



Village of New Denver
2023 Annual Report
and
Audited Financial Statements
for the period ending December 31, 2023



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DRAFT



Councillor Casey Law, Councillor Danika Hammond,
Councillor Colin Moss, Councillor John Fyke,
Mayor Leonard Casley

Council meetings are regularly scheduled for the second Tuesday of each month at 7:00 p.m. Committee of the Whole meetings are regularly scheduled for the fourth Tuesday of each month at 7:00 p.m. with the exception of July, August and December. Meetings are held in Council chambers located at 115 Slocan Avenue, New Denver, BC. Meetings are also live streamed with information on how to view located on each meeting agenda and are recorded and available for viewing on the Village website for up to 6 months following the meeting date.

Information on how public can participate in local government decision making is available on the Village website, or you can call the Village Office for more information.

The Village Office is open Monday through Friday (with the exception of stat holidays) from 9:00 a.m. to 4:00 p.m. and is located at 115 Slocan Avenue, New Denver, BC. Phone: 250-35-2316, email office@newdenver.ca

MESSAGE FROM THE MAYOR

2023 was year of was the year of challenges and working toward significant infrastructure improvements in the village over the next ten years. Through preparation and planning, staff and council have worked hard to prepare for anticipated costs, which meant asset management planning and a focus on building reserves for expenses anticipated in the next 10 years. We have worked to establish a plan that allows finances to be saved now for spending later, so taxpayers aren't burdened with having to cover large expenses in the future when aging assets need to be replaced. As a Council, we have chosen to look ahead and work toward having a stable and financial future for the Village of New Denver.

In 2023, staff continued to work on some very big projects, coordinating with a variety of professionals and sub-consultants to achieve some important project for our small community. Keeping a large number of projects moving forward is no easy feat but we continue to prevail. We would like to thank all of the contractors for sticking with us while we have navigated through all of the challenges and surprises, we've faced.

We have seen no shortage of water system upgrades, with the two new community water source wells and two new fire hydrants installed in 2023. The new hydrants will allow the Village to supply water to the Orchard in the unlikely event of a failure of the existing line under the new bridge, which we anticipate having replaced in 2024. We look forward to the installation of pumps in the new community water source wells and construction of a pumphouse in 2024 which will allow us to transition to use of these new wells and decommissioning of the existing wells on Kootenay Street and Eldorado Avenue.

Some very important dike repairs were completed in 2023, and we have been working hard toward improvements to the creek near the highway bridge in an effort to minimize potential damage during high water events. An important floodplain mapping initiative is also underway that should equip us to be better prepared for future extreme weather events and changes. These types of large initiatives take extensive coordination and we appreciate everyone's involvement in making things run smoothly.

This document showcases the dedication staff and council have for our community. The number of projects and improvements New Denver has been able to undergo and secure for future years to come is encompassed in this annual report.

Mayor Leonard Casley

CORPORATE VALUES

New Denver is a vibrant, progressive community at the heart of the Slocan Valley. We are committed to principles of economic, social, cultural and environmental sustainability. The Village provides and maintains environmentally responsible services that meet our current and future needs.

We are an attractive, progressive, and enjoyable community that embraces and celebrates its natural, historical and cultural resources. We are committed to creating a safe and healthy community that provides safe accessible facilities and high-quality municipal services and programs for the enjoyment and wellbeing of our citizens.

The Village encourages and supports economic development and the creation of a diversified economy, through active promotion of the Village and partnerships with a wide range of stakeholders. The Village is business friendly and ensures policies and bylaws support a diversified economy including entrepreneurial activity, small business and tourism.

The Village is committed to being fiscally responsible and to creating a climate for investment and involvement by its citizens.

Citizens have access to all public information and participate in decisions that affect their well-being and quality of life. The Village includes economic, social, cultural and environmental factors in their decision-making processes.

We strive to recognize and appreciate effort and achievement, we value creativity, innovation, collaboration, trust and foster an entrepreneurial spirit.

The purpose of Council and staff of New Denver is to exemplify collaborative governance and sound management through the provision of high-quality facilities and services that provide opportunities for continued improvement to the quality of life for people of all ages that we serve.

FINANCIAL SERVICES

The financial services department is responsible for and committed to sound financial management of the Village's financial operations by delivering the following services:

- Financial Planning, Operational and Capital Budgeting
- Financial Reporting and Analysis
- Accounts Payable and Receivable
- Property Taxation and Utility Billing
- Payroll
- Asset Management

It is the objective of the department to operate efficiently, maintaining a sound financial framework and continuance of sound fiscal management.

Key 2023 Financial Facts

The City of Nelson continues to provide services to the Village of New Denver for financial management with Nathan Russ having been appointed as the Chief Financial Officer (CFO), as required under Village of New Denver Municipal Officers Bylaw No. 726, 2019. The CFO and other key City of Nelson staff members also provide ongoing guidance, mentoring and support to our own Village of New Denver finance team as well.

Childs Chanton Chartered Professional Accountants have been appointed as auditors for the 2023 and 2024 fiscal years.

Financial Services specializes in the development of a financial framework for budgetary process, short- and long-term financial planning and a solid foundation for Village staff to fulfill their objectives and goals within the financial services department for the betterment of the community.

In 2023 assessed values for residential properties saw a general increase of approx. 23% from 2022. This resulted in an average tax increase (Village of New Denver portion only) of approx. 6.5%. Water rates also increased by 5% to keep up with operational requirements and garbage collection rates increased 10% to reflect the increase to RDCK tipping fees.

Revenue for the Village in 2023 came from the following sources:

Revenue Source	% of Total Revenue
Property Tax	7%
User Fees	4%
Sale of Services	7%
Reserves & Surplus	23%
Unconditional Grants	6.5%
Conditional Grants	52%
Other Sources	0.5%
Proceeds from Borrowing	0%
TOTAL	100%

Of the \$378,872 in property tax collected by the Village in 2023, the distribution between tax classes is as follows:

Property Class	% of total Property Tax
Residential (1)	83%
Utility (2)	3%
Business (6)	12%
Recreation/Non-profit (8)	2%
TOTAL	100%

Council is satisfied that the existing tax distribution equitably shares the tax burden among classes in relation to the services used, while considering the classes of property that have revenue producing potential.

Statement of Property Tax Permissive Exemptions

The Community Charter allows Council, by bylaw, to exempt certain classes of property from municipal taxation. This is typically for lands held by charitable and philanthropic organizations or not for profit corporations. For taxes imposed in 2023, the Village provided a tax exemption to St. Anthony's Catholic Church, St. Stephen's Anglican Church and the Pentecostal Church under Bylaw No. 697, 2015. The amount of municipal taxes that would have been imposed on these properties was \$1,412.

Small Community Grant Funding

In 2023 the Village of New Denver received \$334,000 in BC Small Community Grant Funding. Small Community Grants are unconditional grants for British Columbia municipalities to assist them in providing basic services. The grant is available to municipalities with populations up to approximately 19,000. Grant amounts are based on a formula that incorporates a base amount, population, and assessment values.

