

2019

Village of Fruitvale Annual Report



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MAYOR'S MESSAGE

Dear Fruitvale Citizens,

As your Mayor, it is my duty and privilege to reflect on 2019 for the Village of Fruitvale's Annual Report. We have been very busy this past year with some key initiatives to move the Village forward in a positive direction.



- With Council's support our CAO and myself have been working hard to build cohesive relationships with our local partners such as the Columbia Basin Trust and Lower Columbia Affordable Housing Society, as well as our municipal neighbour's, we need these relationships in everything we do as a Community.
- In a large part due to these relationships we have been receiving a lot of expert help and advice as we work toward our goal of growing and developing our community into a more financially sustainable Village into the future.
- Staff continues to work hard looking for and applying for grants to support every initiative Council considers.
- Staff and Council have spent considerable time and energy working on the former middle school site development. We have met with the Minister of Municipal Affairs and Housing Selina Robinson and BC Housing as we continue to explore funding sources for the significant and costly project of demolishing the school on site. We have hired a planning consultant to move us forward with our masterplan for the site.
- We continue to work on maintaining and upgrading our infrastructure including roads, sidewalks, storm water management, and waste water treatment.
- We continue to maintain active youth and age friendly programs.
- Mayor and Council dedicated the first year of our term toward planning our direction for the future and have been successful in laying the groundwork for our next three years.

VISION, MISSION AND VALUES

THE HEART OF THE BEAVER VALLEY

"WHERE COMMUNITY SPIRIT IS OUR LIFESTYLE"

Our Community Vision

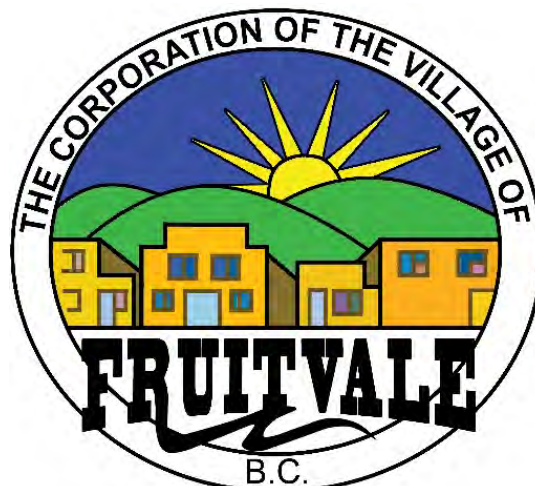
The Village of Fruitvale will be a welcoming, safe, user friendly community that meets the needs of all ages of residents to the best of our abilities.

Mission

Delivering quality services in a sustainable manner.

Our Core Values

- Boldness in decision making
- Collaboration
- Openness
- Responsiveness
- Realistic goals and communication



STRATEGIC PRIORITIES

Leading the Way

Financial Responsibility & Economic Development.

- Fiscal responsibility.
- Long-term financial responsibility.
- Economic development and growth.

Open Communication and Information.

- Initiate open communication and dialogue with our residents, neighbours and partners.
- Provide open information regarding our essential services.

Expanded Arts & Culture

- Recognize local talent and leverage this talent as our best-known strength.

Environmental Stewardship

- Become careful stewards of our environment and preserve our natural surroundings.

Strong, Resilient Community

- Build a strong, resilient community through well planned investment in priority resources.

Well Planned Future

- Inspire long-term planning for the future.

BUSINESS UNIT HIGHLIGHTS

Council

The 2019 year began with a newly elected Council and a new vision for the future of the Village of Fruitvale. Councilors came together with diverse interests and a passion to make a difference; striking a perfect balance of objectives to be defined through the strategic planning process to shape the future of the Village of Fruitvale.

With a focus on planning for the future and challenging the status quo through boldness in their decision making, Council prepared their strategic priorities which laid the foundation for a four-year journey of “Leading the Way”. Bringing together the diverse interests and core values of Council, six strategic goals were identified:

1. Financial Responsibility and Economic Development
2. Open Communication and Information
3. Expanded Arts and Culture
4. Environmental Stewardship
5. Strong, Resilient Community
6. Well Planned Future

With strong leadership and hard work, Council began this new journey by walking through the various services the Village offers and preparing the annual budget and Five-Year Financial Plan. Council embraced the concept of Asset Management and provided their leadership and commitment to this broad strategic framework through the adoption of an Asset Management Policy to guide future financial, infrastructure and service level decisions. Through a bold decision, Council elected to begin implementing Asset Management by reviewing the costs of services and establishing tax rates to ensure sustainability of Village services.

Council gave guidance on the implementation of a funding model to gradually increase utility rates to cover costs of services through user fees and increase the waste water parcel tax to meet future capital funding requirements. In 2019, solid waste (garbage collection and disposal) rates met the objective of covering operating and capital costs through user fees. A model to gradually meet the same objective for the waste water (sewer) utility was established and solidified through policy. The rates will ensure the Village is paying today for services delivered and relieving future generations of infrastructure deficits caused by current consumption of resources.

To meet the strategic objectives of Open Communication and Information, Council hosted a budget open house. Council also began organizing an open house to plan the future of the former Middle School property while actively pursuing collaboration with the Regional District of Kootenay Boundary – Area A, Lower Columbia Affordable Housing Society, Lower Columbia Initiatives Corporation and the Trail and District Chamber of Commerce.

Administration, Financial Management and Corporate Services

The Administration, Financial Management and Corporate Services team consists of the Chief Administrative Officer/Chief Financial Officer and three full-time equivalent positions. The team provides a wide variety of administrative and support services:

- Financial management, financing and budgeting
- Payroll and accounts payable
- Taxation and utility billing
- Human resource management
- Planning and development
- Monthly newsletter
- Reception
- Policy and bylaw administration
- Council agenda and minute preparation
- Information and technology management
- Cemetery administration
- Facility rentals

