

**Village of Lions Bay**  
**Financial Statements**  
**For the year ended December 31, 2017**

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## Management's Responsibility for the Financial Statements

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The accompanying financial statements of the Village of Lions Bay (the "Village") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in the summary of significant accounting policies which proceed the notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Village's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.



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Pamela Rooke, CPA, CMA  
Chief Financial Officer  
Acting Chief Administrative Officer

May 8, 2018



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## INDEPENDENT AUDITOR'S REPORT

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### To the Mayor and Councilors of the Village of Lions Bay

We have audited the accompanying financial statements of the Village of Lions Bay, which comprise the Statement of Financial Position as at December 31, 2017, the Statement of Operations, Statement of Changes in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

### Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village of Lions Bay as at December 31, 2017 and its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Professional Accountants

Vancouver, British Columbia  
May 8, 2018

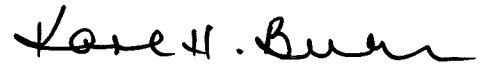
**Village of Lions Bay  
Statement of Financial Position**

<b>December 31</b>	<b>2017</b>	<b>2016</b>
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 2,832,436	\$ 2,195,869
Accounts receivable	372,761	244,295
Grants receivable	288,908	33,588
Assets held for sale (Note 1)	85,866	-
	<b>3,579,971</b>	<b>2,473,752</b>
<b>Liabilities</b>		
Accounts payable	544,660	295,962
Sick, overtime, wellness and vacation payable	117,216	86,518
Deferred revenue (Note 2)	687,214	25,217
Developer deposits (Note 3)	138,000	126,000
Equipment financing (Note 4)	147,173	52,320
Long- term debt (Note 5)	1,717,456	1,197,868
	<b>3,351,719</b>	<b>1,783,885</b>
<b>Net Financial Assets</b>	<b>228,252</b>	<b>689,867</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 3)	20,840,295	19,665,444
Prepaid expenses	1,017	2,039
	<b>20,841,312</b>	<b>19,667,483</b>
<b>Accumulated Surplus (Note 10)</b>	<b>\$ 21,069,564</b>	<b>\$ 20,357,350</b>

Contingent liabilities and commitments (Note 7)



Pamela Rooke CPA, CMA  
Chief Financial Officer



Karl Buhr  
Mayor

**Village of Lions Bay  
Statement of Operations**

<b>For the year ended December 31</b>	Financial Plan 2017	<b>2017</b>	2016
	(Note 8)		
<b>Revenue</b> (Schedule 1 & 2)			
Taxation (Note 6)	\$ 1,453,628	\$ <b>1,453,647</b>	\$ 1,407,804
Utility user rates	1,087,239	<b>1,087,634</b>	1,031,686
Government transfers	2,897,116	<b>756,175</b>	530,322
Sale of services	152,253	<b>212,495</b>	110,746
Other revenues	110,832	<b>253,661</b>	132,654
Gain (Loss) on disposal of tangible capital assets	3,219,250	<b>(9,356)</b>	(15,285)
	<u>8,920,318</u>	<u><b>3,754,256</b></u>	<u>3,197,927</u>
<b>Expenses</b> (Schedules 1 & 2)			
General departmental expenses	2,435,766	<b>2,266,799</b>	2,044,564
Water system operations	818,654	<b>705,421</b>	816,450
Sewer system operations	71,677	<b>69,822</b>	84,912
	<u>3,326,097</u>	<u><b>3,042,042</b></u>	<u>2,945,926</u>
<b>Annual Surplus</b>	5,594,221	<b>712,214</b>	252,001
<b>Accumulated Surplus</b> , beginning of year	<u>20,357,350</u>	<u><b>20,357,350</b></u>	<u>20,105,349</u>
<b>Accumulated Surplus</b> , end of year	<u>\$ 25,951,571</u>	<u>\$ <b>21,069,564</b></u>	<u>\$ 20,357,350</u>

