qathet Regional District
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 qathet Regional District ("the Regional District") 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 of Canada. The integrity and objectivity of these financial 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 audited 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 Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through its standing committee structure. Directors on these committees review the current year-to-date financial statements for each service on a quarterly basis.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with Canadian 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 obtaining an understanding of the Regional District's internal controls relevent to the audit to design appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to all members of the Regional District's financial staff and consult with them intermittently throughout the year.

Chief Administrative Officer

Manager of Financial Services

April 25, 2019

Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

Independent Auditor's Report

To the Board of Directors of qathet Regional District

Opinion

We have audited the financial statements of the qathet Regional District (the "Regional District") 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 Regional District's financial statements present fairly, in all material respects, the financial position of the Regional District as at December 31, 2018 and its financial performance 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 our report. We are independent of the Regional District 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.

Other Matter

The supplementary financial information presented in Schedule 1 to 31 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the main financial statements. The supplementary information has not been subject to audit.

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 Regional District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Regional District, or to cease operations, or has no realistic alternative but to do so.

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

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.

BDO

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 Regional District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Regional District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Regional District 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

BDO Canada LLP

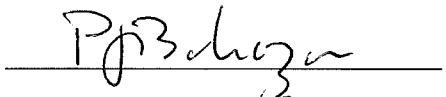
Chartered Professional Accountants

Vancouver, British Columbia
April 25, 2019

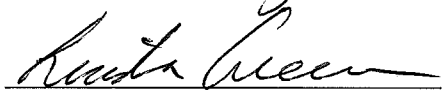
qathet Regional District
Statement of Financial Position

December 31	2018	2017
Financial Assets		
Cash and short-term investments (Note 2)	$ 6,391,246	$ 6,626,598
Accounts receivable	754,557	281,244
Debt charges recoverable - City of Powell River (Note 4)	10,465,042	11,071,827
	17,610,845	17,979,669
Liabilities		
Accounts payable	926,256	790,510
Development cost charges	8,986	8,814
Deferred revenue	11,975	47,568
Capital financing and lease obligations (Note 3)	1,446,384	1,441,117
Long-term debt (Note 4)	11,346,896	11,773,991
Landfill closure and post closure liability (Note 5)	172,774	169,465
	13,913,271	14,231,465
Net Financial Assets	3,697,574	3,748,204
Non-Financial Assets		
North Island 9-1-1 Corporation (Note 10)	158,250	162,904
Septage sludge disposal (Note 11)	178,150	203,600
Tangible capital assets (Note 13)	17,496,736	16,121,412
Prepaid expenses	57,295	118,111
	17,890,431	16,606,027
Accumulated surplus (Note 14)	$21,588,005	$ 20,354,231

Approved by:



Board Chairperson



Administrator/Treasurer

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

qathet Regional District
Statement of Operations

For the year ended December 31	Budget 2018	2018	2017
Revenue			
Taxation levies	$ 5,768,421	$ 5,762,420	$ 5,287,065
Parcel tax	268,295	268,295	294,617
Government grants	6,209,623	1,206,232	716,799
Recovery from municipality - debt charges	882,612	882,611	883,955
Tipping fees	1,294,418	1,131,954	1,100,185
Sale of services - cemeter	144,980	187,498	120,252
Parks fees	132,975	166,665	150,649
Water and sewer user fees	128,474	133,116	129,251
Interest and sundry	454,625	463,429	466,145
Contributed tangible capital assets	-	166,720	659,920
Administration recoveries	537,236	547,083	533,972
	15,821,659	10,916,023	10,342,810
Expenses			
Administration and general	2,344,315	2,086,131	1,990,326
Planning	436,266	323,813	272,497
Waste management	2,379,324	1,890,978	1,791,969
Cemetery operations	297,010	284,749	213,594
Parks operations	738,024	637,136	533,855
Fire protection	1,004,087	864,182	816,098
Emergency telephone (911) services	221,517	221,125	228,728
Texada medical clinic	61,533	45,445	47,911
Texada recreation commission	114,905	74,452	116,060
Texada airport	108,299	64,158	62,129
House numbering	8,869	819	776
Recreation program	77,545	63,845	60,306
Rural paratransit	131,650	135,005	108,333
Emergency program EA's C & D	15,621	15,585	14,435
Electoral area feasibility study	149,500	25,342	6,796
Library services	547,099	549,078	349,922
Savary Island marine transportation facilities	120,020	105,253	53,356
Texada Island marine transportation facilities	69,764	18,318	33,762
Lasqueti Island marine ramp	6,901	3,593	1,962
Northside recreation	61,260	39,458	32,358
Emergency preparedness service	998,742	315,485	253,466
Septage disposal (Note 11)	13,016	38,317	38,083
Economic development service	61,500	61,501	57,778
Water and sewer system	232,325	170,044	144,650
Texada heritage commission	22,099	17,612	19,925
Regional animal shelter service	82,045	82,045	80,080
Development service	13,936	16,733	13,465
Debt services - City of Powell River	882,612	882,611	883,955
Debt services - Regional District	162,413	24,538	50,442
Less: lease principal payments included in function expenses	-	-	(384)
Loss on disposal of tangible capital assets	-	-	657
Amortization of tangible capital assets	-	624,898	515,848
	11,348,261	9,682,249	8,793,138
Annual surplus	4,473,398	1,233,774	1,549,672
Accumulated surplus, beginning of year	20,354,231	20,354,231	18,804,559
Accumulated surplus, end of year (Note 14)	$ 24,827,629	$ 21,588,005	$ 20,354,231

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

qathet Regional District
Statement of Changes in Net Financial Assets

For the year ended December 31	Budget 2018	2018	2017
Annual surplus	$ 4,473,398	$ 1,233,774	$ 1,549,672
Acquisition of tangible capital assets	(2,825,783)	(2,000,222)	(2,788,246)
Amortization of tangible capital assets	-	624,898	515,848
(Gain) loss on sale of tangible capital assets	-	-	657
Impairment on investment in North Island 9-1-1	-	4,654	14,135
Proceeds on sale of tangible capital assets	-	-	10,750
Amortization of Septage Sludge Disposal	-	25,450	25,450
	1,647,615	(111,446)	(671,734)
Change in prepaid expenses	-	60,816	(17,265)
Change in net financial assets	1,647,615	(50,630)	(688,999)
Net financial assets, beginning of year	3,748,204	3,748,204	4,437,203
Net financial assets, end of year	$ 5,395,819	$ 3,697,574	$ 3,748,204

