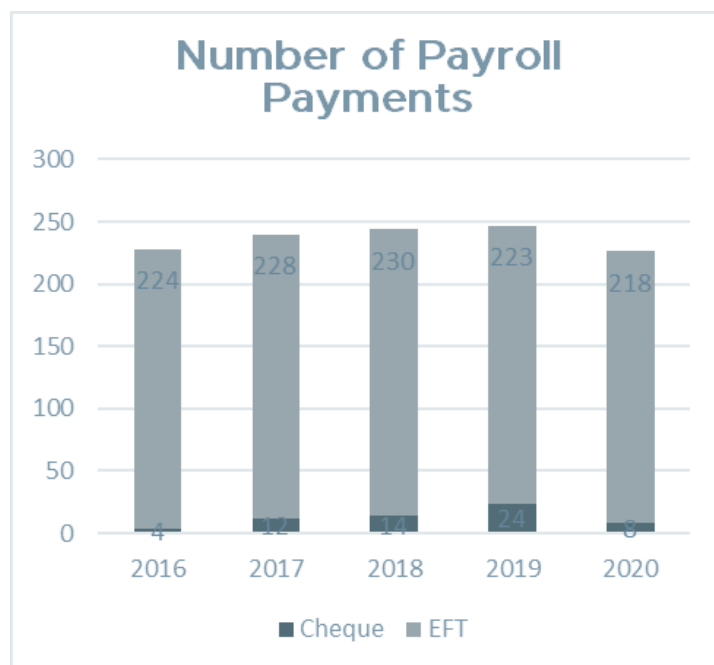
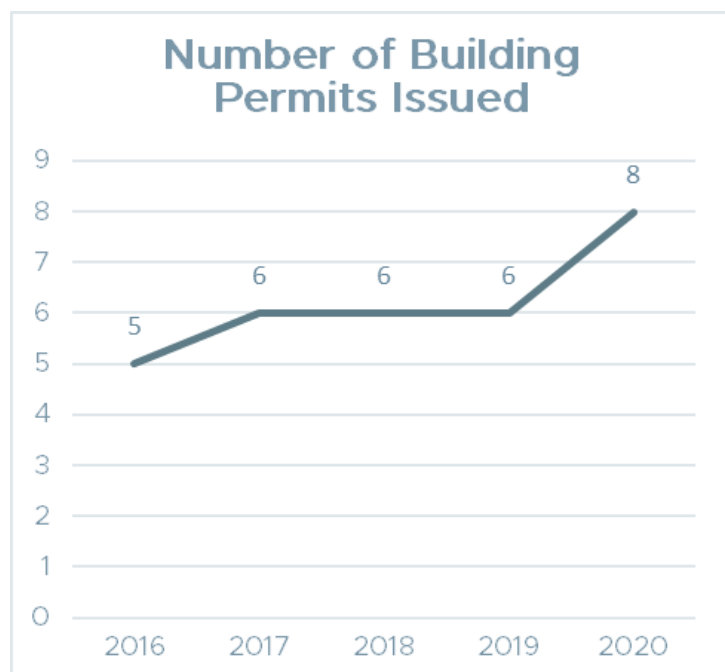
ADMINISTRATIVE SERVICES



Administrative Services is a conglomeration of corporate leadership and support departments consisting of the Office of the Chief Administrative Officer, Legislative Services, Financial Services, Information Technology, Economic Development, Community Development and Bylaw Enforcement. Under the leadership of the Chief Administrative Officer, Administrative Services ensures compliance to statutory provisions and general administration of the Village of Clinton Operations. Overarching mandate include the following:

- ◆ Overall administration of the Village of Clinton operations and services,
- ◆ Legislative support to elected officials and other departments,
- ◆ Planning, collection, management and investing financial resources,
- ◆ Deployment of information and communication technology in delivering services,
- ◆ Growth and support of local businesses and community groups and
- ◆ Development and enforcement of bylaws.

MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
Number of Building Permits Issued	5	6	6	6	8
Number of Elections Held	0	0	1	0	0
Number of Business Licences Issued	79	76	73	75	65
Number of Payroll Payments	228	240	244	247	226
By Electronic Fund Transfer	224	228	230	223	218
By Cheque	4	12	14	24	8
Number of Property Folios	N/A	N/A	N/A	N/A	522
Residential	N/A	N/A	N/A	N/A	385
Non-residential	N/A	N/A	N/A	N/A	137
Clean External Financial Audit (Y/N)	Y	Y	Y	Y	Y
Number of Fulltime Village Positions	8	8	9	10	8



ADMINISTRATIVE SERVICES

2020 MAJOR INITIATIVES

- ◆ Review of Zoning Bylaw started and RFP issued for full revision
- ◆ Filled vacant Community Development Coordinator Position

2020 BUDGET EXPENDITURE

Expenditure Budget	\$587 232
Actual	\$537 691
Variance	\$49 535

ECONOMIC DEVELOPMENT HIGHLIGHTS

- ◆ 2 Businesses Participated in Façade Improvement Program
- ◆ Continuation in BC Provincial Nominee Program —Entrepreneur Immigration Regional Pilot
 - ◆ 5 Invitations on Hold for Exploratory Visits
 - ◆ 4 Referrals Submitted to BC PNP by Applicants following exploratory visits
- ◆ Continuation in Love Clinton Program
 - ◆ 6 Businesses Published to Love Clinton Webpage
- ◆ Work Underway on Action Items from 5-Year Economic Development and Marketing Plan , priority items expected to be completed in 2021



DIGITAL ANALYTICS

MEASURE/ACTIVITY	2019	2020
Google Analytics — Website Views		
village.clinton.bc.ca	20,994	35,232
New Facebook Friends/Followers	91	67
New Instagram Followers	N/A	195



Most visited Web Pages in 2020 (in addition to the Home Page)

CONTACT US

1489 VIEWS

COUNCIL
MINUTES &
AGENDAS

1429 VIEWS

VISIT: TO DO

1398 VIEWS



PUBLIC WORKS



The Village of Clinton Public Works Department is led by the Public Works Foreman. The division consists of several sections: Infrastructure, Recreation and Public Safety. The Public Works department is charged with specific mandates including the following:

- ◆ Planning, delivery, and maintenance of Village of Clinton infrastructure such as roads, buildings, parks, water and sewer systems,
- ◆ Planning, delivery and maintenance of Village of Clinton parks and trail system, and
- ◆ Working with a volunteer fire department in the provision of fire safety.

MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
KM in Road Network	15	15	15	15	15
Paved	11	11	11	11	11
Non-Paved	4	4	4	4	4
KM Roads Maintained (Paved and Non-Paved)	15	15	15	15	15
Number of Buildings Maintained	15	15	16	16	16

2020 MAJOR INITIATIVES

- ♦ RFP released for construction of new Public Works Building
- ♦ Salt shed placed at future site of Public Works Building
- ♦ Purchased line striping equipment

2020 BUDGET EXPENDITURE

Expenditure Budget	\$491 682
Actual	\$361 201
Variance	\$130 481



RECREATION + CULTURE



The Village of Clinton a hidden gem when it comes to recreation and culture facilities and programs. Through the facilities, the Village of Clinton has community meeting places such as community hall, and recreation facilities such as parks, fields, rinks, fitness centre, and trails.

MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
Number of Parks	2	2	3	3	3
Lengths of Trails (km)	0	0	0	6	6
Maintained	0	0	0	3	3
Non-Maintained	0	0	0	3	3

2020 BUDGET EXPENDITURE

Expenditure Budget	\$190 700
Actual	\$190 194
Variance	\$506

Most of the programming is led by community groups.

The mandate for the department includes the following:

- ◆ Develop infrastructure,
- ◆ Maintain recreation infrastructure, and
- ◆ Work with community groups in recreation programming.



2020 MAJOR INITIATIVES

- ◆ Due to the Covid-19 Pandemic, indoor recreation facilities were closed for the majority of 2020.
- ◆ New treadmill was purchased for Fitness Room
- ◆ Electric Zamboni was acquired for the 47 Mile Sports Complex
- ◆ Work began on the Parks and Recreation Master Plan with the Plan expected to be completed in 2021



WATER + SEWER SERVICES

The Village of Clinton provides water and sewer services to sections of the majority of its residents. These services are funded through user fees.

The mandate for the department includes the following:

- ◆ Plan and develop water and sewer systems,
- ◆ Ensure water and sewer systems meet regulatory standards, and
- ◆ Maintain water and sewer systems.

