

THE CORPORATION OF THE VILLAGE OF SAYWARD

Financial Statements

For the year ended December 31, 2017

**THE CORPORATION OF THE VILLAGE OF SAYWARD
Elected and Appointed Officials
December 31, 2017**

Mayor and Council

| | |
|-----------|-------------|
| Mayor | J MacDonald |
| Councilor | N Kirschner |
| Councilor | D Mason |
| Councilor | J Ellis |
| Councilor | J Hoare |

Officials

| | |
|-------------------------------|----------|
| CAO/CFO | J France |
| Public Works Foreman | T Leggat |
| Fire Chief | J Hansen |
| Emergency Program Coordinator | D Mason |

THE CORPORATION OF THE VILLAGE OF SAYWARD
Index
December 31, 2017

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THE CORPORATION OF THE VILLAGE OF SAYWARD
Management's Responsibility for Financial Reporting
December 31, 2017

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards for local governments and are outlined under "Significant Accounting Policies" in the notes to the financial statements. Management is responsible for the integrity and objectivity of these statements as well as the supplementary statements and schedules.

Management maintains a system of internal controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded and reported properly.

The Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Council. The Council reviews internal financial statements and external audited financial statements.

The external auditors, Moeller Matthews, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the Village's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to financial management of the Corporation of the Village of Sayward and meet when required.

On behalf of The Corporation of the Village of Sayward

John France

Chief Administrative Officer and Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Corporation of the Village of Sayward

Report on the Financial Statements

We have audited the accompanying financial statements of The Corporation of the Village of Sayward, which comprise the statement of financial position as at December 31, 2017, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Campbell River, British Columbia
April 25, 2018

MOELLER MATTHEWS
Chartered Professional Accountants

THE CORPORATION OF THE VILLAGE OF SAYWARD
Statement of Financial Position
As at December 31, 2017

| | <u>2017</u> | <u>2016</u> |
|-----------------------------------------|------------------|------------------|
| Financial Assets | | |
| Cash and temporary investments (Note 2) | 1,159,433 | 1,279,169 |
| Accounts receivable (Note 3) | 532,532 | 189,388 |
| Property held for resale | - | 17,121 |
| | <u>1,691,965</u> | <u>1,485,678</u> |
| Liabilities | | |
| Accounts payable (Note 4) | 206,846 | 121,450 |
| Deferred revenue (Note 5) | 221,481 | 134,439 |
| Long term debt (Note 6) | 80,233 | 88,797 |
| | <u>508,560</u> | <u>344,686</u> |
| Net Financial Assets | <u>1,183,405</u> | <u>1,140,992</u> |
| Non-Financial Assets | | |
| Prepaid expenses | 14,757 | 15,148 |
| Tangible capital assets (Note 7) | 7,003,458 | 6,347,498 |
| | <u>7,018,215</u> | <u>6,362,646</u> |
| Accumulated Surplus (Note 8) | <u>8,201,620</u> | <u>7,503,638</u> |
| Contingencies (Note 10) | | |
| Commitments (Note 11) | | |

John France, Chief Administrative Officer and Chief Financial Officer

John MacDonald, Mayor

THE CORPORATION OF THE VILLAGE OF SAYWARD
Statement of Operations
Year Ended December 31, 2017

