



## **Annual Reports / Financial Statements for 2019**

### **2020 ANNUAL GENERAL MEETING**

**Wednesday, June 10, 2020**

445 Glenmore Road  
Kelowna, BC V1V 1Z6  
7:00 P.M.



**ANNUAL GENERAL MEETING  
AGENDA  
JUNE 10, 2020 at 7:00 PM**

Meeting Called to order / Introduction of Trustees and Head Table

- 1. NOTICE OF AGM:** Read by the Administrator
- 2. MINUTES OF APRIL 11, 2020:** Read by the Administrator OR Reading Dispensed by Motion from the Floor
- 3. TRUSTEE'S REPORT:** Read by the Chair
  - 3.1 Business Arising from Report
- 4. PROJECTS & WORKS REPORT:** Presented by the Operations Manager
  - 4.1 Business Arising from Report
- 5. FINANCIAL REPORT:** Financial Statements reviewed by Auditor
  - 5.1 Appoint Auditor for 2020
- 6. Set TRUSTEE REMUNERATION for 2020**
- 7. Set CHAIR'S REMUNERATION for 2020**
- 8. ELECTION RESULTS:** Read by the Chair
- 9. MEETING ADJOURNED**

GENERAL DISCUSSION



MINUTES OF THE 30th **ANNUAL GENERAL MEETING** OF THE LANDOWNERS OF THE  
GLENMORE - ELLISON IMPROVEMENT DISTRICT HELD ON THURSDAY, **APRIL 11, 2019**  
at **7:00 PM** AT NORTH GLENMORE ELEMENTARY SCHOOL, 125 SNOWSELL ST. N., KELOWNA, BC.

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**PRESENT:** Chair: Steven Bonn Trustees: Bob Fugger; Steve Lemke, Horst Grams; Administrator: Dawn Williams Administrative Treasurer: Sherree Carter; Operations Manager: Kevin Burtch; Projects Coordinator: Mike Rojem; 9 Landowners: Bruce Gillon, Doug Flintoft, Emma Rantucci, Elmo Rantucci, Kathy Turner, Adrian Piebenga, Bob Hrasko, Mike Tutt, Frank Pullen

**REGRETS:** Lee-Ann Tiede

**DELEGATION:** Tony Wolf, T. Wolf & Co. Ltd.

The Chair called the meeting to order at 7:00 p.m., and introduced Staff, Trustees and the District Auditor. He welcomed everyone to the Annual General Meeting.

1. Sherree Carter, Administrative Treasurer read the “**NOTICE OF ANNUAL GENERAL MEETING**” and noted when and where the advertising was placed for the AGM.
2. Steven Bonn, Chair opened the floor and noted that since everyone has a copy of last year’s Minutes, asked for a motion to dispense with the reading of the Minutes for last year’s Annual General Meeting.

A **MOTION** was made by: Doug Flintoft **SECONDED** by: Emma Rantucci to dispense with the reading of the Annual General Meeting Minutes of April 18, 2018.

**CARRIED.**

The Chair asked if there were any errors or omissions; none were raised.

A **MOTION** was made by: Emma Rantucci **SECONDED** by: Bruce Gillon to adopt the Annual General Meeting Minutes of April 18, 2018.

**CARRIED.**

3. The **2018 TRUSTEE’S REPORT** was read by Steven Bonn, Chair.

**3.1** Steven Bonn, Chair opened the floor and asked if there were any questions or business arising from the 2018 Trustee’s Report. No questions were raised.

A **MOTION** was made by: Doug Flintoft **SECONDED** by: Emma Rantucci to receive the Trustee’s Report as presented.

**CARRIED.**

4. Highlights from the **2018 PROJECTS & WORKS REPORT** were presented by Mike Rojem, Projects Coordinator.

**4.1** Steven Bonn, Chair opened the floor and asked if there were any questions or business arising from the 2018 Projects & Works Report. No questions were raised.

A **MOTION** was made by: Bruce Gillon **SECONDED** by: Emma Rantucci to receive the Projects & Works Report as presented.

**CARRIED.**

## **5. FINANCIAL STATEMENTS/REPORT**

Tony Wolf of T. Wolf & Co. thanked the Board of Trustees and Landowners for the opportunity to do the District's Audit again this past year.

