

**MUNICIPAL
STATEMENT OF FINANCIAL INFORMATION
(SOFI)
2018**

Village of Fraser Lake
210 Carrier Crescent
PO Box 430
Fraser Lake, BC
V0J 1S0

Mayor
Sarrah Storey

Chief Administrative Officer
Rodney J Holland

Director of Finance
Laura McMaster

Financial Information Act
Financial Information Regulation (FIR), Schedule 1

Statement of Financial Information (SOFI)
Index to FIR Schedule 1 and the Checklist

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Ministry Information

General: Section One

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
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Page 2: Statement of Assets & Liabilities: Section Two

- 2 Balance sheet
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- 3(1) Statement of Income / Statement of Revenue and Expenditures
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Statement of Debts: Section Four

- 4(1)(a) & 4(2) List and detail the schedule of long-term debts
- 4(1)(b) Identify debts covered by sinking funds / reserves
- 4(3) & (4) Omission of schedule, with explanation

Page 3: Schedule of Guarantee and Indemnity Agreements: Section Five

- 5(1) List agreements under the Guarantees and Indemnities Regulation
- 5(2) State the entities and amounts involved
- 5(3) & (4) Omission of schedule, with explanation

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six

- 6(1) [Definitions for reference]
- 6(2)(a) List remuneration / expenses for each elected official, member of board, Cabinet appointees
- 6(2)(b) List each employee with remuneration exceeding \$75,000, plus expenses
- 6(2)(c) Consolidated total for all employees with remuneration of \$75,000 or less
- 6(2)(d) Reconcile difference in total remuneration above with operational statement
- 6(3) Exclude personal information other than as required

Page 3 & 4: Schedule of Remuneration and Expenses: Section Six (continued)

- 6(4) & (5) [Explanatory information for reference]
- 6(6) Report employer portion of EI and CPP as a supplier payment
- 6(7)(a) & (b) Statement of severance agreements
- 6(8) Explain an omission of statement of severance agreements
- 6(9) [Statement of severance agreements to minister – not required unless requested]

Page 4: Schedule of Suppliers of Goods or Services: Section Seven

- 7(1)(a) List suppliers receiving payments exceeding \$25,000
- 7(1)(b) Consolidated total of all payments of \$25,000 or less
- 7(1)(c) Reconcile difference in total above with operational statement
- 7(2)(a) [Explanatory information for reference]
- 7(2)(b) Statement of payments of grants or contributions
- 7(2)(c) [Explanatory information for reference]

Page 5: Inactive Corporations: Section Eight

- 8(1) Ministry to report for inactive corporations
- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
- 8(2)(b) Contents of report – operational status of corporation

Approval of Financial Information: Section Nine

- 9(1) Approval of SOFI for corporations (other than municipalities)
- 9(2) Approval of SOFI for municipalities
- 9(3) Management report
- 9(4) Management report must explain roles and responsibilities
- 9(5) Signature approval is for all contents of the SOFI

Access to the Financial Information: Section Ten

- 10(1) to (3) [Explanatory information for reference]

Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: The Village of Fraser Lake Contact Name: Laura McMaster
 Fiscal Year End: 2018 Phone Number: (250) 699-6257
 Date Submitted: JUNE 13, 2019 E-mail: vflfin@fraserlake.ca

For the Ministry:

Ministry Name: _____ Reviewer: _____
 Date Received: _____ Deficiencies: Yes ☐ No ☐
 Date Reviewed: _____ Deficiencies Addressed: Yes ☐ No ☐
 Approved (SFO): _____ Further Action Taken: _____

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 1 Financial Statements (FS)
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 2 FS
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 10 FS
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pages 14-15 FS
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Employee Remuneration & Expenses
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Payments to Suppliers
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 15 FS
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	FS

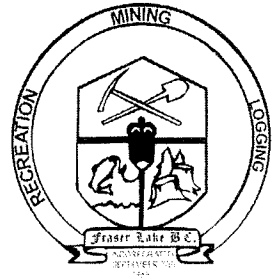
FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	<ul style="list-style-type: none"> A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and Show changes in equity and surplus or deficit due to operations 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 1 FS
Operational Statement					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> a Statement of Income or Statement of Revenue and Expenditures, and a Statement of Changes in Financial Position 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pages 2-3 FS
3 (2) 3 (3)	<ul style="list-style-type: none"> The Statement of Changes in Financial Position may be omitted if it provides no additional information The omission must be explained in the notes 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 1 FS
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Pages 11-12 FS
Schedule of Debts					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Page 10 FS
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Debt Page 10 FS
4 (3) 4 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule D
5 (2)	State the entities involved, and the specific amount involved if known	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule D
5 (3) 5 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Council Remuneration & Expenses
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Employee Remuneration & Expenses
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Employee Remuneration & Expenses
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Payments to Suppliers
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: <ul style="list-style-type: none"> the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and the range of equivalent months' compensation for them (see Guidance Package for suggested format)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Payments to Suppliers
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Payments to Suppliers
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule D

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Approval of Financial Information					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Village of Fraser Lake



MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Financial Committee of the Council. The Financial Committee meets with management and the external auditors once a year.