| | 2017 Financial Plan (Note 13) | 2017 Actual | 2016 Actual |
|-----------------------------------------|----------------------------------------------|------------------------|------------------------|
| Revenue | | | |
| Taxation (Note 14) | 348,798 | 344,396 | 336,959 |
| User fees | 178,045 | 180,586 | 164,112 |
| Government grants and transfers | 446,742 | 1,043,006 | 646,544 |
| Sales of services | 71,948 | 69,239 | 80,317 |
| Contributions from others | 106,400 | 200,450 | 7,771 |
| Investment income | 19,500 | 40,622 | 32,056 |
| Gain on disposal of assets | - | 20,348 | - |
| | <u>1,171,433</u> | <u>1,898,647</u> | <u>1,267,759</u> |
| Expenses | | | |
| General government services | 426,423 | 405,723 | 367,798 |
| Recreation and parks services | 298,029 | 300,387 | 270,919 |
| Protective services | 106,602 | 94,617 | 97,841 |
| Transportation services | 41,760 | 59,859 | 33,281 |
| Solid waste services | 33,091 | 39,411 | 44,692 |
| Public works services | 100,747 | 102,445 | 101,215 |
| Sewer services | 110,750 | 103,199 | 88,637 |
| Water services | 137,215 | 95,024 | 113,972 |
| | <u>1,254,617</u> | <u>1,200,665</u> | <u>1,118,355</u> |
| Annual Surplus | <u>(83,184)</u> | <u>697,982</u> | <u>149,404</u> |
| Accumulated Surplus, opening | 7,503,638 | 7,503,638 | 7,354,234 |
| Accumulated Surplus, end of year | <u>7,420,454</u> | <u>8,201,620</u> | <u>7,503,638</u> |

The Financial Statement Notes and Schedules are an integral part of the Financial Statements.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Statement of Changes in Net Financial Assets
Year ended December 31, 2017

| | <u>2017</u> <u>Financial Plan</u> (Note 13) | <u>2017</u> <u>Actual</u> | <u>2016</u> <u>Actual</u> |
|------------------------------------------------|---------------------------------------------------|------------------------------|------------------------------|
| Annual Surplus | <u>(83,184)</u> | <u>697,982</u> | <u>149,404</u> |
| Use of prepaid expenses | - | 15,148 | 12,834 |
| Acquisition of prepaid expenses | - | (14,757) | (15,148) |
| Acquisition of tangible capital assets | (608,235) | (758,667) | (209,976) |
| Amortization of tangible capital assets | 99,135 | 102,707 | 101,119 |
| | <u>(509,100)</u> | <u>(655,569)</u> | <u>(111,171)</u> |
| Change in Net Financial Assets | (592,284) | 42,413 | 38,233 |
| Net Financial Assets, beginning of year | <u>1,140,992</u> | <u>1,140,992</u> | <u>1,102,759</u> |
| Net Financial Assets, end of year | <u><u>548,708</u></u> | <u><u>1,183,405</u></u> | <u><u>1,140,992</u></u> |

The Financial Statement Notes and Schedules are an integral part of the Financial Statements.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Statement of Cash Flows
Year ended December 31, 2017

| | <u>2017</u> | <u>2016</u> |
|---------------------------------------------------------|------------------|------------------|
| Operating Activities | | |
| Annual surplus | 697,982 | 149,404 |
| Non cash items included in annual surplus: | | |
| Amortization of tangible capital assets | 102,707 | 101,119 |
| Actuarial adjustment to long term debt | (2,585) | (2,296) |
| Changes in non-cash items: | | |
| Accounts receivable | (343,144) | (99,560) |
| Property held for resale | 17,121 | (1,806) |
| Accounts payable | 85,396 | (14,986) |
| Deferred revenue | 87,042 | 130,153 |
| Prepaid expenses | 391 | (2,314) |
| Cash provided by operating activities | <u>644,910</u> | <u>259,714</u> |
| Capital Activities | | |
| Acquisition of tangible capital assets | (758,667) | (209,976) |
| Cash provided by (applied to) capital activities | <u>(758,667)</u> | <u>(209,976)</u> |
| Financing Activities | | |
| Long term debt repayments | (5,979) | (5,979) |
| Cash applied to financing activities | <u>(5,979)</u> | <u>(5,979)</u> |
| Net Increase (Decrease) in Cash Position | (119,736) | 43,759 |
| Cash, beginning of year | <u>1,279,169</u> | <u>1,235,410</u> |
| Cash, end of year | <u>1,159,433</u> | <u>1,279,169</u> |
| Supplemental Information: | | |
| Interest paid on long term debt | <u>2,927</u> | <u>2,927</u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

The Village of Sayward ("Village") was incorporated as a municipality in 1968 under the provisions of the *British Columbia Municipal Act*. Its principal activities are the provision of local government services to residents of the Village, as governed by the *Community Charter* and the *Local Government Act*.

