

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

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

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- 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)

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

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- 7(1)(b) Consolidated total of all payments of \$25,000 or less
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- 8(2)(a) Contents of report – statements and schedules under section 1(1) to extent possible
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- 9(1) Approval of SOFI for corporations (other than municipalities)
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- 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 Fort St. James Contact Name: Rachelle Willick
 Fiscal Year End: 2018 Phone Number: 250-996-8233
 Date Submitted: June 26, 2019 E-mail: finance@fortstjames.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	☒	☐	☐	
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 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	☒	☐	☐	
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	☒	☐	☐	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	- 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	☒	☐	☐	
Operational Statement					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: - a Statement of Income or Statement of Revenue and Expenditures, and - a Statement of Changes in Financial Position	☒	☐	☐	
3 (2) 3 (3)	- The Statement of Changes in Financial Position may be omitted if it provides no additional information - The omission must be explained in the notes	☒	☐	☐	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	☒	☐	☐	
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	☒	☐	☐	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	☐	☐	☒	
4 (3) 4 (4)	- 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	☐	☐	☒	

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)	☐	☐	☒	
5 (2)	State the entities involved, and the specific amount involved if known	☐	☐	☒	
5 (3) 5 (4)	- 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	☐	☐	☒	
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	☒	☐	☐	
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)]	☒	☐	☐	
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	☒	☐	☐	
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	☒	☐	☐	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	☒	☐	☐	

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	☒	☐	☐	
6 (7) (a) 6 (7) (b)	Include a statement of severance agreements providing: - 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)	☒	☐	☐	
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	☐	☐	☒	
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	☒	☐	☐	
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	☒	☐	☐	
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	☒	☐	☐	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	☒	☐	☐	

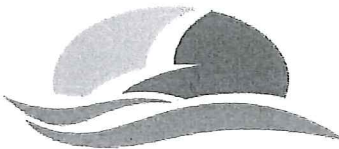
FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	☐	☐	☒	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	☐	☐	☒	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	☐	☐	☒	
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)	☐	☐	☒	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	☒	☐	☐	
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/)	☒	☐	☐	
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	☒	☐	☐	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	☒	☐	☐	

District of Fort St. James

Financial Statements
December 31, 2018

DISTRICT OF FORT ST. JAMES
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December 31, 2018

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OFFICE OF ADMINISTRATION

Management's Report

Management's Responsibility for the Financial Statements

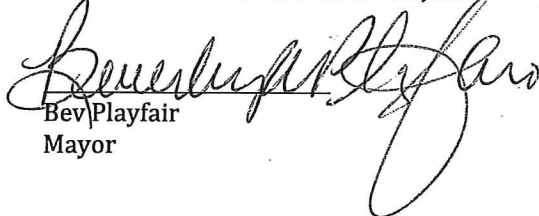
The financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements.

Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. Mayor and Council reviews external audited financial statements yearly. Mayor and Council also discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The external auditors, PricewaterhouseCoopers LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the District and meet when required. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the District of Fort St. James



Bev Playfair
Mayor



Rachelle Willick
Chief Financial Officer

Independent auditor's report

To the Mayor and Council of District of Fort St. James

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of District of Fort St. James (the District) as at December 31, 2018 and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

What we have audited

The District's financial statements comprise:

- the statement of financial position as at December 31, 2018;
- the statement of operations for the year then ended;
- the statement of changes in net financial assets for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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

Independence

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Prince George, British Columbia
May 3, 2019

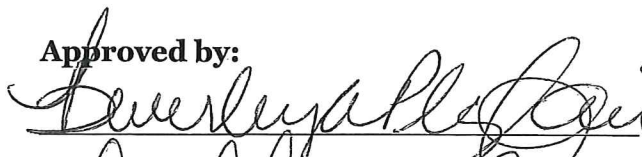
District of Fort St. James

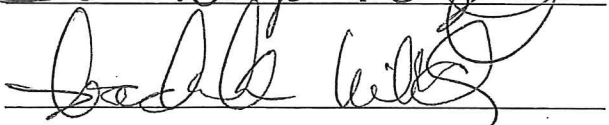
Statement of Financial Position

As at December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Financial assets		
Cash	2,920,412	1,712,229
Accounts receivable (note 7)	2,008,346	1,315,258
	<u>4,928,758</u>	<u>3,027,487</u>
Liabilities		
Accounts payable and accrued liabilities	659,483	423,538
Deferred revenue (note 3)	115,655	122,728
Long-term debt (note 6)	460,185	575,603
	<u>1,235,323</u>	<u>1,121,869</u>
Net financial assets	<u>3,693,435</u>	<u>1,905,618</u>
Non-financial assets		
Prepaid expenses	131,382	52,537
Tangible capital assets (schedule 3)	24,990,837	24,990,696
	<u>25,122,219</u>	<u>25,043,233</u>
Accumulated surplus (note 12)	<u>28,815,654</u>	<u>26,948,851</u>
Contingent liabilities (note 4)		

Approved by:

 (Mayor)

 Chief Financial Officer

District of Fort St. James
Statement of Operations
For the year ended December 31, 2018

	2018		2017
	Budget	Actual	Actual
	(note 8)		
	\$	\$	\$
Revenue			
Taxation (note 2)	2,410,037	2,410,333	2,119,338
Community forest	900,000	1,540,554	800,000
Grants (schedule 1)	1,244,813	1,207,615	1,441,129
User charges	632,883	607,309	601,968
Sale of services	280,060	229,732	255,931
Grants in lieu of taxes	227,628	210,178	212,868
Miscellaneous	96,858	84,464	105,292
Frontage tax	64,000	64,415	63,502
Interest and investment income	38,200	186,933	48,968
Loss on sale of tangible capital assets	-	(38,691)	(41,847)
	5,894,479	6,502,842	5,607,149
Expenditures			
General (schedule 2)	3,529,975	4,172,587	3,916,818
Water system	229,869	204,170	245,043
Sewer system	275,869	259,282	306,175
Total expenditures (schedule 4)	4,035,713	4,636,039	4,468,036
Annual surplus	1,858,766	1,866,803	1,139,113
Accumulated surplus – Beginning of year		26,948,851	25,809,738
Accumulated surplus – End of year		28,815,654	26,948,851

The accompanying notes are an integral part of these financial statements.

