



District of Wells
Statement of Financial Information (SOFI)
For the year ended December 31, 2019



District of Wells

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, Subsection 9 (2), approves all the statements and schedules included in this Statement of Financial Information, produced under the Financial Information Act.

A handwritten signature in blue ink, appearing to read "D. Forseille", is written over a horizontal line.

Donna Forseille
Chief Administrative Officer
District of Wells
August 18, 2020

A handwritten signature in blue ink, appearing to read "G. Fourchalk", is written over a horizontal line.

Gabe Fourchalk
Mayor
District of Wells
August 18, 2020

STATEMENT OF FINANCIAL INFORMATION
DISTRICT OF WELLS
Schedule of Remuneration and Expenses 2019

Staff 2018 Remuneration and Expenses (combined)

Name	Position	Salary	Expenses
Donna Forseille	Chief Administrative Officer	\$ 80,000	\$ 9500
Other under \$75,000		\$ 162,479	
TOTAL SALARIES and EXPENSES		\$ 242,479.00	\$9500

Mayor and Council 2018 Remuneration and Expenses

Name	Position	Remuneration	Expenses
Gabe Fourchalk	Mayor	\$ 10718.21	\$ 4233.70
Mandy Kilsby	Councillor	\$ 3915.71	\$ 1696.32
Ksenya Dorwart	Councillor	\$ 3915.71	\$ 911.20
Chris Cooley	Councillor	\$ 3915.71	\$701.66
Jordan Rohatynski	Councillor	\$ 3915.71	\$ 2001.49
TOTAL REMUNERATION AND EXPENSES		\$ 26381	\$ 9544.37

Employer Portions of CPP and EI

CPP: \$ 10,732.73

EI: \$ 5969.16

STATEMENT OF FINANCIAL INFORMATION
DISTRICT OF WELLS

Schedule Showing Payments Made for the Provision of Goods or Services in 2018

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	Aggregate Amount paid to supplier
BC Hydro and Power Authority	\$ 61,334
Cariboo Propane	\$ 29,403
EMCON Services Inc.	\$ 206,437
James and Sons Electric Ltd	\$ 37,816
Two Boys Contracting	\$28,904
Pinchin	\$ 37,386
Zirnhelt Timber Frames Ltd.	\$ 78,448
Swing Time Distributors Ltd.	\$ 30,178
Receiver General of Canada	\$ 72, 232
Total aggregate amount paid to above suppliers:	\$ 582, 138

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less: \$ 1,031,475

3. Total paid to suppliers: \$ 1,613,613

STATEMENT OF FINANCIAL INFORMATION

DISTRICT OF WELLS

Tax Exemptions for 2019 Tax Year (per Bylaw)

UNDER DIVISION 7, PART 7 OF THE COMMUNITY CHARTER

Name of Organization	Folio #	Class	2019 Rates	2019 Assessment	Tax Exempted
Wells Historical Society	09351.002	6	23.4136	\$ 54,800	\$ 968
Wells Historical Society	05541.991	6	23.4136	\$ 12,400	\$ 219
Island Mountain Arts Society	01650.000	6	23.1436	\$ 58,400	\$1032
Island Mountain Arts Society	01771.010	1	10.1614	\$ 16,800	\$ 640
Island Mountain Arts Society	01682.002	1	10.1614	\$284,500	\$ 3388
Wells Recreation Society	01480.002	6	23.4136	\$ 329,700	\$ 5825
Royal Canadian Legion Branch 128	01433.001	6	23.4136	\$ 22,500	\$527
<u>TOTAL</u>					<u>\$ 12,599</u>

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

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

Page 1: Corporation Information

Ministry Information

General: Section One

- 1(1)(a) Statement of assets and liabilities
- 1(1)(b) Operational statement
- 1(1)(c) Schedule of debts
- 1(1)(d) Schedule of guarantee and indemnity agreements
- 1(1)(e) Schedule of employee remuneration and expenses
- 1(1)(f) Schedule of suppliers of goods and services
- 1(2) [Explanatory information for reference]
- 1(3) Statements prepared on a consolidated basis or for each fund
- 1(4) & (5) Notes to the statements and schedules in section 1(1)

Page 2: Statement of Assets & Liabilities: Section Two

- 2 Balance sheet
- Changes in equity and surplus or deficit

Operational Statement: Section Three

- 3(1) Statement of Income / Statement of Revenue and Expenditures
- Statement of Changes in Financial Position
- 3(2) & (3) Omission of Statement of Changes in Financial Position, with explanation
- 3(4) Requirement for community colleges, school districts and municipalities