The notes to the Financial Statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis for these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the Financial Statements.

1. Significant accounting policies

a) Basis of presentation

The Financial Statements of the Village are prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

b) Revenue recognition

Taxation revenues and user fee revenues are recognized at the time of issuing the property tax notices for the fiscal year.

Sale of services revenues are recognized on an accrual basis, when the service or product is rendered by the Village.

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

Grant revenues are recognized when the funding becomes receivable.

c) Deferred revenue

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

d) Government transfers

Government transfers, which include legislative grants, are recognized in the financial statements when received or receivable unless the transfer contains stipulations that create a liability, in which case the transfer is recognized as the liability is extinguished.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

e) Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization 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. Donated tangible capital assets are reported at their estimated fair value at the time of donation. Estimated useful lives as follows:

| | |
|-----------------------------------|----------------|
| Land improvements | 10 to 40 years |
| Buildings | 20 to 70 years |
| Furniture, Equipment and Vehicles | 10 to 40 years |
| Roads and Bridges | 25 to 75 years |
| Water Infrastructure | 100 years |
| Sewer and Drainage Infrastructure | 100 years |

f) Accrued employee benefits

Based on obligations as determined by contractual arrangements and internal policies, employee benefit accruals, which include an allowance for sick leave and vacation entitlement, are recorded in the year in which they are earned.

g) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. These assumptions are based on management's historical experience, best knowledge of current events and actions that the Village may undertake in the future. Significant areas requiring estimates include the determination of accrued payroll liabilities, amortization expense and provisions for contingencies. As such, actual amounts could differ from the estimates.

2. Cash and temporary investments

Included in cash and temporary investments is \$824,985 (2016 - \$610,330) of temporary investments held with the Municipal Finance Authority (MFA) in money market, intermediate and bond funds. These investments are carried at market value which approximates cost.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

3. Accounts receivable

| | 2017 | 2016 |
|-----------------------------|------------------|------------------|
| Property taxes | \$64,523 | \$53,120 |
| Other governments | 442,568 | 88,123 |
| Island Coast Economic Trust | 10,000 | 47,600 |
| Trade and other | 15,441 | 545 |
| | \$532,532 | \$189,388 |

4. Accounts payable

| | 2017 | 2016 |
|---------------------|------------------|------------------|
| Payroll liabilities | \$20,846 | \$11,874 |
| Other governments | 13,206 | 394 |
| Trade and other | 172,794 | 109,182 |
| | \$206,846 | \$121,450 |

5. Deferred revenue

| | Opening balance | Transfers In | Transfers Out | Ending balance |
|----------------------------|----------------------------|---------------------|--------------------------|---------------------------|
| Taxes and other | \$2,048 | \$2,575 | \$2,048 | \$2,575 |
| Age friendly grant | 12,391 | - | 12,391 | - |
| Working waterfront project | 20,000 | - | 20,000 | - |
| Pond and park grant | 100,000 | - | 100,000 | - |
| Kelsey Centre | - | 13,480 | 3,662 | 9,818 |
| New Castle Dam grant | - | 209,088 | - | 209,088 |
| | \$134,439 | \$225,143 | \$138,101 | \$221,481 |

The Village has received funding from the BC Provincial Government to perform work on the Newcastle Creek Dam, the project is expected to be completed in 2018.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

6. Long term debt

| | Opening balance | Additions | Principal payments | Actuarial adjustment | Ending balance |
|--------------|--------------------|------------|-----------------------|-------------------------|-------------------|
| Water Fund | | | | | |
| MFA issue 95 | \$22,730 | \$- | \$1,531 | \$662 | \$20,537 |
| Sewer Fund | | | | | |
| MFA issue 95 | 66,067 | - | 4,448 | 1,923 | 59,696 |
| Total | \$88,797 | \$- | \$5,979 | \$2,585 | \$80,233 |

Actuarial adjustments represent interest earned on sinking funds held by the Municipal Finance Authority. Such interest is used to reduce the principal amount of outstanding debt and is recorded as income in the year in which is earned.

