

Deep Bay Improvement District
Consolidated Financial Statements
December 31, 2013

Deep Bay Improvement District Contents

For the year ended December 31, 2013

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Management's Responsibility

To the Board of Trustees of Deep Bay Improvement District:


Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian Public Sector Accounting Standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Trustees is composed entirely of Trustees who are neither management nor employees of the District. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, an independent firm of Chartered Accountants, is appointed by the Board to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Board and management to discuss their audit findings.

March 19, 2014



Administrator

Independent Auditors' Report

To the Board of Trustees of Deep Bay Improvement District:

We have audited the accompanying consolidated financial statements of Deep Bay Improvement District, which comprise the consolidated statement of financial position as at December 31, 2013, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, related schedules and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Deep Bay Improvement District as at December 31, 2013 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Nanaimo, British Columbia

March 19, 2014

MNP LLP

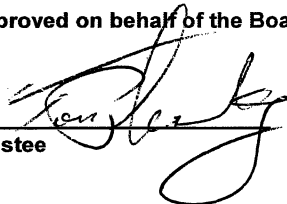
Chartered Accountants

Deep Bay Improvement District
Consolidated Statement of Financial Position

As at December 31, 2013

	2013	2012
<hr/>		
Financial Assets		
Cash	40,494	82,482
Short-term investments	1,044,460	775,331
Accounts receivable (Note 3)	27,408	24,520
	<hr/>	<hr/>
	1,112,362	882,333
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Financial Liabilities		
Accounts payable and accrued liabilities	64,877	19,243
Deferred revenue	5,188	5,101
Long-term debt (Note 4)	120,879	131,669
	<hr/>	<hr/>
	190,944	156,013
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Net Financial Assets	921,418	726,320
<hr/>		
Non-Financial Assets		
Prepaid expenses	16,435	15,605
Inventory	12,019	12,710
Tangible capital assets (Note 5)	1,834,008	1,855,087
	<hr/>	<hr/>
	1,862,462	1,883,402
<hr/>		
Accumulated Surplus (Note 6)	2,783,880	2,609,722
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Approved on behalf of the Board of Trustees


 Trustee


 Trustee

The accompanying notes are an integral part of these consolidated financial statements

Deep Bay Improvement District Consolidated Statement of Operations and Accumulated Surplus

For the year ended December 31, 2013

	2013 Budget (Note 13)	2013	2012
Revenues			
Parcel taxes and fire protection taxes (Note 7)	268,054	268,054	236,090
Sale of services	154,124	155,554	153,121
Investment income	5,000	15,098	14,963
Fire service revenue	3,000	5,048	4,231
Capital expenditure charges	-	13,000	6,500
Other income	500	6,663	5,818
	430,678	463,417	420,723
Expenses			
Amortization	-	94,625	93,871
Equipment - firefighting	11,850	9,960	9,843
Insurance	16,330	16,038	15,979
Interest on long-term debt	16,520	5,533	5,988
Office expenses	8,125	8,757	11,275
Professional fees	11,000	9,746	9,529
Repairs and maintenance	40,500	18,382	33,344
Travel and training	11,800	3,588	11,469
Utilities	17,205	15,178	14,677
Vehicle expense	12,800	12,935	8,800
Wages and benefits	100,075	89,813	90,284
	246,205	284,555	305,061
Surplus for the year, from operations	184,473	178,862	115,662
Contributed tangible capital assets	-	-	1,334
Loss on disposal of tangible capital assets	-	(4,703)	(1,827)
Annual surplus	184,473	174,158	115,169
Accumulated surplus, beginning of year	2,609,722	2,609,722	2,494,553
Accumulated surplus, end of year	2,794,195	2,783,880	2,609,722

The accompanying notes are an integral part of these consolidated financial statements

Deep Bay Improvement District Consolidated Statement of Change in Net Financial Assets

For the year ended December 31, 2013

	2013 Budget (Note 13)	2013	2012
Annual surplus	184,473	174,158	115,169
Acquisition of tangible capital assets	(43,952)	(80,371)	(8,958)
Disposal of capital assets	-	2,122	-
Amortization	-	94,625	93,871
Loss on disposal of tangible capital assets	-	4,703	1,827
	140,521	195,237	201,909
Decrease (increase) in prepaid expense	-	(830)	803
Decrease in inventory	-	691	565
	-	(139)	1,368
Change in net financial assets	140,521	195,098	203,278
Net financial assets, beginning of year	726,320	726,320	523,042
Net financial assets, end of year	866,841	921,418	726,320

The accompanying notes are an integral part of these consolidated financial statements