Statement of Debts: Section Four

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

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

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

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

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

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

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

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

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

Page 5: Inactive Corporations: Section Eight

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

Approval of Financial Information: Section Nine

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

Access to the Financial Information: Section Ten

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

Financial Information Regulation, Schedule 1 Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: District of Wells Contact Name: Donna Forseille
 Fiscal Year End: 31 December 2019 Phone Number: 250-994-3330
 Date Submitted: August 18, 2020 E-mail: admin1@wells.ca

For the Ministry:

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

Distribution: Legislative Library Ministry Retention

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (c)	Schedule of debts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Not Applicable
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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

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

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

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

DISTRICT OF WELLS
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

INDEX

	Page
Management's Responsibility	2
Independent Auditor's Report	3-4
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Change in Net Financial Assets	7
Consolidated Statement of Cash Flows	8
Notes to the Consolidated Financial Statements	9-20
Independent Auditor's Report on Supplementary Information	21
General Operating Fund Statement of Financial Position	22
General Operating Fund Statement of Operations	23-25
Water System Statement of Financial Position	26
Water System Statement of Operations	27
Sewer System Statement of Financial Position	28
Sewer System Statement of Operations	29

MANAGEMENT'S RESPONSIBILITY

The information and representations in the consolidated financial statements are the responsibility of management and have been approved by the Mayor and Council of the District of Wells. The consolidated financial statements were prepared by management in accordance with Canadian Public Sector Accounting Standards and, where necessary, reflect management's best estimates and judgements at this time. It is reasonably possible that circumstances may arise which cause actual results to differ. Management does not believe it is likely that any differences will be material.

The District of Wells maintains systems of internal accounting controls, policies and procedures to provide reasonable assurances as to the reliability of the financial records and safeguarding of its assets.

The Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been reviewed and approved by the Mayor and Council. The consolidated financial statements have been audited by FBB Chartered Professional Accountants LLP, the independent auditors, whose report follows.

July 28, 2020
Wells, British Columbia

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council,
District of Wells

Opinion

We have audited the financial statements of District of Wells, which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the District of Wells as at December 31, 2019, 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 Village in accordance with ethical requirements that are relevant to our audit of the consolidated 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 17 in the financial statements, which indicates that the District incurred a net deficit of \$143,021 during the year ended December 31, 2019 and, as of that date, the District's chequing account was overdrawn in amount of \$89,180. As stated in Note 17, these events or conditions, along with other matters as set forth in Note 17, indicate that a material uncertainty exists that may cast significant doubt on the District's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated 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 municipality or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 municipality'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 municipality'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 municipality 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.

July 28, 2020
Quesnel, British Columbia

*FBB Chartered Professional
Accountants LLP*

FBB Chartered Professional Accountants LLP

District of Wells

Consolidated Statement of Financial Position

As at December 31, 2019

	<u>2019</u>	<u>2018</u>
Financial assets		
Cash and investments	\$ 273,243	\$ 714,495
Taxes and accounts receivable (note 2)	185,700	147,001
Investment in wholly owned subsidiary (note 3)	170,107	207,022
	<u>629,050</u>	<u>1,068,518</u>
Financial liabilities		
Accounts payable and accrued liabilities (note 4)	91,743	87,238
Liability for contaminated site (note 12)	42,375	-
Deferred revenue (note 5)	94,925	335,787
	<u>229,043</u>	<u>423,025</u>
Net financial assets	<u>400,007</u>	<u>645,493</u>
Non-financial assets		
Property acquired for taxes	10,163	10,163
Prepaid expenses	2,672	4,403
Tangible capital assets (note 6)	6,418,033	6,313,837
	<u>6,430,868</u>	<u>6,328,403</u>
Accumulated surplus (note 7)	<u>\$ 6,830,875</u>	<u>\$ 6,973,896</u>

District of Wells

Consolidated Statement of Operations For the year ended December 31, 2019

	2019 <u>Budget</u> (unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
Revenue			
Government grants	\$ 731,071	\$ 565,862	\$ 1,070,460
Taxation	173,040	205,851	172,711
Other revenue from own sources	68,688	68,650	90,033
Utility user fees	83,622	108,401	90,922
Other grants	104,343	101,481	57,516
Sale of services	20,660	14,130	16,796
Equity (loss) income from subsidiary	-	(36,915)	354,434
	<u>1,181,424</u>	<u>1,027,460</u>	<u>1,852,872</u>
Deferred from previous year	-	335,787	45,904
Deferred to following year	-	(85,475)	(335,787)
	<u>1,181,424</u>	<u>1,277,772</u>	<u>1,562,989</u>
Expenses			
Amortization	-	199,372	187,842
General government services	1,161,785	1,038,397	870,948
Protective services	38,510	18,164	34,605
Water utility operations	91,051	84,520	84,880
Sewer utility operations	75,865	80,340	73,354
	<u>1,367,211</u>	<u>1,420,793</u>	<u>1,251,629</u>
Annual (deficit) surplus	<u>\$ (185,787)</u>	(143,021)	311,360
Accumulated surplus, beginning of year		<u>6,973,896</u>	<u>6,662,536</u>
Accumulated surplus, end of year		<u>\$ 6,830,875</u>	<u>\$ 6,973,896</u>