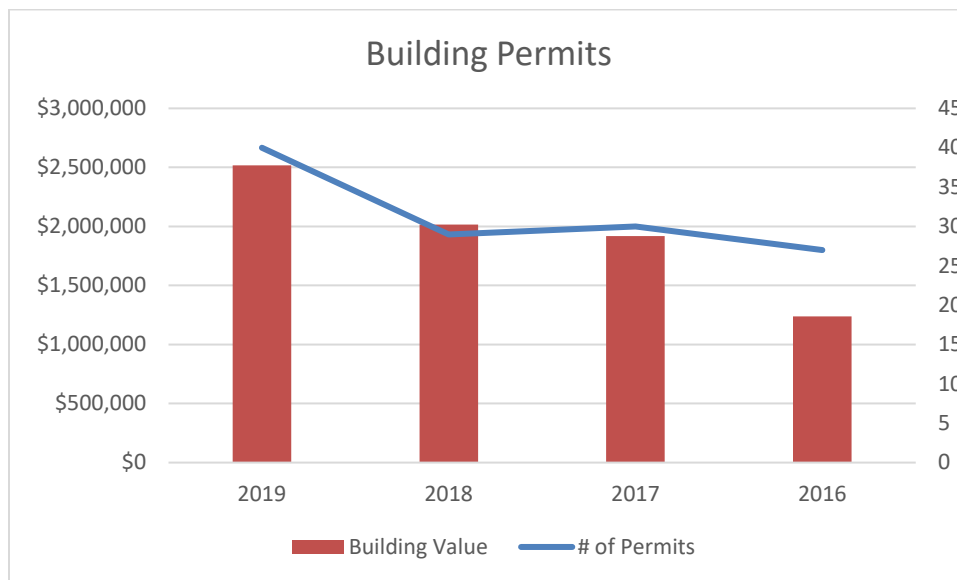
The key role of the Chief Administrative Officer is ensuring that the policies, programs and other directions of the council are implemented. New direction and leadership from Council established a deep commitment for continuous improvement in the Village's administration of services.

Supporting a new direction and focusing on continually improving services, staff recommended to Council several policies for review. Adoption by Council led to the implementation of an Asset Management Policy, Occupational Health and Safety Policy and Tangible Capital Asset Policy along with updates to the Herbicide and Pesticide Use Policy, Respectful Workplace Policy and Snow Management and Ice Control Policy. Adoption of these policies represents Council's leadership in financial responsibility, environmental stewardship and employee well-being.

Human resources management is key to a strong, resilient community. Employee training, experience building and succession planning was reviewed in 2019 with employees enrolled in several courses to advance their educational credits. Three courses were taken by employees towards the Environmental Operator Certification Program ensuring qualified operations of the Village's water and waste water systems. Two courses were also taken in the field of Occupational Health and Safety, one course in payroll updates and one course in local government administration.

Central to the 2019 direction of Council was establishing an accounting and budgeting model based on a view of costs for services delivered and developing utility user rates that recover the full costs of providing utility services. The service recovery model includes establishing rates for the consumption or depreciation of infrastructure consumed today but requiring replacement in future years. Administration designed and implemented, through a bold, future-oriented decision of Council, two strategies for Village sustainability: a gradual multi-year increase in the waste water parcel tax and a general asset capital recovery. Based on annual recovery of the depreciated portion of infrastructure assets, the Village will have the ability to replace or repair infrastructure as it becomes necessary and potentially extend the life of assets in a financially responsible manner.

Forty development permits were issued in 2019 with a building value of \$2,518,076. The increased building value was due to upgrades to the Village of Fruitvale Waste Water Treatment Plant in the amount of \$1,100,000



ANNUAL BUILDING PERMITS ¹

Community Services

The Village of Fruitvale strives to host a variety of community and social events and programs. These events and programs rely on the commitment of Council and many community volunteer hours. Often supported through a regional focus with RDKB Area “A”, the Village of Montrose and the BV Recreation Committee, the events and programs help strengthen our community, attract visitors and establish a welcoming community to meet the needs of residents of all ages.

In 2019 the Village held its first outdoor community market in the early Fall. The event proved a success with a variety of vendor booths displaying items of produce, crafts, prepared foods, clothing and household accessories. Live music added to the vibrancy of the day as patrons strolled the market.

Each year the Village of Fruitvale marks November 11th with a special tribute to those who served our country with honor and valor. The 2019 Remembrance Day Ceremony held at the Village’s cenotaph was remarkable with a large attendance of those wishing to pay their respects to our local, regional and national heroes.

The annual Jingle Down Main event was transformed in 2019 to Candy Cane Lane. The venue was moved from Main Street to Pole Yard Lane where it could expand and provide more entertainment and fun. The day’s fun was marked with an outdoor winter market, crafts, food vendors and Santa’s workshop. Always the highlight of the annual event is the train ride to Beaver Falls. Sponsored by Atco Wood Products, our local conductor Scott Weatherford, took guests on a beautiful winter adventure through the scenic landscape of our great region.

Age Friendly has become a landmark program for the Village of Fruitvale and Beaver Valley Recreation Committee. Although the program did not receive grant funding for its regular programming in 2019, the program proved its vitality through re-organizing resources and emerging through difficult times to become a stronger more resilient program. The commitment of Council and a vast array of volunteers has allowed the program to emerge with a new found underlying need to develop measures to make the program more

sustainable into the future. This drive is leading the program to re-establish a strong programming manual and collaboration with organizations which provide resources to achieve the Age Friendly goals.

The Beaver Valley Youth Network (YAN) is funded through the Columbia Basin Trust Community Directed Youth Fund (CDYF which supports services for youth ages 12-18 by providing sub-regional funding to increase activities, opportunities, and services for youth in local communities. Youth had regular meetings, identifying priorities for the use of CDY funds. This year's Highlights from 2019 were Kokanee Mountain Zipline in acknowledgement of the youth who completed "The Leadership Journey". The youth also participate in many events – bowling, glow skates, movie nights etc. Volunteering is also a large part of our program, and the youth helped with the local food drive, fire fighter bonfire, Remembrance Day, and Candy Cane Lane.



JINGLE DOWN MAIN



KOKANEE MOUNTAIN ZIPLINE

Council established a select committee in 2019 with citizen appointments to inquire and present its findings on opening the Fruitvale Memorial Center Fitness Gym to all adults within Fruitvale. The committee presented to Council the benefits and disadvantages of opening the gym to younger adults. At its conclusion, the gym opening was found to be of greater advantage to all residents as an open facility increasing sustainability and success of the facility while ensuring a user pay system with no impact on taxation. The gym was open to all adults January 1st, 2020 as a pilot project with a six-month evaluation.

Public Works

The Village of Fruitvale Public Works Department is a small, extremely dedicated and efficient team. The team consists of 1 laborer (2 in summer with the addition of a temporary worker), 3 municipal maintenance workers, 1 lead hand, a water foreman, and a public works foreman. The team provides services and a dedication to:

- Water Treatment and Distribution
- Waste Water Treatment and Collection
- Solid Waste Collection and Disposal
- Storm Sewer Management
- Equipment Maintenance
- Building & Facilities Maintenance
- Roads & Streets
- Signs & Traffic Control
- Cemetery Maintenance & Interments
- Sweeping & Dust Control
- Parks and Irrigation

In 2019, the Village of Fruitvale Public Works Department focused on Occupational Health and Safety (OHS) and the overall well-being of the team. Education and training in OHS and developing safe work procedures were important issues to address. Confined space entry procedures had a central emphasis to ensure work crews had a set of core operating procedures to increase safety when entering lift stations, reservoirs and other Village infrastructure. Equipment and vehicle logs along with pre-trip inspections were implemented along with stronger direction and focus on safety meetings. Council's strategic priority to create a focus on health and safety enables all employees to return home each day as they left providing a high quality of life for employees and their families.