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

qathet Regional District
Summary of Function Balances and Accumulated Surplus

For the year ended December 31	Schedule	2018	2017
Administration and general	1	$ 259,154	$ 459,602
Planning	2	108,047	67,395
Waste management	3	211,880	333,345
Cemetery operations	4	53,492	45,122
Parks operations	5	100,393	176,923
Malaspina fire protection area	6	(3)	89,355
Lasqueti fire protection area	7	2,998	2,475
Savary fire protection area	8	1,998	36,781
Northside fire protection area	9	(3)	28,062
Emergency telephone (911) services	10	4,398	2,823
Texada medical clinic	11	2,001	30,375
Texada recreation commission	12	5,003	173
Texada airport	13	5,001	23,245
House numbering	14	9,050	8,869
Recreation program	15	13,700	2,000
Rural paratransit	16	22,628	33,044
Emergency program EA's C & D	17	36	621
Electoral area feasibility study	18	10,927	19,432
Library services	19	253	21,362
Savary Island public marine transportation facilities	20	9,999	19,933
Texada Island public marine transportation facilities	21	31,335	12,653
Lasqueti Island marine ramp	22	3,309	3,326
Northside recreation	23	-	2,167
Emergency preparedness service	24	42,991	35,173
Septage disposal	25	249	208
Economic development service	26	(1)	1
Water fund - Myrtle Pond	27	19,999	39,826
Sewer fund - Lund Sewer	28	27,265	44,550
Texada heritage commission	29	1	1,075
Regional animal shelter service	30	-	-
Development service	31	(2,797)	1
Total function balances		943,303	1,539,917
Waste Management Reserve (Note 14)		1,183,966	1,184,367
Reserve for future expenditures (Note 14)		1,812,478	1,381,872
Statutory reserve fund (Note 14)		2,086,065	1,774,578
Investment in non-financial assets (Note 9)		15,562,193	14,473,497
Accumulated surplus (Note 14)		$ 21,588,005	$ 20,354,231

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

qathet Regional District
Statement of Cash Flows

For the year ended December 31	2018	2017
Cash provided (used in)		
Operating transactions		
Annual surplus	$ 1,233,774	$ 1,549,672
Items not involving cash		
Contributed assets	(166,720)	(659,920)
Amortization of tangible capital assets	624,898	515,848
Amortization of Septage Sludge Disposal	25,450	25,450
Loss on disposal of tangible capital assets	-	657
Impairment of investment in North Island 9-1-1	4,654	14,135
Landfill closure and post closure costs	3,309	6,869
Changes in non-cash operating balances		
Accounts receivable	(473,313)	(14,882)
Prepaid expenses	60,816	(17,264)
Accounts payable	135,746	(350,773)
Deferred revenue	(35,593)	47,568
	1,413,021	1,117,360
Capital transactions		
Proceeds from sale of tangible capital assets	-	10,750
Acquisition of tangible capital assets	(1,833,502)	(2,128,326)
	(1,833,502)	(2,117,576)
Financing transactions		
Development cost charges	172	1,597
Debt proceeds	208,123	691,759
Repayment of long-term debt, leases and short-term borrowing	(23,166)	(205,287)
	185,129	488,069
Increase (decrease) in cash and short-term investments during the year	(235,352)	(512,147)
Cash and short-term investments, beginning of year	6,626,598	7,138,745
Cash and short-term investments, end of year	$ 6,391,246	$ 6,626,598

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

December 31, 2018

qathet Regional District ("the Regional District") is a local government in the Province of British Columbia. The Regional District prepares its financial statements in accordance with Canadian public sector standards using guidelines developed by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants.

Following is a summary of the significant accounting policies of the Regional District:

Revenue Recognition

Revenues are recognized in the period in which transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.
Revenue related to fees or services received in advance of the fee being earned or when the service is performed is deferred and recognized when the fee is earned or the service is performed

Revenue Recognition - Taxation

Taxes are recognized as revenue in the year they are levied.

Revenue Recognition - Development Cost Charges

Receipts which are restricted by the legislation of senior government are reported as Development Cost Charges liability at the time they are received. When qualifying expenditures are incurred, Development Cost Charges are brought into revenue as Development revenue.

Revenue Recognition - Cemetery Operations

Revenue from the sale of reserved plots is considered revenue in the year received. Any refunds which may be applied for in the future will be considered an operating expenditure of that year.

Government Transfers

Government transfers, are recognized as revenue in the 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. Transfers are recognized as deferred revenue if the transfer stipulations give rise to a liability. The transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

When the Regional District is deemed the transferor, the transfer expense is recognized when the recipient is authorized and has met the eligibility criteria.

The most significant government transfers relate to the Community Works Fund. These funds are recognized as revenue in the year the funds are received.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. 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. Contributed tangible capital assets are recorded at fair value at the time of the contribution, with a corresponding amount recorded as revenue. 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.

Estimate useful lives of tangible capital assets are as follows:

Land improvements	10 to 50 years
Parks infrastructure	35 years
Buildings	20 to 50 years
Machinery and equipment	5 to 35 years
Vehicles	10 to 30 years
Water systems	10 to 80 years
Sewer systems	10 to 80 years
Structures (docks and sheds)	40 to 50 years

Landfill Closure and Post Closure Liability

The landfill closure and post closure liability is based on estimated costs to close and post closure activities of the solid waste landfill site at the end of its expected useful life. The estimated cost is accrued as the landfill site's capacity is used. The liability and annual expense is calculated based on the rate of utilization to total capacity. Any changes in estimate are recorded prospectively.

Interest on Debt

Interest on debt of the Regional District is recorded on the accrual basis.

Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Regional District, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

Financial Instruments

The Regional District's financial instruments consist of cash and short-term investments, accounts receivable, debt charges recoverable, deposits and other, accounts payable, short-term borrowing, and long-term debt. Unless otherwise noted, it is management's opinion that the Regional District is not exposed to significant interest rate, currency or credit risks arising from these financial instruments.

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.

Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards 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. Areas requiring the greatest degree of estimation include useful life of tangible capital assets and the provision for landfill closures.

1. Municipal Finance Authority Reserve Deposits and Demand Notes

The Regional District issues its debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund and totals $12,302 (2017 - $10,040). The Regional District also executes demand notes in connection with each debenture totaling $19,428 (2017 - $14,435) whereby the Regional District may be required to loan certain amounts to the Municipal Finance Authority. Debt reserve funds are also held on behalf of the City of Powell River and total $428,219 (2017 - $544,267). All amounts related to the reserve deposits and demand notes are disclosed here and not recorded elsewhere in these financial statements.

