



Financial Statements

The Corporation of the Village of Fruitvale

December 31, 2019

**THE CORPORATION OF THE VILLAGE OF FRUITVALE
DECEMBER 31, 2019**

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THE CORPORATION OF THE VILLAGE OF FRUITVALE
REPORT FROM THE CHIEF ADMINISTRATIVE OFFICER

It is my pleasure to present the Corporation of the Village of Fruitvale's 2019 audited Financial Statements, which includes the Independent Auditors' Report.

The financial statements are prepared by management in compliance with Section 167 of the Community Charter and in accordance with generally accepted accounting principles, as recommended by the Public Sector Accounting Board. Management is responsible for implementing and maintaining a system of internal controls to ensure that reliable financial statements and schedules are prepared, that the Village's assets are safeguarded, and that these financial statements are consistent with other reporting requirements of the Financial Information Act. Village Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and ensuring that internal controls are maximized.

These financial statements were audited by Grant Thornton, LLP, Chartered Professional Accountants. Their responsibility is to express an opinion on the financial statements based on the results of their audit. Their report concludes that these financial statements present fairly, in all material aspects, the financial position of the Village as at December 31, 2019. The external auditors have full and free access to Village Council.

Respectfully submitted,

Kelli Tuttle
Acting Chief Administrative Officer

Independent Auditor's Report

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To the Mayor and Council of
The Corporation of the Village of Fruitvale

Opinion

We have audited the financial statements of The Corporation of the Village of Fruitvale (the "Village"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change in net debt 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 accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2019, and its results of operations and its cash flows 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 Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The Exhibits included in the Supplemental Financial Information section are presented for purposes of additional analysis and are not a required part of the financial statements. Such supplemental information has not been subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on them.

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.

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trail, Canada
October 5, 2020

The logo for Grant Thornton LLP, featuring the company name in a stylized, cursive script.

Chartered Professional Accountants

THE CORPORATION OF THE VILLAGE OF FRUITVALE
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,138,605	\$ 1,408,492
Accounts receivable (Note 4)	388,141	1,125,540
Deposits, Municipal Finance Authority (Note 5)	25,000	25,000
	2,551,746	2,559,032
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	347,495	731,768
Deferred revenue (Note 7)	1,011,781	608,075
MFA debt reserve (Note 5)	25,000	25,000
Equipment financing	14,443	-
Debenture debt (Note 8)	2,393,327	2,447,452
	3,792,046	3,812,295
NET DEBT	(1,240,300)	(1,253,263)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	12,770,707	12,452,932
Prepaid expenses	17,329	14,166
Other	359,835	167,413
ACCUMULATED SURPLUS (Note 9)	\$11,907,571	\$11,381,248

Chief Administrative Officer

Mayor

THE CORPORATION OF THE VILLAGE OF FRUITVALE
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUDGET (Note 14)	2019	2018
REVENUES			
Taxation, grants in lieu, assessments (Note 10)	\$ 2,889,332	\$ 2,895,066	\$ 2,662,685
Payments to other authorities (Note 10)	(1,841,120)	(1,841,336)	(1,778,852)
Taxation for village purposes (Note 10)	1,048,212	1,053,730	883,833
Sales of services	434,287	436,701	415,110
Other revenue from own sources	162,766	228,731	225,859
Government transfers (Note 11)	853,141	710,690	664,163
Cost recoveries	-	19,996	22,571
Investment income	10,000	7,285	24,968
Gain (loss) on disposal of tangible capital assets	-	-	(20,177)
	2,508,406	2,457,133	2,216,327
EXPENSES			
General government services	860,631	1,286,060	1,180,462
Protective services	67,752	67,483	60,625
Transportation services	534,315	525,731	485,728
Environmental health services	49,252	45,813	46,088
Public health and welfare services	22,888	25,951	24,319
Environment development services	68,401	92,696	60,067
Recreation and cultural services	183,686	128,467	151,505
Sewer operations	366,029	382,212	312,334
	2,152,954	2,554,413	2,321,128
SURPLUS (DEFICIT) BEFORE OTHER	355,452	(97,280)	(104,801)
Government transfers for capital (Note 11)	606,230	623,603	1,035,320
SURPLUS	961,682	526,323	930,519
ACCUMULATED SURPLUS, beginning of year	11,381,248	11,381,248	10,450,729
ACCUMULATED SURPLUS, end of year	\$12,342,930	\$11,907,571	\$11,381,248