As infrastructure ages, the time and energy required to keep it in sufficiently good order increases, as does the amount of work required for repairs. Public Works staff began identifying infrastructure conditions as an input into capital planning and began preparing projects to be shovel ready as grants and other funding opportunities become available.

Capital Assets

2019 was a year of completion. Large capital projects on the go from prior years were scheduled for completion including the Davis Avenue Project and Waste Water Treatment Upgrade Project. Davis Avenue saw the final landscaping and the redirection of storm water from upper slopes completed.

GRANT FUNDED WASTEWATER TREATMENT PLANT 1.





The Waste Water Treatment Plant upgrades completed with the filing of the final grant report and final audit of the operations manuals. Both projects provide important infrastructure upgrades for the Village of Fruitvale and markedly decrease the Village's infrastructure deficit. New projects started and completed in 2019 include the Waste Water Pipe Bridge Project and Mower/Snowblower

GRANT FUNDED WASTEWATER TREATMENT PLANT 2.

Replacement Project. The Waste Water Pipe Bridge Project replaced a section of sewer main crossing Beaver Creek to the Waste Water Treatment Plant. The project was an important project to alleviate environmental concerns associated with the results of infrastructure failure and the



GRANT FUNDED WASTE WATER PIPE BRIDGE

impact on the environment of raw sewage inadvertently entering Beaver Creek. The Mower/Snowblower Replacement Project replaced the Village's existing unit that had run to failure with a similar model prior to the start of the 2019 snow season. The new unit was operational as snow began falling and aided crews in the removal of snow along boulevards and sidewalks throughout the winter season and will be used for lawn maintenance throughout the spring and summer months.

To meet Council's strategic objective of a Well-Planned Future, staff are working hard to identify capital priorities to develop a capital planning model based on facts obtained from asset condition assessments. The capital planning model defines all Village owned assets:

- Roads and streets
- Sidewalks
- Buildings and facilities
- Vehicles and equipment
- Waste water pipelines and treatment facilities
- Storm drainage manholes, culverts, pipelines and ditches
- Parks
- Playgrounds
- Ball fields and sport courts
- Fencing
- Land and rights-of-way

and develops a long-term, holistic plan for upgrades, repair and replacement based on the usage of the asset and its current and future estimated condition. Once the plan is in place a funding model to support the plan can be established and any shortfalls to meet the funding requirements can be addressed by actively seeking grants and other funding sources.

The highlight of 2019 was moving forward with the Former Middle School Housing Development Project. Village Council and Staff developed a collaborative partnership with Regional District of Kootenay Boundary Area A, the Lower Columbia Affordable Housing Society and Family Support Institute to begin the planning phase of the development project. A request for proposal was issued to solicit a master plan for the development area with a proposal selected from a large amount of submissions. City Spaces Consulting Ltd. was chosen to lead the master planning process and set to work immediately to prepare foundational material and prepare for a public open house to be held in early 2020. The project will be on-going for the next few years and following Council's Core Values of Openness and Collaboration, the process will include partnerships and public awareness.



PERMISSIVE TAX EXEMPTIONS

SCHEDULE OF PERMISSIVE TAX EXEMPTIONS								
Bylaw	Name	Roll #	Class	2019 Assessed Value	2019 Municipal Rate	2019 Village Portion	2019 Water Parcel Tax	2019 Total Tax
#830, 2011	BV Manor	32.050	Land - 1	200,000	3.5275	\$ 955.50	450.00	1,405.50
			Buildings - 1	985,000	3.5275	\$ 3,474.59		3,474.59
#830, 2011	Scout Properties	267.000	Land - 8	168,000	8.11330	\$ 1,613.03	450.00	2,063.03
			Buildings - 6	29,200	3.52750	\$ 103.00		103.00
#830, 2011	Scout Properties	268.000	Land - 8	188,000	8.11330	\$ 1,775.30	450.00	2,225.30
			Buildings - 6	153,000	3.52750	\$ 539.71		539.71
#830, 2011	BV Curling Club	288.000	Land - 8	60,000	8.11330	\$ 486.80	450.00	936.80
			Land - 6	60,000	8.11330	\$ 736.80		736.80
			Buildings - 6	1,118,000	8.11330	\$ 9,070.67		9,070.67
#831, 2011	Catholic Church	55.012	Land - 8	60,600	3.52750	\$ 463.77	450.00	913.77
			Buildings - 8	313,600	3.52750	\$ 1,106.22		1,106.22
#834, 2011	Fellowship Church	337.000	Land - 8	72,500	3.52750	\$ 505.74	450.00	955.74
			Buildings - 8	211,000	3.52750	\$ 744.30		744.30
#833, 2011	United/Anglican Church	244.099	Land - 8	91,100	3.52750	\$ 571.36	450.00	1,021.36
			Buildings - 8	513,000	3.52750	\$ 1,809.61		1,809.61
#832, 2011	United/Anglican Church Hall	244.100	Land - 8	10,900	3.52750	\$ 288.45	450.00	738.45
			Buildings - 8			\$ -		0.00
#830, 2011	SC Search & Rescue	371.110	Land - 8	56,400	8.11330	\$ 707.59	450.00	1,157.59
			Buildings - 6	222,000	8.11330	\$ 1,801.15		1,801.15
Grand Total						\$ 26,753.59	\$ 4,050.00	\$30,803.59

Strategic Goals



Mission:

Delivering Quality Services in a Sustainable Manner.

