Village of Lions Bay

Financial Statements

For the year ended December 31, 2018

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Management's Responsibility for the Financial Statements

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.

Pamela Rooke, CPA, CMA
Chief Financial Officer

Peter DeJong
Chief Administrative Officer

May 7, 2019

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Independent Auditor's Report

To the Mayor and Council of the Village of Lions Bay
Opinion

We have audited the financial statements of the Village of Lions Bay (the "Village") which comprise the Statement of Financial Position as at December 31, 2018 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.
In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2018 and its results of operations, changes in net financial assets, and 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 Financial Statements section of this report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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.
In preparing the financial statements, management is responsible for assessing the Village'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 Village, or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Village's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 7, 2019

Village of Lions Bay
Statement of Financial Position

December 31	2018	2017
Financial Assets		
Cash and cash equivalents	**$ 2,900,857**	$ 2,832,436
Accounts receivable	**221,571**	372,761
Grants receivable	**161,593**	288,908
Assets held for sale (Note 1)	**359,384**	85,866
	3,643,405	3,579,971
Liabilities		
Accounts payable	**211,262**	544,660
Sick, overtime, wellness and vacation payable	**158,451**	117,216
Deferred revenue (Note 2)	**637,327**	687,214
Developer deposits (Note 3)	**144,000**	138,000
Equipment financing (Note 4)	**115,084**	147,173
Long- term debt (Note 5)	**1,595,415**	1,717,456
	2,861,539	3,351,719
Net Financial Assets	**781,866**	228,252
Non-Financial Assets		
Tangible capital assets (Schedule 3)	**20,381,200**	20,840,295
Prepaid expenses	**14,542**	1,017
	20,395,742	20,841,312
Accumulated Surplus (Note 11)	**$ 21,177,608**	$ 21,069,564

Contingent liabilities and contractual obligations (Note 7)
Contractual Rights (Note 8)

Pamela Rooke

Pamela Rooke CPA, CMA
Chief Financial Officer

Ron McLaughlin
Mayor

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

Village of Lions Bay
Statement of Operations

For the year ended December 31	Financial Plan 2018 (Note 9)	2018	2017
Revenue (Schedules 1 & 2)			
Taxation (Note 6)	$ 1,505,015	**$ 1,505,049**	$ 1,453,647
Utility user rates	1,089,217	**1,089,217**	1,087,634
Government transfers	2,612,116	**573,393**	756,175
Sale of services	203,556	**186,465**	212,495
Other revenues	148,524	**177,240**	253,661
Gain (Loss) on disposal of tangible capital assets	3,124,994	**-**	(9,356)
	8,683,422	**3,531,364**	3,754,256
Expenses (Schedules 1 & 2)			
General departmental expenses	2,649,807	**2,446,788**	2,266,799
Water system operations	1,063,023	**902,843**	705,421
Sewer system operations	87,816	**73,689**	69,822
	3,800,646	**3,423,320**	3,042,042
Annual Surplus	4,882,776	**108,044**	712,214
Accumulated Surplus, beginning of year	21,069,564	**21,069,564**	20,357,350
Accumulated Surplus, end of year	$ 25,952,340	**$ 21,177,608**	$ 21,069,564

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

Village of Lions Bay
Statement of Change in Net Financial Assets

For the year ended December 31	Financial Plan 2018 (Note 9)	2018	2017
Annual surplus	$ 4,882,776	**$ 108,044**	$ 712,214
Change in Tangible Capital Assets			
Acquisition of tangible capital assets	(2,746,468)	**(312,093)**	(1,788,754)
Amortization of tangible capital assets	588,976	**497,670**	518,681
Loss on disposals of tangible capital assets	-	**-**	9,356
Tangible capital assets transferred to assets held for sale (Note 1)	-	**273,518**	85,866
	(2,157,492)	**459,095**	(1,174,851)
Change in Other Non-Financial Assets			
Net use (acquisition) of prepaid expenses	-	**(13,525)**	1,022
Change in net financial assets for the year	2,725,284	**553,614**	(461,615)
Net financial assets, beginning of year	228,252	**228,252**	689,867
Net financial assets, end of year	$ 2,953,536	**$ 781,866**	$ 228,252