2. Cash and Short-Term Investments

	2018	2017
Cash accounts (1.5%)	$ 1,318,536	$ 494,785
MFA - Bond Fund	3,220,010	3,164,319
Short-term GICs (1.6% - 1.95%)	6,284,339	6,700,000
Chartered bank (1.5%)	-	13,767
Other cash held	180,219	555,432
	11,003,104	10,928,303
Less portion held for the Powell River Hospital District	(4,611,858)	(4,301,705)
Cash and short-term investments	$ 6,391,246	$ 6,626,598

3. Capital financing and lease obligations

During the year, the Regional District received temporary capital financing of $202,910, which was refinanced to long term debt. The financing is all borrowed through the Municipal Finance Authority Interim Financing program bearing interest at 1.94% (2017 - 1.94%). During the year the Regional District made regular payments on the equipment financing. As at December 31, 2018, $1,446,384 (2017 - $1,441,171) remains outstanding.

Future principal requirements on Regional District short-term debt:

2019	$ 346,355
2020	314,050
2021	210,615
2022	143,442
2023	63,755
2024 and beyond	368,167
	$ 1,446,384

4. Long-Term Debt

	2018	2017
Debt of the Regional District		
Issued 2004, maturing 2024, 5.5%	$ 28,510	$ 32,502
Issued 2010, maturing 2030, 4.5%	49,760	52,944
Issued 2011, maturing 2026, 4.2%	15,139	16,719
Issued 2012, maturing 2042, 2.9%	479,663	491,464
Issued 2012, maturing 2032, 2.9%	7,435	7,826
Issued 2013, maturing 2043, 3.15%	56,789	58,101
Issued 2013, maturing 2033, 3.15%	2,151	2,254
Issued 2014, maturing 2044, 3.30%	39,497	40,354
Issued 2018, maturing 2038, 3.30%	202,910	-
	881,854	702,164
Debt of the City of Powell River	10,465,042	11,071,827
	$ 11,346,896	$ 11,773,991

Future principal repayments on Regional District debt:

2019	$ 31,740
2020	32,975
2021	34,261
2022	35,597
2023	36,987
2024 and beyond	710,294
	$ 881,854

5. Landfill Closure and Post Closure Liability

As at December 31, 2017, the Regional District had estimated total Lasqueti Island closure costs of $240,000 and accrued the liability based on the percentage of the landfill used to date and projected capacity being 66%. A net provision of $169,465 was accrued as at December 31, 2017. During 2018, the Regional District made a decision to close the Lasqueti Island landfill in 2019. As a result, updated closure cost estimates were obtained and an estimated cost of $172,080 including post closure monitoring was accrued as at December 31, 2018.

6. 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, 2018, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments.

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

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 later 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 Regional District paid $164,347 (2017 - $134,507) for employer contributions while employees contributed $137,023 (2017 - $109,962) to the plan in fiscal 2018.

7. Commitments

The Regional District has the following commitments:

- A waste handling service at an estimated cost of $220,934/year
- A waste transport service at an estimated cost of $466,268/year
- A waste transport and disposal service at an estimated cost of $552,345/year
- A recycling depot operating contract at an estimated cost of $305,872/year
- An organics diversion contract at an estimated cost of $150,000/year
- A septage sludge disposal service with payments of $11,621/year until 2025 with annual cost of living indexing
- A contribution to the SPCA of $82,735/year with annual cost of living indexing until cancelled with notice
- A contract with an estimated cost of $37,255 to complete the supply and installation of Vadim
- A contract with an estimated cost of $130,543 to complete the recycling centre on Lasqueti Island
- A contract with an estimated cost of $530,000 for the build of 2 fire apparatus for the Malaspina Fire Protection service
- An agreement with an estimated costs of $34,000 for the design and approvals related to the development of the Resource Recovery Centre
- An agreement with an estimated cost of $77,000 for the maintenance and operation of Shelter Point Regional Park until December 31, 2021
- An agreement with an estimated cost of $159,000 toward operation of the Heritage Conservation service

8. Contingencies

Given the nature of the industry that the Regional District operates in, it is vulnerable to various contingencies. At the present time, a reasonable estimate cannot be made of the amount that the Regional District is at risk for. As such, no provision has been made in the financial statements.

9. Investment in Non-Financial Assets

	2018	2017
Investment in non-financial assets, beginning of year	$ 14,473,497	$ 12,710,548
Tangible capital assets additions	2,000,222	2,788,246
Amortization of tangible capital assets	(624,898)	(515,848)
Additions funded by debt and lease	(208,123)	(691,759)
Impairment on investment in North Island 9-1-1	(4,654)	(14,135)
Long-term debt payments	12,415	22,290
Short-term debt payments	-	182,613
Lease principal payments	-	384
Capital assets disposal	-	(657)
Prepaid additions/(disposals)	(60,816)	17,265
Amortization of Septage Sludge Disposal	(25,450)	(25,450)
Investment in non-financial assets, end of year	$ 15,562,193	$ 14,473,497

10. The North Island 9-1-1 Corporation

The 911 emergency dispatch service is provided by the North Island 9-1-1 Corporation which is owned by the Regional Districts of Comox Strathcona, Mount Waddington, Alberni Clayoquot, Nanaimo and Powell River. The shares in the corporation are owned as follows:

Alberni Clayoquot	3 shares
Comox Valley	6 shares
Mount Waddington	1 shares
Nanaimo	5 shares
Powell River	2 shares
Strathcona	4 shares

The Regional District paid a partnership fee of $374,068 to buy into the North Island 9-1-1 Corporation. In addition, the Regional District has contributed towards capital costs for the system. The total of the partnership fee, related interest costs and capital costs is reported as the Regional District's share of the physical assets. The initial contribution to the Corporation was initially recorded at cost.

11. Septage Sludge Disposal

The Regional District has contracted with the City of Powell River in order to allow use of their sewage lagoon for the disposal of septage and sewage sludge generated in electoral area A-D until 2025. The agreement required an up-front payment of $509,000 in 2005 and contains further commitments of the Regional District as set out in Note 7.

12. Expenditures by Object

	2018	2017
Materials, supplies and other	$ 6,368,190	$ 5,939,545
Salaries, wages, and benefits	2,634,519	2,247,061
Amortization of tangible capital assets	624,898	515,848
Amortization of septage sludge disposal	25,450	25,450
Loss on disposal and impairment	-	657
Impairment loss on investment in North Island 9-1-1	4,654	14,135
Debt interest	24,538	50,442
	9,682,249	8,793,138
Capital expenditures	2,000,222	2,788,246
	$ 11,682,471	$ 11,581,384