District of Fort St. James

Statement of Changes in Net Financial Assets

For the year ended December 31, 2018

	<u>2018</u>		<u>2017</u>
	Budget	Actual	Actual
	(note 8)		
	\$	\$	\$
Annual surplus	1,858,766	1,866,803	1,139,113
Acquisition of tangible capital assets	(1,190,564)	(949,316)	(818,696)
Amortization of tangible capital assets	-	903,854	1,021,564
Proceeds on tangible capital asset sales	-	6,630	-
Loss on tangible capital asset sales	-	38,691	41,847
Acquisition of prepaid expenses, net	-	(78,845)	(5,659)
Change in net financial assets	668,202	1,787,817	1,378,169
Net financial assets – Beginning of year	1,905,618	1,905,618	527,449
Net financial assets – End of year	<u>2,573,820</u>	<u>3,693,435</u>	<u>1,905,618</u>

The accompanying notes are an integral part of these financial statements.

District of Fort St. James
Statement of Cash Flows
For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Cash provided by (used in)		
Operating activities		
Cash received from:		
Taxation and government agencies	5,576,109	5,597,653
Interest	186,936	49,117
	<u>5,763,045</u>	<u>5,646,770</u>
Cash paid for:		
Employees and suppliers	(3,487,914)	(3,390,201)
Interest	(8,844)	(10,509)
	<u>(3,496,758)</u>	<u>(3,400,710)</u>
Cash provided by operating activities	<u>2,266,287</u>	<u>2,246,060</u>
Capital activities		
Proceeds on sale of tangible capital assets	6,630	-
Acquisition of tangible capital assets	(949,316)	(818,696)
	<u>(942,686)</u>	<u>(818,696)</u>
Financing activities		
Proceeds from long-term debt	-	116,755
Repayment of long-term debt	(115,418)	(130,103)
Repayment of obligation under capital lease	-	(134,035)
	<u>(115,418)</u>	<u>(147,383)</u>
Increase in cash during the year	<u>1,208,183</u>	<u>1,279,981</u>
Cash – Beginning of year	<u>1,712,229</u>	<u>432,248</u>
Cash – End of year	<u>2,920,412</u>	<u>1,712,229</u>

The accompanying notes are an integral part of these financial statements.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

1 Significant accounting policies

Basis of presentation

The District of Fort St. James (the District) is a local government in the Province of British Columbia. The District prepares its financial statements in accordance with Canadian Public Sector Accounting Standards for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounts records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay.

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Revenue generated by property taxes and utilities, including interest and penalties calculated on amounts in arrears, is recognized in the year they are levied.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when the transfer is authorized and any eligible criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the statement of operations as the stipulated liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

The District earns revenue from a third party for the licensing of the rights to harvest timber under the District's Community Forest license. The District receives a percentage, determined on a project basis, of the third party's net profit from the harvested timber sales.

Community Forest revenue is recognized when the revenue amounts are measurable and ultimate collection is reasonably assured.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

1 Significant accounting policies, continued

Cash and temporary investments

Cash and temporary investments includes short-term investments, money market instruments and term deposits with maturity dates within 90 days of acquisition. Cash and temporary investments are recorded at cost and adjusted for interest earned.

Reserves

Reserves consist of funds set aside from current and prior years' operations as well as third party contributions and are available for future expenditures.

Deferred revenue

Certain contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement. These amounts may only be used to conduct certain programs, complete specific work, or to purchase tangible capital assets, as specified by the transferring party. In addition, certain users' fees and charges are collected, for which the related services have yet to be performed. These revenues are recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired.

Measurement uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the year. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. The main estimate relate to the useful life of tangible capital assets.

Non-financial assets

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

District of Fort St. James

Notes to Financial Statements

December 31, 2018

1 Significant accounting policies, continued

Tangible capital assets and amortization

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 interest costs.

The costs of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

	Years
Parks infrastructure	15 – 20
Building and improvements	10 – 40
Engineered structures	10 – 100
Furniture and equipment	7 – 15
Vehicles	5 – 20
Infrastructure	10 – 100

Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets that are received as contributions or donations are recorded at their fair value at the date of receipt, with a corresponding amount recorded as revenue.

Contributed tangible capital assets are recorded into revenues at their fair market value on the date of donation, except in circumstances where there are stipulations on their use or where fair value cannot be reasonably determined, in which case they are recognized at a nominal value.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Financial instruments and fair values

a) Measurement of financial instruments

The District initially measures its financial assets and financial liabilities at fair value. The District subsequently measures all its financial assets and financial liabilities at cost.

Financial assets measured at cost include cash, temporary investments, accounts receivable and Municipal Finance Authority cash deposits.

Financial liabilities measured at cost include accounts payable and accrued liabilities, unearned revenues, unearned grants, Municipal Finance Authority cash reserves, liability for contaminated site, long-term debt and obligation under capital leases.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

1 Significant accounting policies, continued

a) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

b) Transaction costs

The District recognizes its transaction costs in net income in the period incurred. However, the carrying amount of the financial instruments that will not be subsequently measured at fair value is reflected in the transaction costs that are directly attributable to their origination, issuance or assumption.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

2 Taxation – net

	<u>2018</u>		<u>2017</u>
	Budget	Actual	Actual
	(note 8)		
	\$	\$	\$
General municipal purposes	2,410,037	2,410,333	2,119,338
Collection for other governments			
School District No. 91	924,018	917,940	924,018
Regional District	424,028	410,922	408,452
Northern Interior Regional Hospital District	203,255	203,260	171,255
Police taxes	101,581	103,552	101,581
BC Assessment Authority	28,198	28,110	28,198
Municipal Finance Authority	62	63	62
	4,091,179	4,074,180	3,752,904
Less: Disbursements to other governments	1,681,142	1,663,847	1,633,566
Net taxation available for municipal purposes	<u>2,410,037</u>	<u>2,410,333</u>	<u>2,119,338</u>

3 Deferred revenue

	<u>2018</u>	<u>2017</u>
	\$	\$
Gas Tax	53,008	24,508
Municipal tax prepayment	39,246	30,756
Vancouver Youth Arts Foundation Grant	21,402	33,551
Utilities prepayment	1,299	796
Other	700	1,801
Enabling Accessibility Grant	-	15,971
Canada 150 Grant	-	15,345
	<u>115,655</u>	<u>122,728</u>

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by funding agreements between the District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, waste water, solid waste and capacity buildings projects, as specified in the funding agreements. The District maintains the unspent amounts in a statutory reserve.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

4 Contingent liabilities

Regional District of Bulkley-Nechako

The District is responsible as a member of the Regional District of Bulkley-Nechako (Regional District) for its proportional share of operating deficits related to functions in which it participates. Under the provisions of the Local Government Act, the Regional District's debt is a joint and several liability of the Regional District and each of its member municipalities including the District.

