

**DEEP BAY IMPROVEMENT DISTRICT**

**FINANCIAL STATEMENTS**

**YEAR ENDED DECEMBER 31, 2009**

# **DEEP BAY IMPROVEMENT DISTRICT**

## **FINANCIAL STATEMENTS**

**DECEMBER 31, 2009**

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## **AUDITOR'S REPORT**

### **To the Members of: Deep Bay Improvement District**

I have audited the statement of financial position of Deep Bay Improvement District, as at December 31, 2009 and the statement of operations and changes in fund balances for the year then ended. These financial statements are the responsibility of the Directors. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Deep Bay Improvement District as at December 31, 2009 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles for British Columbia Improvement Districts.

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**Brent Johnson, CGA Ltd.**  
**Certified General Accountant**

Qualicum Beach, British Columbia  
March 1, 2010

# DEEP BAY IMPROVEMENT DISTRICT

## STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2009

	Waterworks Operating	Fire Protection Operating	Water Capital	Fire Protection Capital	Total 2009	Total 2008
<b>REVENUE</b>						
Parcel taxes	\$ -	\$ -	\$ 75,648	\$ -	\$ 75,648	\$ 54,480
Water tolls	177,403	-	-	-	177,403	108,706
Connection fees	6,990	-	-	-	6,990	6,610
Fire protection levies	-	154,448	-	-	154,448	131,825
Forestry revenue	-	-	-	-	-	800
Provincial emergency program	-	10,835	-	-	10,835	14,261
Interest	-	230	1,189	-	1,419	25,075
Other income	804	1,641	-	-	2,445	4,309
Shared overhead costs	15,000	(15,000)	-	-	-	-
Penalties and interest	5,593	-	-	-	5,593	3,816
Capital expenditure charge	<u>-</u>	<u>-</u>	<u>13,002</u>	<u>-</u>	<u>13,002</u>	<u>18,102</u>
	<b>205,790</b>	<b>152,154</b>	<b>89,839</b>	<b>-</b>	<b>447,783</b>	<b>367,984</b>
<b>EXPENSES - Page 7</b>	<u>161,024</u>	<u>84,646</u>	<u>59,437</u>	<u>32,812</u>	<u>337,919</u>	<u>358,374</u>
Excess Revenue over Expenses	<b>44,766</b>	<b>67,508</b>	<b>30,402</b>	<b>(32,812)</b>	<b>109,864</b>	<b>9,610</b>
<b>Fund Balance</b>						
Balance beginning	130,282	50,797	964,055	307,523	1,452,657	1,443,293
Fund transfers	(121,267)	(93,620)	121,267	93,620	-	-
Disposal of property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(246)</u>
<b>Ending balance - Page 3</b>	<b><u>\$ 53,781</u></b>	<b><u>\$ 24,685</u></b>	<b><u>\$1,115,724</u></b>	<b><u>\$ 368,331</u></b>	<b><u>\$1,562,521</u></b>	<b><u>\$1,452,657</u></b>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009

### ASSETS

	Waterworks Operating	Fire Protection Operating	Water Capital	Fire Protection Capital	Total 2009	Total 2008
<b>CURRENT</b>						
Cash	\$ 34,441	\$ 6,946	\$ -	\$ -	\$ 41,387	\$ 90,530
Term deposits	63,810	17,033	-	-	80,843	55,404
Accounts receivable	11,367	5,619	7,712	-	24,698	20,763
Prepaid expense	12,945	2,798	-	-	15,743	19,333
Due to Renewal reserve	(78,528)	-	78,528	-	-	-
Inventory	<u>14,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,364</u>	<u>16,882</u>
	<b>58,399</b>	<b>32,396</b>	<b>86,240</b>	<b>-</b>	<b>177,035</b>	<b>202,912</b>
<b>Restricted cash and term deposits</b> (Note 3)	-	-	346,037	78,028	424,065	264,798
<b>Property and equipment</b> (Note 2(b), 4 and 5)	<u>-</u>	<u>-</u>	<u>683,447</u>	<u>451,717</u>	<u>1,135,164</u>	<u>1,178,183</u>
	<b><u>\$ 58,399</u></b>	<b><u>\$ 32,396</u></b>	<b><u>\$1,115,724</u></b>	<b><u>\$ 529,745</u></b>	<b><u>\$1,736,264</u></b>	<b><u>\$1,645,893</u></b>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2009