District of Wells

Consolidated Statement of Changes in Net Financial Assets For the year ended December 31, 2019

	<u>2019</u> <u>Budget</u> (unaudited)	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
Annual (deficit) surplus	\$ (185,787)	\$ (143,021)	\$ 311,360
Amortization	-	199,372	187,842
Tangible capital assets purchased	(140,828)	(303,568)	(340,820)
Transfers from (to) reserves	326,615	-	-
Proceeds of long-term debt	-	-	-
Change in prepaid expenses	-	1,731	1,722
(Decrease) increase in net financial assets	-	(245,486)	160,104
Net Financial Assets, beginning of year	-	645,493	485,389
Net Financial Assets, end of year	<u>\$ -</u>	<u>\$ 400,007</u>	<u>\$ 645,493</u>

District of Wells
Consolidated Statement of Cash Flows
For the year ended December 31, 2019

	<u>2019</u>	<u>2018</u>
NET INFLOW (OUTFLOW) OF CASH:		
Operating activities		
Annual surplus	\$ (143,021)	\$ 311,360
Non-cash charges to operations		
Amortization	199,372	187,842
Remediation for contaminated site		
Equity loss (income) from subsidiary	36,915	(354,433)
Changes in non-cash operating balances:		
Taxes and accounts receivable	42,375	-
Accounts payable and accrued liabilities	(38,699)	11,311
Prepaid expenses	4,505	39,038
Deferred revenue	1,731	1,722
	<u>(240,862)</u>	<u>289,883</u>
	<u>(137,684)</u>	<u>486,723</u>
Capital activities		
Tangible capital asset purchases	<u>(303,568)</u>	<u>(340,820)</u>
Investing activities		
Repayment of advances to subsidiary	-	3,015
Dividends received from subsidiary	-	218,029
	<u>-</u>	<u>221,044</u>
Increase (decrease) in cash and investments	(441,252)	366,947
Cash and investments, beginning of year	<u>714,495</u>	<u>347,548</u>
Cash and investments, end of year	<u>\$ 273,243</u>	<u>\$ 714,495</u>
Cash and investments consists of the following:		
Bank accounts	\$ 229,500	\$ 582,680
Guaranteed investment certificates	132,522	131,415
Overdraft and cheques issued in excess of funds on deposit	(89,179)	-
Petty cash	400	400
	<u>\$ 273,243</u>	<u>\$ 714,495</u>

The above GIC bears interest at 1.35% per annum and paid monthly.

District of Wells

Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

The District of Wells (the "District") is a municipality established in 1998 under the Community Charter, formerly the Municipal Act, a statute of the Province of British Columbia. The District's principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, water and sewer services.

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the District are prepared in accordance with Canadian public sector accounting standards for government as recommended by Municipal Affairs British Columbia and the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. The significant accounting policies adopted by the District are as follows:

a. Basis of presentation

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

The Consolidated Statement of Financial Position reflects the combined results and activities of the District's Operating, Capital and Reserve Funds. The purposes of these funds are:

i. Operating funds

Operating Funds are to be used to record the costs associated with providing District services.

ii. Capital funds

Capital Funds are used to account for the acquisition costs of the District's Tangible Capital Assets, the accumulated amortization thereon, and the funding thereof including related long-term debt.

iii. Reserve funds

Under the *Local Government Act* of the Province of British Columbia, the Mayor and Council of the District may, by bylaw, establish Reserve Funds for specific purposes. Money in a Reserve Fund and interest thereon must be used only for the purpose for which the fund was established. If the amount in a Reserve Fund is greater than required, the Mayor and Council may, by bylaw, transfer all or part of the balance to another Reserve Fund.

Financial assets are economic resources controlled by the government as a result of past transactions from which future economic benefits may be obtained. Liabilities are present obligations of the government to others arising from past transactions, the settlement of which is expected to result in the future sacrifice of economic benefits.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

The District follows the accrual method of accounting for revenues and expenses. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are recorded in the period in which goods and services are acquired and a liability is incurred.

b. Trust funds

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

c. Collections for other agencies

The District collects taxation and other revenue for other agencies and then pays them out to these agencies. These items are not considered revenue or expenses of the District and are excluded from the consolidated financial statements.

d. Revenue recognition

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

Receipts which are restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as restricted revenues. When related expenses are incurred they are brought into revenue in the year the expenses were incurred. Revenues received in advance of expenses which will be incurred in a later period are deferred until the expenses are incurred.