The interest rate on MFA debt issue 95 is 4.170%,

Payments of principal on issued debt for the next five years are:

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------|----------------|----------------|----------------|----------------|----------------|
| Water Fund | \$1,530 | \$1,530 | \$1,530 | \$1,530 | \$1,530 |
| Sewer Fund | 4,449 | 4,449 | 4,449 | 4,449 | 4,449 |
| | \$5,979 | \$5,979 | \$5,979 | \$5,979 | \$5,979 |

7. Tangible capital assets

| | 2017 | 2016 |
|-----------------------------------|------------------|------------------|
| Land | 2,085,624 | 1,925,414 |
| Buildings | 249,251 | 259,884 |
| Equipment, furniture and vehicles | 317,367 | 324,576 |
| Engineered structures | | |
| Water | 2,175,989 | 1,619,318 |
| Sewer | 2,028,980 | 2,065,779 |
| Roads and bridges | 146,247 | 152,527 |
| | 7,003,458 | 6,347,498 |

For additional information, see the Schedule of Tangible Capital Assets (Schedule 1).

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

8. Accumulated surplus

The Village segregates its accumulated surplus into the following categories:

| | 2017 | 2016 |
|-----------------------------------|--------------------|--------------------|
| Operating surplus | | |
| General | \$93,713 | \$131,343 |
| Sewer | 307,067 | 293,028 |
| Water | 170,615 | 153,420 |
| | <u>571,395</u> | <u>577,791</u> |
| Reserves (Schedule 2) | <u>707,000</u> | <u>667,146</u> |
| Equity in tangible capital assets | | |
| General | 2,764,745 | 2,626,879 |
| Sewer | 1,970,171 | 2,000,598 |
| Water | 2,188,309 | 1,631,224 |
| | <u>6,923,225</u> | <u>6,258,701</u> |
| Accumulated surplus | <u>\$8,201,620</u> | <u>\$7,503,638</u> |

9. Pension plan

The Village 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 the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local governments.

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

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 was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remain unchanged.

The Village paid \$18,213 (2016 - \$33,066) of employer contributions while employees contributed \$13,281 (2016 - \$23,057) to the plan in fiscal 2017.

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

9. Pension plan (Continued)

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

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

10. Contingencies

- a) The Village is responsible as a member of the Strathcona Regional District for its share of any operating deficits or long term debt related to functions in which it participates.
- b) The Village is partially self-insured through the Municipal Insurance Association of British Columbia. Should the Association pay our claims in excess of premiums received, it is possible that the Village, along with the other participants, would be required to contribute towards the deficit.

11. Commitments

The Village has entered into an agreement to lease a photocopier. Total minimum payments for the next five years are:

| 2018 | 2019 | 2020 | 2021 | 2022 |
|---------|---------|---------|------|------|
| \$3,700 | \$3,700 | \$2,775 | \$- | \$- |

12. MFA debt reserve fund

The Village secures its long-term borrowing through the Municipal Finance Authority (MFA). As a condition of these borrowings, a portion of the debenture proceeds is retained by MFA as a debt reserve fund. As at December 31, 2017, the Village debt reserve fund, which is not recorded in the financial statements, was \$6,954 (2016 - \$6,907).

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

13. Financial plan

The financial plan amounts presented throughout these financial statements are unaudited and represent the five year financial plan bylaw adopted by the Village Council on April 4, 2017.