### LIABILITIES

	Waterworks Operating	Fire Protection Operating	Water Capital	Fire Protection Capital	Total 2009	Total 2008
<b>CURRENT</b>						
Accounts payable	\$ 4,618	\$ 7,711	\$ -	\$ -	\$ 12,329	\$ 14,166
Deferred revenue	-	-	-	-	-	8,556
Current portion of long term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,496</u>	<u>9,496</u>	<u>9,100</u>
	<b>4,618</b>	<b>7,711</b>	<b>-</b>	<b>9,496</b>	<b>21,825</b>	<b>31,822</b>
Long term debt (Note 6)	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,918</u>	<u>151,918</u>	<u>161,414</u>
	<b><u>4,618</u></b>	<b><u>7,711</u></b>	<b><u>-</u></b>	<b><u>161,414</u></b>	<b><u>173,743</u></b>	<b><u>193,236</u></b>

### FUND BALANCES

Invested in property and equipment			683,447	290,303	973,750	1,007,669
Externally restricted net assets (Note 7)			278,012	-	278,012	263,908
Internally restricted net assets (Note 8)	-	-	45,307	78,028	123,335	108,958
Unrestricted	<u>53,781</u>	<u>24,685</u>	<u>108,958</u>	<u>-</u>	<u>187,424</u>	<u>72,122</u>
<b>Ending balance - Page 1</b>	<b><u>53,781</u></b>	<b><u>24,685</u></b>	<b><u>1,115,724</u></b>	<b><u>368,331</u></b>	<b><u>1,562,521</u></b>	<b><u>1,452,657</u></b>
	<b><u>\$ 58,399</u></b>	<b><u>\$ 32,396</u></b>	<b><u>\$ 1,115,724</u></b>	<b><u>\$ 529,745</u></b>	<b><u>\$ 1,736,264</u></b>	<b><u>\$ 1,645,893</u></b>

APPROVED BY THE DIRECTORS

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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# DEEP BAY IMPROVEMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

### 1. PURPOSE OF THE ORGANIZATION

Deep Bay Improvement District was formed for the purpose of supplying water and fire protection to the local area.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Fund Accounting

The Improvement District follows the restricted fund method of accounting for contributions.

The Waterworks Operating reports revenue and expenses related to the operations for water distribution.

The Fire Protection Operating reports revenue and expenses related to the operations for fire protection.

The Protection Capital reports special reserves for acquiring new assets and property and equipment.

(b) **Property and equipment** are recorded at cost. Amortization is determined at rates which will reduce original cost to estimated residual value over the estimated useful life of each asset. Annual rates used to compute amortization are as follows:

Buildings	20 - 50	year straight line basis
Motor vehicles	10 - 20	year straight line basis
Communication equipment	10	year straight line basis
Furniture and fixtures	10	year straight line basis
Computer equipment	5	year straight line basis
Water works system	5 - 60	year straight line basis
Maintenance equipment	10	year straight line basis
Fire protection equipment	12 - 20	year straight line basis

(c) **Comparative figures** have been reclassified, where applicable, to conform to the current presentation.

(d) **Other Contributions** are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred.

(e) As required by the Local Government Act the Improvement District prepares these financial statements in accordance with generally accepted accounting principles for local governments.

(f) **Inventory** is valued at the lower of cost or net realizable value.

(g) **Statement of cash flow** has not been included in these financial statements as the information is readily determinable from the statements provided.

(h) **Change in accounting guidelines** - In the current year the accounting guidelines for Deep Bay Improvement District changed, and it recognized amortization on the property and equipment. The prior years figures were restated to record the best estimate of accumulated amortization of these assets.

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# DEEP BAY IMPROVEMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

### 3. RESTRICTED CASH AND TERM DEPOSITS

Cash designated for specific purposes is segregated as follows:

	2009	2008
Cash	\$ 185,332	\$ 31,535
Term deposits	<u>238,733</u>	<u>233,263</u>
	<b><u>\$ 424,065</u></b>	<b><u>\$ 264,798</u></b>

The restricted funds have been acquired through bylaws. These amounts are restricted in their use to the purpose stated within the bylaws that established the statutory reserve or capital development funds. The reserves and capital development funds are as follows:

Water Renewal	\$ 75,737	\$ 26
Capital expenditure charge	270,300	264,772
Fire Protection Renewal	<u>78,028</u>	<u>-</u>
	<b><u>\$ 424,065</u></b>	<b><u>\$ 264,798</u></b>

### 4. PROPERTY AND EQUIPMENT WATER CAPITAL

	<u>Cost</u>	<u>Amortization</u>	Net 2009	Net 2008
Motor vehicles	\$ 5,000	\$ 1,000	\$ 4,000	\$ 4,223
Furniture and fixtures	5,547	3,509	2,038	2,593
Computer equipment	9,732	9,048	684	2,630
Water works system	1,380,146	751,486	628,660	638,743
Maintenance equipment	25,799	7,559	18,240	20,820
Buildings	37,020	14,359	22,661	23,973
Land	<u>7,164</u>	<u>-</u>	<u>7,164</u>	<u>7,164</u>
	<b><u>\$1,470,408</u></b>	<b><u>\$ 786,961</u></b>	<b><u>\$ 683,447</u></b>	<b><u>\$ 700,146</u></b>

### 5. PROPERTY AND EQUIPMENT FIRE PROTECTION CAPITAL

	<u>Cost</u>	<u>Amortization</u>	Net 2009	Net 2008
Fire rescue vehicles	\$ 450,681	\$ 135,312	\$ 315,369	\$ 336,686
Communication equipment	31,445	18,813	12,632	12,685
Furniture and fixtures	9,276	7,544	1,732	-
Computer equipment	1,257	624	633	884
Fire protection equipment	128,100	39,208	88,892	94,308
Buildings	50,750	25,455	25,295	26,310
Land	<u>7,164</u>	<u>-</u>	<u>7,164</u>	<u>7,164</u>
	<b><u>\$ 678,673</u></b>	<b><u>\$ 226,956</u></b>	<b><u>\$ 451,717</u></b>	<b><u>\$ 478,037</u></b>

The auditor's report and notes are an integral part of the financial statements.



# DEEP BAY IMPROVEMENT DISTRICT

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009

**6. LONG TERM DEBT**

	<b>2009</b>	<b>2008</b>
Ministry of Small Business and Revenue; repayable in annual instalments of \$16,518 including interest at 4.35%, matures July 2022 and is secured by specific assets.	\$ 161,414	\$ 170,514
Less current portion	<u>9,496</u>	<u>9,100</u>
	<b><u>\$ 151,918</u></b>	<b><u>\$ 161,414</u></b>
Principal repayments, based on the loan terms and conditions at year end, are as follows:		
2010	\$ 9,496	
2011	9,909	
2012	10,340	
2013	10,790	
2014	11,240	
2015 and subsequent	<u>109,639</u>	
	<b><u>\$ 161,414</u></b>	

**7. EXTERNALLY RESTRICTED NET ASSETS**

Major categories of externally imposed restrictions on net assets are as follows:

	<b>2009</b>	<b>2008</b>
Ministry of Community and Rural Development	<b><u>\$ 278,012</u></b>	<b><u>\$ 263,908</u></b>

**8. INTERNALLY RESTRICTED FUNDS**

These funds have been restricted in their use and purpose by the Board of Directors for future capital development and purchase of assets.

<p><b>Waterworks (as identified in Engineers Report)</b></p> <ul style="list-style-type: none"> <li>Improvements to Wells and Reservoir</li> <li>Shoreline Main Replacement</li> <li>Longview Main Replacement</li> <li>Crome Point/Burne Road Main Replacement</li> </ul>	<p><b>Fire Protection (as identified in 12-year plan)</b></p> <ul style="list-style-type: none"> <li>Replacement of Air tanks and Air packs</li> <li>Jaws of Life Upgrade</li> <li>Air Compressor Replacement</li> <li>Replacement of Truck 8-1</li> <li>Replacement of Truck 8-3</li> </ul>
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# DEEP BAY IMPROVEMENT DISTRICT

## SCHEDULE OF EXPENSES

DECEMBER 31, 2009

EXPENSES	Waterworks Operating	Fire Protection Operating	Water Capital	Fire Protection Capital	Total 2009	Total 2008
Advertising	\$ 587	\$ 27	\$ -	\$ -	\$ 614	\$ 267
Amortization	-	-	59,437	32,812	92,249	91,704
Association dues	200	246	-	-	446	280
Audit	5,634	2,441	-	-	8,075	6,100
Building repairs	3,678	1,038	-	-	4,716	6,182
Equipment - firefighting	-	25,060	-	-	25,060	24,620
Honorariums	-	18,733	-	-	18,733	15,884
Insurance	17,758	780	-	-	18,538	18,656
Interest on long term	-	7,417	-	-	7,417	19,703
Licences	2,253	-	-	-	2,253	1,893
Mileage	1,166	523	-	-	1,689	1,680
Office expense	5,108	1,204	-	-	6,312	6,309
Professional fees	8,077	-	-	-	8,077	4,135
Repairs and maintenance	21,951	2,005	-	-	23,956	39,951
Seminars and training	1,000	5,549	-	-	6,549	5,284
Service awards and clothing	-	1,896	-	-	1,896	3,198
Telephone	1,907	1,242	-	-	3,149	3,133
Truck Expense	-	16,485	-	-	16,485	15,648
Trustee remuneration	4,500	-	-	-	4,500	5,000
Utilities	12,775	-	-	-	12,775	11,943
Wages	74,430	-	-	-	74,430	76,804
Total - Page 1	<u>\$ 161,024</u>	<u>\$ 84,646</u>	<u>\$ 59,437</u>	<u>\$ 32,812</u>	<u>\$ 337,919</u>	<u>\$ 358,374</u>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## SCHEDULE OF FINANCIAL POSITION

### WATERWORKS

DECEMBER 31, 2009

#### ASSETS

	Waterworks Operating	Water Capital	Water Renewal	Total 2009	Total 2008
<b>CURRENT</b>					
Cash	\$ 34,441	\$ -	\$ -	\$ 34,441	\$ 61,181
Term deposits	63,810	-	-	63,810	38,600
Accounts receivable	11,367	7,712	-	19,079	14,836
Prepaid expense	12,945	-	-	12,945	15,811
Due to renewal	(78,528)	-	78,528	-	-
Inventory	<u>14,364</u>	<u>-</u>	<u>-</u>	<u>14,364</u>	<u>16,882</u>
	<b>58,399</b>	<b>7,712</b>	<b>78,528</b>	<b>144,639</b>	<b>147,310</b>
<b>Restricted cash and term deposits</b>	-	270,300	75,737	346,037	264,798
<b>Property and equipment</b> (Note 2(b), and 4)	<u>-</u>	<u>683,447</u>	<u>-</u>	<u>683,447</u>	<u>700,146</u>
	<b><u>\$ 58,399</u></b>	<b><u>\$ 961,459</u></b>	<b><u>\$ 154,265</u></b>	<b><u>\$ 1,174,123</u></b>	<b><u>\$ 1,112,254</u></b>

#### LIABILITIES

<b>CURRENT</b>					
Accounts payable	\$ 4,618	\$ -	\$ -	\$ 4,618	\$ 9,361
Deferred revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,556</u>
	<b><u>4,618</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,618</u></b>	<b><u>17,917</u></b>

#### FUND BALANCES

Invested in property and equipment		683,447	-	683,447	700,146
Externally restricted net assets (Note 7)		278,012	-	278,012	263,909
Internally restricted funds (Note 8)		-	45,307	45,307	108,958
Unrestricted	<u>53,781</u>	<u>-</u>	<u>108,958</u>	<u>162,739</u>	<u>21,324</u>
<b>Ending balance - Page 9</b>	<b><u>53,781</u></b>	<b><u>961,459</u></b>	<b><u>154,265</u></b>	<b><u>1,169,505</u></b>	<b><u>1,094,337</u></b>
	<b><u>\$ 58,399</u></b>	<b><u>\$ 961,459</u></b>	<b><u>\$ 154,265</u></b>	<b><u>\$ 1,174,123</u></b>	<b><u>\$ 1,112,254</u></b>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## SCHEDULE OF OPERATIONS AND CHANGES IN FUND BALANCES