Investment revenue is reported as revenue in the period earned. When required by the funding agency or related Act, investment income earned on deferred revenue, it is included in the deferred revenue balance.

e. Cash

Cash consists of cash and investments of a short-term nature with funds available for day to day operations.

f. Property acquired for taxes

Property acquired for taxes is carried at the lower of cost and net realizable value. Cost consists of the original purchase price and the applicable carrying charges.

District of Wells

Notes to the Consolidated Financial Statements

For the year ended December 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

g. Investment in government business enterprises

The District's investment in the Wells-Barkerville Community Forest Corporation (the "GBE"), a wholly-owned subsidiary, is accounted for on a modified equity basis as recommended by Canadian public sector accounting standards. Under the modified equity basis, the GBE's accounting policies are not adjusted to conform with those of the District and inter-organizational transactions are not eliminated or consolidated. The District recognizes its equity interest in the annual earnings or loss of the GBE in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends received from the GBE are recorded as reductions in the investment asset account.

h. Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, excluding all interest costs. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue.

Amortization is provided using the straight-line method at the following rates:

Buildings	2.50%
Roads and infrastructure	2.00%
Equipment	10.00%
Water system	1.25%
Sewer system	1.25%
Mountain trails system	1.25%

Tangible capital assets are tested annually for any impairment in value based on continued usefulness of the assets and their related carrying values. Any impairment would be recorded in the period the impairment occurs in expenses. Annual amortization is recorded in the year an asset becomes available for use and in the year of disposal. Assets under construction are not amortized until the asset is available for use.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Contaminated sites

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

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met: an environmental standard exists, contamination exceeds the environmental standard, the organization is directly responsible or accepts responsibility for the liability, future economic benefits will be given up and a reasonable estimate can be made.

j. Use of Estimates

The preparation of consolidated financial statements in conformity 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 consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the the use of management estimates include: determination of accrued sick benefits and carrying amount of tangible capital assets. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

2. TAXES AND ACCOUNTS RECEIVABLE

	<u>2019</u>	<u>2018</u>
Tax roll and utilities	\$ 93,775	\$ 74,641
GST/HST refund	45,995	24,290
Grants	24,293	41,038
Northern Health Authority	-	-
Other	<u>21,637</u>	<u>7,032</u>
	<u>\$ 185,700</u>	<u>\$ 147,001</u>

3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY

Wells - Barkerville Community Forest Ltd.	\$ 170,007	\$ 206,922
Accumulated surplus	100	100
Shares	<u>\$ 170,107</u>	<u>\$ 207,022</u>

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

3. INVESTMENT IN WHOLLY OWNED SUBSIDIARY (continued)

Operations	2019	2018
Revenue		
Expenses	\$ -	\$ 378,876
Net earnings	<u>36,915</u>	<u>24,443</u>
	(36,915)	354,433
Less dividends	-	(218,029)
Accumulated surplus, opening	<u>206,922</u>	<u>70,518</u>
Accumulated surplus, ending	<u>\$ 170,007</u>	<u>\$ 206,922</u>

The Wells - Barkerville Community Forest Corporation (the "Corporation") has entered into a Community Forest Agreement with the Province of British Columbia pursuant to an agreement in 2017 (the "agreement"). The agreement is for a 25 year term and gives the Corporation the right to harvest certain levels of timber on an annual basis and a total amount over the term of the Agreement. The advances are unsecured with no specific terms of repayment and recorded at the carrying amount. The accumulated surplus and advances are assessed annually for impairment based on audited financial statements provided by the Corporation.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2019</u>	<u>2018</u>
Trade payables and accrued liabilities	\$ 75,743	\$ 66,853
Government remittances	-	4,385
Other	<u>16,000</u>	<u>16,000</u>
	<u>\$ 91,743</u>	<u>\$ 87,238</u>

5. DEFERRED REVENUE

Prepaid utilities & taxes	\$ 9,450	\$ -
Aging in Wells grant	-	5,621
B.C. Rural Dividend - Housing Grant	475	3,109
B.C. Rural Dividend - Business Recruitment	-	10,000
B.C. Rural Dividend - Boundary Expansion Grant	85,000	85,000
B.C. Rural Dividend - Wildfire Mitigation	-	232,057
	<u>\$ 94,925</u>	<u>\$ 335,787</u>