**Village of Lions Bay**  
**Statement of Change in Net Financial Assets**

<b>For the year ended December 31</b>	Financial Plan 2017	<b>2017</b>	2016
	(Note 8)		
<b>Annual surplus</b>	\$ 5,594,221	<b>\$ 712,214</b>	\$ 252,001
<b>Change in Tangible Capital Assets</b>			
Acquisition of tangible capital assets	(4,041,280)	<b>(1,788,754)</b>	(173,191)
Amortization of tangible capital assets	507,494	<b>518,681</b>	490,222
Loss on disposals of tangible capital assets	-	<b>9,356</b>	15,285
Tangible capital assets transferred to assets held for sale	-	<b>85,866</b>	-
	(3,533,786)	<b>(1,174,851)</b>	332,316
<b>Change in Other Non-Financial Assets</b>			
Net use of prepaid expenses	-	<b>1,022</b>	6,309
<b>Change in net financial assets for the year</b>	2,060,435	<b>(461,615)</b>	590,626
<b>Net financial assets, beginning of year</b>	689,867	<b>689,867</b>	99,241
<b>Net financial assets, end of year</b>	\$ 2,750,302	<b>\$ 228,252</b>	\$ 689,867

**Village of Lions Bay  
Statement of Cash Flows**

**For the year ended December 31**

**2017**

2016

**Cash provided by (used in)**

**Operating transactions**

Annual surplus	\$ 712,214	\$ 252,001
Items not involving cash		
Amortization expense	518,681	490,222
Loss on disposal of tangible capital assets	9,356	15,285
Changes in non-cash operating balances		
Accounts receivable	(128,466)	(12,024)
Grants receivable	(255,320)	174,570
Developer deposits	12,000	9,000
Deferred revenue	661,997	(1,198)
Accounts payable	248,698	(30,552)
Sick, overtime, wellness and vacation payable	30,698	34,184
Prepaid expenses	1,022	6,309
	<b>1,810,880</b>	<b>937,797</b>

**Capital transactions**

Cash used to acquire tangible capital assets	(1,657,858)	(173,191)
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**Financing transactions**

Repayment of equipment financing	(36,043)	(34,980)
Repayment of long-term debt principal	(86,312)	(78,627)
Issue of long-term debt	605,900	-
	<b>483,545</b>	<b>(113,607)</b>

**Increase in cash and equivalents during the year**

**636,567**      650,999

**Cash and equivalents, beginning of year**

**2,195,869**      1,544,870

**Cash and equivalents, end of year**

**\$ 2,832,436**      \$ 2,195,869

**Supplemental information:**

Interest paid on long-term debt	\$ 89,322	\$ 90,241
Tangible capital assets acquired through equipment financing	\$ 130,896	\$ -

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.



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**Village of Lions Bay**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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The Village of Lions Bay ("The Village") is a municipality in the province of British Columbia operating under the provisions of the Community Charter. The Village provides a wide range of services to the residents such as parks and recreation, fire and rescue, general government services, solid waste collection, and maintenance of roads, storm drainage, water and sewer infrastructure and facilities. The Village prepares its financial statements in accordance with Canadian public sector accounting standards ("PSAS") using guidelines developed by the Public Sector Accounting Board of the Chartered Professional Accountants Canada.

**Basis of Accounting**

The basis of accounting followed in these financial statements is an accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred.

The financial statements include the accounts of all funds of the Village. Interfund transactions and balances have been eliminated.

**Cash and  
Cash Equivalents**

Cash and cash equivalents include bank balances and bank term deposits or guaranteed income certificates with duration of less than three months at the time of purchase. All amounts are held at Canadian chartered banks and are denominated in Canadian dollars.

**Tangible Capital  
Assets**

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use. Contributed tangible capital assets are recorded at fair value at the time of the contribution.

Estimated useful lives of tangible capital assets are as follows:

Land improvements	7 to 40 years
Buildings	20 to 50 years
Storm Sewer	25 to 50 years
Equipment, furniture, and vehicles	5 to 20 years
Infrastructure - water	5 to 80 years
Infrastructure - sewer	5 to 100 years
Roads	10 to 60 years
Other	5 to 60 years

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**Village of Lions Bay**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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**Revenue Recognition**

Taxes are recorded when they meet the definition of an asset, have been authorized and the taxable event occurs. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Levies imposed by other taxing authorities, including the Greater Vancouver Regional District, are not included as taxes for municipal purposes.

Charges for sewer, water usage and solid waste collection are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government transfers, which include legislative grants, are recognized in the financial statements when received if 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. Government transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Sales of service and other revenue is recognized on an accrual basis.