The financial plan anticipated use of surpluses accumulated in prior years to balance against current year expenditures in excess of current year revenues. In addition, the financial plan also contemplated principal repayments of the Village's long term debt and the acquisition of capital expenditures. The following schedule reconciles the approved bylaw to the amounts presented in the financial statements.

| | | |
|----------------------------------|--|--------------------------|
| Financial Plan Bylaw | | \$- |
| Add: | | |
| Debt principal repayments | | 5,462 |
| Capital expenditures | | 4,607,985 |
| Less: | | |
| Budgeted transfers from reserves | | (2,326) |
| Capital grant revenues | | (4,694,305) |
| Annual surplus for the year | | <u><u>\$(83,184)</u></u> |

14. Taxation revenue

| | 2017 | 2016 |
|---------------------------------------------|-------------------------|-------------------------|
| General municipal purpose | \$344,396 | \$336,959 |
| Collections for other governments | | |
| Province of British Columbia – school tax | 72,448 | 75,125 |
| Comox Strathcona Waste Management | 6,066 | 3,020 |
| Comox Strathcona Regional Hospital District | 26,234 | 25,951 |
| Strathcona Regional District | 10,070 | 9,195 |
| Municipal Finance Authority | 6 | 6 |
| British Columbia Assessment Authority | 1,628 | 1,787 |
| Police | 13,544 | 14,070 |
| | <u>474,392</u> | <u>466,113</u> |
| Transfers | | |
| Province of British Columbia – school tax | 72,448 | 75,125 |
| Comox Strathcona Waste Management | 6,066 | 3,020 |
| Comox Strathcona Regional Hospital District | 26,234 | 25,951 |
| Strathcona Regional District | 10,070 | 9,195 |
| Municipal Finance Authority | 6 | 6 |
| British Columbia Assessment Authority | 1,628 | 1,787 |
| Police | 13,544 | 14,070 |
| | <u>129,996</u> | <u>129,154</u> |
| Available for general municipal purposes | <u><u>\$344,396</u></u> | <u><u>\$336,959</u></u> |

THE CORPORATION OF THE VILLAGE OF SAYWARD
Notes to the Financial Statements
Year ended December 31, 2017

15. Segment Reporting by Service

The Village provides various services within various departments. The segmented information as disclosed in Schedule 3 reflects those functions offered by the Village as summarized below:

General government – activities related to the administration of the Village as a whole including central administration, finance, human resources, information systems and legislative and election operations.

Recreation and parks – activities related to all recreational and parks services including the maintenance of parks and facilities for recreational activities.

Protective – activities related to providing for the security of the property and citizens of the Village including policing, fire protection, health and emergency planning.

Transportation – activities related to transportation including maintenance of roads, sidewalks, street lighting and drainage.

Solid waste – activities related to solid waste management.

Public works – activities related to overall maintenance of the Village including green initiatives, building maintenance and insurance, animal control and recycling.

Sewer – activities related to gathering, treating, transporting, storing and discharging sewage or reclaimed water.

Water – activities related to supplying, storing, treating and transporting water.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment, in addition to amounts that are allocated to each segment on a reasonable basis. Refer to schedule 3 for segment revenues and expense detail on a comparative basis.

THE CORPORATION OF THE VILLAGE OF SAYWARD
 Schedule of Tangible Capital Assets
 Year ended December 31, 2017

| | General Capital Assets | | | | Engineered Structures | | | Totals |
|-------------------------------------------------------------------------------|------------------------|------------------|------------------------------|------------------|-----------------------|----------------|-------------------|------------------|
| | Land and Improvements | Buildings | Equipment Furniture Vehicles | Water | Sewer | Roads Bridges | 2017 | 2016 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Cost | | | | | | | | |
| Opening balance | 1,925,414 | 1,278,035 | 795,485 | 2,312,518 | 2,983,908 | 594,813 | 9,890,173 | 10,908,867 |
| Prior period adjustment | - | - | - | - | - | - | - | (1,228,670) |
| Opening balance, adjusted | 1,925,414 | 1,278,035 | 795,485 | 2,312,518 | 2,983,908 | 594,813 | 9,890,173 | 9,680,197 |
| Acquisitions during the year | 160,210 | - | 21,185 | 577,272 | - | - | 758,667 | 209,976 |
| Ending balance | 2,085,624 | 1,278,035 | 816,670 | 2,889,790 | 2,983,908 | 594,813 | 10,648,840 | 9,890,173 |
| Accumulated Amortization | | | | | | | | |
| Opening balance | - | 1,018,151 | 470,909 | 693,200 | 918,129 | 442,286 | 3,542,675 | 3,583,381 |
| Prior period adjustment | - | - | - | - | - | - | - | (141,825) |
| Opening balance, adjusted | - | 1,018,151 | 470,909 | 693,200 | 918,129 | 442,286 | 3,542,675 | 3,441,556 |
| Amortization | - | 10,633 | 28,394 | 20,601 | 36,799 | 6,280 | 102,707 | 101,119 |
| Ending balance | - | 1,028,784 | 499,303 | 713,801 | 954,928 | 448,566 | 3,645,382 | 3,542,675 |
| Net Book Value of Tangible Capital Assets Year Ended December 31, 2017 | 2,085,624 | 249,251 | 317,367 | 2,175,989 | 2,028,980 | 146,247 | 7,003,458 | |
| Net Book Value of Tangible Capital Assets Year Ended December 31, 2016 | 1,925,414 | 259,884 | 324,576 | 1,619,318 | 2,065,779 | 152,527 | - | 6,347,498 |