13. Tangible Capital Assets

	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in progress	Machinery & Equipment	Vehicles	Water Systems	Sewer Systems	Structures (Docks and Sheds)	2018 Total
Cost, beginning of year	$ 1,823,930	$ 2,731,971	$ 93,638	$ 5,511,420	$ 434,867	$ 1,684,110	$ 3,039,453	$ 1,820,742	$ 1,950,680	$ 3,780,863	$ 22,871,674
Additions	159,675	121,746		395,060	1,031,308	262,349	-	5,800	24,284	-	2,000,222
Transfers		(3,929)		1,972	(141,213)	-	-	8,114	38,089	96,967	-
Cost, end of year	1,983,605	2,849,788	93,638	5,908,452	1,324,962	1,946,459	3,039,453	1,834,656	2,013,053	3,877,830	24,871,896
Accumulated amortization, beginning of year	-	475,674	33,776	1,420,112	-	1,111,139	1,564,577	340,358	739,709	1,064,917	6,750,262
Amortization	-	73,974	3,206	138,810	-	93,403	108,967	48,611	46,497	111,430	624,898
Accumulated amortization, end of year	-	549,648	36,982	1,558,922	-	1,204,542	1,673,544	388,969	786,206	1,176,347	7,375,160
Net carrying amount, end of year	$ 1,983,605	$ 2,300,140	$ 56,656	$ 4,349,530	$ 1,324,962	$ 741,917	$ 1,365,909	$ 1,445,687	$ 1,226,847	$ 2,701,483	$ 17,496,736

13. Tangible Capital Assets (Continued)

											2017
	Land	Land Improvements	Parks Infrastructure	Buildings	Construction in Progress	Machinery & Equipment	Vehicles	Water Systems	Sewer Systems	Structures (Docks and Sheds)	Total
Cost, beginning of year	$ 1,200,886	$ 1,997,616	$ 93,638	$ 5,272,451	$ 17,245	$ 1,594,249	$ 3,023,665	$ 1,820,742	$ 1,950,680	$ 3,154,957	$ 20,126,129
Additions	623,044	734,355		238,969	417,622	121,596	26,754	-	-	625,906	2,788,246
Disposals				-	-	(31,735)	(10,966)	-	-	-	(42,701)
Cost, end of year	1,823,930	2,731,971	93,638	5,511,420	434,867	1,684,110	3,039,453	1,820,742	1,950,680	3,780,863	22,871,674
Accumulated amortization, beginning of year	-	418,740	30,570	1,278,229	-	1,058,542	1,507,345	295,931	694,529	981,822	6,265,708
Amortization	-	56,934	3,206	141,883	-	73,747	67,376	44,427	45,180	83,095	515,848
Disposals	-	-	-	-	-	(21,150)	(10,144)	-	-	-	(31,294)
Accumulated amortization, end of year	-	475,674	33,776	1,420,112	-	1,111,139	1,564,577	340,358	739,709	1,064,917	6,750,262
Net carrying amount, end of year	$ 1,823,930	$ 2,256,297	$ 59,862	$ 4,091,308	$ 434,867	$ 572,971	$ 1,474,876	$ 1,480,384	$ 1,210,971	$ 2,715,946	$ 16,121,412

14. Accumulated Surplus

The Regional District segregates its accumulated surplus into the following categories: function balances, provisions for future expenditure (both capital and operating), investment in non-financial assets, reserve funds and unspent capital funds.

	2018	2017
Function balances	$ 943,303	$ 1,539,917
Waste Management Reserve	1,183,966	1,184,367
Reserve for future expenditures	1,812,478	1,381,872
Statutory Reserve fund	2,086,065	1,774,578
Investment in Non-Financial Assets	15,562,193	14,473,497
	$ 21,588,005	$ 20,354,231

The Investment in non-financial assets represents amounts already spent and invested in infrastructure and other non-financial assets.

Statutory Reserve funds represent funds set aside by bylaw or council resolution for specific purposes. Details of reserve funds are shown below:

	2018	2017
Represented By:		
Cemetery Care Fund	$ 321,741	$ 364,283
TMC Capital Reserve	36,801	52,365
MVFD Capital Reserve	368,039	148,502
LVFD Capital Reserve	146,175	99,384
NVFD Capital Reserve	44,836	19,733
SIVFD Capital Reserve	75,869	11,879
LS Capital Reserve	45,596	114,707
TRC Capital Reserve	110,912	70,562
Community Works Reserve	433,348	451,986
Feasibility Studies Reserve	21,220	1,038
Community Parks Acquisition Reserve	384,040	376,685
Myrtle Pond Reserve	97,360	63,329
General Administration Reserve	128	125
	$ 2,086,065	$ 1,774,578

The Regional District has transferred the unspent Community Works funds to the reserve and continues to track the unspent amounts in the Community Works Reserve Fund. The continuity of this fund is presented in the table below:

	2018	2017
Community Works Fund Reserve, opening balance	$ 1,539,896	$ 775,555
Amount received during the year	352,009	339,878
Interest earned	9,788	7,914
	1,901,693	1,123,347
Less: Amount spent	(380,435)	(671,361)
Community Works Fund Reserve, closing balance	$ 1,521,258	$ 451,986

14. Accumulated Surplus (Continued)

The following provides description of the Regional District's reserve funds:

Cemetery Care Fund -- The Cemetery Care Fund is set aside for future maintenance of the cemetery. Interest earnings of the Fund are used for current year maintenance.

Texada Medical Clinic Capital Reserve -- Monies in this reserve shall be used for capital projects and equipment for the Texada Medical Clinic.

Malaspina Volunteer Fire Department Capital Works Reserve -- Monies in this reserve shall be used for capital expenditures and renewal of existing capital works.

Lasqueti Volunteer Fire Department Capital Reserve -- Monies in this reserve shall be used for capital expenditures and renewal of existing capital works.

Northside Volunteer Fire Department Capital Works Reserve -- Monies in this reserve shall be used for capital expenditures and renewal of existing capital works. Proceeds from the sale of land held by the Northside Fire Department shall be put into the reserve.

Savary Island Volunteer Fire Department Capital Works Reserve -- Monies in this reserve shall be used for capital expenditures and renewal of existing capital works.

Lund Sewer Capital Reserve -- Monies in this reserve shall be used for capital expenditures and renewal of existing capital works.

Texada Recreation Commission Reserve -- Monies in this reserve shall be used for capital expenditures.

Community Works Reserve -- This reserve accumulates the funding received for Gas Tax. Monies in this reserve shall be spend on eligible expenditures as outlined in the revised Gas Tax funding agreement between the Regional District and UBCM.

Feasibility Studies Reserve -- Monies in this reserve shall be used for the cost of undertaking feasibility studies in respect of a) the possible establishment of a service; b) the provision of a work or service for a specified area pursuant to Local Government Act; or c) the provision of a work or service by local involvement.

Community Parks Acquisition Reserve -- Monies in this reserve shall be used for the purpose of acquiring park lands within the Community Parks service area.

General Administration Reserve -- Monies in this reserve shall be used for capital projects for the General Administration Service and acquisition of land, machinery or equipment, including the extension or renewal of existing capital works.

Reserve for Future Capital Expenditures -- A reserve for solid waste management has been established for future capital expenditures and renewal of existing capital works.

