

Deep Bay Improvement District
Consolidated Financial Statements
December 31, 2024

Deep Bay Improvement District
Contents

For the year ended December 31, 2024

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To the Board of Trustees of Deep Bay Improvement District:

Opinion

We have audited the consolidated financial statements of Deep Bay Improvement District (the "District"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2024, and the results of its consolidated operations, changes in its consolidated net financial assets and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

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

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the District'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 liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated financial statements.

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 consolidated 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 audit 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 District'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 District'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 consolidated 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 District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Nanaimo, British Columbia

March 18, 2025

MNP LLP


Chartered Professional Accountants

Deep Bay Improvement District
Consolidated Statement of Financial Position

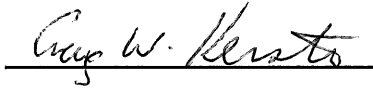
As at December 31, 2024

	2024	2023
Financial assets		
Cash	323,224	177,853
Portfolio investments (Note 4)	2,140,376	2,408,176
Accounts receivable (Note 5)	88,726	71,847
	2,552,326	2,657,876
Liabilities		
Accounts payable and accruals	81,898	71,272
Deferred revenue	6,533	-
Capital tax advance debt (Note 6)	1,460,231	1,536,058
Asset retirement obligations (Note 7)	63,763	63,763
	1,612,425	1,671,093
Net financial assets	939,901	986,783
Commitments (Note 9)		
Non-financial assets		
Tangible capital assets (Schedule 1)	4,726,151	3,833,092
Inventories of supplies	-	5,156
Prepaid expenses	31,528	538,436
	4,757,679	4,376,684
Accumulated surplus (Note 10) (Schedule 2)	5,697,580	5,363,467

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, 2024

	Schedules	2024 Budget (Note 11)	2024	2023
Revenue				
Parcel taxes and fire protection levy		236,005	503,737	442,413
Sale of services		267,589	236,777	220,861
Recognition of capital tax advance		-	105,536	105,536
Investment income		6,500	91,296	61,110
Donations		25,000	29,150	28,935
Fire service revenue		18,408	10,562	20,184
Other revenue		500	31,116	14,076
Penalties and interest		5,110	5,383	5,528
Connection fees		1,000	-	1,969
		560,112	1,013,557	900,612
Program expenses				
Water	3	309,020	456,372	422,071
Fire Protection	4	129,720	223,072	199,247
Total expenses		438,740	679,444	621,318
Annual surplus before other items		121,372	334,113	279,294
Other income (expense)				
Loss on write-down of tangible capital assets		-	-	(55,988)
Annual surplus		121,372	334,113	223,306
Accumulated surplus, beginning of year		5,363,467	5,363,467	5,140,161
Accumulated surplus, end of year		5,484,839	5,697,580	5,363,467

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, 2024

	2024 <i>Budget</i> <i>(Note 11)</i>	2024	2023
Annual Surplus	121,372	334,113	223,306
Acquisition of tangible capital assets	(21,195)	(1,072,334)	(110,691)
Amortization of tangible capital assets	-	179,275	161,120
Loss on write-off of tangible capital assets	-	-	55,988
Decrease (increase) in prepaid expenses	-	506,908	(173,972)
Consumption of supplies inventories	-	5,156	-
Change in net financial assets	100,177	(46,882)	155,751
Net financial assets, beginning of year	986,783	986,783	831,032
Net financial assets, end of year	1,086,960	939,901	986,783

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, 2024

	2024	2023
Operating activities		
Annual surplus	334,113	223,306
Non-cash items		
Amortization	179,275	161,120
Loss on write-down of tangible capital assets	-	55,988
Non-cash reduction of capital tax advance	(75,826)	(74,391)
	437,562	366,023
Changes in working capital accounts		
Accounts receivable	(16,879)	(8,484)
Inventory	5,156	-
Prepaid expenses and deposits	506,908	(173,971)
Accounts payable and accruals	10,626	(10,884)
Deferred revenue	6,533	(6,465)
Net cash provided by operating activities	949,906	166,219
Capital activities		
Purchases of tangible capital assets	(1,072,334)	(46,928)
Investing activities		
Net change in portfolio investments	267,799	(513,728)
Increase (decrease) in cash resources	145,371	(394,437)
Cash resources, beginning of year	177,853	572,290
Cash resources, end of year	323,224	177,853

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, 2024

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

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following 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 as the performance obligation to the customer is satisfied, and billed on a quarterly basis. 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.

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

Capital tax advances represent taxes received from the Province of BC in advance of the tax being levied. Amounts will be recorded as revenue when levied, over the period of the capital tax advance debt account that is held with the Province of BC.