2020 BUDGET EXPENDITURE

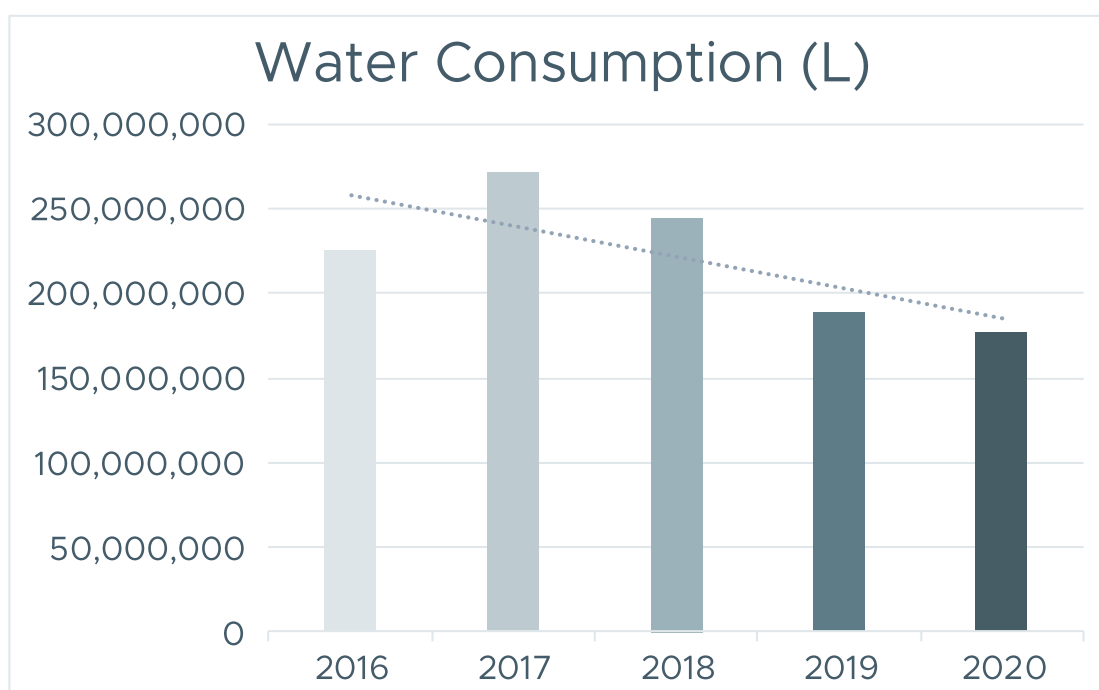
WATER

Expenditure Budget	\$219 591
Actual	\$220 986
Variance	(\$1395)

SEWER

Expenditure Budget	\$143 677
Actual	\$110 177
Variance	\$33 500

MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
Number of Water Connections	0	1	0	1	0
Residential	0	1	0	1	0
Non-Residential	0	0	0	0	0
Number of Reservoirs	2	2	2	2	0
Piping Length (km)	9	9	9	9	9
Water Consumption (in Litres)	225,761,000	271,471,000	244,144,000	188,746,000	177,375,00
Number of Service Repairs	Not Available	Not Available	Not Available	12	7
Number of Water Main Breaks	Not Available	Not Available	Not Available	1	1



PROTECTIVE SERVICES



The Village of Clinton is served by a dedicated volunteer fire department. Policing services are provided by the Royal Canadian Mounted Police (RCMP) through a policing agreement managed by the Province of British Columbia.

The Village of Clinton provides equipment and other infrastructure to the volunteer fire fighting department through annual budget allocations. RCMP is funded through an annual requisition of just over \$30,000.

Fire fighting priorities are set through a consultative process between the Village of Clinton and the volunteer fire fighting department. Policing priorities follow a similar arrangement although such consultation happens at the Union of British Columbia Municipalities (UBCM) level.

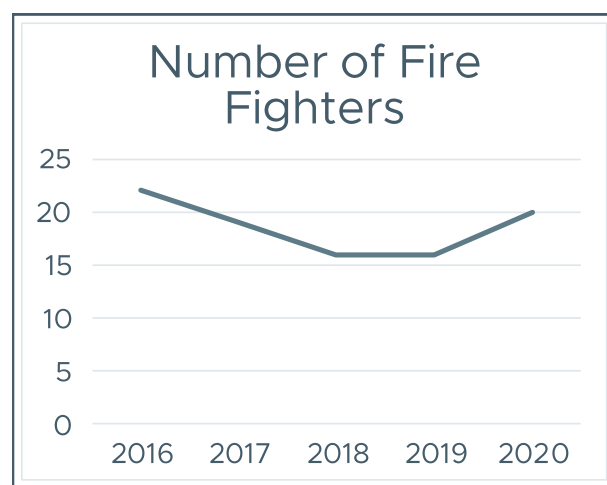
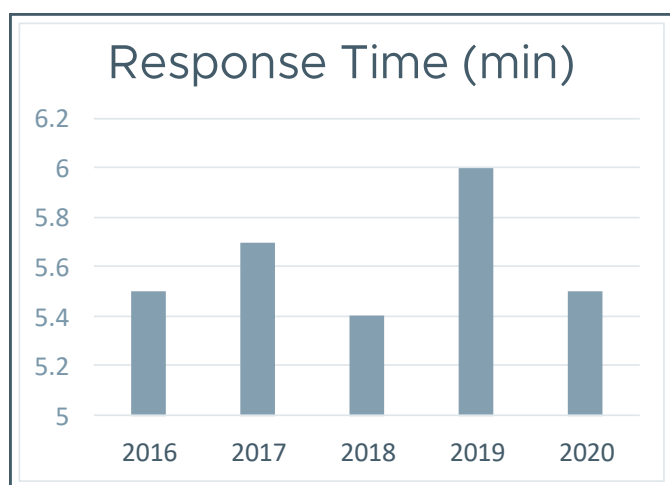
MEASURE/ ACTIVITY	2016	2017	2018	2019	2020
Number of Service Stations	1	1	1	1	1
Response Time (in minutes)	5.5	5.7	5.4	6	5.5
Number of Fire Call-Outs	37	44	30	29	29
Number of Community Fire Prevention Sessions	2	2	2	3	0
Number of Fire Fighting Engines	3	3	4	4	4
Number of Fire Fighters	22	19	16	16	10

2020 INITIATIVES

- ◆ Created Joint Community Bylaw Enforcement Officer Position
- ◆ Grant funding for Fire Department Equipment
- ◆ Successful Volunteer Fire Fighter recruitment campaign

2020 BUDGET EXPENDITURE

Expenditure Budget	\$167 500
Actual	\$111 323
Variance	\$56 177



FINANCIAL SECTION





Photo Credit: Destination BC / Michael Bednar

MANAGEMENT DISCUSSION + ANALYSIS

I am pleased to present the Financial Section of the 2020 Annual Report for the Village of Clinton for the year ended December 31, 2020, in accordance with the Community Charter and the Canadian Public Sector Accounting Standards.

FINANCE DEPARTMENT'S MAIN GOALS

- ♦ To provide excellent financial services to the citizens of Clinton, Mayor and Council, staff and external agencies.
- ♦ To provide sound and timely financial advice to Council and the administration to assist in making the best decisions on behalf of the citizens of the Village of Clinton.

FINANCIAL HIGHLIGHTS

- ♦ A \$216,159 surplus was recorded for the year ending December 31, 2020.
- ♦ The Village's assets exceeded its liabilities by \$4,397,475 representing an increase of \$516,720 over the previous year's net asset position.
- ♦ Tangible Capital Assets decreased by \$324,061 largely due to recorded amortization representing wear and tear for the year.
- ♦ The Village's cash position increased by \$1,216,730 while portfolio investments grew by \$10,426.
- ♦ The Provincial Government allocated a \$373,000 Covid Safe Restart Grant to the Village of Clinton.

FINANCIAL RESULTS

The Village of Clinton experienced another successful fiscal year resulting in a surplus of \$216,159. Note 8 of the Financial Statements outlines details behind the annual net surplus. Accumulated Surplus saw a decrease of \$315,455 in fund balances and an increase of \$531,614 designated reserve funds. Fund balances decreased due to the loss shown by Community Forest. This does not affect Village reserves.

2020 allocations of \$126,586 are reported for asset management reserves. These allocations follow a policy decision by Council to formally budget for asset management costs in future years as part of long-term financial sustainability strategy.

- ♦ \$50,000 for General Fund Asset Management Reserve
- ♦ \$48,922 for the Water Asset Management Reserve
- ♦ \$27,664 for the Sewer Asset Management Reserve

Unallocated fund balances increased by \$677,597 representing additional capacity to provide future services and infrastructure. These increases are broken as follows per fund:

- ♦ 593,959 for the General Fund
- ♦ \$66,039 for the Water Fund
- ♦ \$17,599 for Sewer Fund

ECONOMIC FACTORS AND OUTLOOK

Section D of this annual report outlines some fiscal trends that provide context for the Village of Clinton's financial position and inform long-term fiscal considerations. Several factors have impacted the Village's fiscal considerations:

1. The next few years will see a shift in property tax revenue contributions increasing reliance to residential property taxes. This is due to shrinking of the commercial property tax base from the loss of Chasm Mill.
2. Residential property tax base continues to grow driven by market growth. The challenge should this continue will be individual residential properties will see increases in annual property tax bill.
3. The Village has been conservative in its fiscal management in the past. Growing reserve funds will assist in managing fiscal emergencies and keeping property taxes low.

Several initiatives planned soon will require significant investments. These initiatives include infrastructure investments such as:

- ♦ Construction of a new Public Works Facility (up to \$1,200,000.00)
- ♦ Extension of water and sewer infrastructure.

The Village will continue to pursue grant funds from both the Province of British Columbia and the Federal Government.



Mandy McKague, CFO

2020 FINANCIAL STATEMENTS

The Corporation of the Village of Clinton Financial Statements For the year ended December 31, 2020

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Corporation of the Village of Clinton are the responsibility of management and have been approved by the Mayor and Council of the Village.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Corporation of the Village of Clinton maintains systems of internal accounting and administrative controls of sufficient quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Village's assets are appropriately accounted for and adequately safeguarded.

The Corporation of the Village of Clinton is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. Council carries out this responsibility principally through its Finance committee.

The Mayor and Council review the Village's financial statements and recommend their approval. The Mayor and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Mayor and Council takes this information into consideration when approving the financial statements for issuance to the ratepayers. The Mayor and Council also appoint the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian public sector accounting standards on behalf of the ratepayers. BDO Canada LLP has full access to the Council and management.


Mandy McKague, Chief Financial Officer


Susan Swan, Mayor



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BDO Canada LLP
300-275 Lansdowne Street
Kamloops, B.C. V2C 3J6

Independent Auditor's Report

To the Members of Council of The Corporation of the Village of Clinton

Opinion

We have audited the financial statements of The Corporation of the Village of Clinton (the Village), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedule 3 on page 26 of these financial statements.