Municipal Finance Authority

The District has a contingent liability with respect to the Municipal Finance Authority of BC (MFA) Debt Reserve Fund Demand Note. As a condition of the borrowing undertaken by the District, the District was required to contribute to the MFA Debt Reserve through a demand note. The demand note will only be recorded as an asset and liability if a local government, under joint and several agreement of the Regional District, defaults on the loan obligation. Upon this action of the default, the MFA may call the outstanding demand notes of the deficient Regional District, at which point the demand notes then become an asset and a liability of the associate members. Once the defaulting local government repays in full the defaulted position, the MFA will refund all called demand notes. It is generally unlikely that the funds will be demanded by the MFA; therefore, the contingent liability has not been recorded in the financial statements. As at December 31, 2018, the demand notes total \$10,619 (2017 – \$10,619).

Municipal Insurance Association

The Municipal Insurance Association is a self-liability insurance plan formed by several local governments including the District. The District is obligated under the plan, to pay a percentage of its fellow insured's losses. The District pays an annual premium, which is anticipated to be adequate to cover any losses incurred.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

5 Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan (the "Plan"), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for administering the Plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2017, the Plan has about 197,000 active members and approximately 95,000 retired members. Active members include approximately 39,000 contributors from local governments.

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

The most recent valuation for the Plan as at December 31, 2015, indicated a \$2,224 million funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged.

The District paid \$123,012 for employer contributions to the plan in fiscal 2018 (2017 \$121,906).

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.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

6 Long-term debt

The District issues debt instruments through the Municipal Finance Authority (MFA). The debt is issued on a sinking fund basis, whereby MFA invests the District's principal payments so that the payments plus investment income will equal the original outstanding debt amount at the end of the repayment period. Actuarial earnings on debt represent the repayment and/or forgiveness of debt by the MFA using surplus investment income generated by the principal payments.

The District carries no debt for others. Gross amount of debt and the repayment and actuarial earnings to retire the debt are as follows:

	Year of maturity	Rate %	Original debenture \$	Equity in sinking fund \$	2018 Principal payment \$	2018 Net debt \$	2017 Net debt \$
Bylaw 921	2033	3.15	304,879	(58,503)	12,060	246,376	258,436
Bylaw 922	2028	3.15	121,952	(34,207)	7,125	87,745	94,870
Equipment financing loan 0001	2020	2.80	257,087	(157,361)	48,682	99,726	148,408
Equipment financing loan 0002	2019	2.80	11,723	(9,794)	3,922	1,929	5,851
Equipment financing loan 0004	2019	2.80	95,192	(70,783)	39,669	24,409	64,078
Equipment financing loan 0003	2018	2.08	21,564	(21,564)	3,960	-	3,960
					115,418	460,185	575,603

Total principal payments made during 2018 were \$115,418 (2017 – \$130,103). Total interest paid on long-term debts during 2018 was \$17,509 (2017 – \$10,025).

Principal repayments on existing debt over the next five years and thereafter are as follows:

	Principal \$	Actuarial \$	Total \$
2019	94,175	3,538	97,713
2020	67,519	4,332	71,851
2021	16,329	5,159	21,488
2022	16,329	6,018	22,347
2023	16,329	6,912	23,241
Thereafter	125,595	97,950	223,545
	336,276	123,909	460,185

District of Fort St. James

Notes to Financial Statements

December 31, 2018

7 Accounts receivable

	2018	2017
	\$	\$
Taxes receivable	1,624,868	134,789
Provincial government transfers	187,683	281,993
Miscellaneous receivables	167,797	73,113
GST receivable	21,520	28,910
Utilities receivable	6,478	65,082
Community forest trade receivable	-	600,000
Grants receivable	-	131,371
	<u>2,008,346</u>	<u>1,315,258</u>

8 Budget

The Financial Plan adopted by the Mayor and Council was prepared on a modified accrual basis while the Financial Statements are prepared on a full accrual basis as required by Canadian Public Sector Accounting Standards. The Financial Plan anticipated the use of surpluses accumulated in prior years to supplement current year revenues. In addition, the Financial Plan expensed tangible capital asset expenditures, debt repayments and reserve transfers. The budget figures included in these Financial Statements represent the Financial Plan adopted by the Mayor and Council with adjustments as follows:

	\$
Budgeted surplus per consolidated statement of operations	1,858,766
Less:	
Capital asset expenditures	(414,125)
Debt repayments	(115,690)
Transfers to surplus	(38,084)
Transfers to reserves	<u>(1,290,867)</u>
	<u>-</u>

District of Fort St. James

Notes to Financial Statements

December 31, 2018

9 Financial instruments

The District is exposed to various risks through its financial instruments without being exposed to concentrations of risk. The following analysis provides a measure of the District's risk exposure as at the balance sheet date of December 31, 2018.

Liquidity risk

Liquidity risk is the risk that a District will encounter difficulty in meeting obligations associated with financial liabilities. The District is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and long-term debt.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The District's main credit risk relates to its accounts receivable. The District provides credit to its clients in the normal course of business and carries out specific procedures to minimize the risk.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The District has minimal exposure to currency risk, interest rate risk and other price risk.

10 Related party transactions

During the year, \$172,861 (2017 – \$nil) of services was purchased from a company which is controlled by a council member of the District. Related party transactions are conducted as arm's length transactions, at fair market value.