Measurement uncertainty

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivables 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. A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the District is responsible for. Contributed tangible capital assets are estimated based on best available fair value information on date of contribution.

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, 2024

2. Significant accounting policies (Continued from previous page)

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the District to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the District reviews the carrying amount of the liability. The District recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

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.

Financial instruments

The District recognizes its financial instruments when the District becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the District may irrevocably elect to subsequently measure any financial instrument at fair value. The District has made such an election during the year.

The District subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The District has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

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. Contributed tangible assets are recorded at their fair value at the date of contribution.

When conditions indicate that a tangible capital asset no longer contributes to the District's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the District reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2024

2. Significant accounting policies (Continued from previous page)

Tangible capital assets (Continued from previous page)

Amortization

Tangible capital assets are amortized annually on a straight-line basis at rates intended to amortize the cost of the assets over their estimated useful lives:

	Method	Rate
Waterworks system		5 to 80 years
Buildings		20 to 50 years
Equipment		10 years
Vehicles		10 to 20 years
Office furniture and equipment		10 years
Computers		5 years

Liability for contaminated site

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, 2024.

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, 2024, the District has not recorded any liability for contaminated sites as no sites were identified.

Deep Bay Improvement District
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

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

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 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.
- 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.

Deep Bay Improvement District

Notes to the Consolidated Financial Statements

For the year ended December 31, 2024

3. Change in accounting policy

Revenue

Effective January 1, 2024, the District adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 *Revenue*. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

Under the new standard, revenue is differentiated between revenue arising from transactions that include performance obligations, referred to as "exchange transactions", and transactions that do not have performance obligations, referred to as "non-exchange transactions".

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

4. Portfolio investments

Portfolio investments consists of term deposits, guaranteed investment certificates and money market mutual funds with interest rates ranging from 2% to 4.3% (2023 - .065% to 6%) with varying maturity dates up to November 2025.

5. Accounts receivable

	2024	2023
Trade accounts receivable	50,763	51,711
Goods and Services Tax receivable	37,963	20,136
	88,726	71,847

6. Capital tax advance debt

	2024	2023
Province of BC (Bylaw #243) loan bearing interest at 1.89% per annum, repayable in annual blended payments of \$77,667. The loan matures July 2, 2040.	1,063,785	1,120,279
Province of BC (Bylaw #247) loan bearing interest at 1.89% per annum, repayable in annual blended payments of \$21,933. The loan matures July 2, 2041.	316,369	332,027
Province of BC (Bylaw #250) loan bearing interest at 2.7% per annum, repayable in annual blended payments of \$5,936. The loan matures July 2, 2041.	80,077	83,752
	1,460,231	1,536,058

Principal repayments on capital tax advance debt in each of the next five years are estimated as follows:

	Principal
2025	77,289
2026	78,780
2027	80,302
2028	81,851
2029	83,431

Interest on capital tax advance debt amounted to \$29,051 (2023 - \$30,422).

Deep Bay Improvement District Notes to the Consolidated Financial Statements

For the year ended December 31, 2024

7. Asset retirement obligation

The District has a building which may contain asbestos and is legally required remove the asbestos when it becomes necessary to repair or replace the building. The District recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of the building. The asset retirement cost is amortized on a straight-line basis over the useful life of the building.

The District estimated the amount of the liability using undiscounted future expenditures estimated to retire the tangible capital asset. The significant assumptions used to determine the best estimate of the liability include:

- the square feet of drywall and flooring that may contain asbestos and the cost of removing the asbestos.

	2024	2023
Balance, beginning of year	63,763	63,763
Balance, end of year	63,763	63,763

8. Financial Instruments

The District as part of its operations carries a number of financial instruments. It is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

9. Commitments

The District has a five-year contract ending in 2029 for a water operator to provide routine operations and maintenance with an annual payment schedule as follows:

2025	54,000
2026	54,000
2027	54,000
2028	54,000
2029	49,500

Deep Bay Improvement District
Notes to the Consolidated Financial Statements
For the year ended December 31, 2024

10. Accumulated surplus

Accumulated surplus consists of the following:

	2024	2023
Operating funds		
Water	209,357	266,784
Fire Protection	459,342	377,007
	668,699	643,791
Reserve funds		
Restricted Reserve Fund - Water Capital	459,632	444,372
Restricted Reserve Fund - Water Renewal	1,058,396	1,218,107
Internally Restricted Reserve Fund - Water Renewal	104,525	100,981
Internally Restricted Reserve Fund - Fire Protection Capital	294,101	737,048
	1,916,654	2,500,508
Equity in tangible capital assets		
Water	1,906,554	1,513,890
Fire Protection	1,205,673	705,278
	3,112,227	2,219,168
	5,697,580	5,363,467

11. Budget figures

Budget figures represent the budget adopted by the Board on January 18, 2024. 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	121,372
Contingency	(30,000)
Transfer to reserves	(91,250)
Capital purchases	(21,195)
	(21,073)

The District does not budget for all transactions, and the following items are not included in the budget figures on the Statement of Operations: recognition of capital tax advance revenue, imputed interest on capital tax advance, and amortization.