The corporation's Director of Finance has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, KPMG conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Financial Committee of the Council and meet with it on a regular basis.

On behalf of the Village of Fraser Lake

Laura McMaster
Director of Finance
June 12, 2018



White Swan Capital of the World



Village of Fraser Lake



June 12, 2019

Mayor and Council

Enclosed is a copy of the Financial Statements and the documentation requested for the 'Statement of Financial Information' (SOFI) that needs to be forwarded to Victoria. Management has prepared the documentation in compliance with the generally accepted accounting principles of Canada. To the best of our knowledge the information enclosed is true and accurate according to the financial records of the Village of Fraser Lake and Financial Statements prepared by the Auditors.

Sincerely,

Laura McMaster
Director of Finance

Sarrah Storey, Mayor

June 12/2019.

Date

R.J. Holland
Corporate Administrative Officer

June 12, 2019

Date



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Village of Fraser Lake
Statement of Financial Information
For the Year Ended December 31, 2018
Schedule of Payments to Suppliers

Autumn Services - Society for Senior Support	\$ 85,724.60
BC Hydro	171,792.96
Canada Customs & Revenue	244,168.98
CIBC Visa	44,353.57
Devcon Industrial Services Ltd	136,703.26
FL Building Supplies	25,131.71
FL Volunteer Fire Department	61,357.50
Group Health - Global Trust	30,558.37
ICBC	76,727.41
KPMG LLP T4348	25,669.00
L & M Engineering Ltd	33,075.00
Midway Purnel Sanitary Supplies PG Ltd.	36,622.52
Minister of Finance	41,259.81
Min. of Fin & Corp Relations School	31,794.10
Municipal Pension Plan	248,255.17
Northwest Sealcoating	109,437.03
Northern Monumental	49,557.90
RDBN	25,035.36
Stuart-Nechako Reg. Hospital District	238,419.79
Tech North Solutions Inc.	111,274.86
Telus BC	52,134.72
Vadim Computer Management Group	33,283.44
Four Rivers Co-Operative	30,960.39
Western Financial Group	52,545.34
	<u>43,927.00</u>
 Total Suppliers over \$25000	 \$ 2,039,769.79
Total Suppliers under \$25000	\$ 712,553.89
Total Suppliers	<u>\$ 2,752,323.68</u>

Village of Fraser Lake
Statement of Financial Information
For the Year Ended December 31, 2018
Schedule of Employee Remuneration and Expenses

Employee Name	Position	Remuneration	Expenses
Hilman, Vern	Director of Public Works	\$ 92,134	\$ 200
Holland, Rodney	Chief Administrative Officer	91,796	7,182
		<u>183,930</u>	<u>7,382</u>
	Employees less than \$75,000	731,962	28,245
		<u>\$ 915,892</u>	<u>\$ 35,627</u>

Village of Fraser Lake
Statement of Financial Information
For the Year Ended December 31, 2018
Schedule of Council Remuneration and Expenses

Elected Officials	Position	Remuneration	Expenses
Fennema, Audrey	Councillor	1232	553
Jenkinson, Joseph	Councillor	1112	369
LePoidevin, Craig	Councillor	5,195	229
Lindstrom, Dwayne	Mayor	\$ 8,821	\$ 5,221
Ray, Tyrel	Councillor	4,024	0
Reyden, Donald	Councillor	4,384	0
Storey, Sarrah	Councillor/Mayor	7,569	7,224
Watt-Senner, Kimberly	Councillor	1072	100
		<u>\$ 33,409</u>	<u>\$ 13,696</u>

Village of Fraser Lake
Statement of Financial Information
For the Year Ended December 31, 2018

