

The Corporation of the
Village of Ashcroft

Wellness Awaits You



Annual Report

2017

Table of Contents

| | |
|---|---------------------------|
| <i>Mayor's Message</i> | <i>Page 1</i> |
| <i>Mayor & Council</i> | <i>Page 2</i> |
| <i>Mission Statement & Guiding Principles</i> | <i>Page 3</i> |
| <i>Committees & Departments</i> | <i>Page 4</i> |
| <i>Review of 2017 Priorities</i> | |
| <i>Infrastructure & Services</i> | <i>Pages 5—6</i> |
| <i>Manage Economic Development</i> | <i>Pages 7– 8</i> |
| <i>Maintain Financial Sustainability</i> | <i>Page 8</i> |
| <i>Community Relations</i> | <i>Page 9</i> |
| <i>Public Education</i> | <i>Pages 9—10</i> |
| <i>Departmental Reviews for 2017</i> | <i>Pages 10—12</i> |
| <i>2018 Goals and Objectives</i> | <i>Pages 13—17</i> |
| <i>2017 Special Presentations & Guests</i> | <i>Page 18</i> |
| <i>2017 Committee of the Whole Presenters</i> | <i>Page 19</i> |
| <i>2017 Community Calendar of Events</i> | <i>Pages 20—22</i> |
| <i>Appendix 1: Tax Exemptions for 2017</i> | <i>Page 23</i> |
| <i>Appendix 2: Declarations of Disqualifications</i> | <i>Page 24</i> |
| <i>Appendix 3: Audited Financial Statements</i> | <i>Pages 25—53</i> |

Mayor's Message



As in the past, the year has gone by quickly and it is time to present our 2017 Annual Report. As you have heard at various meetings we continue to maintain a solid financial footing and have undertaken a number of projects over the past 12 months.

2017 was a challenging year and one that we won't quickly forget. The firestorm on Friday, July 7th took all of us by surprise by its ferocity and the speed at which it moved. We were fortunate that we suffered relatively little damage but the devastation to all of our neighbours was horrific. For Ashcroft residents, being without power until late Saturday was something we had never experienced before and the loss of landline telephone and cell service as well as internet service compounded the challenges.

The community rose to the occasion and supported each other, and our neighbours, with grace and generosity. The hospital and long term care/seniors' homes were evacuated to Merritt and other areas considered out of the fire zone. Businesses provided food and services to those who stayed behind and to the emergency responders and work crews who were working long days to bring power and phone services back to our town. The food bank received an overwhelming amount of donations and CP and Loblaw's provided a semi-truck load of bottled water for our area. We witnessed first-hand the amazing acts of human kindness that are brought out during disasters.

Council recognizes that there were some situations that had not been considered in the past including the lack of backup generators for essential services. A policy has been developed to ensure that information is provided to residents and planning for backup power at the Village Office, Water Treatment Plant and other locations is ongoing.

Healthcare continues to be a concern for our residents however we were very pleased that Interior Health had been successful in recruiting a third full time physician. Council continues to lobby at every opportunity to maintain and increase services at the hospital and health care site. We met with a number of Cabinet Ministers at the annual UBCM to move forward our agenda of progress.

Council has seen significant economic growth in the community over the past year. We are nearing completion of the review of the Official Community Plan and Zoning Bylaw, legislation that will enable us to proceed with the development of new subdivision and housing opportunities. We continue to move forward with the Water Treatment Plant and upgrades to the Waste Water Treatment Plant. We have new businesses developing and current businesses are upgrading and expanding.

On behalf of Council, we appreciate the trust placed in us and will continue to work diligently to ensure a safe community and one where "Wellness Awaits You".

Sincerely,

Jack Jeyes

John C. (Jack) Jeyes,
Mayor



Mayor & Council

2017



*Left to Right:
Councillor Helen Kormendy, Councillor Doreen Lambert
Mayor Jack Jeyes,
Councillor Barbara Roden and Councillor Alf Trill*

The Village of Ashcroft Mission Statement:

The Village of Ashcroft is a welcoming, safe and attractive community characterized by an exceptional climate and a strong sense of history and opportunity.

As stewards of the community, Village Council is committed to providing accountable leadership by addressing our fiscal reality through strategic planning and building effective relationships.

The Village of Ashcroft Vision Statement:

“The Village of Ashcroft is a welcoming, safe and attractive community where citizens have a strong sense of wellbeing, embrace their history, and believe in their future.”

The Village of Ashcroft Mission:

“To Increase our Potential.”

The Village of Guiding Principles:

“As Stewards of the Public Trust, we serve All Citizens in a fair and transparent manner through:

- ◆ Accountable Leadership*
- ◆ Financial Sustainability*
- ◆ Social Responsibility*
- ◆ Balanced Decision Making.”*

“We will act with Integrity, Fairness and Compassion.”

COUNCIL COMMITTEE CHAIRS

Finance Committee

Mayor Jeyes
Councillor Kormendy & Councillor Roden

Wellness & Music (Kids) Festival Committee

Councillor Trill

Northern Development Initiative Trust

Councillor Trill

Thompson Nicola Regional District

Mayor Jeyes

Heritage Committee

Councillor Roden

Communities in Bloom

Councillor Trill

Health Care

Mayor Jeyes

School District Liaison

Councillor Lambert

Tourism Committee

Councillor Roden

Gold Country Communities Society

Councillor Trill

Historic Hat Creek

Mayor Jeyes

Transit Committee

Councillor Kormendy

Seniors' Liaison

Councillor Lambert

Bifuka Sister City Relationship

Councillor Kormendy &
Councillor Lambert

Economic Development & Chamber of Commerce Committee

Councillor Roden

Cache Creek Environmental Assessment Committee

Mayor Jeyes

OPERATION DEPARTMENTS

Administration

Michelle Allen, Chief Administrative Officer
Yoginder Bhalla, Chief Financial Officer
Wayne Robinson, Deputy Corporate Officer

Public Works/Recreation

Brian Bennewith, Foreman
Ed Aie, Charge Hand

Review for 2017

A number of priorities were identified for 2017 and the status of their development is outlined below:

Infrastructure & Services

1. **Water Treatment Plant Development**

The Village has finalized the design for the membrane filtration system and the building. Highlights of the building include energy efficient technology and the inclusion of new washrooms for the Legacy Park Campground. The facility will have back up generation in the event of an extended power outage. The Village carried out a Pre-Qualification process in 2017 with five contractors being selected

for the project. Bid packages will be sent out in early 2018. Building construction is expected to be completed in 2018 and commissioning will take place early in 2019.



2. **Waste Water Treatment Plant**

The Village was successful in our grant application to assist with upgrades at the Waste Water Treatment Plant. Upgrades include replacing the drying table with a modern centrifuge and upgrades to the HVAC equipment. In addition, plans include a conveyor belt to move the dried sludge over the building into the outdoor drying area. The design was completed by the end of 2017 and the contract is expected to be awarded in early 2018.

3. **Asset Management Program**

The first draft of the asset management plan was expected to be completed in 2017 however gathering the data was more complex than expected and the project will be extended into 2018. The Chief Financial Officer has been working closely with Urban Systems Ltd. to develop a custom program that will be easily accessed by staff and crew. The data will provide Council with a valuable planning tool regarding asset management and prioritizing asset replacement.

4. **Ashcroft Museum**

The HVAC system at the Ashcroft Museum was completely replaced with more reliable and energy efficient units. This is important to preserve the integrity of the artifacts that are stored in the museum. Air conditioning in the warmer months will be more inviting to visitors and will serve as a welcome respite from the extreme summer heat.

In addition there have been some safety upgrades with the back stairs being replaced and emergency escape routes have been posted within the museum.



5. **Drylands Arena**

The Village was successful in our funding application for energy efficient upgrades at the arena. The project included replacing the lights over the playing surface, replacing the heaters for spectators in the bleachers and upgrades to the ice plant system.

The project was completed prior to the season opening in October 2017 and all users commented on the improved lighting. The Village hosted a number of tournaments and special events this year and the improved heating system made it much more enjoyable for attendees.



6. **Historic Fire Hall**

The Village was successful in receiving funding to upgrade the Historic Fire Hall and turn it into a formal museum/historical site. Upgrades included installing new siding, doors and windows as well as improved lighting. The interior displays include the history of the fire department and the evolution of fire equipment over the years.

Manage Economic Development

1. **Highway Signage**

The Village did not proceed with developing and installing highway signs during 2017.

2. **Update of Official Community Plan and Zoning Bylaws**

The Village undertook a number of community engagement sessions in order to learn what direction residents want to see the Village take. This input is vital for Council to consider as they develop plans to determine what the Village will look like 5, 10 or 20 years from now.

The Village undertook 2 community surveys which had an excellent response rate and provided a good cross section of opinions and concerns.

The Village struck an OCP Committee that is made up of 7 residents that represent a broad cross section from the community. Members represent students, young families, business community, agriculture community and the manufacturing sector. The committee is reviewing the OCP document and will continue with this project into 2018. The committee expects to have their report to Council in the summer of 2018.



Backyard Chickens?



Land Use & Planning



Industrial Zones

3. **Business Walk**

The Village did not proceed with the Business Walk. They expect to have a similar event in 2018.

4. **Mosaic Development**

The Village continues to work towards the completion of the Harmony Bell Project. The fire events during the summer of 2017 delayed the project however installation is scheduled for late spring or early summer of 2018.

5. **Quest Upon**

The Village launched their Quest Upon project in June and it has been embraced by locals and visitors. The Village had information cards printed that assisted first time users. The Village will continue to market this fun, educational and interactive experience.




Historic Ashcroft

Ashcroft's significant and colourful history comes to life in the real world with geocaching, mini-games, trivia, 3D augmented reality, and more.

TO GET STARTED:

- 1 FREE DOWNLOAD 'QuestUpon'
Available on the  App Store  Google Play
- 2 SELECT 'Historic Ashcroft' quest.