**Use of Estimates**

The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. A significant area requiring management estimates relates to the useful life of tangible assets for amortization calculations.

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**Village of Lions Bay**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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**Financial Instruments** The Village's financial instruments consist of cash and cash equivalents, accounts receivable, grant receivable, accounts payable and long-term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from these financial instruments.

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

**Contaminated Sites** Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

1. an environmental standard exists;
2. contamination exceeds the environmental standard;
3. the Authority is directly responsible or accepts responsibility;
4. it is expected that future economic benefits will be given up; and
5. a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. There is no liability for contaminated sites recorded as at December 31, 2017 or 2016.

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**1. Assets Held for Sale**

During 2017, the Village listed a parcel of land as available for sale. The net book value of land previously classified in tangible capital assets is \$85,866.

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**2. Deferred Revenue**

	<u>2017</u>	<u>2016</u>
Restricted cash donations	\$ -	1,000
Contributions for future use	<b>23,392</b>	-
Government transfers	<b>641,671</b>	-
Prepaid taxes	<b>22,151</b>	24,217
	<u><b>\$ 687,214</b></u>	<u>\$ 25,217</u>

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**3. Developer Deposits**

Bylaw 330 requires an applicant for certain building permits to pay a damage deposit of \$1,500 when the work is under \$50,000 and \$3,000 when the work is over \$50,000. The deposit less any costs incurred by the Village in restoring or replacing any damaged works or property will be returned to the applicant. The total cash on deposit of \$138,000 (2016 - \$126,000) has been reported as a liability because the deposits will be returned to the applicants at the completion of the project. Any portion of these deposits used for replacing damaged works or property will be taken into income by the Village in the period it is determined that restoration or replacement is required.

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**4. Equipment Financing**

The Village has entered into obligations for vehicles and emergency radios with future payment requirements as follows:

2018	\$	36,029
2019		19,621
2020		19,621
2021		19,621
2022		19,621
Thereafter		<u>49,052</u>
Total future minimum lease payments	\$	163,565
Less: Imputed interest (at 3%)		<u>(16,392)</u>
Present value of minimum lease payments	\$	<u>147,173</u>

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**5. Long-term Debt**

Loan Authorization Bylaw No. 353 was adopted on January 20th, 2005 and gave approval for the Village to borrow up to \$250,000 to assist in providing water services to the specified area of Brunswick Beach whose owners had opted to finance their share of costs over twenty years through a local parcel tax. The actual amount of the loan honoured was \$114,000. The interest rate is 5.1% and the debt matures in 2025. The balance outstanding under this bylaw at year-end was \$52,569 (2016 - \$58,427).

Loan Authorization Bylaw No. 401 and 374 were respectively adopted on June 2, 2008 and September 19, 2006 and gave approval for the Village to borrow up to \$800,000 and \$600,000 to assist in providing construction improvements to the water system servicing the Village of Lions Bay. The interest rate is 5.15% and the debt matures in 2028. The balance outstanding under the bylaws at year-end was \$902,456 (2016 - \$966,798).

Loan Authorization Bylaw No. 380 was adopted on September 19, 2006 and gave approval for the Village to borrow up to \$1,300,000 to assist in providing construction improvements to the Village of Lions Bay road system. In 2008, Council reduced the approved borrowing for the bylaw to \$500,000 and \$250,000 was borrowed. The interest rate is 5.15% and the debt matures in 2028. The balance outstanding under this bylaw at year-end was \$161,153 (2016 - \$172,643).

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**5. Long-term Debt (con't)**

Loan Authorization Bylaw No. 508 was adopted on December 6, 2016 and gave approval for the Village to borrow up to \$3,000,000 to assist in providing construction improvements to the Village's water and stormwater distribution network, the water storage system and bridges. In 2017, the Village borrowed \$460,900 for the replacement of the Village's water storage facilities. The interest rate is 3.15% and the debt matures in 2047. The balance outstanding under this bylaw at year-end was \$460,900. The authorized but unissued balance at year-end was \$2,539,100.

During 2017, the Village borrowed \$145,000 through the MFA Equipment Financing program to purchase a backhoe. The interest rate is variable based on CDOR rate (1.94% at year-end) and the debt matures in 2022. The balance outstanding at year-end was \$140,378.