Reserve for Future Expenditures -- Reserves for future expenditures have been established for funding of future costs related to the Savary Island Public Marine Transportation Facilities, Texada Island Public Marine Transportation Facilities, Parks Planning, General Administration, Cemetery, Texada Airport, Northside Recreation, Septage Disposal, Myrtle Pond Water System and other uses.

15. Budget Figures

Budget Figures represent the Financial Plan Bylaw adopted by the Board on March 29, 2018. Subsequent to the adoption of the Financial Plan Bylaw, there was a budget amendment per Financial Plan Amendment bylaw 526.3.

	Original Budget	Amended budget
Requisition - Property Value Tax	$ 5,762,420	$ 5,762,420
Requisition - Parcel Value Tax	268,295	268,295
Government Grants	6,195,623	6,195,623
Interest Revenue	48,550	57,848
Waste Tipping Fees	1,294,418	1,294,418
Utility Users Fees	127,174	127,174
Camping Fees	125,999	125,999
Sale of Services - Cemetery & Miscellaneous	31,941	31,941
Other Fees	89,374	89,374
Other Revenue and contributed tangible capital assets	439,587	455,709
Interdepartmental Recoveries	507,755	507,755
Revenue Before Transfers	14,891,136	14,916,556
Borrowing/Lease Financing	907,778	505,639
Member Municipality Debt	882,612	882,612
Transfer from Landfill Liability	13,500	13,500
Transfers from Reserve	920,863	980,863
Transfers from Non-Statutory Reserves	539,112	514,616
Transfers from Prior Year Surplus	$ 1,539,896	$ 1,539,896
Total Revenue	$ 19,694,897	$ 19,353,682
Operating	10,340,654	9,992,235
Capital	7,325,080	6,880,015
Debt Payment	408,777	354,863
Transfers to Reserve	475,865	849,201
Transfers to Non-Statutory Reserves	261,909	394,756
Member Municipality Debt	882,612	882,612
Total Expenses	$ 19,694,897	$ 19,353,682
Annual Surplus	$ -	$ -

qathet Regional District
Schedule 1 - Administration and General
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 1,385,416	$ 1,385,417	$ 1,503,503
Government grants	571,696	566,000	558,450
Recovery from municipality on MFA debt charges	882,612	882,611	883,955
Interest and sundry	26,725	41,387	25,774
Recoveries	537,236	547,083	533,972
	3,403,685	3,422,498	3,505,654
Expenditures			
Contingency	35,000	-	-
Directors' indemnities	162,628	130,475	140,374
Debt charges - MFA debentures	882,612	882,611	883,955
Election and convention	88,127	32,729	30,938
General and office	739,039	636,644	592,408
Grants-in-aid	156,037	149,337	143,764
Lease payments	-	-	412
Salaries, wages and benefits	1,163,484	1,136,946	1,082,430
	3,226,927	2,968,742	2,874,281
Excess of revenue over expenses	176,758	453,756	631,373
Transfer to statutory reserves	(358,105)	(372,010)	(296,663)
Transfer from non-statutory reserves	(14,036)	(63,640)	(83,459)
Borrowing proceeds	-	-	441,000
Capital expenditures	(101,806)	(57,233)	(440,884)
Debt payments	(162,413)	(161,321)	(81,895)
Surplus from prior year	459,602	459,602	290,130
Surplus, end of the year	$ -	$ 259,154	$ 459,602

qathet Regional District
Schedule 2 - Planning
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 347,305	$ 347,305	$ 282,774
Sundry	2,395	3,940	3,565
Grant Revenue	30,600	25,300	-
	380,300	376,545	286,339
Expenditures			
Administration	72,612	72,612	56,240
Contingency	5,000	-	-
General and office	165,488	60,765	30,496
Salaries, wages and benefits	193,166	190,436	185,761
	436,266	323,813	272,497
Excess (deficiency) of revenue over expenses	(55,966)	52,732	13,842
Transfer from (to) non-statutory reserves	(11,429)	(12,080)	56,688
Transfer from statutory reserves	-	-	5,000
Capital expenditures	-	-	(66,119)
Surplus from prior year	67,395	67,395	57,984
Surplus, end of year	$ -	$ 108,047	$ 67,395

qathet Regional District
Schedule 3 - Waste Management
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 498,832	$ 498,832	$ 598,592
Interest and sundry	174,569	142,566	148,842
Tipping fees	1,294,418	1,131,954	1,100,185
Grant	4,410,670	112,096	-
	6,378,489	1,885,448	1,847,619
Expenditures			
Administration	41,500	41,500	50,639
Contingency	43,873	-	-
Disposal	1,240,175	1,033,012	962,769
Invasive species	21,000	10,701	15,906
Recycling/organic diversion	523,448	423,118	425,112
General and office	416,404	279,328	308,830
Landfill closure and post closure	-	8,000	4,844
Wages	92,924	95,319	23,869
	2,379,324	1,890,978	1,791,969
Excess (deficiency) of revenue over expenses	3,999,165	(5,530)	55,650
Transfer from statutory reserves	220,700	110,834	15,121
Transfer from (to) non-statutory reserves	-	(2,776)	141,091
Transfer from (to) non-statutory reserves	232,297	1,648	(67,979)
Capital expenditures	(4,785,507)	(225,641)	(49,308)
Surplus from prior year	333,345	333,345	238,770
Surplus (deficit), end of year	$ -	$ 211,880	$ 333,345

The surplus end of year relates to:		
Lasqueti	$ (43,996)	$ 42,958
Mainland planning	255,876	290,387
	$ 211,880	$ 333,345

qathet Regional District
Schedule 4 - Cemetery Operations
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 99,451	$ 99,451	$ 89,332
Interest and other	7,388	2,156	2,116
Sale of plots, curbings and service	84,980	130,976	121,723
Truck/Equipment recoveries	1,300	-	-
	193,119	232,583	213,171
Expenditures			
Administration	21,630	21,630	16,926
Contingency	5,000	-	-
General and office	72,925	66,868	61,455
Labour charges and equipment operation	197,455	196,251	135,213
	297,010	284,749	213,594
Deficiency of revenue over expenses	(103,891)	(52,166)	(423)
Cemetery care fund investment earnings - transferred from reserves	7,769	10,897	6,925
Transfer from non-statutory reserves	126,510	49,639	18,584
Transfer from (to) capital reserve	-	3,675	(300)
Capital expenditures	(75,510)	(3,675)	(23,474)
Surplus from prior year	45,122	45,122	43,810
Surplus (deficit), end of year	$ -	$ 53,492	$ 45,122

qathet Regional District
Schedule 5 - Parks Operations
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 473,074	$ 473,976	$ 410,391
Camping fees	132,975	166,665	150,649
Interest and sundry	26,149	25,669	32,489
Grants	33,097	-	-
Contributed assets	-	-	659,920
	665,295	666,310	1,253,449
Expenditures			
Administration	55,258	59,011	48,300
Contingency	4,000	-	-
Studies	18,700	5,000	38,795
Direct charges for maintenance, development and equipment	660,066	573,125	446,759
	738,024	637,136	533,855
Excess (deficiency) of revenue over expenses	(72,729)	29,174	719,594
Transfer from statutory reserves	-	-	543,125
Transfer from non-statutory reserves	22,800	10,290	59,915
Transfer to non-statutory reserves	-	(38,000)	(2,498)
Transfer from capital reserve	-	-	1,412
Capital expenditures	(126,994)	(77,994)	(1,257,308)
Surplus from prior year	176,923	176,923	112,682
Surplus (deficit), end of year	$ -	$ 100,393	$ 176,923