11 Comparative figures

Certain prior year figures presented for comparative purposes have been reclassified to conform to the current year's financial statement presentation.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

12 Accumulated surplus

	2018	2017
	\$	\$
Operating surpluses		
General Fund	1,057,085	953,266
Water Fund	372,164	250,215
Sewer Fund	363,953	255,590
	<u>1,793,202</u>	<u>1,459,071</u>
Reserve funds		
Fire department (machinery, equipment)	232,081	222,255
Ambulance station	49,123	48,672
Park equipment	5,306	757
Public works (machinery and equipment)	199,709	276,952
Land development	307,959	305,133
Indoor pool	14,881	14,745
Arena (equipment and capital)	2	2
Community forest	2,370,879	1,241,531
General municipal building	15,315	175
Roads	49,196	-
Sanitation	54,537	17,554
SHS van replacement	12,333	30,143
Water	235,776	98,698
Sewer	198,979	71,788
	<u>3,746,076</u>	<u>2,328,405</u>
	5,539,278	3,787,476
Investment in tangible capital assets	<u>23,276,376</u>	<u>23,161,375</u>
	<u>28,815,654</u>	<u>26,948,851</u>

13 Trust funds

	2018	2017
	\$	\$
Cemetery care	25,141	14,079
CISM team	2,597	2,573
Disaster relief	3,574	3,541
2010 Olympic	327	324
	<u>31,639</u>	<u>20,517</u>

Trust funds administered by the District have not been included in the Financial Statements in accordance with Public Sector Accounting Standards.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

14 New PSAS Standards for Adoption

PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions

Effective April 1, 2017, The Regional District adopted the recommendations relating to PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions, as set out in the CPA Canada Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

These new Sections define a related party and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, a material financial effect on the financial statements. They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

There was no material impact on the consolidated financial statements of adopting the new Sections.

PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights

Effective April 1, 2017, The Regional District adopted the recommendations relating to PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights, as set out in the CPA Public Sector Accounting Handbook. Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated.

PS 3210 Assets provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Section are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

There was no material impact on the financial statements of adopting the new Sections.

District of Fort St. James

Notes to Financial Statements

December 31, 2018

15 Contractual Obligations and Contractual Rights

The District has a 25 year Community Forest license with the Province of BC that was entered into on February 3, 2010. The agreement grants the District the rights to harvest an annual allowable volume of timber on designated crown land and requires the District to manage, develop and reforest the areas harvested by the District.

The District has subcontracted with a third party to manage, develop, harvest, and carry out the reforestation responsibilities under the Community Forest license. The subcontract is negotiated on a periodic basis with the most recent contract commencing December 31, 2018 and ending on March 31, 2019. With the option to renegotiate and/or extend the term. Under the subcontract agreement, the District receives a percentage of the third party's net profit of the harvested timber sold. The percentage received by the District is determined on a project basis. The volumes harvested annually depend on decisions made by the third party and the District and are not subject to any minimum amounts.

District of Fort St. James

Schedule 1

Schedule of Grants

For the year ended December 31, 2018

	2018		2017
	Budget (note 8) \$	Actual \$	Actual \$
Operating – Provincial Government			
General current fund			
Strategic communities investment	390,000	392,326	397,653
Miscellaneous	148,850	199,415	9,290
	538,850	591,741	406,943
Operating – Federal Government			
General current fund			
Façade improvements	14,000	6,185	5,817
Seniors helping seniors	6,000	1,861	4,617
Student employment	3,500	-	-
Canada Day	3,000	-	3,000
	26,500	8,046	13,434
Operating – Other			
General current fund			
Regional District			
Fire protection	162,934	162,934	158,477
Arena benefit area	37,500	37,500	30,000
Other	73,873	76,692	18,242
Other	91,200	65,866	235,062
	365,507	342,992	441,781
Total operating grants	930,857	942,779	862,158
Capital fund			
Federal			
Clean Water and Waste Grant	-	-	282,263
Federal Gas Tax Grant	102,985	101,909	204,281
Canada 150 Grant	60,000	59,694	29,906
	162,985	161,603	516,450
Other			
Regional District	80,000	80,000	-
New Horizons for Seniors	50,000	-	-
Enabling Accessibility grant	15,971	15,971	-
Donations	-	-	15,000
Other	5,000	7,262	47,521
	150,971	103,233	62,521
Total capital grants	313,956	264,836	578,971
Total grants	1,244,813	1,207,615	1,441,129

District of Fort St. James
Schedule of Departmental Expenditures
For the year ended December 31, 2018

Schedule 2

	2018		2017
	Budget	Actual	Actual
	(note 8)		
	\$	\$	\$
General government services			
Administrative	754,210	905,880	707,392
Economic development	246,058	171,783	134,688
Legislative council indemnity	60,000	55,318	58,572
	<u>1,060,268</u>	<u>1,132,981</u>	<u>900,652</u>
Protective services			
Fire protection	405,916	398,050	381,389
Fire training facility	27,000	6,950	4,522
Animal and pest control	15,400	15,335	14,876
Building inspection	43,377	43,377	48,016
Ambulance station	1,825	1,549	1,114
Municipal emergency program	21,000	117,432	695
Bylaw enforcement	6,000	701	3,560
	<u>520,518</u>	<u>583,394</u>	<u>454,172</u>
Public works			
Road and streets	614,618	524,976	531,321
Common services	362,581	347,017	274,563
Air and water transport	58,422	56,327	57,265
Seniors helping seniors	58,100	44,665	54,552
Special projects	6,500	6,526	6,376
Traffic services	26,600	24,093	16,811
	<u>1,126,821</u>	<u>1,003,604</u>	<u>940,888</u>
Environmental health			
Garbage disposal	157,100	147,306	154,155
Garbage discounts	6,400	6,954	6,119
	<u>163,500</u>	<u>154,260</u>	<u>160,274</u>
Public health			
Cemetery	14,700	13,353	12,623
Balance carried forward	<u>2,885,807</u>	<u>2,887,592</u>	<u>2,468,609</u>

District of Fort St. James

Schedule 2

Schedule of General Departmental Expenditures ...*continued*

For the year ended December 31, 2018

	<u>2018</u>		<u>2017</u>
	Budget (note 8) \$	Actual \$	Actual \$
Balance forward	<u>2,885,807</u>	<u>2,887,592</u>	<u>2,468,609</u>
Recreational and cultural			
Arena	364,071	276,575	293,032
Library	164,854	162,404	151,519
Parks and playground	82,725	59,206	79,976
Summer recreation	15,800	402	14,512
	<u>627,450</u>	<u>498,587</u>	<u>539,039</u>
Total departmental expenses	<u>3,513,257</u>	<u>3,386,179</u>	<u>3,007,648</u>
Interest	16,718	8,844	10,509
Amortization (schedule 3)	<u>-</u>	<u>777,564</u>	<u>898,661</u>
Total general expenditures	<u>3,529,975</u>	<u>4,172,587</u>	<u>3,916,818</u>