Other Grant Funding

In 2023, the province announced a one-time Growing Communities Fund Grant. Similar to the Small Community Grant Funding, the GCF used a formula that included a base amount, an adjusted population amount and a population growth amount. The Village of New Denver received \$704,000. This grant came with guidelines for eligible projects the funds can be use for which mainly includes core infrastructure like water supply and distribution, storm water management, road improvements & upgrades, sidewalks, curbing, lighting, recreation relation amenities, etc. In 2023 the Village used \$152,400 of this towards the Core Pedestrian Corridor project which included sidewalks, letdowns and crossings on the portion of the north side of 6th Avenue between Union Street and Kootenay Street. The Village also received a grant of \$497,000 from the province for this project.

Additionally, the Village received \$1,191,205 in other misc. grant funding in 2032 which allowed us to complete the various projects outlined in subsequent sections.

PROTECTIVE SERVICES

The Village is able to support a volunteer fire department comprised of approx. 20 members. The Village contracts fire protection services to the Village of Silverton and portions of RDCK Area H as well. There is a fleet of three emergency vehicles located at the New Denver fire hall including Engine #1, Tender #1 and a Rescue Truck, with additional equipment of the rescue boat, sprinkler trailer and Tender #2 being housed in the Silverton firehall.

Key 2023 Protective Services Facts

- The damage to the dike as a result of the 2020 freshet was repaired.
- Funding was secured and initial planning started for flood mitigation works including Carpenter Creek channel restoration and vegetation removal
- Funding was secured and initial analysis occurred for Carpenter Creek Floodplain Hazard Mapping
- A Bylaw Enforcement/Community Safety Officer position for piloted to determine ongoing need

COMMUNITY SERVICES

The Village is committed to providing a wide range of opportunities to promote health and wellness, sustain cultural heritage and facilities and to enhance the quality of life for the residents of New Denver.

Community Services manages and sustains heritage buildings, cultural venues and programs, recreational facilities, outdoor parks, open spaces, trail development and activities.

New Denver is blessed with an abundance of natural capital to be explored, enjoyed and protected. There are numerous municipal facilities that are sustained for the benefit of the community and visitors to the region.

Key 2023 Community Services Facts

Nikkei Internment Memorial Centre:

- Through grant funding the Village was able to hire a permanent part time NIMC Director, a summer Archives specialist and two summer student positions.
- The NIMC Strategic Plan was finalized.
- Repairs to the boardwalk were completed

North Slokan Community Library:

- Council established a committee to research and investigate steps, actions and feasibility of achieving library status for the New Denver and area Reading Centre
- The name was changed in October to the North Slokan Community Library

Accessibility Advisory Committee:

- As required under the Accessible BC Act, Council established an Accessibility Advisory Committee
- A draft Village of New Denver Accessibility Plan was developed and the committee continues to work on its adoption.

Bosun Hall:

- A grant from CBT allowed for the installation of heat pumps at Bosun Hall, upgrades to LED lighting and weather stripping. This upgrades now provides the opportunity tot use the Bosum Hall as a warming or cooling centre during extreme heat or cold events.

Centennial Park:

- A new year-round washroom was built at the south end of the park.
- Work continued on the planning and design for the outdoor stage and gathering space.
- A very successful outdoor movie night sponsored by Kootenay Savings Credit Union, Fortis BC and Fresh Air Cinema was help in the park in July.
- 2023 saw the return of Hills Garlic Fest which is the Village is happy to collaborate with

ENVIRONMENTAL AND TRANSPORTATION SERVICES

Environmental and Transportation Services provides a number of essential services and maintains the Village's infrastructure. This includes roads, parks operations, cemetery operations, building maintenance, water utility and solid waste collection.

Our dedicated team of employees worked diligently to maintain all municipal infrastructure and service delivery as best they could.

Work continued on the well relocation project. Two new water source wells were drilled and progress on pumps, waterlines and pumphouse/mechanical is ongoing.

The water distribution system consists of 11,200 meters of water mains, 113 mainline valves, 27 fire hydrants, 370 residential water service connections, 50 non-residential water service connections.

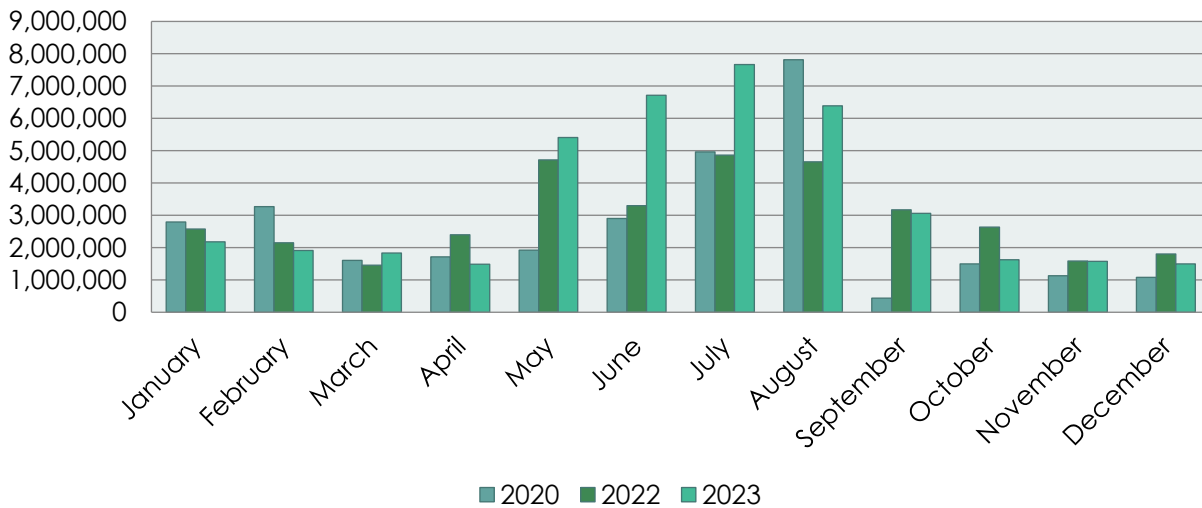
The Village maintains 14.5 kilometers of paved roadways and 15.5 kilometers of unpaved roadways.

The Village has an extensive inventory of open green spaces, public parks and outdoor recreational facilities.

Key 2023 Environmental Services Facts

- 3 new water service connections installed
- Dry conditions resulted in earlier implementation and longer extension of water restrictions. Increased public awareness took place on the source of water and limitations of the mechanical equipment was initiated.
- The old international dump truck was replaced
- New equipment was purchased to improve service delivery and reduce carbon emissions
- The Core Pedestrian Corridor Improvement project including new sidewalks, letdowns and crosswalks along the north side of 6th Ave between Union Street and Kootenay Street was completed.
- The Solid Waste Study completed

Village of New Denver Water Use (us Gallons)



Total Annual Water Use

2023	-	41,326,162 USG
2022	-	35,297,133 USG
2020	-	35,044,097 USG

DEVELOPMENT SERVICES

Working with Village Council, investors, land owners and community organizations, staff in Development Services oversees a number of functions including community planning, development review, site servicing, subdivision approval, land use policy development, mapping, and coordination of civil engineering.