Financial Responsibility & Economic Development

Fiscal responsibility

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 11	Ensure utilities are self-sustaining	<ul style="list-style-type: none"> Utility user fees cover operational costs with no subsidization from taxation Utility parcel taxes cover capital costs with no subsidization from general taxation 	<ul style="list-style-type: none"> No cross subsidization by the year 2023 	<ul style="list-style-type: none"> Solid waste user fees cover operational costs in 2019 Plan prepared and solidified through policy to cover waste water operational costs through user fees and capital costs though parcel tax by 2023
3, 4	Work towards efficiency in service delivery	<ul style="list-style-type: none"> Reduced overhead costs Reduced duplication in processes and procedures Financial model to relate costs to services 	<ul style="list-style-type: none"> Reduction in administrative wage costs due to overtime by 2023 Reduction in public works wage costs due to overtime by 2023 More accurately track and attribute costs to services. 	<ul style="list-style-type: none"> Implemented updates to the Snow Management and Ice Control Policy to reduce costs of overtime Reduced administrative overtime Eliminated unnecessary subscriptions and memberships Review and adapt processes to enhance the use of electronic data collection
3, 4, 11, 12, 13, 14, 17	Review services and service levels to ensure they meet citizen needs at an affordable cost	<ul style="list-style-type: none"> Asset management plan defining services and service levels 	<ul style="list-style-type: none"> Asset Management Policy by 2019 Asset Management asset grouping plans by 2023 	<ul style="list-style-type: none"> Adoption of Asset Management Policy
3, 4, 11, 12, 13, 14, 17	Relate taxation to service levels and quality of service	<ul style="list-style-type: none"> Updated budget and financial chart of accounts forming a management accounting model 	<ul style="list-style-type: none"> Match revenues to expenses by 2020 More accurately track and attribute costs to services by 2021 	<ul style="list-style-type: none"> Revenues matched to expenses in departmental accounting model Attributing costs to utility services
3, 4, 11, 12, 13, 14, 17	Provide rationale for tax rate levels	<ul style="list-style-type: none"> Reporting model to better relate costs of services to revenues and service levels 	<ul style="list-style-type: none"> Reporting Model that is easily interpreted by 2021 	<ul style="list-style-type: none"> Reporting costs of services to revenue collections

Long-term financial responsibility

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4	Plan for the long-term sustainability of the Village	<ul style="list-style-type: none"> Model of full cost recovery for utility costs Model to provide future funding specifically designated to individual assets Rate Review 	<ul style="list-style-type: none"> Recover all utility operating costs from user fees Establish future funds for replacing assets Capital Plan in place based on replacing individual assets Long-term operating plan in place User rates and fees updated Rates, Fees and Charges Bylaw 	<ul style="list-style-type: none"> Solid waste user fees cover costs Plan in place to cover waste water operating costs through user fees by 2023 Model for the collection of future capital funding through waste water parcel tax and general capital
3, 4	Develop financial resources to replace assets in the future that are being used up today	<ul style="list-style-type: none"> Segregated capital reserve account 	<ul style="list-style-type: none"> Capital reserve account established Capital plan and funding model 	<ul style="list-style-type: none"> Capital fund based on historical costs and estimated useful life
3, 4, 11, 12, 13, 14, 17	Ensure strategic use of our resources by: <ul style="list-style-type: none"> Proactively applying for public sector funding, Pursuing sponsorships to maximize revenue opportunities and reduce costs, Conducting operational reviews to seek out efficiencies 	<ul style="list-style-type: none"> Grant funding in place to proceed with needed projects Partnerships for funding regional goods and services Operational review of delivery of services and projects 	<ul style="list-style-type: none"> Funding in place to support large projects Partnerships with neighbours and regional service organizations Reduced taxation for large projects Operational costs of services identified and related to service levels 	<ul style="list-style-type: none"> Established partnerships with LCAH, FSI, RDKB Area A on Middle School Development Project Established partnership with LCIC on Economic Development Workplan and Re-branding Project Applied for BC Housing demand loan to fund Middle School Development land purchase and master planning process Applied for Rural Dividend Fund Grant to fund Economic Development Workplan
3, 4	Review budget processes that ensure a sound and sustainable financial future	<ul style="list-style-type: none"> Budget and financial chart of accounts forming a management accounting model 	<ul style="list-style-type: none"> Match revenues to expenses by 2020 More accurately track and attribute costs to services by 2021 	<ul style="list-style-type: none"> Revenues matched to expenses in departmental accounting model Attributing costs to utility services

Long-term financial responsibility CONT

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4	Develop policies and strategies for investments, reserves, assets and mill rate stabilization	<ul style="list-style-type: none"> Asset Management Policy Segregated cash marked for capital funding from operational accounts Policy relating to reserves and investments, provide mill rate stabilization fund 	<ul style="list-style-type: none"> Establish full Asset Management strategy by 2022 Ensure capital funding available and identifiable by 2019 Establish policy for investments and reserves by 2022 	<ul style="list-style-type: none"> Asset Management Policy established Capital funding segregated

Economic development and growth

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
16	Work with business to identify barriers to investment	<ul style="list-style-type: none"> Understand barriers Goals and supports to break down the barriers 	<ul style="list-style-type: none"> Seek out funding to establish working committee and supports for business by 2020 Develop goals and supports for business 2021 Develop long-term plan to meet the goals by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund Grant to perform Economic Development Workplan and Community Re-branding Project
16	Promote the Village of Fruitvale through a community brand	<ul style="list-style-type: none"> Re-brand community to attract attention, visitors, businesses, investment, residents 	<ul style="list-style-type: none"> Seek out funding to re-brand the community by 2020 Promote the Village Attract investment through business and residential supports 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund Grant to perform Economic Development Workplan and Community Re-branding Project
16	Develop strategies to attract business and keep current businesses viable	<ul style="list-style-type: none"> Understand barriers to investment Strategies to counter barriers Implementation of strategies 	<ul style="list-style-type: none"> Economic Development Workplan in place by 2022 Implementation of plan strategies by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund Grant to perform Economic Development Workplan and Community Re-branding Project
6, 7, 8, 16	Revitalize the old middle school land as a key factor in economic growth	<ul style="list-style-type: none"> Former Middle School development 	<ul style="list-style-type: none"> Seek out funding for land purchase, master plan process, development phases by 2021 Seek out partnerships to the development process by 2019 	<ul style="list-style-type: none"> Working with BC Housing to fund land purchase and master planning process Received CBT grant to fund master plan

Economic development and growth CONT

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
6, 7, 8, 16			<ul style="list-style-type: none"> Develop a master plan for the project and site by 2020 Apply for related grant funding Begin development of the project and site by 2021 	<ul style="list-style-type: none"> RFP Middle School Master Plan Awarded contract Middle School Master Plan Collecting historical and background information regarding Middle School land
6, 7, 16	Review our supply and access to development land and a larger assessment base to contain tax rate increases	<ul style="list-style-type: none"> Review of current land inventory held by the Village Review of current land inventory held by others Strategies to increase assessment value in in-fill areas 	<ul style="list-style-type: none"> Council review of Village owned land inventory by 2020 Council review of potential in-fill areas by 2021 Council review of OCP and future growth potential 	
16	Promote the continued development of the downtown core as a key factor to attracting new businesses and tourism	<ul style="list-style-type: none"> Understand barriers Goals and supports to break down the barriers Re-brand community to attract attention, visitors, businesses, investment, residents 	<ul style="list-style-type: none"> Seek out funding to establish working committee and supports for business by 2020 Develop goals and supports for business 2021 Develop long-term plan to meet the goals by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund Grant to perform Economic Development Workplan and Community Re-branding Project