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

Village of Lions Bay
Statement of Cash Flows

For the year ended December 31	2018	2017
Cash provided by (used in)		
Operating transactions		
Annual surplus	**$ 108,044**	$ 712,214
Items not involving cash		
Amortization expense	**497,670**	518,681
Loss on disposal of tangible capital assets	**-**	9,356
Changes in non-cash operating balances		
Accounts receivable	**151,190**	(128,466)
Grants receivable	**127,315**	(255,320)
Developer deposits	**6,000**	12,000
Deferred revenue	**(49,887)**	661,997
Accounts payable	**(333,398)**	248,698
Sick, overtime, wellness and vacation payable	**41,235**	10,698
Prepaid expenses	**(13,525)**	1,022
	534,644	1,810,880
Capital transactions		
Cash used to acquire tangible capital assets	**(312,093)**	(1,657,858)
Financing transactions		
Repayment of equipment financing	**(32,089)**	(36,043)
Repayment of long-term debt principal	**(122,041)**	(86,312)
Issue of long-term debt	**-**	605,900
	(154,130)	483,545
Increase in cash and equivalents during the year	**68,421**	636,567
Cash and equivalents, beginning of year	**2,832,436**	2,195,869
Cash and equivalents, end of year	**$ 2,900,857**	$ 2,832,436
Supplemental information:		
Interest paid on long-term debt	**$ 108,858**	$ 89,322
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.

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 of 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

December 31, 2018

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.

December 31, 2018

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, 2018 or 2017.

1. Assets Held for Sale

During 2017, the Village listed a parcel of land as available for sale. The net book value of the land previously classified in tangible capital assets is $85,866. The land sold in April 2019 with a gain on sale of $1.81 million to be recorded in the next fiscal year.

In 2018, the Village listed another parcel of land as available for sale. The net book value of the land previously classified in tangible capital assets is $273,518 and remains unsold at December 31, 2018.

2. Deferred Revenue

	2018	2017
Contributions for future use	$ -	23,392
Government transfers	600,839	641,671
Prepaid taxes	36,488	22,151
	$ 637,327	$ 687,214

3. Developer Deposits

Bylaw 497 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 $144,000 (2017 - $138,000) 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.

4. Equipment Financing

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

2019	$	19,621
2020		19,621
2021		19,621
2022		19,621
2023		19,621
Thereafter		29,431
Total future minimum lease payments	$	127,536
Less: Imputed interest (at 3%)		(12,452)
Present value of minimum lease payments	$	115,084

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 $46,563 (2017 - $52,569).

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 $835,539 (2017 - $902,456).

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 $149,203 (2017 - $161,153).

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 $451,212 (2017 - $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 the Canadian Dollar Offered Rate (CDOR) (2.80% at year-end) and the debt matures in 2022. The balance outstanding at year-end was $112,898 (2017 - $140,378).

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

2019	$ 126,020
2020	130,485
2021	135,088
2022	136,944
2023	113,996
Thereafter	952,882
	$ 1,595,415

6. Taxation

	Financial Plan 2018 (Note 9)	**2018**	2017
General purposes	$ 1,494,430	**$ 1,494,464**	$ 1,443,062
Collections for other tax authorities			
School Taxes - Province	-	**811,852**	809,787
RCMP	-	**154,253**	149,139
Regional District	-	**50,222**	46,873
Greater Vancouver Transportation Authority	-	**211,168**	205,929
Municipal Finance Authority	-	**198**	186
British Columbia Assessment Authority	-	**40,219**	40,505
	1,494,430	**2,762,376**	2,695,481
Transfers to other tax authorities			
School Taxes - Province	-	**811,852**	809,787
RCMP	-	**154,253**	149,139
Regional District	-	**50,222**	46,873
Greater Vancouver Transportation Authority	-	**211,168**	205,929
Municipal Finance Authority	-	**198**	186
British Columbia Assessment Authority	-	**40,219**	40,505
	-	**1,267,912**	1,252,419
Available for general purposes	1,494,430	**1,494,464**	1,443,062
Water utility parcel taxes	10,585	**10,585**	10,585
	$ 1,505,015	**$ 1,505,049**	$ 1,453,647

7. Contingent Liabilities and Contractual Obligations

(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, 2018) 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 of 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, 2018 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.

8. Contractual Rights

The Village entered into a lease contract for space in a building located at 410 Centre Road which expires in July 2030. In return, the Village receives the following revenues:

2019	$	22,540
2020		23,882
2021		25,760
2022		25,760
2023		25,760
Thereafter		185,687

9. Financial Plan

Financial plan amounts represent the Financial Plan Bylaw adopted by Council on May 11, 2018 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:

	2018
Financial Plan Bylaw surplus for the year	**$ -**
Add back:	
Capital expenditures	**2,746,468**
Repayment of Debt	**152,364**
MFA Actuarial Gain on Debt	**23,456**
Budgeted transfers to accumulated surplus	**2,549,464**
Less:	
Amortization	**(588,976)**
	$ 4,882,776

10. Pension Plan

The employer and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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, 2017, the plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 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.

