

Deep Bay Improvement District
Consolidated Financial Statements
December 31, 2017

Deep Bay Improvement District Contents

For the year ended December 31, 2017

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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 consolidated 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 Professional 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 21, 2018



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, 2017, 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 consolidated 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, 2017 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 21, 2018

MNP LLP

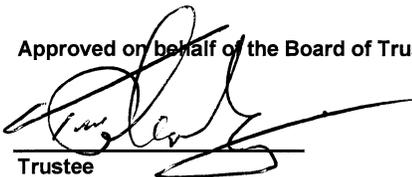
Chartered Professional Accountants

Deep Bay Improvement District Consolidated Statement of Financial Position

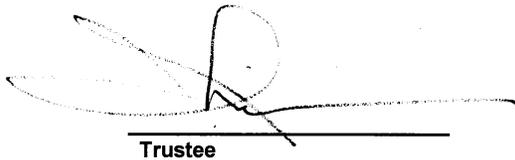
As at December 31, 2017

	2017	2016
<hr/>		
Financial Assets		
Cash	156,695	139,129
Short-term investments	1,805,554	1,558,594
Accounts receivable <i>(Note 3)</i>	40,235	37,714
	<hr/>	<hr/>
	2,002,484	1,735,437
<hr/>		
Financial Liabilities		
Accounts payable and accrued liabilities	23,150	24,708
Deferred revenue <i>(Note 4)</i>	57,546	38,786
Long-term debt <i>(Note 5)</i>	72,817	85,610
	<hr/>	<hr/>
	153,513	149,104
<hr/>		
Net Financial Assets	1,848,971	1,586,333
<hr/>		
Commitments <i>(Note 12)</i>		
Non-Financial Assets		
Prepaid expenses	17,933	15,493
Inventory	9,072	7,473
Tangible capital assets <i>(Note 6) (Schedule 1) (Schedule 2)</i>	1,705,699	1,744,159
	<hr/>	<hr/>
	1,732,704	1,767,125
<hr/>		
Accumulated Surplus <i>(Note 7)</i>	3,581,675	3,353,458
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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, 2017

	2017 <i>Budget</i> <i>(Note 13)</i>	2017	2016
Revenues			
Parcel taxes and fire protection taxes <i>(Note 8)</i>	339,199	339,199	322,703
Sale of services	157,704	163,487	161,119
Investment income	500	21,510	20,968
Fire service revenue	9,900	29,855	28,379
Capital expenditure charges	-	5,400	-
Other income	500	11,080	21,189
	507,803	570,531	554,358
Expenses			
Amortization	-	107,805	104,796
Equipment - firefighting	8,300	13,308	16,504
Insurance	16,900	16,222	15,272
Interest on long-term debt	-	3,492	4,043
Office expenses	15,098	10,864	9,822
Professional fees	13,355	13,580	21,042
Repairs and maintenance	35,400	25,098	34,083
Travel and training	18,170	13,169	12,503
Utilities	19,215	19,265	18,904
Vehicle expense	28,420	18,548	11,261
Wages and benefits	118,617	100,963	103,407
	273,475	342,314	351,637
Annual surplus	234,328	228,217	202,721
Accumulated surplus, beginning of year	3,353,458	3,353,458	3,150,737
Accumulated surplus, end of year	3,587,786	3,581,675	3,353,458

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, 2017

	2017 <i>Budget</i> <i>(Note 13)</i>	2017	2016
Annual surplus	234,328	228,217	202,721
Acquisition of tangible capital assets	(144,122)	(69,345)	(40,666)
Amortization	-	107,805	104,796
	90,206	266,677	266,851
Decrease (increase) in prepaid expenses	-	(2,440)	(673)
Decrease in inventory	-	(1,599)	1,314
	-	(4,039)	641
Change in net financial assets	90,206	262,638	267,492
Net financial assets, beginning of year	1,586,333	1,586,333	1,318,841
Net financial assets, end of year	1,676,539	1,848,971	1,586,333