Learn more at QuestUpon.com

Manage Economic Development (continued)

6. **Para-Transit System**

The Village, along with their transit partners, continue to market the service for both scheduled use as well as after hour special services. Following a request by the users to include a monthly trip to 100 Mile House this service was implemented late in the year and has proven to be very popular.

7. **Support Local Producers**

The Village continues to support local producers by ensuring that gift baskets contain local products. In addition the Village participated in the Radio Road Trip, a program that had a Vancouver radio station broadcast live from Ashcroft as they enjoyed a day of local activities and visited businesses. The target audience is lower mainland residents and the goal is to encourage them to visit our area. Due to the fires the tourism potential was not realized from this program but Council expects to participate again in 2018.

The Village was a sponsor of the Buy Local! Buy Fresh! Program and the Ashcroft and District Fall Fair but both of these programs' potential were not reached due to the fires.

Maintain Financial Sustainability

1. **Capital Projects**

The Village has undertaken a large number of capital projects during 2017 and they have been delivered on time and on or under budget. Work programs for the Water Treatment Plant Project and the upgrades at the Waste Water Treatment Plant have been posted on the website to ensure that residents have access to all of the information.

2. **Solid Waste User Fees**

The implementation of tipping fees at the TNRD Transfer Station had a financial impact on the overall solid waste collection budget. Staff reviewed these fees with Council and the budget was amended accordingly. Recycling will continue to be promoted to ensure the minimum amount of waste is taken to the landfill thereby minimizing the cost of tipping fees.

3. **Water & Sewer Systems**

The Village is implementing increases to the water and sewer system over a five year period. The increases, along with efficiencies within the systems, are ensuring that the systems are self-funding. Council has eliminated the seniors discount by gradually decreasing the discount over a period of years. An extensive public education program was in place to ensure residents were aware of these changes.

4. **Development Strategy on Financial Reporting**

The Asset Management Plan is nearing completion. Council has approved having their monthly reports presented to them in an on-line format developed by the Chief Financial Officer. The new format allows Council and staff to track budgets and projects on a monthly basis and reports can be customized to each users needs.

Community Relations

1. **Business Walk**

Council was unable to complete this project but will carry out a similar function in 2018. The fire events during the summer impacted the business community and Council will endeavor to develop a program that will provide assistance to them.

2. **Tour of Ashcroft Terminal**

Council and the owners of Ashcroft Terminal hosted a number of local government representatives at Ashcroft Terminal in June. Approximately 20 people attended and were treated to a personal tour of the site and lunch. The event provided attendees with a greater understanding of the overall plan and future opportunities that are available to our local industries.

3. **Communities in Bloom**

The Village continues to support the local Communities In Bloom Committee with an annual grant. In addition, Council and senior staff have a friendly challenge as to who can plant the best barrel with the winner being chosen by the judges during their annual visit. The committee participated in the Circle of Champions Division and were awarded 5 blooms—bronze with a special merit for community involvement. In addition they were awarded an Outstanding Achievement Award for heritage conservation at the National Symposium held in Ottawa.

4. **Community Event**

The Village hosted a community barbecue in June to Celebrate Canada's 150th birthday and the 65th anniversary of incorporation for the Village. Council served the residents as a thank you for their support and commitment to the community. It was well attended and will become an annual kick off to summer for our residents .

Public Education

1. **Liaison with Desert Sands Community School**

The Village has met with the Board of Education and advised that they and senior staff are willing to meet with students to explain the role of local governments. The crew hosted primary students at the public works shop as well as the museum.

2. **OCP/Zoning Bylaws**

The Village engaged Urban Systems Ltd. to assist with the redevelopment of these key planning documents. As part of the public engagement process USL staff spent 4 days in the community meeting with various groups, organizations and individuals. They met with a group of high school students who expressed an interest in local government and included one student on the bylaw review committee.

3. **Water Treatment Plant**

The Village continues to provide regular updates on the status of the water treatment plant project. We have developed a web page dedicated to the work programs and progress reports and have had the engineers present at the bi-annual Community forums.

Public Education (continued)

4. Ashcroft Indian Band

The Village continues to liaise with the Ashcroft Indian Band to ensure that they are aware of various projects that we are working on. We are continuing our discussions with an ultimate goal of providing drinking water to their residents. This project is ongoing and involves a number of different agencies and Ministries.

Departmental Reviews for 2017

1. Council

Council attended the Southern Interior Local Government Association conference and Union of BC Municipalities convention. Council met with a number of Cabinet Ministers to promote the development of the McAbee Fossil Beds, promote the Ashcroft Terminal development and share concerns with local students not being able to obtain post secondary education within our community. Council also met with BC Assessment Authority to discuss the current values in Ashcroft and evolving trends.

Council met with MP Jati Sidhu and MLA Jackie Tegart to discuss various items of concern and to seek support for funding applications.

2017 brought a number of local emergencies to our area and Council provided support to our emergency responders as well as to our neighbours. The Village was fortunate that we did not lose structures or lives during the fires however everyone around us were not as lucky. Village staff and resources were dispatched to assist where ever they were needed.

During 2017 Council struck a committee to review the development of an Off Leash Dog Park within the Village. This group of volunteers has met with a number of community groups and will be presenting their report to Council in 2018.

During 2017 Council struck a committee to review the future of the Ashcroft & District Curling Club. The Club has experienced a continuous decrease in membership and are finding it difficult to meet their financial obligations. The committee will review the current situation as well as investigate options for moving forward.

Council authorized and directed a number of capital projects during 2017 which saw upgrades carried out at the Historic Fire Hall, the Ashcroft Museum, Drylands Arena and the Waste Water Treatment Plant.



Departmental Reviews for 2017 (continued)

2. Administration

There were no changes to personnel in this department during 2017 however the staff was busy with a number of projects.

All of the capital projects for 2017 were completed on time and within budget. Staff liaised with Council throughout the projects to ensure that they were aware of the project development. The Chief Financial Officer developed a new financial statement system that allows Council and staff to review the status of the GL accounts as they require and with much more detail than was previously available.

Staff developed a new Subdivision Guide and Application package. This document will walk residents through the process of subdividing their property and the associated costs. A number of by-laws were updated and research has been started on a number of other documents.

Staff updated the Façade Improvement Program guide for businesses that are looking to do some upgrades. The funding for this program is provided through the Northern Development Initiative Trust (NDIT). Another NDIT program that staff devoted significant time to is the Love Ashcroft program. Participants are provided with a professionally designed website and a number of promotions throughout the year. Council endeavours to promote these businesses whenever possible by showcasing their products in gift baskets and give aways.

Staff provides support services to the volunteers who operate the Visitors Centre throughout the summer as well as to the Transit system.

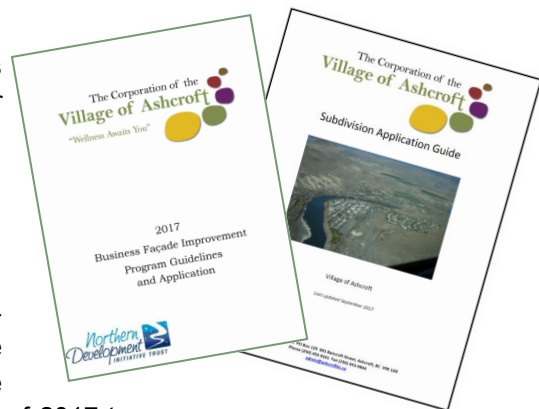
3. Public Works

There were no changes to personnel in this department however they continue to be involved in the development of the water treatment plant. The Village installed a membrane filtration pilot system in the spring of 2017 to ensure that the product chosen for the new plant would meet our requirements. Turbidity hit an all time high of over 80 NTU's for the water going into the membrane and once it was processed the turbidity was less than 0.01 NTU's. This provided the assurance for Council that the correct product had been chosen

The crew continues to receive regular safety training sessions and attends relevant conferences throughout the year.

Watering restrictions were implemented in 2016 and we continue to see a dramatic decrease in the overall use of water during the warmer months. Residents complied with the program with few exceptions. To assist residents with determining watering levels, the Village provided water conservation kits that included a water meter, watering gauge and smart water use tips.

The crew purchased a new dump truck and the old one will be disposed of during 2018.



4. **Recreation**

The Village continues to offer a wide variety of recreational activities to our residents. Minor Hockey continues to grow in numbers. The Vancouver Canucks brought their *Learn to Play* program to Ashcroft and sponsored 30 children who had never played hockey before. In addition members of the Canucks Alumni were in town to promote hockey. The Village hosted a number of hockey tournaments over the year. Public skating numbers increased during the season and adult programs are well received.



The swimming pool continues to be well used with lessons well received. The Junior Lifeguard program is successful with “graduates” becoming guards once they obtain the training. The Village provides free use of the pool to the K-6 classes at Desert Sands Community School to encourage water safety.

The number of participants in minor soccer and minor hockey have continued to increase. Both groups held very successful tournaments, hosting a number of local and visiting teams. All comments were very positive and our facilities receive many compliments.

The Village undertook a number of upgrades to the arena in 2017 that included new LED lights over the playing surface, new heaters for the spectators and new controls for the ice plant. The hot tub at the swimming pool was taken out of service due to leaks and this will be reviewed in 2018 with a budget and work program brought before Council

5. **Fire Department**

The members of the Fire Department faced a number of challenges during 2017 including the death of a number of local residents by carbon monoxide poisoning, accidents and the drowning of Cache Creek Fire Chief Clayton Cassidy. The Ashcroft department provided support and coverage to Cache Creek during this tragedy.

In July the Elephant Hill Wildfire erupted and while the Village did not suffer any losses all of the areas around us lost homes and buildings. The Ashcroft department continued to provide back up services to Cache Creek, Ashcroft Indian Band and TNRD during this fire. Once the fire was contained in our area we deployed a crew to a more northern location to provide backup and relief services to fire departments in that area.

The Ashcroft Volunteer Fire Department continues to be active within the community, participating in community events and parades. They hosted a Slo-Pitch Tournament in 2017 that was well attended and earned the department extra funds for special projects.