Open Communication & Information

Initiate open communication and dialogue with our residents, neighbours, and partners

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 17	Seek out opportunities to open lines of communication	<ul style="list-style-type: none"> • Council is accessible to citizens • Information is accessible and available 	<ul style="list-style-type: none"> • Council to scrutinize closed meetings • Council is available at Village functions • Social media is up-to-date, informative and relevant 	<ul style="list-style-type: none"> • Council hosted budget open house • Council planning a Middle School Master Plan open house • Website scrubbed and updated
3, 4, 17	Ensure public consultation is a part of the process	<ul style="list-style-type: none"> • Information is accessible and available • Feedback is solicited 	<ul style="list-style-type: none"> • Establish feedback mechanisms • Use public participation mediums whenever feasible 	<ul style="list-style-type: none"> • Council hosted budget open house • Council planning a Middle School Master Plan open house
3, 4, 17	Develop and leverage employee, citizen, inter-community and inter-governmental relationships	<ul style="list-style-type: none"> • Partnerships with neighbouring communities • Collaboration as a way of doing business • Work with other levels of government on major issues and projects • Leverage the knowledge and skills of regional support organizations 	<ul style="list-style-type: none"> • Develop partnerships to advance the Middle School Project by 2019 • Develop partnerships to advance the Economic Workplan and Re-branding project by 2020 • Establish feedback mechanisms for citizens by 2020 • Promote on-going collaboration amongst employees 	<ul style="list-style-type: none"> • Collaborate openly with employees regarding policies and procedures • Council hosted budget open house • Council planning a Middle School Master Plan open house • Involved in regional initiatives and in attendance at regional workshops • Met with Minister Selina Robinson regarding Middle School Development Project • Met with BC Housing regarding Middle School Develop Project
3, 4, 17	Be open to doing things differently by making bold decisions	<ul style="list-style-type: none"> • Mechanisms are in place to ensure future sustainability of the Village and its services • Do the right things at the right time • Prepare for the future 	<ul style="list-style-type: none"> • Review services to ensure value for money and affordability throughout Council's term • Ensure all tax payers can afford services throughout Council's term 	<ul style="list-style-type: none"> • Established taxation rates that meet current costs of services • Established waste water parcel tax policy to meet the needs of future asset replacements • Opened the Fruitvale Memorial Center Gym on a trial basis and establish user fees to ensure sustainability of the facility

Initiate open communication and dialogue with our residents, neighbours, and partners CONT

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 17			<ul style="list-style-type: none"> Establish future models for services, asset repair and maintenance and funding throughout Council's term 	<ul style="list-style-type: none"> Reviewed Snow Management and Ice Control Policy to ensure cost control and tax payers can afford the service
3, 4, 17	Encourage continuous dialogue	<ul style="list-style-type: none"> Council is accessible to citizens Information is accessible and available 	<ul style="list-style-type: none"> Council to scrutinize closed meetings Council is available at Village functions Social media is up-to-date, informative and relevant 	<ul style="list-style-type: none"> Council hosted budget open house Council planning a Middle School Master Plan open house Website scrubbed and updated

Provide open information regarding our essential services

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 17	Ensure information is available to residents	<ul style="list-style-type: none"> Current and up-to-date website and other social media Easy to read and informative newsletter Cooperative, friendly and informative staff Information available to the public Council/Public interaction 	<ul style="list-style-type: none"> Ensure website is continually up-to-date Design newsletter items for readability and relevance Ensure staff is knowledgeable and informed Present information to the public Create events & function to support Council/Public interaction 	<ul style="list-style-type: none"> Scrubbed website and keeping it current and relevant Testing different newsletter layouts to improve readability Budget Open House Planning Middle School Development Open House
3, 4, 17	Present information that accurately depicts Village services and how the services are to be funded	<ul style="list-style-type: none"> Reporting model to better relate costs of services to revenues and service levels 	<ul style="list-style-type: none"> Establish management accounting system to attribute costs to services Develop meaningful and easy to understand reporting model 	<ul style="list-style-type: none"> Revenues matched to expenses in departmental accounting model Attributing costs to utility services Modelling budget and financial reporting

Expanded Arts & Culture

Recognize local talent and leverage this talent as our best-known strength

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
13	Develop our underground talent network into a vital part of our culture	<ul style="list-style-type: none"> Events and places where local talent is displayed 	<ul style="list-style-type: none"> Establish events to showcase local talent Establish venues where local talent can be displayed 	<ul style="list-style-type: none"> First outdoor markets held displaying art and music
13	Search out grants and other funding sources to leverage the expansion of arts and culture within the Village	<ul style="list-style-type: none"> Grants supporting arts and culture 	<ul style="list-style-type: none"> Funding sources for expanding arts and culture 	<ul style="list-style-type: none"> Applied for Public Art grant funding Researching grants to fund FMC/Creekside Park Master Plan
13	Create spaces and events to showcase area talent	<ul style="list-style-type: none"> Haines Park concert stage Creekside Park improvements to support local arts and culture FMC improvements to support local arts and culture Economic Development Workplan supports art and culture 	<ul style="list-style-type: none"> Concert stage included in Haines Park master plan Area to perform or display art included in FMC/Creekside Park master plan Art and culture included as part of economic development 	<ul style="list-style-type: none"> Researching grants to fund FMC/Creekside Park Master Plan

Environmental Stewardship

Become careful stewards of our environment and preserve our natural surroundings

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
9, 10, 15	Reduce the use of chemicals in herbicides and pesticides applied by the Village	<ul style="list-style-type: none"> Updated Herbicide/Pesticide Policy 	<ul style="list-style-type: none"> Update Herbicide/Pesticide Policy 	<ul style="list-style-type: none"> Implemented a resolution of no chemical treatment for 2019
9, 10, 15	Educate and encourage citizens against chemical applications in private use	<ul style="list-style-type: none"> Education and information available on chemical alternatives and environmental issues 	<ul style="list-style-type: none"> Information available to the public Promotion of non-chemical use 	
5, 9, 10, 15	Develop active transportation networks to encourage carbon neutrality within the Village boundaries	<ul style="list-style-type: none"> Establish a Village trail system master plan Develop Village roadway standards to include multi-modal transportation networks 	<ul style="list-style-type: none"> Village trail master plan Village roadway standard adopted 	
5, 9, 10, 15	Develop an environmental sustainability plan	<ul style="list-style-type: none"> Environmental sustainability plan and practices 	<ul style="list-style-type: none"> Environmental sustainability plan by 2022 	
5, 9, 10, 15	Continue to meet and exceed the Climate Action Revenue Incentive Program objectives for a carbon neutral village	<ul style="list-style-type: none"> Exceed climate action neutrality targets 	<ul style="list-style-type: none"> CARIP grant received every year 	<ul style="list-style-type: none"> Received 2019 CARIP