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, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	228,217	202,721
Amortization	107,805	104,796
	336,022	307,517
Changes in non-cash operating balance		
Accounts receivable	(2,521)	10,531
Prepaid expenses	(2,440)	(673)
Inventory	(1,599)	1,314
Accounts payable and accrued liabilities	(1,558)	349
Deferred revenue	18,760	31,044
	10,642	42,565
Net cash provided by operating activities	346,664	350,082
Capital activities		
Cash used to acquire tangible capital assets	(69,345)	(40,666)
Investing activities		
Purchase of short-term investments	(246,960)	(219,788)
Financing activities		
Repayment of long-term debt	(12,793)	(12,260)
Increase in cash resources	17,566	77,368
Cash resources, beginning of year	139,129	61,761
Cash resources, end of year	156,695	139,129

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, 2017

1. Incorporation and operations

The Deep Bay Improvement District (the "District") was incorporated on March 10, 1972 and is subject to the provisions contained in the Local Government Act, a statute of the British Columbia 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 CPA Canada. 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 as service is provided. Fire service revenue consists of funds received from the Provincial Emergency Program and are recognized upon completion of fire rescue services. Capital expenditure charges are recognized when levied. Interest and other income is recognized as revenue as earned on an accrual basis.

Deferred revenue

Deferred revenue consists of water revenues received in advance of billings and contributions received that are externally restricted for specific purposes.

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 with maturities between 3 months and 1 year 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. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the District is responsible for.

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, 2017

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.

Nine 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 Protection 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 assets 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 Protection 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 222, 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 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 trustees.

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

2. Significant accounting policies (continued from previous page)

Fund accounting (continued from previous page)

- 7) The Internally Restricted 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 trustees.
- 8) The Internally Restricted 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 trustees.
- 9) The Internally Restricted Reserve Fund - Fire Hall Building Fund consists of funds established by the Board of the District to be used for expenditures related to the upgrading, or potential replacement of the existing fire hall 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 trustees.

Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the District is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2017.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. At December 31, 2017, the District has not recorded any liability for contaminated sites as no sites were identified.

Recent accounting pronouncements

PS 2200 Related Party Disclosures

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 Related Party Disclosures.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

The District does not expect application of the new Standard to have a material effect on the financial statements.

PS 3210 Assets

In June 2015, new PS 3210 Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 Financial Statement Concepts. The main features of this standard are as follows:

Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.

Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

2. Significant accounting policies (continued from previous page)

PS 3210 Assets (continued from previous page)

The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.

A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.

A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.

An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The District does not expect application of the new Standard to have a material effect on the financial statements.

PS 3320 Contingent Assets

In June 2015, new PS 3320 Contingent Assets was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this Standard are as follows:

Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.

Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.

Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.

Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.

When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The District does not expect application of the new Standard to have a material effect on the financial statements.

PS 3380 Contractual Rights

In June 2015, new PS 3380 Contractual Rights was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.

Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

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

PS 3380 Contractual Rights *(continued from previous page)*

Disclosures should include descriptions about nature, extent and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

The District does not expect application of the new Standard to have a material effect on the financial statements.

3. Accounts receivable

	2017	2016
Trade accounts receivable	34,862	32,872
GST receivable	5,373	4,842
	40,235	37,714

4. Deferred revenue

	2017	2016
Prepaid water billings	7,256	5,696
Deferred contributions – fire hall building	50,290	33,090
	57,546	38,786

5. Long-term debt

	2017	2016
Province of British Columbia; repayable in annual instalments of \$16,518 including interest at 4.35%, matures July 2022 and is unsecured	72,817	85,610

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

2018	13,350
2019	13,931
2020	14,537
2021	15,169
2022	15,830
	72,817

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

6. Tangible capital assets

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2017 Net book value</i>	<i>2016 Net book value</i>
Land	14,327	-	14,327	14,327
Buildings	87,770	57,848	29,922	32,059
Vehicles	462,360	301,643	160,717	181,570
Computer equipment	14,765	12,214	2,550	482
Maintenance equipment	44,659	22,565	22,094	26,386
Furniture and fixtures	13,936	13,467	469	848
Waterworks system	3,455,623	2,088,263	1,367,360	1,395,214
Communication equipment	31,547	20,336	11,211	9,899
Fire protection equipment	209,390	112,344	97,046	83,374
	4,334,377	2,628,680	1,705,699	1,744,159

See Schedules 1 and 2 for more information.