The surplus for the year relates to:		
Haywire Bay Park	$ 63,190	$ 37,855
Palm Beach Park	(6,182)	(3,456)
Shelter Point Park	10,753	52,705
Craig Park	4,184	18,649
Paradise Valley Exhibition Park	(3,019)	3,582
Divers Rock Park	2,384	-
Kla Ha Men Lund Gazebo Park	$ 11,835	-
Rossander Park	(239)	-
General Parks	17,487	67,588
	$ 100,393	$ 176,923

qathet Regional District
Schedule 6 - Malaspina Fire Protection Area
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 560,357	$ 560,357	$ 407,302
Sundry	-	6,542	11,411
	560,357	566,899	418,713
Expenditures			
Administration	34,533	34,533	30,298
Contingency	3,000	-	-
Honorariums	95,970	65,268	68,280
General and office	257,368	228,632	203,838
Equipment purchase	61,644	54,257	31,732
	452,515	382,690	334,148
Excess of revenue over expenses	107,842	184,209	84,565
Transfer to statutory reserves	-	(216,638)	(7,884)
Capital expenditures	(828,276)	(291,661)	(5,469)
Debt payments	(51,422)	(45,630)	(45,522)
Borrowing proceeds	682,500	280,362	-
Surplus from prior year	89,355	89,355	63,663
(Deficit) surplus, end of year	$ (1)	$ (3)	$ 89,355

qathet Regional District
Schedule 7 - Lasqueti Fire Protection Area
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 112,040	$ 112,040	$ 49,628
Parcel tax	30,000	30,000	30,000
Other income	-	46	939
	142,040	142,086	80,567
Expenditures			
Administration	7,374	7,374	7,047
Contingency	2,000	-	-
General and office	88,843	87,654	83,441
Honorariums	1,800	1,859	1,800
	100,017	96,887	92,288
Excess (deficiency) of revenue over expenses	42,023	45,199	(11,721)
Transfer from (to) statutory reserve fund	(21,500)	(44,676)	(428)
Capital expenditure	(23,000)	-	(3,410)
Surplus from prior year	2,475	2,475	18,036
Surplus (deficit), end of year	$ (2)	$ 2,998	$ 2,475

qathet Regional District
Schedule 8 - Savary Fire Protection Area
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 158,813	$ 158,813	$ 147,861
Sundry	25,000	30,947	3,677
	183,813	189,760	151,538
Expenditures			
Administration	10,379	10,379	11,186
Contingency	5,000	-	-
General and office	117,991	87,463	116,937
Honorariums	6,750	5,662	-
	140,120	103,504	128,123
Excess (deficiency) of revenue over expenses	43,693	86,256	23,415
Transfer from statutory reserves	(22,000)	(63,577)	990
Capital expenditures	(38,000)	(37,151)	(18,242)
Debt Payments	(20,476)	(20,311)	(22,625)
Surplus from prior year	36,781	36,781	53,244
Surplus, end of year	$ (2)	$ 1,998	$ 36,781

qathet Regional District
Schedule 9 - Northside Fire Protection Area
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 331,956	$ 331,956	$ 290,224
Interest and Sundry	73,000	77,063	61,775
Contributed tangible capital assets	-	142,000	-
	404,956	551,019	351,999
Expenditures			
Administration	23,291	23,291	19,804
General and office	237,634	215,520	206,713
Honorariums	50,510	42,290	35,022
	311,435	281,101	261,539
Excess of revenue over expenses	93,521	269,918	90,460
Transfer from capital reserve	-	-	20,800
Transfer from statutory reserves	8,900	-	795
Transfer to statutory reserves	-	(24,709)	(1,280)
Capital expenditures	(65,000)	(207,895)	(22,800)
Debt charges - MFA debentures	(121,486)	(65,379)	(66,421)
Borrowing proceeds	56,000	-	-
Surplus from prior year	28,062	28,062	6,436
(Deficit) surplus (deficit), end of year	$ (3)	$ (3)	$ 28,062

qathet Regional District
Schedule 10 - Emergency Telephone (911) Services
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 152,144	$ 152,144	$ 148,051
Sundry	66,551	65,902	68,076
	218,695	218,046	216,127
Expenditures			
Administration	16,409	16,409	16,263
Contingency	5,000	-	-
General and office	7,705	7,659	8,083
North Island 9-1-1 partnership fee	192,403	192,403	190,247
Impairment of investment in North Island 9-1-1	-	4,654	14,135
	221,517	221,125	228,728
Excess (deficiency) of revenue over expenses	(2,822)	(3,079)	(12,601)
Transfer from investment in non-financial assets	-	4,654	14,135
Surplus from prior year	2,823	2,823	1,289
Surplus, end of year	$ 1	$ 4,398	$ 2,823

qathet Regional District
Schedule 11 - Texada Medical Clinic
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 79,625	$ 79,625	$ 67,399
Other revenue	-	33	6
	79,625	79,658	67,405
Expenditures			
Administration	4,558	4,558	3,687
Contingency	2,000	-	-
General and office	42,023	28,886	31,919
Contribution to CHC	8,929	8,935	8,669
Insurance	4,023	3,066	3,636
	61,533	45,445	47,911
Excess of revenue over expenses	18,092	34,213	19,494
Transfer (to) capital reserve	60,933	(59,006)	(20,000)
Transfer (to) non-statutory reserve	(1,200)	(1,233)	(1,206)
Transfer from operating	101,440	101,538	-
Borrowing proceeds	225,278	202,910	-
Debt payments	(6,758)	(2,348)	-
Capital expenditures	(326,718)	(304,448)	-
Surplus from prior year	30,375	30,375	32,087
Surplus, end of year	$ 2	$ 2,001	$ 30,375