Strong, Resilient Community

Build a strong, resilient community through well planned investment in priority resources

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 17	Invest in employee succession planning - training and experience	<ul style="list-style-type: none"> Succession Plan 	<ul style="list-style-type: none"> Develop succession plan Educate and train employees to match the succession plan 	<ul style="list-style-type: none"> Plan for training and experience building for current employees 4 EOCP Courses, 4 OHS Courses, 1 Payroll Update, 1 Management
3, 4, 10, 17	Create a focus on health & safety	<ul style="list-style-type: none"> OHS Policy Safe Work Procedures 	<ul style="list-style-type: none"> OHS Policy in place by 2020 Confined Space procedures in place by 2020 Safe work procedures continually developed and updated 	<ul style="list-style-type: none"> Developed OHS Policy Confined space entry procedures 90% complete Implemented pre-trip vehicle inspection procedures
3, 4, 17	Steadily develop future funded operational & capital reserves	<ul style="list-style-type: none"> Asset Management Policy Segregated cash marked for capital funding from operational accounts Funding model to support future capital and operational costs 	<ul style="list-style-type: none"> Establish Asset Management Policy and Strategy Develop segregated cash accounts to support funding model Develop Capital Plan Develop long-term operational budget 	<ul style="list-style-type: none"> Asset Management Policy in place Capital future funding included in operational budget Long-term model to establish utility capital reserves and full cost recovery in place
3, 4, 17	Ensure security and availability of data and information	<ul style="list-style-type: none"> Skills in Freedom of Information and Protection of Personal Privacy (FOIPP) Improved network security Filing structure to meet the needs of FOIPP 	<ul style="list-style-type: none"> FOIPP well understood by all front counter staff and administration by 2021 Policies and forms in place to support FOIPP by 2021 Policies and procedures in place to support network security by 2021 LGMA RIM filing system in place by 2022 	<ul style="list-style-type: none"> File clean-up and storage Beginning stages of RIM system developed with ongoing efforts to re-organize files
3, 4, 17	Review and update bylaws and policies to meet the needs of the Village today and into the future	<ul style="list-style-type: none"> Review and update current bylaws and policies New and relevant bylaws and policies 	<ul style="list-style-type: none"> Asset Management Policy OHS Policy Community Standards Bylaw Bylaw Enforcement Bylaws and Policies 	<ul style="list-style-type: none"> Implemented Asset Management, OHS Policies, Tangible Capital Asset Policy

Build a strong, resilient community through well planned investment in priority resources CONT

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 17		<ul style="list-style-type: none"> Repealed out-of-date bylaws and policies 	<ul style="list-style-type: none"> User Fees and Rates Bylaw Policies to support efficient and effective services 	<ul style="list-style-type: none"> Updated Snow Management and Ice Control Policy, Bullying and Harassment Policy
3, 4, 11, 14, 17	Prioritize investment into infrastructure assets based on facts from condition assessments and needs analysis	<ul style="list-style-type: none"> Asset management policies and procedures Capital Asset Plan based on condition and use of assets Funding model to support Capital Asset Plan 	<ul style="list-style-type: none"> Develop Capital Asset Plan for all Village owned assets by 2021 Perform asset condition assessments on all major assets by 2022 	<ul style="list-style-type: none"> Developed preliminary Capital Asset Plan based on future replacement value and estimated useful life Researching grant funding to perform condition assessments and establish electronic asset inventory

Well Planned Future

Inspire long-term planning for the future

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Financial management plan	<ul style="list-style-type: none"> Financial management plan 	<ul style="list-style-type: none"> Financial management plan by 2022 	<ul style="list-style-type: none"> Developing financial modelling
	Asset management plan	<ul style="list-style-type: none"> Asset management plan 	<ul style="list-style-type: none"> Asset management plan by 2021 	<ul style="list-style-type: none"> Established Asset Management Policy
	Capital plan	<ul style="list-style-type: none"> Capital plan 	<ul style="list-style-type: none"> Capital plan by 2021 	<ul style="list-style-type: none"> Developed preliminary Capital Asset Plan based on future replacement value and estimated useful life
	Long-term operating budget	<ul style="list-style-type: none"> Long-term operating budget 	<ul style="list-style-type: none"> Long-term operating budget by 2021 	<ul style="list-style-type: none"> Establishing master plans to guide long-term budgeting Developing asset operational and maintenance plans
	Environmental sustainability plan	<ul style="list-style-type: none"> Environmental sustainability plan 	<ul style="list-style-type: none"> Environmental sustainability plan by 2022 	
	Cemetery design plan	<ul style="list-style-type: none"> Cemetery design plan 	<ul style="list-style-type: none"> Cemetery design plan by 2020 	
	Fruitvale Memorial Hall upgrade plan	<ul style="list-style-type: none"> Fruitvale Memorial Hall upgrade plan 	<ul style="list-style-type: none"> Fruitvale Memorial Hall upgrade plan by 2022 	<ul style="list-style-type: none"> Researching funding opportunities for master planning
	Downtown development plan	<ul style="list-style-type: none"> Downtown development plan 	<ul style="list-style-type: none"> Downtown development plan by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund grant to fund Economic Development Workplan and Re-branding Project
	Economic growth plan	<ul style="list-style-type: none"> Economic growth plan 	<ul style="list-style-type: none"> Economic growth plan by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund grant to fund Economic Development Workplan and Re-branding Project
	Age Friendly Community plan	<ul style="list-style-type: none"> Age Friendly Community plan 	<ul style="list-style-type: none"> Age Friendly Community plan by 2022 	<ul style="list-style-type: none"> Applied for Rural Dividend Fund grant to fund Economic Development Workplan and Re-branding Project

Inspire long-term planning for the future CONT

OCP	GOAL	MEASURABLE	TARGET	PROGRESS
3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17	Prepare to be shovel ready as grants and other funding opportunities arise	<ul style="list-style-type: none"> Projects planned and shovel ready 	<ul style="list-style-type: none"> Road Standards Trail Master Plan Haines Park Master Plan FMC/Creekside Park Master Plan Asset Condition Assessments 	

In four years,

working as a cohesive team with administration and employees we will be known for our following achievements:



Our Residents

- Governing and leading
- Fair and equitable
- Forward thinking and bold
- We have communicated
- We have listened
- We have delivered services most needed

Community Organizations

- Support innovation
- Collaborative community partners
- We have contributed
- We leverage their knowledge, expertise, and successes