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

6. TANGIBLE CAPITAL ASSETS

			2019	2018
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 257,524	\$ -	\$ 257,524	\$ 257,524
Buildings	3,240,090	1,128,948	2,111,142	2,062,918
Roads and infrastructure	727,244	237,121	490,123	504,668
Mountain trail systems	181,580	12,251	169,329	170,464
Equipment	759,936	749,407	10,529	43,424
Water system	2,821,154	535,770	2,285,384	2,162,714
Sewer system	1,449,819	355,817	1,094,002	1,112,125
	<u>\$ 9,437,347</u>	<u>\$ 3,019,314</u>	<u>\$ 6,418,033</u>	<u>\$ 6,313,837</u>

Tangible Capital Asset Additions for the year are as follows:

	Cost January 1, 2019	Additions	Cost December 31, 2019
Land	\$ 257,524	\$ -	\$ 257,524
Buildings	3,110,889	129,201	3,240,090
Roads and infrastructure	727,244	-	727,244
Mountain trail systems	181,580	-	181,580
Equipment	743,503	16,433	759,936
Water system	2,663,220	157,934	2,821,154
Sewer system	1,449,819	-	1,449,819
	<u>\$ 9,133,779</u>	<u>\$ 303,568</u>	<u>\$ 9,437,347</u>

Amortization for the year is as follows:

	Balance January 1, 2019	Amortization	Balance December 31, 2019
Buildings	\$ 1,047,971	\$ 80,977	\$ 1,128,948
Roads and infrastructure	222,576	14,545	237,121
Mountain trail systems	11,116	1,135	12,251
Equipment	700,079	49,328	749,407
Water system	500,506	35,264	535,770
Sewer system	337,694	18,123	355,817
	<u>\$ 2,819,942</u>	<u>\$ 199,372</u>	<u>\$ 3,019,314</u>

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

7. ACCUMULATED SURPLUS

	<u>2019</u>	<u>2018</u>
General operating fund	\$ 325,109	\$ 732,824
Water system	(63,422)	(82,970)
Sewer system	20,945	10,205
Invested in tangible capital assets	6,418,033	6,313,837
Reserves	130,210	-
	<u>\$ 6,830,875</u>	<u>\$ 6,973,896</u>

8. COMMITMENTS AND CONTINGENCIES

a. The District is jointly and severally liable under the provisions of the *Community Charter* for any default on monies borrowed by the Cariboo Regional District.

b. Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. 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 the adequacy of Plan funding. The most recent valuation as at December 2018 indicated a funding surplus of \$2,866 million for basic pension benefits.

The next valuation will be 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 accounting). This is because the Plan records accrued liabilities and assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and costs to the individual employers participating in the Plan.

The District of Wells paid \$10,498 for employer contributions to the Plan in fiscal 2019 (\$18,667 - 2018).

c. The District is responsible for collecting and transmitting property taxes and other levies on District of Wells taxpayers in respect of the following agencies: Ministry of Education, Cariboo Regional District, Cariboo-Chilcotin Regional Hospital District, B.C. Assessment Authority, Municipal Finance Authority and Royal Canadian Mounted Police.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

9. ECONOMIC DEPENDENCE

The District receives a significant portion of revenue from the Province of British Columbia through the government's Small Community Protection Program. The effect on the District's operations would be significantly adverse should the program be discontinued.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The District's financial instruments consist of cash and investments, taxes and accounts receivable, accounts payable and accrued liabilities and District debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The District is exposed to financial risk that arises from the credit quality of the entities to which it provides services. Credit risk arises from the possibility that the entities to which the District provides services may experience financial difficulty and be unable to fulfill their obligations. The District mitigates this risk by dealing with counterparties management considers to be of high integrity.

The District is exposed to interest rate risk arising from fluctuations in interest rates on its cash and investments. No financial instruments are held that mitigate this risk.

11. EXPENSES BY OBJECT

	2019 Budget (unaudited)	2019 Actual	2018 Actual
Salaries, wages and benefits	\$ 300,639	\$ 242,479	\$ 350,960
Materials and supplies	342,639	301,085	138,025
Contracted services	507,629	300,959	317,768
Rent, maintenance and utilities	220,610	228,636	183,745
Mayor and Council remuneration and travel	42,188	67,100	35,234
Insurance	28,300	28,587	27,086
Grants	10,500	10,000	10,000
Debt charges	1,000	200	969
Remediation expenses	-	42,375	-
Amortization	-	199,372	187,842
	<u>\$ 1,453,505</u>	<u>\$ 1,420,793</u>	<u>\$ 1,251,629</u>

District of Wells

Notes to the Consolidated Financial Statements
For the year ended December 31, 2019

12. LIABILITY FOR CONTAMINATED SITES

The District is aware of 3 sites in the municipal area which are known to be contaminated with hazardous historical mine waste as noted by various site assessments and exceed the environmental standard. The Province of British Columbia has taken responsibility for remediation of these sites. The sites are in a remote location and the contamination is contained at the sites. The contamination is not likely to affect public health, safety, cause damage or otherwise impair the quality of the surrounding environment. The Province of British Columbia has posted signs indicating "caution hazardous historical mine waste" and to the District's knowledge has no further plans to remediate the sites.