12. Contingent liabilities

The District is involved in a dispute over the legal ownership of certain property. The effects of any contingent claims relating to this dispute are not determinable at the date of this report.

Deep Bay Improvement District
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended December 31, 2024

	<i>Subtotal</i>	<i>Computers</i>	<i>2024</i>	<i>2023</i>
Cost				
Balance, beginning of year	6,986,075	17,722	7,003,797	6,949,094
Acquisition of tangible capital assets	1,072,334	-	1,072,334	110,691
Write-down of tangible capital assets	-	-	-	(55,988)
Balance, end of year	8,058,409	17,722	8,076,131	7,003,797
Accumulated amortization				
Balance, beginning of year	3,154,437	16,268	3,170,705	3,009,585
Annual amortization	178,859	416	179,275	161,120
Balance, end of year	3,333,296	16,684	3,349,980	3,170,705
Net book value of tangible capital assets	4,725,113	1,038	4,726,151	3,833,092
				2023
Net book value of tangible capital assets	3,831,639	1,453	3,833,092	

Deep Bay Improvement District
Schedule 2 - Consolidated Schedule of Changes in Accumulated Surplus
For the year ended December 31, 2024

	<i>Water - Operating</i>	<i>Water - Capital</i>	<i>Water Capital - Restricted Reserve</i>	<i>Water Renewal - Restricted Reserve</i>	<i>Water Renewal - Internally Restricted Reserve</i>	<i>Fire Protection - Operating</i>	<i>Fire Protection - Capital</i>
Balance, beginning of year	266,784	1,513,890	444,372	1,218,107	100,981	377,007	705,278
Excess (deficiency) of revenue over expenses	(117,177)	(83,270)	15,260	316,223	3,544	292,250	(96,005)
Operating funds transferred to reserves	-	-	-	-	-	(91,250)	-
Interfund transfers	59,750	-	-	-	-	(59,750)	-
Funds used for tangible capital assets purchases	-	475,934	-	(475,934)	-	(58,915)	596,400
Change in accumulated surplus	(57,427)	392,664	15,260	(159,711)	3,544	82,335	500,395
Balance, end of year	209,357	1,906,554	459,632	1,058,396	104,525	459,342	1,205,673

Deep Bay Improvement District
Schedule 2 - Consolidated Schedule of Changes in Accumulated Surplus
For the year ended December 31, 2024

	<i>Fire Protection Capital - Internally Restricted Reserve</i>	<i>2024</i>	<i>2023</i>
Balance, beginning of year	737,048	5,363,467	5,140,161
Excess (deficiency) of revenue over expenses	3,288	334,113	223,306
Operating funds transferred to reserves	91,250	-	-
Interfund transfers	-	-	-
Funds used for tangible capital assets purchases	(537,485)	-	-
Change in accumulated surplus	(442,947)	334,113	223,306
Balance, end of year	294,101	5,697,580	5,363,467

Deep Bay Improvement District
Water
Schedule 3 - Schedule of Expenses
For the year ended December 31, 2024

	2024 <i>Budget</i> <i>(Note 11)</i>	2024	2023
Expenses			
Utilities	29,180	21,974	26,901
Repairs and maintenance	34,000	53,709	22,447
Insurance	37,500	38,043	34,378
Office supplies	14,350	16,878	9,921
Amortization	-	83,270	83,119
Professional fees	48,000	49,242	82,037
Salaries and benefits	142,990	189,645	162,632
Mileage and vehicle	3,000	3,611	636
	309,020	456,372	422,071

Deep Bay Improvement District
Fire Protection
Schedule 4 - Schedule of Expenses
For the year ended December 31, 2024

	2024 <i>Budget</i> <i>(Note 11)</i>	2024	2023
Expenses			
Utilities	520	1,227	1,044
Repairs and maintenance	8,000	5,056	2,569
Insurance	2,400	2,293	2,293
Interest on capital tax advance debt	-	29,051	30,422
Office supplies	6,970	3,645	2,393
Amortization	-	96,005	78,001
Equipment - Fire	35,000	24,367	11,683
Professional fees	7,500	463	7,900
Salaries and benefits	28,270	28,881	27,451
Training	23,000	14,631	25,614
Mileage and vehicle	18,060	17,453	9,877
	129,720	223,072	199,247