Our Business Community

- Open to doing things differently
- Fostering opportunities
- Sharing in the development of business
- Sharing community leadership
- We have enhanced relationships
- We have contributed to success

Neighbours and Partners

- We are credible, knowledgeable, responsive and participatory
- We are effective partners, leaders and advocates

FINANCIAL STATEMENTS

Financial Statements

The Corporation of the Village of Fruitvale

December 31, 2019

draft for discussion purposes

THE CORPORATION OF THE VILLAGE OF FRUITVALE
DECEMBER 31, 2019

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

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

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

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

Respectfully submitted,

Kelli Tuttle
Acting Chief Administrative Officer

Independent Auditor's Report

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

Opinion

We have audited the financial statements of The Corporation of the Village of Fruitvale (the "Village"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2019, and its results of operations and its cash flows in accordance with Canadian public sector accounting standards.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

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

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

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

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

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

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

Trail, Canada
October 5, 2020

Chartered Professional Accountants

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

	2019	2018
FINANCIAL ASSETS		
Cash (Note 2)	\$ 2,138,605	\$ 1,408,492
Accounts receivable (Note 4)	388,141	1,125,540
Deposits, Municipal Finance Authority (Note 5)	25,000	25,000
	<u>2,551,746</u>	<u>2,559,032</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	347,495	731,768
Deferred revenue (Note 7)	1,011,787	608,075
MFA debt reserve (Note 5)	25,000	25,000
Equipment financing	14,443	-
Debenture debt (Note 8)	<u>2,399,327</u>	<u>2,447,452</u>
	<u>3,792,046</u>	<u>3,812,295</u>
NET DEBT	(1,240,300)	(1,253,263)
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	12,770,707	12,452,932
Prepaid expenses	17,329	14,166
Other	<u>359,835</u>	<u>167,413</u>
ACCUMULATED SURPLUS (Note 9)	<u>\$11,907,571</u>	<u>\$11,381,248</u>

Chief Administrative Officer

Mayor

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

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

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

	BUDGET (Note 14)	2019	2018
ANNUAL SURPLUS	961,682	\$ 526,323	\$ 930,519
Acquisition of tangible capital assets	(873,399)	(916,889)	(2,505,295)
Amortization of tangible capital assets	-	599,114	521,065
Proceeds on sale of tangible capital assets	-	-	51,860
Loss (gain) on disposal of tangible capital assets	-	-	20,177
	88,283	208,548	(980,674)
Change in other assets	-	(192,422)	(136,833)
Change in prepaid expenses	-	(3,163)	23,148
INCREASE IN NET DEBT	88,283	12,963	(1,094,359)
NET DEBT, BEGINNING OF YEAR	(1,253,263)	(1,253,263)	(158,904)
NET DEBT, END OF YEAR	88,283	\$ (1,240,300)	\$ (1,253,263)

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

	2019	2018
OPERATING TRANSACTIONS		
Annual surplus	\$ 526,323	\$ 930,519
Non-cash items:		
Amortization	599,114	521,065
Loss (gain) on disposal of tangible capital assets	-	20,177
Changes to financial assets/liabilities:		
Accounts receivable	737,399	(737,072)
Prepaid expenses	(3,163)	23,148
Inventory	(192,422)	(136,833)
Accounts payable and accrued liabilities	(384,293)	575,305
Unearned revenue	403,706	273,484
	1,686,684	1,469,793
FINANCING TRANSACTIONS		
Repayment of debenture debt and short term borrowing	(54,370)	(191,729)
Proceeds from new long term leases	14,688	-
CAPITAL TRANSACTIONS		
Tangible capital assets acquired	(916,889)	(2,505,295)
Proceeds on disposal of tangible capital assets	-	52,860
	(916,889)	(2,452,435)
INCREASE (DECREASE) IN CASH	730,113	(1,174,371)
CASH, beginning of year	1,408,492	2,582,863
CASH, end of year	\$ 2,138,605	\$ 1,408,492

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PRESENTATION

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

B) FUNDS OF THE VILLAGE

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

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

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

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

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

C) REVENUE RECOGNITION

Taxation

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

Fees and charges

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

C) REVENUE RECOGNITION - Continued

Government transfers

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

Investment income

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

Gains from disposal of tangible capital assets

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

D) LIABILITY FOR CONTAMINATED SITES

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

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

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

1. SIGNIFICANT ACCOUNTING POLICIES - Continued

E) TANGIBLE CAPITAL ASSETS

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

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

F) BUDGET

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

G) ACCRUAL ACCOUNTING

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

H) USE OF ESTIMATES

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where necessary. Amortization is based on the estimated useful lives of tangible capital assets.

2. CASH

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

3. OPERATING LINE OF CREDIT

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

4. ACCOUNTS RECEIVABLE

	2019	2018
Taxes	\$ 132,208	\$ 177,933
Federal Government	28,730	133,012
Regional District of Kootenay Boundary	30,079	233,552
Provincial Government	131,886	516,157
Other	15,238	64,886
	<u>\$ 388,141</u>	<u>\$ 1,125,540</u>

5. DEBT RESERVE FUND

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

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

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

7. DEFERRED REVENUE

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

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

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

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

8. DEBENTURE DEBT

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

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

2020	\$ 55,748
2021	57,421
2022	59,143
2023	60,918
2024	62,745
Thereafter	2,097,382
	<hr/>
	\$ 2,393,327

Interest rate on debenture debt is 2.79% per annum

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

9. ACCUMULATED SURPLUS

Accumulated surplus is represented by:

	2019	2018
Unappropriated surplus	\$ 451,455	\$ 327,655
Capital funds	80,521	80,521
Reserve funds	622,998	291,582
Equity in tangible capital assets	10,752,600	10,681,490
	<u>\$11,907,571</u>	<u>\$11,381,248</u>

10. REVENUES

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

11. GOVERNMENT TRANSFERS

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

12. CONTINGENCIES

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

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

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

13. PENSION LIABILITY

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018, the Plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

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

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

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

THE CORPORATION OF THE VILLAGE OF FRUITVALE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2019

14. BUDGET RECONCILIATION

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

Budget surplus per Statement of Operations	\$ 961,682
Less: capital expenditures	(873,399)
Less: debt principal repaid	(52,548)
Less: transfers to other funds	(159,903)
Add: proceeds from borrowings	124,168
	<hr/>
	\$ -
	<hr/>

