



THE VILLAGE OF
N A K U S P

2020 **ANNUAL REPORT**

Village of Nakusp

**PO Box 280, 91—1st Street NW, Nakusp, BC V0G 1R0
250.265.3689 (phone) 250.265.3788 (fax) www.nakusp.com**

Fiscal year ending December 31, 2020

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Photo credit:
Craig Pulsifer Photography

Message from the Mayor

Tom Zeleznik, Mayor is pleased to present the 2020 Annual Report on behalf of Nakusp Village Council.

2020 was Council's second year as a council. This was not a year anyone would have envisioned with the COVID-19 pandemic beginning in March 2020 and continuing into 2021. Our community has rallied together to help support our local businesses and we wish to thank the community for their hard work. We would also like to recognize the efforts to keep everyone healthy and our most vulnerable safe. The community's continuing kindness and positive attitudes have helped us all through this difficult time.

This was again another remarkably busy year for council as we continued to focus on our assets and strengths, emphasizing what the community does have that will continually improve our community's life and sustainability.

2020 included new upcoming projects and older projects ending. Phase 2 of the downtown revitalization downtown project was completed which included the block from 5th Ave to 6th Ave on Broadway Street.

The project for the upgrades to our emergency room at the Arrow Lakes Hospital was announced in January 2018 and was completed June 29, 2020. People needing care at Arrow Lakes Hospital (ALH) can now access an updated emergency department and new space to support families.

The Arrowtarian Senior Citizens Society's phase 5 project that began June 10th, 2019 was completed. This is a three story, 9-unit apartment block which will include an indoor scooter parking area on the main floor. Our seniors are the fabric that holds our community together and have laid the foundation for the success of this community.

Arrow Slokan Lakes Community Services Society began construction of a 10-unit affordable housing complex in September 2019. The Village of Nakusp who owned the lot on 101-1st Avenue NW supplied the land for less than market value to enable the development of affordable housing. This is a three-story housing complex of 10 units and should be completed in 2021.

The Village of Nakusp and area also saw a record construction/building boom in 2020 for our area, and as council we must prepare for the vision for its future by maintaining our infrastructure and expansion of our water and sewer. Council are elected to govern in the interests of the entire community, and we must be dedicated to the community.

During these unprecedented times council and staff would like to thank the women and men of our own local Emergency Services who are among the most dedicated people who have put in countless hours to provide life-saving services when it matters most. We would also like to acknowledge the volunteer involvement of all those who, during this pandemic, like at other times, have devoted themselves to helping others.

Sincerely,

Mayor, Tom Zeleznik



Local Government in BC

The term local government in BC refers to both municipalities and regional districts. Specifically, the term municipality refers to a city, district, resort municipality, island municipality, Indian government district, town or village having the power to govern itself. Municipalities are general-purpose local governments that provide a wide range of services and regulate a variety of activities. Over 80% of BC's population resides within a municipality, although the land area covered by them is less than 2% of the area of the province. Regional districts are the general-purpose local governments for the unincorporated areas of the province and they provide a framework for inter-municipal cooperation for service provision.

Under the Canadian Constitution, local governments can only be established and granted powers by the provincial government. The BC government sets out the legal framework for local government through various provincial statutes, most notably the *Local Government Act* and the *Community Charter*. Together these two statutes set the rules for electing council members, appointing officials, conducting municipal business and establishing the authority of the local government.

About This Report

When the *Community Charter* was adopted by the Province in 2003, the issue of accountability was one of the areas of increased legislative change. As part of the increased accountability, all municipalities are mandated by the *Community Charter* to prepare, on an annual basis, a document that reports to the citizens and stakeholders of the municipality past results and plans for the future. Once completed, the annual report must be available for public inspection a minimum of two weeks before the report is received by Council at a duly constituted meeting. This provides citizens with time to review the annual report, ask questions and prepare submissions. Council will consider the 2019 annual report at the Council meeting on **Monday, September 14, 2020** at 6:30 p.m. in the Arena Auditorium. We ask that you take time to read this report as we encourage your feedback in order that we may provide the best information possible to our taxpayers.

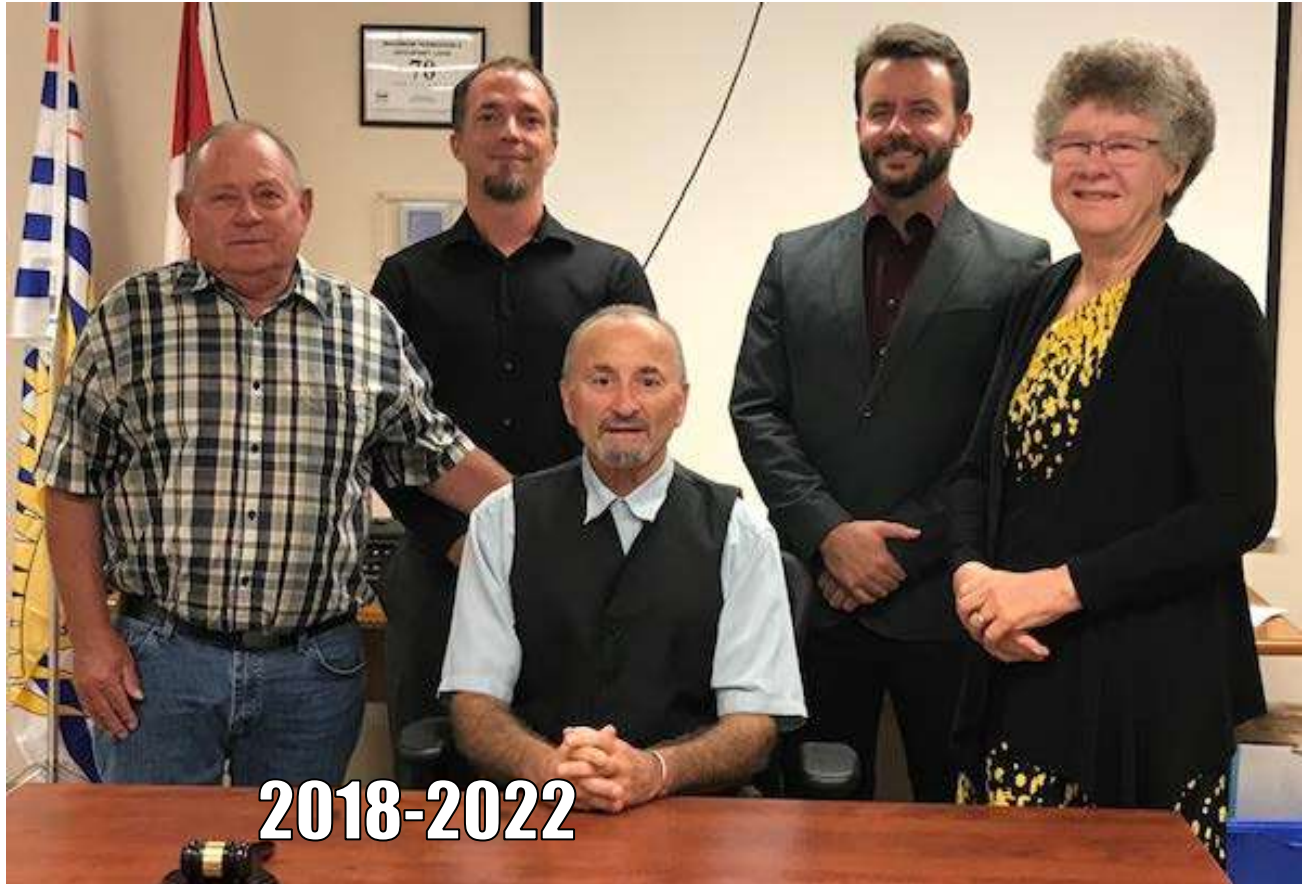
Governance

Council is made up of a Mayor and four Councillors. All members of Council are elected for a fixed four-year term. The last election was in November 2018 and the next election will be held in 2022.

The role of the elected Council is to act as the governing body for the Village, making decisions that represent the best overall interests of Nakusp residents and businesses. Council considers matters necessary for maintaining and improving operations and services, as well as planning for future generations. Fiscal responsibility and preservation of the environment are key principles guiding Council's decisions, as are the Mission and Vision Statements articulated later in this report. Council acts as a collective body and can only exercise its powers through resolutions and bylaws adopted in a properly constituted Council meeting. The Mayor and Councillors also have a responsibility to provide community leadership, act as ambassadors, and to lobby on behalf of the Village.

The Village operates on what is called the "one employee" system. The Chief Administrative Officer (CAO) is Council's only employee and acts as the link between Council and the rest of the Village staff. The CAO position is responsible for the overall management of Village finances and operations, ensuring that policies, programs and other directives of Council are implemented, and advising Council on the operation and affairs of the Village. Village staff is responsible for ensuring day to day activities are carried out efficiently in order to provide affordable services to the taxpayer.

Village of Nakusp Council



Council: (left to right)
Ken Miller, Joseph Hughes, Mayor Tom Zeleznik, Aidan McLaren-Caux, Susan DeSandoli

Council meets the **second & fourth Monday of the month at 6:30 pm**
at the Emergency Services Building, 300—8th Avenue NW
Or virtually when necessary

THE POLICY OF COUNCIL SHALL BE:

- to promote harmony and cooperation within the Village
- to provide accountability to the Public in promoting efficiency in all facets within the Village
- to promote the attitude that Councillors and Village employees are 'here to help'
- to provide the best facilities and services possible, with careful consideration of the finances available to promote the Village of Nakusp as a desirable place to live

2020 Council Committees

- **Mayor Tom Zeleznik**

Nakusp & Area Development Board Committee (NADB) - Alternate
 Nakusp and Area Community Forest (NACFOR)—Alternate
 Fair Trade
 Liaison—Nakusp Seniors Society —Alternate
 West Resource Recovery Committee
 Grievance Committee
 Nakusp Area Youth Society
 Investment Ready Nakusp
 Municipal Campground Expansion Committee
 Nakusp Hot Springs Committee—Alternate
 West Kootenay Boundary Regional Health District (WKBRHD) - Alternate
 Ktunaxa Kinbasket Local Govt Treaty Advisory Committee—Alternate
- **Councillor Joseph Hughes**

RDCK Municipal Director
- **Mayor Tom Zeleznik**

Alternate RDCK Municipal Director
- **Councillor Joseph Hughes**

Emergency Management BC (EMBC)
 Recreation Commission #4—Nakusp & Area K—Alternate
 West Resource Recovery Committee—Alternate
 Nakusp Hot Springs Committee
 Off Road Vehicle Trail Working Committee—Alternate
 Ktunaxa Kinbasket Local Govt Treaty Advisory Committee
 West Kootenay Boundary Regional Health District (WKBRHD)
 Grievance Committee
- **Councillor Susan DeSandoli**