Schedule of Debt

Client	Issue	Term	CB Bylaw	SI Bylaw	LA Bylaw	MSIR	Principal
Fraser Lake			15	1294	611	05-26-09	350,000.00
Date	Payment	Principal	Interest	Actuarial	Balance		
25/10/2004	0	0	0	0	0	350,000.00	
02/12/2004	0	0	0	0	0	350,000.00	
02/06/2005	10,519.06	0	10,519.06	0	0	350,000.00	
02/12/2005	24,926.05	16,219.80	8,706.25	0	0	333,780.20	
02/06/2006	8,706.25	0	8,706.25	0	0	333,780.20	
02/12/2006	24,926.05	16,219.80	8,706.25	810.99	316,749.41		
02/06/2007	8,706.25	0	8,706.25	0	316,749.41		
02/12/2007	24,926.05	16,219.80	8,706.25	1,662.53	298,867.08		
02/06/2008	8,706.25	0	8,706.25	0	298,867.08		
02/12/2008	24,926.05	16,219.80	8,706.25	2,556.65	280,090.63		
02/06/2009	8,706.25	0	8,706.25	0	280,090.63		
02/12/2009	24,926.05	16,219.80	8,706.25	3,495.47	260,375.36		
02/06/2010	8,706.25	0	8,706.25	0	260,375.36		
02/12/2010	24,926.05	16,219.80	8,706.25	4,481.23	239,674.33		
02/06/2011	8,706.25	0	8,706.25	0	239,674.33		
02/12/2011	24,926.05	16,219.80	8,706.25	5,516.28	217,938.25		
02/06/2012	8,706.25	0	8,706.25	0	217,938.25		
02/12/2012	24,926.05	16,219.80	8,706.25	6,603.09	195,115.36		
02/06/2013	8,706.25	0	8,706.25	0	195,115.36		
02/12/2013	24,926.05	16,219.80	8,706.25	7,744.23	171,151.33		
02/06/2014	8,706.25	0	8,706.25	0	171,151.33		
02/12/2014	24,926.05	16,219.80	8,706.25	8,942.43	145,989.10		
02/06/2015	3,500.00	0	3,500.00	0	145,989.10		
02/12/2015	19,719.80	16,219.80	3,500.00	10,200.55	119,568.75		
02/06/2016	3,500.00	0	3,500.00	0	119,568.75		
02/12/2016	19,719.80	16,219.80	3,500.00	11,521.56	91,827.39		
02/06/2017	3,500.00	0	3,500.00	0	91,827.39		

02/12/2017	19,719.80	16,219.80	3,500.00	12,908.63	62,698.96
02/06/2018	3,500.00	0	3,500.00	0	62,698.96
02/12/2018	19,719.80	16,219.80	3,500.00	14,365.05	32,114.11
02/06/2019	3,500.00	0	3,500.00	0	32,114.11
02/12/2019	19,719.80	16,219.80	3,500.00	15,894.31	0
	454,234.81	243,297.00	210,937.81	106,703.00	
Cash Holdback	Demand Note	DRF Total			
3,500.00	13,376.58	16,876.58			

Village of Fraser Lake
Statement of Financial Information
For the Year Ended December 31, 2018
Schedule D

List of Financial Agreements (Financial Statement Pg 5)

Pacific Northern Gas 3% Franchise Fee	\$19,954.00
Arena Concession Fee (Flat Fee)	<u>\$250.00</u>
Total	<u>\$20,204.00</u>

List of Donations to Non Profit Organizations

Nechako Valley Search and Rescue	\$500.00
Nechako Lakes District Soccer	\$100.00
Nechako Watershed	\$500.00
SD 91 Breakfast for Learning	\$1,000.00
SD 91 Senior Girls Soccer Team	\$250.00
SD 91 Senior Boys Basketball	\$350.00
SD 91 Junior Golf	\$250.00
Autumn Services-Society for Senior Support	\$366.60
White Swan Music Festival	<u>\$3,926.00</u>
Total	<u>\$7,242.60</u>

Consolidated Financial Statements of

**THE CORPORATION OF THE
VILLAGE OF FRASER LAKE**

Year ended December 31, 2018



VILLAGE OF FRASER LAKE



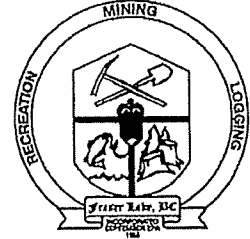
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Village of Fraser Lake



MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Corporation of the Village of Fraser Lake (the "Village") are the responsibility of the Village's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies is described in Note 1 to the consolidated financial statements. The preparation of the consolidated 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 consolidated financial statements. These systems are monitored and evaluated by management.