Staff work with community groups and service agencies to support social and economic adaptation when facing new challenges in the community. Some of this work includes fostering relationships with community service agencies, and senior levels of government as well as managing change within the community.

Some vital planning processes include zoning amendments, Official Community Plan amendments, and development proposals.

Key 2023 Development Services Facts

- Work began on a Downtown Revitalization Plan thanks to a grant the Village received through REDIP. Open houses, surveys and public input sessions were held throughout the year. Additional input will be gathered as the plan is finalized in 2024.
- Vision Zero funding allowed the Village to hire Watt to investigate solutions for traffic calming in the area of 8th Ave and Columbia Street
- Zoning & OCP Bylaw amendments including
 - Removing the limit on number of principal buildings per parcel in the case of single family and two-family use in the C2 zone
 - To accommodate Temporary Use Permits in all areas for up to 3 years
 - 1 Development Variance Permit and 7 Development Permits approved
- Road closure bylaws – two Rights-of-Way
- Disposition of one Right-of-Way
- Adopted 4-year strategic plan

LIST OF APPENDICES

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2024 STRATEGIC PRIORITIES

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2023 MUNICIPAL PRIORITIES

OBJECTIVE	MEASURES/STRATEGIES	ACHIEVEMENTS/OUTCOMES
ADMINISTRATION		
Evaluate financial sustainability of specific municipal services	Review municipal service fees and costs to determine if revenues cover expenses	Report to Council regarding financial sustainability of municipal services
Privacy Management Plan	Establish policies, procedures and bylaws for privacy management as per legislation	Privacy management Plan is adopted and staff trained
Accessibility Plan	Create and adopt Accessibility Plan as required by legislation	Accessibility Plan is adopted and phased implementation has begun
Update and review of bylaws and policies	Bylaws: Fees & Charges, Animal Control, Burning, Building, Business & Good Neighbour Policies: Human Resource, Facility Rental, Grant in Aid, Cell Phone, Online Meetings, Public Participation, Media Relations, Water & Garbage Charges, Emergency call out fees	Bylaws and policies reviewed, updated and amended as required
COMMUNITY SERVICES		
Nikkei Internment Memorial Centre	Complete 150 Time Immemorial grant funded projects including roof replacement and strategic planning	Strategic Plan for sustainability adopted and implemented, roof replacements completed
Improve amenities in Centennial Park	New washrooms and outdoor stage	Washrooms and stage built and ready for use
Bosun Hall Energy Retrofits	Replace current heating system with heat pumps, upgrade to LED lighting, install weather stripping	Increased energy efficiency, increase user comfort, potential for use as cooling station during prolonged extreme heat events
Cemetery	Review fees & bylaws, conduct ground imaging, prepare new mapping system	Updated fees, rates & rules. Accurate mapping and tracking system. Updated records
DEVELOPMENT SERVICES		
Update Official Community Plan (OCP) & Zoning Bylaw	Review and update OCP/Zoning in consultation with the community	Council adoption of updated OCP & Zoning bylaws
Active Transportation Network	Construct improvements to main intersection and sidewalk	Sidewalk and stairs completed to connect active transportation routes

2023 PRIORITIES CONTINUED

	to Kootenay St, construct covered stairs to LESS	
Downtown Revitalization Plan	Identify current and future unmet needs of core business district and create plan for improvements including conceptual design, estimated costs, possible funding sources	Adopt a phased action plan for core business area revitalization and begin implementation
Traffic Calming	Investigate and implement traffic calming measures in the 8 th Ave and Columbia Street neighborhood	Funded by Vision Zero, reduced traffic speeds, reduced traffic flows, reduced conflict between active transportation users and vehicles
Land Development	Continue with obtaining environmental approvals for development at old landfill site, and investigate and initiate new land development proposals	Receive environmental approvals, creating zoning and identify develop plans for old landfill, obtain ownership and initiate development of additional properties
Subdivision Servicing	Establish standards for land development	Subdivision Servicing Bylaw adopted and in use
PROTECTIVE SERVICES		
Flood mitigation and dike repairs	Federal and Provincial approvals to be received and repair and mitigation work completed.	2020 damage to dike repaired and mitigation work completed
Floodplain Mapping	Build on previous work to complete detailed floodplain mapping for multiple hazards	Grant funding secured and Floodplain Hazard mapping completed
Emergency Response Plan	Training, and exercising of the plan for all involved with emergency response	Mock disasters and/or other training held
PUBLIC WORKS		
Improve water pressure to Orchard	Install new water mains to serve the Orchard	New water mains installed and operational
Well Relocation	Drill and commission two new raw water source wells	New wells in active use and old wells decommissioned

PRIORITIES



2024

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	Well Relocation	Relocate well #1 & 2, new pumphouse and decommission old wells	\$1,620,000	\$900,000	\$720,000	
2	Water line to Orchard	Install new watermain to Orchard	\$300,000		\$300,000	
3	Centennial Park	Stage, patio & washrooms	\$985,736	\$668,833	\$316,903	Applied for additional \$250,000 from TGF
4	Downtown Revitalization	Plan for improvements to main street	\$57,100	\$45,660	\$11,440	
5	Emergency Response Plan	Training & exercising the plan				
6	Kootenay Street (700 block) Active transportation Improvements	Re-align & pave Kootenay Street, add sidewalks, curb & gutter & parking	\$283,000	\$198,100	\$84,900	
7	OCP & Zoning Bylaws	Complete update & review	\$100,000	\$100,000		
8	NG911	Civic addressing review & updates	\$40,000	\$40,000		
10	Library Status	Continue to work an achieving library status, develop pilot/trial initiatives	Not known at this time			
11	Accessibility Plan	Adopt Accessibility Plan as required by legislation	\$	\$	\$	
12	Old Landfill	Continue work to obtain environmental approvals for development	\$60,000	\$	\$60,000	
13	Knox Hall Accessibility	Complete accessibility upgrades including parking and curb letdowns	\$35,000	\$35,000		
14	Subdivision Servicing	Establish standards for land development				
15	Housing Needs Report	Prepare new HNR based on guidelines following Housing Act amendments	\$30,000	\$30,000		
16	Floodplain Mapping	Build on previous work to complete detailed floodplain mapping for multiple hazards	\$150,000	\$150,000	\$	
17	Connectivity (last mile)	Complete last mile requirements for fibre internet				
18	Traffic Calming	Initiate traffic calming measures on 8 th Ave including the intersections at Hwy 31A & Columbia	\$20,000	\$20,000	\$0	
TOTALS:			\$ 3,778,836	\$ 2,285,593	\$1,493,243	\$250,000