Tony Wolf, T. Wolf & Co. then presented the **2018 FINANCIAL STATEMENTS**.

Chair Steven Bonn opened the floor and asked if there were any questions or comments regarding the 2018 Financial Statements.

Bruce Gillon asked for an explanation of the Net Financial Assets.

Tony Wolf, T. Wolf & Co. replied that the Net Financial Assets are the Financial Assets minus the Financial Liabilities and as of December 31, 2018 the long-term debt and the deferred revenue was a little higher than the cash and the receivables but that it has been going down every year. When the debt is paid off the Net Financial Assets will be in a positive value.

Adrian Piebenga commented that staff has done a good job on managing the finances of the District. He also stated that he was not in favour of ratepayers paying for meter installation. The Chair requested that any general discussion be postponed until the end of the meeting.

A **MOTION** was made by: Doug Flintoft **SECONDED** by: Bruce Gillon to receive the Financial Statements as presented.

**CARRIED.**

Tony Wolf exited the meeting at this point.

**5.1** Staff and Trustees noted that the District has had very good service from Tony Wolf and that his rates are very reasonable, and recommended that T. Wolf & Co. be appointed as auditor for 2019.

A **MOTION** was made by: Emma Rantucci **SECONDED** by: Bob Hrasko to appoint T. Wolf & Co. as auditors for the 2019 year-end.

**CARRIED.**

## **6. TRUSTEE'S REMUNERATION**

Sherree Carter, Administrative Treasurer reported that currently the GEID Trustees receive an honorarium of \$400.00 per month, along with \$200.00 for each meeting attended. She recommended that it remain the same for 2019.

Doug Flintoft commented that he appreciated the continuity of the financial reporting with no issues year over year and thanked the Trustees for the work that they do.

The Trustees noted that due to the strength of the current management team the number of meetings per month has been reduced and this is reflected in the financial statements.

A **MOTION** was made by: Doug Flintoft **SECONDED** by: Bob Hrasko that the Trustee's remuneration shall remain as is and not be increased in 2019.

**CARRIED.**

## **7. CHAIR'S REMUNERATION**

Sherree Carter, Administrative Treasurer reported that currently the GEID Chair receives an honorarium of \$800.00 per month, along with \$290.00 for each meeting attended. She recommended that it remain the same for 2019.

A **MOTION** was made by: Emma Rantucci **SECONDED** by: Bruce Gillon that the Chair's remuneration shall remain as is and not be increased in 2019.

**CARRIED.**

## **8. ELECTION NOTICE** was read by Sherree Carter, Administrative Treasurer as follows:

The term for Trustee Steven Bonn expires this year. Nominations must be filed at the District office on or before Friday, April 12, 2019 by 3:30 p.m. Nomination papers are available at the District office, on our website, or at the Annual General Meeting.

To date a nomination form has been received for Steven Bonn.

An Election, if required, will be held on Wednesday, May 22, 2019 from 8:00 a.m. to 8:00 p.m. The Advance Poll will held be on Wednesday, May 15, 2019 from 8:00 a.m. to 4:00 p.m.

The Chair asked if there were any further questions or comments.

Bob Hrasko requested that the minutes state the names of the Landowners that attended the AGM instead of just stating the number of Landowners that attended.

As there were no further questions or comments, the Chair entertained a motion to adjourn at 7:30 p.m.

The **MOTION** was made by: Doug Flintoft **SECONDED** by: Emma Rantucci to adjourn.

**CARRIED.**

Mr. Bonn thanked everyone for attending the meeting.

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**Dawn Williams**  
**Administrator**

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**Steven Bonn**  
**Chairman**

## TRUSTEE'S REPORT for 2019

### TO THE LANDOWNERS OF THE DISTRICT:

#### Trustees:

The term for Trustee Steven Bonn expired in 2019. Nomination papers were subsequently received for Steven Bonn and no others. An election was not necessary and Steven Bonn was appointed by acclamation for a further 3-year term. The Trustees welcomed him back to the Board.

Steven Bonn was elected by the Trustees as Chair.

#### Administration Staff:

In July 2019, GEID was fortunate to hire Garry Filafilo as our new Administrative Treasurer. Garry is an accounting professional with over 25 years' experience as controller, manager and financial consultant to businesses in the private and public sectors. Garry's financial skills are complemented by a professional work ethic and a calm, friendly disposition that makes him a welcomed member of GEID's management team.