The number of members remains stable and we have an active Junior Fire Fighting roster.

2018 Goals and Objectives

The development of a strategic plan identified the following goals and objectives for 20178

1. Economic Development
2. Infrastructure & Services
3. Community Relations
4. Public Education

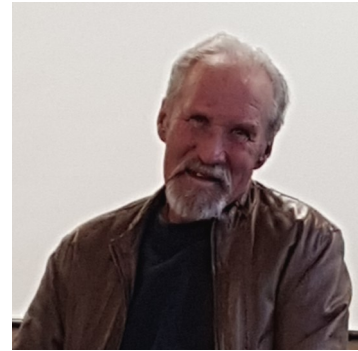
| 2018 Major Objectives | 2018 Strategies | 2018 Measures |
|-------------------------|---|---|
| 1. Economic Development | <ul style="list-style-type: none"> ◆ Update OCP and Zoning Bylaws ◆ Bead Trail Promotion ◆ Council/Business Outreach Program | <p>The Village will receive the report from the OCP Select Committee of Council and will review their recommendations. Final OCP and Zoning Bylaws will be prepared and a Public Hearing will be held to permit final input on the process.</p> <p>The bylaws are expected to be adopted by late summer 2018.</p> <p>The Village will participate in the Bead Trail Promotion as presented by Gold Country Communities Society. The Village will investigate having a custom bead in the shape of the old fire hall designed and developed.</p> <p>Council will hold a modified Mayor's Business Walk in 2018. Following the fires of 2017 businesses have been inundated with surveys and questionnaires and Council does not wish to add to this pressure. Instead Council will visit each business in the downtown core with a small gift and an information package and encourage them to contact the Village if they have questions or request assistance.</p> |
| | | |

| 2018 Major Objectives | 2018 Strategies | 2018 Measures |
|-------------------------------|---|---|
| 1. Economic Development cont. | <ul style="list-style-type: none"> ◆ Ashcroft Terminal ◆ Northern Development Initiative Trust Programs | <p>The Ashcroft Terminal has applied for a significant grant under the National Trade Corridors Fund. The project will extend track as well as provide inter modal infrastructure which will assist in the movement of goods across the country. If they are successful this will be a huge benefit to the Village and will result in hundreds of jobs.</p> <p>The Village will continue to apply for and participate in all of the NDIT programs that provide a benefit to our community. Programs include Love Ashcroft, Façade Improvement and Economic Capacity Building.</p> |
| 2. Infrastructure & Services | <ul style="list-style-type: none"> ◆ Water Treatment Plant Development ◆ Sewage Treatment Plant ◆ Asset Management Program | <p>The Village has tendered the construction of the building for the Water Treatment Plant and construction will commence late Spring 2018. Commissioning is expected to take place early spring 2019, hopefully in time to avoid Water Quality Advisories or Boil Water Notices.</p> <p>The Village was successful in their application to the Clean Water and Wastewater Fund. The project includes a new centrifuge to replace the drying table and HVAC upgrades to improve working conditions for employees. Completion is expected in late 2018.</p> <p>The first draft of the plan will be completed and presented to Council in 2018. The document will provide Council with detailed information to develop a long term plan for asset repairs, maintenance and replacement. The document will be updated regularly.</p> |

| 2018 Major Objectives | 2018 Strategies | 2018 Measures |
|------------------------------------|--|--|
| 2. Infrastructure & Services cont. | <ul style="list-style-type: none"> ◆ Sidewalks ◆ Hot Tub at Swimming Pool ◆ Drylands Arena Upgrades | <p>The Village will continue to inspect and replace sidewalks on a priority basis.</p> <p>The Village will obtain quotes and work programs to repair the hot tub at the pool. The tub is used by a wide demographic however until the leaks are remedied it has been taken out of service. No repairs will be carried out prior to the pool opening in 2018 but may be done in the fall depending upon the work programs presented.</p> <p>The Village has been advised by Work Safe BC and the Technical Safety Branch that our chiller and other items were outdated. Staff has obtained the necessary quotes and the upgrades will be completed prior to the arena opening in the fall of 2018.</p> |
| 3. Community Relations | <ul style="list-style-type: none"> ◆ Harmony Bell Project ◆ Off Leash Dog Park | <p>The Village has been working with other community groups on the Harmony Bell Project. This will be completed in late spring 2018 and a celebration and ribbon cutting will be held.</p> <p>The Village struck a Select Committee to review the suggestion of developing an Off Leash Dog Park within the Village. The committee has done a significant amount of community out reach and will be presenting their report to Council by the summer of 2018.</p> |
| | | |

| 2018 Major Objectives | 2018 Strategies | 2018 Measures |
|------------------------------|---|--|
| 3. Community Relations cont. | <ul style="list-style-type: none"> ◆ Community Events ◆ Promotion of Ashcroft Indian Band Recreational Facilities | <p>The Village will continue to hold an annual Community Appreciation Barbecue. Council will host the event on a Saturday in June and will offer hot dogs, hamburgers and cake to participants. It is an opportunity for residents to come out and visit with one another.</p> <p>Ashcroft Indian Band has developed ball fields and a walking track and are encouraging all area residents to use them. The Village will promote these facilities when possible.</p> |
| 4. Public Education | <ul style="list-style-type: none"> ◆ Updates to Solid Waste and Recycling Programs | <p>The Village continues to experience changes with the solid waste collection and recycling. The institution of tipping fees has a financial impact on the Village and we continue to encourage residents to recycle to reduce the volume being deposited in the landfill.</p> <p>Recycling will undergo significant changes in 2018 as the materials are no longer being sent to China for processing. The TNRD has advised that they may have to close unattended recycling depots and have much higher quality standards for 2018. Council will continue to provide updates to the residents as changes are brought forward.</p> |
| | | |

SPECIAL PRESENTATIONS AND GUESTS



2017 Committee of the Whole Presenters

Every month Council has a Committee of the Whole meeting where local citizens or invited guests can provide council with information on a variety of topics. The list of presenters for 2017 included a wide range of topics including the following:

- ◆ Sgt. Kat Thain provided an update on the overall operations at the detachment
- ◆ Don Cram brought forward to Council concerns that he had heard while campaigning during the recent by-election including sidewalks, transit and garbage receptacles
- ◆ Anne Marie McLean asked Council to consider planting more trees, installing more benches and establishing bike paths throughout the community
- ◆ Mike LoVecchio of CP Rail provided Council with an update on the January derailment and the status of the clean up
- ◆ John Pierro requested Council's support for a Bonaparte Pow Wow in the arena
- ◆ Larry Van Leest brought forward concerns relating to the decreased air quality due to indoor wood burning stoves
- ◆ Ray Bewza was following up on his letter from the Ombudsperson's Office regarding the water treatment plant project and village finances
- ◆ Hilda Jones appeared on behalf of the Ashcroft & District Curling Club and provided an update on the operations and number of members
- ◆ Philip Snyman and Rae Samson from Interior Health provided Council with information on the public health drug overdose epidemic
- ◆ Elsy LePage of Interior Roads provided a bi-annual update for Council and answered questions relating to highways maintenance in our area
- ◆ South Cariboo Minor Soccer Association appeared before Council to discuss the increase in their numbers and challenges with not enough soccer fields
- ◆ Ashcroft Fire Department Chief White and Deputy Chief Anderson provided Council with a summary of their activities and involvement in the Elephant Hill Wildfire, the search for Cache Creek's Fire Chief and other fatalities within the area
- ◆ Deb Arnott presented Council with a map of the various mosaics that have been installed throughout the community. She also provided an update on the McAbee Fossil Bed Working Group project
- ◆ Berni Easson and Kerry McLean-Small from Interior Health provided Council with an update on the new doctor and overall operations at the health care site
- ◆ Andrea Walker, Chair of the local CIB committee presented Council with the certificate from the 2017 National Awards
- ◆ Leif Douglass & Cole Hickson of Thompson Rivers University Students Union requested Council to support their quest to have the funding formula reviewed
- ◆ Dylan Houlihan and Dan Penner provided Council with a summary of their "OCP In A Week"

2017 Community Calendar of Events

January

- Drop In Ice Hockey and Public Skating at Drylands Arena
- Family Literacy Week and Free Family Skate at Drylands Arena
- Seniors and League Curling at Ashcroft Curling Club

February

- Off Leash Dog Park Select Committee of Council formed
- Drop In Hockey and Public Skating at Drylands Arena

March

- Heritage Week Celebration
- Ashcroft Hockey Association Tournament at Drylands Arena
- Atom Division Minor Hockey Tournament

April

- 50th Annual Art Show
- Village of Ashcroft Community Forum
- Museum Opens for Season
- Seniors Annual Strawberry Tea
- Communities in Bloom Annual Plant Swap
- Village provides free spring clean up
- Sage Sound Singers presents Spring Concert—Tribute to Broadway

2017 Community Calendar of Events (continued)

May

- Harlem Ambassador's Play at Desert Sands Community School
- Mother's Day Fly In at Airport
- Ashcroft Town Hall Meeting
- Ashcroft Pool Opens for the Season
- Plein Air Paint Out
- Walk with Your Doc Event
- BC Water Week
- Krush Dance Company spring recital
- Legacy Park Campground opens for the season

June

- Ashcroft Elementary School PAC Fun Fair
- Ashcroft & District Lions Club Annual Skip's Run
- Ashcroft Visitor's Centre opens in new location at Heritage Place Park
- Village Council hosts Community Appreciation Barbecue
- WRAPS hosts Music in the Park

July

- Canada Day Celebrations at Ashcroft Pool Park
- Kids TRYathlon
- Music in the Park begins
- Ashcroft Art Walk
- Communities in Bloom Judges tour our community
- Moonlight Movie Night in Ashcroft Pool Park

August

- WRAPS presents Music in the Park
- Ashcroft Art Walk

September

- Ashcroft Pool closes for the season
- Annual Terry Fox Run
- Car Club Show and Shine

