

Village of Cache Creek

Statement of Financial Information (SOFI)

For the Year Ended December 31, 2022

STATEMENTS OF FINANCIAL INFORMATION (SOFI)
Prepared under the Financial Information Act
For the Year Ended December 31, 2022

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STATEMENTS OF FINANCIAL INFORMATION (SOFI)

Prepared under the Financial Information Act

For the Year Ended December 31, 2022

MANAGEMENT REPORT

Prepared under the Financial Information Regulation, Schedule 1, Section 9

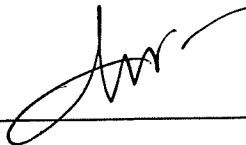
The Financial Statements contained in this Statement of Financial Information under the **Financial Information Act** have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian Generally Accepted Auditing Standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the municipality's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to Council.

On behalf of the Village of Cache Creek



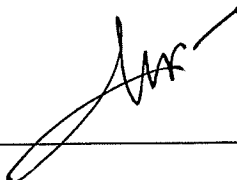
Cristina Martini, CPA, CMA, B.Eng.

Chief Financial Officer

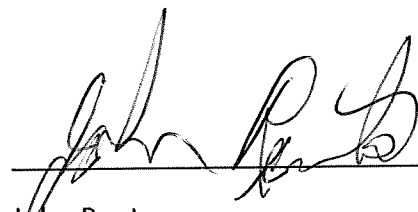
STATEMENTS OF FINANCIAL INFORMATION (SOFI)
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For the Year Ended December 31, 2022

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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



Cristina Martini, CPA, CMA, B.Eng.
Chief Financial Officer



John Ranta
Mayor

STATEMENTS OF FINANCIAL INFORMATION (SOFI)

Prepared under the Financial Information Act

For the Year Ended December 31, 2022

SCHEDULE OF REMUNERATION AND EXPENSES

Prepared Under the Financial Information Regulation, Schedule 1, Section 6

1. SCHEDULE OF COUNCIL REMUNERATION

NAME	POSITION	REMUNERATION	EXPENSE	TOTAL
TALARICO, SANTO	Mayor	\$ 12,088		\$ 12,088
PETERS, SUSAN JEAN	Council	10,097		10,097
PITTMAN, ANNETTE G	Council	8,414		8,414
DAFOE, LISA R	Council	8,414		8,414
COOMBER, WENDY	Council	8,414		8,414
RANTA, P.A. JOHN	Mayor	2,418	225	2,642
DUBOIS, DAVID	Council	1,683	107	1,790
DEBERT, KELLY J	Council	1,683		1,683
RANTA, CARMEN	Council	1,683		1,683
TOTAL: elected officials remuneration		\$ 54,893	\$ 332	\$ 55,224

2. SCHEDULE OF EMPLOYEE REMUNERATION

NAME	POSITION	REMUNERATION	EXPENSE	TOTAL
COUTURE, DAMIAN	CAO	\$ 86,894	\$ 3,022	\$ 89,916
MARTINI, CRISTINA	CFO	86,624	998	87,622
PEACOCK, STEVE K	Water Plant Operator	86,444	749	87,193
BILLY, SHAYNE	Foreman	84,463	247	
CUMMING, JORDAN D	Utility Operator	83,573	351	
BATTEL, GABRIEL	Utility Operator I	75,647	180	75,827
Consolidated total of other employees with remuneration of \$75,000 or less		371,775	1,270	373,045
TOTAL: employee remuneration		\$ 875,420	\$ 6,817	\$ 713,603

STATEMENTS OF FINANCIAL INFORMATION (SOFI)
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SCHEDULE OF REMUNERATION AND EXPENSES

Prepared Under the Financial Information Regulation, Schedule 1, Section 6

3. RECONCILIATION	Remuneration	Expenses
Remuneration - Mayor and Council	\$ 54,893	\$ 332
Total employees with remuneration greater than \$75,000	503,646	5,547
Total employees with remuneration lower than \$75,000	371,775	1,270
Total remuneration and expenses	\$ 930,313	\$ 7,148

The variance between the Schedule of Remuneration and Expenses and the wage and benefits expense reported in the financial statements is due to the following factors:

1. The remuneration schedule is based on actual payments made during the year while the financial statements are prepared on an accrual basis.
2. Wages and benefits include benefits that are recorded at full cost in the financial statements. That includes items such as the employer portion of federal deductions, retirement benefits and medical benefits.