7. Accumulated surplus

The District segregates its accumulated surplus into the following categories:

	<i>2017</i>	<i>2016</i>
Fund balances		
Operating Fund - Water	253,314	214,856
Operating Fund - Fire Protection	268,747	238,669
Total operating funds	522,061	453,525
Restricted Reserve Fund - Water Capital	361,015	352,096
Restricted Reserve Fund - Water Renewal	545,373	437,245
Internally Restricted Reserve Fund - Water Renewal	94,820	93,573
Internally Restricted Reserve Fund - Fire Protection Capital	368,187	331,816
Internally Restricted Reserve Fund - Fire Hall Building Fund	57,336	26,653
Total reserve funds	1,426,731	1,241,383
Capital Fund - Water	1,412,174	1,445,906
Capital Fund - Fire Protection	220,709	212,644
Equity in tangible capital assets (Note 9)	1,632,883	1,658,550
	3,581,675	3,353,458

Deep Bay Improvement District
Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

8. Parcel taxes and fire protection taxes

	2017 <i>Budget</i> <i>(Note 13)</i>	2017	2016
Parcel tax	140,460	140,460	140,460
Fire protection taxes	165,747	165,747	165,747
Fire hall building taxes	32,992	32,992	16,496
	339,199	339,199	322,703

9. 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:

	2017	2016
Beginning balance	1,658,550	1,710,420
Tangible capital asset acquisitions	69,345	40,666
Debt principal repayment	12,793	12,260
Amortization	(107,805)	(104,796)
	1,632,883	1,658,550

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.

Deep Bay Improvement District
Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

12. Commitments

The District has renewed a five-year contract with a contractor with an annual payments schedule as follows:

Fees for Routine Operations and Maintenance

Year	Annual Total
2018	31,590
2019	32,222
2020	32,866
2021	33,524
2022	34,194

13. Budget figures

Budget figures represent the budget adopted by the Board on October 19, 2016. 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	-
Contingency	876
Capital purchases	144,122
Transfer to reserves	89,330
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Budgeted surplus for the year, per the Consolidated Statement of Operations and Accumulated Surplus	234,328

Deep Bay Improvement District
Schedule of Tangible Capital Assets - Waterworks

As at December 31, 2017

Schedule 1

	Land	Buildings	Vehicles	Computer equipment	Maintenance equipment	Furniture and fixtures	Waterworks system	Totals	
								2017	2016
Cost									
Balance, beginning of year	7,164	37,020	5,000	11,580	44,659	3,522	3,417,196	3,526,141	3,511,504
Add:									
Additions during the year	-	-	-	-	-	-	38,427	38,427	14,637
Transfers in	-	-	-	-	-	-	-	-	-
Less:									
Disposals during the year	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Write downs	-	-	-	-	-	-	-	-	-
Balance, end of year	7,164	37,020	5,000	11,580	44,659	3,522	3,455,623	3,564,568	3,526,141
Accumulated amortization									
Balance, beginning of year	-	22,600	2,874	11,478	18,273	3,027	2,021,983	2,080,235	2,008,997
Add:									
Amortization	-	1,122	254	102	4,292	110	66,280	72,160	71,238
Less:									
Accumulated amortization on disposals	-	-	-	-	-	-	-	-	-
Balance, end of year	-	23,722	3,128	11,580	22,565	3,137	2,088,263	2,152,395	2,080,235
Net book value of tangible capital assets	7,164	13,298	1,872	-	22,094	385	1,367,360	1,412,173	1,445,906