THE CORPORATION OF THE VILLAGE OF FRUITVALE
STATEMENT OF CHANGES IN NET DEBT
YEAR ENDED DECEMBER 31, 2019

	BUDGET (Note 14)	2019	2018
ANNUAL SURPLUS	961,682	\$ 526,323	\$ 930,519
Acquisition of tangible capital assets	(873,399)	(916,889)	(2,505,295)
Amortization of tangible capital assets	-	599,114	521,065
Proceeds on sale of tangible capital assets	-	-	52,860
Loss (gain) on disposal of tangible capital assets	-	-	20,177
	88,283	208,548	(980,674)
Change in other assets	-	(192,422)	(136,833)
Change in prepaid expenses	-	(3,163)	23,148
INCREASE IN NET DEBT	88,283	12,963	(1,094,359)
NET DEBT, BEGINNING OF YEAR	(1,253,263)	(1,253,263)	(158,904)
NET DEBT, END OF YEAR	88,283	\$ (1,240,300)	\$ (1,253,263)

THE CORPORATION OF THE VILLAGE OF FRUITVALE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
OPERATING TRANSACTIONS		
Annual surplus	\$ 526,323	\$ 930,519
Non-cash items:		
Amortization	599,114	521,065
Loss (gain) on disposal of tangible capital assets	-	20,177
Changes to financial assets/liabilities:		
Accounts receivable	737,399	(737,072)
Prepaid expenses	(3,163)	23,148
Inventory	(192,422)	(136,833)
Accounts payable and accrued liabilities	(384,273)	575,305
Unearned revenue	403,706	273,484
	1,686,684	1,469,793
FINANCING TRANSACTIONS		
Repayment of debenture debt and short term borrowing	(54,370)	(191,729)
Proceeds from new long term leases	14,688	-
CAPITAL TRANSACTIONS		
Tangible capital assets acquired	(916,889)	(2,505,295)
Proceeds on disposal of tangible capital assets	-	52,860
	(916,889)	(2,452,435)
INCREASE (DECREASE) IN CASH	730,113	(1,174,371)
CASH, beginning of year	1,408,492	2,582,863
CASH, end of year	\$ 2,138,605	\$ 1,408,492

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PRESENTATION

The financial statements are the responsibility of management and prepared in accordance with Canadian public sector accounting standards ("PSAS"). The resources and operations of the Corporation of the Village of Fruitvale (the "Village") are segregated into various funds for accounting and financial reporting purposes.

B) FUNDS OF THE VILLAGE

The operations of the Village are divided into a number of funds with specific purposes. The financial statements include all the the accounts of the funds. All interfund transactions and balances have been eliminated within the financial statements. Fund statements are presented as supplementary information to the financial statements. The basic funds are briefly described as follows:

Capital Funds - These funds are used to reflect tangible capital assets offset by related long-term debt and investment in tangible capital assets.

General Operating Fund - This fund is the main fund of the municipality and is used to reflect the normal municipal operating activities including collection of taxation, administering operations, roads, policing, servicing general debt, etc.

Reserve Funds - These funds have been created to hold assets and to provide monies for specific purposes.

Sewer Operating Fund - This fund has been established as a self-liquidating fund to cover the costs of operating this utility.

C) REVENUE RECOGNITION

Taxation

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for Village purposes. Levies imposed by other taxing authorities are not included as taxes for Village purposes. Taxes are recognized as revenue in the year they are levied. The Village is not reliant on revenue from any single taxpayer.

Fees and charges

Charges for transportation, environmental health, permits, water and wastewater, etc. are recorded on the accrual basis and recognized when earned.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

C) REVENUE RECOGNITION - Continued

Government transfers

Government transfers are recognized as revenue in the period that the transfer is authorized, eligible criteria, if any, have been met by the Village, and a reasonable estimate of the amount can be made.

Investment income

Investment income is recorded on the accrual basis and recognized when earned. To the extent that the investments have no stated rate of return, investment income is recognized as it is received.

Gains from disposal of tangible capital assets

Gains from the disposal of tangible capital assets are recognized at the time of disposal.

D) LIABILITY FOR CONTAMINATED SITES

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Village is directly responsible and accepts responsibility; and
- a reasonable estimate of the amount can be made.