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

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

Mr. Rodney Holland, Chief Administrative Officer



White Swan Capital of the World



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Prince George BC V2L 5R8
Canada
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INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of The Corporation of the Village of Fraser Lake

Opinion

We have audited the consolidated financial statements of The Corporation of the Village of Fraser Lake (the "Village"), which comprise:

- the consolidated statement of financial position as at December 31, 2018
- the consolidated operations and accumulated surplus for the year then ended
- the consolidated change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Village as at December 31, 2018 and its consolidated results of operations, its consolidated changes in 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 "*Auditors' Responsibilities for the Audit of the Financial Statements*" section of our auditors' 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 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.

Auditors' 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 auditors' 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 the 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.
- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Village's to cease to continue as a going concern.



Page 3

- 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
- 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.

KPMG LLP

Chartered Professional Accountants

Prince George, Canada

April 24, 2019



VILLAGE OF FRASER LAKE



White Swan Capital of the World

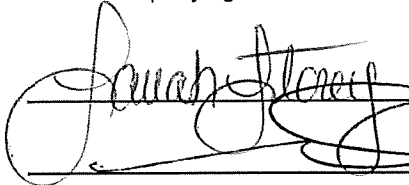


Consolidated Statement of Financial Position

December 31, 2018, with comparative information for 2017

	2018	2017
Financial assets:		
Cash and cash equivalents	\$ 6,695,075	\$ 6,628,510
Guaranteed investment certificates	803,667	434,735
Accounts receivable (note 2)	198,072	169,941
Deposit - Municipal Finance Authority	5,632	5,512
	<u>7,702,446</u>	<u>7,238,698</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 3)	284,483	224,784
Debt, net of sinking funds (note 4)	32,114	62,699
Deferred revenue	21,970	12,878
Deposits - Municipal Finance Authority	5,632	5,512
	<u>344,199</u>	<u>305,873</u>
Net financial assets	7,358,247	6,932,825
Non-financial assets:		
Tangible capital assets (note 5)	8,518,429	8,537,092
Southside land held for resale	217,902	252,478
Prepaid expenses	21,777	14,173
	<u>8,758,108</u>	<u>8,803,743</u>
Commitments and contingencies (note 6)		
Accumulated surplus (note 7)	<u>\$ 16,116,355</u>	<u>\$ 15,736,568</u>

See accompanying notes to consolidated financial statements.


Mayor

Chief-Administrative Officer



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2018, with comparative information for 2017

	2018 Budget	2018 Actual	2017 Actual
Revenue:			
Net taxation revenue (note 8)	\$ 1,740,064	\$ 1,728,397	\$ 1,668,539
User fees	436,253	442,582	436,166
Government transfers (note 9)			
Provincial	871,383	582,841	511,995
Federal	146,746	129,084	141,973
Investments and penalties	20,500	93,179	46,673
Licenses and permits	6,900	7,860	9,488
Rental	1,000	1,238	1,238
Concession and franchises	30,300	20,704	21,925
Miscellaneous income	21,113	69,710	70,324
Sinking Fund Surplus	1,500	-	-
	3,275,759	3,075,595	2,908,321
Expenses:			
General government	1,068,450	1,316,823	1,385,456
Protective services	311,498	205,620	226,254
Transportation services	345,270	254,605	230,253
Environmental development services	169,245	51,222	32,286
Environmental health services	58,175	131,261	99,336
Recreation and cultural services	508,062	379,141	457,400
Waste water utility	156,575	112,849	115,814
Water utility	685,550	244,287	201,094
	3,302,825	2,695,808	2,747,893
Annual surplus (deficit)	(27,066)	379,787	160,428
Accumulated surplus, beginning of year	15,736,568	15,736,568	15,576,140
Accumulated surplus, end of year	\$ 15,763,634	\$ 16,116,355	\$ 15,736,568

See accompanying notes to consolidated financial statements.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Consolidated Statement of Change In Net Financial Assets

Year ended December 31, 2018, with comparative information for 2017

	Budget	Total 2018	Total 2017
Annual surplus	\$ (27,066)	\$ 379,787	\$ 160,428
Acquisition of tangible capital assets	(149,807)	(365,107)	(220,907)
Amortization of tangible capital assets	-	383,770	491,773
	(149,807)	18,663	270,866
Sale of Southside land held for resale	-	34,576	-
Transfer of Southside land held for resale	-	-	(252,478)
Acquisition of prepaid expenses	-	(21,777)	(14,173)
Use of prepaid expenses	-	14,173	26,775
	-	26,972	(239,876)
Change in net financial assets	(176,873)	425,422	191,418
Net financial assets, beginning of year	6,932,825	6,932,825	6,741,407
Annual surplus, end of year	\$ 6,755,952	\$ 7,358,247	\$ 6,932,825