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

As at December 31, 2017

Schedule 2

								Totals			
	Land	Buildings	Vehicles	Computer equipment	Furniture and fixtures	Communication equipment	Fire protection equipment	2017	2016		
Cost											
Balance, beginning of year	7,163	50,750	457,360	1,608	10,414	28,216	184,636	740,147	730,485		
Add:											
Additions during the year	-	-	-	2,833	-	3,331	24,754	30,918	26,029		
Less:											
Disposals during the year	-	-	-	(1,256)	-	-	-	(1,256)	(16,367)		
Balance, end of year	7,163	50,750	457,360	3,185	10,414	31,547	209,390	769,809	740,147		
Accumulated amortization											
Balance, beginning of year	-	33,111	277,916	1,228	10,060	18,317	101,262	441,894	424,702		
Add:											
Amortization	-	1,015	20,599	660	270	2,019	11,082	35,645	33,558		
Less:											
Accumulated amortization on disposals	-	-	-	(1,256)	-	-	-	(1,256)	(16,366)		
Balance, end of year	-	34,126	298,515	632	10,330	20,336	112,344	476,283	441,894		
Net book value of tangible capital assets	7,163	16,624	158,845	2,553	84	11,211	97,046	293,526	298,253		
		Maintenance equipment	Waterworks system								
Net book value of tangible capital assets - schedule 1	22,094	1,367,360	7,164	13,298	1,872	-	385	-	-	1,412,173	1,445,906
Total net book value of tangible capital assets	22,094	1,367,360	14,327	29,922	160,717	2,553	469	11,211	97,046	1,705,699	1,744,159

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

For the year ended December 31, 2017

Schedule 3

						Totals		
	Operating Fund - Water	Capital Fund - Water	Restricted Reserve Fund - Water	Restricted Reserve Fund - Water	Internally Restricted Reserve Fund - Water	2017	2017 Budget (Note 13)	2016
			Capital	Renewal	Renewal			
Revenue								
Parcel taxes	-	-	-	140,460	-	140,460	140,460	140,460
Water tolls	160,407	-	-	-	-	160,407	152,204	150,780
Connection fees	3,080	-	-	-	-	3,080	1,000	10,339
Interest	2,823	-	3,519	6,095	1,247	13,684	100	13,206
Other income	830	-	-	-	-	830	500	1,153
Penalties and interest	4,568	-	-	-	-	4,568	4,500	5,086
Capital expenditure charge	-	-	5,400	-	-	5,400	-	-
	171,708	-	8,919	146,555	1,247	328,429	298,764	321,024
Expenses								
Advertising	-	-	-	-	-	-	150	113
Amortization	-	72,159	-	-	-	72,159	-	71,238
Association dues	-	-	-	-	-	-	50	-
Audit	8,190	-	-	-	-	8,190	8,125	7,770
Building repairs	3,192	-	-	-	-	3,192	3,400	2,880
Insurance	14,290	-	-	-	-	14,290	15,000	14,090
Licences	1,639	-	-	-	-	1,639	3,750	1,037
Mileage	770	-	-	-	-	770	1,000	780
Office expense	7,811	-	-	-	-	7,811	4,000	5,614
Professional fees	980	-	-	-	-	980	1,000	9,230
Repairs and maintenance	18,257	-	-	-	-	18,257	26,900	26,536
Seminars and training	157	-	-	-	-	157	2,000	410
Telephone	554	-	-	-	-	554	550	539
Utilities	18,353	-	-	-	-	18,353	18,815	18,019
Trustee remuneration	6,200	-	-	-	-	6,200	6,200	6,200
Wages	73,542	-	-	-	-	73,542	87,997	76,207
	153,935	72,159	-	-	-	226,094	178,937	240,663
Annual surplus (deficit)	17,773	(72,159)	8,919	146,555	1,247	102,335	119,827	80,361
Fund balance								
Balance beginning	214,856	1,445,906	352,096	437,245	93,573	2,543,676	2,543,676	2,442,630
Purchase of tangible capital assets	-	38,427	-	(38,427)	-	-	(93,000)	-
Interfund transfers	20,685	-	-	-	-	20,685	20,685	20,685
Ending balance	253,314	1,412,174	361,015	545,373	94,820	2,666,696	2,591,188	2,543,676