qathet Regional District
Schedule 12 - Texada Recreation Commission
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 112,975	$ 112,975	$ 92,112
Rental and Sundry	5,759	5,247	5,645
	118,734	118,222	97,757
Expenditures			
Administration	8,363	8,363	9,013
Contingency	2,000	-	-
General and office	45,690	37,668	57,337
Salaries and benefits	58,852	28,421	49,710
	114,905	74,452	116,060
Excess (deficiency) of revenue over expenses	3,829	43,770	(18,303)
Transfer from statutory reserves	94,000	-	24,927
Transfer from (to) statutory reserves	-	(38,940)	(8,423)
Capital expenditures	(98,000)	-	(23,244)
Surplus from prior year	173	173	25,216
Surplus (deficit), end of year	$ 2	$ 5,003	$ 173

qathet Regional District
Schedule 13 - Texada Airport
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 103,890	$ 93,890	$ 74,435
Sundry	6,165	7,198	6,470
	110,055	101,088	80,905
Expenditures			
Administration	8,022	8,022	6,274
Contingency	3,000	-	-
General and office	97,277	56,136	55,855
	108,299	64,158	62,129
Excess (deficiency) of revenue over expenses	1,756	36,930	18,776
Transfer from (to) reserve	-	-	691
Transfer from non-statutory reserves	-	-	(5,049)
Transfer from (to) non-statutory reserves	(25,000)	(55,174)	-
Capital expenditures	-	-	(7,875)
Surplus from prior year	23,245	23,245	16,702
Surplus (deficit), end of year	$ 1	$ 5,001	$ 23,245

qathet Regional District
Schedule 14 - House Numbering
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Grants	$ -	$ 1,000	$ -
Other revenue	-	-	-
	-	1,000	-
Expenditures			
Administration	750	750	750
General and office	8,119	69	26
	8,869	819	776
Excess (deficiency) of revenue over expenses	(8,869)	181	(776)
Surplus from prior year	8,869	8,869	9,645
Surplus, end of year	$ -	$ 9,050	$ 8,869

qathet Regional District
Schedule 15 - Recreation Program
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 75,546	$ 75,545	$ 62,306
	75,546	75,545	62,306
Expenditures			
Administration and general	1,500	1,500	1,500
Grants-in-aid	76,045	62,345	58,806
	77,545	63,845	60,306
Excess (deficiency) of revenue over expenses	(1,999)	11,700	2,000
Surplus from prior year	2,000	2,000	-
Surplus, end of year	$ 1	$ 13,700	$ 2,000

qathet Regional District
Schedule 16 - Rural Paratransit
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 91,653	$ 91,653	$ 83,524
Grant	-	-	-
Other revenue	26,953	32,936	30,326
	118,606	124,589	113,850
Expenditures			
Administration	9,241	9,241	10,434
Distribution of fares to CDPR	18,867	21,506	21,230
Miscellaneous	2,000	751	2,234
Operating contract	101,542	103,507	74,435
	131,650	135,005	108,333
Excess (deficiency) of revenue over expenses	(13,044)	(10,416)	5,517
Transfer from non-statutory reserves	(20,000)	-	-
Surplus from prior year	33,044	33,044	27,527
Surplus, end of year	$ -	$ 22,628	$ 33,044

qathet Regional District
Schedule 17 - Emergency Program EA D
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 15,000	$ 15,000	$ 15,000
	15,000	15,000	15,000
Expenditures			
Administration	1,500	1,500	1,500
General and office	103	67	71
Operating grant	14,018	14,018	12,864
	15,621	15,585	14,435
Excess (deficiency) of revenue over expenses	(621)	(585)	565
Surplus from prior year	621	621	56
Surplus, end of year	$ -	$ 36	$ 621

qathet Regional District
Schedule 18 - Electoral Area Feasibility Studies
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 25,000	$ 25,000	$ 34,679
Grants	27,500	14,837	2,505
Other revenue	2,036	4,104	1,607
	54,536	43,941	38,791
Expenditure			
Administration	2,500	2,500	2,500
Studies	147,000	22,842	4,296
	149,500	25,342	6,796
Excess (deficiency) of revenue over expenses	(94,964)	18,599	31,995
Transfer from statutory reserves	57,500	(1,078)	-
Transfer to non-statutory reserves	18,031	(26,026)	(24,107)
Surplus from prior year	19,432	19,432	11,544
Surplus (deficit), end of year	$ (1)	$ 10,927	$ 19,432

qathet Regional District
Schedule 19 - Library Services
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 519,694	$ 519,694	$ 320,161
Other revenue	6,044	8,275	5,491
	525,738	527,969	325,652
Expenditures			
Administration	3,000	3,000	3,000
Library grants	544,099	546,078	346,922
	547,099	549,078	349,922
Excess (deficiency) of revenue over expenses	(21,361)	(21,109)	(24,270)
Surplus from prior year	21,362	21,362	45,632
Surplus, end of year	$ 1	$ 253	$ 21,362

qathet Regional District

Schedule 20 - Savary Island Public Marine Transportation Facilities Service
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Parcel tax	$ 150,000	$ 150,000	$ 179,500
Interest and sundry	2,556	1,035	2,997
	152,556	151,035	182,497
Expenditures			
Administration	5,872	5,872	5,326
General	41,172	47,517	30,128
Wages	50,476	33,720	12,618
Repairs and maintenance	22,500	18,144	5,284
	120,020	105,253	53,356
Excess of revenue over expenses	32,536	45,782	129,141
Transfer from reserves	50,000	50,000	2,720
Transfer from (to) non-statutory reserves	22,959	(22,224)	330,251
Debt payment	(50,469)	(21,376)	(583)
Borrowing proceeds	-	-	196,559
Capital expenditures	(74,959)	(62,116)	(660,757)
Surplus from prior year	19,933	19,933	22,602
Surplus (deficit), end of year	$ -	$ 9,999	$ 19,933

qathet Regional District

Schedule 21 - Texada Island Public Marine Transportation Facilities Service
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 37,000	$ 37,000	$ 37,000
Interest and sundry	2,456	3,426	2,063
	39,456	40,426	39,063
Expenditures			
Administration	5,168	5,168	1,500
Contingency	4,750	764	-
Insurance	7,704	7,973	7,004
Miscellaneous and contingency	4,142	2,713	20,432
Repairs and maintenance	48,000	1,700	4,826
	69,764	18,318	33,762
Excess (deficiency) of revenue over expenses	(30,308)	22,108	5,301
Transfer to non-statutory reserves	17,654	(3,426)	(11,805)
Surplus from prior year	12,653	12,653	19,157
Surplus, end of year	$ (1)	$ 31,335	$ 12,653