Expenses as defined by the Financial Information Act to include travel expenses, memberships, tuition, extraordinary hiring expenses, registration fees, and similar amounts paid to the employee, or to a third party on behalf of the employee, and which has not been included in "remuneration".

Expenses are not limited to those that are generally perceived as perquisites, or bestowing personal benefit, and include expenditures required for employees to perform their job functions and exclude benefits of a general nature applicable to all employees pursuant to an agreement such as medical, dental, counselling, insurance, and similar plans.

STATEMENTS OF FINANCIAL INFORMATION (SOFI)
Prepared under the Financial Information Act
For the Year Ended December 31, 2022

STATEMENT OF SEVERANCE AGREEMENT

Prepared Under the Financial Information Regulation, Schedule 1, Section 6 (8)

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

STATEMENTS OF FINANCIAL INFORMATION (SOFI)

Prepared under the Financial Information Act

For the Year Ended December 31, 2022

SCHEDULE OF PAYMENTS TO VENDORS

Prepared Under the Financial Information Regulation, Schedule 1, Section 7

1. SUPPLIERS WHO RECEIVED AGGREGATE PAYMENTS EXCEEDING \$25,000

Supplier Name	Aggregate amount paid to supplier
BREE CONTRACTING LTD	\$ 1,128,957
MINISTER OF FINANCE - ePAT	\$ 270,257
TRUE CONSULTING LTD	\$ 264,728
RECEIVER GENERAL - PAYROLL	\$ 210,157
B.C. HYDRO	\$ 150,073
VILLAGE OF ASHCROFT	\$ 138,556
CANADA REVENUE AGENCY	\$ 115,949
SUTTON GROUP WEST-COAST REALTY	\$ 58,275
THOMPSON-NICOLA REGIONAL DISTRICT	\$ 55,414
GREAT-WEST LIFE ASSURANCE COMPANY	\$ 47,958
JIM PATTISON LEASE	\$ 41,483
PETRO CANADA SUPERPASS	\$ 40,077
XCEED MACHINE WORKS INC.	\$ 39,876
MIABC	\$ 39,150
FORTIS BC-NATURAL GAS	\$ 33,932
ARCONA ROOFING & SHEET METAL LTD	\$ 31,394
ASSOCIATED ELECTRICAL SERVICES	\$ 30,632
ROLLINS MACHINERY LTD.	\$ 29,125
Total aggregate amount paid to suppliers	\$ 2,725,993

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less

	\$ 547,479
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STATEMENTS OF FINANCIAL INFORMATION (SOFI)
Prepared under the Financial Information Act
For the Year Ended December 31, 2022

SCHEDULE OF PAYMENTS TO VENDORS

Prepared Under the Financial Information Regulation, Schedule 1, Section 7

3. Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	\$	2,725,993
Consolidated total payments of \$25,000 or less paid to suppliers	\$	547,479
Consolidated total of all grants and contributions exceeding \$25,000	\$	-
Total suppliers and grants	\$	3,273,472

The schedule of payment is based on actual disbursements through the accounts payable system and therefore the total will differ significantly from the expenditures in the financial statements which are reported on an accrual basis. There are also several disbursements that are not considered expenses, including payments for the acquisition of tangible capital assets, rebates, and deposit refunds.

STATEMENTS OF FINANCIAL INFORMATION (SOFI)
Prepared under the Financial Information Act
For the Year Ended December 31, 2022

**SCHEDULE OF GUARANTEE AND INDEMNITY
AGREEMENTS**

Prepared Under the Financial Information Regulation, Schedule 1, Section 5

The Village of Cache Creek has not given any guarantees or indemnities under the Guarantees and Indemnities Regulations.

**Village of Cache Creek
Financial Statements
For the year ended December 31, 2022**

Village of Cache Creek
Financial Statements
For the year ended December 31, 2022

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the Village of Cache Creek 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 Village of Cache Creek 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 Village of Cache Creek 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.



CFO



Mayor

Independent Auditor's Report

To the Mayor and Council of the Village of Cache Creek

Opinion

We have audited the financial statements of the Village of Cache Creek (the "Village"), which comprise the statement of financial position as at December 31, 2022, 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, 2022, and the statements of operations, change in net financial assets, and 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 the Schedule 3 on page of 26 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

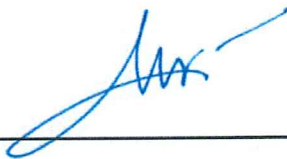
Chartered Professional Accountants

Kamloops, British Columbia
May 1, 2023

**Village of Cache Creek
Statement of Financial Position**

As at December 31	2022	2021
Financial assets		
Cash	\$ 31,224	\$ 74,776
Short-term investments (Note 2)	3,770,927	3,104,749
Accounts receivable (Note 4)	959,048	474,422
	4,761,199	3,653,947
Liabilities		
Accounts payable and accrued liabilities	416,106	363,102
Deferred revenue (Note 5)	65,940	700
	482,046	363,802
Net financial assets	4,279,153	3,290,145
Non-financial assets		
Tangible capital assets (Note 6)	14,663,050	14,118,842
Prepaid expenses	19,509	50,475
	14,682,559	14,169,317
Accumulated surplus (Note 7)	\$18,961,712	\$ 17,459,462

Contingent liabilities (Note 9)
Commitments (Note 10)


_____ CFO


_____ Mayor

**Village of Cache Creek
Statement of Operations**

<u>For the year ended December 31</u>	<u>Budget 2022</u>	<u>2022</u>	<u>2021</u>
	(Note 12)		
Revenue (Schedule 1)			
Municipal taxation and grants-in-lieu of taxes (Note 8)	\$ 1,140,691	\$ 1,150,415	\$ 901,823
Sales of services	691,015	700,840	559,078
Revenue from own sources	91,750	130,898	114,755
Transfers from other governments	2,544,122	1,973,279	1,593,761
Landfill royalties	454,000	517,623	305,598
	<u>4,921,578</u>	<u>4,473,055</u>	<u>3,475,015</u>
Expenses (Schedule 2)			
General administration and legislative services	858,187	847,423	775,282
Transportation and protective services	837,932	767,849	585,794
Environmental and health services	1,197,767	925,051	859,729
Recreation and cultural services	260,813	210,563	194,839
Landfill	168,800	219,919	167,244
	<u>3,323,499</u>	<u>2,970,805</u>	<u>2,582,888</u>
Annual surplus	1,598,079	1,502,250	892,127
Accumulated surplus, beginning of year	<u>16,567,335</u>	<u>17,459,462</u>	<u>16,567,335</u>
Accumulated surplus, end of year	<u>\$18,165,414</u>	<u>\$18,961,712</u>	<u>\$ 17,459,462</u>

Village of Cache Creek
Statement of Change in Net Financial Assets

<u>For the year ended December 31</u>	<u>Budget 2022</u>	<u>2022</u>	<u>2021</u>
	(Note 12)		
Annual surplus	\$ 1,598,079	\$ 1,502,250	\$ 892,127
Acquisition of tangible capital assets	(2,448,910)	(1,396,908)	(1,156,568)
Amortization of tangible capital assets	635,000	629,330	626,966
Impairment of tangible capital assets	-	223,373	-
	(215,831)	958,045	362,525
Change in prepaid expenses	-	30,963	(6,078)
Increase (decrease) in net financial assets	(215,831)	989,008	356,447
Net financial assets, beginning of year	3,290,145	3,290,145	2,933,698
Net financial assets, end of year	\$ 3,074,314	\$ 4,279,153	\$ 3,290,145

**Village of Cache Creek
Statement of Cash Flows**

For the year ended December 31	2022	2021
Operating transactions		
Annual surplus	\$ 1,502,250	\$ 892,127
Items not involving cash		
Amortization	629,330	626,966
Movement of funds to short-term investments	-	(1,422,136)
Changes in non-cash operating balances		
Accounts receivable	(484,626)	(267,864)
Prepaid expenses	30,963	(6,078)
Accounts payable and accrued liabilities	53,004	84,640
Deferred revenue	65,240	(104,885)
	<u>1,796,161</u>	<u>(197,230)</u>
Capital transactions		
Acquisition of tangible capital assets	(1,396,908)	(1,156,568)
Loss on disposal of tangible capital assets	223,373	-
	<u>(1,173,535)</u>	<u>(1,156,568)</u>
Investing transaction		
Purchase of short-term investments	(666,178)	(13,585)
	<u>(666,178)</u>	<u>(13,585)</u>
Net change in cash	(43,552)	(1,367,383)
Cash, beginning of year	74,776	1,442,159
Cash, end of year	<u>\$ 31,224</u>	<u>\$ 74,776</u>

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

1. Significant accounting policies

Government Reporting Entity

The Village of Cache Creek (the "Village") was incorporated in 1967 under statutes of the Province of British Columbia. It now operates as a municipality under the provisions of the Community Charter 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.

Basis of Presentation

The financial statements of the Village have been prepared in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board.

Cash and Cash Equivalents

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Short-Term Investments

Short-term 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.

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:

Buildings	20 to 70 years
Machinery and equipment	5 to 15 years
Pool	50 years
Roads	25 to 50 years
Storm sewer	100 years
Plant and facilities	20 to 70 years
Underground networks	100 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Village's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

1. Significant accounting policies (continued)

**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.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

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** Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. For property taxes, the taxable event is the period for which the tax is levied. As taxes recorded are initially based on management's best estimate of the taxes that will be received, it is possible that changes in future conditions, such as reassessments due to audits, appeals and court decisions, could result in a change in the amount of tax revenue recognized. Taxes receivable are recognized net of an allowance for anticipated uncollectable amounts.
- Charges for sewer and water usage are recorded as user fees when invoiced. Connection fee revenues are recognized when the connection has been established.
- 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.
- Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.
- Sales of service and other revenue is recognized on an accrual basis.
- Contaminated Sites** Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made.
- 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.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

2. Short-term Investments

Short-term investments are comprised of:

	<u>2022</u>	<u>2021</u>
MFA CIBC - Investment Cash Account	\$ 1,704,049	\$ 1,667,459
MFABC Money Market Fund	15,154	15,154
Marketable Securities	<u>2,051,724</u>	<u>1,422,136</u>
	<u>\$ 3,770,927</u>	<u>\$ 3,104,749</u>

The income from Short-term investments for the year was \$50,718 (2021 - \$15,054). The carrying value and market value of the Village's marketable securities was \$2,066,878 (2021 - \$1,437,290).

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 227,000 active members and approximately 118,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

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

The Village paid \$58,449 (2021 - \$54,513) for employer contributions while employees contributed \$54,054 (2021 - \$48,199) to the plan in fiscal 2022.

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

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.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

4. Accounts Receivable

Accounts receivable are comprised of:

	2022	2021
Property taxes and utilities receivable	\$ 126,962	\$ 21,199
Accounts receivable	519,266	328,418
Landfill receivable	210,982	63,874
Goods and Services Tax rebates	101,838	60,931
	\$ 959,048	\$ 474,422

5. Deferred Revenue

Deferred revenue represents amounts that relate to a subsequent period. A breakdown of deferred revenue is as follows:

	2022	2021
General fund		
Community Hall Rental	\$ 675	\$ -
Development Permit Fees	700	700
	1,375	700
Development cost charges	5,664	-
	\$ 7,039	\$ 700

Village of Cach
Notes to Financial St

December 31, 2022

Intangible Capital Assets (continued)

	General					Water		Sewer		Construction in Progress
	Land	Buildings	Equipment	Roads	Parks	Plant & Facilities	Underground System	Plant & Facilities	Underground System	
Beginning of year	\$ 624,666	\$ 3,125,726	\$ 2,419,932	\$ 5,822,527	\$ 1,340,218	\$ 3,359,591	\$ 2,587,703	\$ 1,073,764	\$ 2,422,919	\$ 2,351,702
Increases	1,042	3,308	81,183	2,360	-	-	-	30,201	-	1,278,814
Decreases	-	-	-	-	-	-	-	-	-	(223,370)
Amortization of Construction in progress	-	-	-	-	-	-	-	1,519,696	-	(1,519,696)
End of year	\$ 625,708	\$ 3,129,034	\$ 2,501,115	\$ 5,824,887	\$ 1,340,218	\$ 3,359,591	\$ 2,587,703	\$ 2,623,661	\$ 2,422,919	\$ 1,887,450
Accumulated amortization, beginning of year	\$ -	\$ 1,796,894	\$ 1,190,079	\$ 2,706,758	\$ 700,728	\$ 880,843	\$ 1,857,128	\$ 706,602	\$ 1,170,874	\$ -
Amortization	-	78,184	164,035	145,593	53,609	66,072	51,754	21,625	48,458	-
Accumulated amortization, end of year	\$ -	\$ 1,875,078	\$ 1,354,114	\$ 2,852,351	\$ 754,337	\$ 946,915	\$ 1,908,882	\$ 728,227	\$ 1,219,332	\$ -
Carrying amount, end of year	\$ 625,708	\$ 1,253,956	\$ 1,147,001	\$ 2,972,536	\$ 585,881	\$ 2,412,676	\$ 678,821	\$ 1,895,434	\$ 1,203,587	\$ 1,887,450

Village of Cach
Notes to Financial St

ber 31, 2022

ngible Capital Assets

	General			Water		Sewer		Construction in Progress		
	Land	Buildings	Equipment	Roads	Parks	Plant & Facilities	Underground System	Plant & Facilities	Underground System	Amount
beginning of year	\$ 624,666	\$ 3,125,726	\$ 2,367,293	\$ 5,811,947	\$ 1,249,877	\$ 3,359,591	\$ 2,587,703	\$ 1,049,487	\$ 2,422,919	\$ 1,372,971
is	-	-	52,639	10,580	90,341	-	-	24,277	-	978,731
nd of year	\$ 624,666	\$ 3,125,726	\$ 2,419,932	\$ 5,822,527	\$ 1,340,218	\$ 3,359,591	\$ 2,587,703	\$ 1,073,764	\$ 2,422,919	\$ 2,351,702
lated amortization, beginning of year	\$ -	\$ 1,719,082	\$ 1,030,505	\$ 2,561,012	\$ 645,979	\$ 815,783	\$ 1,805,374	\$ 682,789	\$ 1,122,416	\$ -
ation	-	77,812	159,574	145,746	54,749	65,060	51,754	23,813	48,458	-
lated amortization, end of year	\$ -	\$ 1,796,894	\$ 1,190,079	\$ 2,706,758	\$ 700,728	\$ 880,843	\$ 1,857,128	\$ 706,602	\$ 1,170,874	\$ -
rying amount, end of year	\$ 624,666	\$ 1,328,832	\$ 1,229,853	\$ 3,115,769	\$ 639,490	\$ 2,478,748	\$ 730,575	\$ 367,162	\$ 1,252,045	\$ 2,351,702

he 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.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

7. Accumulated Surplus

The Village segregates its accumulated surplus in the following categories:

	2022	2021
Invested in tangible capital assets	\$14,681,102	\$ 14,167,289
General fund	695,446	-
Water fund	431,186	246,869
Sewer fund	126,011	-
Statutory reserves	10,383	10,383
Reserves set aside by Council		
Landfill Legacy	1,225,434	1,225,434
General reserve	526,141	580,624
Water reserve	156,555	117,169
Sewer reserve	40,053	15,860
Community works fund	1,069,401	1,019,829
COVID-19 Restart Grant Reserve	-	76,006
	\$18,961,712	\$ 17,459,463

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.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

8. Municipal taxation and grants-in-lieu of taxes

	Budget 2022	2022	2021
	(Note 12)		
Property taxes and payments-in-lieu	\$ 1,146,191	\$ 1,150,415	\$ 903,878
Collections for other governments			
Province of British Columbia - school tax	392,602	394,800	363,101
Regional Hospital District	66,596	66,654	64,600
Thompson Nicola Regional District	137,521	137,665	129,839
Municipal Finance Authority	39	7,128	31
British Columbia Assessment Authority	7,966	7,973	7,346
Police Tax	53,670	53,719	55,085
	1,804,585	1,818,354	1,523,880
Transfers			
Province of British Columbia - school tax	(392,602)	(395,516)	(363,353)
Regional Hospital District	(66,596)	(66,963)	(64,982)
Thompson Nicola Regional District	(137,521)	(138,279)	(130,603)
Municipal Finance Authority	(39)	-	(32)
British Columbia Assessment Authority	(7,966)	(8,011)	(7,389)
Sold Waste Management Plan	(5,500)	(5,500)	-
Police Tax	(53,670)	(53,670)	(55,698)
	(663,894)	(667,939)	(622,057)
Available for general municipal purposes	\$ 1,140,691	\$ 1,150,415	\$ 901,823

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

9. 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 Village of Cache Creek.
- (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 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 consolidated 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.
- (d) The Village has an unused line of credit in the amount of \$14,000 in 2022 (2021 - \$14,000).

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

10. Landfill Closure and Post-Closure Liability Fund

The Village was formerly under contract with Metro Vancouver Regional District ("MVRD") to allow the MVRD to dispose of its solid waste in the Village's solid waste landfill in exchange for a per tonne royalty. The Cache Creek landfill was closed in December 2016. Under the terms of the contract, the MVRD is required to fund the post closure liability of the solid waste landfill, and the fund is being administered by BC Investment Management Corporation. Accordingly, the MVRD contributed to the post closure landfill trust fund. While the contract indemnifies the Village for any post closure liabilities it may incur which are not covered by this fund, it is anticipated that the fund is sufficient to cover the majority of such costs. The closure and post-closure liability and annual expense is calculated based on the ration of actual utilization to total expected utilization of the site's capacity at the date of closure. In 2022 - Nil (2021 - Nil) in closure costs were paid by the MVRD. The present value of the District's estimated future liability for closure and post-closure is as follows:

	2022	2021
Opening balance	\$15,519,407	\$ 16,091,490
Impact due to change in: Assumptions	255,489	(572,083)
Closing balance	15,774,896	15,519,407
Less: Post-closure fund	(15,774,896)	(15,519,407)
Closure liability	\$ -	\$ -

The liability is based on significant estimates and assumptions adopted in measuring the closure and post-closure liability and are as follows:

	2022	2021
Current actual utilization (in tonnes)	\$10,318,780	\$ 10,318,780
Expected utilization at closure (in tonnes)	10,318,780	10,318,780
Permitted capacity (in tonnes)	10,371,594	10,371,594
Discount rate	3.03%	3.03%
Expected post-closure period	30 years	30 years

At the end of the closure period, any residual funds remaining the post-closure fund will revert back to the Village.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

11. Funds Held in Trust

The Village operates a cemetery in accordance with the Cremation, Interment and Funeral Services Act of British Columbia. 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. At December 31, 2022, the Village held \$67,352 (2021 - \$67,352) in trust.

The Village of Cache Creek Chamber of Commerce (the "Chamber") went dormant during the 2022 fiscal. With this, the funds held by the Chamber was transferred to the Village in trust in which the Village used to purchase a GIC. 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. At December 31, 2022, the Village held \$32,000 in trust.

12. Budget

The Financial Plan (Budget) By-Law adopted by Council on May 5, 2022 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 with adjustments.

	<u>2022</u>
Financial Plan (Budget) By-Law surplus for the year	\$ -
Add:	
Capital expenditures	2,448,910
Transfers to reserves	978,106
Less:	
Amortization	(635,000)
Transfers from reserves	(558,937)
Transfers from equity	<u>(635,000)</u>
Budget surplus per statement of operations	<u>\$ 1,598,079</u>

December 31, 2022

13. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens such as 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 bingo and karate offered in areas like gyms, arenas, centres and community centres. Also, the Village provides library services to assist with its citizens' informational needs.

Village of Cache Creek
Notes to Financial Statements

December 31, 2022

14. Expenses by Object

	Budget 2022 (Note 12)	2022	2021
Amortization	\$ 635,000	\$ 629,329	\$ 626,966
Insurance	75,015	61,650	53,497
Office and operations	1,216,780	1,203,907	837,758
Repairs and maintenance and supplies	202,623	145,606	127,917
Salaries and benefits	1,194,082	930,313	936,749
	\$ 3,323,500	\$ 2,970,805	\$ 2,582,887

15. Comparative Figures

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

16. Comparative Figures

The Village is committed to a waste disposal leases and a land lease. Future minimum payments over the next three years are as follows:

2023	69,943
2024	69,943
2025	69,943
2026	69,943
2027	69,943
Thereafter	975,882
	\$ 1,325,597

17. Contractual Right

The Village has entered into a contract with the City of Vancouver to allow the City to dispose of waste on the District's leased landfill. In return the District will receives payments over the life of the contract. During the current year, the Village received a royalty fee of \$401,384 (2021 - \$230,085).

Village of Cache Creek
Schedule 1: Fund Revenue

December 31, 2022

	General Operating	Sewer	Water	2022 Total	2021 Total
Tax levies					
Real property taxes	\$ 804,004	\$ -	\$ -	\$ 804,004	\$ 622,378
Parcel taxes	-	81,833	202,296	284,129	219,724
Grants in lieu of taxes	62,282	-	-	62,282	59,721
	<u>866,286</u>	<u>81,833</u>	<u>202,296</u>	<u>1,150,415</u>	<u>901,823</u>
Sale of services					
Refuse, waste and landfill	115,081	-	-	115,081	92,355
Pool, recreation and sundry	6,446	-	-	6,446	6,185
User fees	-	317,599	261,714	579,313	460,538
	<u>121,527</u>	<u>317,599</u>	<u>261,714</u>	<u>700,840</u>	<u>559,078</u>
Revenues from own sources					
Licences and permits	19,266	-	-	19,266	23,269
Miscellaneous revenues	26,996	-	-	26,996	53,008
Investment income	65,306	-	-	65,306	17,043
Penalties and interest on taxes	19,330	-	-	19,330	21,435
	<u>130,898</u>	<u>-</u>	<u>-</u>	<u>130,898</u>	<u>114,755</u>
Transfers from other governments					
BC Small Communities Protection	518,000	-	-	518,000	406,000
Provincial	116,554	-	-	116,554	401,302
Federal	100,264	-	1,238,461	1,338,725	786,459
	<u>734,818</u>	<u>-</u>	<u>1,238,461</u>	<u>1,973,279</u>	<u>1,593,761</u>
Landfill					
Landfill revenue	517,623	-	-	517,623	305,598
Total revenue	<u>\$ 2,371,152</u>	<u>\$ 399,432</u>	<u>\$ 1,702,471</u>	<u>\$ 4,473,055</u>	<u>\$ 3,475,015</u>

**Village of Cache Creek
Schedule 2: Fund Expenses**

December 31, 2022

	General Operating	Sewer	Water	2022 Total	2021 Total
General administrative and legislative services					
Legislative	66,805	-	-	66,805	61,981
General administration	616,583	-	-	616,583	553,726
Amortization	164,035	-	-	164,035	159,575
	<u>847,423</u>	<u>-</u>	<u>-</u>	<u>847,423</u>	<u>775,282</u>
Transportation and protective services					
Bylaw enforcement	16,629	-	-	16,629	16,166
Public works and common services	218,924	-	-	218,924	223,980
Roads, street lights and airport	114,330	-	-	114,330	113,772
Impairment of assets	223,370	-	-	223,370	-
Flood control and repairs (recovery)	820	-	-	820	(545)
Fire protection	48,183	-	-	48,183	86,675
Amortization	145,593	-	-	145,593	145,746
	<u>767,849</u>	<u>-</u>	<u>-</u>	<u>767,849</u>	<u>585,794</u>
Environmental and public health					
Waste collection and landfill	111,839	-	-	111,839	108,927
Cemetery care and maintenance	10,615	-	-	10,615	9,754
Water collection and distribution	-	-	217,524	217,524	200,067
Sewage collection system	-	272,244	-	272,244	230,216
Economic development	46,736	-	-	46,736	43,868
Amortization	78,184	70,083	117,826	266,093	266,897
	<u>247,374</u>	<u>342,327</u>	<u>335,350</u>	<u>925,051</u>	<u>859,729</u>
Recreation and cultural services					
Swimming pool and recreation	92,335	-	-	92,335	99,673
Parks and community hall	64,619	-	-	64,619	40,417
Amortization	53,609	-	-	53,609	54,749
	<u>210,563</u>	<u>-</u>	<u>-</u>	<u>210,563</u>	<u>194,839</u>
Landfill					
Landfill expenses	219,919	-	-	219,919	167,244
Total expenses	\$ 2,513,047	\$ 342,327	\$ 335,350	\$ 2,970,805	\$ 2,582,888

Village of Cache Creek
Schedule 3: COVID-19 Safe Restart Grant
(Unaudited)

For the year ended December 31	2022	2021
Expenses		
Facility reopening and operating costs	-	128,402
Fire protection	-	48,588
Other related costs	-	13,663
Revenue shortfalls	76,005	61,264
Technology costs	-	1,033
	76,005	252,950
 Surplus, for the year	 (76,005)	 (252,950)
Surplus, beginning of year	76,005	328,955
 Surplus, end of year	\$ -	\$ 76,005