Repayments of debt to the Municipal Finance Authority of BC (MFABC) required in the next five years and thereafter are as follows:

2018	\$	122,258
2019		126,432
2020		130,766
2021		135,268
2022		135,855
Thereafter		<u>1,066,877</u>
	\$	<u>1,717,456</u>

**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

**6. Taxation**

	Financial Plan		
	2017	<b>2017</b>	2016
	(Note 8)		
General purposes	\$ 1,443,043	\$ <b>1,443,062</b>	\$ 1,371,873
Collections for other tax authorities			
School Taxes - Province	-	<b>809,787</b>	731,816
RCMP	-	<b>149,139</b>	124,250
Regional District	-	<b>46,873</b>	41,983
Greater Vancouver Transportation Authority	-	<b>205,929</b>	194,440
Municipal Finance Authority	-	<b>186</b>	136
British Columbia Assessment Authority	-	<b>40,505</b>	37,184
	<u>1,443,043</u>	<u><b>2,695,481</b></u>	<u>2,501,682</u>
Transfers to other tax authorities			
School Taxes - Province	-	<b>809,787</b>	731,816
RCMP	-	<b>149,139</b>	124,250
Regional District	-	<b>46,873</b>	41,983
Greater Vancouver Transportation Authority	-	<b>205,929</b>	194,440
Municipal Finance Authority	-	<b>186</b>	136
British Columbia Assessment Authority	-	<b>40,505</b>	37,184
	<u>-</u>	<u><b>1,252,419</b></u>	<u>1,129,809</u>
Available for general purposes	1,443,043	<b>1,443,062</b>	1,371,873
Water utility parcel taxes	10,585	<b>10,585</b>	10,585
Sewer utility parcel taxes	-	-	25,346
	<u>\$ 1,453,628</u>	<u>\$ <b>1,453,647</b></u>	<u>\$ 1,407,804</u>

**December 31, 2017**

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**7. Contingent Liabilities and Commitments**

- (i) The Village is responsible as a member of the Greater Vancouver Regional District for its portion of any operating deficits or capital debt related to functions in which it participates.
- (ii) The Village is a participant in the Municipal Insurance Association of British Columbia (the "Association"). Should the Association pay out claims in excess of the premiums received, it is possible that the Village, along with the other participants, would be required to contribute towards the deficit. Management does not consider external payments under this contingency to be likely and therefore no amounts have been accrued.
- (iii) The Village is a shareholder and member of the Emergency Communications for British Columbia Incorporated ("E-Comm") whose services provided include: regional 9-1-1 call centre; Wide Area Radio network, dispatch operations; and records management. The Village has 1 Class A Share (Police and Fire) and no Class B Shares (Operations) (of a total of 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2017) recorded at nominal cost. As a Class A shareholder, the Village shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- (iv) Under borrowing arrangements with MFA, the Village is required to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Village. The balance of the deposits and contingent demand notes are not included in the financial statements of the Village.
- (v) The Village is the subject to litigation in regard to employment matters. In addition, the Village is from time to time involved in other lawsuits. The Village vigorously defends any such claims. At December 31, 2017 there is not sufficient information available to allow the Village to make a reasonable estimate of the potential for loss, if any, resulting from outstanding matters. Accordingly, these financial statements contain no provision for such amounts. Amounts will be recorded in the financial statements in the period in which additional information becomes available that allows a reasonable estimate to be made.



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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**8. Financial Plan**

Financial plan amounts represent the Financial Plan Bylaw adopted by Council on May 5, 2017 with adjustments for items accounted for differently under PSAS.

The Financial Plan Bylaw anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. In addition, the Financial Plan Bylaw anticipated capital expenditures rather than amortization expense and repayment of debt during the year.

The following shows how these amounts were combined:

	<u>2017</u>
Financial Plan Bylaw surplus for the year	\$ -
Add back:	
Capital expenditures	4,041,280
Repayment of Debt	109,521
MFA Actuarial Gain on Debt	20,422
Budgeted transfers to accumulated surplus	2,391,362
Less:	
Proceeds from Borrowing	(460,870)
Amortization	(507,494)
	<u>\$ 5,594,221</u>

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**9. Pension Plan**

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments.