THE CORPORATION OF THE VILLAGE OF FRUITVALE
SCHEDULE 1 - SCHEDULE OF TANGIBLE CAPITAL ASSETS
AS AT DECEMBER 31, 2019

	Land	Land Improvements	Engineering Structures General	Sewer	Machinery Equipment & Vehicles	Buildings	Work in Progress	2019 TOTAL	2018 TOTAL
COST									
Balance, beginning of year	\$ 912,274	\$ 1,462,125	\$ 7,285,334	\$ 2,359,597	\$ 1,974,920	\$ 5,539,125	\$ 1,119,094	\$ 20,652,469	\$ 18,381,134
Add: additions during the year	-	-	30,018	395,798	831,993	771,831	-	2,029,640	2,505,295
Less: disposals and transfers during the year	-	-	-	-	-	-	(1,112,751)	(1,112,751)	(233,960)
Balance, end of year	912,274	1,462,125	7,315,352	2,755,395	2,806,913	6,310,956	6,343	21,569,358	20,652,469
Accumulated Amortization									
Balance, beginning of year	-	796,679	3,673,265	705,208	1,237,833	1,886,452	-	8,199,537	7,839,395
Add: amortization	-	38,418	241,780	31,984	128,519	158,433	-	599,114	521,065
Less: accumulated amortization on disposals	-	-	-	-	-	-	-	-	(160,923)
Balance, end of year	-	835,097	3,815,125	737,192	1,366,352	2,044,885	-	8,798,651	8,199,537
Net Book Value 2019	\$ 912,274	\$ 627,028	\$ 3,500,227	\$ 2,018,203	\$ 1,440,561	\$ 4,266,071	\$ 6,343	\$ 12,770,707	\$ 12,452,932
Net Book Value 2018	\$ 912,274	\$ 665,446	\$ 3,711,969	\$ 1,654,389	\$ 737,087	\$ 3,652,673	\$ 1,119,094	\$ -	\$ 12,452,932

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

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

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

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

(UNAUDITED)

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

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

(UNAUDITED)

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

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

(UNAUDITED)

	BUDGET	2019	2018
REVENUES			
Taxation, grants in lieu, assessments	\$ 2,700,582	\$ 2,704,166	\$ 2,509,860
Payments to other authorities	(1,841,120)	(1,841,336)	(1,773,852)
Taxation for village purposes	859,462	862,830	731,008
Sale of services	112,870	113,249	109,578
Other revenue from own sources	172,766	236,010	211,454
Grants	-	-	39,373
Cost recoveries	85,217	51,006	67,883
Conditional transfers from provincial government	2,925	55,936	16,821
Conditional transfers from regional district and other local governments	380,216	224,601	175,381
Conditional transfers from federal government	-	-	-
Unconditional transfers from provincial government	470,000	485,633	471,961
	2,083,456	2,029,271	1,823,459
EXPENSES			
General government services	787,917	725,999	622,366
Protective services	67,752	67,483	60,625
Transportation services	534,315	525,731	485,728
Environmental health services	49,252	45,813	46,088
Public health and welfare services	22,888	25,951	24,319
Environmental development services	68,401	92,696	60,067
Recreational and cultural	183,686	128,467	151,505
Debt interest, fiscal services and other	72,714	71,601	91,654
	1,786,925	1,683,741	1,542,352
EXCESS OF REVENUE OVER EXPENSES	296,531	345,530	281,107
Debt principal repaid	(52,548)	(54,369)	(191,730)
NET EXCESS OF REVENUE OVER EXPENSES	243,983	291,161	89,377
Transfers from (to) own funds and reserves:			
Cemetery care fund	(2,000)	(4,934)	(3,585)
General capital fund	(128,000)	(105,130)	(1,128,585)
Capital reserve	(111,867)	(111,867)	-
Sewer revenue fund	-	(243,636)	(335,685)
Carbon tax reserve	(2,925)	(3,615)	(2,922)
Financing proceeds	-	14,688	-
Long term borrowings	-	676,010	1,867,533
Unspent long term borrowings	-	(389,663)	(676,010)
	(244,792)	(168,147)	(279,254)
NET FUND SURPLUS (DEFICIT) FOR THE YEAR	(809)	123,014	(189,877)
FINANCIAL EQUITY, BEGINNING OF YEAR	307,792	307,792	497,669
FINANCIAL EQUITY, END OF YEAR	\$ 306,983	\$ 430,806	\$ 307,792

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

(UNAUDITED)

	BUDGET	2019	2018
REVENUES			
Sewer user rates	\$ 319,417	\$ 323,452	\$ 295,403
Connection charges	2,000	-	10,129
Sewer parcel taxes	188,750	190,900	152,825
Conditional transfers from provincial government	606,230	568,125	-
Conditional transfers from regional district			
	1,116,397	1,082,475	458,357
EXPENSES			
Salaries, wages and benefits	169,656	100,754	119,402
Contracted services	88,913	68,690	71,701
Supplies, materials and equipment	107,460	102,114	66,608
Debt interest	-	-	-
	366,029	271,558	257,711
NET EXCESS OF REVENUE OVER EXPENSES	750,368	810,917	200,646
Sewer capital reserve	(85,000)	(211,000)	-
Transfer to sewer capital	(745,399)	(811,759)	(341,391)
Transfer from general revenue	-	243,636	335,685
Internal charges	(44,300)	(31,010)	(45,311)
Proceeds from borrowings	124,168	-	-
	(750,531)	(810,133)	(51,017)
NET FUND SURPLUS (DEFICIT) FOR THE YEAR	(163)	784	149,629
DEFICIT, BEGINNING OF YEAR	19,864	19,864	(129,765)
DEFICIT, END OF YEAR	\$ 19,701	\$ 20,648	\$ 19,864

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

(UNAUDITED)

	Carbon Tax Reserve	Development Cost Charges Reserve	Cemetery Care and Capital Improvement Fund	Capital Reserve	2019 Total	2018 Total
ASSETS						
Cash	\$ 28,844	\$ 2,400	\$ 90,582	\$ 386,671	\$ 508,497	\$ 32,899
Due from general operating fund	3,615	-	(9)	110,983	114,501	258,683
	<u>\$ 32,459</u>	<u>\$ 2,400</u>	<u>\$ 90,485</u>	<u>\$ 497,654</u>	<u>\$ 622,998</u>	<u>\$ 291,582</u>
FUND BALANCES,						
beginning of year	\$ 28,844	\$ 2,400	\$ 85,551	\$ 174,787	\$ 291,582	\$ 285,075
Net Interest earned	-		4,934	-	4,934	613
Transfers from own fund: general operating	3,615		-	322,867	326,482	5,894
FUND BALANCES, end of year	<u>\$ 32,459</u>	<u>\$ 2,400</u>	<u>\$ 90,485</u>	<u>\$ 497,654</u>	<u>\$ 622,998</u>	<u>\$ 291,582</u>