The liability would include all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. To date, no liability has been recorded.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

E) TANGIBLE CAPITAL ASSETS

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. In the year of acquisition, amortization is claimed at half the normal rate. Work in progress is not amortized. Donated tangible capital assets are reported at the time of the donation. Estimated useful lives are as follows:

Land improvements	25 to 30 years
Buildings	30 to 50 years
Fixtures, furniture, machinery, equipment and vehicles	5 to 20 years
Technology	5 years
Roads	20 to 75 years
Bridges and other transportation structures	50 to 100 years
Sewer infrastructure	75 years
Drainage infrastructure	75 years

F) BUDGET

Budget figures shown represent the initial Five Year Financial Plan Bylaw No. 907 as adopted by Council May 6, 2019. Subsequent amendments may have been made to reflect changes in expenditures approved by Council and required by law.

G) ACCRUAL ACCOUNTING

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon cost of goods and services consumed.

H) USE OF ESTIMATES

The preparation of the 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of tangible capital assets.

2. CASH

Cash includes \$1,072,279 (2018 - \$32,899) of money not available to fund the day-to-day operations of the Village. Of this total, \$33,665 (2018 - \$32,844) is held in a term deposit earning interest at 2.50% per annum.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

3. OPERATING LINE OF CREDIT

The Village has available a \$1,681,000 operating line of credit with Kootenay Savings Credit Union bearing interest at the Credit Union's prime lending rate; secured by Bylaw. As at the year end date, the Credit Union's prime lending rate of interest was 3.95% per annum. No amounts have been drawn on this line of credit.

4. ACCOUNTS RECEIVABLE

	2019	2018
Taxes	\$ 132,208	\$ 177,933
Federal Government	28,730	133,012
Regional District of Kootenay Boundary	80,079	233,552
Provincial Government	131,886	516,157
Other	15,238	64,886
	\$ 388,141	\$ 1,125,540

5. DEBT RESERVE FUND

The Municipal Finance Authority of British Columbia (the "Authority") provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. The Authority must then use this fund, if at any time there are insufficient funds, to meet payments on its obligations. If this occurs the regional districts may be called upon to restore the fund.

Each regional district through its member municipalities who share in the proceeds of a debt issue is required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. The Authority pays into the Debt Reserve Fund these moneys from which interest earned thereon less administrative expenses becomes an obligation to the regional districts.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
Trade payables	\$ 330,178	\$ 723,660
Employee accrued liabilities	17,317	8,108
	\$ 347,495	\$ 731,768

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

7. DEFERRED REVENUE

The Village of Fruitvale records deferred revenue for funds received for services not yet rendered and recognizes the revenue during the period in which the services are provided. The Village records deferred revenue when a contract specifies how the resources are to be used and therefore funds received in advance are deferred until the period in which the requirements are met. Because these funds are restricted in nature, they are shown as liabilities.

	2019	2018
Prepaid parcel taxes	\$ 46,155	\$ 38,053
Prepaid utilities	141,854	109,298
RDKB cemetery capital grant	22,225	36,600
RDKB Beaver Valley recreation service capital grant	27,918	27,918
RDKB Beaver Valley recreation service programs grant	32,628	3,607
Haines Park upgrades	2,843	16,114
FMC capital	81,232	80,000
FMC operating	9,448	-
Over collected tax revenue	71,790	-
2019 Strategic plan	-	7,150
Other	11,903	5,697
UBCM gas tax funding (details below)	563,785	283,638
	\$ 1,011,781	\$ 608,075

The Village of Fruitvale receives Gas Tax funding provided by the Government of Canada. The use of funding is established by a funding agreement between the Village and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. Gas Tax funding that is not spent in the year it is received is recorded as deferred revenue and is held until the Village undertakes an eligible project. The following provides a summary of funds received that comprise the unearned revenue amount on the statement of financial position.

	2019	2018
Opening balance of unspent funds	\$ 283,638	\$ 139,434
Add: Amount received during the year	280,147	144,204
Closing balance of unspent funds	\$ 563,785	\$ 283,638

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

8. DEBENTURE DEBT

The Village issues debt instruments through the Municipal Finance Authority, pursuant to security issuing bylaws to finance certain capital expenditures.