District of Fort St. James
Schedule of Tangible Capital Assets
For the year ended December 31, 2018

	Balance – Beginning of year	Additions	Disposals	Balance – End of year	Amortization – Beginning of year	Amortization reductions on disposals	Amortization expense	Accumulated amortization – End of year	2018 Net carrying amount	2017 Net carrying amount
Land	820,621	-	-	820,621	-	-	-	-	820,621	820,621
Roads infrastructure	13,968,145	129,448	-	14,097,593	6,516,983	-	330,468	6,847,451	7,250,142	7,451,162
Water infrastructure	4,168,140	43,127	-	4,211,267	1,613,351	-	58,475	1,671,826	2,539,441	2,554,789
Sewer infrastructure	3,684,672	-	-	3,692,105	1,157,298	-	52,447	1,209,745	2,482,360	2,527,374
Storm sewer infrastructure	1,153,148	7,433	-	1,153,148	578,939	-	15,368	594,307	558,841	574,209
Vehicles	3,261,391	257,187	62,514	3,456,064	1,861,650	(17,193)	203,176	2,047,633	1,408,431	1,399,741
Furniture and equipment	861,125	12,392	-	873,517	606,376	-	55,662	662,038	211,479	254,749
Parks infrastructure	522,779	9,091	-	531,869	127,591	-	13,145	140,736	391,133	395,188
Building and improvements	10,497,782	455,247	-	10,953,029	2,527,950	-	153,374	2,681,324	8,271,705	7,969,832
Engineered structures	1,315,452	35,391	-	1,350,844	272,421	-	21,739	294,160	1,056,684	1,043,031
Total	40,253,255	949,316	62,514	41,140,057	15,262,559	(17,193)	903,854	16,149,220	24,990,837	24,990,696
Tangible capital assets by fund										
General	31,247,295	898,756	62,514	32,083,537	11,912,971	(17,193)	777,564	12,673,344	19,410,195	19,334,324
Water	4,168,140	43,127	-	4,211,267	1,613,351	-	58,475	1,671,824	2,539,441	2,554,789
Sewer	4,837,820	7,433	-	4,845,253	1,736,237	-	67,815	1,804,052	3,041,201	3,101,583
	40,253,255	949,316	62,514	41,140,057	15,262,559	(17,193)	903,854	16,149,220	24,990,837	24,990,696

District of Fort St. James
Schedule of Departmental Expenditures
For the year ended December 31, 2018

Schedule 4

	<u>2018</u>		<u>2017</u>
	Budget	Actual	Actual
	(note 8)		
	\$	\$	\$
Purchased services and supplies	559,300	446,638	230,369
Wages and benefits	1,311,847	2,166,682	1,967,507
Advertising and promotion	31,150	26,021	36,504
Events, projects and grants	299,034	173,247	246,132
Office and general	195,900	94,828	109,896
Insurance, fees and dues	176,013	176,309	132,888
Professional fees	34,300	60,438	33,763
Repairs and maintenance	1,008,350	270,214	358,957
Travel	40,500	40,568	32,217
Training and development	69,600	34,615	50,878
Utilities and telephone	243,000	225,488	236,852
Interest on long-term debt	66,719	17,137	10,509
Amortization	-	903,854	1,021,564
	<u>4,035,713</u>	<u>4,636,039</u>	<u>4,468,036</u>

District of Fort St. James

**Supplementary Financial Information
(Unaudited - See Notice to Reader)
December 31, 2018**

May 3, 2019

Notice to Reader

On the basis of information provided by management, we have compiled the statement of financial position of the individual General Fund, Water Fund, Sewer Fund and Reserve Fund for the District of Fort St. James as at December 31, 2018 and the statement of operations and surplus for the period then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

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PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

District of Fort St. James

Statement of Financial Position – General

(Unaudited - See Notice to Reader)

As at December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Assets		
Current Fund		
Current assets		
Cash and cash equivalents	2,920,412	1,712,229
Accounts receivable		
Taxes	1,624,868	134,789
Sundry	355,513	1,100,487
Federal government	21,520	28,910
Due from water capital	2,248	2,247
Due from sewer capital fund	7,054	7,054
Due from general capital fund	1,244,972	1,244,417
Prepaid expenses	131,386	52,537
	<u>6,307,973</u>	<u>4,282,670</u>
Capital Fund		
Tangible capital assets	<u>19,410,193</u>	<u>19,334,324</u>

District of Fort St. James
Statement of Financial Position – General
(Unaudited - See Notice to Reader)
As at December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Liabilities and Deficit		
Current Fund		
Current liabilities		
Accounts payable and accrued liabilities	659,483	422,902
Deferred revenue	115,655	122,728
Due to reserve fund	3,485,381	2,157,978
Due to water current fund	518,229	322,014
Due to sewer current fund	<u>472,140</u>	<u>303,146</u>
	5,250,888	3,328,768
Current fund balance	<u>1,057,085</u>	<u>953,902</u>
	<u>6,307,973</u>	<u>4,282,670</u>
Capital Fund		
Long-term debt	460,185	575,603
Due to general revenue fund	1,244,972	1,244,417
Investment in tangible capital assets	<u>17,705,036</u>	<u>17,514,304</u>
	<u>19,410,193</u>	<u>19,334,324</u>

District of Fort St. James

Exhibit A

Statement of Financial Activities – General Revenue

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Taxation			
Property taxes, net	2,410,037	2,410,333	2,119,338
Grants in lieu of taxes	227,628	210,178	212,868
	2,637,665	2,620,511	2,332,206
Sales of services			
Garbage collection	128,858	127,683	122,722
Other services	81,602	66,287	70,640
Recreation and cultural services	66,300	33,582	59,309
Cemetery	3,300	2,180	3,260
	280,060	229,732	255,931
Rentals, licences and fees			
Rentals	50,908	42,848	47,411
Business licences	20,000	21,075	20,050
Building permits	5,000	3,648	7,221
Dog licences and fees	1,000	1,025	1,155
Municipal vehicle licences	500	421	409
	77,408	69,017	76,246
Community forest	900,000	1,540,554	800,000
Miscellaneous	189,741	15,447	29,046
Interest and penalties	38,200	152,571	40,254
Transfers from other governments			
Provincial government	538,850	591,741	406,943
Federal government	26,500	8,046	13,434
Regional District			
Fire protection	162,934	162,934	158,477
Arena benefiting area	37,500	37,500	30,000
RDBN – other	73,873	76,692	18,242
Other	91,200	65,866	235,062
	930,857	942,779	862,158
	5,053,931	5,570,611	4,395,841