Since the District does not bear responsibility for these sites, no liability related to remediation has been recognized in these financial statements.

During the year, the District became aware of a diesel fuel spill on the below ground fuel tank which fuels the boiler for the Wells School, which is owned by the District. Diesel had leaked onto the ground into the basement of the school and has seeped into the soil beneath. The District had a professional contractor examine the site to estimate the impact of the fuel spill and the cost of remediation. These total costs to remediate the site and inspect were in the amount of \$42,375 and have been incurred in the year ended December 31, 2020. It was determined by the contractor that there was no further contamination and the District management believes that the area has been fully remediated.

Since the fuel spill exceeded the environmental safety standard, the amount can be measured and the District has taken responsibility for the fuel spill, the District has recorded a liability for contaminated sites of \$42,375 in these financial statements. The related expense has been recorded as remediation expenses in Note 11 of these financial statements.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

13. BUDGETED FIGURES

The budget amounts presented throughout these consolidated financial statements are unaudited and represent the five year financial plan bylaw approved by the District Mayor and Council on March 18, 2019.

The financial plan anticipated use of surpluses accumulated in previous years to provide for any current year expenditures in excess of current year revenues. Another significant variance is that the financial plan anticipated capital expenditures rather than amortization expense, and changes in District debt.

The summary below reconciles the 2019 adopted financial plan to the budgeted figures presented on the Consolidated Statement of Operations.

Budgeted consolidated annual surplus	\$ -
Budgeted amounts for:	
Tangible Capital Asset acquisitions	140,828
Net transfers from reserves	<u>(326,615)</u>
Budgeted consolidated annual surplus, as reported	<u>\$ (185,787)</u>

14. TRUST FUNDS

The District maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. The funds held in trust as at December 31, 2019 are \$1,100 (2018 - \$1,100) and are not included in the District's consolidated statement of financial position.

15. SUBSEQUENT EVENT

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time, these factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

16. SEGMENTED INFORMATION

The District is a diversified municipal organization that provides a wide range of services to its citizens. For management reporting purposes, the District's operations and activities are organized and reported by service areas. Municipal services are provided by departments and their activities are reported in these service areas. Service areas that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

a) General Government Services:

General government services operations provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental of the District. General services also includes protective services, which is comprised of emergency management and regulatory services.

b) Water Utility Operations:

The water utility installs and maintains the water systems and facilities within the District. The treatment and distribution of water in the District through Public Works is included in this segment

c) Sewer Utility Operations

The sewer utility installs and maintains the sewer systems and facilities with the District. The collection of sewage in the District through Public Works is also included in this segment.

The operating results by segment are presented in the supplementary information.

17. GOING CONCERN

These financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the District be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liability as they become due.

A few unfavourable conditions and events have cast some doubt of the appropriateness of this assumption. The District currently has their chequing account in overdraft has incurred a net deficit for the year ended December 31, 2019. Subsequent to the year end, management has continued to utilize credit facilities and has found difficulty in managing the service levels of the past. Management attributes most of this issue to previous staff who applied for grant funds that were not fully utilized by the District, some of which had to be returned to the funders.

District of Wells

Notes to the Consolidated Financial Statements For the year ended December 31, 2019

17. GOING CONCERN (continued)

Subsequent to year end, management has prepared budget and cash flow forecasts and feels that it may be necessary to sell some of the District's tangible capital assets to ensure that service levels can be maintained at historical levels. Examination of the subsequent period bank statements and records show us that management has reduced expenditures and continues to be operating the District in a reasonable manner and the going concern basis is appropriate in the circumstances.

The accompanying consolidated financial statements do not include any adjustments relating to the recoverability of assets and to the reclassification of asset and liability amounts that might be necessary should the District be unable to continue its operations, as management believes the measures described above will mitigate the effect of the conditions and events that cast doubt on the appropriateness of this assumption.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Mayor and Council,
District of Wells,

We have audited and reported separately herein on the consolidated financial statement of the District of Wells as at and for the year ended December 31, 2019.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