October

- Drylands Arena opens for the season
- Village provides free fall yard clean up
- Museum closes for the season
- Koppers sponsors Halloween Skate at Drylands Arena

November

- Ashcroft Community Forum
- Annual Remembrance Day Service
- Vancouver Canucks bring their Learn to Play Program to Drylands Arena
- Official Community Plan Advisory Committee is formed
- WRAPS production of Anne of Green Gables

December

- CP Holiday Train
- Sage Sound Singers Christmas Concert
- Kinsmen Family Turkey Bingo
- Ashcroft Volunteer Fire Department Skate with Santa
- Krush Dance Company winter recital
- Ashcroft Christmas Parade

Appendix 1: Permissive Tax Exemptions for 2017

| Roll Number | Registered Owner | Legal Description | Assessment Class | 2017 Assessed Value | 2017 Municipal Rate | 2017 Municipal Tax Exemption |
|--------------------|---|---|-------------------------|----------------------------|----------------------------|-------------------------------------|
| 00070.001 | Ashcroft & District Curling Club | Lot 8, Plan 21058, DL 423 | 6 | 213,200 | 20.2773 | \$4,323.11 |
| 00077.010 | Fraser Basin Property Society (St. Alban's Anglican Church) | Lot 1, Block 10, Plan 189, DL 423 | 8 | 151,600 | 10.4298 | \$1,581.16 |
| 00095.000 | Roman Catholic Bishop of Kamloops | Lot 7, Block 11, Plan 189, DL 423 | 8 | 114,100 | 10.4298 | \$1,190.04 |
| 00116.010 | Trustees of Zion United Church | Lot 1, Block 14, Plan 189, DL 423 | 8 | 139,900 | 10.4298 | \$1,459.13 |
| 00173.000 | Royal Canadian Legion #77 (Cenotaph Site) | Lot 6, Block 19, Plan 189, DL 423 | 6 | 43,700 | 20.2773 | \$886.12 |
| 00327.000 | Interior Health Authority (Ashcroft & District Hospital) | Lot 56 Plan 12400, DL 378 and Lot 1 KAP81072, DL 378 and pt of Lot 56 (B15126), DL378 | 6 | 2,285,000 | 20.2773 | \$46,333.55 |
| 00327.025 | Interior Health Authority (Ashcroft & District Hospital) | Lot 56 (B15126), DL378 | 6 | 444,900 | 20.2773 | \$9,021.36 |
| 00327.030 | Interior Health Authority (Ashcroft & District Hospital) | Lot 1 KAP81072, DL 378 | 1 | 1,252,000 | 4.9745 | \$6,228.09 |
| 00381.361 | Trust of the Congregation of Sage Hills Evangelical Free Church | Lot A, Plan KAP51944, DL 423 | 8 | 326,300 | 10.4298 | \$3,403.24 |
| | | | | 4,970,700 | | \$74,425.80 |

Appendix 2: Declaration of Disqualification of Council Members

No disqualifications during 2017

Appendix 3: 2017 Audited Financial Statements

Consolidated statements attached

THE CORPORATION OF THE VILLAGE OF ASHCROFT

FINANCIAL STATEMENTS

December 31, 2017

| | |
|--|------------|
| MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING | |
| INDEPENDENT AUDITORS' REPORT | |
| CONSOLIDATED STATEMENT OF FINANCIAL POSITION | |
| CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS | |
| CONSOLIDATED STATEMENT OF OPERATIONS | |
| CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS | |
| CONSOLIDATED STATEMENT OF CASH FLOWS | |
| NOTES TO CONSOLIDATED FINANCIAL STATEMENTS | |
| CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS | APPENDIX 1 |
| STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED | APPENDIX 2 |

SUPPLEMENTARY INFORMATION:

INDEPENDENT AUDITORS' COMMENTS ON SUPPLEMENTARY INFORMATION

FUND STATEMENTS:

| | |
|-------------------------|-----------------|
| GENERAL REVENUE FUND | SCHEDULES 1 - 3 |
| WATER REVENUE FUND | SCHEDULES 4 - 5 |
| SEWER REVENUE FUND | SCHEDULES 6 - 7 |
| STATUTORY RESERVE FUNDS | SCHEDULE 8 |

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

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 maintains systems of internal accounting and administrative controls of high 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 Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.


The Audit Committee reviews the Village's financial statements and recommends their approval to Village Council. The Audit Committee meets 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 financial statements and the external auditors' report. The Mayor and Council take this information into consideration when approving the financial statements for issuance to the residents. The Mayor and Council also consider the engagement of the external auditors.

The financial statements have been audited by Daley & Company CPA LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers. Daley & Company CPA LLP has full access to the Council and management.

On behalf of The Corporation of the Village of Ashcroft



Yoginder Bhalla, CFO



Date



**DALEY &
COMPANY LLP**

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Sandra Blair, CPA, CA
Shawn Birkenhead, CPA, CA
Kevin Cooper, CPA, CA
Incorporated Professionals

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council,
THE CORPORATION OF THE VILLAGE OF ASHCROFT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of change in net financial assets and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at December 31, 2017, and the results of its consolidated operations, consolidated changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Daley & Company LLP

Chartered Professional Accountants

Kamloops, BC
March 12, 2018

Disclaimer of Liability

These consolidated financial statements were examined and this Audit Opinion issued solely for the use of THE CORPORATION OF THE VILLAGE OF ASHCROFT. Daley & Company CPA LLP makes no representations of any kind to any other person in respect of these consolidated financial statements and accepts no responsibility for their use by any other person in the absence of the written consent of Daley & Company CPA LLP.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2017**

| FINANCIAL ASSETS | 2017 | 2016 |
|--|----------------------|----------------------|
| Cash (Note 4) | \$ 2,568,470 | \$ 2,347,377 |
| Restricted cash (Note 4) | 3,100,825 | 2,908,591 |
| Accounts receivable | 242,120 | 127,671 |
| Taxes and utilities receivable | <u>112,956</u> | <u>103,478</u> |
| | <u>6,024,371</u> | <u>5,487,117</u> |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | 381,249 | 364,903 |
| Deferred revenue (Note 5) | 868,594 | 583,184 |
| Demand loan (Note 6) | <u>397,098</u> | <u>414,444</u> |
| | <u>1,646,941</u> | <u>1,362,531</u> |
| NET FINANCIAL ASSETS | <u>4,377,430</u> | <u>4,124,586</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets (Note 7) | 6,669,747 | 6,250,058 |
| Prepaid expenses | <u>50,584</u> | <u>76,345</u> |
| | <u>6,720,331</u> | <u>6,326,403</u> |
| ACCUMULATED SURPLUS (Note 8) | <u>\$ 11,097,761</u> | <u>\$ 10,450,989</u> |

COMMITMENTS AND CONTINGENCIES (Note 9)

APPROVED ON BEHALF OF MAYOR AND COUNCIL:



 Yoginder Bhalla, CFO

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended December 31, 2017

| | 2017 | 2016 |
|--|-----------------------------|----------------------|
| ACCUMULATED SURPLUS, beginning of year | \$ 10,450,989 | \$ 10,070,135 |
| ANNUAL SURPLUS | <u>646,772</u> | <u>380,854</u> |
| ACCUMULATED SURPLUS, end of year | <u>\$ 11,097,761</u> | <u>\$ 10,450,989</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended December 31, 2017

| | Budget (Note 14) | 2017 | 2016 |
|--|---------------------|-------------------------|-------------------|
| REVENUES: | | | |
| Municipal taxation (Note 11) | \$ 1,400,877 | \$ 1,397,740 | \$ 1,370,024 |
| Sales of services | 815,775 | 873,009 | 743,127 |
| Government grants | 1,888,652 | 978,919 | 797,919 |
| Borrowings, licences, permits, penalties and fines | 118,550 | 133,749 | 176,713 |
| | <u>4,223,854</u> | <u>3,383,417</u> | <u>3,087,783</u> |
| EXPENSES: | | | |
| General government services | 405,961 | 347,727 | 397,119 |
| Protective services | 137,753 | 172,902 | 102,388 |
| Transportation services | 598,799 | 548,479 | 545,791 |
| Environmental and public health services | 330,321 | 268,182 | 167,876 |
| Recreational and cultural services | 970,615 | 707,127 | 760,604 |
| Water and sewer services | 770,724 | 692,228 | 733,151 |
| | <u>3,214,173</u> | <u>2,736,645</u> | <u>2,706,929</u> |
| ANNUAL SURPLUS | \$ 1,009,681 | \$ 646,772 | \$ 380,854 |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended December 31, 2017

| | Budget | 2017 | 2016 |
|---|---------------------|---------------------|--------------|
| ANNUAL SURPLUS | \$ 1,009,681 | \$ 646,772 | \$ 380,854 |
| Acquisition of tangible capital assets | (1,490,600) | (687,697) | (691,531) |
| Amortization of tangible capital assets | 235,650 | 268,008 | 319,543 |
| Change in prepaid expenses | - | 25,761 | (44,608) |
| INCREASE (DECREASE) IN NET FINANCIAL ASSETS | (245,269) | 252,844 | (35,742) |
| NET FINANCIAL ASSETS, beginning of year | 4,124,586 | 4,124,586 | 4,160,328 |
| NET FINANCIAL ASSETS, end of year | \$ 3,879,317 | \$ 4,377,430 | \$ 4,124,586 |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended December 31, 2017

| | 2017 | 2016 |
|--|----------------------------|----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Annual surplus | \$ 646,772 | \$ 380,854 |
| Non-cash changes to operations: | | |
| Amortization | 268,008 | 319,543 |
| (Increase) decrease in: | | |
| Accounts receivable | (114,449) | (38,581) |
| Taxes and utilities receivable | (9,478) | 16,947 |
| Prepaid expenses | 25,761 | (44,608) |
| Increase (decrease) in: | | |
| Accounts payable | 16,355 | 130,292 |
| Deferred revenue | 285,410 | 96,638 |
| Cash flows from operations | <u>1,118,379</u> | <u>861,085</u> |
| CASH FLOWS FROM CAPITAL ACTIVITIES: | | |
| Acquisition of tangible capital assets | <u>(687,697)</u> | <u>(691,531)</u> |
| Cash flows used in capital | <u>(687,697)</u> | <u>(691,531)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from issuance of demand loan | - | 563,244 |
| Repayment of demand loan | <u>(17,353)</u> | <u>(148,800)</u> |
| Cash flows from (used in) financing | <u>(17,353)</u> | <u>414,444</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Statutory reserve fund | <u>(34,842)</u> | <u>(271,622)</u> |
| Reserve for future expenditures | <u>(157,394)</u> | <u>48,849</u> |
| Cash flows used in investing | <u>(192,236)</u> | <u>(222,773)</u> |
| INCREASE IN CASH RESOURCES | 221,093 | 361,225 |
| CASH RESOURCES, beginning of year | <u>2,347,377</u> | <u>1,986,152</u> |
| CASH RESOURCES, end of year | <u>\$ 2,568,470</u> | <u>\$ 2,347,377</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 1. ENTITY:

The Corporation of the Village of Ashcroft was incorporated in 1952 under the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water, sewer and fiscal services.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation:

These consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These consolidated financial statements include the operations of the General, Water, Sewer, and Reserve Funds.