### WATERWORKS

YEAR ENDED DECEMBER 31, 2009

	Waterworks Operating	Water Capital	Water Renewal	Total 2009	Total 2008
<b>REVENUE</b>					
Parcel taxes	\$ -	\$ -	\$ 75,648	\$ 75,648	\$ 54,480
Water tolls	177,403	-	-	177,403	108,706
Connection fees	6,990	-	-	6,990	6,610
Interest	-	1,158	31	1,189	24,556
Other income	804	-	-	804	2,259
Shared overhead costs	15,000	-	-	15,000	13,000
Penalties and interest	5,593	-	-	5,593	3,816
Capital expenditure charge	<u>-</u>	<u>13,002</u>	<u>-</u>	<u>13,002</u>	<u>18,102</u>
	<b><u>205,790</u></b>	<b><u>14,160</u></b>	<b><u>75,679</u></b>	<b><u>295,629</u></b>	<b><u>231,529</u></b>
<b>EXPENSES</b>					
Advertising	587	-	-	587	242
Amortization	-	59,437	-	59,437	58,972
Association dues	200	-	-	200	200
Audit	5,634	-	-	5,634	4,300
Building repairs	3,678	-	-	3,678	4,279
Insurance	17,758	-	-	17,758	17,876
Licences	2,253	-	-	2,253	1,893
Mileage	1,166	-	-	1,166	1,100
Office expense	5,108	-	-	5,108	5,096
Professional fees	8,077	-	-	8,077	4,135
Repairs and maintenance	21,951	-	-	21,951	35,604
Seminars and training	1,000	-	-	1,000	744
Telephone	1,907	-	-	1,907	1,982
Trustee remuneration	4,500	-	-	4,500	5,000
Utilities	12,775	-	-	12,775	11,943
Wages	<u>74,430</u>	<u>-</u>	<u>-</u>	<u>74,430</u>	<u>76,804</u>
	<b><u>161,024</u></b>	<b><u>59,437</u></b>	<b><u>-</u></b>	<b><u>220,461</u></b>	<b><u>230,170</u></b>
Excess Revenue over Expenses	<b>44,766</b>	<b>(45,277)</b>	<b>75,679</b>	<b>75,168</b>	<b>1,359</b>
<b>Fund Balance</b>					
Balance beginning	130,282	963,997	58	1,094,337	1,092,978
Fund transfer	(42,739)	42,739	-	-	-
Transfer to Renewal reserve	<u>(78,528)</u>	<u>-</u>	<u>78,528</u>	<u>-</u>	<u>-</u>
<b>Ending balance - Page 8</b>	<b><u>\$ 53,781</u></b>	<b><u>\$ 961,459</u></b>	<b><u>\$ 154,265</u></b>	<b><u>\$ 1,169,505</u></b>	<b><u>\$ 1,094,337</u></b>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## SCHEDULE OF FINANCIAL POSITION

### FIRE PROTECTION

DECEMBER 31, 2009

#### ASSETS

	Fire Protection Operating	Fire Protection Capital	Fire Protection Renewal	Total 2009	Total 2008
<b>CURRENT</b>					
Cash	\$ 6,946	\$ -	\$ -	\$ 6,946	\$ 29,349
Term deposits	17,033	-	-	17,033	16,804
Accounts receivable	5,619	-	-	5,619	5,927
Prepaid expenses	<u>2,798</u>	<u>-</u>	<u>-</u>	<u>2,798</u>	<u>3,522</u>
	<b>32,396</b>	<b>-</b>	<b>-</b>	<b>32,396</b>	<b>55,602</b>
<b>Restricted cash and term deposits</b> (Note 3)	-	-	78,028	78,028	-
<b>Property and equipment</b> (Note 2(b), and 5)	<u>-</u>	<u>451,717</u>	<u>-</u>	<u>451,717</u>	<u>478,037</u>
	<b><u>\$ 32,396</u></b>	<b><u>\$ 451,717</u></b>	<b><u>\$ 78,028</u></b>	<b><u>\$ 562,141</u></b>	<b><u>\$ 533,639</u></b>

#### LIABILITIES

<b>CURRENT</b>					
Accounts payable	\$ 7,711	\$ -	\$ -	\$ 7,711	\$ 4,805
Current portion of long term debt	<u>-</u>	<u>9,496</u>	<u>-</u>	<u>9,496</u>	<u>9,100</u>
	<b>7,711</b>	<b>9,496</b>	<b>-</b>	<b>17,207</b>	<b>13,905</b>
 Long term debt (Note 6)	 <u>-</u>	 <u>151,918</u>	 <u>-</u>	 <u>151,918</u>	 <u>161,414</u>
	<b><u>7,711</u></b>	<b><u>161,414</u></b>	<b><u>-</u></b>	<b><u>169,125</u></b>	<b><u>175,319</u></b>

#### FUND BALANCES

Invested in property and equipment		290,303	-	290,303	307,523
Internally restricted funds (Note 8)	-	-	78,028	78,028	-
Unrestricted	<u>24,685</u>	<u>-</u>	<u>-</u>	<u>24,685</u>	<u>50,797</u>
<b>Ending balance - Page 11</b>	<b><u>24,685</u></b>	<b><u>290,303</u></b>	<b><u>78,028</u></b>	<b><u>393,016</u></b>	<b><u>358,320</u></b>
	<b><u>\$ 32,396</u></b>	<b><u>\$ 451,717</u></b>	<b><u>\$ 78,028</u></b>	<b><u>\$ 562,141</u></b>	<b><u>\$ 533,639</u></b>

The auditor's report and notes are an integral part of the financial statements.

# DEEP BAY IMPROVEMENT DISTRICT

## SCHEDULE OF OPERATIONS AND CHANGES IN FUND BALANCES

### FIRE PROTECTION

YEAR ENDED DECEMBER 31, 2009

	Fire Protection Operating	Fire Protection Capital	Fire Protection Renewal	Total 2009	Total 2008
<b>REVENUE</b>					
Fire protection levies	\$ 154,448	\$ -	\$ -	\$ 154,448	\$ 131,825
Forestry revenue	-	-	-	-	800
Provincial emergency program	10,835	-	-	10,835	14,261
Interest	230	-	-	230	519
Other income	1,641	-	-	1,641	2,050
Shared overhead costs	<u>(15,000)</u>	<u>-</u>	<u>-</u>	<u>(15,000)</u>	<u>(13,000)</u>
	<b><u>152,154</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>152,154</u></b>	<b><u>136,455</u></b>
<b>EXPENSES</b>					
Advertising	27	-	-	27	25
Amortization	-	32,812	-	32,812	32,732
Association dues	246	-	-	246	80
Audit	2,441	-	-	2,441	1,800
Building repairs	1,038	-	-	1,038	1,904
Equipment - firefighting	25,060	-	-	25,060	24,619
Honorariums	18,733	-	-	18,733	15,884
Insurance	780	-	-	780	780
Interest on Long Term Debt	7,417	-	-	7,417	19,703
Mileage	523	-	-	523	580
Office expense	1,204	-	-	1,204	1,214
Repairs and Maintenance	2,005	-	-	2,005	4,346
Seminars and training	5,549	-	-	5,549	4,540
Service awards and clothing	1,896	-	-	1,896	3,198
Telephone	1,242	-	-	1,242	1,151
Truck Expense	<u>16,485</u>	<u>-</u>	<u>-</u>	<u>16,485</u>	<u>15,648</u>
	<b><u>84,646</u></b>	<b><u>32,812</u></b>	<b><u>-</u></b>	<b><u>117,458</u></b>	<b><u>128,204</u></b>
Excess Revenue over Expenses	<b>67,508</b>	<b>(32,812)</b>	<b>-</b>	<b>34,696</b>	<b>8,251</b>
<b>Fund Balance</b>					
Balance beginning	50,797	307,523	-	358,320	350,315
Fund transfers	(15,592)	15,592	-	-	-
Disposal of property and equipment	-	-	-	-	(246)
Fund transfers	<u>(78,028)</u>	<u>-</u>	<u>78,028</u>	<u>-</u>	<u>-</u>
<b>Ending balance - Page 10</b>	<b><u>\$ 24,685</u></b>	<b><u>\$ 290,303</u></b>	<b><u>\$ 78,028</u></b>	<b><u>\$ 393,016</u></b>	<b><u>\$ 358,320</u></b>

The auditor's report and notes are an integral part of the financial statements.