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

For the year ended December 31, 2017

Schedule 4

					Totals		
	Operating Fund - Fire Protection	Capital Fund - Fire Protection	Internally Restricted Reserve Fund - Fire Protection Capital	Internally Restricted Reserve Fund - Fire Hall Building Fund	2017	2017 Budget (Note 13)	2016
Revenue							
Fire protection taxes	165,747	-	-	32,992	198,739	198,739	182,243
Fire service revenue	29,855	-	-	-	29,855	9,900	28,379
Interest	7,559	-	-	267	7,826	400	7,762
Donations	5,682	-	-	-	5,682	-	14,950
	208,843	-	-	33,259	242,102	209,039	233,334
Expenses							
Amortization	-	35,646	-	-	35,646	-	33,558
Association dues	414	-	-	-	414	420	403
Audit	4,410	-	-	-	4,410	4,230	4,042
Building repairs	1,079	-	-	-	1,079	1,300	2,665
Equipment - firefighting	8,104	-	2,628	-	10,732	8,300	13,386
Honorariums	21,221	-	-	-	21,221	21,000	21,000
Insurance	1,932	-	-	-	1,932	1,900	1,181
Interest on long-term debt	3,492	-	-	-	3,492	-	4,043
Mileage	1,017	-	-	-	1,017	600	551
Office expense	2,639	-	-	-	2,639	3,198	1,653
Repairs and maintenance	931	-	-	2,576	3,507	7,200	5,120
Seminars and training	8,061	-	-	-	8,061	15,570	11,542
Service awards and clothing	3,934	-	-	-	3,934	3,000	1,004
Telephone	358	-	-	-	358	400	346
Vehicle expense	17,778	-	-	-	17,778	27,420	10,480
	75,370	35,646	2,628	2,576	116,220	94,538	110,974
Annual surplus (deficit)	133,473	(35,646)	(2,628)	30,683	125,882	114,501	122,360
Fund balance							
Balance beginning	238,669	212,644	331,816	26,653	809,782	809,782	708,107
Purchase of tangible capital assets	-	30,917	(30,917)	-	-	(51,122)	-
Transfer of long-term debt payment	(12,794)	12,794	-	-	-	-	-
Interfund transfers	(90,601)	-	69,916	-	(20,685)	(20,685)	(20,685)
Ending balance	268,747	220,709	368,187	57,336	914,979	852,476	809,782

Deep Bay Improvement District
Schedule of Reserve Funds

For the year ended December 31, 2017

Schedule 5

						Totals	
	Restricted Reserve Fund - Water Capital	Restricted Reserve Fund - Water Renewal	Internally Restricted Reserve Fund - Water Renewal	Internally Restricted Reserve Fund - Fire Protection Capital	Internally Restricted Reserve Fund - Firehall Building Fund	2017	2016
Beginning balance	352,096	437,245	93,573	331,816	26,653	1,241,383	1,062,696
Transfer in (out)	-			69,915	32,992	102,907	74,096
Parcel taxes	-	140,460	-	-	-	140,460	140,460
Purchases	-	(38,427)	-	(33,544)	(2,576)	(74,547)	(50,782)
Capital expenditure charge	5,400	-	-	-	-	5,400	-
Interest income	3,519	6,095	1,247	-	267	11,128	14,913
Ending balance	361,015	545,373	94,820	368,187	57,336	1,426,731	1,241,383