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

In preparing the financial statements, management is responsible for assessing the 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

BDO Canada LLP

Chartered Professional Accountants

Kamloops, British Columbia
May 12, 2021

STATEMENT OF FINANCIAL POSITION

As at December 31	2020	2019
Financial assets		
Cash	\$ 3,181,414	\$ 1,919,684
Portfolio investments (Note 3)	781,290	770,864
Taxes and utilities receivable	119,888	131,236
Accounts receivable	36,998	103,387
Inventory	1,426	1,521
Investment in Community Forest Company (Note 5)	562,840	1,274,280
	<u>4,683,856</u>	<u>4,200,972</u>
Liabilities		
Accounts payable and accrued liabilities	30,741	85,103
Deferred revenue	100,780	100,780
Long-term debt (Note 6)	76,819	120,384
Silviculture liability	78,041	14,488
	<u>286,381</u>	<u>320,755</u>
Net financial assets	<u>4,397,475</u>	<u>3,880,217</u>
Non-financial assets		
Tangible capital assets (Note 7)	9,066,834	9,390,895
Prepaid expenses	26,849	3,887
	<u>9,093,683</u>	<u>9,394,782</u>
Accumulated surplus (Note 8)	<u>\$13,491,158</u>	<u>\$ 13,274,999</u>

Contingent liabilities (Note 11)
Commitments (Note 12)


Mandy McKague, Chief Financial Officer


Susan Swan, Mayor

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

STATEMENT OF OPERATIONS

For the year ended December 31	Budget 2020	2020	2019
	(Note 14)		
Revenue (Schedule 1)			
Municipal taxation and grants-in-lieu of taxes (Note 9)	\$ 784,587	\$ 787,220	\$ 744,045
Sales of services	450,003	326,803	357,742
Revenue from own sources	118,775	503,062	228,673
Transfers from other governments	430,225	930,047	815,895
Actuarial adjustment on debenture debt	-	1,117	1,009
Equity (loss) income in Community Forest Company (Note 5)	-	(541,608)	392,685
	<u>1,783,590</u>	<u>2,006,641</u>	<u>2,540,049</u>
Expenses (Schedule 2)			
General administration and legislative services	649,702	663,184	659,295
Protective services	167,500	111,323	115,918
Public Works	491,682	361,201	355,840
Environmental and health services	505,811	461,227	398,107
Recreation and cultural services	190,700	190,194	199,522
Interest on long term debt	-	3,353	4,447
	<u>2,005,395</u>	<u>1,790,482</u>	<u>1,733,129</u>
Annual surplus (deficit)	(221,805)	216,159	806,920
Accumulated surplus, beginning of year	13,274,999	13,274,999	12,468,079
Accumulated surplus, end of year	\$13,053,194	\$13,491,158	\$ 13,274,999

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

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31	Budget 2020	2020	2019
	(Note 14)		
Annual surplus (deficit)	\$ (221,805)	\$ 216,159	\$ 806,920
Acquisition of tangible capital assets (Note 7)	(219,500)	(90,155)	(142,699)
Amortization of tangible capital assets (Note 7)	360,185	414,216	403,676
	(81,120)	540,220	1,067,897
Change in prepaid expenses	-	(22,962)	21,312
Increase in net financial assets	(81,120)	517,258	1,089,209
Net financial assets, beginning of year	3,880,217	3,880,217	2,791,008
Net financial assets, end of year	\$ 3,799,097	\$ 4,397,475	\$ 3,880,217

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

STATEMENT OF CASH FLOWS

For the year ended December 31	2020	2019
Operating transactions		
Annual surplus	\$ 216,159	\$ 806,920
Items not involving cash		
Amortization	414,216	403,676
Actuarial adjustment on long-term debt	(1,117)	(1,009)
Changes in non-cash operating balances		
Taxes and utilities receivable	11,348	(3,096)
Accounts receivable	66,389	531,246
Inventories for resale	95	139
Prepaid expenses	(22,962)	21,312
Accounts payable and accrued liabilities	(54,362)	(163,607)
Deferred revenue	-	100,780
Equity change in Community Forest	711,440	(155,978)
Solid waste closure and post closure liabilities	63,553	3,143
	<u>1,404,759</u>	<u>1,543,526</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(90,155)</u>	<u>(142,699)</u>
Investing transaction		
Acquisition of portfolio investments	<u>(10,426)</u>	<u>(14,935)</u>
Financing transactions		
Repayment of long-term debt	<u>(42,448)</u>	<u>(79,646)</u>
Net change in cash	1,261,730	1,306,246
Cash, beginning of year	<u>1,919,684</u>	<u>613,438</u>
Cash, end of year	\$ 3,181,414	\$ 1,919,684
Supplementary cash flow information		
Interest paid	\$ 3,353	\$ 4,447

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

1. Significant accounting policies

Basis of Presentation	The financial statements of the Corporation of the Village of Clinton (the "Village") are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.	
Cash and Cash Equivalents	Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.	
Portfolio Investments	Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.	
Investment in Government Business Enterprises	The Village accounts for its 100% interest in the Clinton and District Community Forest of BC Limited (the "Company") using the modified equity method as the Company is a self-sustaining subsidiary of the Village. Under the modified equity method, the cost of the investment is adjusted by the earnings or losses of the Company.	
Tangible Capital Assets	Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:	
	Engineering Structures	10 to 70 years
	Buildings	10 to 60 years
	Furniture and equipment	5 to 10 years
	Sewer system and equipment	25 to 80 years
	Water system and equipment	25 to 80 years

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

1. Significant accounting policies (continued)

Leased Assets Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Village, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

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

Reserve Funds Reserves represent amounts set aside for specific or future expenditures. Statutory reserves require the passing of a by-law before funds can be expended. Reserve accounts require an approved council budget and resolution.

Trust Funds Trust funds held in trust by the Village, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately.

Retirement Benefits and Other Employee Benefit Plans The Village's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred. The costs of other pensions and other retirement benefits that accumulate over the period of service provided by employees are actuarially determined using the projected benefit method prorated on services based on management's best estimate of retirement ages, inflation rates, investment returns, wage and salary escalation, insurance and health care costs trends, employee turnover and discount rates. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

1. Significant accounting policies (continued)

Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.
Revenue Recognition	<p>Taxes are recognized as revenue in the year they are levied.</p> <p>Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.</p> <p>Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.</p> <p>Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.</p> <p>Sales of service and other revenue is recognized on an accrual basis.</p>
Financial Instruments	Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from its financial instruments. The fair value of its financial instruments approximate their carrying values, unless otherwise noted.
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 expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

2. Nature of Operations

The Village was incorporated on July 16, 1963 under the Municipal Act, a former statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water, sewer, and fiscal services.

3. Portfolio Investments

	<u>2020</u>	<u>2019</u>
Bonds	\$ 73,432	\$ 69,554
Money market investments	<u>707,858</u>	<u>701,310</u>
	<u>\$ 781,290</u>	<u>\$ 770,864</u>

The income from portfolio investments for the year was \$10,428 (2019 - \$14,936). The carrying value and market value of the Village's marketable securities was \$781,290 (2019 - \$770,864).

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

4. Employee Future Benefits

Municipal Employees Retirement System

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 of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$32,310 (2019 - \$32,310) for employer contributions to the plan in fiscal 2019.

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

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

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

5. Investments

	2020	2019
Investment in Clinton & District Community Forest of BC Ltd.	\$ 562,840	\$ 1,274,280

Summary of the audited financial statements of the Clinton & District Community Forest of BC Ltd. for the year ended December 31, 2020 are as follows:

Statement of Financial Position

	2020	2019
Cash	16,424	210,688
Term deposit	1,138,044	1,654,611
Accounts receivable	-	10,000
Property, plant and equipment	44,174	11,310
Prepaid expenses	236	236
	1,198,878	1,886,845
Accounts payable and accrued liabilities	77,882	69,041
Silviculture liability	558,156	558,715
Share capital	1	1
Shareholder's equity	562,839	1,259,088
	\$ 1,198,878	\$ 1,886,845

Statement of Operations

Revenue	940,223	1,893,094
Expenses	(1,379,566)	(1,619,070)
Income from operations	(439,343)	274,024
Donations to the Community		
Donations to the community at large	(84,075)	(115,046)
Donations to the Village	(169,832)	-
Scholarships	(3,000)	(3,000)
Net Income for the year	(696,250)	155,978
Retained earnings, beginning of the year	1,259,089	1,118,302
Retained earnings, end of the year	\$ 562,839	\$ 1,274,280

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

6. Long-term Debt

Long-term debt reported on the statement of financial position is comprised of the following:

	<u>2020</u>	<u>2019</u>
General, Municipal Finance Authority, Chevrolet Silverado, interest at 1.44%, with blended monthly payments of \$676 maturing January 2022	\$ 9,176	\$ 17,011
Water, Municipal Finance Authority, Bylaw 395, interest at 4.4%, annual principle payments of \$1,679, due 2027	19,286	22,082
Municipal Finance Authority, Fire Truck, matured during the year	-	5,158
Municipal Finance Authority, Chevrolet Silverado, matured during the year	-	2,633
Municipal Finance Authority, 2017 Backhoe, interest at 1.81%, with blended monthly payments of \$2,202, maturing October 2022	48,357	73,500
	<u>\$ 76,819</u>	<u>\$ 120,384</u>

Principal repayments and sinking fund contributions relating to long-term debt of \$76,819 outstanding are due as follows:

2021	\$ 36,579
2022	26,885
2023	3,145
2024	3,271
2025	3,402
Thereafter	3,537
	<u>\$ 76,819</u>

Included in long-term debt are outstanding debentures of \$1,444 (2019 - \$1,444) secured by sinking fund assets with a carrying value of \$768 (market value - \$768) (2019 - \$686 (market value - \$686)).