Future principal requirements and actuarial adjustments on outstanding debenture debt over the remaining term to maturity are as follows:

2020	\$ 55,748
2021	57,421
2022	59,143
2023	60,918
2024	62,745
Thereafter	2,097,352

\$ 2,393,327

Interest rate on debenture debt is 2.79% per annum.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2019	2018
Unappropriated surplus	\$ 451,452	\$ 327,655
Capital funds	80,521	80,521
Reserve funds	622,998	291,582
Equity in tangible capital assets	10,752,600	10,681,490
	\$11,907,571	\$11,381,248

10. REVENUES

	2019	2018
Taxation, grants in lieu, assessments:		
Property taxes	\$ 1,048,145	\$ 883,072
Grants in lieu of taxes	1,528	1,339
Collections for other authorities:		
Province of BC	664,606	643,683
Regional District of Kootenay Boundary	1,103,166	1,061,295
West Kootenay Boundary Regional Hospital District	66,859	62,965
BC Assessment Authority	10,712	10,285
Municipal Finance Authority	50	46
	2,895,066	2,662,685
Payments to other authorities	1,841,336	1,778,852
	\$ 1,053,730	\$ 883,833

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

11. GOVERNMENT TRANSFERS

	2019	2018
Government transfers - capital		
Provincial unconditional transfers:		
Small communities grant	\$ -	\$ 1,157
Provincial capital grants	623,603	1,034,163
Regional district and local governments conditional transfers:		
Government transfers - capital	623,603	1,035,320
Government transfers - non-capital		
Provincial conditional transfers:		
Province of British Columbia	55,936	16,821
Provincial unconditional transfers:		
Small Communities grant	485,633	471,961
Federal conditional transfers:		
Regional District of Kootenay Boundary conditional transfer:	169,121	175,381
Government transfers - non-capital	710,690	664,163
	\$ 1,334,293	\$ 1,699,483

12. CONTINGENCIES

The Corporation of the Village of Fruitvale, as a member of the Regional District of Kootenay Boundary, is jointly and severally liable for the borrowing of this authority. At December 31, 2019, the promissory note is \$36,274 (2018 - \$36,274).

The Village of Fruitvale is a member of the Municipal Insurance Association of B.C. (M.I.A.B.C.). M.I.A.B.C. is licensed to operate a reciprocal insurance exchange under section 302 of the Insurance Act. M.I.A.B.C. is a municipal self insurance program, supplying general liability coverage to their members up to a maximum of thirty five million dollars. Members are liable for their deductible and a pro-rated share of any claims exceeding their deductible.

In the normal course of a year, the Village is faced with lawsuits and claims for damages of a diverse nature. The outcome of these claims cannot be reasonably determined at this time.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

13. PENSION LIABILITY

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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 Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Corporation of the Village of Fruitvale paid \$73,691 (2018 - \$73,097) for employer contributions while employees contributed \$65,617 (2018 - 63,815) to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

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 the individual employers participating in the Plan.

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

14. BUDGET RECONCILIATION

The reconciliation of the approved budget Bylaw #883 for the current year to the budget figures reported in these financial statements is as follows:

Budget surplus per Statement of Operations	\$ 961,682
Less: capital expenditures	(873,399)
Less: debt principal repaid	(52,548)
Less: transfers to other funds	(159,903)
Add: proceeds from borrowings	124,168
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THE CORPORATION OF THE VILLAGE OF FRUITVALE
SCHEDULE 1 - SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2019

	Land	Land Improvements	Engineering Structures		Machinery Equipment & Vehicles	Buildings	Work in Progress	2019 TOTAL	2018 TOTAL
			General	Sewer					
COST									
Balance, beginning of year	\$ 912,274	\$ 1,462,125	\$ 7,285,334	\$ 2,359,597	\$ 1,974,920	\$ 5,539,125	\$ 1,119,094	\$ 20,652,469	\$ 18,381,134
Add: additions during the year	-	-	30,018	395,798	831,993	771,831	-	2,029,640	2,505,295
Less: disposals and transfers during the year	-	-	-	-	-	-	(1,112,751)	(1,112,751)	(233,960)
Balance, end of year	912,274	1,462,125	7,315,352	2,755,395	2,806,913	6,310,956	6,343	21,569,358	20,652,469
Accumulated Amortization									
Balance, beginning of year	-	796,679	3,573,365	705,208	1,237,833	1,886,452	-	8,199,537	7,839,395
Add: amortization	-	38,418	241,760	31,984	128,519	158,433	-	599,114	521,065
Less: accumulated amortization on disposals	-	-	-	-	-	-	-	-	(160,923)
Balance, end of year	-	835,097	3,815,125	737,192	1,366,352	2,044,885	-	8,798,651	8,199,537
Net Book Value 2019	\$ 912,274	\$ 627,028	\$ 3,500,227	\$ 2,018,203	\$ 1,440,561	\$ 4,266,071	\$ 6,343	\$ 12,770,707	\$ 12,452,932
Net Book Value 2018	\$ 912,274	\$ 665,446	\$ 3,711,969	\$ 1,654,389	\$ 737,087	\$ 3,652,673	\$ 1,119,094	\$ -	\$ 12,452,932