See accompanying notes to consolidated financial statements.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Consolidated Statement of Cash Flows

Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 379,787	\$ 160,428
Item not involving cash:		
Amortization of tangible capital assets	383,770	491,773
Accounts receivable	(28,131)	(2,655)
Southside land held for resale	34,576	6,479
Accounts payable and accrued liabilities	59,699	(10,776)
Deferred revenue	9,092	(283)
Prepaid expenses	(7,604)	12,602
	831,189	657,568
Capital activities:		
Acquisition of tangible capital assets	(365,107)	(220,907)
Financing activities:		
Debt repaid	(30,585)	(28,103)
Investing:		
Purchase of guaranteed investment certificates	(368,932)	(3,022)
Increase in cash and cash equivalents	66,565	405,536
Cash and cash equivalents, beginning of year	6,628,510	6,222,974
Cash and cash equivalents, end of year	\$ 6,695,075	\$ 6,628,510

See accompanying notes to consolidated financial statements.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements

Year ended December 31, 2018

The Corporation of the Village of Fraser Lake (the "Village") is a municipality that was created in 1966 under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. The Village's principal activities include the provision of local government services to residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water, waste water and fiscal services.

1. Significant accounting policies:

The consolidated financial statements of the Village are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The Village's significant accounting policies are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses in the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the Village and which are owned or controlled by the Village.

(ii) Accounting for Region and School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Region and the School Board are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their related operation administered by the Village are not included in these consolidated financial statements.

(b) Basis of accounting:

The Village follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(c) Revenue recognition:

Revenues are recognized in accordance with the provisions of Community Charter. The Village is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the Village's taxation revenues.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue or deposits.

(d) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(e) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

(f) Guaranteed investment certificates:

Guaranteed investment certificates include investments with a term to maturity of 90 days or more at acquisition.

(g) Southside land held for resale:

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(h) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

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

Asset	Useful life - years
Building and building improvements	10 - 40
Machinery and equipment	5 - 60
Roads infrastructure	5 - 75
Vehicles	5 - 20
Water and waste water infrastructure	2 - 60

Construction-in-progress is not amortized until the asset is available for productive use.

Tangible capital assets are tested annually for any impairment in value based on the continued usefulness of the assets and the related carrying values. Any impairment in carrying value would be recorded in the period that the impairment occurs.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(ii) Contributions of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Interest capitalization:

The Village does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(i) Use of estimates:

The preparation of the consolidated financial statements 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 revenues and expenses during the period. Items subject to such estimates and assumptions include the carrying values of tangible capital assets and collectibility of accounts receivable. Actual results could differ from these estimates.

(j) Government transfers:

Government transfers, which include legislative grants, are recognized as revenue in the consolidated financial statements 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. Transfer revenue is recognized in the consolidated statements of operations as the stipulations for liabilities are settled.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

1. Significant accounting policies (continued):

(k) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the organization is directly responsible or accepts responsibility for the liability;
- iv) future economic benefits will be given up, and
- v) a reasonable estimate of the liability can be made.

2. Accounts receivable:

	2018	2017
Taxes	\$ 41,468	\$ 23,638
Grants	62,680	48,697
Water, sewer, garbage user fees	50,750	47,573
Miscellaneous	43,174	50,033
	<u>\$ 198,072</u>	<u>\$ 169,941</u>

3. Accounts payable and accrued liabilities:

	2018	2017
Trade	\$ 139,444	\$ 107,681
Wages and related costs	131,708	92,048
Sales tax	13,331	25,055
	<u>\$ 284,483</u>	<u>\$ 224,784</u>



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

4. Debt, net of sinking funds:

The Village issues debt instruments through the Municipal Finance Authority ("MFA") of British Columbia, pursuant to security issuing bylaws under authority of the Community Charter, to finance certain capital expenditures.

Debt servicing requirements comprising principal repayments and interest are funded as incurred by revenue earned during the year.

	Purpose	Rate %	Maturity	Debenture Debt	Sinking Fund Assets	Net Debt 2018	Net Debt 2017
General fund:							
611	Fire truck	4.98 %	10/25/2019	122,923	90,809	32,114	62,699

Debt is reported net of sinking fund balances on the consolidated statement of financial position.