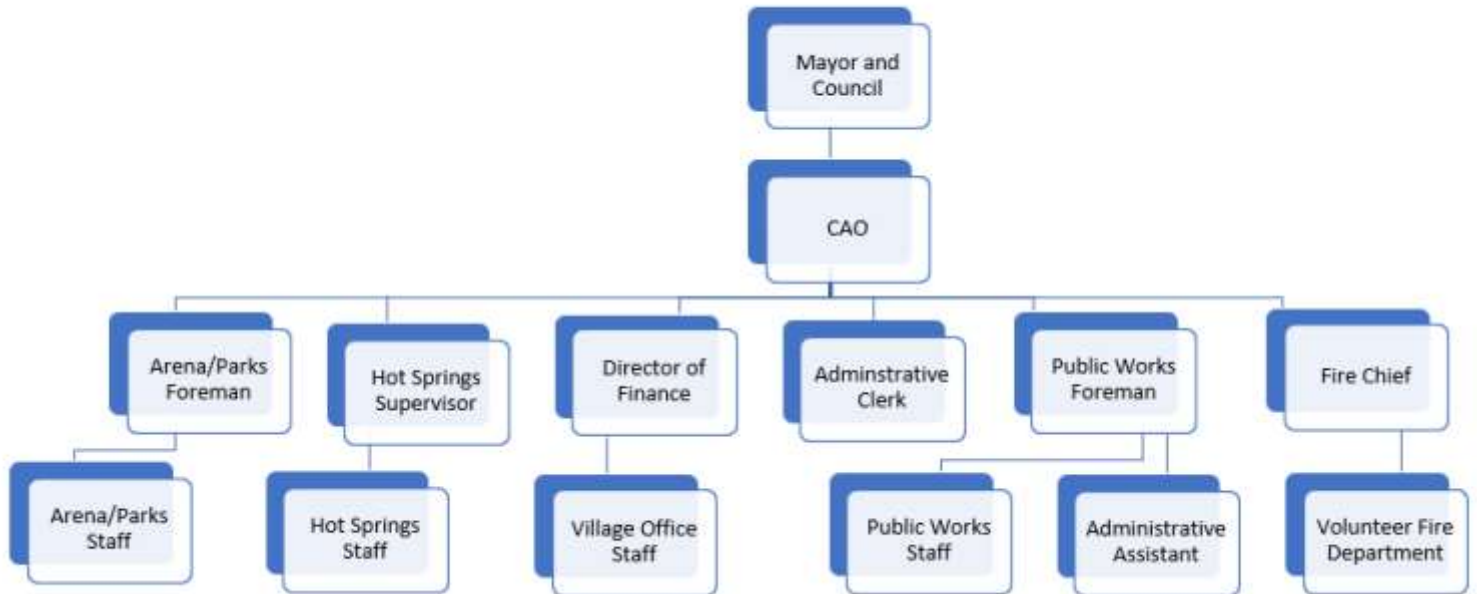
CBT Community Initiatives Program and Affected Area Program
 Nakusp Public Library
 Nakusp & District Chamber of Commerce—Alternate
 Municipal Campground Expansion Committee—Alternate
 Arrow Slokan Tourism—MRDT
 Liaison—Nakusp Seniors Society
 Public Art Committee
- **Councillor Aidan McLaren-Caux**

CBT Community Initiatives Program and Affected Area Program
 Nakusp Hot Springs Committee
 Investment Ready Nakusp
 Rotary Park Playground Committee
 Nakusp & Area Development Board Committee (NADB)
 Nakusp and Area Community Forest (NACFOR)
 Public Art Committee
- **Councillor Ken Miller**

Recreation Commission #4—Nakusp & Area K
 Nakusp & District Chamber of Commerce
 Municipal Campground Expansion Committee
 Rotary Park Playground Committee
 Off Road Vehicle Trail Working Committee

Village Operations

Village of Nakusp Organizational Chart



Staff Contacts:

Interim Chief Administrative Officer		
Linda Tynan	250-265-3689	cao@nakusp.com
Director of Finance / Deputy CAO		
Mark Tennant	250-265-3689	mtennant@nakusp.com
Public Works Foreman		
Bob Gresiuik	250-265-3556	bgresiuik@nakusp.com
Arena Parks Foreman		
Richard Cann	250-265-4500	rcann@nakusp.com
Hot Springs Supervisor		
Noel Ballard	250-265-4528	nballard@nakusp.com
Fire Chief & Emergency Services Coordinator		
Terry Warren	250-265-3563 250-265-1756 (cell)	trwarren@nakusp.com

Message from the Deputy CAO

Reflecting on this past year, it's easy to overlook all of the positive outcomes and accomplishments that were achieved. The Village team continued to demonstrate resiliency in a year full of unprecedented uncertainty and adversity.

The Village was able to maintain high staffing levels throughout the year with only one permanent layoff due to the pandemic. Staff adjusted well to the constant change brought upon us by COVID-19, providing continued service through alternative means.

Capital projects that were completed in 2020 included phase 2 of the downtown revitalization, a new 300 ft breakwater, and wastewater treatment plant upgrades. The NACFOR Legacy fund helped finance these projects, and continues to provide benefits to the community that otherwise would not be possible. In addition, planning began for a third well and reservoir, extensive upgrades to the wastewater treatment plant, and replacing the 1st avenue stormwater culvert.

A vast majority of residents paid property taxes on time despite the pandemic. We saw a large number of developments in the community in 2020 including two apartment complexes. The Village also experienced a very strong year in the real estate market. All signs that point to a healthy growing community.

As we move into a new year, there is optimism that the end of the pandemic is near. We look forward to pressing on and overcoming any challenges that may come our way in order to best serve our community.

— Mark Tennant, Director of Finance/ Deputy CAO



Photo credit: Rory McLeod

Municipal Departments

ADMINISTRATION

Linda Tynan, Interim CAO

The CAO's office supports Council's strategic planning efforts and oversees the administration of the Village, its officers and employees. This department provides recommendations to Council that reflect facts, options and professional opinion pertaining to issues considered by Council and developing in the community. The CAO's office takes the lead role in managing the implementation of policy direction established by Council. It provides leadership and direction to all Village departments and operations.

FINANCE

Mark Tennant, Director of Finance/Deputy CAO

The Director of Finance is responsible for the financial management of the Village's assets and for the planning, implementation and monitoring of the Village's Five Year Financial Plan. Staff provide services including taxes, water & sewer billing, processing of accounts payable, accounts receivable, and payroll.

OPERATIONS

Bob Gresiuik—Public Works Foreman

The Foreman oversees the management of the Public Works and Water and Sewer. Services encompassed under this umbrella include: potable water system; waste water treatment, building and facility maintenance, roads & sidewalks infrastructure, airport, equipment maintenance, garbage collection, and recycling.

RECREATION & PARKS

Richard Cann—Arena /Parks Foreman

The Foreman of Arena/Parks oversees the arena facility maintenance, downtown garbage collection, cemeteries and management of leisure services including municipal parks, sports complex and green spaces.

HOT SPRINGS, CHALETS and CAMPGROUND

Noel Ballard—Hot Springs Supervisor

The Supervisor of the Nakusp Hot Springs is responsible for the operations of the Hot Springs, the Chalets and Hot Springs Campground. This includes overseeing the staff, marketing and maintenance

FIRE

Terry Warren, Fire Chief

The Nakusp & District Volunteer Fire Department is responsible and has authority by Village Bylaws and the Fire Services Act for Protection of Life and Property, Fire Suppression, Pre-Fire & Disaster Planning, Mutual Aid to B.C. Wildfire Service, Rescue & Basic First Aid, Hazmat Response, Fire Prevention Programs, Local Assistants' to the Fire Commissioner for Inspection, Investigation and Enforcement.

Mission & Vision Statement

MISSION STATEMENT

Our mission is to deliver necessary municipal services, continue to maintain responsible governance, and provide transparency through communication for the citizens of Nakusp, while managing public assets, striving to maintain current partnerships while developing new ones and continuing to improve the economic, social and environmental well-being of our community.



VISION STATEMENT

- To continue to enhance our infrastructure to facilitate sustainable growth;
- To celebrate our history while embracing new opportunities;
- To be a regional service centre by supporting social, commercial, health and protective services;
- To continue promote and develop parks and recreation opportunities which serve both residents and visitors;
- To be a vibrant community that welcomes new residents, businesses, and opportunities for economic diversification as well as supporting our resource and tourism sectors; and
- To support Nakusp and Area Community Forest (NACFOR).

Municipal Services

SERVICES PROVIDED

Airport

- 2983' paved runway

Arena / Auditorium

- Arena
- Auditorium / kitchen rentals
- 4 sheet curling rink
- Squash court
- Hockey, figure skating

Beach

Board of Variance

Building Inspection

(contracted to the RDCK)

Business Licensing

Campsite

- Municipal
- Hot Springs

Cemeteries

- Legion
- Women's Institute
- Glenbank
- Catholic
- Nakusp
- Hillcrest

Emergency Services Building

Garbage & Recycling Collection

Nakusp Hot Springs & Cedar Chalets

Parks

- Waterfront Walk
- Trails
- Children's Play Park
- Skatepark
- Tennis Courts / Sportsfields

Sewer System & Sewer Treatment Plant

Snow Removal

Street Lighting

Taxation

Volunteer Fire Department

Water system

Water Treatment Plant

Wharf & Boat Launch

Zoning—Municipal



Nakusp is situated on the East shore of Upper Arrow Lake in the Selkirk Mountains in the Regional District of Central Kootenay, British Columbia. It lies approximately 160 kms north of the City of Nelson, 147 km north of the City of Castlegar, and 100 kilometres south of Revelstoke.

Nakusp lies at the south terminus of

Provincial Highway #23, which connects to Highway #6.

The Village of Nakusp covers an area of 1,059 hectares. Nakusp's shoreline, forest cover, hot springs, and wetlands provide habitat for wildlife and a unique place for people to live.

Climate

Mean Annual Temperature	7.7 ^o C (45.86 ^o F)
Average July Temperature	19.1 ^o C (66.38 ^o F)
Average January Temperature	-1.7 ^o C (28.94 ^o F)
Annual Rainfall	649.9 mm (26 inches)
Total Snowfall	192.1 cm (75.6 inches)
Total Sunshine	1902 hours

Community Services — Hot Springs, Chalets

2020 Hot Springs Facts & Figures

- 2020 was a year of constant change, with incredible efforts by staff being the one consistent
- The Springs had a total visitor count of 25,954 people in 2020. A decrease in visitors from 2019 of 25,305 people. Despite this the Hot Springs had a year end profit of \$57,300.
- The facility was closed from mid March to the end of June and received a \$59,100 transfer from COVID-19 Safe Restart funding to help offset lost revenues.

Adjusting our way of life and business

In 2020, the global pandemic created unique situations for everyone and every business, the Hot Springs Chalets and Campground included. The Hot Springs is a tourism based business that in the past has brought many visitors from all over the world into Nakusp and area. The COVID-19 pandemic changed that. In 2020 due to a mixture of; complete facility closures, partial closures, limited patrons in the soaking pools at one time, with a few months of the facility being open with reduced campsites the Nakusp Hot Springs saw a significant financial impact. Despite decreased revenue the Hot Springs was still self sustaining in 2020.