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

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**9. Pension Plan (con't)**

The most recent valuation for the Municipal Pension Plan as of December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The next valuation will be as at December 31, 2018, with results available in 2019.

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

The Village paid \$68,673 (2016 - \$52,723) for employer contributions while employees contributed \$62,970 (2016 - \$52,918) to the plan in fiscal 2017.

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**10. Accumulated Surplus**

The components of accumulated surplus are as follows:

	<u>2017</u>	<u>2016</u>
Invested in tangible capital assets	\$ 19,061,532	\$ 18,415,256
Reserve funds	848,534	783,555
Unrestricted amounts	<u>1,159,498</u>	<u>1,158,539</u>
	<u>\$ 21,069,564</u>	<u>\$ 20,357,350</u>

The increase in reserve funds in the current year of \$64,979 represents the receipt of \$56,502 of unrestricted funds for Gas Tax Funding, a \$350 donation to the Curly Stewart Fund, with the balance of \$8,127 representing interest credited to reserve funds for the year.

**December 31, 2017**

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**11. Segmented Information**

The Village is a diversified municipal government institution that provides a wide range of services to its residents such as parks and recreation, maintenance of roads, fire and rescue, sewer and water utilities and solid waste collection. Key functional segments have been separately disclosed in Schedule 1. Following is a brief description of these segments and the activities they provide:

**General Government**

This segment relates to the general administration of the Village. It also includes revenues and expenses such as property tax revenues, legal costs, etc. that cannot be directly attributed to a specific segment.

**Protective Services**

Protective Services is comprised of fire and rescue services, bylaw enforcement and emergency services. The fire and rescue department is responsible for providing fire suppression service, fire prevention programs, training and education and highway call-out services. The members of the fire department are volunteer fire fighters.

**Public Works Operation**

Public works and transportation is responsible for the maintenance of roads, storm drainage, water and sewer infrastructure and building facilities.

**Solid Waste Collection**

Solid waste collection consists of recycling services and waste collection.

**Planning and Development**

This segment includes building inspection, zoning and community planning such as land use master plan.

**Recreational and Cultural Services**

This service area provides services meant to improve the health and development of the residents. They include recreation programs in the community centre, maintenance of trails, parks and beaches.

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2017**

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**12. Comparative Figures**

Certain comparative amounts have been reclassified to conform with the current year's presentation.

**Village of Lions Bay**  
**Schedule 1 - Combined Statement of Operations by Segment**

**For the year ended December 31, 2017**

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2017 Actual	2017 Financial Plan
										(Note 8)
<b>Revenues</b>										
Taxation	\$ 1,443,062	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,585	\$ -	\$ 1,453,647	\$ 1,453,628
Utility user rates and connection fees	-	-	-	185,795	-	-	834,605	67,234	1,087,634	1,087,239
Government transfers	370,191	20,375	-	-	-	11,200	354,409	-	756,175	2,897,116
Sales of services	5,980	63,125	300	3,902	96,253	24,169	16,845	1,921	212,495	152,253
Other revenues	61,470	151,296	-	-	-	-	36,984	3,911	253,661	110,832
Loss on disposal of tangible capital assets	-	-	-	-	-	-	(9,356)	-	(9,356)	3,219,250
	1,880,703	234,796	300	189,697	96,253	35,369	1,244,072	73,066	3,754,256	8,920,318
<b>Expenses</b>										
Operating										
Goods and services	132,321	227,467	191,423	181,090	77,890	105,082	210,078	41,571	1,166,922	1,442,767
Labour	544,816	116,138	187,586	-	28,493	119,504	256,957	13,623	1,267,117	1,284,380
Amortization	340,597	-	-	-	-	-	163,456	14,628	518,681	507,494
	1,017,734	343,605	379,009	181,090	106,383	224,586	630,491	69,822	2,952,720	3,234,641
Interest	-	-	14,392	-	-	-	74,930	-	89,322	91,456
	1,017,734	343,605	393,401	181,090	106,383	224,586	705,421	69,822	3,042,042	3,326,097
<b>Annual surplus (deficiency)</b>	\$ 862,969	\$ (108,809)	\$ (393,101)	\$ 8,607	\$ (10,130)	\$ (189,217)	\$ 538,651	\$ 3,244	\$ 712,214	\$ 5,594,221