qathet Regional District
Schedule 22 - Lasqueti Island Marine Ramp
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 11,147	$ 11,147	$ 11,147
Interest and sundry	1,018	1,482	808
	12,165	12,629	11,955
Expenditures			
Administration and general	6,901	3,593	1,962
	6,901	3,593	1,962
Excess of revenue over expenses	5,264	9,036	9,993
Transfer (to) non-statutory reserves	(8,590)	(9,053)	(11,500)
Surplus from prior year	3,326	3,326	4,833
Surplus, end of year	$ -	$ 3,309	$ 3,326

qathet Regional District
Schedule 23 - Northside Recreation
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 135,936	$ 135,936	$ 123,084
Interest and sundry	4,124	7,812	3,599
	140,060	143,748	126,683
Expenditures			
Administration	3,676	3,676	2,033
Contingency	1,000	-	-
General expense	56,584	35,782	30,325
	61,260	39,458	32,358
Excess of revenue over expenses	78,800	104,290	94,325
Transfer from reserves	-	-	1,125
Transfer from non-statutory reserves	-	8,297	7,277
Transfer to non-statutory reserves	(30,750)	(100,490)	(84,932)
Capital expenditures	(44,250)	(8,297)	(7,277)
Debt payment	(5,967)	(5,967)	(5,967)
Surplus from prior year	2,167	2,167	(2,384)
Surplus (deficit), end of year	$ -	$ -	$ 2,167

qathet Regional District
Schedule 24 - Emergency Preparedness Service
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 229,017	$ 229,017	$ 230,512
Grant	811,000	167,169	55,571
Other	211	330	249
	1,040,228	396,516	286,332
Expenditures			
Administration	37,236	37,236	38,965
Contingency	10,000	-	-
General expense	951,506	278,249	214,501
	998,742	315,485	253,466
Excess of revenue over expenses	41,486	81,031	32,866
Transfer to non-statutory reserves	7,000	(4,294)	(4,001)
Debt payments	(10,555)	(10,701)	(12,006)
Capital expenditure	(73,100)	(58,218)	(5,469)
Surplus from prior year	35,173	35,173	23,783
Surplus, end of year	$ 4	$ 42,991	$ 35,173

qathet Regional District
Schedule 25 - Septage Disposal
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 37,167	$ 37,167	$ 36,872
Other	2,143	3,050	1,855
	39,310	40,217	38,727
Expenditures			
Operation of sewage lagoon and desludging	11,347	11,313	11,070
Administration and General	1,569	1,554	1,563
Amortization of Septage Sludge Disposal	-	25,450	25,450
Contingency	100	-	-
	13,016	38,317	38,083
Excess (deficiency) of revenue over expenses	26,294	1,900	644
Transfer from non-statutory reserves	-	25,450	25,450
Transfer to non-statutory reserves	(26,500)	(27,309)	(25,985)
Surplus from prior year	208	208	99
Surplus, end of year	$ 2	$ 249	$ 208

qathet Regional District
Schedule 26 - Economic Development Service
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 61,499	$ 61,499	$ 56,630
	61,499	61,499	56,630
Expenditures			
Administration	1,500	1,500	1,500
Contribution to others	60,000	60,001	56,278
	61,500	61,501	57,778
Deficiency of revenue over expenses	(1)	(2)	(1,148)
Surplus from prior year	1	1	1,149
Surplus, end of year	$ -	$ (1)	$ 1

qathet Regional District
Schedule 27 - Water Fund
Revenue, Expenditures and Surplus - Myrtle Pond
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
User fees	$ 56,249	$ 63,047	$ 60,702
Parcel tax	44,195	44,195	43,117
Sundry	462	712	369
	100,906	107,954	104,188
Expenditures			
Contingency	20,000	-	-
General expense	79,876	74,569	65,044
	99,876	74,569	65,044
Excess of revenue over expenses	1,030	33,385	39,144
Transfer from statutory reserves	(4,047)	12,343	4,918
Transfer to statutory reserves	-	(44,922)	(11,621)
Transfer from non-statutory reserves	(4,500)	(4,684)	(4,469)
Capital Expenditure	(25,880)	(9,517)	(4,288)
Debt charges - MFA debentures	(6,432)	(6,432)	(6,432)
Surplus from prior year	39,826	39,826	22,574
Surplus, end of year	$ (3)	$ 19,999	$ 39,826

qathet Regional District
Schedule 28 - Sewer Fund
Revenue, Expenditures and Surplus - Lund Sewer
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Parcel tax	$ 44,100	$ 44,100	$ 42,000
User fees	70,925	70,069	67,311
Grant	316,960	307,854	100,272
Other revenue	-	4,580	6,080
	431,985	426,603	215,663
Expenditures			
Contingencies	20,000	-	-
General expenses	112,449	95,475	79,606
	132,449	95,475	79,606
Excess (deficiency) of revenue over expenses	299,536	331,128	136,057
Transfer from statutory reserves	463,618	314,216	39,441
Transfer to non-statutory reserves	-	-	(52,705)
Capital expenditures	(793,906)	(648,906)	(175,425)
Debt payment	(13,799)	(13,723)	(2,411)
Borrowing proceeds	-	-	54,200
Surplus from prior year	44,550	44,550	45,393
Surplus (deficit), end of year	$ (1)	$ 27,265	$ 44,550

qathet Regional District
Schedule 29 - Texada Heritage Commission
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 21,000	$ 21,000	$ 21,000
Other revenue	107	149	88
	21,107	21,149	21,088
Expenditures			
Administration and general	21,584	17,612	19,925
Public education	515	-	-
	22,099	17,612	19,925
Excess (deficiency) of revenue over expenses	(992)	3,537	1,163
Transfer to non-statutory reserve	(82)	(4,611)	(703)
Surplus from prior year	1,075	1,075	615
Surplus, end of year	$ 1	$ 1	$ 1,075

qathet Regional District
Schedule 30 - Regional Animal Shelter Service
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 82,045	$ 82,045	$ 80,080
Other revenue	45	63	39
	82,090	82,108	80,119
Expenditures			
Administration and general	1,500	1,500	1,500
Operating grant	80,545	80,545	78,580
	82,045	82,045	80,080
Excess of revenue over expenses	45	63	39
Transfer to non-statutory reserve - Feasibility	(45)	(63)	(39)
Surplus, end of year	$ -	$ -	$ -

qathet Regional District
Schedule 31 -Development Services
Revenue, Expenditures and Surplus
(Unaudited)

For the year ended December 31	2018 Budget	2018 Actual	2017 Actual
Revenue			
Taxation levies	$ 13,936	$ 13,936	$ 13,466
	13,936	13,936	13,466
Expenditures			
Administration and general	13,936	16,733	13,465
	13,936	16,733	13,465
Excess of revenue over expenses	-	(2,797)	1
Surplus from prior year	1	1	-
Surplus, end of year	$ 1	$ (2,796)	$ 1