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

7. Tangible Capital Assets

							2020
	Land	Buildings	Engineering structures	Furniture and equipment	Sewer systems	Water systems	Total
Cost, beginning of year	\$ 729,595	\$ 3,009,900	\$ 3,883,731	\$ 1,561,881	\$ 889,329	\$ 5,355,760	\$ 15,430,196
Additions	-	30,785	-	59,370	-	-	90,155
Disposals	-	-	-	-	-	-	-
Cost, end of year	\$ 729,595	\$ 3,040,685	\$ 3,883,731	\$ 1,621,251	\$ 889,329	\$ 5,355,760	\$ 15,520,351
Accumulated amortization, beginning of year	\$ -	\$ 1,560,131	\$ 2,041,686	\$ 831,413	\$ 357,456	\$ 1,248,615	\$ 6,039,301
Amortization	-	65,429	96,325	112,931	13,832	125,699	414,216
Disposals	-	-	-	-	-	-	-
Accumulated amortization, end of year	\$ -	\$ 1,625,560	\$ 2,138,011	\$ 944,344	\$ 371,288	\$ 1,374,314	\$ 6,453,517
Net carrying amount, end of year	\$ 729,595	\$ 1,415,125	\$ 1,745,720	\$ 676,907	\$ 518,041	\$ 3,981,446	\$ 9,066,834

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

7. Tangible Capital Assets (continued)

							2019
	Land	Buildings	Engineering structures	Furniture and equipment	Sewer systems	Water systems	Total
Cost, beginning of year	\$ 729,595	\$ 3,009,900	\$ 3,763,110	\$ 1,550,620	\$ 889,329	\$ 5,344,943	\$ 15,287,497
Additions	-	-	120,621	11,261	-	10,817	142,699
Cost, end of year	\$ 729,595	\$ 3,009,900	\$ 3,883,731	\$ 1,561,881	\$ 889,329	\$ 5,355,760	\$ 15,430,196
Accumulated amortization, beginning of year	\$ -	\$ 1,495,215	\$ 1,946,869	\$ 720,212	\$ 343,624	\$ 1,129,705	\$ 5,635,625
Amortization	-	64,916	94,817	111,201	13,832	118,910	403,676
Accumulated amortization, end of year	\$ -	\$ 1,560,131	\$ 2,041,686	\$ 831,413	\$ 357,456	\$ 1,248,615	\$ 6,039,301
Net carrying amount, end of year	\$ 729,595	\$ 1,449,769	\$ 1,842,045	\$ 730,468	\$ 531,873	\$ 4,107,145	\$ 9,390,895

The Village holds various works of art and historical treasures. These items are not recognized as tangible capital assets in the financial statements because a reasonable estimate of the future benefits associated with such property cannot be made.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

8. Accumulated Surplus

The Village segregates its accumulated surplus in the following categories:

	<u>2020</u>	<u>2019</u>
Investment in tangible capital assets	\$ 9,163,523	\$ 9,445,135
General Fund	1,509,833	915,874
Sewer Fund	260,575	242,976
Water Fund	129,156	63,117
Equity in Community Forest Company	562,840	1,274,280
	<u>11,625,927</u>	<u>11,941,382</u>
Reserve Funds		
Community support grant reserve	\$ 100,000	\$ 100,000
Covid-19 Safe Restart Reserve	350,784	-
Equipment reserve	1,895	1,895
Fire department statutory reserve	10,013	10,013
Gas tax reserve	725,663	642,701
General asset management reserve	150,000	100,000
General capital reserve	169,483	169,483
General sewer reserve	52,736	52,736
Land replacement	55,000	55,000
Recreation	3,266	3,266
Sewer asset management reserve	27,664	13,832
Sidewalk reserve	4,500	4,500
Small community grants reserve	75,277	75,277
Spirit of Clinton reserve	2,343	2,343
Transit reserve	56,411	47,515
Water asset management reserve	48,922	23,782
Woodlot general reserve	31,274	31,274
	<u>1,865,231</u>	<u>1,333,617</u>
	<u>\$13,491,158</u>	<u>\$ 13,274,999</u>

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Reserve funds represent funds set aside by by-law or council resolution for specific purposes.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

9. Taxation - Net

	Budget 2020 (Note 14)	2020	2019
Property taxes and payments-in-lieu	\$ 784,587	\$ 787,232	\$ 743,246
Collections for other governments			
Province of British Columbia - school tax	199,566	180,792	199,567
Regional Hospital District	43,421	38,989	43,420
Thompson Nicola Regional District	92,007	80,418	92,006
Municipal Finance Authority	19	19	19
British Columbia Assessment Authority	6,775	5,368	6,775
Police Tax	33,529	33,490	33,529
	<u>1,159,904</u>	<u>1,126,308</u>	<u>1,118,562</u>
Transfers			
Province of British Columbia - school tax	(199,566)	(180,356)	(198,710)
Regional Hospital District	(43,421)	(39,076)	(43,421)
Thompson Nicola Regional District	(92,007)	(80,598)	(92,007)
Municipal Finance Authority	(19)	(19)	(19)
British Columbia Assessment Authority	(6,775)	(5,474)	(6,831)
Police Tax	(33,529)	(33,565)	(33,529)
	<u>(375,317)</u>	<u>(339,088)</u>	<u>(374,517)</u>
Available for general municipal purposes	<u>\$ 784,587</u>	<u>\$ 787,220</u>	<u>\$ 744,045</u>

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

10. Expenses by Object

	Budget 2020 (Note 14)		2020		2019
Amortization	\$ 359,832	\$	414,216	\$	403,675
Insurance	47,900		44,374		46,408
Interest on long-term debt	-		3,345		4,127
Interest on capital lease obligation	-		8		320
Office and administration	432,683		393,222		341,409
Repairs and maintenance and supplies	373,980		261,736		260,656
Salaries and benefits	791,000		673,581		676,534
	<u>\$ 2,005,395</u>	\$	<u>1,790,482</u>	\$	<u>1,733,129</u>

11. Contingent Liabilities

- (a) Debts of the Thompson-Nicola Regional District (TNRD) are, under the provisions of the British Columbia Community Charter, a direct, joint and several liability of the TNRD and each member municipality within the TNRD, including the Corporation of the Village of Clinton.
- (b) The Village is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible the Village, along with other participants, would be required to contribute towards the deficit.
- (c) From time to time the Village is brought forth as a defendant in various lawsuits. The Village reviews its exposure to any potential litigation for which it would not be covered by insurance and assesses whether a successful claim against the Village would materially affect the financial statements of the Village. The Village reserves a portion of its operating surplus for future payment of insurance deductibles and payment of claims for which it would not be covered by insurance. The Village is currently not aware of any claims brought against it that if not defended successfully would result in a material change to the financial statements of the Village.

12. Commitments

The Village has an operating lease agreement for a photocopier. Future minimum lease payments until maturity are as follows:

2021	\$	325
2022		55
	<u>\$</u>	<u>380</u>

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

13. Funds Held in Trust

The Village operates a cemetery in accordance with the Cremation, Interment and Funeral Services Act. These funds are not included in these financial statements. The Village holds the assets for the benefit of and stand in fiduciary relationship to the beneficiaries.

	2020	2019
Balance, beginning of year	\$ 13,506	\$ 13,506
Transfers from operating	-	-
Balance, end of year	<u>\$ 13,506</u>	<u>\$ 13,506</u>

14. Budget

The Financial Plan (Budget) By-Law adopted by Council on May 13, 2020 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated use surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. As a result, the budget figures presented in the statements of financial activities and change in net financial assets represent the Financial Plan adopted by Council on May 13, 2020 with adjustments as follows:

	2020
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Capital expenditures	831,000
Transfers to capital reserve	-
Transfers to operating reserve	-
Less:	
Amortization	(359,832)
Transfers from capital reserve	<u>(692,973)</u>
Budget surplus per statement of operations	<u>\$ (221,805)</u>

15. Comparative Figures

Certain of the comparative figures have been restated to conform with the current year financial statement presentation.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

16. Global Pandemic

The impact of COVID-19 in Canada and on the global economy increased significantly. As the impacts of COVID-19 continue, there could be further impact on the Village, its citizens, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Village's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Village is not known. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The Village's ability to continue delivering non-essential services and employ related staff, will depend on the legislative mandates from the various levels of government. The Village will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves and available credit facilities to ensure it is able to continue providing essential services to its citizens.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2020

17. Segmented Information

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

General Administrative and Legislative Services

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

Protective Services

Protective services is comprised of police services and fire protection. The police services work to ensure the safety and protection of the citizens and their property. 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

Transportation is responsible for providing the Village's transit services.

Environmental and Public Health

Environmental and public health services are comprised of water, sewer, waste removal, and health services. Water provides the Village's drinking water. The Village processes and cleans sewage and ensures the water system meets all Provincial standards. Waste removal services consists of providing waste disposal to citizens. Health services are comprised of public health services which works to improve the overall health of the population and overcome health inequalities by providing services to individuals and communities.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the Village's citizens. Recreational programs and cultural programs like swimming and skating lessons and English as a second language are provided at arenas, aquatic centres and community centres. Also, the Village provides library services to assist with its citizens' informational needs.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis as follows:

Taxation, fees and user charges	Allocated to those segments that are funded by these amounts based on the net surplus for the year
Grants	Based on percent of budgeted expenses

SCHEDULE 1: FUND REVENUE

December 31, 2020

	General Operating	Sewer	Water	2020 Total	2019 Total
Tax levies					
Real property taxes	\$ 721,448	\$ -	\$ -	\$ 721,448	\$ 679,651
Grants in lieu of taxes	65,772	-	-	65,772	64,394
	787,220	-	-	787,220	744,045
Sale of services					
Cemetery care	905	-	-	905	1,810
User fees	-	110,177	215,721	325,898	355,932
	905	110,177	215,721	326,803	357,742
Revenues from own sources					
Licences and permits	8,378	-	-	8,378	9,330
Leases, contracts and other rentals	33,397	-	-	33,397	57,141
Community Forest revenue	-	-	-	-	-
Investment income	39,935	-	-	39,935	28,649
Woodlot revenue	306,667	-	-	306,667	55,174
Penalties and interest on taxes	22,592	-	-	22,592	27,311
Fees, donations and other	92,093	-	-	92,093	51,068
	503,062	-	-	503,062	228,673
Transfers from other governments					
Provincial	881,647	-	10,000	891,647	772,577
Federal	-	-	-	-	5,618
Thompson-Nicola Regional District	38,400	-	-	38,400	37,700
	920,047	-	10,000	930,047	815,895
Gain on disposal of tangible capital assets	-	-	-	-	-
Equity (loss) income in Community Forest Company	(541,608)	-	-	(541,608)	392,685
Actuarial adjustment on debenture debt	-	-	1,117	1,117	1,009
Total revenue	\$ 1,669,626	\$ 110,177	\$ 226,838	\$ 2,006,641	\$ 2,540,049