Basis of Accounting:

The resources and operations of the Village have been separated for accounting and financial reporting purposes into four funds. Each fund is treated as a separate entity which is identified in its statements of financial position and where applicable, its statements of operations and accumulated surplus. Fund statements are presented as supplementary information to the consolidated financial statements.

- a) **General Revenue Fund:**
The purpose of the General Revenue Fund is to reflect the operating activities, administration, protection, transportation, environmental & public health, and recreation and cultural services functions of the Village.
- b) **Water Revenue Fund:**
The purpose of the Water Revenue Fund is to reflect the operating activities related to the treatment and distribution of water throughout the Village.
- c) **Sewer Revenue Fund:**
The purpose of the Sewer Revenue Fund is to reflect the operating activities related to the treatment of sewage and transportation network of sewer mains and pump stations.
- d) **Reserve Funds:**
Under the Community Charter of British Columbia, the Council may, by bylaw, establish reserve funds for specified purposes. Money in a reserve fund, and interest earned thereon, must be expended by bylaw only for the purpose for which the fund was established. If the amount in a reserve fund is greater than required, the Council may, by bylaw, transfer all or part of the amount to another reserve fund.

Principles of Consolidation:

The consolidated financial statements include the accounts of all funds of the Village. Interfund balances and transactions have been eliminated.

Cash and Short-term Investments:

The Village's cash equivalents and pooled bond funds are recorded at cost, which approximates market value. Short-term investments are held with the Municipal Finance Authority and are held in short term bonds and a money market fund.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

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. The change in non-financial assets during the year, together with the annual surplus, provides the Change in Net Financial Assets for the year.

a) **Tangible Capital Assets:**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category

| | |
|----------------------------------|-----------------|
| Buildings | 20 to 70 years |
| Machinery and equipment | 5 to 25 years |
| Pool, arena and other facilities | 50 to 100 years |
| Roads | 25 to 75 years |
| Storm sewer | 100 years |
| Plants and facilities | 20 to 70 years |
| Underground networks | 100 years |

The Village reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Village's ability to provide services. When assets no longer have any long-term service potential to the Village, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

b) **Contributions of Tangible Capital Assets:**

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

c) **Leases:**

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Revenue Recognition:

Taxation for municipal purposes is recorded as revenue in the period the taxes are levied. Interest is recorded on the accrual basis and is recognized when earned. Government grants are recorded when they are receivable and amounts can be reasonably determined. All other sources of revenue are recorded as services are provided.

Government Transfers:

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

Expense Recognition:

Expenses are recorded on the accrual basis and are recognized as they are incurred as a result of the receipt of goods and services or the creation of a legal obligation to pay.

Deferred Revenue:

Grants, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs, in the completion of specific work or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. A significant area requiring management estimates includes the recoverable amount of tangible capital assets. Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

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.

NOTE 3. FINANCIAL INSTRUMENTS:

Fair Values of Financial Assets and Financial Liabilities:

The carrying values of cash and restricted cash, accounts receivable, and accounts payable and accruals approximate their fair value due to the relatively short periods to maturity of these items. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant currency or credit risks arising from its financial instruments.

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Village manages exposure through its normal operation and financing activities. It is management's opinion that the Village is not exposed to significant interest rate risk by its demand loan.

NOTE 4. CASH AND RESTRICTED CASH:

| | 2017 | 2016 |
|----------------------------------|---------------------|---------------------|
| Statutory Reserve Fund | \$ 1,665,601 | \$ 1,630,759 |
| Reserve for future expenditures | <u>1,435,224</u> | <u>1,277,832</u> |
| Restricted cash | 3,100,825 | 2,908,591 |
| Unrestricted cash | <u>2,568,470</u> | <u>2,347,377</u> |
| | <u>\$ 5,669,295</u> | <u>\$ 5,255,968</u> |
| Consists of: | | |
| Cash | \$ 4,214,042 | \$ 3,827,480 |
| Investments in pooled bond funds | <u>1,455,253</u> | <u>1,428,488</u> |
| | <u>\$ 5,669,295</u> | <u>\$ 5,255,968</u> |

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

| NOTE 5. DEFERRED REVENUE: | 2017 | 2016 |
|---|--------------------------|--------------------------|
| Federal Gas Tax Agreement - Community Works Fund: | | |
| Opening balance of unspent funds | \$ 583,184 | \$ 486,546 |
| Add: Amount received during the year | 122,131 | 121,177 |
| Interest earned | 5,279 | 3,484 |
| Less: Revenue recognized during the year | - | (28,023) |
| Closing balance of unspent funds | <u>710,594</u> | <u>583,184</u> |
| Other Funding: | | |
| British Columbia Museums Association | 24,000 | - |
| Repeater Insurance | 15,000 | - |
| | <u>39,000</u> | <u>-</u> |
| Sewer Revenue - Clean Water and Wastewater Fund: | | |
| Opening balance of unspent funds | - | - |
| Add: Amount received during the year | 145,170 | - |
| Less: Revenue recognized during the year | (26,170) | - |
| Closing balance of unspent funds | <u>119,000</u> | <u>-</u> |
| Total | <u>\$ 868,594</u> | <u>\$ 583,184</u> |

a) Community Works Fund:

Community Works funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Community Works funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

b) Other Funding:

Other funding has been deferred until related expenses are incurred.

c) Clean Water and Wastewater Fund:

The Village was approved for a Clean Water and Wastewater Fund grant (as per Note 9). They received an initial contribution of \$139,920 representing 80% of the contribution by the Province of BC. This funding has been deferred until related expenses have incurred.

| NOTE 6. DEMAND LOAN: | 2017 | 2016 |
|---|-------------------|-------------------|
| Municipal Finance Authority of BC loan, repayable in monthly installments of \$1,979, maturing December 13, 2021, with a daily floating interest rate of 2.06% (rate effective as of January 16, 2018). | <u>\$ 397,098</u> | <u>\$ 414,444</u> |

Principal repayment terms are approximately:

| | |
|------------|-------------------|
| 2018 | 15,769 |
| 2019 | 16,091 |
| 2020 | 16,404 |
| 2021 | 16,767 |
| Thereafter | 332,067 |
| | <u>\$ 397,098</u> |

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

| NOTE 7. TANGIBLE CAPITAL ASSETS: | 2017 | 2016 |
|---|---------------------|---------------------|
| Tangible capital assets consist of the following: | | |
| Land | \$ 600,280 | \$ 600,280 |
| Pool, arena and other facilities | 860,309 | 777,803 |
| Buildings | 401,236 | 379,481 |
| Machinery and equipment | 1,132,939 | 983,530 |
| Roads | 607,514 | 681,784 |
| Storm sewer | 383,206 | 388,443 |
| Plants and facilities | 1,698,059 | 1,431,860 |
| Underground networks | 986,204 | 1,006,877 |
| | <u>\$ 6,669,747</u> | <u>\$ 6,250,058</u> |

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Appendix 1).

| NOTE 8. ACCUMULATED SURPLUS: | 2017 | 2016 |
|--|----------------------|----------------------|
| Accumulated surplus consists of individual fund surpluses and reserves as follows: | | |
| Surplus from operations | <u>\$ 1,724,287</u> | <u>\$ 1,706,784</u> |
| Invested in tangible capital assets | <u>6,272,649</u> | <u>5,835,614</u> |
| Statutory reserve funds: | | |
| Capital works reserve | 1,511,281 | 1,478,824 |
| Machinery and equipment replacement reserve | 154,320 | 151,935 |
| | <u>1,665,601</u> | <u>1,630,759</u> |
| Reserves for future expenditure: | | |
| General | 360,500 | 360,500 |
| Fire department | 142,366 | 137,651 |
| Curling club | 54,954 | 51,986 |
| Transit | 54,338 | 40,890 |
| Water | 706,966 | 664,010 |
| Sewer | 116,100 | 22,795 |
| | <u>1,435,224</u> | <u>1,277,832</u> |
| | <u>\$ 11,097,761</u> | <u>\$ 10,450,989</u> |

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 9. COMMITMENTS AND CONTINGENCIES:

- a) Lease Commitment:
 The Village has operating lease agreements for the rental of equipment.

Future minimum lease payments as at December 31, 2017, are as follows:

| | | |
|------|-----------|---------------|
| 2018 | \$ | 4,237 |
| 2019 | | 4,237 |
| 2020 | | 4,237 |
| 2021 | | 1,059 |
| | <u>\$</u> | <u>13,770</u> |

- b) The employer 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, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 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 is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis.

The Village paid \$90,401 (2016 - \$95,149) for employer contributions to the plan in 2017. Active members include approximately 11 contributors from the Village.