District of Fort St. James

Exhibit A

Statement of Financial Activities – General Expenditures

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Departmental			
General government services	1,060,268	1,132,981	900,653
Public works	1,126,821	1,003,603	940,888
Recreation and cultural	627,450	498,587	539,039
Protective services	520,518	583,393	454,172
Environmental health services	163,500	154,261	160,274
Public health and welfare	14,700	13,353	12,623
	3,513,257	3,386,178	3,007,649
Fiscal services			
Principal debt repayments	115,690	115,418	147,383
Interest on debentures, tax assessment appeals and other debt	16,719	8,844	10,509
	132,409	124,262	157,892
Transfer to reserve fund	1,204,587	1,843,531	943,577
Transfer to capital fund	203,679	113,456	3,714
	1,408,266	1,956,987	947,291
Total expenditures	5,053,932	5,467,427	4,112,832
Surplus for the year	-	103,183	283,009

District of Fort St. James

Exhibit A

Statement of Current Fund Balance – General**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	953,902	670,893
Surplus for the year	<u>103,183</u>	<u>283,009</u>
Balance – End of year	<u>1,057,085</u>	<u>953,902</u>

District of Fort St. James

Exhibit A

Statement of Investment in Tangible Capital Assets – General

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	<u>17,514,304</u>	<u>17,942,278</u>
Contributions (to) from current fund		
Contribution (to) from current fund	113,456	3,713
Proceeds from MFA debt		(116,755)
Capital lease payments	-	134,035
Long-term debt payments	115,418	130,103
Contributions (to) from reserve funds		
Public works	99,076	-
Fire department	92,304	74,649
Community forest	322,206	98,852
SHS	32,924	-
Capital grants		
Infrastructure grants	59,964	44,906
Northern Development Initiation Trust	-	15,371
Gas Tax	69,235	95,510
Enabling Accessibility	15,971	-
Contribution from others		
Sale of tangible capital assets	6,630	-
Contribution from Regional District	80,000	-
Other	6,433	32,150
Amortization of tangible capital assets	(777,564)	(898,661)
Cost of tangible capital assets sold	<u>(45,321)</u>	<u>(41,847)</u>
Change in the year	<u>190,732</u>	<u>(427,974)</u>
Balance – End of year	<u>17,705,036</u>	<u>17,514,304</u>

District of Fort St. James

Statement of Financial Position – Sewer Utility

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Assets		
Current Fund		
Current assets		
Accounts receivable	3,790	24,229
Cash and cash equivalents	<u>472,138</u>	<u>303,146</u>
	<u>475,928</u>	<u>327,375</u>
Capital Fund		
Tangible capital assets	<u>3,041,201</u>	<u>3,101,583</u>

District of Fort St. James
Statement of Financial Position
(Unaudited - See Notice to Reader)
For the year ended December 31, 2018

Exhibit B

	<u>2018</u>	<u>2017</u>
	\$	\$
Liabilities and Surplus		
Current Fund		
Due to reserves	111,975	71,785
Current fund balance	<u>363,953</u>	<u>255,590</u>
	<u>475,928</u>	<u>327,375</u>
Capital Fund		
Due to General Revenue Fund	7,054	7,054
Investment in tangible capital assets	<u>3,034,147</u>	<u>3,094,529</u>
	<u>3,041,201</u>	<u>3,101,583</u>

District of Fort St. James
Statement of Operations – Sewer Utility
(Unaudited - See Notice to Reader)
For the year ended December 31, 2018

Exhibit B

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Revenue			
User charges	271,015	253,684	269,110
Frontage tax	32,000	31,965	31,509
Nak'azdli band user charges	64,000	59,980	63,368
	367,015	345,629	363,987
Expenditures			
Operations			
Administration	107,800	58,957	58,227
Sewage treatment	104,800	101,285	109,401
Collection systems	40,900	20,102	50,129
Sewer maintenance	22,400	11,124	20,860
	275,900	191,468	238,617
Contributions to Other funds			
Contribution to Sewer reserve	6,365	6,365	69,144
Sewer Frontage Tax reserve	32,000	32,000	-
Sewer Capital Fund	52,750	7,433	31,906
	91,115	45,798	101,050
	367,015	237,266	339,667
Surplus for the year	-	108,363	24,320

District of Fort St. James

Exhibit B

Statement of Current Fund Balance – Sewer Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	255,590	231,270
Surplus for the year	<u>108,363</u>	<u>24,320</u>
Balance – End of year	<u>363,953</u>	<u>255,590</u>

District of Fort St. James

Exhibit B

Statement of Investment in Capital Assets – Sewer Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	3,094,529	3,130,181
Gas Tax funding	-	-
Contributions from Sewer Current fund		
Acquisition of tangible capital assets	7,433	31,906
Amortization of tangible capital assets	<u>(67,815)</u>	<u>(67,558)</u>
Balance – End of year	<u>3,034,147</u>	<u>3,094,529</u>

District of Fort St. James

Exhibit C

Statement of Financial Position – Water Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Assets		
Current Fund		
Current assets		
Accounts receivable	2,655	26,843
Due from general revenue fund	<u>518,229</u>	<u>322,014</u>
	<u>520,884</u>	<u>348,857</u>
Capital Fund		
Tangible capital assets	<u>2,539,443</u>	<u>2,554,789</u>

District of Fort St. James

Exhibit C

Statement of Financial Position – Water Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Liabilities and Surplus		
Current Fund		
Due to reserves	148,720	98,642
Current fund balance	<u>372,164</u>	<u>250,215</u>
	<u>520,884</u>	<u>348,857</u>
Capital Fund		
Due to General Fund	2,249	2,247
Investment in tangible capital assets	<u>2,537,194</u>	<u>2,552,542</u>
	<u>2,539,443</u>	<u>2,554,789</u>