Included in Machinery Equipment & Vehicles is \$222,876 (2018 - \$222,876) of leased tangible capital assets with accumulated amortization to date of \$44,575 (2018 - \$29,717).

THE CORPORATION OF THE VILLAGE OF FRUITVALE
SCHEDULE 2 - SEGMENTED INFORMATION
AS AT DECEMBER 31, 2019

	General Government	Protective Services	Transportation Services	Environmental Health Services	Public health and Welfare Services	Environment Development Services	Recreation and Cultural Services	Sewer Operations	2019 Total	2018 Total
Revenue										
Taxation	\$ 862,830	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,900	\$ 1,053,730	\$ 883,833
Sales of services	113,249	-	-	-	-	-	-	323,452	436,701	415,110
Other revenues from own sources	228,731	-	-	-	-	-	-	-	228,731	225,859
Government transfers	766,170	-	-	-	-	-	-	568,123	1,334,293	1,699,483
Cost Recoveries	19,996	-	-	-	-	-	-	-	19,996	22,571
Investment income	7,285	-	-	-	-	-	-	-	7,285	24,968
Loss (gain) on sale of CA	-	-	-	-	-	-	-	-	-	(20,177)
	1,998,261	-	-	-	-	-	-	1,082,475	3,080,736	3,251,647
Expenditure										
Salaries and benefits	509,469	-	228,073	14,482	18,512	39,656	56,838	100,754	967,784	862,143
Contracts and professional services	67,166	67,355	145,338	21,974	1,740	16,988	35,582	68,690	424,833	397,566
Supplies, materials and equipment	149,365	129	152,320	9,357	5,698	36,052	36,046	102,114	491,081	448,700
Total before debt, other fiscal services and amortization	726,000	67,484	525,731	45,813	25,950	92,696	128,466	271,558	1,883,698	1,708,409
Debt interest, fiscal services and other	71,601	-	-	-	-	-	-	-	71,601	91,654
Amortization	488,460	-	-	-	-	-	-	110,654	599,114	521,065
	1,286,061	67,484	525,731	45,813	25,950	92,696	128,466	382,212	2,554,413	2,321,128
Net revenue	\$ 712,200	\$ (67,484)	\$ (525,731)	\$ (45,813)	\$ (25,950)	\$ (92,696)	\$ (128,466)	\$ 700,263	\$ 526,323	\$ 930,519

THE CORPORATION OF THE VILLAGE OF FRUITVALE
EXHIBIT 1 - SCHEDULE OF CAPITAL EQUITY
YEAR ENDED DECEMBER 31, 2019

(UNAUDITED)

	General Capital Fund		Sewer Capital Fund		Consolidated	
	2019	2018	2019	2018	2019	2018
Capital equity, beginning of year	\$ 6,628,332	\$ 6,438,965	\$ 4,133,679	\$ 3,358,786	\$ 10,762,011	\$ 9,797,751
Contributions to capital assets						
Capital additions from operating	105,130	1,340,094	811,759	1,165,201	916,889	2,505,295
Debt retirement						
Repayment of debenture debt	54,125	52,548	-	-	54,125	52,548
Repayment of interim financing	-	139,181	-	-	-	139,181
Repayment of short term borrowing	245	-	-	-	245	-
	54,370	191,729	-	-	54,370	191,729
Proceeds from long term borrowing	(14,688)	-	-	-	(14,688)	-
Prior year unspent borrowings	(432,374)	(1,531,847)	(243,636)	(335,685)	(676,010)	(1,867,532)
Unspent long term borrowing	389,663	676,010	-	-	389,663	676,010
Amortization of TCA	(488,460)	(466,442)	(110,654)	(54,623)	(599,114)	(521,065)
Gain (loss) on disposal of TCA	-	(20,177)	-	-	-	(20,177)
	(545,859)	(1,342,456)	(354,290)	(390,308)	(900,149)	(1,732,764)
Capital equity, end of year	\$ 6,241,973	\$ 6,628,332	\$ 4,591,148	\$ 4,133,679	\$ 10,833,121	\$ 10,762,011
Equity in capital assets is as follows:						
Financial equity	\$ 80,378	\$ 80,378	\$ 143	\$ 143	\$ 80,521	\$ 80,521
Physical equity	6,161,595	6,547,954	4,591,005	4,133,536	10,752,600	10,681,490
	\$ 6,241,973	\$ 6,628,332	\$ 4,591,148	\$ 4,133,679	\$ 10,833,121	\$ 10,762,011