2025

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	Centennial Park Flexible Greenspace Improvements	Work with West Kootenay Football Club to level greenspace, improve soils, add sod and/or seed and irrigation	\$150,000	\$50,000 (applied for)	In kind	WKFC
2	Cemetery Improvements	Mapping, fees review, bylaw review	\$25,000		\$25,000	Silverton/Area H
3	Implement Emergency Act Changes	Complete risk assessments, indigenous consultations,		\$40,000		
4	Implement Housing Act Changes	Review and update all policies and bylaws affected by OCP & Zoning changes	\$22,296	\$22,296		
5	Flood Mitigation	Improve creek channel, limit future damage as identified in Mitigation Plan	\$507,000	\$507,000		
TOTALS:			\$ 704,296	\$ 619,296	\$ 25,000	\$60,000

PRIORITIES



Projects led by other community groups

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	HCS	Move compost curing site				
2	Community Garden	Secure access to land, develop policies, instal irrigation				
3	Housing	Continue work towards more housing options				
4	House of Joyful Tiding	Assist FOTOS with securing funding for retrofit/restoration				
5	Green Burial	Continued work to establish green burial site				
6	Silverton/New Denver Active Transportation Network	Support NSTS – ICAT committee in feasibility and investigations for active transportation trail between communities				
7	Marina	Work with SLBA to determine marina boundaries and negotiate new lease				
8	Slocan Disc Golf	Work with SDGA to develop practice basket area				

Bylaws to be updated

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	Fees & Charges Bylaw	Review & update fees & charges bylaw				
2	Business Bylaw	Review & Update Business Bylaw				
3	Building Bylaw	Review & Update Building Bylaw				
4	Animal Control Bylaw	Review & update Animal Control Bylaw				
5	Burning Bylaw	Review & Update Burning Bylaw				
6	Good Neighbour Bylaw	Consider new bylaw replace several old separate bylaws				

Policies to be developed or updated

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	Village Facility Rental Policy					
2	Grant in Aid Policy					
3	Water & Garbage Charges					
4	Cell Phone Policy					
5	Emergency Call out fees					
6	HR Policy					
7	Media Relations Policy					

Additional tasks assigned to staff

	Project	Description	Est Budget	Funded by Grants	VoND Financial Obligations	Other sources of funding
1	Fire Contract	Update fire contract with RDCK				
2	Recycling Depot Contract	Finalize and sign contract with RDCK for use of land for recycling depot				
3	Crown Land	Obtain sponsored Crown grants for ownership of key Crown land within the Village				
4	Lane Closures	Review lanes and identify lanes that could be closed and sold				
5	Public Lands Inventory	Review public lands and create inventor of lands that could be sold				
6	Development Approvals Program	Update development applications				
7	Signage	New signs, move signs to reflect new logo and boundary change				

PROGRESS ON 2023 MUNICIPAL PRIORITIES

OBJECTIVE	MEASURES/STRATEGIES	ACHIEVEMENTS/OUTCOMES	STATUS
ADMINISTRATION			
Evaluate financial sustainability of specific municipal services	Review municipal service fees and costs to determine if revenues cover expenses	Report to Council regarding financial sustainability of municipal services	Components identified, ongoing
Privacy Management Plan	Establish policies, procedures and bylaws for privacy management as per legislation	Privacy management Plan is adopted and staff trained	Complete
Accessibility Plan	Create and adopt Accessibility Plan as required by legislation	Accessibility Plan is adopted and phased implementation has begun	Initial work has started, Accessibility committee has been formed, ongoing
Update and review of bylaws and policies	<p>Bylaws: Fees & Charges, Animal Control, Burning, Building, Business & Good Neighbour</p> <p>Policies: Human Resource, Facility Rental, Grant in Aid, Cell Phone, Online Meetings, Public Participation, Media Relations, Water & Garbage Charges, Emergency call out fees</p>	Bylaws and policies reviewed, updated and amended as required	Partial started, components identified will be underway and ongoing into future

2023 PRIORITIES CONTINUED

COMMUNITY SERVICES			
Nikkei Internment Memorial Centre	Complete 150 Time Immemorial grant funded projects including roof replacement and strategic planning	Strategic Plan for sustainability adopted and implemented, roof replacements completed	Complete
Improve amenities in Centennial Park	New washrooms and outdoor stage	Washrooms and stage built and ready for use	Washrooms complete Stage underway
Bosun Hall Energy Retrofits	Replace current heating system with heat pumps, upgrade to LED lighting, install weather stripping	Increased energy efficiency, increase user comfort, potential for use as cooling station during prolonged extreme heat events	Complete
Cemetery	Review fees & bylaws, conduct ground imaging, prepare new mapping system	Updated fees, rates & rules. Accurate mapping and tracking system. Updated records	Postponed
DEVELOPMENT SERVICES			
Update Official Community Plan (OCP) & Zoning Bylaw	Review and update OCP/Zoning in consultation with the community	Council adoption of updated OCP & Zoning bylaws	In progress
Active Transportation Network	Construct improvements to main intersection and sidewalk to Kootenay St, construct covered stairs to LESS	Sidewalk and stairs completed to connect active transportation routes	Mostly completed, some components still underway

2023 PRIORITIES CONTINUED

Downtown Revitalization Plan	Identify current and future unmet needs of core business district and create plan for improvements including conceptual design, estimated costs, possible funding sources	Adopt a phased action plan for core business area revitalization and begin implementation	Initial work, preliminary reviews started, ongoing into 2024
Traffic Calming	Investigate and implement traffic calming measures in the 8 th Ave and Columbia Street neighborhood	Funded by Vision Zero, reduced traffic speeds, reduced traffic flows, reduced conflict between active transportation users and vehicles	Evaluation done, infrastructure to be installed in 2024
Land Development	Continue with obtaining environmental approvals for development at old landfill site, and investigate and initiate new land development proposals	Receive environmental approvals, creating zoning and identify develop plans for old landfill, obtain ownership and initiate development of additional properties	In progress
Subdivision Servicing	Establish standards for land development	Subdivision Servicing Bylaw adopted and in use	In progress
PROTECTIVE SERVICES			
Flood mitigation and dike repairs	Federal and Provincial approvals to be received and repair and mitigation work completed.	2020 damage to dike repaired and mitigation work completed	Completed

2023 PRIORITIES CONTINUED

Floodplain Mapping	Build on previous work to complete detailed floodplain mapping for multiple hazards	Grant funding secured and Floodplain Hazard mapping completed	Underway
Emergency Response Plan	Training, and exercising of the plan for all involved with emergency response	Mock disasters and/or other training held	Completed and ongoing to commit to
PUBLIC WORKS			
Improve water pressure to Orchard	Install new water mains to serve the Orchard	New water mains installed and operational	New Hydrants at the Bridge installed, finishing of the main line in 2024
Well Relocation	Drill and commission two new raw water source wells	New wells in active use and old wells decommissioned	Great progress, ongoing to continue into late 2024

The Corporation of the Village of New Denver

2023 STATEMENT OF FINANCIAL INFORMATION

Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

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Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

STATEMENT OF FINANCIAL INFORMATION APPROVAL

We, the undersigned, approve the attached statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

Leonard Casley
Mayor

Nathan Russ, CPA, CMA
Chief Financial Officer

Prepared as required by *Financial Information Regulation*, Schedule 1, section 9

Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility.

Management is also responsible for all other schedules of financial information and for ensuring this information is consistent, where appropriate, with the information contained in the financial statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Mayor and Council are responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and for approving the financial information included in the Statement of Financial Information.

The external auditors, Childs Chanton, Chartered Professional Accountants, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules of financial information required by the *Financial Information Act*. Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of The Corporation of the Village of New Denver



Nathan Russ, CPA, CMA
Chief Financial Officer
June 11, 2024

THE CORPORATION OF THE VILLAGE OF NEW DENVER
FINANCIAL STATEMENTS
DECEMBER 31, 2023

THE CORPORATION OF THE VILLAGE OF NEW DENVER
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THE CORPORATION OF THE VILLAGE OF NEW DENVER

MANAGEMENT REPORT

For the Year Ended December 31, 2023

RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

The independent external auditors, Childs Chanton Chartered Professional Accountants, have been appointed by Council to express an opinion as to whether the financial statements present fairly, in all material respects, The Corporation of the Village of New Denver's financial position, results of operations, and changes in financial position in conformity with the accounting principles disclosed in Note 1 to the financial statements. The report of Childs Chanton Chartered Professional Accountants, follows and outlines the scope of their examination and their opinion on the financial statements.



Nathan Russ, CPA, CMA
Financial Officer

CHILDS CHANTON

CHARTERED PROFESSIONAL ACCOUNTANTS*

* Denotes Professional Corporation

Jeremy J. Childs, CPA, CA
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of
The Corporation of the Village of New Denver

Opinion

We have audited the accompanying financial statements of the The Corporation of the Village of New Denver (the Village), which comprise the statement of financial position as at December 31, 2023 and the statements of operations, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation of the The Corporation of the Village of New Denver as at December 31, 2023 and the results of its operations, changes in net debt, and its cash flow 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. Exhibit 1 is presented for the purposes of additional information and is not a required part of the financial statements. Such information has not been subject to the auditing procedures applied in the audit of the financial statements and, accordingly we express no opinion thereon.

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

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

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 make 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.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the Village to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



May 08, 2024

CHARTERED PROFESSIONAL ACCOUNTANTS
Castlegar, BC

THE CORPORATION OF THE VILLAGE OF NEW DENVER
STATEMENT OF FINANCIAL POSITION


As at December 31, 2023

	<u>2023</u>	<u>2022</u>
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 2,067,103	\$ 2,175,737
Accounts receivable (Note 3)	<u>674,594</u>	<u>467,601</u>
	<u>2,741,697</u>	<u>2,643,338</u>
Financial Liabilities		
Accounts payable and accrued liabilities (Note 5)	162,513	350,298
Deferred revenue (Note 6)	634,308	668,530
Debt (Note 7)	182,769	214,389
Asset retirement obligations (Note 8)	<u>72,776</u>	<u>-</u>
	<u>1,052,366</u>	<u>1,233,217</u>
Net Financial Assets	1,689,331	1,410,121
Non-Financial Assets		
Tangible capital assets (Note 9)	8,044,754	6,179,946
Prepaid expenses	<u>15,858</u>	<u>9,873</u>
	<u>8,060,612</u>	<u>6,189,819</u>
Accumulated Surplus (Note 10)	<u>\$ 9,749,943</u>	<u>\$ 7,599,940</u>

Commitments and Contingencies (Note 14)



Len Casley
Mayor



Nathan Russ, CPA, CMA
Financial Officer

THE CORPORATION OF THE VILLAGE OF NEW DENVER

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the Year Ended December 31, 2023

	<u>2023 Budget</u> (Note 16)	<u>2023</u>	<u>2022</u>
Revenue			
Taxes	\$ 378,872	\$ 386,299	\$ 351,806
Sale of services	215,079	241,091	210,217
Other revenue from own sources	97,400	111,771	107,929
Investment income	11,500	22,482	16,911
Government transfers - unconditional	345,000	334,000	439,000
Government transfers - conditional	4,204,208	2,392,205	1,249,661
Water user fees	179,944	174,522	164,271
Gain on disposal of tangible capital assets	-	13,421	17,469
	<u>5,432,003</u>	<u>3,675,791</u>	<u>2,557,264</u>
Expenses			
General government	572,186	468,586	386,884
Protective services	142,399	120,217	129,084
Transportation services	460,329	205,129	242,080
Environmental health services	93,200	81,031	90,823
Public health and welfare services	47,868	20,477	18,965
Parks, recreation and cultural services	463,000	284,923	224,742
Interest and other debt charges	9,733	9,733	9,733
Water utility operations	133,524	113,541	89,315
Amortization	191,268	218,864	187,518
Accretion	-	3,287	-
	<u>2,113,507</u>	<u>1,525,788</u>	<u>1,379,144</u>
Annual surplus	3,318,496	2,150,003	1,178,120
Accumulated surplus, beginning of the year	<u>7,599,940</u>	<u>7,599,940</u>	<u>6,421,820</u>
Accumulated surplus, end of the year	<u>\$ 10,918,436</u>	<u>\$ 9,749,943</u>	<u>\$ 7,599,940</u>

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

THE CORPORATION OF THE VILLAGE OF NEW DENVER
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2023

	<u>2023 Budget</u>	<u>2023</u>	<u>2022</u>
Annual surplus	\$ 3,318,496	\$ 2,150,003	\$ 1,178,120
Acquisition of tangible capital assets	(4,414,862)	(2,096,408)	(1,424,044)
Amortization of tangible capital assets	191,268	218,864	187,518
Proceeds on sale of tangible capital assets	-	26,156	17,469
Gain disposal of tangible capital assets	<u>-</u>	<u>(13,421)</u>	<u>(17,469)</u>
	(905,098)	285,194	(58,406)
Acquisition of prepaid expenses	<u>-</u>	<u>(5,984)</u>	<u>37</u>
Increase in net financial assets	(905,098)	279,210	(58,369)
Net financial assets, beginning of year	<u>1,410,121</u>	<u>1,410,121</u>	<u>1,468,490</u>
Net financial assets, end of the year	\$ <u>505,023</u>	\$ <u>1,689,331</u>	\$ <u>1,410,121</u>

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

THE CORPORATION OF THE VILLAGE OF NEW DENVER
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2023

	2023	2022
Cash Provided by (Used In)		
Operating Activities		
Annual surplus	\$ 2,150,003	\$ 1,178,120
Items not involving cash:		
Amortization of tangible capital assets	218,864	187,518
Accretion	3,287	-
Actuarial adjustments	(11,257)	(10,054)
Gain on disposal of tangible capital assets	(13,421)	(17,469)
Initial recognition of asset retirement obligation	69,489	-
	<u>2,416,965</u>	<u>1,338,115</u>
Increase (decrease) in non-cash operating items:		
Accounts receivable	(206,993)	376,818
Accounts payable and accrued liabilities	(187,785)	(223,267)
Deferred revenue	(34,222)	82,009
Prepaid expenses	(5,983)	37
	<u>1,981,982</u>	<u>1,573,712</u>
Financing Activities		
Debt repayment	<u>(20,364)</u>	<u>(20,364)</u>
Capital Activities		
Proceeds from disposal of tangible capital assets	26,156	17,469
Acquisition of tangible capital assets	<u>(2,096,408)</u>	<u>(1,424,044)</u>
Net increase (decrease) in cash and cash equivalents	(108,634)	146,773
Cash and cash equivalents, beginning of year	<u>2,175,737</u>	<u>2,028,964</u>
Cash and cash equivalents, end of year	<u>\$ 2,067,103</u>	<u>\$ 2,175,737</u>

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

THE CORPORATION OF THE VILLAGE OF NEW DENVER

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

1. Significant Accounting Policies

The Corporation of the Village of New Denver (the "Village") is a local government in the Province of British Columbia. The financial statements have been prepared in accordance with Canadian public sector accounting standards.

The following is a summary of the Village's significant accounting policies:

(a) Basis of Presentation

The Village's resources and operations are segregated into general, water funds and statutory and non-statutory reserve funds and reserves for future capital expenditures for accounting and financial reporting purposes. These financial statements include the accounts of all the funds of the Village. Inter-fund transactions and balances have been eliminated.

(b) Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues. Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the Village.

Grant revenues are recognized when the funding becomes receivable. Revenue unearned in the current period is recorded as deferred revenue.

(c) Deferred Revenue

Deferred revenue represents funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes as well as licenses, permits, other fees and grants which have been collected, but for which the related services have not been performed and or projects have not been constructed. These amounts will be recognized as revenues in the fiscal year in which they are used for the specified purpose, the services are performed and or the projects are constructed.

(d) Government Transfers

Government transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates can be made.

(e) Financial Instruments

The Village's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, and debt. It is management's opinion that the Village is not exposed to significant interest, currency, liquidity, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values.

(f) Interest and Actuarial Gains on Long Term Debt

The Village records interest expense on long-term debt on an accrual basis and actuarial gains when realized as a reduction of the principal balance.

(g) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and highly liquid temporary money market instruments.

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. Significant Accounting Policies (continued)

(h) Tangible Capital Assets

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

Land Improvements	15 to 20 years
Buildings	40 to 75 years
Fixtures, Furniture, Equipment and Vehicles	5 to 15 years
Roads and Paving	40 years
Bridges and Other Transportation Structures	10 to 100 years
Water Infrastructure	10 to 100 years

(i) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(j) Statutory Reserves

Statutory reserves are funds that have been restricted by council. Formal establishing bylaws have been adopted pursuant to the Community Charter, which define how these reserves are to be used.

(k) Liability for Contaminated Sites

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

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

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance, and monitoring that are an integral part of the remediation strategy for a contaminated site.

There are no liabilities to be recorded as at December 31, 2023.

(l) 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 revenues and expenses during the reporting period. Significant areas requiring estimates include the useful lives of tangible capital assets for amortization, future employee benefits, allowance for doubtful accounts, provision for contingencies, and timing and extent of future asset retirement obligations. Actual results could differ from management's best estimates as additional information becomes available in the future.

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

1. Significant Accounting Policies (continued)

(m) Budget

Budget data presented in these financial statements is based on the Village's Five Year Financial Plan for the years 2023-2027, adopted by Council on May 9, 2023.

(n) Segments

The Village conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the Village's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

(o) Asset retirement obligations

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the Village will be required to settle. The Village recognizes asset retirement obligations 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.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. The obligation is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

2. Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position are comprised of:

	2023	2022
Cash	\$ 2,036,520	\$ 2,146,626
MFA bond and money market funds	<u>30,583</u>	<u>29,111</u>
	<u>\$ 2,067,103</u>	<u>\$ 2,175,737</u>

Municipal Finance Authority (MFA) pooled investment funds are considered equivalent to cash because of their liquidity.

3. Accounts Receivable

	2023	2022
Property taxes	\$ 59,443	\$ 32,143
Utility billings	19,680	29,917
Other governments	28,865	70,441
Trade and other receivables	<u>566,606</u>	<u>335,100</u>
	<u>\$ 674,594</u>	<u>\$ 467,601</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

4. Municipal Finance Authority Debt Reserve Fund

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

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

Upon maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2023, the total of the Debt Reserve Fund was comprised of:

	2023 Cash Deposit	2023 Demand Note	2023 Total	2022 Total
General fund	\$ 6,326	\$ 18,586	\$ 24,912	\$ 24,721

5. Accounts Payable and Accrued Liabilities

	2023	2022
Trades payable	\$ 127,808	\$ 332,382
Accrued wages and benefits	29,950	13,161
Accrued interest	4,755	4,755
	<u>\$ 162,513</u>	<u>\$ 350,298</u>

6. Deferred Revenue

	Opening Balance	Contributions Received	Revenue Recognized	Ending Balance
Federal Gas tax grant*	\$ -	\$ 86,027	\$ (86,027)	\$ -
Growing Communities Fund *	\$ -	\$ 704,000	\$ (704,000)	\$ -
Federal government grants	35,755	222,487	(138,466)	119,776
BC Provincial grants	82,521	43,082	(86,164)	39,439
Other grants and contributions	550,254	400,961	(476,122)	475,093
	<u>\$ 668,530</u>	<u>\$ 1,456,557</u>	<u>\$ (1,490,779)</u>	<u>\$ 634,308</u>

* The Federal Gas tax grant and the Growing Communities Fund is recognized into revenue and immediately transferred into the Community Works fund and the Growing Communities Fund reserve, respectively.

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

7. Debt

Debt Bylaw #	Purpose of Bylaw	Interest rate %	Year of Maturity	Original Issue	2023 Balance	2022 Balance
General Purposes:						
577	Paving	1.99	2025	\$ 220,000	\$ 32,825	\$ 48,074
696	Fire truck	2.10	2031	255,000	149,944	166,315
Total Debt				\$ 475,000	\$ 182,769	\$ 214,389

Principal payments, including actuarial additions, for the next 5 years and thereafter are as follows:

	Total
2024	\$ 32,874
2025	34,181
2026	17,889
2027	17,889
2028	17,889
Thereafter	62,047
	<u>\$ 182,769</u>

8. Asset retirement obligations

Existing laws and regulations require the Village to take specific actions regarding the removal and disposal of certain capital assets at the end of their useful life. Following the adoption of the Public Sector Accounting Standard PS 3280 Asset Retirement Obligations, the Village recognized an obligation relating to the removal of these assets as estimated at January 1, 2023. The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings, sewer, and storm sewer infrastructure capital assets. The increase in capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

The Village has adopted the standard prospectively. Under the prospective method, the discount rate and assumptions used on initial recognition are those as of the date of adoption of the standard. Estimated costs totaling \$176,188 using an inflation rate of 3.5% have been discounted using a present value calculation with a discount rate of 4.73%. The discount rate used was based on borrowing rate for liabilities with similar risks and maturity. The timing of these expenditures is estimated to occur between 2024 and 2048 with the regular replacement, renovation, or disposal of assets. No recoveries are expected at this time.

The following is a summary of asset retirement obligation transactions for the year:

	2023	2022
Opening asset retirement obligation	\$ -	\$ -
Initial recognition of expected discounted cash flows	69,489	-
Increase due to accretion	3,287	-
Closing asset retirement obligation	<u>\$ 72,776</u>	<u>\$ -</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

9. Tangible Capital Assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2023 Net Book Value</u>	<u>2022 Net Book Value</u>
Land	\$ 1,221,201	\$ -	\$ 1,221,201	\$ 1,221,201
Buildings	2,239,727	655,173	1,584,554	1,121,558
Vehicles, equipment & furniture	1,777,490	846,771	930,719	907,869
Engineering structures	1,446,260	182,004	1,264,256	255,191
Transportation infrastructure	781,674	359,975	421,699	441,241
Water machinery & equipment	55,459	52,054	3,405	3,987
Water infrastructure	2,084,669	869,447	1,215,222	1,217,569
Assets under construction	<u>1,403,698</u>	<u>-</u>	<u>1,403,698</u>	<u>1,011,330</u>
	<u>\$ 11,010,178</u>	<u>\$ 2,965,424</u>	<u>\$ 8,044,754</u>	<u>\$ 6,179,946</u>

See Schedule A - Schedule of tangible capital assets for more information.

10. Accumulated Surplus

	<u>2023</u>	<u>2022</u>
Reserves		
Community works fund	\$ 358,157	\$ 335,877
Fire department equipment	181,639	58,445
Growing communities	587,107	-
Heritage preservation, maintenance & restoration	105,164	104,699
Machinery & equipment	14,802	22,879
Water capital	<u>61,185</u>	<u>359,587</u>
	<u>1,308,054</u>	<u>881,487</u>
General	382,633	483,282
Capital	7,340	7,340
Water	<u>261,708</u>	<u>262,274</u>
Operating surplus	<u>651,681</u>	<u>752,896</u>
Invested in tangible capital assets	<u>7,790,208</u>	<u>5,965,557</u>
Total Accumulated Surplus	<u>\$ 9,749,943</u>	<u>\$ 7,599,940</u>

11. Trust Funds

The Cemetery Care Trust Fund is not reported in these financial statements. The following is a summary of Trust Fund transactions for the year:

	<u>2023</u>	<u>2022</u>
Balances, beginning of year	\$ 12,861	\$ 12,593
Contributions received	210	215
Interest earned	<u>76</u>	<u>53</u>
Balances, end of year	<u>\$ 13,147</u>	<u>\$ 12,861</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

12. Taxes Levied For Other Paid Authorities

In addition to taxes levied for municipal purposes, the Village is legally obligated to collect and remit taxes levied for the following authorities. These collections and remittances are not recorded as revenue and expenses.

	2023	2022
Provincial Government - School taxes	\$ 315,200	\$ 268,891
Provincial Government - Police taxes	37,188	29,834
Regional District of Central Kootenay	151,790	123,267
West Kootenay Boundary Hospital District	27,952	25,562
British Columbia Assessment Authority	6,084	5,126
Municipal Finance Authority	35	28
	<u>\$ 538,249</u>	<u>\$ 452,708</u>

13. Pension Plan

The Village of New Denver 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 provided are based on a formula. As at December 31, 2023, 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 unfunded actuarial liability.

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

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.

The Village of New Denver paid \$28,377 (2022 - \$23,296) for employer contributions to the plan in fiscal 2023.

THE CORPORATION OF THE VILLAGE OF NEW DENVER
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2023

14. Commitments and Contingencies

Regional District debt

Regional District debt is under the provisions of the Community Charter of BC a direct, joint and several liability of the District and each member municipality within the District including the Village of New Denver.

Claims for Damages

In the normal course of a year the Village is faced with lawsuits and claims for damages of a diverse nature. The outcome of these claims cannot be reasonably determined at this time.

Reciprocal Insurance Exchange Agreement

The Village is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange agreement, the Village is assessed a premium and specific deductible based on population and claims experience. The obligation of the Village with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several and not joint and several. The Village irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other Subscriber may suffer.

15. Segments

The Village provides a range of services to its citizens. For each reported segment, the revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.

Refer to Schedule B - Schedule of Segmented Information

16. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statement is as follows:

	<u>2023</u>
Budget deficit per Statement of Operations	\$ 3,318,496
Less: Tangible capital expenditures	4,414,862
Debt principal repayments	20,364
Budgeted transfers to surplus and reserves	188,420
Add: Budgeted transfers from reserves and surplus	1,113,882
Amortization	<u>191,268</u>
Net annual budget	<u>\$ -</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER
SCHEDULE A - SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the Year Ended December 31, 2023

	Opening Balance	Additions & Reallocation of Assets Under Construction	Disposals	Closing Balance	Accumulated Amortization Opening Balance	Amortization Expense	Reduction on Disposals	Accumulated Amortization Closing Balance	Net Carrying Amount End of year
Tangible Capital Assets									
Land	\$ 1,221,201	\$ -	\$ -	\$ 1,221,201	\$ -	\$ -	\$ -	\$ -	\$ 1,221,201
Buildings	1,727,580	512,147	-	2,239,727	606,022	49,151	-	655,173	1,584,554
Vehicles, equipment & furniture	1,748,932	121,612	(93,054)	1,777,490	841,063	86,026	(80,318)	846,771	930,719
Engineering structures	408,990	1,037,270	-	1,446,260	153,799	28,205	-	182,004	1,264,256
Transportation infrastructure	781,674	-	-	781,674	340,433	19,542	-	359,975	421,699
Water machinery & equipment	55,459	-	-	55,459	51,472	582	-	52,054	3,405
Water infrastructure	2,051,658	33,011	-	2,084,669	834,089	35,358	-	869,447	1,215,222
<u>Assets under construction</u>	<u>1,011,330</u>	<u>392,368</u>	<u>-</u>	<u>1,403,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,403,698</u>
Total	\$ 9,006,824	\$ 2,096,408	\$ (93,054)	\$ 11,010,178	\$ 2,826,878	\$ 218,864	\$ (80,318)	\$ 2,965,424	\$ 8,044,754

THE CORPORATION OF THE VILLAGE OF NEW DENVER
SCHEDULE B - SCHEDULE OF SEGMENTED INFORMATION

For the Year Ended December 31, 2023

	General Government	Protective Services	Transportation Services	Environmental Health Services	Public Health Services	Parks & Recreation	Water Utility	2023 Total
Revenues								
Taxes	\$ 386,299	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386,299
Sales of Service	-	-	-	88,465	1,190	141,590	9,846	241,091
Other revenue from own services	57,288	-	-	-	-	54,483	-	111,771
Investment income	22,482	-	-	-	-	-	-	22,482
Government transfers - unconditional	334,000	-	-	-	-	-	-	334,000
Government transfers - conditional	546,268	128,989	352,304	-	17,852	1,146,792	200,000	2,392,205
Water user fees	-	-	-	-	-	-	174,522	174,522
Gain on sale of assets	-	-	13,421	-	-	-	-	13,421
	<u>1,346,337</u>	<u>128,989</u>	<u>365,725</u>	<u>88,465</u>	<u>19,042</u>	<u>1,342,865</u>	<u>384,368</u>	<u>3,675,791</u>
Expenditures								
Wages and benefits	195,251	25,182	53,345	30,671	12,083	105,403	71,679	493,614
Supplies and services	273,335	95,035	151,784	50,360	8,394	179,520	41,862	800,290
Interest and other debt charges	-	4,378	5,355	-	-	-	-	9,733
Amortization	28,484	45,994	53,283	9,763	-	45,400	35,940	218,864
Accretion	1,726	-	-	-	-	-	1,561	3,287
	<u>498,796</u>	<u>170,589</u>	<u>263,767</u>	<u>90,794</u>	<u>20,477</u>	<u>330,323</u>	<u>151,042</u>	<u>1,525,788</u>
Annual Surplus (Deficit)	<u>\$ 847,541</u>	<u>\$ (41,600)</u>	<u>\$ 101,958</u>	<u>\$ (2,329)</u>	<u>\$ (1,435)</u>	<u>\$ 1,012,542</u>	<u>\$ 233,326</u>	<u>\$ 2,150,003</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER
SCHEDULE C - GROWING COMMUNITIES FUND RECONCILIATION
December 31, 2023

Province of BC Growing Communities Fund reconciliation

The following is a summary of fund transactions for the current year:

	<u>2023</u>
Growing Communities Fund opening balance	\$ -
Initial funds	704,000
Interest earned during the year	1,453
Less: Eligible use of funds	118,346
Remaining grant	\$ <u>587,107</u>

THE CORPORATION OF THE VILLAGE OF NEW DENVER
EXHIBIT 1 - PROVINCE OF BC GRANT RECONCILIATIONS (UNAUDITED)
December 31, 2023

Province of BC COVID-19 Restart Grant reconciliation

The following is a summary of grant transactions for the current year:

	<u>2023</u>
COVID-19 Restart Grant - Opening balance	\$ 115,616
Less grant recognition:	
Revenue shortfalls	-
Facility reopening & operating costs	115,616
Emergency planning & response costs	-
Computer & other electronic technology costs	-
Other related costs	<u>-</u>
Remaining grant	<u>\$ -</u>

Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

SCHEDULE OF DEBT

Information on all long term debt is included in the Audited Financial Statements of The Corporation of the Village of New Denver.

Prepared as required by *Financial Information Regulation*, Schedule 1, section 4

Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The Corporation of the Village of New Denver has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Prepared under the Financial Information Regulation, Schedule 1, section 5

Statement of Financial Information (SOFI)

THE CORPORATION OF THE VILLAGE OF NEW DENVER

Fiscal Year Ended December 31, 2023

STATEMENT OF SEVERANCE AGREEMENTS

There were no severance agreements made between The Corporation of the Village of New Denver and its employees during the fiscal year ended December 31, 2023

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

THE CORPORATION OF THE VILLAGE OF NEW DENVER
SCHEDULE OF REMUNERATION AND EXPENSE
YEAR ENDED DECEMBER 31, 2023

NAME		REMUNERATION	EXPENSE
ELECTED OFFICIALS	POSITION		
Casley, Leonard	Mayor	\$ 5,670	\$ -
Fyke, John	Councillor	3,220	-
Hammond, Danika	Councillor	3,220	4,146
Law, Casey	Councillor	3,220	-
Moss, Colin	Councillor	3,220	1,900
TOTAL ELECTED OFFICIALS		<u>18,550</u>	<u>6,046</u>
DETAILED EMPLOYEES > \$75,000			
Scott, Lisa		90,265	4,898
		<u>90,265</u>	<u>4,898</u>
TOTAL EMPLOYEES <= \$75,000		<u>494,013</u>	<u>6,604</u>
TOTAL		<u><u>\$ 602,829</u></u>	<u><u>\$ 17,548</u></u>
TOTAL EMPLOYER PREMIUM FOR CPP/EI			\$ 40,845

THE CORPORATION OF THE VILLAGE OF NEW DENVER
SCHEDULE OF PAYMENTS TO SUPPLIERS OF GOODS AND SERVICES
YEAR ENDED DECEMBER 31, 2023

DETAILED SUPPLIERS >\$25,000

<u>SUPPLIER NAME</u>	<u>EXPENSE</u>
Arrow Refrigeration Services Ltd.	\$ 26,559
Barefoot Planning Ltd.	37,338
BC Hydro & Power Authority	53,974
Brenton Industries Ltd.	216,137
City of Nelson	34,913
Cover Architectural Collaborative Inc.	25,116
Hart Roofing Ltd.	100,641
Holeshot Originals	25,991
JR Drilling Ltd.	386,214
Kate James	53,415
Kays Road Contracting Ltd.	450,930
Lyons Landscaping Ltd.	67,138
Madden Timber Construction Inc.	59,834
Mick's Plumbing & Maintenance	35,354
Municipal Insurance Association of BC	39,941
Nor-Mar Industries Ltd.	74,001
Regional District of Central Kootenay	99,569
Sensible Solutions Inc	35,626
Silverton Building Supply	70,091
Silverton Transport Limited	155,113
True Consulting	165,694
Western Water Associates Ltd.	54,518
Wired by Alex Electrical Contracting Ltd.	31,349
TOTAL DETAILED SUPPLIERS >\$25,000	2,299,456
TOTAL SUPPLIERS <= \$25,000	693,791
TOTAL SUPPLIERS	2,993,247
GRANTS AND CONTRIBUTIONS >\$25,000	
TOTAL PAYMENTS, GRANTS AND CONTRIBUTIONS	\$ 2,993,247

Prepared under the Financial Information Regulation, Schedule 1, section 7(1) and (2)

The Corporation of the Village of New Denver
PAYMENT TO FINANCIAL STATEMENT RECONCILIATION
Fiscal Year Ended December 31, 2023

S.O.F.I. Report Scheduled Payments

Remuneration	\$ 602,829	
Employee Expenses	17,548	
Employer CPP/EI	<u>40,845</u>	\$ 661,222

Payments for Goods and Services	<u>2,993,247</u>
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Total of Scheduled Payments	<u>\$ 3,654,468</u>
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Total of Financial Statement Expenditures	<u>\$ 1,525,788</u>
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The difference between the Total of Scheduled Payments and the Total Financial Statements Expenditures are due to:

- Adjustments to account for the difference between payments made on a cash basis, and the audited financial statements reporting expenditures on an accrual basis of accounting. This would include adjustments for opening and closing balances of inventories, prepaid expenses, and accrued liabilities.
- List of payments to suppliers include 100% GST while the expenditures in the financial statements are net of the applicable GST rebate.
- Capital expenditures are shown as payments to the vendor in this report. However, the total financial statement expenditures do not reflect these payments as they report amortization of all the capital assets.
- The Schedule of Payments of Goods and Services may include payments made on behalf of third parties, which are recovered from these parties and the expense is excluded from the Financial Statements.
- Payments to some suppliers may be reported directly to the Balance Sheet and therefore are not reported as expenditures