District of Fort St. James

Exhibit C

Statement of Operations – Water Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	2018		2017
	Budget	Actual	Actual
	\$	\$	\$
Revenue			
User charges	273,868	272,167	245,420
Frontage tax	32,000	32,449	31,993
Nak'azdli band user charges	24,000	21,479	24,070
	<u>329,868</u>	<u>326,095</u>	<u>301,483</u>
Expenditures			
Operations			
Service maintenance	126,200	95,562	133,893
Administration	85,669	31,419	38,304
Pumping	18,000	18,717	17,501
	<u>229,869</u>	<u>145,698</u>	<u>189,698</u>
Contributions to Other funds			
Water Frontage Tax reserve	47,915	47,915	60,254
To surplus	38,084	-	-
Water Capital fund	14,000	10,533	30,649
	<u>99,999</u>	<u>58,448</u>	<u>90,903</u>
	<u>329,868</u>	<u>204,146</u>	<u>280,601</u>
Surplus for the year	<u>-</u>	<u>121,949</u>	<u>20,882</u>

District of Fort St. James

Exhibit C

Statement of Current Fund Balance – Water Utility**(Unaudited - See Notice to Reader)****For the year ended December 31, 2018**

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	250,215	229,333
Surplus for the year	<u>121,949</u>	<u>20,882</u>
Balance – End of year	<u>372,164</u>	<u>250,215</u>

District of Fort St. James

Exhibit C

Statement of Investment in Capital Assets – Water Utility

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Balance – Beginning of year	2,552,542	2,186,204
Gas Tax funding	32,594	108,771
Clean water and wastewater grant	-	282,263
Contributions from water revenue fund	10,533	30,649
Amortization of tangible capital assets	<u>(58,475)</u>	<u>(55,345)</u>
Balance – End of year	<u>2,537,194</u>	<u>2,552,542</u>

District of Fort St. James

Exhibit D

Statement of Financial Position – Reserve Funds (Unaudited - See Notice to Reader) For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Assets		
Current assets		
Due from current fund	<u>3,746,076</u>	<u>2,328,405</u>
Fund Balances		
Reserve funds		
Fire department (machinery, equipment and capital)	232,081	222,255
Ambulance station	49,123	48,672
Park equipment	5,306	757
Public works (machinery and equipment)	199,709	276,952
Land development	307,959	305,133
Indoor pool	14,881	14,745
Arena (equipment and capital)	2	2
Community forest	2,370,879	1,241,531
General government building fund	15,315	175
Roads	49,196	-
Sanitation	54,537	17,554
SHS van replacement	12,333	30,143
Water	235,776	98,698
Sewer	198,979	71,788
	<u>3,746,076</u>	<u>2,328,405</u>

District of Fort St. James

Exhibit D

Statement of Operations – Reserve Funds

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Fire department (machinery, equipment and capital)		
Beginning balance	222,255	137,591
Contribution	100,000	158,420
Withdrawal	(92,303)	(74,649)
Interest income	2,129	893
Ending balance	<u>232,081</u>	<u>222,255</u>
Ambulance station		
Beginning balance	48,672	30,382
Contribution	-	18,095
Interest income	451	195
Ending balance	<u>49,123</u>	<u>48,672</u>
Park equipment		
Beginning balance	757	754
Contribution	4,500	-
Interest income	49	3
Ending balance	<u>5,306</u>	<u>757</u>
Public works (machinery and equipment)		
Beginning balance	276,952	275,840
Contribution	20,000	-
Withdrawal	(99,075)	-
Interest income	1,832	1,112
Ending balance	<u>199,709</u>	<u>276,952</u>
Land development		
Beginning balance	305,133	303,908
Interest income	2,826	1,225
Ending balance	<u>307,959</u>	<u>305,133</u>
Indoor pool		
Beginning balance	14,745	14,686
Interest income	136	59
Ending balance	<u>14,881</u>	<u>14,745</u>
Arena (equipment and capital)		
Beginning and ending balance	<u>2</u>	<u>2</u>

District of Fort St. James

Exhibit D

Statement of Financial Activities – Reserve Funds...continued

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	2018	2017
	\$	\$
Community forest		
Beginning balance	1,241,531	585,397
Contribution	1,429,804	750,000
Withdrawal	(322,205)	(98,852)
Interest income	21,749	4,986
Ending balance	<u>2,370,879</u>	<u>1,241,531</u>
General government building fund		
Beginning balance	175	125
Contribution	15,000	-
Interest income	140	50
Ending balance	<u>15,315</u>	<u>175</u>
Roads		
Beginning balance	-	-
Contribution	48,744	-
Interest income	452	-
Ending balance	<u>49,196</u>	<u>-</u>
Sanitation		
Beginning balance	17,554	15,423
Contribution	36,483	2,061
Interest income	500	70
Ending balance	<u>54,537</u>	<u>17,554</u>
SHS Van replacement		
Beginning balance	30,143	15,022
Contribution	15,000	15,000
Withdrawal	(32,923)	-
Interest income	113	121
Ending balance	<u>12,333</u>	<u>30,143</u>
Water		
Beginning balance	98,698	38,056
Contribution	134,915	60,254
Interest income	1,826	388
Ending balance	<u>235,439</u>	<u>98,698</u>

District of Fort St. James

Exhibit D

Statement of Financial Activities – Reserve Funds...continued

(Unaudited - See Notice to Reader)

For the year ended December 31, 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Sewer		
Beginning balance	71,788	2,342
Contribution	125,365	69,144
Interest income	<u>1,826</u>	<u>302</u>
Ending balance	<u>198,979</u>	<u>71,788</u>

4 (1A) and 4 (2)

**Schedule of Long Term Debt
for the Year 2018**

Schedules of debts are included under Note 6 in the District of Fort St. James Financial Statements as of December 31, 2018.



Rachelle Willick
Chief Financial Officer

Date: June 26, 2019



Bev Playfair
Mayor

Date:

**5(1) Schedule of Guarantee and Indemnity Agreements
for the Year 2018**

The District of Fort St. James has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.