*FBB Charterd Professional
Accountants LLP*

July 28, 2020
Quesnel, British Columbia

FBB Chartered Professional Accountants LLP

District of Wells

General Operating Fund - Statement of Financial Position

As at December 31, 2019

	<u>2019</u>	<u>2018</u>
Financial assets		
Cash and investments	\$ 143,033	\$ 714,495
Taxes and accounts receivable	185,700	147,001
Due from water system	63,422	82,970
Investment in wholly owned subsidiary	<u>170,107</u>	<u>207,022</u>
	<u>562,262</u>	<u>1,151,488</u>
 Financial Liabilities		
Accounts payable and accrued liabilities	91,743	87,238
Liability for contaminated site	42,375	-
Deferred revenue	94,925	335,787
Due to sewer system	<u>20,945</u>	<u>10,205</u>
	<u>249,988</u>	<u>433,230</u>
	<u>312,274</u>	<u>718,258</u>
 Net financial assets		
 Non-financial assets		
Property acquired for taxes	10,163	10,163
Prepaid expenses	2,672	4,403
Tangible capital assets	<u>3,038,647</u>	<u>3,038,998</u>
	<u>3,051,482</u>	<u>3,053,564</u>
	<u>\$ 3,363,756</u>	<u>\$ 3,771,822</u>
 Accumulated surplus		
 Accumulated surplus		
Operating surplus	\$ 325,109	\$ 732,824
Invested in tangible capital assets	<u>3,038,647</u>	<u>3,038,998</u>
	<u>\$ 3,363,756</u>	<u>\$ 3,771,822</u>

District of Wells

General Operating Fund - Statement of Operations For the year ended December 31, 2019

	2019 <u>Budget</u> (unaudited)	2019 <u>Actual</u>	2018 <u>Actual</u>
Revenue - page 23	\$ 1,014,508	\$ 832,312	\$ 1,675,656
Deferred from previous year	-	335,787	45,904
Deferred to following year	-	(85,475)	(335,787)
	<u>1,014,508</u>	<u>1,082,624</u>	<u>1,385,773</u>
Expenses			
Amortization	-	145,985	139,740
General government services - page 24	314,911	357,333	356,928
Civic Buildings - page 24	86,420	105,150	95,799
Protective services	24,510	11,800	20,292
Grants	1,000	-	1,000
Other - page 24	773,454	582,278	431,534
	<u>1,200,295</u>	<u>1,202,546</u>	<u>1,045,293</u>
Annual Surplus (Deficit)	<u>\$ (185,787)</u>	(119,922)	340,480
Accumulated surplus, beginning of year		3,771,822	3,689,158
Transfers to reserve funds		(130,210)	(1,408)
Transfers to water system		(157,934)	(256,408)
Accumulated surplus, end of year		<u>\$ 3,363,756</u>	<u>\$ 3,771,822</u>

District of Wells

General Operating Fund - Statement of Revenues For the year ended December 31, 2019

	2019 Budget (unaudited)	2019 Actual	2018 Actual
Revenue			
Taxation	\$ 80,343	\$ 88,541	\$ 77,014
Other revenue from own sources	59,321	59,622	64,416
Property sales	-	-	15,000
Interest	9,367	9,028	10,616
Other grants	237,591	101,481	57,516
Grants in lieu of taxes	5,503	26,642	13,536
Sale of services	20,660	14,130	16,796
Parcel taxes	3,900	3,920	3,900
Equity (loss) income from subsidiary	-	(36,915)	354,434
	<u>416,685</u>	<u>266,449</u>	<u>613,228</u>
 Government and other contributions			
UBCM gas tax funds	<u>65,951</u>	<u>130,210</u>	<u>65,951</u>
 Government grants			
Small Community Protection Grant	425,350	452,780	425,350
UBCM - Emergency preparedness	77,000	(22,461)	22,461
B.C. Rural Dividend - Housing Grant	-	-	10,000
B.C. Rural Dividend - Wildfire Mitigation	-	-	299,450
B.C. Rural Dividend - Business Recruiting	-	(10,000)	10,000
B.C. Rural Dividend - WBLC Assessment	-	15,334	100,000
B.C. Rural Dividend - Boundary Grant	-	-	85,000
Asset management grant	-	-	8,734
B.C. Climate Action Grant	3,717	-	3,717
Age friendly grant	4,470	-	10,430
Community health	21,335	-	21,335
	<u>531,872</u>	<u>435,653</u>	<u>996,477</u>
	<u>\$ 1,014,508</u>	<u>\$ 832,312</u>	<u>\$ 1,675,656</u>

District of Wells

General Operating Fund - Detailed expenditures

For the year ended December 31, 2019

	2019 Budget (unaudited)	2019 Actual	2018 Actual
General government			
Administration	\$ 258,246	\$ 262,261	\$ 332,068
Audit and legal	18,000	31,111	27,564
Insurance and deductible claims	26,500	28,505	25,876
Legislative	43,688	67,942	36,782
Office supplies and service contracts	28,093	27,130	31,436
Administration recoveries	(59,616)	(59,616)	(96,798)
	<u>314,911</u>	<u>357,333</u>	<u>356,928</u>
Civic Buildings			
Community hall	27,400	29,719	27,543
Municipal hall	16,200	17,415	14,581
Church	120	129	635
Wells/Barkerville school	42,700	57,887	53,040
	<u>86,420</u>	<u>105,150</u>	<u>95,799</u>
Other			
Public works	112,900	155,633	150,313
Building inspection contract	14,000	6,364	14,313
Municipal transit	21,750	23,010	21,730
Refuse collection	15,000	15,843	14,699
Community promotion	263,018	252,900	116,596
Environment remediation	-	42,375	-
Street lighting	7,500	8,646	7,408
Visitor centre operating	22,000	512	858
Barkerville cemetery	500	-	-
Interest and bank charges	1,000	200	969
Economic development	305,786	76,795	94,071
NDIT Frontage Improvement Project	10,000	-	10,577
	<u>773,454</u>	<u>582,278</u>	<u>431,534</u>

District of Wells

Water System - Statement of Financial Position

As at December 31, 2019

	<u>2019</u>	<u>2018</u>
Financial liabilities		
Due to general operating fund	\$ 63,422	\$ 82,970
Non-financial assets		
Tangible capital assets	<u>2,285,384</u>	<u>2,162,714</u>
Accumulated Surplus	<u>\$ 2,221,962</u>	<u>\$ 2,079,744</u>
Accumulated Surplus		
Operating surplus	\$ (63,422)	\$ (82,970)
Invested in tangible capital assets	<u>2,285,384</u>	<u>2,162,714</u>
	<u>\$ 2,221,962</u>	<u>\$ 2,079,744</u>

District of Wells

Water System - Statement of Operations

For the year ended December 31, 2019

	<u>2019</u> <u>Budget</u> (unaudited)	<u>2019</u> <u>Actual</u>	<u>2018</u> <u>Actual</u>
Revenue			
Customer billings	\$ 41,947	\$ 56,120	\$ 44,237
Connection charges and custom work	2,500	1,100	4,400
Parcel taxes	46,604	46,848	46,604
	<u>91,051</u>	<u>104,068</u>	<u>95,241</u>
Expenses			
Administration	30,401	30,401	48,275
Amortization	-	35,264	30,834
Distribution	23,200	15,815	7,359
Hydrants	1,000	-	600
Operations and maintenance	36,450	38,304	28,646
	<u>91,051</u>	<u>119,784</u>	<u>115,714</u>
Annual Surplus (Deficit)	<u>\$ -</u>	(15,716)	(20,473)
Accumulated surplus, beginning of year		2,079,744	1,843,809
Transfers from general operating surplus		<u>157,934</u>	<u>256,408</u>
Accumulated surplus, end of year		<u>\$ 2,221,962</u>	<u>\$ 2,079,744</u>

District of Wells
Sewer System - Statement of Financial Position
As at December 31, 2019

	<u>2019</u>	<u>2018</u>
Financial assets		
Due from general operating fund	\$ 20,945	\$ 10,205
Non-financial assets		
Tangible capital assets	<u>1,094,002</u>	<u>1,112,125</u>
Accumulated Surplus	<u>\$ 1,114,947</u>	<u>\$ 1,122,330</u>
Accumulated Surplus		
Operating surplus	\$ 20,945	\$ 10,205
Invested in tangible capital assets	<u>1,094,002</u>	<u>1,112,125</u>
	<u>\$ 1,114,947</u>	<u>\$ 1,122,330</u>

District of Wells

Sewer System - Statement of Operations

For the year ended December 31, 2019

	2018 <u>Budget</u> (unaudited)	2018 <u>Actual</u>	2017 <u>Actual</u>
Revenue			
Customer billings	\$ 36,975	\$ 50,080	\$ 38,985
Connection charges and custom work	2,200	1,100	3,300
Parcel taxes	36,690	39,900	39,690
	<u>75,865</u>	<u>91,080</u>	<u>81,975</u>
Expenses			
Administration	29,215	29,215	48,524
Amortization	-	18,123	17,268
Lift station	16,150	17,854	9,244
Operations and maintenance	24,500	25,484	10,847
Vehicle	6,000	7,787	4,739
	<u>75,865</u>	<u>98,463</u>	<u>90,622</u>
Annual Surplus (Deficit)	<u>\$ -</u>	(7,383)	(8,647)
Accumulated surplus, beginning of year		<u>1,122,330</u>	<u>1,130,977</u>
Accumulated surplus, end of year		<u>\$ 1,114,947</u>	<u>\$ 1,122,330</u>