THE CORPORATION OF THE VILLAGE OF SAYWARD
 Schedule of Change in Reserve Fund Balances
 Year ended December 31, 2017

| | 2017 | | | | | | | | | | | 2016 |
|----------------------------------------|----------|-----------------|-----------------------|-----------------------|-------|-----------|----------------------|-------------------------|--------------------|------------------------|----------|---------|
| | Roads | Fire Protection | Rec. Centre Equipment | Rec Comm. Fundraising | Sewer | Land Sale | Internet Maintenance | Small Communities Grant | Federal Works Fund | Climate Action Revenue | Total | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenue | | | | | | | | | | | | |
| Government grants | - | 28,382 | - | - | - | - | - | 66,058 | - | - | 94,460 | 97,382 |
| Other income | - | 19,010 | - | - | - | 20,348 | 6,240 | 2,942 | - | - | 46,540 | 34,393 |
| | - | 47,402 | - | - | - | 20,348 | 6,240 | 69,000 | - | - | 142,990 | 131,775 |
| Expenses | | | | | | | | | | | | |
| Other expenses | 21,000 | 47,402 | - | - | - | - | - | - | - | - | 68,402 | 46,906 |
| Net Surplus | (21,000) | - | - | - | - | 20,348 | 6,240 | 69,000 | - | - | 74,588 | 84,869 |
| Transfers | | | | | | | | | | | | |
| Transfers from (to) operating fund | - | - | - | - | - | - | (21,453) | (13,281) | - | - | (34,734) | - |
| Acquisition of tangible capital assets | (21,000) | - | - | - | - | - | (15,213) | (13,281) | - | - | 39,854 | 84,869 |
| Change in Reserve Fund Balances | 50,000 | 85 | 1,593 | 308 | 5,320 | 22,034 | 52,369 | 13,281 | 509,405 | 12,751 | 667,146 | 582,277 |
| Fund Surplus, opening balance | 29,000 | 85 | 1,593 | 308 | 5,320 | 42,382 | 37,156 | - | 578,405 | 12,751 | 707,000 | 667,146 |
| Fund Surplus, ending balance | | | | | | | | | | | | |

THE CORPORATION OF THE VILLAGE OF SAYWARD
 Schedule of Segment Reporting by Service
 Year ended December 31, 2017