SCHEDULE 2: FUND EXPENSES

December 31, 2020

	General Operating	Sewer	Water	2020 Total	2019 Total
General administrative and legislative services					
Administration, building operations and maintenance	\$ 41,964	\$ -	\$ -	\$ 41,964	\$ 81,081
Amortization	13,897	-	-	13,897	20,423
Insurance	36,248	-	-	36,248	27,145
Legislative	41,565	-	-	41,565	70,611
Office	49,532	-	-	49,532	39,021
Woodlot silviculture expense	63,553	-	-	63,553	3,143
Professional fees	43,768	-	-	43,768	27,565
Salaries and employee benefits	372,657	-	-	372,657	390,306
	663,184	-	-	663,184	659,295
Protective services					
Amortization	30,514	-	-	30,514	44,843
Animal Pest Control	5,600	-	-	5,600	6,917
Building operations and maintenance	9,911	-	-	9,911	9,535
Equipment	24,254	-	-	24,254	15,740
Insurance	5,968	-	-	5,968	14,570
Salaries and employee benefits	35,076	-	-	35,076	24,313
	111,323	-	-	111,323	115,918
Public Works					
Amortization	64,693	-	-	64,693	95,073
Building operations and maintenance	10,676	-	-	10,676	4,489
Equipment operations and maintenance	20,681	-	-	20,681	14,586
Road and street maintenance	61,377	-	-	61,377	40,916
Para transit services	3,604	-	-	3,604	4,548
Salaries and employee benefits	200,170	-	-	200,170	196,228
	361,201	-	-	361,201	355,840
Environmental and public health					
Administration	-	38,159	97,881	136,040	154,582
Amortization	117,818	13,832	125,700	257,350	173,147
Insurance	-	990	1,169	2,159	4,693
Salaries and employee benefits	-	28,289	37,389	65,678	65,685
	117,818	81,270	262,139	461,227	398,107
Recreation and cultural services					
Amortization	47,762	-	-	47,762	70,191
Committees of council	38,968	-	-	38,968	5,749
Community development	13,414	-	-	13,414	48,092
Memorial hall	18,874	-	-	18,874	12,916
Recreation centre	57,821	-	-	57,821	50,404
Parks and playground	9,362	-	-	9,362	6,557
Museum	3,993	-	-	3,993	5,613
	190,194	-	-	190,194	199,522
Interest on long-term debt					
	2,303	-	1,050	3,353	4,447
Total expenses	\$ 1,446,023	\$ 81,270	\$ 263,189	\$ 1,790,482	\$ 1,733,129

SCHEDULE 3: COVID-19 SAFE RESTART GRANT (UNAUDITED)

For the year ended December 31	2020
Revenue	
COVID-19 Safe Restart Grant	<u>\$ 373,000</u>
Eligible costs incurred	
Computer an technology	3,850
Cleaning supplies	40
Travel and training	100
Utility costs:	
Memorial hall	2,330
Arena	4,979
Curling rink	4,001
Chiller	<u>6,916</u>
	<u>22,216</u>
Surplus for the year, end of year	<u>\$ 350,784</u>



Photo Credit: Explore TNRD / Kelly Funk

2020 PERMISSIVE TAX EXEPTIONS GRANTED

Roman Catholic Church	\$1094.00
Pentecostal Assemblies	\$521.00
Royal Canadian Legion	\$391.00
South Cariboo Historical Museum Society	\$752.00
Clinton Living Waters	\$521.00



Photo Credit: Explore TNRD / Kelly Funk

STATISTICAL SECTION



ACCUMULATED SURPLUS

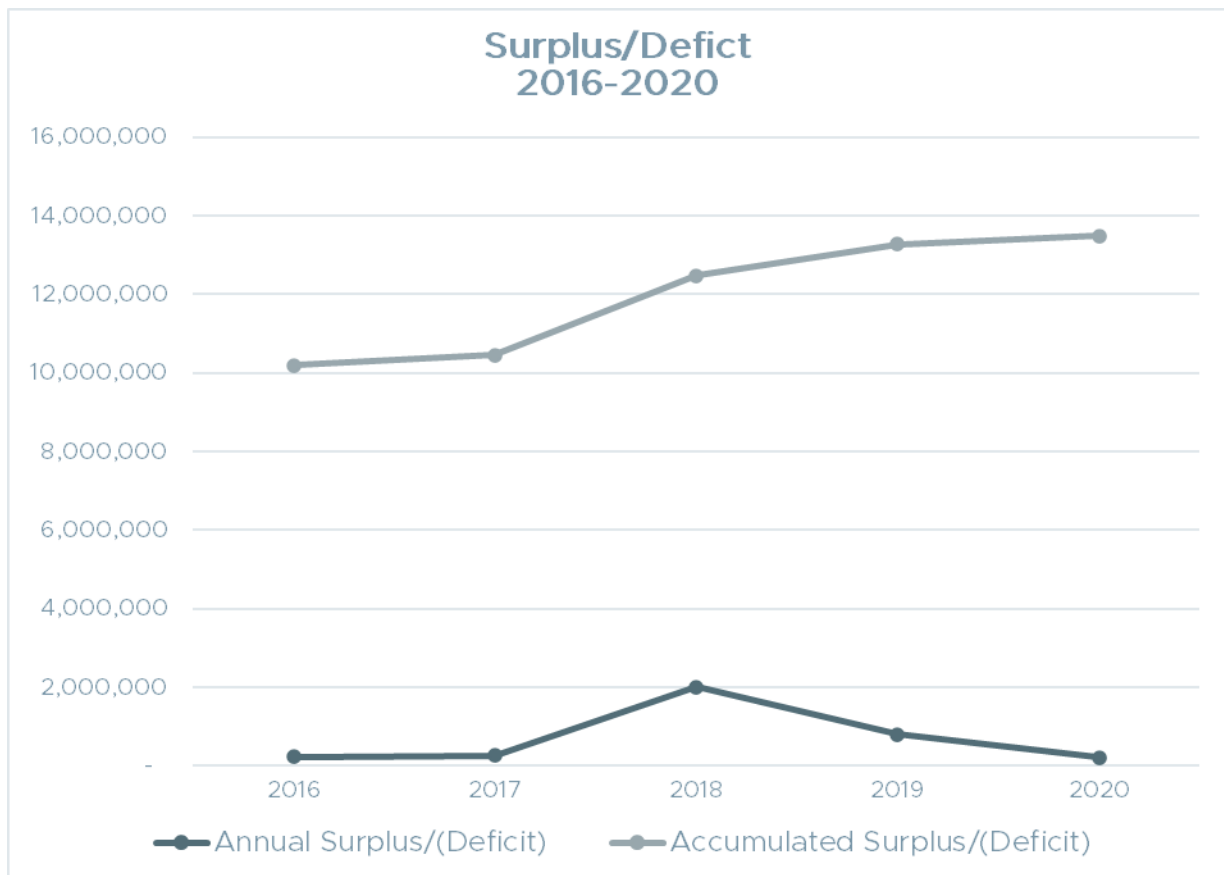
Municipal governments exist to provide sustainable services over time. One way of measuring a municipality's capacity to provide services in the long term is tracking the balance of its Accumulated Surplus. The Accumulated Surplus balance is the total residual value from each fiscal year representing capacity to provide services in the future. Simply, this is the sum of Annual Surplus/(Deficits) over the years.

Accumulated Surplus balance consists of four parts;

- ◆ **Investment in Tangible Capital Assets,**
- ◆ **Unallocated Fund Balances,**
- ◆ **Allocated Fund Balances also referred to as Restricted Fund Balances and**
- ◆ **Equity in municipal controlled corporations.**

Investment in Tangible Capital Assets is the residual value of infrastructure representing capacity to provide services in the future. Examples of infrastructure are roads, buildings, and parks. Unallocated Fund Balances are funds that are available to provide services in the future. Allocated Fund Balances or Restricted Fund Balances are funds that have been earmarked for specific purpose such as reserve funds. These include reserve funds or conditional contributions yet to be expended. The Village of Clinton has an equity stake in Community Forest, a municipal controlled corporation.

	2016	2017	2018	2019	2020
Annual Surplus/(Deficit)	230,166	260,013	2,015,781	806,920	216,159
Accumulated Surplus/(Deficit)	10,192,285	10,452,298	12,468,079	13,274,999	13,491,158



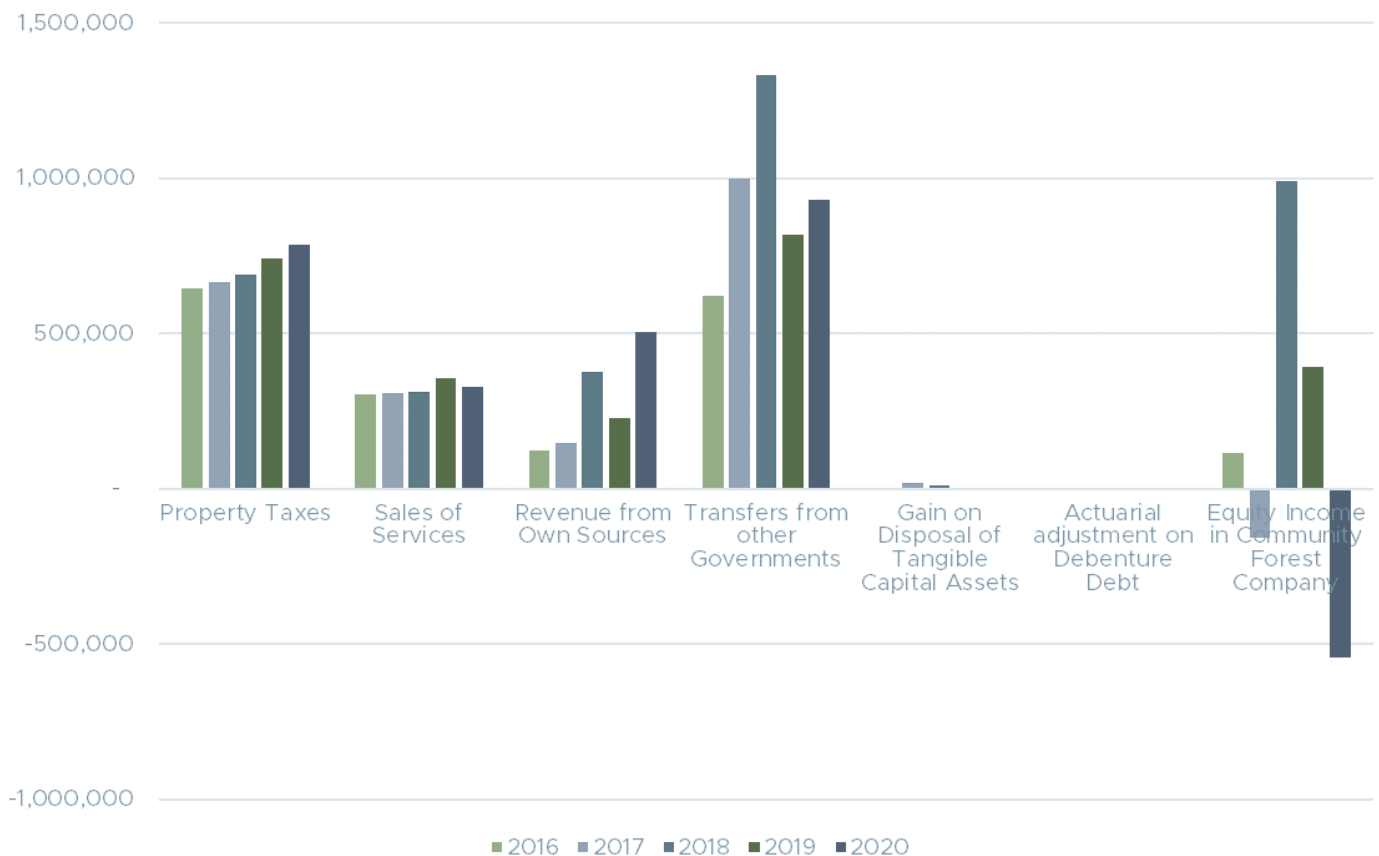
In the past five years, the Village of Clinton has experienced Annual Surpluses each year. Such financial outcomes provide resources to fund services in future years. 2020 year-end results are lower than the average for the recent years as the investments in the water treatment plant project were complete in 2019 as well as equipment leases being finalized. The Accumulated Surplus has in turn been increasing each year. At the 2020 year end Investment in Tangible Capital Assets represented 68% of Accumulated Surplus balance while Unallocated Fund balances, Equity in Community Forest, and Allocated Fund balances each represented 4 and 5% of the total.

REVENUE BY SOURCES

The British Columbia Community Charter accords powers to municipalities in the province to raise revenue to fund operations and investments in infrastructure. Such powers are limited to specific types of revenue sources such as property taxes, user fees, penalties, interest or dividends from investments and development contributions. Other levels of government; Provincial and Federal governments provide conditional and unconditional transfers in the form of grants.

Periodically, the Village of Clinton revises its user fees bylaw to reflect changes driven by general inflation or changes to costs of providing services. Annually, the Village adopts a property tax bylaw to levy property tax revenue.

**Revenue By Sources
2016 - 2020**

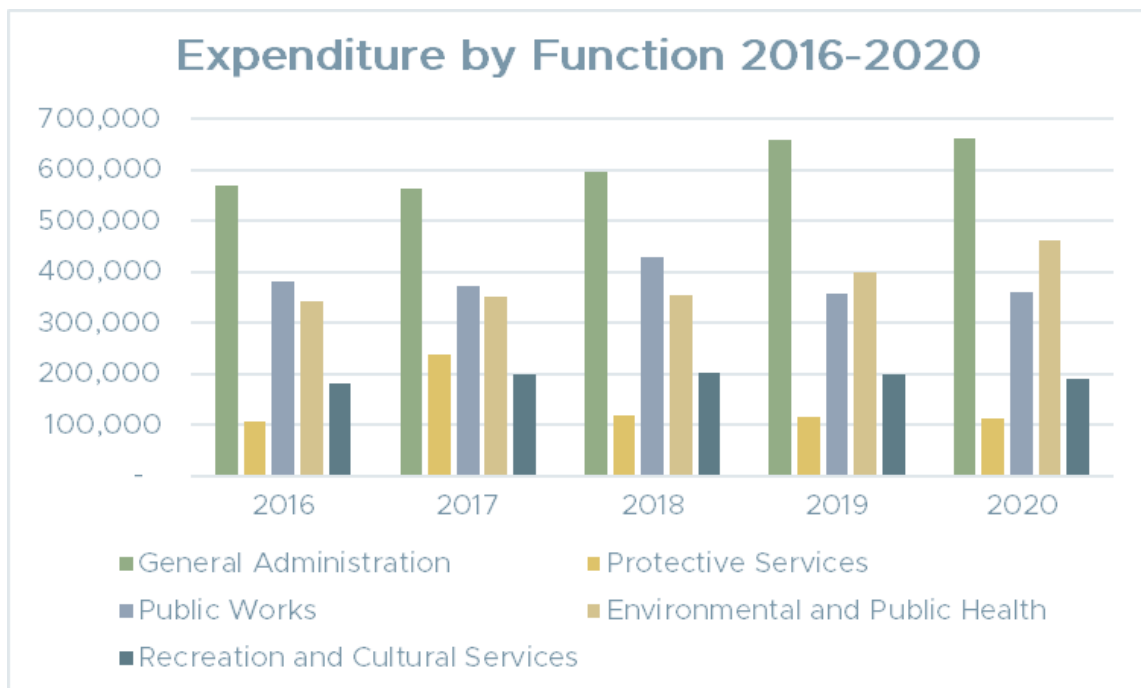


	2016	2017	2018	2019	2020
Property Taxes	644,778	664,951	689,383	743,246	787,220
Sales of Services	303,576	306,899	313,706	357,742	326,803
Revenue from Own Sources	123,456	146,800	377,645	228,673	503,062
Transfers from other Governments	622,372	999,383	1,332,405	815,895	930,047
Gain on Disposal of Tangible Capital Assets	-	19,106	12,000	-	-
Actuarial adjustment on Debenture Debt	711	806	906	1,009	1,117
Equity Income in Community Forest Company	114,022	(157,254)	988,710	392,685	(541,608)
	1,808,915	1,980,691	3,714,755	2,539,250	2,006,641

The Village of Clinton's total revenue in 2020 averaged \$2 million. The years 2016 through 2019 averaged \$2.4 million. Revenues were down in 2020 due to COVID restrictions. Facilities were not open and able to generate revenue. Property taxes are levies on real property. Sales of Services are user fees for services. Revenue from Own Sources are regulatory charges such as fines. Transfers from Other Governments are grant funds from the Provincial or Federal governments and other agencies. Equity Income in Community Forest represents Net Income (a loss in 2020) from the operations of the Community Forest Company, a municipal controlled corporation.

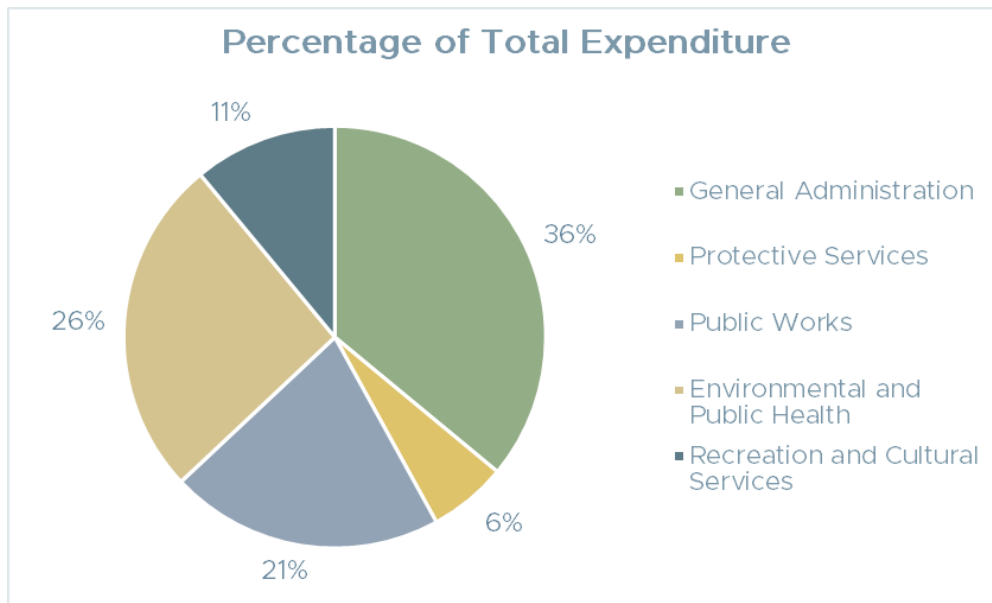
EXPENDITURES

Expenditures can be classified by function or department representing a defined group of services. Expenditures can also be classified by object or type of expenditure. In the past five fiscal years 2016 through 2020, annual total expenditure has averaged \$1.7 million.

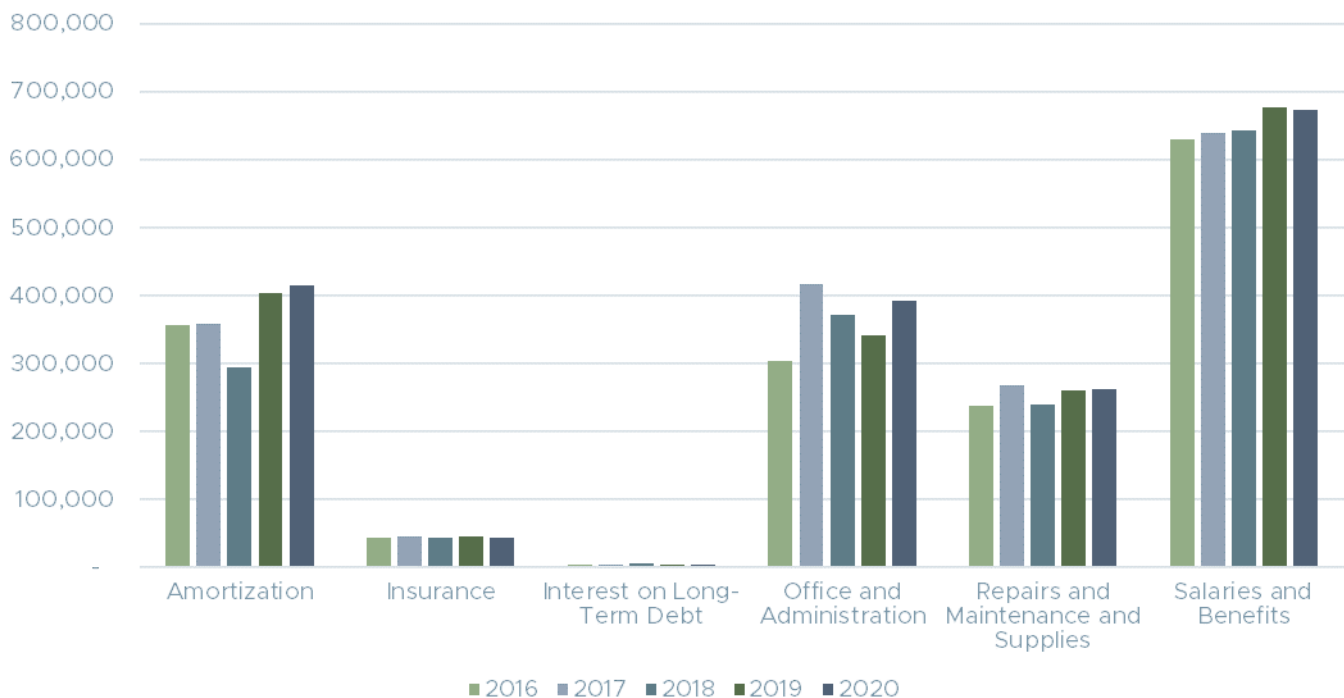


	2016	2017	2018	2019	2020
General Administration	568,920	563,245	595,780	659,295	663,184
Protective Services	106,457	236,936	118,099	115,918	111,323
Public Works	381,045	370,878	429,454	355,840	361,201
Environmental and Public Health	341,796	351,390	355,071	398,107	461,227
Recreation and Cultural Services	180,531	198,229	200,570	199,522	190,194
	1,578,749	1,720,678	1,698,974	1,728,682	1,787,129

The Village of Clinton follows prescribed groupings or departments. These groupings are pre-scribed to allow for comparison across municipalities. The graph below shows the percentages of total expenditure by function in 2020.



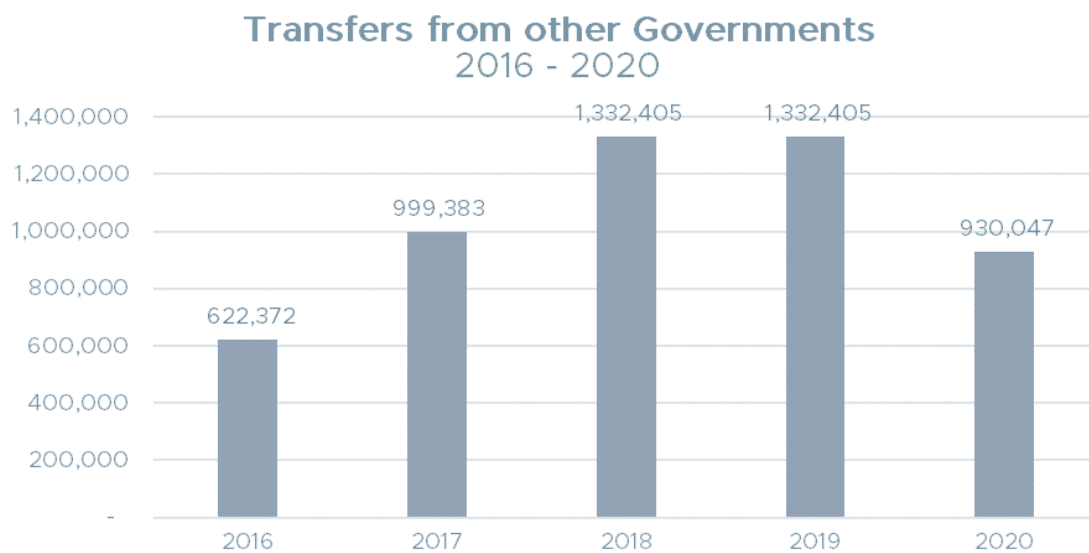
**Expenditures by Object
2016 - 2020**



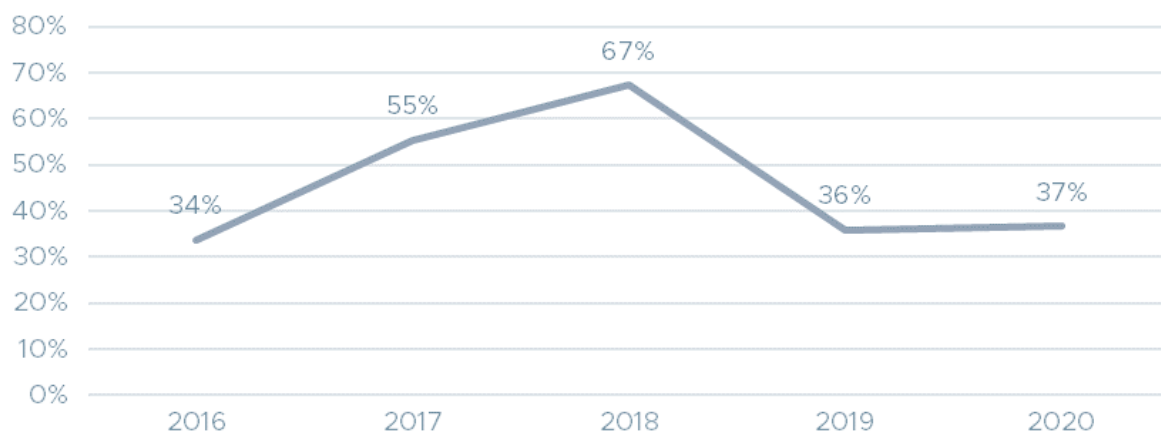
Salaries and benefits account for most expenditures in line with the fact that municipal operations are largely service oriented.

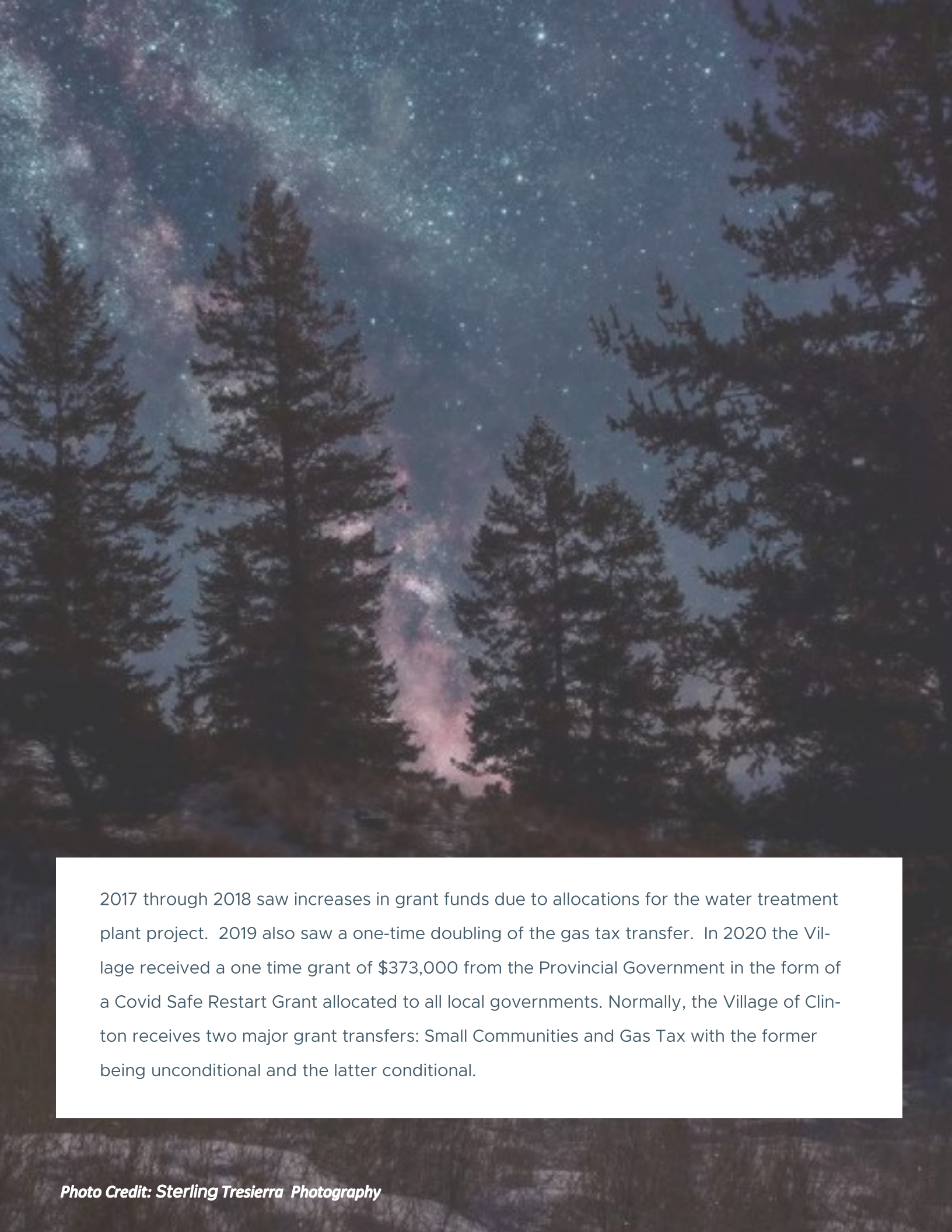
TRANSFERS FROM OTHER GOVERNMENT + AGENCIES