(a) Principal and sinking fund payments due within the next year is as follows:

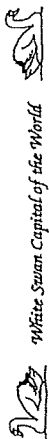
2019	\$	16,220
Estimated sinking fund income		15,894
	\$	32,114

(b) Sinking fund payments are invested by the MFA and earn income which, together with principal payments, are expected to be sufficient to retire the sinking debt at maturity. For sinking fund agreements, the MFA has established either a normal sinking fund or a capital repayment equalization fund.

(c) The Village has established a \$1,000,000 operating line which bears interest at prime plus 1.0%. The operating line is secured by a charge over the taxation and general revenue of the Village in an amount sufficient to cover all credit facilities. As at December 31, 2018 borrowing against the operating line balance is nil (2017 - nil).



VILLAGE OF FRASER LAKE



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

5. Tangible capital assets:

2018										
	Construction-in-progress	Land	Buildings and site improvements	Vehicles machinery and equipment	Roads infrastructure	Water infrastructure	Waste water infrastructure	Total		
Cost:										
Balance, beginning of year	\$ 12,551	\$ 1,873,044	\$ 3,060,651	\$ 3,696,513	\$ 3,544,120	\$ 2,466,631	\$ 2,522,946	\$ 17,176,456		
Additions	32,111	-	182,202	39,610	68,845	42,339	-	365,107		
Transfer	(7,402)	-	-	-	7,402	-	-	-		
Balance, end of year	37,260	1,873,044	3,242,853	3,736,123	3,620,367	2,508,970	2,522,946	17,541,563		
Accumulated amortization:										
Balance, beginning of year	-	-	1,512,442	2,492,449	1,516,245	885,577	2,232,651	8,639,364		
Amortization expense	-	-	61,717	149,295	114,845	47,066	10,847	383,770		
Balance, end of year	-	-	1,574,159	2,641,744	1,631,090	932,643	2,243,498	9,023,134		
Net book value, end of year	\$ 37,260	\$ 1,873,044	\$ 1,668,694	\$ 1,094,379	\$ 1,989,277	\$ 1,576,327	\$ 279,448	\$ 8,518,429		

Construction-in-progress represents capital projects at year end that have not been completed and are not ready for their intended use or to be amortized.



VILLAGE OF FRASER LAKE



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

5. Tangible capital assets (continued):

		2017					
	Construction-in-progress	Land	Building and building improvements	Vehicles, machinery and equipment	Roads infrastructure	Water infrastructure	Waste water infrastructure
Cost:							
Balance, beginning of year	\$ 7,115	\$ 1,834,864	\$ 3,014,054	\$ 3,607,319	\$ 3,502,620	\$ 2,466,631	\$ 2,522,946
Additions	5,436	38,180	46,597	89,194	41,500	-	-
Balance, end of year	12,551	1,873,044	3,060,651	3,696,513	3,544,120	2,466,631	2,522,946
Accumulated amortization:							
Balance, beginning of year	-	-	1,447,683	2,285,963	1,403,050	831,349	2,179,546
Amortization expense	-	-	64,759	206,486	113,195	54,228	53,105
Balance, end of year	-	-	1,512,442	2,492,449	1,516,245	885,577	2,232,651
Net book value, end of year	\$ 12,551	\$ 1,873,044	\$ 1,548,209	\$ 1,204,064	\$ 2,027,875	\$ 1,581,054	\$ 290,295
							\$ 8,537,092



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

6. Commitments and contingencies:

- (a) The Village is responsible, as a member of the Regional District of Bulkley-Nechako, for its portion of any operating deficits or capital debt related to functions in which it participates.
- (b) The Village issues debt instruments through the MFA. As a condition of these borrowings, 1% of gross proceeds are required by the MFA for the Village to deposit into a debt reserve fund. The Village is also required to execute demand notes in connection with each debenture whereby the Village may be required to loan certain amounts to the MFA. These demand notes are contingent in nature and are not reflected in the accounts. The demand notes issued at December 31, 2018 are \$13,377 (2017 - \$13,377).
- (c) The Village and its employees contribute to the Municipal Pension Plan ("the 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 provided 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 actuarial valuation for the Plan as at 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 Village paid \$57,602 (2017 - \$62,238) for employer contributions to the Plan in fiscal 2018.

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



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

6. Commitments and contingencies (continued):

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 allocation of the obligation, assets and cost to the individual employers participating in the plan.