Deep Bay Improvement District Consolidated Statement of Cash Flows

For the year ended December 31, 2013

	2013	2012
<hr/>		
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	174,158	115,169
Amortization	94,625	93,871
Contributed tangible capital assets	-	(1,334)
Loss on disposal of tangible capital assets	4,703	1,827
	<hr/>	<hr/>
	273,487	209,533
Changes in non-cash operating balance		
Accounts receivable	(2,888)	9,044
Prepaid expenses	(830)	803
Inventory	691	565
Accounts payable and accrued liabilities	45,636	481
Deferred revenue	86	(1,398)
	<hr/>	<hr/>
	42,695	9,495
Net cash provided by operating activities	<hr/>	<hr/>
	316,182	219,028
Investing activities		
Cash used to acquire tangible capital assets	(80,371)	(7,423)
Proceeds of disposition of tangible capital assets	2,120	-
	<hr/>	<hr/>
	(78,251)	(7,423)
Financing activities		
Purchase of short-term investments	(269,129)	(167,065)
Repayment of long-term debt	(10,790)	(10,340)
	<hr/>	<hr/>
	(279,919)	(177,405)
Increase (decrease) in cash resources	<hr/>	<hr/>
	(41,988)	34,001
Cash resources, beginning of year	<hr/>	<hr/>
	82,482	48,481
Cash resources, end of year	<hr/>	<hr/>
	40,494	82,482

The accompanying notes are an integral part of these consolidated financial statements

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013

1. Incorporation and operations

The Deep Bay Improvement District ("District") was incorporated on March 10, 1972 and is subject to the provisions contained in the Local Government Act, a statute of the provincial government. The principal activities of the District are to provide water service and fire protection to the residents of the Deep Bay Improvement District and to maintain and repair all wells, water lines, and fire protection equipment associated with those services.

2. Significant accounting policies

Basis of presentation

It is the policy of the District to follow accounting principles accepted for British Columbia improvement districts and to apply such principles consistently. The consolidated financial statements have been prepared in accordance with the recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. In accordance with these recommendations, the District has implemented the consolidation of all funds. The consolidated financial statements reflect the removal of internal transactions and balances.

Revenue recognition

Parcel taxes and fire protection taxes are recognized upon issuance of tax notices for the fiscal year. Sale of services revenue for water services are recognized on a quarterly basis when they are levied. Fire service revenue consists of funds received from the Provincial Emergency Program and are recognized upon completion of fire rescue services, at the time of billing. Capital expenditure charges are recognized upon receipt of cash. Interest and other income is recognized as revenue as earned on an accrual basis.

Inventory

Inventory of supplies are recorded at the lower of cost and replacement cost. Cost is determined using the specific identification method.

Short-term investments

Short-term investments consist of various term deposits and are valued at cost.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in surplus in the periods in which they become known.

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013

2. Significant accounting policies (*continued from previous page*)

Tangible capital assets

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

	Rate
Buildings	20 to 50 years
Vehicles	10 to 20 years
Computer equipment	5 years
Maintenance Equipment	10 years
Furniture and fixtures	10 years
Waterworks system	5 to 80 years
Communication equipment	10 years
Fire protection equipment	10 to 20 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt. Amortization is not taken until the asset is in use, and is taken at one-half of the normal rate in that first year. Land is not amortized.

Fund accounting

In order to ensure observance of limitations and restrictions placed on the use of resources available to the District, the accounts are maintained on a fund accounting basis. Accordingly, resources are classified for accounting and reporting purposes into funds. These funds are held in accordance with the objectives specified by the contributors or in accordance with the directives issued by the Board of Trustees.

Eight funds are maintained:

- 1) The Operating Fund - Water accounts for all the revenues and expenses related to the general and ancillary water services provided by the District.
- 2) The Operating Fund - Fire accounts for all revenues and expenses related to the general and ancillary fire protection services provided by the District.
- 3) The Capital Fund - Water accounts for all the tangible capital of the District used in the provision of water services by the District and presents the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.
- 4) The Capital Fund - Fire accounts for all tangible capital assets of the District used in the provision of fire protection services by the District and presents the flow of funds related to their acquisition and disposal, unexpended capital resources and debt commitments.
- 5) The Restricted Reserve Fund – Water Capital consists of funds established by the Board of the District, under bylaw 201, to be used for expenditures related to the capital cost of providing, constructing, altering or expanding water facilities in order to service directly or indirectly, the development in respect to which the charges are fixed. These funds, and interest earned thereon, must only be invested and disbursed by bylaw passed by the Board of Trustees.
- 6) The Restricted Reserve Fund – Water Renewal consists of funds established by the Board of the District under bylaw 205, to be used for expenditures related to the upgrading, replacement or renewal of existing tangible capital assets used in the provision of water services by the District.. These funds, and interest earned thereon, must only be invested and disbursed by bylaw passed by the Board of the District.
- 7) The Unrestricted Reserve Fund- Water Renewal consists of funds established by the Board of the District to be used for expenditures related to the upgrading, replacement or renewal of existing tangible capital assets used in the provision of water services by the District. These funds, and interest earned thereon, must only be invested and disbursed when approved by the Directors of the District.
- 8) The Unrestricted Reserve Fund- Fire Protection Capital consists of funds established by the Board of the District to be used for expenditures related to the upgrading, replacement or renewal of existing tangible capital assets used in the fire protection services by the District. These funds, and interest earned thereon, must only be invested and disbursed when approved by the Directors of the District for expenditures related to the upgrading, replacement or renewal of existing tangible capital assets. These funds, and interest earned thereon, must only be invested and disbursed when approved by the Board of the District.

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2013

3. Accounts receivable

	2013	2012
Trade accounts receivable	22,696	19,110
GST receivable	4,712	5,410
	27,408	24,520

4. Long-term debt

	2013	2012
Ministry of Community, Sport, and Cultural Development; repayable in annual instalments of \$16,518 including interest at 4.35%, matures July 2022 and is unsecured	120,879	131,669

Principal repayments on long-term debt are estimated as follows:

2014	11,259
2015	11,749
2016	12,260
2017	12,794
2018	13,350
2019 and subsequent	59,467
	120,879

5. Tangible capital assets

	Cost	Accumulated amortization	2013 Net book value	2012 Net book value
Land	14,327	-	14,327	14,327
Buildings	87,770	49,300	38,470	40,607
Vehicles	458,855	218,354	240,501	243,275
Computer equipment	13,187	11,346	1,841	912
Maintenance Equipment	20,508	8,801	11,707	13,687
Furniture and fixtures	13,937	11,859	2,078	2,486
Waterworks system	3,281,934	1,833,517	1,448,417	1,460,720
Communication equipment	38,978	30,292	8,686	8,215
Fire protection equipment	143,164	75,183	67,981	70,858
	4,072,660	2,238,652	1,834,008	1,855,087

See Schedules 1 and 2 for more information.

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2013

6. Accumulated surplus

The District segregates its accumulated surplus into the following categories:

	2013	2012
Fund balances		
Operating Fund - Water	119,226	110,730
Operating Fund - Fire Protection	119,250	90,703
Restricted Reserve Fund - Water Capital	331,402	313,709
Restricted Reserve Fund - Water Renewal	187,741	77,850
Unrestricted Reserve Fund - Water Renewal	90,538	89,150
Unrestricted Reserve Fund - Fire Protection Capital	222,594	204,164
	1,070,751	886,306
Capital Fund - Water	1,489,494	1,505,468
Capital Fund – Fire Protection	223,635	217,948
	1,713,129	1,723,416
	2,783,880	2,609,722

7. Parcel taxes and fire protection taxes

	2013	2012
Parcel tax	107,418	75,454
Fire protection taxes	160,636	160,636
	268,054	236,090

8. Equity in tangible capital assets

Equity in tangible capital assets represents the net book value of the total tangible capital assets less long-term debt obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2013	2012
Beginning balance	1,723,416	1,799,817
Tangible capital asset acquisitions	80,371	7,623
Proceeds of disposition of tangible capital assets	(2,120)	-
Debt principal repayment	10,790	10,340
Contributed tangible capital assets	-	1,334
Loss on disposal of tangible capital assets	(4,703)	(1,827)
Amortization	(94,625)	(93,871)
	1,713,127	1,723,416

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2013

9. Related party transactions

Included in expenses for the current year is \$nil (2011 - \$3,386) paid to a company owned by a member of the Board. The expenses were recorded at the carrying amount at the date of transaction.

10. Financial instruments

The District as part of its operations carries a number of financial instruments. The District's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments.

11. Environmental liabilities

The District makes every reasonable effort to comply with all environmental regulations that apply to its operations. These regulations may require future expenditures to meet applicable standards. Amounts required to meet these obligations will be charged to operations or set aside as future reserves when they can be reasonably estimated.

12. Commitments

The District has four years remaining on a five year contract with a contractor with estimated minimum annual payments as follows:

2014	\$27,509
2015	\$28,059
2016	\$28,620
2017	\$29,193

13. Budget figures

Budget figures represent the budget adopted by the Board on October 17, 2012. The following schedule reconciles the consolidated surplus as presented in the budget as approved by the Board to the consolidated surplus for the year as shown on the Consolidated Statement of Operations and Accumulated Surplus.