| | General Government | | Recreation and Parks | | Protective | | Transportation | | Solid Waste | |
|-----------------------------------------|--------------------|------------------|----------------------|------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Revenue | | | | | | | | | | |
| Taxation | 335,286 | 327,849 | - | - | - | - | - | - | - | - |
| User fees | - | - | - | - | - | - | - | - | 28,632 | 28,938 |
| Government grants and transfers | 428,765 | 411,142 | - | - | 31,978 | 22,008 | - | - | 4,991 | 3,418 |
| Sales of services | 11,436 | 12,190 | 25,994 | 25,064 | 31,297 | 31,025 | - | 1,375 | 512 | 10,663 |
| Contributions from others | 63,000 | 7,671 | 137,425 | 7,671 | 25 | 100 | - | - | - | - |
| Investment and other income | 50,032 | 25,791 | 6,426 | 3,466 | - | 190 | - | - | - | - |
| | <u>888,519</u> | <u>776,972</u> | <u>169,845</u> | <u>36,201</u> | <u>63,300</u> | <u>53,323</u> | - | <u>1,375</u> | <u>34,135</u> | <u>43,019</u> |
| Expenses | | | | | | | | | | |
| Wages and benefits | 204,814 | 215,065 | 136,158 | 132,430 | 18,018 | 20,325 | - | - | - | - |
| Operating expenses | 200,380 | 152,204 | 146,352 | 120,811 | 60,474 | 61,391 | - | 30,835 | - | 44,692 |
| Minor capital | - | - | 3,430 | 4,819 | - | - | - | - | - | - |
| Debt charges | - | - | - | - | - | - | - | - | - | - |
| Amortization of tangible capital assets | 529 | 529 | 14,447 | 12,859 | 16,125 | 16,125 | 2,446 | 2,446 | - | - |
| | <u>405,723</u> | <u>367,798</u> | <u>300,387</u> | <u>270,919</u> | <u>94,617</u> | <u>97,841</u> | <u>59,859</u> | <u>33,281</u> | <u>39,411</u> | <u>44,692</u> |
| Annual Surplus (Deficit) | <u>482,796</u> | <u>409,174</u> | <u>(130,542)</u> | <u>(234,718)</u> | <u>(31,317)</u> | <u>(44,518)</u> | <u>(59,859)</u> | <u>(31,906)</u> | <u>(5,276)</u> | <u>(1,673)</u> |
| | | | | | | | | | | |
| Revenue | | | | | | | | | | |
| Taxation | - | - | 9,110 | 9,110 | - | - | 344,396 | 336,959 | - | - |
| User fees | - | - | 58,824 | 57,432 | 93,130 | 77,742 | 160,586 | 164,112 | - | - |
| Government grants and transfers | - | - | - | - | 577,272 | 209,976 | 1,043,006 | 646,544 | - | - |
| Sales of services | - | - | - | - | - | - | 69,239 | 80,317 | - | - |
| Contributions from others | - | - | - | - | - | - | 200,450 | 7,771 | - | - |
| Investment and other income | 1,294 | 313 | 2,506 | 1,708 | 712 | 588 | 60,970 | 32,056 | - | - |
| | <u>1,294</u> | <u>313</u> | <u>70,440</u> | <u>68,250</u> | <u>671,114</u> | <u>288,306</u> | <u>1,898,647</u> | <u>1,267,759</u> | <u>1,267,759</u> | <u>1,267,759</u> |
| Expenses | | | | | | | | | | |
| Wages and benefits | 67,345 | 59,282 | 34,195 | 34,935 | 45,539 | 44,773 | 506,069 | 506,810 | - | - |
| Operating expenses | 25,118 | 31,951 | 30,027 | 14,725 | 19,146 | 46,071 | 578,321 | 502,680 | - | - |
| Minor capital | - | - | - | - | 7,211 | - | 10,641 | 4,819 | - | - |
| Debt charges | - | - | 2,178 | 2,178 | 749 | 749 | 2,927 | 2,927 | - | - |
| Amortization of tangible capital assets | 9,982 | 9,982 | 36,799 | 36,799 | 22,379 | 22,379 | 102,707 | 101,119 | - | - |
| | <u>102,445</u> | <u>101,215</u> | <u>103,199</u> | <u>88,637</u> | <u>95,024</u> | <u>113,972</u> | <u>1,200,665</u> | <u>1,118,355</u> | <u>1,118,355</u> | <u>1,118,355</u> |
| Annual Surplus (Deficit) | <u>(101,151)</u> | <u>(100,902)</u> | <u>(32,759)</u> | <u>(20,387)</u> | <u>576,090</u> | <u>174,334</u> | <u>697,982</u> | <u>149,404</u> | <u>149,404</u> | <u>149,404</u> |