2020 Gross Revenue—\$641,283

2019 Gross Revenue—\$1,055,397



Community Services — Recreation & Parks

2020 Recreation & Parks

Highlights

- COVID-19 had a significant impact on recreational programming. Despite that, minor hockey and softball proceeded with limitations.
- A concept design was completed for a new natural adventure park. A significant amount of volunteer time and effort by the Rotary Club of Nakusp made this possible.
- The Nakusp Municipal Campground opened a month later than usual. Despite this revenues were comparable to previous years due to increased occupancy. Our campground managers have done an incredible job at creating memorable moments for the campers to help promote return visitors.
- The Municipal Campground Expansion Committee completed a phased concept expansion plan for the campground including a new entrance way, additional sites, and redevelopment of the existing campground.

Downtown Revitalization Phase 2

After completing comprehensive community consultations in 2017/2018, the Village was pleased to continue with Phase 2 of the Downtown Revitalization Project. Phase 2 saw removal of the existing cobblestone pavers and the construction of a new streetscape from 5th Avenue to 6nd Avenue on Broadway. Along with ornamental street lights, street furniture and plantings to come. Most importantly we saw sidewalks that allow safe access for residents with mobility issues.



Phase 2 was entirely funding through the NACFOR Legacy Fund.

Phase 3 is planned from Nelson Avenue to 2nd Avenue along Broadway St.



Community Services — Operations



THE VILLAGE OF
N A K U S P

2020 Operations Report



What are “Public Works Services”?

This includes, but is not limited to, the following:

- Maintenance of Village facilities and buildings;
- Garbage Collection and Recycling Services;
- Snow Removal & Road Maintenance;
- Sidewalk Inspection, Installation & Maintenance;
- Cemetery Burials, Headstone Installations;
- Maintenance of Village fleet and equipment;
- Street Lighting Inspection, Reporting & Maintenance;
- Airport Maintenance

What Does the Operations Department do?

The Operations Department is responsible for the Village Community Water System, the Community Wastewater System, and Public Works Services. Staff time allocations are as follows:

Water Distribution & Treatment 23%
Wastewater Collection & Treatment 13%
Public Works Services 64%

Community Services — Operations

CURBSIDE RECYCLING

Pickup is available
in Nakusp.



VILLAGE OF
NAKUSP
**PUBLIC
WORKS
DEPARTMENT**

1325 Hot Springs Road

For more information,
please contact
the Public Works Department
250.265.3556.

Where does funding for Operations come from?

The Public Works Services are funded through general taxation. Utility services are separate – generating revenue through annual utility billing for water and sewer expenditures. User fees are collected for services like garbage collection and cemeteries. A number of Capital projects are co-funded through Provincial or Federal grants.

For 2020, the Operations Department used:
approximately 19% of the combined overall Village budget for Public Works services;
9% for the community water system
5% for the wastewater system;
Total of approximately 34%.

Community Services — Operations

What happens if my garbage day falls on a holiday?

If your garbage day is on a Monday, your collection day is the next regular business day. If your garbage day is on Wednesday, your pick up will be on Friday. If your garbage day is on a Friday, your garbage pick-up will be on the Wednesday prior.

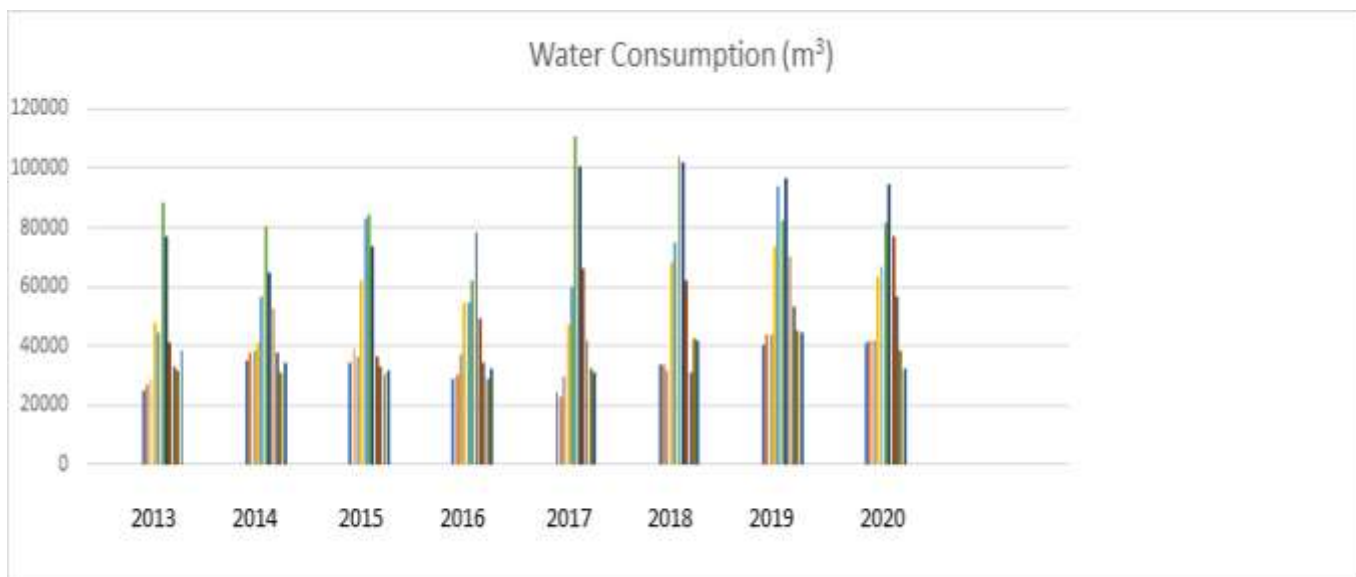
Please ensure that all residential garbage is placed in a Village garbage bag (sold at local retail stores and the Village Office) and an animal-resistant container. Garbage should be placed on the Avenue adjacent to the residence no earlier than 7 am, but ready for collection at 9 am.

When is Community Clean-up Week?

Council has declared the first week in May to be “Community Clean-up Week”. The Operations team will be collecting yard debris the week of May 1st. Residents are required to have their yard waste ready for pick up, adjacent to the alley or on the Village boulevard, by 7 am May 1st. There is no need to call in to schedule a pick up. This service is free of charge. The Village will only pick up yard waste/garden debris and branches.

2020 Water Consumption

The Village has made significant efforts to reduce outdoor water usage (lawn watering), through various campaigns. 2020 saw a decrease in overall water consumption from 2019 and there is still room to decrease usage further.



Community Services — Operations



Does the Village have Watering Restrictions?

Yes, the Village has year-round watering restrictions, as set out in Bylaw 656, 2015

- Lawn and flower garden irrigation is permitted only between the hours of 7:00 a.m. to 9:00 a.m. **OR** 7:00 p.m. to 9:00 p.m. on all properties with even numbered civic address on even days during the calendar year; on all properties with odd number civic addresses on odd days during the calendar year and prohibited throughout the service area on the 31st of any month;
- Residential Vegetable Garden Irrigation is permitted on any day between the hours of 7:00 a.m. to 9:00 a.m. **AND** 7:00 p.m. to 9:00 p.m. for a maximum two (2) hours daily duration;
- Lawn and flower garden irrigation with an In-ground irrigation system shall be limited to the period between 12:00 a.m. and 2:00 a.m. on the permitted days; for the maximum of 2 hours daily;
- Lawn and flower garden irrigation using any lawn and garden watering device other than in-ground irrigation system shall be limited to 7:00 a.m. to 9:00 a.m. **OR** 7:00 p.m. to 9:00 p.m. on permitted days;
- Consumers of a property equipped with in-ground irrigation shall not be permitted to use any other lawn or garden water device (does not include irrigation of residential vegetable gardens);
- Owner(s) and/or user(s) are permitted to utilize maximum of one (1) lawn and gardening watering device, at any specific time (does not include hand watering of residential vegetable gardens) during permitted watering periods;
- Hand watering of residential vegetable gardens and flower gardens permitted at any time;
- New lawn irrigation is permitted on any day only between the hours of 7:00 a.m. to 9:00 p.m. **OR** 7:00 p.m. to 9:00 p.m. for no longer than a two (2) hour daily duration for up to 21 days after installation;
- Washing any vehicle, driveway, building &/or structure with a running hose that is not affixed with an automatic shut off device, (does not include washing from a water bucket), is prohibited at all times;

CONTACT US

Village of Nakusp

Public Works Department

PO Box 280

1325 Hot Springs Rd

Nakusp, BC V0G 1R0

Phone: 250-265-3556

Emergencies: 250-265-3861

Email- Operations Foreman

bgresiuk@nakusp.com

Phone: 250-265-3556

Goals and Objectives 2020-2023

Community Development:

Support initiatives which contribute to the revitalization of Nakusp ensuring that the Village continues to be a safe, livable and vibrant community while attracting new families.

Objective: Partnering with Interior Health Authority for promotion of health and wellness within the community;

Progress: ONGOING

Objective: Advocate for improved health services from Interior Health Authority;

Progress: ONGOING

- Emergency room upgrades completed June 2020

Objective: Investigate opportunities to increase utilization and programming of arena complex, parks, trails and continue working with recently established Municipal Campground Expansion Committee for potential development.

Progress: ONGOING

- Concept phased expansion plan completed for municipal campground.
- MOU with community partners for rail trail washout repairs.

Objective: Continue to lobby for improved access to lake (BC Hydro/Province) – breakwater/boat launch

Progress: ONGOING

Objective: Engage youth in initiatives whenever possible

Progress: ONGOING

Objective: Support senior services;

Progress: ONGOING

Objective: Support housing development initiatives by seeking out developers and creating partnerships with funding partners;

Progress: ONGOING

- Investment Ready Nakusp Project

Objective: Recognize volunteer efforts in the community and acknowledge volunteer appreciation initiatives;

Progress: ONGOING

Objective: Establish positive and effective relationships with community organizations; other local governments and first nations

Progress: ONGOING

Objective: Continue to seek out funding opportunities to develop and implement a signage master plan

Progress: ONGOING

Objective: Continue to offer programs to improve mobility and accessibility within the community.

Progress: ONGOING

Goals and Objectives 2020-2023

Economic Development

Encourage diverse economic growth through support of strategic initiatives that meet the needs of Nakusp's identity and location

Objective: Continue through the recently developed Investment Ready Nakusp Committee to make Nakusp investment ready

Progress: ONGOING

Objective: Encourage private investment in alternative energy

Progress: ONGOING

Objective: Provide and promote opportunities for youth involvement, retainment, and employment in Nakusp

Progress: ONGOING

Objective: Continue with the Broadband initiative, develop partnerships, and seek out funding opportunities for "last mile" connection

Progress: ONGOING

Objective: Support fixed transportation link

Progress: ONGOING

Objective: Initiate planning and determine funding for Phase 2 of the downtown revitalization project

Progress: COMPLETED

- Phase 2 of the downtown revitalization was substantially completed in 2020 and was funded entirely through NACFOR Legacy funds.