THE CORPORATION OF THE VILLAGE OF FRUITVALE
EXHIBIT 2 - STATEMENT OF FINANCIAL POSITION BY FUND
YEAR ENDED DECEMBER 31, 2019

(UNAUDITED)

	OPERATING		CAPITAL		Reserve Funds	2019	2018
	General	Sewer	General	Sewer			
FINANCIAL ASSETS							
Cash	\$ 1,630,108	\$ -	\$ -	\$ -	\$ 508,497	\$ 2,138,605	\$ 1,408,492
Accounts receivable	388,141	-	-	-	-	388,141	1,125,540
Due (to) from other funds	(605,333)	20,648	1,031,448	(561,264)	114,501	-	-
Deposits, MFA	25,000	-	-	-	-	25,000	25,000
	1,437,916	20,648	1,031,448	(561,264)	622,998	2,551,746	2,559,032
LIABILITIES							
Accounts payable and accrued liabilities	347,495	-	-	-	-	347,495	731,768
Deferred revenue	1,011,781	-	-	-	-	1,011,781	608,075
MFA debt reserve	25,000	-	-	-	-	25,000	25,000
Equipment financing	-	-	14,443	-	-	14,443	-
Debenture debt	-	-	2,393,327	-	-	2,393,327	2,447,452
	1,384,276	-	2,407,770	-	-	3,792,046	3,812,295
Net Financial Assets	53,640	20,648	(1,376,322)	(561,264)	622,998	(1,240,300)	(1,253,263)
Prepaid expenses	17,329	-	-	-	-	17,329	14,166
Other	359,835	-	-	-	-	359,835	167,413
Tangible capital assets	-	-	7,618,295	5,152,412	-	12,770,707	12,452,932
NET ASSETS	\$ 430,804	\$ 20,648	\$ 6,241,973	\$ 4,591,148	\$ 622,998	\$ 11,907,571	\$ 11,381,248
EQUITY, Financial							
Unappropriated surplus	\$ 430,804	\$ 20,648	-	\$ -	\$ -	\$ 451,452	\$ 327,655
Capital funds	-	-	80,378	143	-	80,521	80,521
Reserve funds	-	-	-	-	622,998	622,998	291,582
	430,804	20,648	80,378	143	622,998	1,154,971	699,758
EQUITY, Physical							
Tangible capital assets	-	-	6,161,595	4,591,005	-	10,752,600	10,681,490
TOTAL EQUITY	\$ 430,804	\$ 20,648	\$ 6,241,973	\$ 4,591,148	\$ 622,998	\$ 11,907,571	\$ 11,381,248

THE CORPORATION OF THE VILLAGE OF FRUITVALE
EXHIBIT 3 - FINANCIAL ACTIVITIES
GENERAL OPERATING FUND
YEAR ENDED DECEMBER 31, 2019

(UNAUDITED)