**Village of Lions Bay**  
**Schedule 2 - Combined Statement of Operations by Segment**

**For the year ended December 31, 2016**

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2016 Actual	2016 Financial Plan
(Note 8)										
<b>Revenues</b>										
Taxation	\$ 1,371,873	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,585	\$ 25,346	\$ 1,407,804	\$ 1,410,612
Utility user rates and connection fees	-	-	-	199,999	-	-	786,865	44,822	1,031,686	1,033,030
Government transfers	352,823	-	-	-	-	4,527	172,972	-	530,322	707,613
Sales of services	5,167	45,779	1,975	112	32,955	24,758	-	-	110,746	93,835
Other revenues	47,717	69,990	-	-	-	-	14,347	600	132,654	87,205
Loss on disposal of tangible capital assets	(15,285)	-	-	-	-	-	-	-	(15,285)	-
	<b>1,762,295</b>	<b>115,769</b>	<b>1,975</b>	<b>200,111</b>	<b>32,955</b>	<b>29,285</b>	<b>984,769</b>	<b>70,768</b>	<b>3,197,927</b>	<b>3,332,295</b>
<b>Expenses</b>										
Operating										
Goods and services	160,968	176,532	149,704	198,645	21,082	70,024	326,564	40,226	1,143,745	1,425,064
Labour	502,789	117,875	171,882	-	45,171	105,318	263,722	14,961	1,221,718	1,212,908
Amortization	309,558	-	-	-	-	-	150,939	29,725	490,222	553,787
	973,315	294,407	321,586	198,645	66,253	175,342	741,225	84,912	2,855,685	3,191,759
Interest	-	-	15,016	-	-	-	75,225	-	90,241	90,241
	973,315	294,407	336,602	198,645	66,253	175,342	816,450	84,912	2,945,926	3,282,000
<b>Annual surplus (deficiency)</b>	<b>\$ 788,980</b>	<b>\$ (178,638)</b>	<b>\$ (334,627)</b>	<b>\$ 1,466</b>	<b>\$ (33,298)</b>	<b>\$ (146,057)</b>	<b>\$ 168,319</b>	<b>\$ (14,144)</b>	<b>\$ 252,001</b>	<b>\$ 50,295</b>

**Village of Lions Bay**  
**Schedule 3 - Tangible Capital Assets**

**For the year ended December 31, 2017**

	Land	Buildings	Equipment & Furniture & Vehicles	Land Improvements	Water	Sewer	Roads	Storm Sewer	Other	WIP - General	2017 Total	2016 Total
<b>Cost, beginning of year</b>	\$ 11,115,625	\$ 2,112,010	\$ 1,723,796	\$ 195,678	\$ 6,960,301	\$ 795,715	\$ 4,357,566	\$ 101,450	\$ 81,801	\$ 64,130	\$ 27,508,072	\$ 27,355,814
<b>Additions</b>	776,243	27,870	389,960	5,447	239,717	-	-	-	-	349,517	1,788,754	173,191
<b>Disposals</b>	(85,866)	-	-	-	(9,848)	-	-	-	-	-	(95,714)	(20,933)
<b>Cost, end of year</b>	11,806,002	2,139,880	2,113,756	201,125	7,190,170	795,715	4,357,566	101,450	81,801	413,647	29,201,112	27,508,072
<b>Accumulated amortization, beginning of year</b>	-	730,137	1,125,468	74,790	2,584,480	571,888	2,665,486	77,290	13,089	-	7,842,628	7,358,054
<b>Amortization</b>	-	49,933	170,687	9,389	163,456	14,628	107,710	1,242	1,636	-	518,681	490,222
<b>Disposals</b>	-	-	-	-	(492)	-	-	-	-	-	(492)	(5,648)
<b>Accumulated amortization, end of year</b>	-	780,070	1,296,155	84,179	2,747,444	586,516	2,773,196	78,532	14,725	-	8,360,817	7,842,628
<b>Net carrying amount, end of year</b>	\$ 11,806,002	1,359,810	817,601	116,946	4,442,726	209,199	1,584,370	22,918	67,076	413,647	20,840,295	\$ 19,665,444

Included in disposals are transfers to assets held for sale of \$85,866 (Note 1).