Budget as approved by the Board	25,455
Transfer to reserves	159,018
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Surplus for the year, as per the Consolidated Statement of Operations and Accumulated Surplus	184,473

Deep Bay Improvement District
Schedule of Tangible Capital Assets - Waterworks

For the year ended December 31, 2013

Schedule 1

	Land	Buildings	Vehicles	Computer equipment	Maintenance equipment	Furniture and fixtures	Waterworks system	Totals	
								2013	2012
Cost									
Balance, beginning of year	7,164	37,020	5,000	11,580	20,508	3,522	3,235,592	3,320,386	3,319,228
Add:									
Additions during the year	-	-	-	-	-	-	46,341	46,341	7,457
Transfers in	-	-	-	-	-	-	-	-	-
Less:									
Disposals during the year	-	-	-	-	-	-	-	-	6,300
Transfers out	-	-	-	-	-	-	-	-	-
Write downs	-	-	-	-	-	-	-	-	-
Balance, end of year	7,164	37,020	5,000	11,580	20,508	3,522	3,281,933	3,366,727	3,320,386
Accumulated amortization									
Balance, beginning of year	-	18,112	1,858	10,667	6,821	2,587	1,774,872	1,814,918	1,758,189
Add:									
Amortization	-	1,122	254	203	1,981	110	58,644	62,313	61,202
Less:									
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	4,473
Balance, end of year	-	19,234	2,112	10,869	8,801	2,697	1,833,516	1,877,231	1,814,918
Net book value of tangible capital assets	7,164	17,786	2,888	710	11,707	825	1,448,416	1,489,496	1,505,468

Deep Bay Improvement District
Schedule of Tangible Capital Assets- Fire Protection

For the year ended December 31, 2013

Schedule 2

								Totals			
	Land	Buildings	Vehicles	Computer equipment	Furniture and fixtures	Communication equipment	Fire protection equipment	2013	2012		
Cost											
Balance, beginning of year	7,163	50,750	450,680	1,256	10,414	37,298	138,286	695,848	694,348		
Add:											
Additions during the year	-	-	26,215	1,257	-	1,680	4,878	34,030	1,500		
Less:											
Disposals during the year	-	-	(23,041)	(905)	-	-	-	(23,946)	-		
Balance, end of year	7,163	50,750	453,854	1,608	10,414	38,978	143,164	705,932	695,848		
Accumulated amortization											
Balance, beginning of year	-	29,051	210,547	1,256	8,862	29,084	67,428	346,228	313,560		
Add:											
Amortization	-	1,015	21,907	126	299	1,208	7,756	32,312	32,668		
Less:											
Accumulated amortization on disposals	-	-	(16,213)	(907)	-	-	-	(17,120)	-		
Balance, end of year	-	30,066	216,241	475	9,161	30,292	75,184	361,420	346,228		
Net book value of tangible capital assets	7,163	20,684	237,613	1,133	1,253	8,686	67,980	344,512	349,620		
	<u>Maintenance equipment</u>	<u>Waterworks system</u>									
Net book value of tangible capital assets - schedule 1	11,707	1,448,416	7,164	17,786	2,888	710	825	-	-	1,489,496	1,505,468
Total net book value of tangible capital assets	11,707	1,448,416	14,327	38,470	240,501	1,843	2,078	8,686	67,980	1,834,008	1,855,087

Deep Bay Improvement District
Schedule of Operations and Changes in Fund Balances - Waterworks