- (d) The Village is obligated to collect and transmit property taxes levied on Fraser Lake taxpayers in respect of the following bodies:

Ministry of Education, Province of British Columbia
Regional District of Bulkley-Nechako
British Columbia Assessment Authority
Municipal Finance Authority
Stuart-Nechako Regional Hospital District
Royal Canadian Mounted Police

- (e) The Village is participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claim in excess of premiums received, it is possible that the Village, along with other participants, would be required to contribute towards the deficit.
- (f) The Village provides benefits for sick leave to all its employees. All employees accumulate sick leave entitlement on a monthly basis and can only use the entitlement for paid time off under certain circumstances. The total expenditure recorded in the consolidated financial statements in respect to obligation under this plan amounts to \$24,363 (2017 - \$15,381).

	2018	2017
Accrued benefit obligation:		
Balance, beginning of year	\$ 66,861	\$ 69,784
Current service cost	24,363	15,381
Benefits paid	(23,583)	(18,304)
Balance, end of year	\$ 67,641	\$ 66,861

The accrued benefit obligation is included as part of accounts payable and accrued liabilities on the consolidated statement of financial position.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

7. Accumulated surplus:

	2018	2017
Surplus:		
Invested in tangible capital assets	\$ 8,486,315	\$ 8,474,393
General fund	3,263,768	2,892,819
Water utility fund	164,696	136,610
Waste water utility fund	329,918	308,566
	12,244,697	11,812,388
Reserves set aside by Council:		
Search and rescue	261	261
MFA unexpended funds	94,300	93,784
	94,561	94,045
Reserve funds set aside for specific purposes by Council:		
Capital expenditure replacement	1,661,987	1,636,350
Building reserve	237	236
Emergency vehicle and equipment	52,956	47,480
Recreation centre	18,870	18,018
Streets	1,719,384	1,693,289
Sewer reserve	7,680	7,638
CWF restricted capital funding	315,983	427,124
	3,777,097	3,830,135
	\$ 16,116,355	\$ 15,736,568



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

8. Net taxation revenue:

As disclosed in note 6(d), the Village is required to collect taxes on behalf of and transfer these amounts to the government agencies below:

	2018	2017
General purposes	\$ 1,668,616	\$ 1,594,448
Grants in lieu of taxes	61,415	73,324
Collection for other governments	745,450	740,487
	2,475,481	2,408,259
Ministry of Education, Province of British Columbia	384,017	390,471
Stuart-Nechako Regional Hospital District	110,606	94,910
Regional District of Bulkley-Nechako	172,275	175,009
British Columbia Assessment Authority	18,977	18,806
Municipal Finance Authority	34	34
Royal Canadian Mounted Police	61,175	60,490
	747,084	739,720
	\$ 1,728,397	\$ 1,668,539



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

9. Government transfers:

The Village recognizes the transfer of government funding as expenses or revenues in the period that the events giving rise to the transfer occurred. The government transfers reported on the consolidated statement of operations and accumulated surplus are:

	2018	2017
Provincial grants:		
Unconditional	\$ 342,616	\$ 319,569
Miscellaneous	240,225	192,426
	<u>582,841</u>	<u>511,995</u>
Federal grants:		
Environmental	106,690	102,414
Protective services	19,994	37,559
Miscellaneous	2,400	2,000
	<u>129,084</u>	<u>141,973</u>
	<u>\$ 711,925</u>	<u>\$ 653,968</u>

10. Segmented information:

The Village is diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the Village's operations and activities are organized and reported by service areas. Segmented information has been identified based upon those lines of service provided by the Village. Village services are provided by departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of service that have been separately disclosed in the segments information are as follows:

(a) General Government:

The general government operation provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental in the Village.

(b) Protective Services:

Protective services is comprised of emergency management and regulatory services.



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

10. Segmented information (continued):

(c) Transportation Services:

Transportation services is responsible for a wide variety of services including the development and maintenance of the Village's roadway systems, snow removal and street lighting.

(d) Environmental Development and Environmental Health Services:

Environmental health and development services provides for garbage collection and disposal services to residents and businesses in the Village as well as maintenance of the cemetery.

(e) Recreation and Cultural Services:

Recreation and cultural services is responsible for the construction and maintenance of the Village's parks and green spaces. It provides funding for the operation of the arena, museum, library and wharf. It also administers economic development projects and provide grants to various community groups that provide recreational opportunities in the Village.

(f) Water Utility:

The water utility installs and maintains water mains, pump stations and the water treatment plant. The treatment and distribution of water in the Village is included in this segment.

(g) Waste Water Utility:

The waste water utility installs and maintains sewer mains, lift stations and the sewage treatment facility. The collection and treatment of sewage is the Village in included in this segment.

The following statement provides additional information for the foregoing functions. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.