Rachelle Willick
Chief Financial Officer

Date: June 26, 2019



Bev Playfair
Mayor

Date:

**Schedule of Employee Remuneration
for the Year 2018**

6(2)(a)

Name	Travel/Expenses	Stipend	Total
Mayor Rob MacDougall	\$ 3,286.56	\$ 11,751.96	\$ 15,038.52
Councillor Dave Birdi	\$ 6,305.08	\$ 10,276.62	\$ 16,581.70
Councillor Kris Nielsen	\$ 155.43	\$ 8,127.98	\$ 8,283.41
Councillor Judy Greenaway	\$ 6,250.98	\$ 11,286.79	\$ 17,537.77
Councillor Brenda Gouglas	\$ 2,776.08	\$ 9,529.58	\$ 12,305.66
Mayor Bev Playfair	\$ 571.14	\$ 2,439.56	\$ 3,010.70
Councillor Paul Stent	\$ -	\$ 1,075.21	\$ 1,075.21
Councillor Jennifer Howell	\$ 221.67	\$ 1,434.35	\$ 1,656.02
Councillor Cory Gingrich	\$ -	\$ 1,083.95	\$ 1,083.95
TOTAL	\$ 19,566.94	\$ 57,006.00	\$ 76,572.94

6(2)(b) Over \$75,000

Name	Travel/Expenses	Wages	Total
Kevin Crook - Chief Administrative Officer	\$ 6,972.54	\$ 89,928.60	\$ 96,901.14
Dave Stewart - Public Works Superintendent	\$ 4,285.49	\$ 84,037.59	\$ 88,323.08
Chris Greenaway - Mechanic	\$ 344.42	\$ 81,283.12	\$ 81,627.54
Peter Kosmick - Forman	\$ 65.00	\$ 85,229.36	\$ 85,294.36
Kelley Willicams - EDO/Chief Administrative officer	\$ 17,640.82	\$ 75,361.47	\$ 93,002.29
Steve Derosie - Fire Chief	\$ 5,562.11	\$ 87,665.50	\$ 93,227.61
TOTAL	\$ 34,870.38	\$ 503,505.64	\$ 538,376.02

Under \$75,000

6(2)(c)

Name	Travel/Expenses	Wages	Total
Employees	\$ 36,065.38	\$ 1,000,409.36	\$ 1,036,474.74

Total Remuneraton - Elected Officials	\$ 76,572.94
Total Remuneration - Employees	\$ 1,574,850.76
Total	\$ 1,651,423.70
Reconciling items	
Burden	518,570.00
Benefits in addition to Burden	40,319.00
Library Benefits	33,469.00
CPP Volunteer Fire Fighters	2,621.06
Other Liabilities	10,034.96
Total of Above	2,256,437.72
Financial statement of Opertions - wages	\$ 2,166,682.00
Financial Statement of Operation - Travel/Exp	\$ 90,502.70
Total per Financial Statement	\$ 2,257,184.70

Unreconciled Amount

(746.98)


Rachelle Willick
Chief Financial Officer
Date: June 26, 2019


Bev Playfair
Mayor
Date:

Statement of Financial Information Report
2018 Schedule of Grants-in-aid

Falcons Speed Skating, BC Winter Games	200
FSJ Music Makers, Building Improvements	3,656
FSJ Secondary School Girls Soccer	1,800
FSJ Secondary School Ski & Board Team	1,000
FSJ Secondary School Senior Girls Volleyball	900
FSJ Ski Club (Murray Ridge), Event Giveaways	200
FSJ Ski Club (Murray Ridge), Fundraiser	500
FSJ Taekwondo	1,000
FSJ Food & Toy Drive	900
Fort St. James Minor Hockey	334
Music on the Mountain Society, Festival	1,000
Nak'azdli Band, Christmas Dinner	500
Stuart Lake Hospital Auxillary, Turkey Shoot	250
Stuart Lake Outreach Society, Food Bank	1,000
Stuart Lake Sailing Club	500
Yechooche First Nation, Family Events	250
Pope Mountain Arts, Womens Event	1,000
TOTAL Payments	14,990



Rachelle Willick
Chief Financial Officer
Date: June 26, 2019



Bev Playfair
Mayor
Date:

7(1)(a) Public Bodies Report for the Year 2018

BC ASSESSMENT AUTHORITY	28,301.50
BC HYDRO	223,536.45
BLACK PRESS GROUP LTD.	25,530.67
CLEARTECH INDUSTRIES INC.	28,309.21
COMMUNITY ARTS COUNCIL OF FSJ	38,622.59
DADO CONSTRUCTION LTD.	174,744.62
DEVCON INDUSTRIAL SERVICES LTD	58,514.78
FOUR RIVERS CO-OPERATIVE	79,373.25
FundEX Investments Inc. (In Trust)	40,395.00
ICBC	46,223.00
ICI ELECTRICAL ENGINEERING	72,828.01
MUNICIPAL INSURANCE ASSOCIATION	84,007.00
NAK'AZDLI WHUT'EN	54,415.00
NORATEK SOLUTIONS INC.	29,900.03
NORTHLAND AUTOMOTIVE	27,274.62
NORTHLAND CHRYSLER JEEP DODGE	32,883.22
PACIFIC NORTHERN GAS LTD.	52,549.86
PriceWaterhouseCoopers LLP	25,987.50
QT SERVICES	162,922.78
REGIONAL DISTRICT OF BULKLEY-NECHAKO	507,656.32
REGIONAL HOSPITAL DISTRICT	206,022.81
ROADKING ASPHALT & AGGREGATE INC	90,163.45
ROCKY MOUNTAIN PHOENIX	193,454.00
ROYAL BANK VISA	79,653.42
WILLIAMS MACHINERY LTD.	65,548.97

Payments Made (Vendors Over \$25000)	2,428,818.06
Miscellaneous Payments (\$25000 and Under)	1,047,843.84
TOTAL Payments	3,476,661.90

7(1)(c) Less Employee/Council Travel Expenses	90,502.70
	3,386,159.20

Reconciliation	
Amortization	903,854.00
Payroll	1,513,950.00
Employee/Council travel (deducted above)	90,502.70
Taxes collected behalf of others	(642,355.00)
2017 prepaids	52,537.00
2018 prepaids	(131,382.00)
2017 Accounts payable and accrued liabilities	(423,538.00)
2018 Accounts payable and accrued liabilities	659,483.00
Discounts	33,793.00
Capital	(935,729.00)
Interest on long term debt	17,137.00
Bank Charges and interest	5,625.00
Council stipends	57,006.00
Other Liability	15,000.00
Volunteer Fire Fighters	33,895.42
Unreconciled amount	100.68
Total of Above	4,636,039.00

Per Statement of operations	4,636,039.00
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 Rachelle Willick
 Chief Financial Officer
 Date: June 26, 2019


 Bev Playfair
 Mayor
 Date: