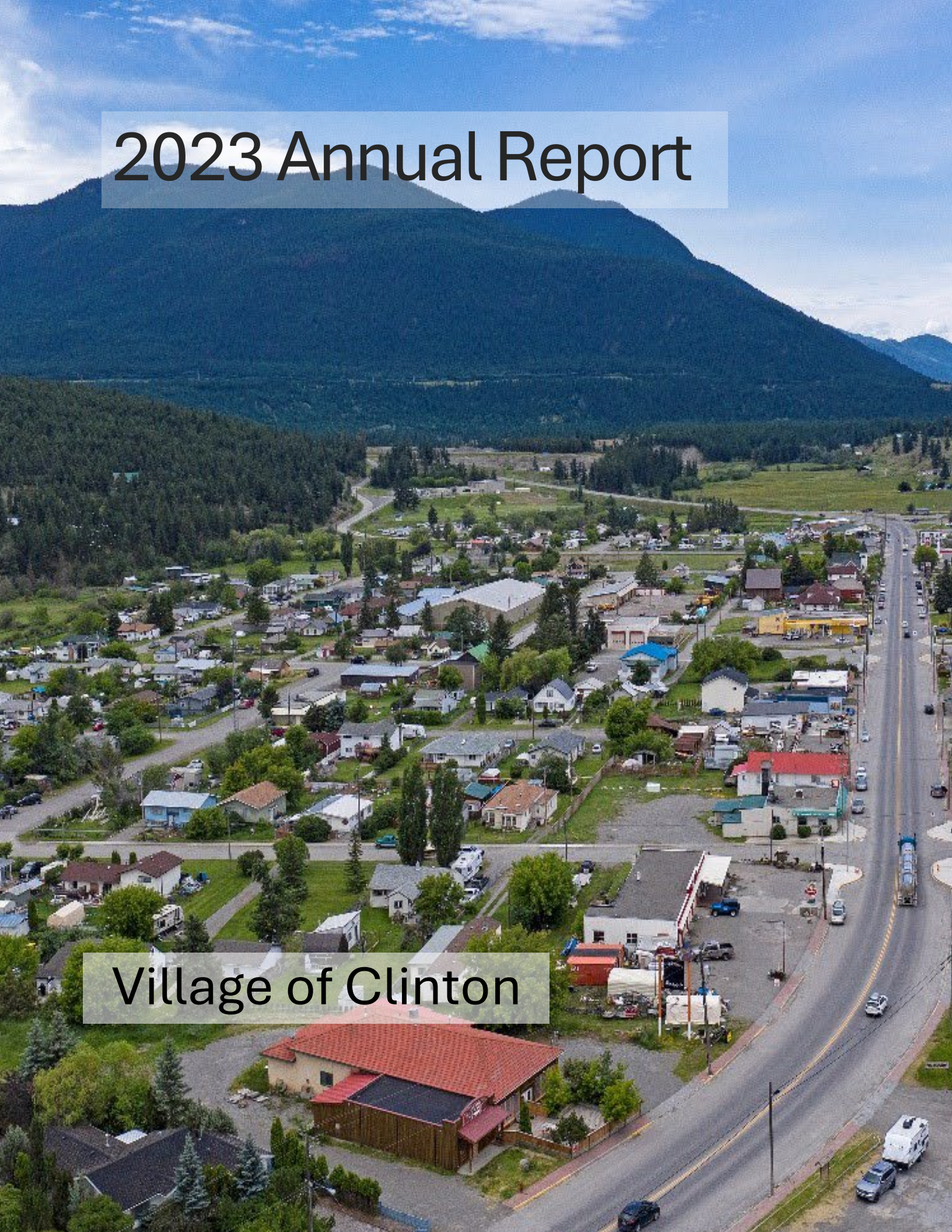


2023 Annual Report

Village of Clinton



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Community Overview



Territorial Acknowledgement

The Village of Clinton is located within the traditional, ancestral, and unceded territory of the Whispering Pines/Clinton Indian Band and High Bar First Nation.

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). 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.

Clinton is home to many annual events and festivals, including one of British Columbia's oldest continual events, the Annual Ball. The Ball was first 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 is another highlight and, built in 1892, has several historical artifacts on display that date back to the gold rush and founding of the area.

Mission and Vision

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.



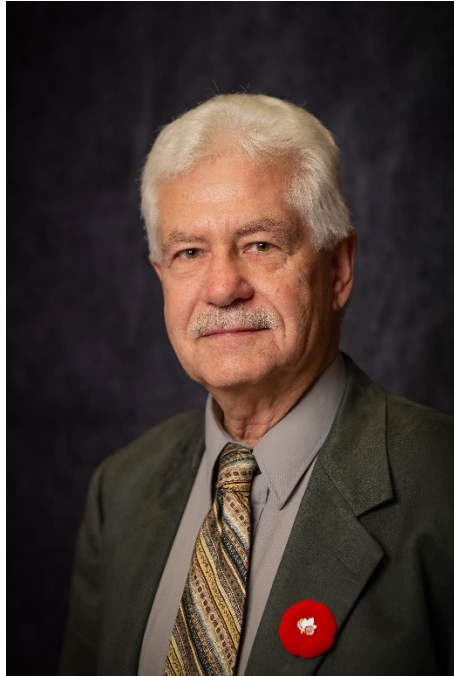
What is an Annual Report?

Every local government must prepare an annual report and present it at an annual meeting after making it available for public inspection. The Village must give notice of the date, time and place of the annual meeting.

Council

The Village of Clinton is governed by a mayor, who also sits on the TNRD Board of Directors, and four Councillors, who each serve 4-year concurrent terms. Council is responsible for governance of the Municipality and delegates responsibility for general operations of the Village to the CAO through bylaws, policies, and Council resolutions.

Mayor Roland Stanke



Mayor Stanke immigrated with his family from Moers, Germany in his preteen years. He moved to Jasper, Alberta where he spent his teen years learning the Canadian way. He moved to North Vancouver in the early seventies where he became employed with the Liquor Distribution Branch. Then in 1982, he moved to Clinton to become the manager of the local liquor store. Through the years he became more and more involved in the community. The first impression was to use Clinton as a stepping stone to move into senior management positions in larger centres. He quickly adapted to the small community lifestyle, raised a family of 5 children, joined many groups in Clinton, and sorted out what was the best fit. In 1999 he was elected as Councillor for the Village, then in 2002 elected as Mayor for 3 terms.

He also held director positions on the TNRD and Film Commission for 9 years. During his former term as Mayor, he was elected to the UBCM board as the small community representative for the Province, a position he held for 2 years. In 2022 he was once again elected as Mayor for the Village of Clinton.

One of his main passions is Photography and he has over 40 years of experience in commercial photography, fine art, film location scouting, and equine portraiture. 10 years ago, his interest sided to horse ownership. Currently, he owns three spoiled horses and enjoys weekend trail riding.

Councillor Sandi Burrage

Councillor Burrage has strong family and community values and was named Clinton's 2011 Citizen of the Year. Councillor Burrage is a consummate volunteer; her passion towards her community has led her to join many non-profit groups where she volunteers endless hours and strives to make Clinton a vibrant and welcoming community. When asked why she wanted to run for Council, 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." Councillor Burrage believes in open communication and transparency and looks forward to the challenge of continuing to represent the interests of Clinton in her time serving as Councillor.



Councillor Nicholas Kosovic

Originally hailing from Richmond, Councillor Nicholas Kosovic was raised in a mixed-heritage household, born to a Mexican Mother and Slavic-Canadian Father. Upon graduating from UBC in 2020, Kosovic spent much of his time traveling British Columbia while teaching remotely. Camping in his car on backcountry forest service roads provided relief during the isolation of lockdowns and broadened his perspectives on what the province had to offer. After several visits to Clinton, Kosovic decided it was the best town in the province. Planning community events alongside the phenomenal Clinton youth and the Historical Museum Society, he was able to meet many of the village's longtime residents and gather insight into what makes Clinton unique and resilient.

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. After graduation, work caused Councillor Park to move to Vancouver and later Europe, however when it was time to start a family, Councillor Park and his partner Jennifer chose to settle in their hometown of Clinton to raise their family consisting of three young children.

Councillor Park truly believes that "Clinton is the best place on earth to live and raise a family because you can afford a mortgage and the outdoors are only minutes from your doorstep." Serving on Council since 2011, Councillor Park wants to continue to be involved in the decision making that will define Clinton's future.



Councillor Darrell Schapansky

Councillor Schapansky and his wife Lee have owned property and lived in Clinton for 31 years, since 1992. They are originally from the lower mainland area and relocated to Clinton to escape the hustle and bustle of the "cities". Upon arriving in Clinton, they built Clinton Pines Campground and operated it for 15 years. They have since sold it and now live in their present home in town.

Councillor Schapansky has been involved with the building supply and construction industry for most of his working life in one way or another. He and Lee have operated their business of D&L Reman LTD. in Clinton for at least 23 years, and now they are semi-retired (whatever that is supposed to mean). Councillor Schapansky enjoys serving the community as a Councillor for Clinton and is looking forward to the coming years.

2023 Council Portfolio

Mayor Roland Stanke	Community, Government, and First Nation Liaison TNRD Representative Hospital Board Representative
Councillor Sandi Burrage	Communities in Bloom Spirit of Clinton Parks and Recreation Committee
Councillor Nicholas Kosovic	Accessibility Committee Gold Country Communities Society Seniors Society Clinton Seniors Association Friends of Hat Creek Ranch Cariboo Chilcotin Coast Tourism Association
Councillor David Park	Para-Transit Committee Fire Department David Stoddart School/PAC Clinton Healthcare Alliance Clinton Museum
Councillor Darrell Schapansky	Northern Development Initiative Trust Clinton Community Forest Clinton Assisted Living Association

Mayor's Message

As we look back on 2023, it's been a year of challenges and opportunities that have set the stage for a fresh start in our community. Fibre optic finally came to Clinton, moving personal and business opportunities forward for our residents. Improving communication has been one of the focuses for Council with emphasis on improved signage as well as better use of the Voyent Alert app for Village notices and emergencies. Wildfires have always been on our radar and by updating the Community Wildfire Resiliency Plan and ensuring our fire department has every opportunity to get the best training and updated equipment, we are taking steps to ensure we are prepared.



Hiring a new CAO in June brought changes and adjustments, but we've also made strides in improving how we communicate and collaborate. Our new CAO was a good fit for the community and takes his job seriously and efficiently.

Our new Strategic Plan lays out a path for greater unity between the Village, our neighbours, our businesses, and our community groups. It laid out the vision of council in moving Clinton forward yet maintaining the small-town charm that we are well-noted for. We're committed to creating a more inviting environment for businesses and addressing community concerns. Collaboration has been key. Strengthening relationships with neighboring communities through shared services and partnerships with Whispering Pines/Clinton Indian Band and High Bar First Nation has been essential.

In 2024, our focus remains on practical improvements like sidewalk upgrades, enhancing Elliott Park, and updating planning bylaws to make our community more vibrant and connected. Unity and teamwork continue to guide us as we navigate challenges together. We're listening to your feedback and working towards clearer communication and a supportive business environment.

I extend my sincere appreciation to our dedicated staff, community members, volunteers, and partners for their commitment to the Village of Clinton. Your support is essential as we prioritize responsible management and sustainability.

Roland Stanke

Mayor



CAO's Message

Our community has experienced significant changes and progress over the last year. We saw the retirement of Utility Operator James McBride, and the departures of CAO Murray Daly and CDC Kat Chatten. We thank them for their service and wish them well. I joined the team in 2023, along with Trina Hawkins as Community Development Coordinator and Tyler Aske as Public Works Utility Operator, whose fresh perspectives have already had a positive impact on our Village.

In 2023, we completed several important projects: obtaining address signs for all properties, installing a new security system for the fitness room, producing our first tourism guide, developing an Age-Friendly plan, and completing our Community Wildfire Resiliency Plan. Our outside crew maintained facilities, parks, roads, and utility systems, and managed the paving of McDonald Street and Memorial Hall Parking Lot, upgrades to the arena, and a new cooling system for the Hall.

We focused on improving communication by hosting a public event on finances, a meeting with BC Assessment, and a session on the proposed zoning bylaw. The new LED sign at the Village Office also enhances our ability to promote events and notices.

For 2024, we aim to advance a housing strategy, a new zoning bylaw, and an official community plan, all with plenty of opportunity for residents to weigh in. We will continue building relationships with neighboring First Nations and expanding shared services. Planned upgrades include parks, sidewalks, and directional signage. Thank you to the staff for their resilience and dedication, and to our residents for your support and engagement. Together, we are building a resilient, vibrant, and forward-thinking community. I'm optimistic about our future and look forward to helping make the Village of Clinton an even better place to live, work, and grow.

Sincerely,

Brian Doddridge

Chief Administrative Officer

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 with statutory provisions and general administration of the Village of Clinton operations. The overarching mandate includes 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;
- Supporting local businesses and community groups to grow through Economic Development initiatives; and
- Development and enforcement of bylaws.

Major Administration Projects:

Address Signs for all properties

LED Sign Replacement

Fitness Room Security System Implementation

Zoning Bylaw Update (Incomplete)

Bylaw Enforcement

Bylaw enforcement services are essential to ensure that the Village's bylaws are implemented effectively. In addition to the proactive approach bylaw enforcement undertook to encourage maintenance of property and community safety, 22 letters and numerous phone calls and site visits were conducted in response to the 24 complaints in total filed with the Village between April and the end of 2023. 19 of those were resolved by the end of the year most of which with voluntary compliance. Bylaw Enforcement continues to focus on resolving complaints in a timely manner and continuing to educate Clinton residents on compliance through open communication.

Major Bylaw Enforcement Focuses:

Continued complaint-based enforcement

Sidewalk Clearing Bylaw Clarifications

Emphasis on nuisance and derelict properties



Public Works



The Village of Clinton's Public Works Department is lead by the Public Works foreman and consists of two labourers/Utility Operators, and one seasonal arena operator. The division consists of several sections including infrastructure, recreation, and public safety. The Public Works Department is charged with specific mandates including:

- Planning, development, and maintenance of Village of Clinton Infrastructure such as roads, buildings, water and sewer systems;
- Planning, development, and maintenance of cemetery, parks and trails; and
- Working with the Volunteer Fire Department for the provision of fire safety.

Major Public Works projects:

McDonald Avenue Paving;

Clinton Memorial Hall parking lot paving;

Installation of Air Conditioning System in the Hall;

New Furnace in the Museum;

Arena heaters and dehumidifier.

Protective Services

Clinton Volunteer Fire Department

The Village of Clinton is served by a dedicated volunteer fire department. The Village of Clinton provides equipment and other infrastructure to the Volunteer Fire Fighting Department through annual budget allocations. Firefighting priorities are set through a consultation process between the Village of Clinton and the Volunteer Fire Department.

Callouts – 32

Training Sessions – 52

Practices – 47



Policing services are provided by the Royal Canadian Mounted Police (RCMP) through a policing agreement managed by the Province of British Columbia and funded through an annual requisition.

2023 Strategic Planning

Village of Clinton Council developed a Strategic Action Plan in 2022

Economic Development

Project	Status
Fiber to the Home	Completed
Tourism Development	Completed Tourism Guide/Ongoing
Signage	Directional signage project to be completed in 2024
Promote Facility Use	Ongoing
Communication	Ongoing

Infrastructure



Project	Status
Lot 9 Development	The Village's application to the Housing Accelerator Fund was unsuccessful, Staff continue to look for funding opportunities.
Water Meters	Staff continue to look for funding opportunities
Sidewalk Replacement	Funded, to be completed in 2024
Bell St Extension	In progress
Memorial Hall Upgrades	Partially complete, staff continue to look for grants for remainder of project

Parks and Recreation

Project	Status
Reg Conn Splash Park	Staff continue to look for grant opportunities and plan for sustainable implementation
Reg Conn Playground Equipment	Completed 2024
Fitness Room Accessibility Improvements	Staff continue to look for grant opportunities
Reg Conn Pond Dredging	Staff continue to look for grant opportunities
Arena Dryland Use	Ongoing

Emergency Planning

Complete and Implement Community Wildfire Resiliency Plan	Plan completed, implementation planned for 2024
Flood Mitigation Planning	Funded, to be completed 2024

Housing and Planning Development

Research opportunities for Secondary Suites	Zoning update planned for 2025
Research Property Standards Bylaw and Vacancy Tax	Ongoing

Later in 2023, The Village developed a Strategic Plan which outlined 4 main Strategic Priorities.

Diverse Economy

OCP Review	Funded, planned for 2025
Destination Promotion	Ongoing
Business Community Engagement – Establish a Forum for Local Businesses	Ongoing

Partnerships/Collaboration

Improve relationships with First Nations Through Mutual Collaboration	MOU and cooperation protocol approved with High Bar First Nation, Council to Council Meetings with High Bar First Nation and Whispering Pines/Clinton Indian Band. More work to come.
Shared Services	The Village has expanded its shared services with the TNRD (GIS) and continues to benefit from existing shared services (Building inspection, bylaw services, etc.)
Community Engagement	Administration led a presentation to discuss the tax rate and respond to public questions. The Village facilitated a session with BC Assessment. More work to be done in 2024

Community



Civic Engagement	The Village continues to engage with residents on importance areas of governance, but more work is to be done in 2024.
Community Events	The Village supports community events through grants in aid, and advertising support. The Village leads Canada Day and Halloween events through the Spirit of Clinton, and a Christmas Tree shop local event in conjunction with the CCF.
Infrastructure	The Village was able to pave McDonald Avenue and the Hall parking lot, and maintain aging infrastructure.

Housing

Housing Strategy	Grant dependent, work will be done in 2024 to help orient the Village's Housing efforts.
Vacant Property Tax	Administration continues to research options for the development of a vacant property tax.
Zoning Bylaw Update	Funded, Planned for 2025

Financial Services

From the office of the CFO.

I am pleased to present the Financial Section of the 2023 Annual Report for the Village of Clinton for the year ended December 31, 2023, 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 Clinton.

FINANCIAL HIGHLIGHTS

- A surplus of \$1,382,074 was recorded for the year ending December 31, 2023.
- The Village cash position increased by \$1,228,370 while portfolio investments grew by \$40,298.
- The Village received \$476,870 in grants from the Provincial Government, \$1920.00 from the Federal Government, \$110,471 in Northern Initiative Development funds and \$4700 in other miscellaneous grants.
- The Village also received \$382,000 for the Small Community Grant, \$90,296 for the Community Works Fund and \$718,000 for the Growing Communities Fund.

Major Financial Services Projects:

ASSET MANAGEMENT

- A new asset management program was purchased and Village infrastructure has been entered into the system. This program is a great tool to help build upon and meet the needs of future growth and management. It tracks assets, amortization, replacement and retirement of infrastructure. It helps with budgeting and maintenance and has a GIS component which is key for infrastructure.
- \$50,000 was allocated to the Asset Management Reserve.
- \$26,400 was allocated to the Water Fund.
- \$13,832 was allocated to the Sewer Fund.

The Village has been conservative in fiscal management. Focus will be on growing reserve funds which assists in managing emergencies and to help keep property taxes low. The Village will continue to pursue grant funding where possible.

Finally, I would like to thank our Finance Clerk, Shannon Empson, for her hard work and dedication in helping make our successful finance team.

Mandy McKague

Chief Financial Officer

2023 Permissive Tax Exemptions:

A permissive tax exemption is a means for Council to support organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically. These exemptions are given to qualifying, Clinton based, registered non-profit organizations using property for municipal, recreational, religious, cultural or charitable purposes.

The following land and improvements were provided with a permissive tax exemption from the Village of Clinton for the year 2023:

Roman Catholic Church	\$1,330.00
Pentecostal Assemblies	\$ 543.00
Clinton Living Waters	\$ 576.00
Royal Canadian Legion	\$ 483.00
South Cariboo Historical Museum Society	\$1,200.00
Clinton Curling Club	\$8,734.00

Statement of Disqualifications

No disqualifications of Council Members occurred in 2023

The Corporation of the Village of Clinton
Financial Statements
For the year ended December 31, 2023

The Corporation of the Village of Clinton
Financial Statements
For the year ended December 31, 2023

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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

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, 2023, 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, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector 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

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of Schedule 3 and 4 on pages 29-30 of these financial statements.

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 13, 2024

The Corporation of the Village of Clinton
Statement of Financial Position

As at December 31	2023	2022
		(Restated - Note 6)
Financial assets		
Cash	\$ 4,947,564	\$ 3,719,194
Portfolio investments (Note 2)	833,307	793,009
Taxes and utilities receivable	120,046	99,958
Accounts receivable	40,355	56,365
Investment in Community Forest Company (Note 4)	955,743	934,835
	<u>6,897,015</u>	<u>5,603,361</u>
Liabilities		
Accounts payable and accrued liabilities	76,039	294,736
Deferred revenue	361,002	132,491
Long-term debt (Note 5)	1,152,692	1,187,940
Asset retirement obligation liability (Note 6)	170,173	162,115
Silviculture liability	89,449	160,000
	<u>1,849,355</u>	<u>1,937,282</u>
Net financial assets	<u>5,047,660</u>	<u>3,666,079</u>
Non-financial assets		
Tangible capital assets (Note 7)	9,944,868	9,953,006
Prepaid expenses	52,881	44,250
	<u>9,997,749</u>	<u>9,997,256</u>
Accumulated surplus (Note 8)	<u>\$15,045,409</u>	<u>\$ 13,663,335</u>

Contingent liabilities (Note 11)

Mandy McKague, Chief Financial Officer

Roland Stanke, Mayor

The Corporation of the Village of Clinton
Statement of Operations

For the year ended December 31	Budget 2023	2023	2022
	(Note 13)		(Restated - Note 6)
Revenue (Schedule 1)			
Municipal taxation and grants-in-lieu of taxes (Note 9)	\$ 940,466	\$ 1,115,730	\$ 922,393
Sales of services	396,124	390,479	378,038
Revenue from own sources	113,712	399,380	190,904
Transfers from other governments	2,827,492	1,555,664	679,045
Actuarial adjustment on debenture debt	-	2,106	1,345
Equity income in Community Forest Company (Note 4)	-	20,908	398,221
	4,277,794	3,484,267	2,569,946
Expenses (Schedule 2)			
General administration and legislative services	1,038,623	687,996	717,355
Protective services	222,899	147,786	181,144
Public Works	632,377	429,531	461,372
Environmental and health services	368,784	472,870	493,832
Recreation and cultural services	184,405	330,755	327,514
Interest on long term debt	-	33,255	39,855
	2,447,088	2,102,193	2,221,072
Annual surplus	1,830,706	1,382,074	348,874
Accumulated surplus, beginning of year	13,663,335	13,663,335	13,314,461
Accumulated surplus, end of year	\$15,494,041	\$15,045,409	\$ 13,663,335

The Corporation of the Village of Clinton
Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2023	2023	2022
	(Note 13)		(Restated - Note 6)
Annual surplus	\$ 1,830,706	\$ 1,382,074	\$ 348,874
Acquisition of tangible capital assets (Note 7)	(3,217,900)	(468,593)	(1,025,430)
Amortization of tangible capital assets (Note 7)	410,925	476,731	442,414
	(976,269)	1,390,212	(234,142)
Change in prepaid expenses	-	(8,631)	(17,529)
Increase (decrease) in net financial assets	(976,269)	1,381,581	(251,671)
Net financial assets, beginning of year	3,666,079	3,666,079	3,917,750
Net financial assets, end of year	\$ 2,689,810	\$ 5,047,660	\$ 3,666,079

The Corporation of the Village of Clinton
Statement of Cash Flows

For the year ended December 31	2023	2022
Operating transactions		
Annual surplus	\$ 1,382,074	\$ 348,874
Items not involving cash		
Accretion	-	7,675
Amortization	476,731	442,414
Actuarial adjustment on long-term debt	(2,106)	(1,345)
Changes in non-cash operating balances		
Taxes and utilities receivable	(20,088)	15,761
Accounts receivable	16,010	27,585
Prepaid expenses	(8,631)	(17,529)
Accounts payable and accrued liabilities	(218,697)	38,211
Deferred revenue	228,511	75,072
Equity change in Community Forest	(20,908)	(398,221)
Solid waste closure and post closure liabilities	(70,551)	81,959
	<u>1,762,345</u>	<u>620,456</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(468,593)</u>	<u>(1,025,430)</u>
Investing transaction		
Acquisition of portfolio investments	<u>(40,298)</u>	<u>(11,247)</u>
Financing transactions		
Repayment of long-term debt	(33,142)	(52,300)
Proceeds from long-term debt	<u>8,058</u>	<u>-</u>
Net change in cash	1,228,370	(468,521)
Cash, beginning of year	<u>3,719,194</u>	<u>4,187,715</u>
Cash, end of year	<u>\$ 4,947,564</u>	<u>\$ 3,719,194</u>
Supplementary cash flow information		
Interest paid	<u>\$ 33,255</u>	<u>\$ 39,855</u>

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

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.

**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.

**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 80 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, 2023

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, 2023

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>
Asset Retirement Obligation	A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

1. Significant accounting policies (continued)

Financial Instruments Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable, accounts payable, and long-term debt are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

When investment income and realized and unrealized gains and losses from changes in the fair value of financial instruments are externally restricted, the investment income and fair value changes are recognized as revenue in the period in which the resources are used for the purpose specified.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

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, 2023

2. Portfolio Investments

	2023	2022
Bonds	\$ 74,830	\$ 71,066
Money market investments	758,477	721,943
	<u>\$ 833,307</u>	<u>\$ 793,009</u>

The income from portfolio investments for the year was \$42,181 (2022 - \$10,427). The market value of the Village's marketable securities was \$833,307 (2022 - \$793,009) and the carrying value was \$837,238 (2022 - \$798,276).

3. 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, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 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 paid \$43,243 (2022 - \$42,996) for employer contributions to the plan in fiscal 2023.

The next valuation will be as at December 31, 2024.

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, 2023

4. Investments

	2023	2022
Investment in Clinton & District Community Forest of BC Ltd.	\$ 955,743	\$ 934,835

Summary of the audited financial statements of the Clinton & District Community Forest of BC Ltd. for the year ended December 31, 2023 are as follows:

Statement of Financial Position

	2023	2022
Cash	\$ 322,222	\$ 662,725
Term deposit	844,404	830,971
Accounts receivable	338,158	-
Property, plant and equipment	152,989	129,569
	<u>1,657,773</u>	<u>1,623,265</u>
Accounts payable and accrued liabilities	79,074	77,310
Silviculture liability	622,958	611,122
Share capital	1	1
Shareholder's equity	955,740	934,832
	<u>\$ 1,657,773</u>	<u>\$ 1,623,265</u>

Statement of Operations

Revenue	\$ 2,928,821	\$ 2,588,505
Expenses	(2,696,049)	(2,083,935)
Income from operations	232,772	504,570
Donations to the Community		
Donations to the Community at large	(74,800)	(46,270)
Economic development contribution	(133,064)	(60,080)
Scholarships	(4,000)	-
Net Income for the year	20,908	398,223
Retained earnings, beginning of the year	934,832	536,612
Retained earnings, end of the year	<u>\$ 955,740</u>	<u>\$ 934,835</u>

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2023

5. Long-term Debt

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

	<u>2023</u>	<u>2022</u>
Water, Municipal Finance Authority, Bylaw 395, interest at 4.4%, annual principle payments of \$1,679, due 2027	10,210	16,379
Municipal Finance Authority, Public Works Building, interest at 1.39%, with semi-annual payments of \$28,439 plus interest, maturing September 2051	1,142,482	1,171,561
	<u>\$ 1,152,692</u>	<u>\$ 1,187,940</u>

Principal repayments and sinking fund contributions relating to long-term debt of \$1,152,692 outstanding are due as follows:

2024	\$ 31,710
2025	31,841
2026	31,977
2027	28,439
2028	28,439
Thereafter	<u>1,000,286</u>
	<u>\$ 1,152,692</u>

Included in long-term debt are outstanding debentures of \$19,144 (2022 - \$19,144) secured by sinking fund assets with a carrying value of \$13,536 (market value - \$13,536) (2022 - \$13,127 (market value - \$13,127)).

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

6. Asset Retirement Obligation

Effective January 1, 2023, the Village adopted the new Public Sector Accounting Handbook Standard, PS 3280 Asset Retirement Obligations. The standard requires the reporting of legal obligations associated with the retirement of tangible capital assets by public sector entities. The standard was adopted on the modified retroactive basis at the date of adoption. Under the modified retroactive method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. The impact of adoption of this standard was as follows:

December 31, 2022	As Previously Stated	Increase (Decrease)	Restated
Tangible capital assets - cost	17,221,163	35,958	17,257,121
Accumulated amortization - tangible capital assets	7,282,648	21,467	7,304,115
Amortization of tangible capital assets	441,526	888	442,414
Asset retirement obligation	-	162,115	162,115
Accumulated surplus	13,810,959	(147,624)	13,663,335
Annual surplus	357,437	(8,563)	348,874
Accretion expense	-	7,675	7,675

The Village's asset retirement obligation consists of the following obligations:

a) The Village owns and operates several buildings that are known to contain asbestos, which represents a health hazard and which various regulations require specific considerations upon asset retirement. Following the adoption of PS 3280 - Asset Retirement Obligations, the Village recognized an obligation relating to the removal and post-removal care of the asbestos in these buildings as estimated at December 31, 2023. The buildings all have an estimated useful life of 60-70 years from the date of completion of construction, of which various numbers of years remain. The related asset retirement costs are being amortized on a straight-line basis. The estimated total undiscounted future expenditures are \$220,068, which are to be incurred at the end of the individual asset's useful life.

b) The Village has two wells requiring decommissioning at the end of the wells' useful lives. Following the adoption of PS 3280 - Asset Retirement Obligations, the Village recognized an obligation relating to the decommissioning of wells as estimated at December 31, 2023. The wells have an estimated useful life of 70 years. The related asset retirement costs are being amortized on a straight-line basis. The estimated total undiscounted future expenditures are \$10,000, which are to be incurred at the end of the assets' useful lives.

c) The Village is responsible for a septic system at the Municipal Works Yard and a freon compressor at the curling rink and arena. Following the adoption of PS 3280 - Asset Retirement Obligations, the Village recognized an obligation relating to the decommissioning of the septic system and the freon compressor. The septic system has an useful life of 60 years and the freon compressor has an useful life of 50 years. The estimated total undiscounted future expenditures are \$10,000, which are to be incurred at the end of the assets' useful lives.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2023

6. Asset Retirement Obligation (continued)

The related asset retirement costs are being amortized on a straight-line basis over the remaining useful lives of the assets. The related asset retirement costs for the above assets are being amortized on a straight-line basis. The liabilities have been estimated using a net present value technique with a discount rate of 4.97%.

Changes in the asset retirement obligation in the year are as follows:

Asset Retirement Obligation	Asbestos remediation	Well decommissioning	Other AROs	2023
Opening balance	\$ 150,753	\$ 6,393	\$ 4,969	\$ 162,115
Accretion expense	7,492	318	247	8,057
Closing balance	\$ 158,245	\$ 6,711	\$ 5,216	\$ 170,172

Asset Retirement Obligation	Asbestos remediation	Well decommissioning	Other AROs	2022
Opening balance	\$ 143,616	\$ 6,090	\$ 4,734	\$ 154,440
Accretion expense	7,137	303	235	7,675
Closing balance	\$ 150,753	\$ 6,393	\$ 4,969	\$ 162,115

The asset retirement liability has been estimated using a net present value technique using the assumptions as described above. The related asset retirement costs are being amortized on a straight-line basis over the remaining useful lives of the assets.

Significant estimates and assumptions are made in determining the asset retirement costs as there are numerous factors that will affect the amount ultimately payable. Those uncertainties may result in future actual expenditures that are different than the amounts currently recorded. At each reporting date, as more information and experience is obtained as it relates to these asset retirement obligations, the estimates of the timing, the undiscounted cash flows and the discount rates may change. Adjustments to these factors are accounted for as an adjustment to the asset retirement obligation and the related tangible capital asset in the current period on a prospective basis.

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

7. Tangible Capital Assets

	2023						
	Land	Buildings	Engineering structures	Furniture and equipment	Sewer systems	Water systems	Assets under construction
Cost, beginning of year	\$ 729,595	\$ 3,069,897	\$ 4,490,263	\$ 1,768,536	\$ 889,329	\$ 5,356,389	\$ 953,112
Additions	-	84,049	196,529	188,015	-	-	-
Transfers	-	953,112	-	-	-	-	(953,112)
Cost, end of year	\$ 729,595	\$ 4,107,058	\$ 4,686,792	\$ 1,956,551	\$ 889,329	\$ 5,356,389	\$ -
Accumulated amortization, beginning of year	\$ -	\$ 1,804,105	\$ 2,335,516	\$ 1,159,231	\$ 398,953	\$ 1,606,310	\$ -
Amortization	-	346,997	-	-	13,832	115,902	-
Accumulated amortization, end of year	\$ -	\$ 2,151,102	\$ 2,335,516	\$ 1,159,231	\$ 412,785	\$ 1,722,212	\$ -
Net carrying amount, end of year	\$ 729,595	\$ 1,955,956	\$ 2,351,276	\$ 797,320	\$ 476,544	\$ 3,634,177	\$ -
							\$ 9,944,868

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

7. Tangible Capital Assets (continued)

	2022									
	Land	Buildings	Engineering structures	Furniture and equipment	Sewer systems	Water systems	Assets under construction	Total		
Cost, beginning of year	\$ 729,595	\$ 3,076,014	\$ 4,213,893	\$ 1,644,253	\$ 889,329	\$ 5,356,389	\$ 328,335	\$ 16,237,808		
Additions	-	-	276,370	124,283	-	-	624,777	1,025,430		
Disposals	-	(6,117)	-	-	-	-	-	(6,117)		
Cost, end of year	\$ 729,595	\$ 3,069,897	\$ 4,490,263	\$ 1,768,536	\$ 889,329	\$ 5,356,389	\$ 953,112	\$ 17,257,121		
Accumulated amortization, beginning of year	\$ -	\$ 1,711,680	\$ 2,235,036	\$ 1,045,573	\$ 385,121	\$ 1,490,408	\$ -	\$ 6,867,818		
Amortization	-	98,542	100,480	113,658	13,832	115,902	-	442,414		
Disposals	-	(6,117)	-	-	-	-	-	(6,117)		
Accumulated amortization, end of year	\$ -	\$ 1,804,105	\$ 2,335,516	\$ 1,159,231	\$ 398,953	\$ 1,606,310	\$ -	\$ 7,304,115		
Net carrying amount, end of year	\$ 729,595	\$ 1,265,792	\$ 2,154,747	\$ 609,305	\$ 490,376	\$ 3,750,079	\$ 953,112	\$ 9,953,006		

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, 2023

8. Accumulated Surplus

The Village segregates its accumulated surplus in the following categories:

	<u>2023</u>	<u>2022</u>
Investment in tangible capital assets	\$ 8,622,009	\$ 8,602,955
General Fund	2,501,811	1,967,422
Sewer Fund	328,836	324,897
Water Fund	499,638	336,396
Equity in Community Forest Company	955,743	934,835
	<u>12,908,037</u>	<u>12,166,505</u>
Reserve Funds		
Community support grant reserve	\$ 74,437	\$ 74,437
Covid-19 Safe Restart Reserve	40,040	68,007
Community Works Fund reserve	368,593	360,015
Equipment reserve	-	1,895
Fire department statutory reserve	29,972	10,013
General asset management reserve	205,869	200,000
General capital reserve	169,483	169,483
General sewer reserve	113,270	99,438
Land replacement	55,000	55,000
Paving reserve	4,729	94,729
Recreation	3,266	3,266
Growing communities fund reserve	718,000	-
Sidewalk reserve	104,500	104,500
Small community grants reserve	75,277	75,277
Spirit of Clinton reserve	2,328	2,328
Transit reserve	21,846	21,846
Water asset management reserve	101,722	75,322
Woodlot general reserve	49,040	81,274
	<u>2,137,372</u>	<u>1,496,830</u>
	<u>\$15,045,409</u>	<u>\$ 13,663,335</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, 2023

9. Taxation - Net

	Budget 2023 (Note 13)	2023	2022
Property taxes and payments-in-lieu	\$ 940,466	\$ 1,115,730	\$ 922,393
Collections for other governments			
Province of British Columbia - school tax	199,566	242,811	212,835
Regional Hospital District	43,421	36,839	34,688
Thompson Nicola Regional District	92,007	82,039	77,687
Municipal Finance Authority	19	25	21
British Columbia Assessment Authority	6,775	4,660	4,051
Police Tax	33,529	33,507	28,331
	<u>1,315,783</u>	<u>1,515,611</u>	<u>1,280,006</u>
Transfers			
Province of British Columbia - school tax	(199,566)	(242,811)	(216,417)
Regional Hospital District	(43,421)	(36,839)	(34,689)
Thompson Nicola Regional District	(92,007)	(82,039)	(77,686)
Municipal Finance Authority	(19)	(25)	(20)
British Columbia Assessment Authority	(6,775)	(4,660)	(4,164)
Police Tax	(33,529)	(33,507)	(24,791)
	<u>(375,317)</u>	<u>(399,881)</u>	<u>(357,767)</u>
Available for general municipal purposes	<u>\$ 940,466</u>	<u>\$ 1,115,730</u>	<u>\$ 922,239</u>

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2023

10. Expenses by Object

	Budget 2023 (Note 13)	2023	2022
Amortization	\$ 410,925	\$ 476,731	\$ 442,412
Insurance	72,530	67,278	49,411
Interest on long-term debt	-	33,255	39,855
Office and administration	564,779	448,639	562,296
Repairs and maintenance and supplies	500,980	380,752	405,149
Salaries and benefits	897,874	695,538	721,950
	<u>\$ 2,447,088</u>	<u>\$ 2,102,193</u>	<u>\$ 2,221,073</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.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2023

12. 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.

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 13,506	\$ 13,506

13. Budget

The Financial Plan (Budget) By-Law adopted by Council on April 12, 2023 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 April 12, 2023 with adjustments as follows:

	<u>2023</u>
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Capital expenditures	3,217,900
Transfers to capital reserve	148,832
Less:	
Amortization	(410,925)
Debt	(974,000)
Transfers from capital reserve	<u>(151,101)</u>
Budget surplus per statement of operations	<u>\$ 1,830,706</u>

14. 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, 2023

15. Financial instruments

The Village is potentially exposed to credit risk, liquidity risk, and interest rate risk from the its financial instruments. This note describes the Village's objectives, policies, and processes for managing those risks and the methods used to measure them. Further qualitative and quantitative information in respect of these risks is presented below and throughout these financial statements.

There have not been any changes from the prior year in the Villages's exposure to above risks or the policies, procedures and methods it uses to manage and measure the risk

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Village is exposed to credit risk through its cash and accounts receivable.

The maximum exposure to credit risk at the financial statement date is the carrying value of its cash and accounts receivable as outlined on the statement of financial position. Accounts receivable arise primarily as a result of GST receivable. Based on this knowledge, credit risk of cash and accounts receivable are assessed as low.

Liquidity risk

Liquidity risk is the risk that the Village will encounter difficulty in meeting obligations associated with financial liabilities. The Village is exposed to liquidity risk through its accounts payable, long-term debt, and investments.

The Village manages liquidity risk around investments by maintaining a balance of short-term or highly liquid investments, and by maintaining investments that may be converted to cash in the near-term if needed. The Village manages liquidity risk around accounts payable and long-term debt as they have the ability to raise property taxes and revenues if needed, and ensuring that expenditures around capital projects are within budget. Also to help manage and measure the risk, the Village has in place a planning, budgeting and forecasting process to help determine the funds required to support the normal operating requirements. The Village's five-year financial plan is approved by the Mayor and Council, which includes operational activities and capital investments.

The Corporation of the Village of Clinton
Notes to Financial Statements

December 31, 2023

15. Financial instruments (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Village is exposed to interest rate risk through its long-term debt.

The Village manages interest rate risk on its long-term debt by holding all debt through MFA at a fixed rate, with refinancing typically being completed at the ten or fifteen year mark. Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to long-term debt. See Note 5 for interest rates and maturity dates for long term debt.

The Corporation of the Village of Clinton

Notes to Financial Statements

December 31, 2023

16. 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. The Village has two recreational facilities; a skating arena and a curling rink. There are also two recreational parks that host a variety of playground equipment and allow for sports activities. The Village maintains the parks and facilities in order to create opportunities for non-profit organizations to facilitate events for minor sports, markets, senior activities, etc.

The Corporation of the Village of Clinton

Schedule 1: Fund Revenue

December 31, 2023

	General Operating	Sewer	Water	2023 Total	2022 Total
Tax levies					
Real property taxes	\$ 1,056,747	\$ -	\$ -	\$ 1,056,747	\$ 868,950
Grants in lieu of taxes	58,983	-	-	58,983	53,443
	1,115,730	-	-	1,115,730	922,393
Sale of services					
Cemetery care	6,475	-	-	6,475	4,438
User fees	-	131,391	252,613	384,004	373,600
	6,475	131,391	252,613	390,479	378,038
Revenues from own sources					
Licences and permits	7,380	-	-	7,380	8,455
Leases, contracts and other rentals	68,098	-	-	68,098	51,742
Community Forest revenue	133,064	-	-	133,064	60,080
Investment income	105,891	-	-	105,891	44,267
Penalties and interest on taxes	28,753	-	-	28,753	23,988
Fees, donations and other	56,194	-	-	56,194	2,372
	399,380	-	-	399,380	190,904
Transfers from other governments					
Provincial	1,500,704	-	-	1,500,704	639,045
Federal	14,960	-	-	14,960	-
Thompson-Nicola Regional District	40,000	-	-	40,000	40,000
	1,555,664	-	-	1,555,664	679,045
Equity income(loss) in Community Forest Company	20,908	-	-	20,908	398,221
Actuarial adjustment on debenture debt	-	-	2,106	2,106	1,345
Total revenue	\$ 3,098,157	\$ 131,391	\$ 254,719	\$ 3,484,267	\$ 2,569,946

The Corporation of the Village of Clinton

Schedule 2: Fund Expenses

December 31, 2023

	General Operating	Sewer	Water	2023 Total	2022 Total
General administrative and legislative services					
Administration, building operations and maintenance	\$ 55,582	\$ -	\$ -	\$ 55,582	\$ 38,401
Amortization	15,998	-	-	15,998	15,819
Insurance	59,555	-	-	59,555	43,480
Legislative	71,630	-	-	71,630	69,352
Office	83,753	-	-	83,753	110,797
Professional fees	37,232	-	-	37,232	23,126
Salaries and employee benefits	355,889	-	-	355,889	381,956
Contracted services	8,357	-	-	8,357	34,424
	687,996	-	-	687,996	717,355
Protective services					
Amortization	35,127	-	-	35,127	34,734
Bylaw and Animal Control	19,436	-	-	19,436	21,304
Building operations and maintenance	16,344	-	-	16,344	10,420
Wildfire expenses	13,452	-	-	13,452	60,675
Equipment	17,657	-	-	17,657	21,963
Insurance	5,844	-	-	5,844	4,264
Salaries and employee benefits	39,926	-	-	39,926	27,784
	147,786	-	-	147,786	181,144
Public Works					
Amortization	74,473	-	-	74,473	73,642
Building operations and maintenance	16,772	-	-	16,772	13,385
Equipment operations and maintenance	29,446	-	-	29,446	31,260
Road and street maintenance	72,078	-	-	72,078	114,885
Para transit services	11,146	-	-	11,146	14,333
Salaries and employee benefits	225,616	-	-	225,616	213,867
	429,531	-	-	429,531	461,372
Environmental and public health					
Administration	-	19,972	89,120	109,092	164,398
Amortization	166,417	13,832	115,901	296,150	263,849
Insurance	-	629	1,250	1,879	1,667
Salaries and employee benefits	-	23,209	42,540	65,749	63,918
	166,417	57,642	248,811	472,870	493,832
Recreation and cultural services					
Amortization	54,983	-	-	54,983	54,369
Committees of council	1,950	-	-	1,950	93,814
Community development	158,598	-	-	158,598	20,366
Memorial hall	26,639	-	-	26,639	42,238
Recreation centre	108,334	-	-	108,334	78,633
Parks and playground	6,459	-	-	6,459	33,544
Museum	10,073	-	-	10,073	4,550
Woodlot silviculture expense (recovery)	(36,281)	-	-	(36,281)	-
	330,755	-	-	330,755	327,514
Interest on long-term debt	30,960	-	2,295	33,255	39,855
Total expenses	\$ 1,793,445	\$ 57,642	\$ 251,106	\$ 2,102,193	\$ 2,221,072

The Corporation of the Village of Clinton
Schedule 3: COVID-19 Safe Restart Grant
(Unaudited)

For the year ended December 31	2023	2022
Eligible costs incurred		
Cleaning supplies	\$ -	\$ 1,431
Arena	24,623	-
Office	-	671
Utility costs		
Memorial hall	-	24,833
Fitness room	3,345	-
Fire and Safety	-	124,283
	<u>27,968</u>	<u>151,218</u>
Annual (deficit) surplus	<u>(27,968)</u>	<u>(151,218)</u>
 Surplus, beginning of the year	 68,007	 219,225
Surplus, end of year	<u>40,039</u>	<u>68,007</u>

The Corporation of the Village of Clinton
Schedule 4: Growing Communities Fund
(Unaudited)

For the year ended December 31	2023
Grant funding	\$ 718,000
Surplus for the year, end of year	<u>\$ 718,000</u>