VILLAGE OF FRASER LAKE

White Swan Capital of the World

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

10. Segmented information (continued):

2018									
	General Government	Protective Services	Transportation Services	Environmental Development Services	Environmental Health Services	Cultural Services	Recreation and	Water Utility	Waste Water Utility
Revenues:									
Taxation	\$ 1,728,397	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
User charges	-	7,860	-	-	-	-	33,142	225,349	184,091
Grants	711,925	-	-	-	-	-	-	-	-
Investment income	93,179	-	-	-	-	-	-	-	-
Other	91,652	-	-	-	-	-	-	-	-
Total revenues	2,625,153	7,860	-	-	-	-	33,142	225,349	184,091
Expenses:									
Salaries, wages and employee benefits	548,769	97,891	61,876	82,748	22,124	158,909	45,761	23,571	1,041,649
Operating	293,242	107,729	192,729	48,513	-	220,232	151,460	78,431	1,092,336
Legislature	66,136	-	-	-	-	-	-	-	66,136
Amortization	325,856	-	-	-	-	-	47,066	10,847	383,769
Interest recovered	(7,284)	-	-	-	-	-	-	-	(7,284)
Insurance	55,472	-	-	-	2,478	-	-	-	57,950
Professional services	34,632	-	-	-	-	-	-	-	34,632
Garbage disposal	-	-	-	-	26,620	-	-	-	26,620
Total expenses	1,316,823	205,620	254,605	131,261	51,222	379,141	244,287	-	2,695,808
Annual surplus (deficit)	\$ 1,308,330	\$ (197,760)	\$ (254,605)	\$ (131,261)	\$ (51,222)	\$ (345,999)	\$ (18,938)	\$ 157,471	\$ 379,787



VILLAGE OF FRASER LAKE

White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

10. Segmented information (continued):

2017										
	General Government	Protective Services	Transportation Services	Environmental Development Services	Environmental Health Services	Recreation and Cultural Services	Water Utility	Waste Water Utility		Total
Revenues:										
Taxation	\$ 1,668,539	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,668,539
User charges	-	9,488	-	-	-	44,864	218,111	173,191		445,654
Grants	653,968	-	-	-	-	-	-	-		653,968
Investment income	46,673	-	-	-	-	-	-	-		46,673
Other	93,487	-	-	-	-	-	-	-		93,487
Total revenues	2,462,667	9,488	-	-	-	44,864	218,111	173,191		2,908,321
Expenses:										
Salaries, wages and employee benefits	608,501	105,971	69,112	57,118	24,938	230,881	47,195	16,057		1,159,773
Operating	230,095	120,283	161,141	42,218	-	226,519	99,672	46,651		926,579
Legislature	79,619	-	-	-	-	-	-	-		79,619
Amortization	384,440	-	-	-	-	-	54,227	53,106		491,773
Interest recovered	(4,538)	-	-	-	-	-	-	-		(4,538)
Insurance	54,787	-	-	-	2,069	-	-	-		56,856
Professional services	32,552	-	-	-	-	-	-	-		32,552
Garbage disposal	-	-	-	-	5,279	-	-	-		5,279
Total expenses	1,385,456	226,254	230,253	99,336	32,286	457,400	201,094	115,814		2,747,893
Annual surplus (deficit)	\$ 1,077,211	\$ (216,766)	\$ (230,253)	\$ (99,336)	\$ (32,286)	\$ (412,536)	\$ 17,017	\$ 57,377		\$ 160,428



VILLAGE OF FRASER LAKE



White Swan Capital of the World



Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2018

11. Budget data:

The budget data presented in these consolidated financial statements is based upon the 2018 operating and capital budgets approved by Council on May 03, 2018. Amortization was not contemplated on development of the budget and, as such, has not been included. The chart below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenue:	
Operating budget	\$ 7,541,462
Less:	
Collections for other governments	(741,835)
Transfers from other funds	(3,337,995)
Transfer from reserves	(185,873)
	3,275,759
Expenses:	
Operating budget	7,541,462
Less:	
Payments to other governments	(741,835)
Transfers to other funds	(3,337,995)
Capital expenditures	(149,807)
Transfer to reserve funds	(9,000)
	3,302,825
	\$ (27,066)

12. Significant taxpayers:

The Village derives a significant portion of its taxation revenue from the major industry taxpayers. Any changes in this sector could have an impact on the ongoing operations of the Village.

13. Comparative information:

Certain of the 2017 comparative figures have been reclassified, where applicable to conform to the presentation used in current year. The changes do not affect prior year surplus.