The next valuation will be as at December 31, 2018, with results available in 2019.

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.

- c) The Village was approved for a Small Communities Fund grant in the prior year for construction of a water treatment plant. The total project is expected to cost \$9.873 million over the next four years, with the grant covering 2/3 of this amount for a total of \$5.725 million. The remaining cost of the project is to be covered by Village sources, including borrowings of \$4.128 million. Total costs on this project to the year-end date are \$407,504. Total amounts received as revenue from the grant to the year-end date are \$272,608.
- d) The Village was approved for a Clean Water and Wastewater Fund grant in the current year for an upgrade to the sewage treatment plant. The total project is expected to cost \$549,875 over the next year, with the grant from the Province covering 1/3 of the amount and a grant from Canada covering 1/2 of the amount for a total of \$439,900. The remaining cost of the project is to be covered by Village sources. Total costs on this project to the year-end date are \$31,488. Total amounts received as revenue from the grant to the year-end date are \$26,170.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 10. PERPETUAL CARE TRUST FUND:

The Village operates a cemetery in accordance with the Cemetery and Funeral Services Act. The Village is required to maintain a trust fund which is not included in these consolidated financial statements. Details of the trust funds are as follows:

| | 2017 | 2016 |
|--|------------------|------------------|
| BALANCE, beginning of year | \$ 52,507 | \$ 51,310 |
| Add: | | |
| Proceeds from sale of plots and monuments | - | 850 |
| Interest earned | 472 | 347 |
| | <u>\$ 52,979</u> | <u>\$ 52,507</u> |
| BALANCE, end of year | <u>\$ 52,979</u> | <u>\$ 52,507</u> |
| The perpetual care trust fund is represented by: | | |
| Cash and short-term investments | \$ 52,879 | \$ 52,407 |
| Due from General Revenue Fund | 100 | 100 |
| | <u>\$ 52,979</u> | <u>\$ 52,507</u> |

NOTE 11. TAXATION REVENUE:

| | 2017 | 2016 |
|--|---------------------|---------------------|
| The Village is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below: | | |
| Tax collected: | | |
| General purposes | \$ 1,397,740 | \$ 1,370,024 |
| Collections for other governments | 1,066,966 | 1,078,634 |
| | <u>2,464,706</u> | <u>2,448,658</u> |
| Less transfers to other governments: | | |
| Province of BC - school taxes | 644,652 | 655,137 |
| Thompson-Nicola Regional District | 239,136 | 245,329 |
| Thompson Regional Hospital District | 101,822 | 91,915 |
| Municipal Finance Authority | 40 | 39 |
| BC Assessment Authority | 10,990 | 12,459 |
| Policing | 70,326 | 73,755 |
| | <u>1,066,966</u> | <u>1,078,634</u> |
| | <u>\$ 1,397,740</u> | <u>\$ 1,370,024</u> |

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 12. SEGMENTED INFORMATION:

The Village of Ashcroft is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed. The nature of the segments and the activities they encompass are as follows:

Government Services – Mayor & Council, Finance, and Human Resources:

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing Village assets; ensuring effective financial management; monitoring performance and ensuring that high quality service standards are met.

Protective Services – Fire Protection:

Fire Protection includes all of the operating activities for fire prevention and suppression.

Transportation Services - Public Transit and Street Maintenance:

Public Transit and Street Maintenance involve the repair and maintenance of the road network and traffic services.

Environmental and Public Health Services - Waste Management:

Waste Management includes all of the revenue and expenses related to the collection and disposal of solid waste and community development, tourism and promotional activities.

Recreational and Cultural Services - Parks, Recreation and Culture:

The Parks, Recreation and Culture Department is responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities, and cultural services.

Water Services - Water Department:

The Water Department includes all the operating activities related to the treatment and distribution of water throughout the Village.

Sewer Services - Sewer Department:

The Sewer Department operates network sewer mains and pump stations.

Reserve Funds - Statutory Reserve Funds:

The Statutory Reserve Fund is comprised of the machinery and equipment replacement reserve and capital works reserve.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

NOTE 13. CASH FLOW INFORMATION:

During the year, the Village received \$60,258 (2016 - \$51,319) in interest income.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2017

NOTE 14. BUDGET:

The Financial Plan Bylaw adopted by Council included capital transactions such as acquisition of tangible capital assets, borrowing proceeds for the purchase of capital assets, and debt principal repayments. In addition, internal transfers between services, transfers to reserves, and transfers from surplus were included.

These capital transactions and transfers have been removed from the Financial Plan and presented as the budget in these Financial Statements as follows:

| | Financial Plan Bylaw | Adjustments for capital transactions and transfers | Budget |
|--|-------------------------|---|---------------------|
| REVENUES: | | | |
| Municipal taxation | \$ 1,400,877 | \$ - | \$ 1,400,877 |
| Sales of services | 815,775 | - | 815,775 |
| Government grants | 1,888,652 | - | 1,888,652 |
| Borrowings, licences, permits, penalties and fines | 118,550 | - | 118,550 |
| Transfers between services | 80,000 | (80,000) | - |
| Reserve funds | 440,350 | (440,350) | - |
| Transfer from Surplus | 512,355 | (512,355) | - |
| | <u>5,256,559</u> | <u>(1,032,705)</u> | <u>4,223,854</u> |
| EXPENSES: | | | |
| General government services | 405,961 | - | 405,961 |
| Protective services | 137,753 | - | 137,753 |
| Transportation services | 598,799 | - | 598,799 |
| Environmental and public health services | 330,321 | - | 330,321 |
| Recreational and cultural services | 970,615 | - | 970,615 |
| Water and sewer services | 770,724 | - | 770,724 |
| Debt principal repayment | 18,550 | (18,550) | - |
| Acquisition of tangible capital assets | 1,490,600 | (1,490,600) | - |
| Transfer to reserves | 533,236 | (533,236) | - |
| | <u>5,256,559</u> | <u>(2,042,386)</u> | <u>3,214,173</u> |
| ANNUAL SURPLUS | <u>\$ -</u> | <u>\$ 1,009,681</u> | <u>\$ 1,009,681</u> |

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended December 31, 2017**

| | General | | | | | | Water | | | Sewer | | | Totals | |
|--|------------|-----------------------|--------------|-----------------------|--------------|-------------|---------------------|----------------------|---------------------|----------------------|---------------|---------------|--------|--|
| | Land | Pool, Arena and Other | Buildings | Machinery & Equipment | Roads | Storm Sewer | Plants & Facilities | Underground Networks | Plants & Facilities | Underground Networks | 2017 | 2016 | | |
| Cost | | | | | | | | | | | | | | |
| Balance, beginning of year | \$ 600,280 | \$ 1,916,553 | \$ 1,689,661 | \$ 2,265,470 | \$ 7,268,341 | \$ 530,323 | \$ 1,863,064 | \$ 1,305,053 | \$ 1,657,689 | \$ 771,997 | \$ 19,868,431 | \$ 19,257,862 | | |
| Add: Additions during the year | - | 113,187 | 41,208 | 222,933 | - | - | 278,881 | - | 31,488 | - | 687,697 | 691,531 | | |
| Less: Disposals during the year | - | - | - | - | - | - | - | - | - | - | - | (90,962) | | |
| Balance, end of year | 600,280 | 2,029,740 | 1,730,869 | 2,488,403 | 7,268,341 | 530,323 | 2,141,945 | 1,305,053 | 1,689,177 | 771,997 | 20,556,128 | 19,868,431 | | |
| Accumulated amortization | | | | | | | | | | | | | | |
| Balance, beginning of year | - | 1,138,750 | 1,310,180 | 1,281,940 | 6,586,557 | 141,880 | 1,334,878 | 664,915 | 754,015 | 405,258 | 13,618,373 | 13,379,792 | | |
| Add: Amortization | - | 30,681 | 19,453 | 73,524 | 74,270 | 5,237 | 10,647 | 12,986 | 33,523 | 7,687 | 268,008 | 319,543 | | |
| Less: Disposals during the year | - | - | - | - | - | - | - | - | - | - | - | (80,962) | | |
| Balance, end of year | - | 1,169,431 | 1,329,633 | 1,355,464 | 6,660,827 | 147,117 | 1,345,525 | 677,901 | 787,538 | 412,945 | 13,886,381 | 13,618,373 | | |
| Net Book Value of Tangible Capital Assets | \$ 600,280 | \$ 860,309 | \$ 401,236 | \$ 1,132,939 | \$ 607,514 | \$ 383,206 | \$ 796,420 | \$ 627,152 | \$ 901,639 | \$ 359,052 | \$ 6,669,747 | \$ 6,250,058 | | |

Included in Plants & Facilities is \$438,992 (2016 - \$139,670) of tangible capital assets under construction. These assets have not been amortized.