Transfers or grants from other governments and agencies come in two forms: conditional or unconditional. Conditional grants come with prescriptions or limitations for what they can be used for. Examples are grants to fund infrastructure projects or services/programs. Unconditional grants allow the local municipality to determine how they allocate the funds.



Transfers from other Governments as % of Total Revenue
2016 - 2020

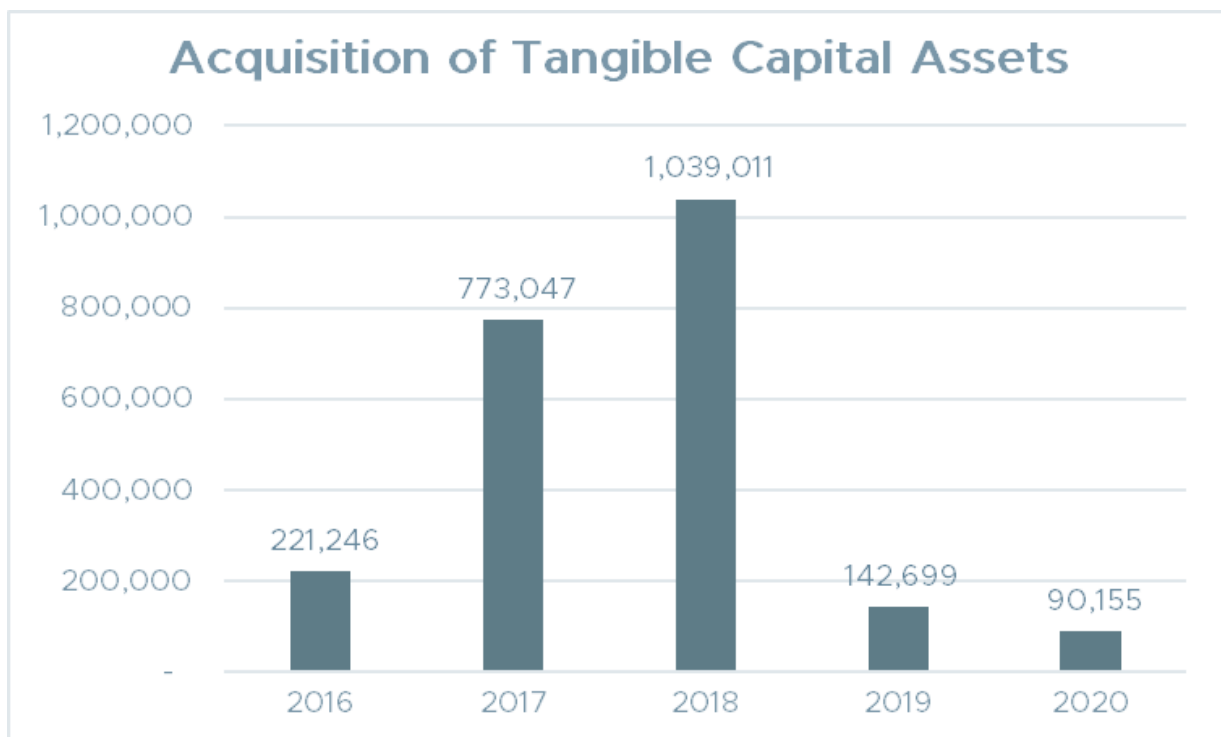




2017 through 2018 saw increases in grant funds due to allocations for the water treatment plant project. 2019 also saw a one-time doubling of the gas tax transfer. In 2020 the Village received a one time grant of \$373,000 from the Provincial Government in the form of a Covid Safe Restart Grant allocated to all local governments. Normally, the Village of Clinton receives two major grant transfers: Small Communities and Gas Tax with the former being unconditional and the latter conditional.

ACQUISITION OF TANGIBLE ASSETS

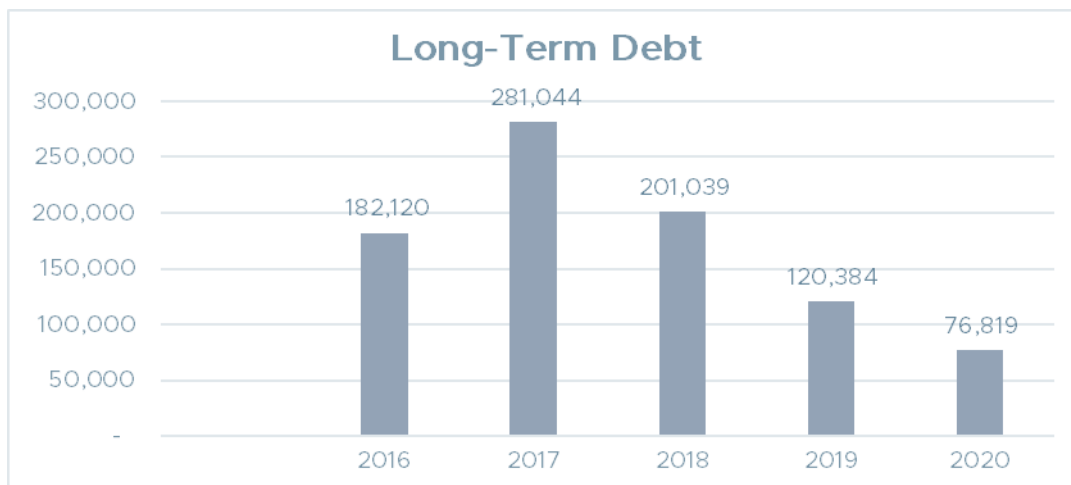
One of the major expenditures of a municipality is investing in infrastructure and equipment. These assets represent value that is expended over time in the delivery of municipal services and products. These expenditures are significant in value. The Village of Clinton manages its investments in tangible capital assets through two strategic approaches: long-term capital asset planning and budgets and asset management program. Through these two programs, the Village can plan for future spending levels and sources of financing in a proactive manner.



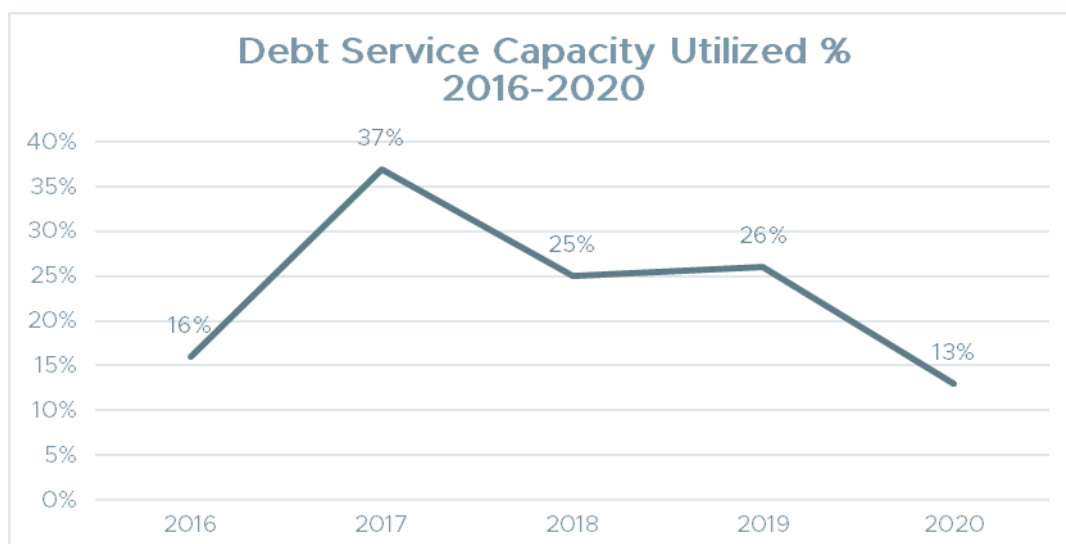
2017 and 2018 spending were high as the Village of Clinton undertook the construction of the water treatment plant project.

DEBT

Municipal governments in British Columbia can assume long-term debt. B.C. Regulation 254/2004, Municipal Liabilities Regulation, provides parameters under which municipalities in BC can assume long-term debt. The regulation provides guidance on two aspects: setting limits and process for public engagement.



In 2017, the Village of Clinton took on additional debt to purchase a backhoe. Over the last two years several debt files were paid off resulting in reductions in total debt load.



The Village of Clinton has been conservative in its use of allowable debt capacity.

CLINTON

Where History



MEETS ADVENTURE