	BUDGET	2019	2018
REVENUES			
Taxation, grants in lieu, assessments	\$ 2,700,582	\$ 2,704,166	\$ 2,509,860
Payments to other authorities	(1,841,120)	(1,841,336)	(1,778,852)
Taxation for village purposes	859,462	862,830	731,008
Sale of services	112,870	113,249	109,578
Other revenue from own sources	172,766	236,016	211,454
Grants	-	-	39,373
Cost recoveries	85,217	51,006	67,883
Conditional transfers from provincial government	2,925	55,936	16,821
Conditional transfers from regional district and other local governments	380,216	224,601	175,381
Conditional transfers from federal government	-	-	-
Unconditional transfers from provincial government	470,000	485,633	471,961
	2,083,456	2,029,271	1,823,459
EXPENSES			
General government services	787,917	725,999	622,366
Protective services	67,752	67,483	60,625
Transportation services	534,315	525,731	485,728
Environmental health services	49,252	45,813	46,088
Public health and welfare services	22,888	25,951	24,319
Environmental development services	68,401	92,696	60,067
Recreational and cultural	183,686	128,467	151,505
Debt interest, fiscal services and other	72,714	71,601	91,654
	1,786,925	1,683,741	1,542,352
EXCESS OF REVENUE OVER EXPENSES	296,531	345,530	281,107
Debt principal repaid	(52,548)	(54,369)	(191,730)
NET EXCESS OF REVENUE OVER EXPENSES	243,983	291,161	89,377
Transfers from (to) own funds and reserves:			
Cemetery care fund	(2,000)	(4,934)	(3,585)
General capital fund	(128,000)	(105,130)	(1,128,585)
Capital reserve	(111,867)	(111,867)	-
Sewer revenue fund	-	(243,636)	(335,685)
Carbon tax reserve	(2,925)	(3,615)	(2,922)
Financing proceeds	-	14,688	-
Long term borrowings	-	676,010	1,867,533
Unspent long term borrowings	-	(389,663)	(676,010)
	(244,792)	(168,147)	(279,254)
NET FUND SURPLUS (DEFICIT) FOR THE YEAR	(809)	123,014	(189,877)
FINANCIAL EQUITY, BEGINNING OF YEAR	307,792	307,792	497,669
FINANCIAL EQUITY, END OF YEAR	\$ 306,983	\$ 430,806	\$ 307,792

THE CORPORATION OF THE VILLAGE OF FRUITVALE
EXHIBIT 4 - FINANCIAL ACTIVITIES
SEWER OPERATING FUND
YEAR ENDED DECEMBER 31, 2019

(UNAUDITED)

	BUDGET	2019	2018
REVENUES			
Sewer user rates	\$ 319,417	\$ 323,452	\$ 295,403
Connection charges	2,000	-	10,129
Sewer parcel taxes	188,750	190,900	152,825
Conditional transfers from provincial government	606,230	568,123	-
Conditional transfers from regional district			
	1,116,397	1,082,475	458,357
EXPENSES			
Salaries, wages and benefits	169,656	100,754	119,402
Contracted services	88,913	68,690	71,701
Supplies, materials and equipment	107,460	102,114	66,608
Debt interest	-	-	-
	366,029	271,558	257,711
NET EXCESS OF REVENUE OVER EXPENSES	750,368	810,917	200,646
Sewer capital reserve	(85,000)	(211,000)	-
Transfer to sewer capital	(745,399)	(811,759)	(341,391)
Transfer from general revenue	-	243,636	335,685
Internal charges	(44,300)	(31,010)	(45,311)
Proceeds from borrowings	124,168	-	-
	(750,531)	(810,133)	(51,017)
NET FUND SURPLUS (DEFICIT) FOR THE YEAR	(163)	784	149,629
DEFICIT, BEGINNING OF YEAR	19,864	19,864	(129,765)
DEFICIT, END OF YEAR	\$ 19,701	\$ 20,648	\$ 19,864

THE CORPORATION OF THE VILLAGE OF FRUITVALE
EXHIBIT 5 - SCHEDULE OF RESERVE FUNDS
YEAR ENDED DECEMBER 31, 2019

(UNAUDITED)

	Carbon Tax Reserve	Development Cost Charges Reserve	Cemetery Care and Capital Improvement Fund	Capital Reserve	2019 Total	2018 Total
ASSETS						
Cash	\$ 28,844	\$ 2,400	\$ 90,582	\$ 386,671	\$ 508,497	\$ 32,899
Due from general operating fund	3,615	-	(97)	110,983	114,501	258,683
	\$ 32,459	\$ 2,400	\$ 90,485	\$ 497,654	\$ 622,998	\$ 291,582
FUND BALANCES,						
beginning of year	\$ 28,844	\$ 2,400	\$ 85,551	\$ 174,787	\$ 291,582	\$ 285,075
Net Interest earned	-	-	4,934	-	4,934	613
Transfers from own fund: general operating	3,615	-	-	322,867	326,482	5,894
FUND BALANCES, end of year	\$ 32,459	\$ 2,400	\$ 90,485	\$ 497,654	\$ 622,998	\$ 291,582