Objective: Support the local value-added agriculture and food processing industry

Progress: ONGOING

Objective: Support the local value-added forestry industry

Progress: ONGOING

Objective: Acknowledging regional tourism and develop initiatives to benefit Nakusp.

Progress: ONGOING

Goals and Objectives 2020-2023

Hot Springs Development:

Continue to explore options that provide the best benefit/return to taxpayers while maintaining community access.

Objective: Continue to provide hospitality customer service training for staff

Progress: ONGOING

Objective: Identify and secure funding for improvements to Chalets

Progress: ONGOING

Objective: Facilitate increased services and improve the provision of services

Progress: ONGOING

Objective: Develop initiatives to improve marketing and tourism attractiveness

Progress: ONGOING

Objective: Investigate methods of enlarging the campground and increasing accommodations

Progress: ONGOING

Objective: Support new development and consider joint ventures and/or sale opportunities

Progress: ONGOING

Goals and Objectives 2020-2023

Land Use & Industrial Growth:

Maintain Nakusp's role as a diverse regional hub by retaining and attracting key industries and services to support them and collaborating regionally to foster sustainable growth.

Objective: Support development of industrial land within Nakusp and Area K

Progress: ONGOING

Objective: Review and amend land use policies and bylaws to create opportunities for development

Progress: IN PROGRESS

Objective: Complete the Official Community Plan (OCP) revision and focus on updating the Zoning Bylaw and subdivision and development bylaws to compliment the new OCP.

Progress: IN PROGRESS

- OCP final draft completed in 2020 and adopted in early 2021.

Fiscal Responsibility:

Plan for, invest in, and maintain safe, resilient and sustainable infrastructure in a way that provides the highest value to the taxpayers in the community.

Objective: Developing a tangible capital asset plan

Progress: ONGOING

- Infrastructure inventory and risk assessment completed

Objective: Development of a sound financial plan

Progress: ONGOING

- 2020-2024 five year financial plan completed.
- Incorporating asset management plan into financial plans.

Objective: Development of long-term financial plan for water and sewer utilities

Progress: IN PROGRESS

- Updated water master plan in progress to identify infrastructure upgrades required

Objective: Focus on our infrastructure for future generations.

Progress: ONGOING

Financial Section

Included in this report are the 2020 Financial Statements prepared by the Village of Nakusp and audited by Grant Thornton LLP. The consolidated financial statements are prepared in accordance with Generally Accepted Accounting Principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of Chartered Professional Accountants Canada (CPA).

Included in the Village's audited statements is the presentation of each of the individual funds – general, water, sewer and hot springs. This provides readers of the statements better understanding and better transparency of the Village's operations.

DEBT

As at December 31, 2020 the Village's debt was \$1,484,342. No additional debt was incurred by the Village in 2020.

<u>Bylaw</u>	<u>Original Debt</u>	<u>Term</u>	<u>Debt Start Date</u>	<u>Debt Expiry Date</u>	<u>Total</u>
Bylaw 648 - Upgrades to ice plant at arena	100,000	20 yrs	2014	2034	77,724
Bylaw 648 - Auditorium roof and solar panels	275,000	20 yrs	2013	2033	202,059
Bylaw 637 - Repairs to Hot Springs in 2006 - pay-back borrowing from reserves	710,000	20 yrs	2011	2031	457,674
Bylaw 638 - Construction of Emergency Services Building	110,000	20 yrs	2011	2031	70,908
Bylaw 546 - Sewer Lift Station	268,586	25 yrs	2003	2028	123,167
Equipment Loan—Fire Tender	425,000	20 yrs	2017	2032	291,541
Bylaw 671 - North Kuskanax Water & Sewer LSA	282,620	20 yrs	2018	2038	261,269
					1,484,342

The loan payments for the sewer lift station are paid from the sewer fund and not from general taxes. The loan payments for the Hot Springs come from Hot Springs revenue and not from general taxes. The loan payments for the North Kuskanax Water & Sewer LSA are paid by a parcel tax specific to the properties in the local service area and not from general taxes.



An instinct for growth™

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
Village of Nakusp

Grant Thornton LLP
513 Victoria Street
Nelson, BC
V1L 4K7
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F +1 250 352 7166

Opinion

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

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

Supplemental Information

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

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

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

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Financial Section

INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the Village'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 Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Chartered Professional Accountants

May 10, 2021

Nelson, B.C.

Financial Section

VILLAGE OF NAKUSP
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 4,403,582	\$ 2,480,234
Investments (note 3)	1,180,948	2,195,085
Accounts receivable (note 4)	481,746	311,049
MFA debt reserve cash deposits (note 5)	22,887	22,424
Investment in NACFOR (2013) (note 6)	1,754,304	1,714,089
	<u>7,843,467</u>	<u>6,722,881</u>
LIABILITIES		
Accounts payable and accrued liabilities (note 7)	321,171	278,479
Deferred revenue (note 8)	237,906	344,014
Deposits	6,936	5,924
MFA long-term debt (note 9)	1,484,342	1,587,061
	<u>2,050,355</u>	<u>2,215,478</u>
NET FINANCIAL ASSETS	<u>5,793,112</u>	<u>4,507,403</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	59,370	77,775
Inventory	32,403	30,729
Tangible capital assets (note 17)	20,556,500	20,416,490
	<u>20,648,273</u>	<u>20,524,994</u>
ACCUMULATED SURPLUS (note 10)	<u>\$ 26,441,385</u>	<u>\$ 25,032,397</u>
CONTINGENT LIABILITIES (note 13)		



Mark Tennant
Director of Finance / Deputy Chief Administrative Officer

Financial Section

VILLAGE OF NAKUSP
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
REVENUE			
Municipal property and parcel taxes	\$ 1,081,635	\$ 1,082,376	\$ 1,083,797
Interest and penalties on taxes	21,500	22,639	23,815
Utility taxes and grants-in-lieu of taxes	94,109	94,824	93,522
General fees, charges, and other	345,084	402,093	455,298
Hot Springs fees and other revenue	690,750	632,311	1,047,660
Interest and actuarial income	-	51,103	68,370
Sewer user fees and charges	459,320	478,988	432,956
Water user fees and charges	567,737	565,683	510,977
Government transfers	1,313,163	1,973,229	1,294,270
Gain on sale of tangible capital assets	-	33,491	46,802
Equity income from NACFOR (2013) (note 6)	-	440,215	69,203
	<u>4,573,298</u>	<u>5,776,952</u>	<u>5,126,670</u>
EXPENSES			
General government	860,352	812,627	904,989
Hot Springs and Chalets	618,262	572,387	701,894
Parks and recreation	668,338	609,946	829,462
Protective services	228,237	212,528	204,220
Public works and transportation	614,310	654,738	654,219
Sewer services	237,840	189,866	173,483
Water services	371,115	330,558	270,115
Interest on debt	62,945	60,447	64,241
Amortization	919,000	924,867	915,102
	<u>4,580,399</u>	<u>4,367,964</u>	<u>4,717,725</u>
ANNUAL SURPLUS (DEFICIT)	(7,101)	1,408,988	408,945
ACCUMULATED SURPLUS, BEGINNING OF YEAR	25,032,397	25,032,397	24,623,452
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 25,025,296</u>	<u>\$ 26,441,385</u>	<u>\$ 25,032,397</u>

Financial Section

VILLAGE OF NAKUSP
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended December 31, 2020

	2020 Budget	2020 Actual	2019 Actual
ANNUAL SURPLUS	\$(7,101)	\$ 1,408,988	\$ 408,945
Acquisition of tangible capital assets	(950,091)	(1,064,879)	(542,700)
Amortization of tangible capital assets	919,000	924,867	915,102
Gain on sale of tangible capital assets	-	(33,491)	(46,802)
Proceeds on sale of tangible capital assets	-	33,491	73,000
	(38,192)	1,268,976	807,545
Net change in inventory and prepaid expenses	-	16,733	(34,822)
INCREASE IN NET FINANCIAL ASSETS	(38,192)	1,285,709	772,723
NET FINANCIAL ASSETS, BEGINNING OF YEAR	4,507,403	4,507,403	3,734,680
NET FINANCIAL ASSETS, END OF YEAR	\$ 4,469,211	\$ 5,793,112	\$ 4,507,403

Financial Section

VILLAGE OF NAKUSP
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 1,408,988	\$ 408,945
Non-cash items included in annual surplus		
Amortization	924,867	915,102
Actuarial gain on MFA long-term debt	(20,301)	(17,343)
Gain on sale of tangible capital assets	(33,491)	(46,802)
Equity income from NACFOR (2013)	(440,215)	(69,203)
Changes in non-cash operating balances		
Accounts receivable	(170,697)	80,770
MFA debt reserve cash deposits	(463)	(510)
Prepaid expenses and inventory	16,733	(34,822)
Accounts payable and accrued liabilities	42,692	(67,655)
Deferred revenue and deposits	(105,096)	69,943
Cash Provided by Operating Transactions	1,623,017	1,238,425
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(1,064,879)	(542,700)
Proceeds from disposal of capital assets	33,491	73,000
Cash Applied to Capital Transactions	(1,031,388)	(469,700)
FINANCING TRANSACTIONS		
Repayment of interim and long-term debt	(82,418)	(164,201)
Cash Applied to Financing Transactions	(82,418)	(164,201)
INVESTING TRANSACTIONS		
Decrease (increase) in investments	1,014,137	(1,071,666)
Cash dividends received from NACFOR (2013)	400,000	465,000
Cash Provided by (Applied to) Investing Transactions	1,414,137	(606,666)
INCREASE (DECREASE) IN CASH	1,923,348	(2,142)
CASH, BEGINNING OF YEAR	2,480,234	2,482,376
CASH, END OF YEAR	\$ 4,403,582	\$ 2,480,234

Financial Section

VILLAGE OF NAKUSP NOTES TO FINANCIAL STATEMENTS As At December 31, 2020

The notes to the financial statements are an integral part of the statements. They explain the significant accounting and reporting policies underlying these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the financial statements alone.

1. NATURE OF THE ENTITY

The Village of Nakusp (the "Village") is incorporated under the Local Government Act of British Columbia and is subject to the provisions of the Community Charter and legislation under the Province. The Village's principal activities include the provision of local government services to residents of the incorporated area.

The financial statements are the responsibility of management and prepared in accordance with Canadian public sector accounting standards ("PSAS"). The preparation of these financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

In March 2020, the COVID-19 outbreak caused governments worldwide to enact emergency measures to combat the spread of the virus. These measures, which include the implementation of facility closures, travel restrictions, self-isolation periods, and social and physical distancing, will have a significant impact on the local and global economy. At this time it is not possible to reliably estimate the length and severity of the COVID-19 outbreak and how it may impact the Village's financial results for 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Village of Nakusp.