For the year ended December 31, 2013

Schedule 3

					Totals		
	Water Operations	Water Capital - Unrestricted	Water Capital - Restricted	Water Renewal	2013	2013 Budget	2012
Revenue							
Parcel taxes	-	-	-	107,418	107,418	107,418	75,454
Water tolls	152,806	-	-	-	152,806	152,624	151,902
Connection fees	2,748	-	-	-	2,748	1,500	1,218
Interest	908	-	4,693	3,861	9,462	100	8,611
Other income	812	-	-	-	812	500	606
Penalties and interest	5,400	-	-	-	5,400	4,500	5,212
Capital expenditure charge	-	-	13,000	-	13,000	-	6,500
	162,674	-	17,693	111,279	291,646	266,642	249,504
Expenses							
Advertising	95	-	-	-	95	150	144
Amortization	-	62,314	-	-	62,314	-	61,202
Association dues	300	-	-	-	300	250	250
Audit	6,313	-	-	-	6,313	6,500	6,194
Building repairs	3,169	-	-	-	3,169	3,500	2,535
Insurance	15,183	-	-	-	15,183	15,500	15,161
Licences	2,360	-	-	-	2,360	3,000	2,384
Mileage	724	-	-	-	724	1,200	1,136
Office expense	4,936	-	-	-	4,936	6,200	6,825
Professional fees	34	-	-	-	34	1,000	-
Repairs and maintenance	10,926	-	-	-	10,926	26,700	23,865
Seminars and training	68	-	-	-	68	2,000	2,437
Telephone	468	-	-	-	468	500	435
Utilities	13,120	-	-	-	13,120	15,505	12,989
Trustee remuneration	6,000	-	-	-	6,000	6,200	5,933
Wages	64,341	-	-	-	64,341	73,350	64,460
	128,037	62,314	-	-	190,351	161,555	205,949
Excess of revenue over expenses	34,637	(62,314)	17,693	111,279	101,295	105,087	43,555
Contributed tangible capital assets	-	-	-	-	-	-	1,334
	34,637	(62,314)	17,693	111,279	101,295	105,087	44,889
Fund balance							
Balance beginning	110,730	1,505,467	313,709	167,000	2,096,906	2,096,905	2,033,642
Purchase of tangible capital assets	(46,341)	46,341	-	-	-	-	-
Loss on disposal of tangible capital assets	-	-	-	-	-	-	(1,827)
Interfund transfers	20,200	-	-	-	20,200	20,200	20,200
Ending balance	119,226	1,489,494	331,402	278,279	2,218,401	2,222,192	2,096,905

Deep Bay Improvement District Schedule of Operations and Changes in Fund Balances - Fire Protection

For the year ended December 31, 2013

Schedule 4

				Totals		
	Fire Protection Operations	Fire Protection Capital	Fire Protection Renewal	2013	2013 Budget	2012
Revenue						
Fire protection taxes	160,636	-	-	160,636	160,636	160,636
Fire service revenue	5,048	-	-	5,048	3,000	4,231
Interest	1,982	-	3,654	5,636	400	6,352
Other income	452	-	-	452	-	-
	168,118	-	3,654	171,771	164,036	171,219
Expenses						
Amortization	-	32,311	-	32,311	-	32,669
Association dues	241	-	-	241	325	190
Audit	3,399	-	-	3,399	3,500	3,335
Building repairs	936	-	-	936	1,300	1,310
Equipment - firefighting	3,360	-	6,600	9,960	11,850	9,843
Honorariums	19,472	-	-	19,472	20,525	19,890
Insurance	855	-	-	855	830	818
Interest on long-term debt	5,533	-	-	5,533	16,520	5,988
Mileage	166	-	-	166	600	-
Office expense	828	-	-	828	1,200	1,482
Repairs and maintenance	727	-	-	727	2,000	1,542
Seminars and training	2,630	-	-	2,630	8,000	7,896
Service awards and clothing	2,623	-	-	2,623	4,000	4,093
Telephone	1,590	-	-	1,590	1,200	1,253
Vehicle expense	12,935	-	-	12,935	12,800	8,800
	55,295	32,311	6,600	94,206	84,650	99,110
Excess of revenue over expenses	112,823	(32,311)	(2,946)	77,565	79,386	72,109
Fund balance						
Balance beginning	90,703	217,949	204,164	512,816	512,816	460,908
Purchase of tangible capital assets	(34,030)	34,030	-	-	-	-
Proceeds of disposition of tangible capital assets	2,120	(2,120)	-	-	-	-
Loss on disposal of tangible capital assets	-	(4,703)	-	(4,703)	-	-
Transfer of long-term debt payment	(10,790)	10,790	-	-	-	-
Interfund transfers	(41,576)	-	21,376	(20,200)	(20,200)	(20,200)
Ending balance	119,250	223,635	222,594	565,479	572,002	512,816

Deep Bay Improvement District Schedule of Reserve Funds

For the year ended December 31, 2013

Schedule 5

	Water Capital Reserve	Water Renewal Reserve	Fire Protection Capital Reserve	Totals	
				2013	2012
Beginning balance	313,709	167,000	204,164	684,872	544,820
Transfer in	-		21,376	21,376	51,600
Parcel taxes	-	107,418	-	107,418	75,454
Purchases	-	-	(6,600)	(6,600)	(5,446)
Capital expenditure charge	13,000	-	-	13,000	6,500
Interest income	4,693	3,861	3,654	12,208	11,944
Ending balance	331,402	278,279	222,594	832,275	684,872