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
 Year ended December 31, 2017

| | Government Services | Protective Services | Transportation Services | Environmental & Public Health Services | Recreational & Cultural Services | Water Services | Sewer Services | Reserve Funds | Total 2017 | Total 2016 |
|--|---------------------|---------------------|-------------------------|--|----------------------------------|-------------------|------------------|------------------|-------------------|-------------------|
| REVENUES: | | | | | | | | | | |
| Municipal taxation | \$ 1,229,800 | \$ - | \$ - | \$ - | \$ - | \$ 84,660 | \$ 83,280 | \$ - | \$ 1,397,740 | \$ 1,370,024 |
| Sales of services | 6,151 | 45,655 | 75 | 122,707 | 85,275 | 325,181 | 287,930 | - | 872,974 | 744,769 |
| Government grants | 533,549 | 20,000 | 2,276 | 217,436 | - | 179,488 | 26,170 | - | 978,919 | 797,919 |
| Borrowings, licences, permits, penalties and fines | 18,547 | - | - | - | - | - | - | - | 18,547 | 16,954 |
| Interest income | 37,436 | - | - | - | - | 10,435 | 719 | 11,668 | 60,258 | 51,319 |
| Donations and miscellaneous | 36,305 | 649 | - | - | 17,866 | 159 | - | - | 54,979 | 106,798 |
| | <u>1,861,788</u> | <u>66,304</u> | <u>2,351</u> | <u>340,143</u> | <u>103,141</u> | <u>599,923</u> | <u>398,099</u> | <u>11,668</u> | <u>3,383,417</u> | <u>3,087,783</u> |
| EXPENSES: | | | | | | | | | | |
| Consulting and professional | 25,250 | 12,048 | - | 39,373 | - | - | 13,247 | - | 89,918 | 50,841 |
| Grants | 9,028 | - | - | - | - | - | - | - | 9,028 | 8,305 |
| Insurance | 16,299 | 2,300 | 396 | - | 17,991 | 10,318 | 8,228 | - | 55,532 | 58,745 |
| Office and administration | 122,688 | 8,564 | (912) | 11,104 | 771 | 3,617 | 1,884 | - | 147,716 | 158,092 |
| Amortization | 203,165 | - | - | - | - | 23,633 | 41,208 | - | 268,006 | 319,543 |
| Repairs and maintenance | 8,286 | - | 74,683 | 110,889 | 118,425 | 132,640 | 29,876 | - | 474,799 | 462,019 |
| Salaries and benefits | 444,000 | 22,979 | 329,843 | 61,536 | 331,246 | 60,054 | 83,319 | - | 1,332,977 | 1,295,257 |
| Supplies and materials | - | 94,291 | 79,553 | 507 | 6,292 | 1,894 | 360 | - | 182,897 | 149,764 |
| Utilities and telephone | 11,011 | 8,612 | 39,920 | - | 87,755 | - | 28,474 | - | 175,772 | 204,363 |
| Overhead allocations | (492,000) | 24,108 | 24,996 | 44,772 | 144,648 | 116,148 | 137,328 | - | - | - |
| | <u>347,727</u> | <u>172,902</u> | <u>548,479</u> | <u>268,181</u> | <u>707,128</u> | <u>348,304</u> | <u>343,924</u> | <u>-</u> | <u>2,736,645</u> | <u>2,706,929</u> |
| EXCESS (DEFICIENCY) | | | | | | | | | | |
| REVENUES OVER EXPENSES | 1,514,061 | (106,598) | (546,128) | 71,962 | (603,987) | 251,619 | 54,175 | 11,668 | 646,772 | 380,854 |
| INTERFUND TRANSFERS | (1,287,924) | 106,598 | 546,128 | (71,962) | 603,987 | 40,000 | 40,000 | 23,173 | - | - |
| ANNUAL SURPLUS | <u>\$ 226,137</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 291,619</u> | <u>\$ 94,175</u> | <u>\$ 34,841</u> | <u>\$ 646,772</u> | <u>\$ 380,854</u> |

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended December 31, 2016**

| | Government Services | Protective Services | Transportation Services | Environmental & Public Health Services | Recreational & Cultural Services | Water Services | Sewer Services | Reserve Funds | Total 2016 |
|--|---------------------|---------------------|-------------------------|--|----------------------------------|-------------------|-----------------|-------------------|-------------------|
| REVENUES: | | | | | | | | | |
| Municipal taxation | \$ 1,201,771 | \$ - | \$ - | \$ - | \$ - | \$ 84,816 | \$ 83,437 | \$ - | \$ 1,370,024 |
| Sales of services | 6,970 | 11,152 | 928 | 110,310 | 79,153 | 278,417 | 257,839 | - | 744,769 |
| Government grants | 457,930 | 10,000 | 1,353 | 219,377 | 28,023 | 81,236 | - | - | 797,919 |
| Borrowings, licences, permits, penalties and fines | 15,454 | - | - | - | - | - | 1,500 | - | 16,954 |
| Interest income | 26,775 | - | - | - | - | 11,223 | 773 | 12,548 | 51,319 |
| Donations and miscellaneous | 92,533 | 725 | - | - | 13,301 | 239 | - | - | 106,798 |
| | <u>1,801,433</u> | <u>21,877</u> | <u>2,281</u> | <u>329,687</u> | <u>120,477</u> | <u>455,931</u> | <u>343,549</u> | <u>12,548</u> | <u>3,087,783</u> |
| EXPENSES: | | | | | | | | | |
| Consulting and professional | 21,081 | 12,472 | - | - | - | - | 17,288 | - | 50,841 |
| Grants | 8,305 | - | - | - | - | - | - | - | 8,305 |
| Insurance | 20,578 | 2,240 | 366 | - | 17,199 | 10,217 | 8,145 | - | 58,745 |
| Office and administration | 138,602 | - | 250 | 6,725 | 493 | 10,470 | 1,552 | - | 158,092 |
| Amortization | 251,190 | - | - | - | - | 30,702 | 37,651 | - | 319,543 |
| Repairs and maintenance | 7,354 | - | 58,877 | 61,632 | 150,795 | 125,441 | 57,920 | - | 462,019 |
| Salaries and benefits | 430,541 | 2,540 | 314,593 | 53,797 | 352,467 | 56,733 | 84,586 | - | 1,295,257 |
| Supplies and materials | - | 52,930 | 87,401 | 952 | 3,722 | 3,338 | 1,421 | - | 149,764 |
| Utilities and telephone | 10,423 | 8,093 | 60,355 | - | 91,281 | - | 34,211 | - | 204,363 |
| Overhead allocations | (492,000) | 24,108 | 24,996 | 44,772 | 144,648 | 116,148 | 137,328 | - | - |
| | <u>396,074</u> | <u>102,383</u> | <u>546,838</u> | <u>167,878</u> | <u>760,605</u> | <u>353,049</u> | <u>380,102</u> | <u>-</u> | <u>2,706,929</u> |
| EXCESS (DEFICIENCY) | | | | | | | | | |
| REVENUES OVER EXPENSES | 1,405,359 | (80,506) | (544,557) | 161,809 | (640,128) | 102,882 | (36,563) | 12,548 | 380,854 |
| INTERFUND TRANSFERS | | | | | | | | | |
| | (1,442,459) | 80,506 | 544,557 | (161,809) | 640,128 | 40,000 | 40,000 | 259,077 | - |
| ANNUAL SURPLUS (DEFICIT) | <u>\$ (37,100)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 142,882</u> | <u>\$ 3,447</u> | <u>\$ 271,625</u> | <u>\$ 380,854</u> |

See accompanying notes to financial statements.



**DALEY &
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Incorporated Professionals

INDEPENDENT AUDITORS' COMMENTS ON SUPPLEMENTARY INFORMATION

To the Mayor and Council,
THE CORPORATION OF THE VILLAGE OF ASHCROFT

We have audited and reported separately herein on the consolidated financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at and for the year ended December 31, 2017.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 8 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Chartered Professional Accountants

Kamloops, BC
March 12, 2018

Disclaimer of Liability

The financial information was examined and this Audit Opinion issued solely for the use of THE CORPORATION OF THE VILLAGE OF ASHCROFT. Daley & Company CPA LLP makes no representations of any kind to any other person in respect of the financial information and accepts no responsibility for its use by any other person in the absence of the written consent of Daley & Company CPA LLP.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2017

| FINANCIAL ASSETS | 2017 | 2016 |
|--|---------------------|---------------------|
| Cash | <u>\$ 4,214,042</u> | <u>\$ 3,827,480</u> |
| Investments in pooled bond funds | <u>303,439</u> | <u>299,496</u> |
| Receivables: | | |
| Taxes and utilities | 112,956 | 103,478 |
| General | <u>165,312</u> | <u>95,137</u> |
| | <u>278,268</u> | <u>198,615</u> |
| | <u>4,795,749</u> | <u>4,325,591</u> |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | 219,019 | 223,144 |
| Accrued wages and employee benefits | 162,241 | 141,770 |
| Deferred revenue | 749,594 | 583,184 |
| Long-term debt | 397,098 | 414,444 |
| Due to (from) Own Funds: | | |
| Water Revenue Fund | 1,140,360 | 1,158,698 |
| Sewer Revenue Fund | 537,598 | 315,421 |
| Machinery and Equipment Replacement Reserve Fund | 33,968 | 33,968 |
| Perpetual Care Trust Fund | 100 | 100 |
| Capital Works Reserve Fund | <u>1,042,773</u> | <u>1,019,599</u> |
| | <u>4,282,751</u> | <u>3,890,328</u> |
| NET FINANCIAL ASSETS | <u>512,998</u> | <u>435,263</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets | 3,985,485 | 3,811,322 |
| Prepaid expenses | <u>50,584</u> | <u>76,345</u> |
| | <u>4,036,069</u> | <u>3,887,667</u> |
| ACCUMULATED SURPLUS | <u>\$ 4,549,067</u> | <u>\$ 4,322,930</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2017

| | Budget | 2017 | 2016 |
|---|---------------------|---------------------|---------------------|
| REVENUES: | | | |
| Municipal taxation | \$ 1,232,377 | \$ 1,229,800 | \$ 1,201,771 |
| Sales of services | 218,375 | 259,862 | 208,511 |
| Government Grants: | | | |
| Unconditional transfers from Provincial Government | 400,000 | 404,681 | 399,825 |
| Unconditional transfers from Local Government | 202,000 | 217,436 | 219,377 |
| Conditional transfers from regional and other governments | 346,752 | 151,144 | 97,481 |
| Borrowings, licences, permits, penalties and fines: | | | |
| Professional and business licences | 10,000 | 9,405 | 9,575 |
| Other | 700 | 649 | 715 |
| Animal violation | 150 | - | 10 |
| Municipal auto plates | 400 | 363 | 373 |
| Interest received | 30,000 | 37,436 | 26,775 |
| Penalties and interest on taxes | 12,500 | 18,547 | 15,454 |
| Rentals | 10,000 | 15,965 | 11,195 |
| Donations and other | 38,500 | 28,439 | 87,293 |
| | <u>2,501,754</u> | <u>2,373,727</u> | <u>2,278,355</u> |
| EXPENSES (Schedule 3) | <u>2,443,449</u> | <u>2,044,417</u> | <u>1,973,778</u> |
| EXCESS OF REVENUES OVER EXPENSES | 58,305 | 329,310 | 304,577 |
| TRANSFER OF UNCONDITIONAL GRANT | (80,000) | (80,000) | (80,000) |
| TRANSFER TO STATUTORY RESERVE FUNDS | 19,767 | (23,173) | (259,077) |
| ANNUAL SURPLUS (DEFICIT) | (1,928) | 226,137 | (34,500) |
| ACCUMULATED SURPLUS, beginning of year | <u>4,322,930</u> | <u>4,322,930</u> | <u>4,357,430</u> |
| ACCUMULATED SURPLUS, end of year | <u>\$ 4,321,002</u> | <u>\$ 4,549,067</u> | <u>\$ 4,322,930</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF EXPENSES
Year ended December 31, 2017

| | Budget | 2017 | 2016 |
|--|---------------------|---------------------|---------------------|
| General Government Services: | | | |
| Legislative Expense: | | | |
| Council indemnities and expenses | \$ 44,500 | \$ 43,806 | \$ 41,975 |
| General Administration Expenses: | | | |
| Office | 59,300 | 44,846 | 48,213 |
| Building operation and maintenance | 40,500 | 19,299 | 18,823 |
| Legal and professional | 37,000 | 25,248 | 21,081 |
| Salaries and employee benefits | 442,250 | 444,227 | 430,541 |
| Other General Government Expenses: | | | |
| Amortization | 180,000 | 203,165 | 251,190 |
| Travel | 5,000 | 6,532 | 4,286 |
| Insurance | 20,631 | 16,299 | 20,578 |
| Election and referendum | - | 450 | 10,585 |
| Grants to organizations | 10,700 | 9,028 | 8,305 |
| Sundry | 58,097 | 26,827 | 33,542 |
| Less amounts transferred to other services | (492,017) | (492,000) | (492,000) |
| | <u>405,961</u> | <u>347,727</u> | <u>397,119</u> |
| Protective Services: | | | |
| Administration | 31,895 | 31,528 | 22,904 |
| Volunteer stipends and benefits | 25,100 | 30,975 | 17,319 |
| Building operation and maintenance | 10,700 | 8,612 | 8,099 |
| Equipment | 41,700 | 38,499 | 27,609 |
| Emergency measures | 2,200 | 38,525 | 1,245 |
| Building inspection | 4,414 | 4,414 | 4,414 |
| Animal pest control | 8,000 | 7,634 | 8,058 |
| Sundry | 13,744 | 12,715 | 12,740 |
| | <u>137,753</u> | <u>172,902</u> | <u>102,388</u> |
| Transportation Services: | | | |
| Administration | 318,872 | 309,518 | 315,635 |
| Equipment operation and maintenance | 72,000 | 58,531 | 61,114 |
| Building operation and maintenance | 44,500 | 43,403 | 41,448 |
| Road and street maintenance | 92,227 | 78,381 | 58,498 |
| Street lighting | 48,000 | 43,809 | 47,481 |
| Traffic services | 21,200 | 14,837 | 21,615 |
| Sundry | 2,000 | - | - |
| | <u>598,799</u> | <u>548,479</u> | <u>545,791</u> |
| Environmental and Public Health Services: | | | |
| Garbage and waste collection | 124,109 | 119,514 | 73,092 |
| Cemetery | 37,340 | 36,810 | 15,974 |
| Planning and zoning | 4,000 | 3,675 | - |
| Community development | 116,200 | 77,404 | 49,245 |
| Natural resource development | 8,796 | 9,574 | 9,064 |
| Tourism and promotion | 3,000 | 194 | (15) |
| Sundry | 36,876 | 21,011 | 20,516 |
| | <u>330,321</u> | <u>268,182</u> | <u>167,876</u> |
| Recreational and Cultural Services: | | | |
| Administration | 243,403 | 238,011 | 239,110 |
| Community hall | 37,900 | 10,421 | 23,229 |
| Lady Minto building | 21,410 | 21,107 | 13,570 |
| Swimming pool | 166,375 | 142,608 | 141,632 |
| Arena | 217,846 | 162,565 | 176,873 |
| Parks and playgrounds | 119,358 | 69,703 | 107,303 |
| Historic sites | 10,613 | 9,614 | 5,175 |
| Museum | 100,910 | 44,351 | 42,717 |
| Curling club | 52,800 | 8,747 | 10,995 |
| | <u>970,615</u> | <u>707,127</u> | <u>760,604</u> |
| TOTAL EXPENSES | \$ 2,443,449 | \$ 2,044,417 | \$ 1,973,778 |

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2017**

| FINANCIAL ASSETS | 2017 | 2016 |
|---|----------------------------|---------------------|
| Investments in pooled bond funds | \$ 526,674 | \$ 516,239 |
| Accounts receivable | 76,808 | 32,534 |
| Due from Own Funds: General Revenue Fund | <u>1,140,360</u> | <u>1,158,698</u> |
| NET FINANCIAL ASSETS | 1,743,842 | 1,707,471 |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets | <u>1,423,572</u> | <u>1,168,324</u> |
| ACCUMULATED SURPLUS | <u>\$ 3,167,414</u> | <u>\$ 2,875,795</u> |

See accompanying notes to financial statements.

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2017**

| | Budget | 2017 | 2016 |
|---|---------------------|----------------------------|---------------------|
| REVENUES: | | | |
| Municipal taxation - water levy | \$ 85,000 | \$ 84,660 | \$ 84,816 |
| Sale of services | 317,400 | 325,217 | 276,777 |
| Government grants | 500,000 | 179,488 | 81,236 |
| Other revenues | 13,300 | 10,558 | 13,102 |
| | <u>915,700</u> | <u>599,923</u> | <u>455,931</u> |
| EXPENSES: | | | |
| Maintenance and administration | 363,946 | 324,671 | 322,347 |
| Amortization | 24,935 | 23,633 | 30,702 |
| | <u>388,881</u> | <u>348,304</u> | <u>353,049</u> |
| EXCESS OF REVENUES OVER EXPENSES | 526,819 | 251,619 | 102,882 |
| TRANSFER OF UNCONDITIONAL GRANT | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> |
| ANNUAL SURPLUS | 566,819 | 291,619 | 142,882 |
| ACCUMULATED SURPLUS, beginning of year | <u>2,875,795</u> | <u>2,875,795</u> | <u>2,732,913</u> |
| ACCUMULATED SURPLUS, end of year | <u>\$ 3,442,614</u> | <u>\$ 3,167,414</u> | <u>\$ 2,875,795</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2017

| FINANCIAL ASSETS | 2017 | 2016 |
|----------------------------------|---------------------|---------------------|
| Investments in pooled bond funds | \$ 36,279 | \$ 35,560 |
| Due from Own Funds: | | |
| General Revenue Fund | <u>537,598</u> | <u>315,421</u> |
| | 573,877 | 350,981 |
| LIABILITIES | | |
| Deferred revenue | <u>119,000</u> | <u>-</u> |
| NET FINANCIAL ASSETS | <u>454,877</u> | <u>350,981</u> |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets | <u>1,260,691</u> | <u>1,270,412</u> |
| ACCUMULATED SURPLUS | <u>\$ 1,715,568</u> | <u>\$ 1,621,393</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2017

| | Budget | 2017 | 2016 |
|---|---------------------|---------------------|---------------------|
| REVENUES: | | | |
| Municipal taxation - sewer levy | \$ 83,500 | \$ 83,280 | \$ 83,437 |
| Sale of services | 280,000 | 287,930 | 257,839 |
| Government grants | 439,900 | 26,170 | - |
| Other revenues | 3,000 | 719 | 2,273 |
| | <u>806,400</u> | <u>398,099</u> | <u>343,549</u> |
| EXPENSES: | | | |
| Maintenance and administration | 351,128 | 302,714 | 342,451 |
| Amortization | 30,715 | 41,210 | 37,651 |
| | <u>381,843</u> | <u>343,924</u> | <u>380,102</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | 424,557 | 54,175 | (36,553) |
| TRANSFER OF UNCONDITIONAL GRANT | <u>40,000</u> | <u>40,000</u> | <u>40,000</u> |
| ANNUAL SURPLUS | 464,557 | 94,175 | 3,447 |
| ACCUMULATED SURPLUS, beginning of year | <u>1,621,393</u> | <u>1,621,393</u> | <u>1,617,946</u> |
| ACCUMULATED SURPLUS, end of year | <u>\$ 2,085,950</u> | <u>\$ 1,715,568</u> | <u>\$ 1,621,393</u> |

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATUTORY RESERVE FUNDS
STATEMENT OF FINANCIAL POSITION
December 31, 2017

| FINANCIAL ASSETS | Machinery and Equipment Replacement Reserve | Capital Works Reserve | Total 2017 | Total 2016 |
|---------------------------------------|--|-----------------------------|-------------------------|---------------------|
| Investments in pooled bond funds | \$ 120,352 | \$ 468,508 | \$ 588,860 | \$ 577,193 |
| Due (to) from General Revenue Fund | <u>33,968</u> | <u>1,042,773</u> | <u>1,076,741</u> | <u>1,053,567</u> |
| | \$ 154,320 | \$ 1,511,281 | \$ 1,665,601 | \$ 1,630,760 |
| RESERVES | | | | |
| BALANCE, beginning of year | \$ 151,936 | \$ 1,478,824 | \$ 1,630,760 | \$ 1,359,135 |
| REVENUE: Interest earned | 2,384 | 9,284 | 11,668 | 12,548 |
| TRANSFERS: From General Revenue | <u>-</u> | <u>23,173</u> | <u>23,173</u> | <u>259,077</u> |
| BALANCE, end of year | \$ 154,320 | \$ 1,511,281 | \$ 1,665,601 | \$ 1,630,760 |

See accompanying notes to financial statements.