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 $82,837 (2017 - $68,673) for employer contributions while employees contributed $72,828 (2017 - $62,970) to the plan in fiscal 2018.

11. Accumulated Surplus

The components of accumulated surplus are as follows:

	2018	2017
Invested in tangible capital assets	**$ 18,670,701**	$ 18,975,666
Reserve funds	**918,804**	848,534
Unrestricted amounts	**1,588,103**	1,245,364
	$ 21,177,608	$ 21,069,564

The increase in reserve funds in the current year of $70,270 represents the receipt of $59,264 of unrestricted funds for Gas Tax Funding, with the balance of $11,006 representing interest credited to reserve funds for the year.

12. 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 is responsible for the maintenance of roads, bridges, storm drainage, street lighting, creeks and drainage, fleet, equipment and snow removal.

12. Segmented Information (con't)

Solid Waste Collection

Solid waste collection consists of recycling services and organics and waste collection.

Planning and Development

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

Park, Recreation and Culture

This segment 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 and facilities maintenance and management.

Water Utility

This segment is comprised of water treatment, water quality, water storage and water distribution to residents.

Sewer Utility

The sewer utility provides for the operation, maintenance and repair of the sanitary sewer collection and waste water treatment plant.

13. 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, 2018

	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Park Recreation and Culture	Water Utility	Sewer Utility	2018 Actual	2018 Financial Plan
										(Note 9)
Revenues										
Taxation	$ 1,494,464	$ -	$ -	$ -	$ -	$ -	$ 10,585	$ -	**$ 1,505,049**	$ 1,505,015
Utility user rates and connection fees	-	-	-	183,570	-	-	837,613	68,034	**1,089,217**	1,089,217
Government transfers	369,358	-	-		-	10,500	193,535	- -	**573,393**	2,612,116
Sales of services	14,670	63,961	-	4,986	58,857	20,374	21,056	2,561	**186,465**	203,556
Other revenues	78,967	77,171	-	-	-	-	21,102	-	**177,240**	148,524
Gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	**-**	3,124,994
	1,957,459	141,132	-	188,556	58,857	30,874	1,083,891	70,595	**3,531,364**	8,683,422
Expenses										
Operating										
Goods and services	198,306	261,721	247,411	189,389	21,916	108,116	369,418	46,387	**1,442,664**	1,702,003
Labour	568,538	134,989	190,536	-	28,366	156,311	282,493	12,895	**1,374,128**	1,397,711
Amortization	321,477	-	-	-	-	-	161,786	14,407	**497,670**	588,976
	1,088,321	396,710	437,947	189,389	50,282	264,427	813,697	73,689	**3,314,462**	3,688,690
Interest	-	3,063	16,649	-	-	-	89,146	-	**108,858**	111,956
	1,088,321	399,773	454,596	189,389	50,282	264,427	902,843	73,689	**3,423,320**	3,800,646
Annual surplus (deficiency)	$ 869,138	$ (258,641)	$ (454,596)	$ (833)	$ 8,575	$ (233,553)	$ 181,048	$ (3,094)	**$ 108,044**	$ 4,882,776

Village of Lions Bay
Schedule 2 - 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	Recreation and Culture	Water Utility	Sewer Utility	2017 Actual	2017 Financial Plan
Revenues										
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
Expenses										
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
Annual surplus (deficiency)	$ 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 3 - Tangible Capital Assets

For the year ended December 31, 2018

	Land	Buildings	Equipment & Furniture & Vehicles	Land Improvements	Water	Sewer	Roads	Storm Sewer	Other	WIP - General	2018 Total	2017 Total
Cost, beginning of year	$ 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
Additions	163,281	- 110,974	33,297		-	-	-	-	-	91,003	398,555	1,788,754
Disposals	(273,518)	-	-	-	-	-	-	-	-	(86,462)	(359,980)	(95,714)
Cost, end of year	11,695,765	2,250,854	2,147,053	201,125	7,190,170	795,715	4,357,566	101,450	81,801	418,188	29,239,687	29,201,112
Accumulated amortization, beginning of year	-	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
Amortization	-	57,137	148,862	9,389	161,786	14,407	103,211	1,242	1,636	-	497,670	518,681
Disposals	-	-	-	-	-	-	-	-	-	-	-	(492)
Accumulated amortization, end of year	-	837,207	1,445,017	93,568	2,909,230	600,923	2,876,407	79,774	16,361	-	8,858,487	8,360,817
Net carrying amount, end of year	$ 11,695,765	1,413,647	702,036	107,557	4,280,940	194,792	1,481,159	21,676	65,440	418,188	20,381,200	$ 20,840,295

Included in disposals are transfers to assets held for sale of $273,518 (Note 1).