Basis of Presentation

The Financial Statements of the Village comprise the Village's Operating, Capital, and Reserve funds. All inter-fund balances have been eliminated. Supplementary statements for each fund on a segregated basis have been presented under "Other Financial Information".

- i) **Operating Funds:** These funds include the General, Hot Springs, Waterworks Utility, and Sewer Utility operations of the Village. They are used to record the operating costs of the services provided by the Village.
- ii) **Capital Funds:** These funds include the General, Hot Springs, Waterworks Utility and Sewer Utility Capital funds. They are used to record the acquisition and disposal of property and equipment and their related financing.
- iii) **Reserve Funds:** Reserve funds include statutory reserves restricted by the Community Charter and associated Municipal bylaws and reserves set aside by Council for future expenditures.

Basis of Accounting

The Village's financial statements are prepared using the accrual basis of accounting. Revenues are recognized in the year which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and/or the the creation of a legal obligation to pay.

Financial Section

VILLAGE OF NAKUSP NOTES TO FINANCIAL STATEMENTS (Continued) As At December 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in Government Business Enterprise

The Village's wholly owned subsidiary, the Nakusp & Area Community Forest (2013) Inc. ("NACFOR (2013)"), is a government business enterprise, accounted for using the modified equity method. Under this method, the business enterprise's accounting principles are not adjusted to conform with those of the Village. The equity income for the year is recorded as revenue in the Village's statements of operations and the investment in NACFOR (2013) is adjusted accordingly.

Cash and Equivalents

Cash and equivalents include liquid investments with maturities of three months or less at acquisition.

Investments

Investments are recorded at cost. Investment income is recorded on the accrual basis and recognized when earned.

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. Non-financial assets include tangible capital assets, inventory and prepaid expenses.

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Estimated useful lives are as follows:

Land	not amortized
Buildings and building components	15 - 50 years
Machinery and equipment	5 - 20 years
Furniture and equipment	5 - 20 years
Information technology	3 - 5 years
Vehicles and mobile equipment	5 - 25 years
Infrastructure	15 - 50 years

Contributed tangible capital assets are reported at fair value at the time of donation and are also recorded as revenue.

Inventories consist of supplies for the Village's own use and recorded at the lower of cost or net replacement value.

Municipal pension plan

The Village's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers is responsible for administering the plan, including investment assets and administration of benefits. The plan is a multi-employer defined benefit plan.

Financial Section

VILLAGE OF NAKUSP NOTES TO FINANCIAL STATEMENTS (Continued) As At December 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Revenue

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the year in which it is used for the specified purpose.

Revenue Recognition

Municipal Property Taxation

Taxation levies for Village services are recognized as revenue at the time of issuing the property tax notices for the fiscal year. Taxation levies imposed by other taxing authorities are not included in these statements.

General Fees and Charges

General Fees and charges are recognized as revenue when the service or product is provided by the Village. These include charges for garbage collection, rentals, permits, licenses, campground and arena fees, and other recoveries.

Government Transfers (conditional and unconditional grants)

Unconditional transfer revenue is recognized when it has been authorized by the transferor. Conditional transfer revenue is recognized when the transfer has been authorized by the transferor and the Village has met all the eligibility criteria, unless the transfer creates a liability (conditions on the use of the funds that have not yet been fulfilled by the Village). Conditional transfers for capital expenditures revenue are recognized when eligible expenditures are incurred by the Village.

Liability for Contaminated Sites

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

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

The liability is recognized at management's estimate of the cost of post remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for the contaminated site. The Village has no liabilities under this standard as at December 31, 2020 and 2019.

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Budget Figures

The budget figures are based on the Five-Year Financial Plan per Bylaw no. 695, 2020 adopted May 11, 2020.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Significant areas requiring estimates include the useful life of tangible capital assets for amortization, the determination of accrued liabilities, and the provision for contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

3. INVESTMENTS

	2020	2019
MFA Money Market and CIBC Flexible GIC Funds	\$ 1,174,620	\$ 2,189,037
MFA Intermediate Fund	2,522	2,472
MFA Short-term Bond Fund	3,806	3,576
	\$ 1,180,948	\$ 2,195,085

4. ACCOUNTS RECEIVABLE

	2020	2019
Municipal property taxes	\$ 143,976	\$ 169,238
Government and agency grants	100,399	7,500
Sewer user fees	55,161	29,574
Water user fees	51,909	28,977
GST rebate	14,720	11,434
Other	115,581	64,326
	\$ 481,746	\$ 311,049

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

5. MUNICIPAL FINANCE AUTHORITY (MFA) DEBT RESERVE DEPOSITS

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

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund Cash Deposit, less administrative expenses, becomes an obligation of MFA to the member municipalities through the regional districts. Upon the maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the municipality, including interest earned. Use of the Cash Deposit is restricted by legislation. The detail of the cash deposits and demand notes at year-end are as follows:

	Demand Notes	Cash Deposits	2020	2019
General and Hot Springs Funds	\$ 28,234	\$ 15,053	\$ 43,287	\$ 42,983
Sewer and Water Funds	14,432	7,834	22,266	22,107
	\$ 42,666	\$ 22,887	\$ 65,553	\$ 65,090

The cash portion of the Debt Reserve Fund is recognized as an asset in the financial statements. The demand notes are contingent liabilities and are not recorded in the financial statements.

6. INVESTMENT IN NACFOR (2013)

Nakusp & Area Community Forest (2013) Inc. ("NACFOR (2013)") is a wholly owned subsidiary that was created for the purpose of managing a timber license in the Nakusp area.

The Village accounts for its investment in this government business enterprise using the modified equity method. The condensed financial information of this investment for the year ended December 31, 2020 with comparative figures for December 31, 2019 are as follows:

	2020	2019
Assets		
Current assets	\$ 2,275,560	\$ 2,133,411
Long-term assets	230,502	224,998
	2,506,062	2,358,409
Liabilities		
Current liabilities	250,758	143,320
Silviculture accrual	501,000	501,000
	751,758	644,320
Shareholder equity	\$ 1,754,304	\$ 1,714,089
Results of operations, net income for the year	\$ 440,215	\$ 69,203

During the year, the Village received \$400,000 in dividends (2019 - \$465,000).

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Wages and benefits payable	\$ 99,157	\$ 99,942
Trade accounts payable and accrued liabilities	<u>222,014</u>	<u>178,537</u>
	<u>\$ 321,171</u>	<u>\$ 278,479</u>

8. DEFERRED REVENUE

These funds are externally restricted for the purposes for which they were collected.

	Balance, Beginning of Year	Contributions Received	Eligible Expenditures / Transfers	Balance, End of Year
BC Hydro - wharf fund	\$ 100,000	\$ -	\$(100,000)	\$ -
Provincial grant - rural dividend	35,525	-	(5,251)	30,274
Parkland acquisition	13,272	-	(13,272)	-
UBCM - Age Friendly grant	-	10,500	-	10,500
UBCM - Poverty reduction grant	-	12,500	(9,400)	3,100
Other miscellaneous	8,298	8,234	(8,298)	8,234
Prepaid taxes and utility fees	<u>186,919</u>	<u>158,711</u>	<u>(159,832)</u>	<u>185,798</u>
	<u>\$ 344,014</u>	<u>\$ 189,945</u>	<u>\$(296,053)</u>	<u>\$ 237,906</u>

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

9. LONG-TERM DEBT

	Balance, Beginning of Year	Additions	Principal Payments	Actuarial Adjustment	Balance, End of Year
General Fund					
MFA issue 126					
bylaw 648	\$ 213,744	\$ -	\$ 9,235	\$ 2,450	\$ 202,059
MFA issue 130					
bylaw 648	81,811	-	3,359	728	77,724
MFA issue 117					
bylaw 638	75,963	-	3,694	1,361	70,908
MFA equipment loan	317,683	-	26,142	-	291,541
	<u>689,201</u>	<u>-</u>	<u>42,430</u>	<u>4,539</u>	<u>642,232</u>
Hot Springs Fund					
MFA issue 117					
bylaw 637	490,305	-	23,843	8,788	457,674
Sewer Utility Fund					
MFA issue 145					
bylaw 671	63,724	-	2,463	74	61,187
MFA issue 79					
bylaw 546	135,452	-	5,628	6,657	123,167
	<u>199,176</u>	<u>-</u>	<u>8,091</u>	<u>6,731</u>	<u>184,354</u>
Water Utility Fund					
MFA issue 145					
bylaw 671	208,379	-	8,054	243	200,082
Total Long-term Debt	\$ 1,587,061	\$ -	\$ 82,418	\$ 20,301	\$ 1,484,342

Actuarial adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt.

The Village's requirements for future repayments of principal on existing debt for the next five years excluding any actuarial gains that may be realized are as follows:

	General Fund	Hot Springs Fund	Sewer Utility Fund	Water Utility Fund	Total
2021	\$ 45,100	\$ 23,843	\$ 8,091	\$ 8,054	\$ 85,088
2022	\$ 45,400	\$ 23,843	\$ 8,091	\$ 8,054	\$ 85,388
2023	\$ 45,700	\$ 23,843	\$ 8,091	\$ 8,054	\$ 85,688
2024	\$ 46,000	\$ 23,843	\$ 8,091	\$ 8,054	\$ 85,988
2025	\$ 46,200	\$ 23,843	\$ 8,091	\$ 8,054	\$ 86,188

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

10. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2020	2019
Unappropriated Surplus		
General Operating Fund	\$ 1,127,649	\$ 429,343
Hot Springs Operating Fund	232,133	174,828
Water Operating Fund	505,760	505,760
Sewer Operating Fund	-	-
	1,865,542	1,109,931
Reserve Fund	3,749,381	3,378,949
Equity in Tangible Capital Assets		
General Capital Fund	11,033,507	10,729,873
Hot Springs Capital Fund	568,035	583,288
Water Capital Fund	4,723,014	4,770,233
Sewer Capital Fund	2,747,602	2,746,034
	19,072,158	18,829,428
Investment in NACFOR (2013)	1,754,304	1,714,089
TOTAL ACCUMULATED SURPLUS	\$ 26,441,385	\$ 25,032,397

The Unappropriated Surplus is the amount of Accumulated Surplus remaining after deducting the other appropriated surplus balances. It is available to temporarily finance operations until planned revenues (i.e. property taxes, grants, etc.) are received, or for other operating or capital purposes as determined by Council.

The Reserve Fund is Accumulated Surplus that has been set-aside by decision of Council for a specified purpose. In the normal course of operations, these funds will be used to finance the future services or capital works for which they have been appropriated.

The Investment in NACFOR (2013) is equal to the NACFOR (2013) investment value on an equity basis. In the normal course of operations this investment will not be available to finance operations, but will be maintained in support of the purposes of the investment.

Equity in Tangible Capital Assets is equal to the tangible capital assets less related long-term debt. In the normal course of operations the non-financial assets will not be available to finance operations, but will be used to provide services, and the debt will be repaid by future period revenues.

Financial Section

VILLAGE OF NAKUSP NOTES TO FINANCIAL STATEMENTS (Continued) As At December 31, 2020

11. PENSION LIABILITY

The Village and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2019, the Plan had about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local government.

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

The most recent valuation as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2021 with results available later in 2022.

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

The Village paid \$115,960 (2019 - \$120,864) for employer contributions to the Plan in fiscal 2020.

12. COLLECTION FOR OTHER GOVERNMENTS

The Village collected and remitted the following taxes on behalf of other Governments.

Provincial Government - School Taxes	\$ 556,292
Provincial Government - Police Tax Levy	89,096
Regional District of Central Kootenay	552,761
Regional Hospital District	68,067
British Columbia Assessment Authority	11,983
Municipal Finance Authority	55
	<u>55</u>
	<u>\$ 1,278,254</u>

These amounts are not included in the Village's revenues and expenditures in the financial statements.

13. CONTINGENT LIABILITIES

The Village, as a member of the Regional District of Central Kootenay, is jointly and severally liable for the future capital liabilities of the Regional District. The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet its payments and obligations, it shall make payments from the debt reserve fund which is in turn established by a similar debt reserve fund of the Village and all other borrowing participants. If the debt reserve fund is deficient, the Authority's obligations become a liability of the Regional District, and may become a liability of the participating municipalities.

In the normal course of a year, the Village is faced with claims for damages of a diverse nature. The outcome of these claims cannot be reasonably determined, and no amounts are accrued in the financial statements.

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

14. BUDGET RECONCILIATION

The following reconciles the budgeted annual deficit as shown on the statement of operations to the budget as presented in bylaw no. 695 adopted May 11, 2020.

Annual budgeted deficit as presented	\$(7,101)
Transfers from reserves	763,241
Transfers to reserves	(663,349)
Amortization	919,000
Debt principal payments	(79,920)
Capital expenditures	(950,091)
Budgeted use of prior year surplus	45,500
Interfund transfers	(27,280)
	<u>\$ -</u>

15. CEMETERY CARE TRUST FUND

The Village operates the Catholic, Hillcrest, Women's Institute, Glenbank, and Legion cemeteries and maintains a Cemetery Care Fund in accordance with the Cremation, Interment, and Funeral Services Act and related Regulations. In accordance with Act and Regulations, the Village must transfer a specified minimum percentage of certain cemetery fees into the Cemetery Care Fund. The resulting equity balance in the fund is restricted in use; interest earnings are available to the Village to fund ongoing maintenance of the cemetery as required. The condensed financial information for the year ended December 31, 2020 with 2019 comparative figures are as follows:

	2020	2019
ASSETS		
Short-term investments	\$ 41,509	\$ 39,870
EQUITY	<u>\$ 41,509</u>	<u>\$ 39,870</u>
OPERATIONS		
Contributions	\$ 1,250	\$ 1,100
Interest	389	150
CHANGE IN EQUITY	<u>\$ 1,639</u>	<u>\$ 1,250</u>

The Cemetery Trust Fund is not included in the Village's financial statements.

Financial Section

VILLAGE OF NAKUSP
NOTES TO FINANCIAL STATEMENTS (Continued)
As At December 31, 2020

16. SEGMENTED INFORMATION

The Village of Nakusp is a diversified municipal government that provides a wide range of services to its citizens. The Village's operations and activities are organized and reported by funds and departments. The general fund reports on operations funded primarily by property taxes and government transfers which include services provided by the Village such as general government services, protective services, public works and parks and recreation. The utility operations are comprised of the water and sewer system each accounting for its own operations and programs within its own fund. The Hot Springs and Chalets fund reports the revenues and expenses specific to the Hot Springs operations. Operating results reported by the following segments are included in Schedule A.

General government

General government is primarily funded by property taxation and unconditional government transfers. The expenses within the segment are for legislative, general administration and finance functions as well as all operations and maintenance costs relating to the municipal buildings, economic development and promotion and grants to community organizations.

Protective services

Protective services is comprised of the Village's fire protection and emergency services and the operating and maintenance costs of the related buildings, vehicles and equipment.

Public works

Public works and transportation is a broad function comprised of crews engaged in the maintenance and improvements to the road systems, drainage, waste disposal, snow removal, cemetery, works yard, and other planning and maintenance activities.

Parks and recreation

Parks and recreation services contribute to the quality of life and personal wellness through the maintenance of the parks and boulevards, as well as the maintenance and operations of the arena and campground.

Water services

The water utility provides safe drinking water to the Village. Revenue and expenses represent the amounts that are directly attributable to the function of the water utility.

Sewer services

The sewer utility operates the sanitary sewer system networks and treatment plant. Revenue and expenses represent the amounts that are directly attributable to the function of the sewer utility.

Hot Springs and Chalets

The Hot Springs and Chalets segment is comprised of the revenues earned and the expenses incurred from the operations and maintenance of the Nakusp Hot Springs which includes the facility, chalets and campground.

Financial Section

VILLAGE OF NAKUS
 NOTES TO FINANCIAL STATEMENTS (Continue)
 As At December 31, 20

17. TANGIBLE CAPITAL ASSETS

	Land	Park Improvements and Other	Buildings	Equipment, Furniture, and Vehicles	Transportation System	Sewer System	Water System	Assets Under Construction	2020 Total	2019 Total
COST										
Opening Balance	\$ 1,342,412	\$ 2,967,620	\$ 10,091,718	\$ 3,256,584	\$ 4,316,365	\$ 5,523,895	\$ 7,782,560	\$ 10,359	35,291,513	\$ 34,837,306
Add: Additions		307,225		203,401	287,810			267,353	1,065,789	1,294,709
Less: Disposals				112,618				911	113,529	840,502
Closing Balance	1,342,412	3,274,845	10,091,718	3,347,367	4,604,175	5,523,895	7,782,560	276,801	36,243,773	35,291,513
ACCUMULATED AMORTIZATION										
Opening Balance	-	346,567	5,175,686	1,982,354	1,987,742	2,578,896	2,803,347	-	14,875,024	14,022,219
Add: Amortization	-	71,895	300,653	176,572	74,733	135,636	165,378	-	924,867	915,102
Less: Acc. Amortization on Disposals	-			112,618					112,618	52,298
Closing Balance	-	418,462	5,476,341	2,046,348	2,062,475	2,714,322	2,969,325	-	15,687,273	14,875,023
Net Book Value, year ended December 31, 2020	\$ 1,342,412	\$ 2,856,383	\$ 4,615,377	\$ 1,301,019	\$ 2,541,700	\$ 2,809,573	\$ 4,813,235	\$ 276,801	\$ 20,556,500	\$ 20,416,490

Financial Section

VILLAGE OF NAKUSP
SCHEDULE A - SEGMENTED INFORMATION
As At December 31, 2020

	General Government	Protective Services	Public Works	Parks and Recreation	Water services	Sewer services	Hot Springs and Chalets	Total
REVENUE								
General taxation	\$ 1,062,950				\$ 14,872	\$ 4,548		\$ 1,082,370
Interest and penalties on taxes	22,639							22,639
Utility taxes and grant-in-lieu of taxes	94,624							94,624
General fees and charges	127,165	16,904	114,414	143,610				402,093
Hot Springs fees and other revenue							632,311	632,311
Conditional transfers from other governments	278,541	135,509	20,800	410,500				845,350
COVID-19 Safe restart Fund Grant	603,965	3,565		25,355			59,115	692,000
Unconditional transfer - Province of B.C.	435,879							435,879
Investment interest and MFA actuarial gain	30,461	1,361		3,178	288	6,542	8,972	51,103
Sewer user fees and charges						478,988		478,988
Water user fees and charges					565,683			565,683
Equity income in NACFOR (2013)	440,215							440,215
Proceeds on sale of tangible assets			33,481					33,481
	3,096,645	157,339	168,705	582,843	580,843	490,378	700,398	5,776,952
EXPENSES								
Interest on debt		8,839		13,588	6,818	8,128	23,075	60,447
Goods and services	342,622	128,286	306,050	314,011	206,148	132,874	182,059	1,612,048
Wages, benefits and Council stipends	470,006	84,242	348,688	295,935	124,412	56,992	390,328	1,770,602
Amortization of tangible capital assets	25,018	81,301	167,117	282,533	165,378	135,636	47,884	924,867
	837,645	302,668	841,855	906,067	502,754	333,630	643,346	4,367,984
Annual surplus (deficit)	\$ 2,259,000	\$ (145,328)	\$ (673,150)	\$ (323,424)	\$ 78,089	\$ 156,747	\$ 57,052	\$ 1,408,988

Financial Section

VILLAGE OF NAKUSP
SCHEDULE B - COVID-19 PROVINCE OF BC RESTART GRANT (Unaudited)
As At December 31, 2020

FUNDING RECEIVED	\$ 692,000
<hr/>	
EXPENDITURES	
Addressing revenue shortfalls	79,200
Facility reopening and operating costs	9,982
Computer and other electronic technology costs	6,156
	<hr/>
	\$ 596,662
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Financial Section

VILLAGE OF NAKUSP
GENERAL FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

FINANCIAL ASSETS	2020	2019
ASSETS		
Cash	\$ 1,799,233	\$ 1,596,107
Investments	8,023	10,888
Investment in NACFOR (2013)	1,754,304	1,714,089
Accounts receivable	130,303	75,760
Grants receivable	61,019	7,500
Taxes receivable	143,976	169,238
MFA debt reserve cash deposits	5,897	5,778
Due from Hot Springs Fund	-	5,282
Due from Sewer Fund	54,352	28,149
	3,957,107	3,612,791
LIABILITIES		
Accounts payable and accrued liabilities	321,171	278,479
Deferred revenue	210,820	301,497
Deposits	6,936	5,924
MFA equipment finance loan	291,540	317,683
Long-term debt	350,692	371,518
Due to Hot Springs Fund	60,021	-
Due to Water Fund	432,917	496,928
Due to Reserve Fund	118,662	482,535
	1,792,759	2,254,564
NET FINANCIAL ASSETS	2,164,348	1,358,227
NON-FINANCIAL ASSETS		
Prepaid expenses and deposits	59,370	77,775
Inventory of materials and supplies	16,003	18,229
Tangible capital assets	11,675,739	11,419,074
	11,751,112	11,515,078
ACCUMULATED SURPLUS	\$ 13,915,460	\$ 12,873,305
Represented by:		
Unappropriated surplus	\$ 1,127,649	\$ 429,343
Equity in tangible capital assets	11,033,507	10,729,873
Equity in NACFOR (2013)	1,754,304	1,714,089
	\$ 13,915,460	\$ 12,873,305

Financial Section

VILLAGE OF NAKUSP
GENERAL OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2020

	2020	2019
REVENUE		
General taxation	\$ 1,062,956	\$ 1,064,377
Interest and penalties on taxes	22,639	23,815
Utility taxes and grants-in-lieu of taxes	94,824	93,522
General fees and charges	376,639	434,331
Permits and licences	25,454	20,967
Conditional transfers from other governments	1,537,350	871,794
Unconditional transfer - Province of B.C.	435,879	422,476
Investment interest and MFA actuarial gain	5,201	4,543
Equity income in NACFOR (2013)	440,215	69,203
Proceeds on sale of tangible capital assets	33,491	73,000
	4,034,648	3,078,028
EXPENSES		
Cemetery services	21,462	19,642
Economic development and promotion	78,364	60,916
General government	734,263	844,073
Protective services	212,528	204,220
Public works	581,362	596,731
Parks and recreation	609,946	829,462
Waste disposal services	51,914	37,846
Interest on debt	22,426	25,975
Amortization	575,969	567,643
	2,888,234	3,186,508
TOTAL REVENUES OVER (UNDER) EXPENSES	1,146,414	(108,480)
Transfers from Reserve Fund	639,514	588,261
Transfers to Reserve Fund	(699,657)	(982,105)
Transfer (to) / from Hot Springs Fund	(44,115)	55,000
Amortization transferred to equity in capital assets	575,969	567,643
General Capital expenditures	(832,635)	(385,430)
General Capital debt principal repayments	(46,969)	(90,953)
Equity in NACFOR (2013)	(440,215)	(69,203)
NACFOR (2013) dividend received in the year	400,000	465,000
	(448,108)	148,213
ANNUAL SURPLUS	698,306	39,733
ACCUMULATED SURPLUS, BEGINNING OF YEAR	429,343	389,610
ACCUMULATED SURPLUS, END OF YEAR	\$ 1,127,649	\$ 429,343

Financial Section

VILLAGE OF NAKUSP
HOT SPRINGS FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

FINANCIAL ASSETS	2020	2019
ASSETS		
Cash	\$ 146,556	\$ 158,638
Due from General Fund	60,021	-
MFA debt reserve cash deposits	9,156	8,971
	<u>215,733</u>	<u>167,609</u>
LIABILITIES		
Due to General Fund	-	5,282
Long-term debt	457,674	490,305
	<u>457,674</u>	<u>495,587</u>
NET DEBT	<u>(241,941)</u>	<u>(327,978)</u>
NON-FINANCIAL ASSETS		
Inventory	16,400	12,500
Tangible capital assets	1,025,709	1,073,594
	<u>1,042,109</u>	<u>1,086,094</u>
ACCUMULATED SURPLUS	<u>\$ 800,168</u>	<u>\$ 758,116</u>
Represented by:		
Unappropriated surplus	\$ 232,133	\$ 174,828
Equity in tangible capital assets	568,035	583,288
	<u>\$ 800,168</u>	<u>\$ 758,116</u>

Financial Section

VILLAGE OF NAKUSP
HOT SPRINGS OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2020

	2020	2019
REVENUE		
Facility admissions	\$ 279,469	\$ 502,198
Chalet rentals	192,590	300,806
Campsite rentals	103,679	144,567
Merchandise sales	56,573	100,089
Interest revenue and MFA actuarial gain	8,972	7,737
	641,283	1,055,397
EXPENSES		
Facility direct costs	382,415	345,533
General expenses	49,273	154,466
Chalet rental expenses	100,471	125,657
Campsite rental expenses	10,787	20,473
Cost of merchandise	29,441	55,765
Interest on debt	23,075	23,320
Amortization	47,884	47,652
	643,346	772,866
TOTAL REVENUE OVER EXPENSES	(2,063)	282,531
Hot Springs capital expenditures	-	(54,343)
Hot Springs capital debt principal repayments	(32,631)	(68,376)
Amortization transferred to equity in capital assets	47,884	47,652
Transfers from Reserve Fund	-	54,343
Transfers to Reserve Fund	-	(32,512)
Transfer to (from) General Operating Fund	44,115	(55,000)
	59,368	(108,236)
ANNUAL SURPLUS	57,305	174,295
ACCUMULATED SURPLUS, BEGINNING OF YEAR	174,828	533
ACCUMULATED SURPLUS, END OF YEAR	\$ 232,133	\$ 174,828

Financial Section

VILLAGE OF NAKUSP
WATER UTILITY FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

FINANCIAL ASSETS	2020	2019
ASSETS		
Water fees receivable	\$ 51,908	\$ 28,977
Other receivables	39,380	-
Due from General Fund	432,917	496,928
MFA debt reserve cash deposits	2,298	2,251
	<u>526,503</u>	<u>528,156</u>
LIABILITIES		
Deferred revenue - parcel taxes	20,743	22,396
Long-term debt	200,082	208,379
	<u>220,825</u>	<u>230,775</u>
NET FINANCIAL ASSETS	305,678	297,381
TANGIBLE CAPITAL ASSETS	4,923,096	4,978,612
ACCUMULATED SURPLUS	\$ 5,228,774	\$ 5,275,993
Represented by:		
Unappropriated surplus	\$ 505,760	\$ 505,760
Equity in tangible capital assets	4,723,014	4,770,233
	<u>\$ 5,228,774</u>	<u>\$ 5,275,993</u>

Financial Section

VILLAGE OF NAKUSP
WATER UTILITY OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2020

	2020	2019
REVENUE		
Parcel taxes	\$ 14,872	\$ 14,872
User fees	565,683	510,977
	<u>580,555</u>	<u>525,849</u>
EXPENSES		
Water services	330,558	270,115
Interest on debt	6,818	6,818
Amortization	165,378	164,398
	<u>502,754</u>	<u>441,331</u>
NET OPERATING REVENUES OVER EXPENSES	77,801	84,518
Capital expenditures	(109,862)	(97,927)
Water capital principal payments	(8,296)	(8,055)
Amortization transferred to equity in capital assets	165,378	164,398
Transfer from Water Reserve Fund	110,449	95,872
Transfer to Water Reserve Fund	(262,750)	(266,086)
Transfer from Sewer Utility Fund	27,280	27,280
ANNUAL SURPLUS	-	-
ACCUMULATED SURPLUS, BEGINNING OF YEAR	505,760	505,760
ACCUMULATED SURPLUS, END OF YEAR	\$ 505,760	\$ 505,760

Financial Section

VILLAGE OF NAKUSP
SEWER UTILITY FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

FINANCIAL ASSETS	2020	2019
ASSETS		
Sewer fees receivable	\$ 55,160	\$ 29,574
MFA debt reserve cash deposits	5,536	5,424
	<u>60,696</u>	<u>34,998</u>
LIABILITIES		
Deferred revenue - parcel taxes and user fees	6,343	6,849
Due to General Operating Fund	54,353	28,149
Long-term debt	184,354	199,176
	<u>245,050</u>	<u>234,174</u>
NET DEBT	(184,354)	(199,176)
TANGIBLE CAPITAL ASSETS	2,931,956	2,945,210
ACCUMULATED SURPLUS	\$ 2,747,602	\$ 2,746,034
Represented by:		
Equity in tangible capital assets	\$ 2,747,602	\$ 2,746,034

Financial Section

VILLAGE OF NAKUSP
SEWER UTILITY OPERATING FUND
STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended December 31, 2020

	2020	2019
REVENUE		
Parcel taxes	\$ 4,548	\$ 4,548
User fees	478,988	432,956
Interest and MFA actuarial gain	6,842	6,195
	490,378	443,699
EXPENSES		
Sewer service	189,866	173,483
Interest on debt	8,128	8,128
Amortization	135,636	135,409
	333,630	317,020
EXCESS OF REVENUE OVER EXPENSES	156,748	126,679
Sewer capital expenditures	(122,382)	(5,000)
Sewer capital debt principal repayments	(14,821)	(14,162)
Amortization transferred to equity in capital assets	135,636	135,409
Transfer from Sewer Reserve Fund	122,427	-
Transfer to Water Utility Fund	(27,280)	(27,280)
Transfer to Sewer Reserve Fund	(250,328)	(215,646)
	(156,748)	(126,679)
ANNUAL SURPLUS	-	-
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	-
ACCUMULATED SURPLUS, END OF YEAR	\$ -	\$ -

Financial Section

VILLAGE OF NAKUSP
RESERVE FUND
STATEMENT OF FINANCIAL POSITION
As At December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash and short-term investments	\$ 3,630,718	\$ 2,909,686
Due from general operating fund	118,663	482,535
	3,749,381	3,392,221
LIABILITIES		
Deferred revenue - parkland acquisition	-	13,272
	\$ 3,749,381	\$ 3,378,949
RESERVES		
Broadway Memorial Bench Reserve	\$ 28,148	\$ 27,913
Cemetery Reserve	16,524	14,386
Community Works Gas Tax Reserve	301,625	176,390
Elections Reserve	6,096	3,045
Equipment Reserve	405,679	417,940
Fire Equipment Reserve	360,867	325,151
General Capital Reserve	14,096	28,978
Hot Springs Reserve	33,069	32,793
Hot Springs - Chalets Reserve	83,785	83,085
Land Sales Reserve	124,231	123,193
NACFOR (2013) Legacy Fund	831,448	907,390
Parkland Acquisitions Reserve	13,272	-
Sewer Reserve	806,461	672,391
Water Reserve	724,080	566,294
	\$ 3,749,381	\$ 3,378,949

Financial Section

VILLAGE OF NAKUSP
RESERVE FUND
STATEMENT OF TRANSACTIONS
 For the Year Ended December 31, 2020

	Balance, Beginning of Year	Contributions	Transfers to Other Funds	Interest Earned	Balance, End of Year
Broadway Memorial Bench Reserve	\$ 27,913	\$ -	\$ -	\$ 235	\$ 28,148
Cemetery Reserve	14,386	2,000	-	138	16,524
Community Works					
Gas Tax Reserve	176,390	122,714	-	2,521	301,625
Election Reserve	3,045	3,000	-	51	6,096
Equipment Reserve	417,940	123,170	(138,823)	3,392	405,679
Fire Equipment Reserve	325,151	35,500	(2,800)	3,016	360,867
General Capital Reserve	28,978	-	(15,000)	118	14,096
Hot Springs Reserve	32,793	-	-	276	33,069
Hot Springs Chalet Reserve	83,085	-	-	700	83,785
Land Sale Reserve	123,193	-	-	1,038	124,231
NACFOR (2013)					
Legacy Fund	907,390	400,000	(482,891)	6,949	831,448
Parkland					
Acquisition Reserve	-	13,272	-	-	13,272
Sewer Reserve	672,391	250,328	(122,427)	6,169	806,461
Water Reserve	566,294	262,750	(110,449)	5,485	724,080
	\$ 3,378,949	\$ 1,212,734	\$(872,390)	\$ 30,088	\$ 3,749,381

Financial Section

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Statistical Information

PROPERTY TAX EXEMPTIONS (PTE)

Through the adoption of an annual bylaw, the Municipal Council may provide a permissive exemption from taxation to certain groups and organizations. The legal capacity to provide these permissive tax exemptions is through powers granted to the Council in the *Community Charter*.

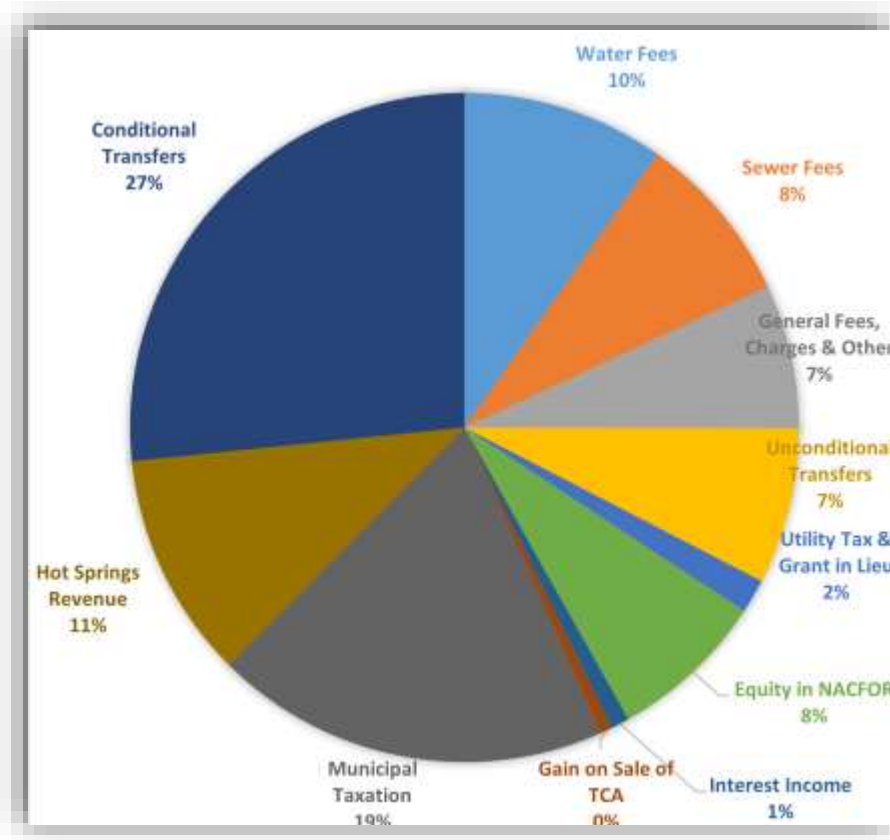
To be considered for a permissive tax exemption, an organization must submit an application and illustrate that their goals, policies, and operating principles that reflect those of the municipality; that the services provided are an extension of municipal services and that their programs are deemed to contribute to the well being of the community. They must be primarily used by residents of the Village of Nakusp and allow all Nakusp residents to participate and adhere to all Village of Nakusp bylaws and policies.

Below is a listing of organizations granted a PTE in 2020 together with the amount of municipal taxes that would have been imposed on the property if it were not exempt.

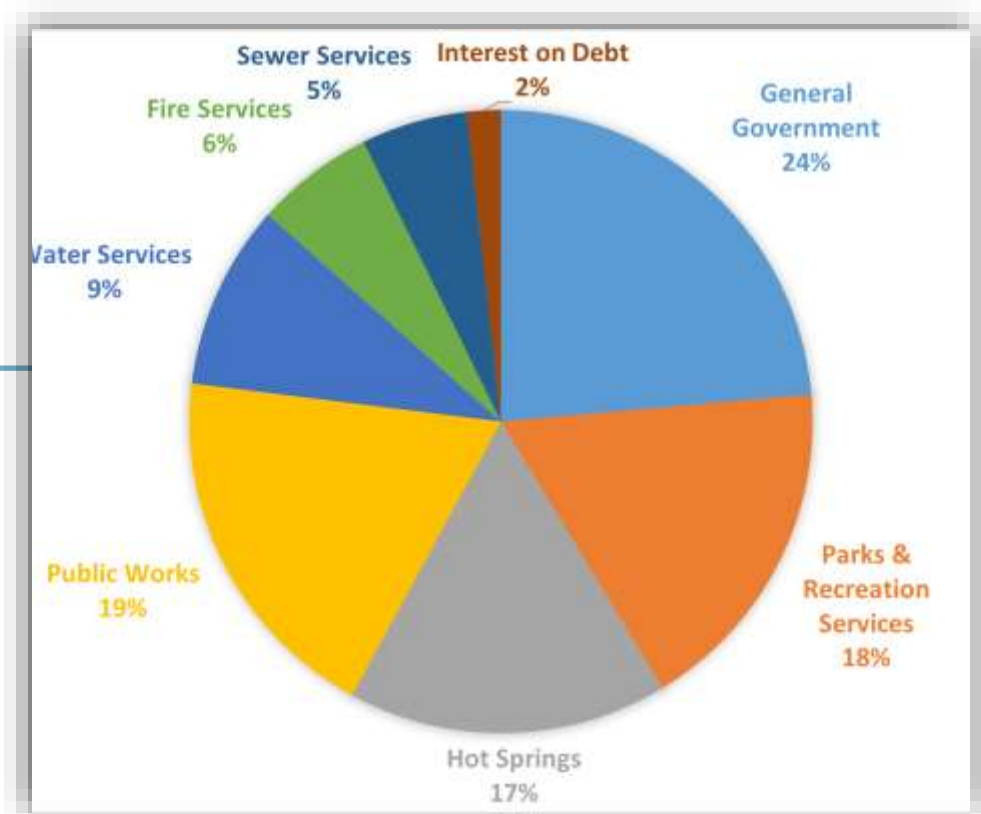
2020 Summary of Permissive Tax Exemptions	2020 Value of Exemption
Royal Canadian Legion, Branch 20	\$333
Arrow and Slocan Lakes Community Services Association	\$5,601
Nakusp Launch Club	\$5,162
Halcyon Assisted Living Society	\$1,530
Nakusp Childcare Society	\$813
Arrow Lakes Hospital Auxiliary	\$995
Old Fire Hall Collective	\$3,221
Arrowtarian Senior Citizens Society	\$2,785
Arrowtarian Senior Citizens Society	\$1,,807
Kinsmen Building	\$1,395
Nakusp Senior Citizens Association	\$1,413
Total of Permissive Tax Exemptions Under Bylaw 689	\$25,057
Total of General Statutory Exemptions (Public Worship)	\$4,366
Grand Total of all Tax Exemptions	\$29,423
<i>Grand Total of all Tax Exemptions, as a % of 2020 Municipal Levy</i>	<i>2.76%</i>

Statistical Information

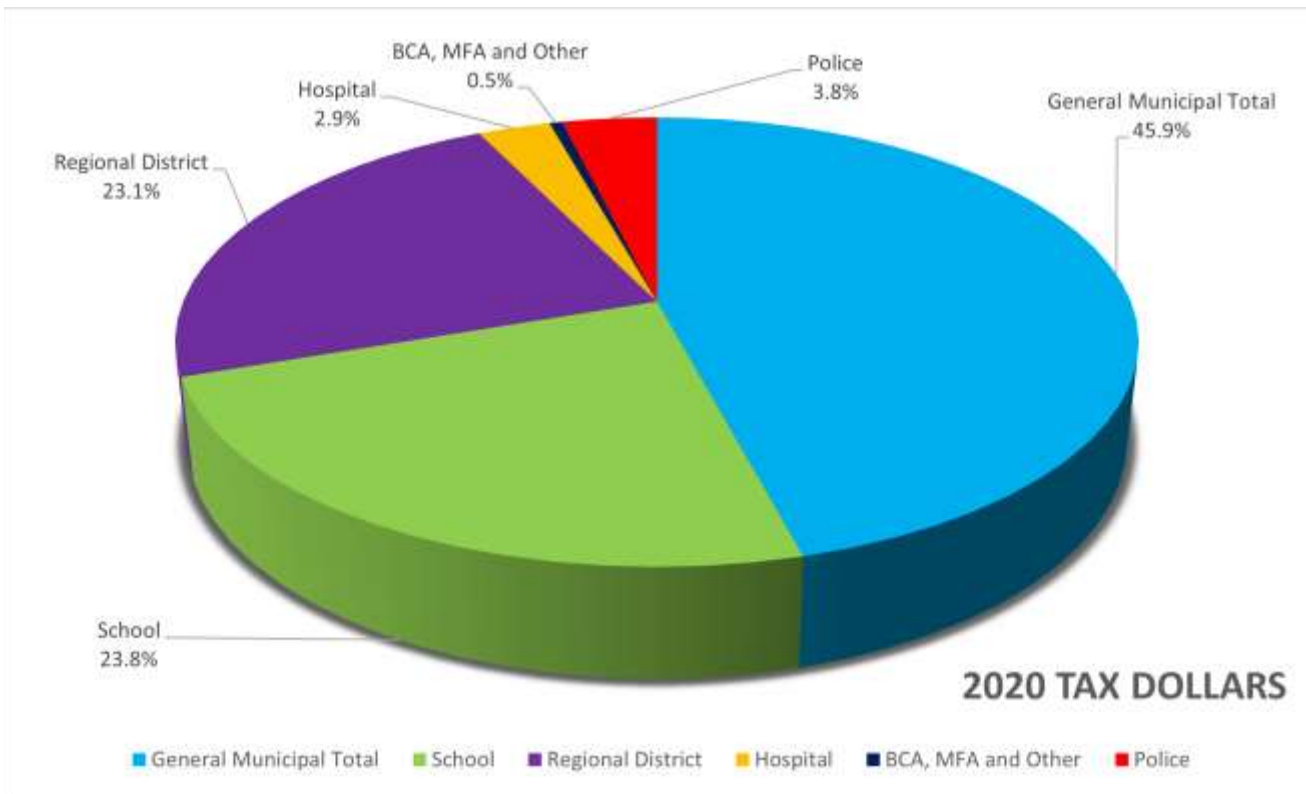
REVENUES 2020



EXPENSES 2020



Statistical Information



MUNICIPAL STATISTICS

Incorporated:	November 24, 1964
Location:	Regional District of Central Kootenay, 200 km east of Vernon, 162 km northwest of Nelson School District No. 10, Arrow Lakes
Area:	1059 hectares Elevation: 457 meters
Population:	1,605 (2016 Census)
Km of Roads:	Paved - 21.6 Unpaved - 5.8 km of Lanes: 6.6
Coordinates:	Longitude is 117 ⁰ 47'57"W Latitude is 50 ⁰ 14'20"N
Km of Domestic Water System	34.3
Km of Sewers:	Storm - 5.6 Sanitary - 26.2
Employees:	23