#### Taxes & Tolls:

Taxation for agricultural water is in place to cover costs for distribution and consumption for properties with farm status, whereas taxation for all other classifications is assigned to cover costs for infrastructure renewal. The Tax rates for 2019 were established by Bylaw 199 as follows:

A Grade (Farm Status) .....	120.00/acre
C Grade (Commercial) .....	165.00/acre
D Grade (Dry Land) .....	No Levy
E Grade (Exempt Lands) .....	No Levy
G Grade (General Irrigation) .....	120.00/acre
G-2 Grade (General Irrigation – Non Treated Water) .....	87.00/acre
M Grade (Multi-Family/Strata/Apt).....	129.00/acre
R Grade (Residential) .....	165.00/acre
S-1 Grade (Stratas - works maintained by GEID) .....	165.00/acre

As per the 2019 Land Grade Summary Report, there were 9,107.221 acres of land in the District of which 2,017.667 acres were A grade (Farm Status) and 2,038.104 were grades C, G, G-2, M, R and S-1, and were taxable. Additionally, there were 4,535.772 acres of D grade (dry) lands, 508.998 acres of E grade (tax-exempt) properties, and 6.68 acres of land owned by the District.

As at December 31, 2019, there were a total of 9,114 service connections. There were 8,587 domestic connections and an additional 138 commercial connections. There are 389 agricultural connections in the District.

The Improvement District's Tolls Bylaw was amended in 2019. Metered Toll Rates were decreased for Multi-family Residential Units, Commercial customers as well as Apartments. Unmetered Toll Rates were increased, providing owners with an incentive to install their water meters. All other rates remained unchanged from 2018.

### **Financial Highlights:**

The Capital Expenditure Charge (CEC) Reserve balance as of December 31, 2019 was \$1,302,289. The total CECs collected in 2019 was \$2,161,021 which was \$32,849 more than 2018. Development remained steady in 2019. In addition, a transfer of \$2,065,205 from the Capital Expenditure Charge (CEC) Reserve was made in 2019 for the remaining 50% of the (CECs) owing to the Okanagan Lake Project. When the project was approved, development was stagnant and there were no available funds in the Capital Reserve to fund the project.

In 2019, the District spent the following reserve fund amounts for system upgrades:

Capital Expenditure Charge Reserve:	\$1,180,517
Renewal Reserve:	\$322,989

The Okanagan Lake (Stage I Works) Long Term Loan is in repayment mode, with a Locked-In rate of 3.97% for 20 years. Monthly loan payments were made during the year, reducing the loan by \$327,128 which resulted in a loan balance of \$6,147,602 on December 31, 2019.

### **Stage II Works:**

Monthly loan payments were made during the year on the Okanagan Lake (Stage II Works) Long Term Loan, reducing the loan by \$200,004, which resulted in a loan balance of \$3,299,986 on December 31, 2019.

This Loan is in a Long-Term repayment format - an Open Loan based on the Canadian Dealer Offered Rate (CDOR), with a revolving 30-day term. This format allows the District to take advantage of today's low interest rates. This loan can be converted to a locked-in rate at each renewal (i.e. at the end of any 30-day period) if rates are on the rise.

### **Water Quality Improvement Projects:**

#### **Ellison Separation Project**

The Final Phase of construction to bring treated Okanagan Lake Water to Ellison properties and to separate the domestic and agricultural water supply is nearing completion. Once this last phase is complete, which includes the construction of a new reservoir and pump station, **ALL GEID RATEPAYERS** will have access to clean, clear Okanagan Lake Water with dual disinfection for domestic purposes. Mill Creek water will only be used for agricultural supply. Expected completion of this final Phase is the August 2020.

## **Wildfire Risk Reduction Project**

GEID was successful in receiving funding in the amount of \$140,910 for the development of a plan to reduce wildfire risk in our watershed, thanks in part to \$663,910 in funding granted by the Forest Enhancement Society of B.C. (FESBC).

Four water purveyors are collaboratively working together with Frontline Operations Group Ltd. (FLO) on separate watershed projects because they are adjacent to one another and wildfires know no boundaries. The immediate focus is to prescribe treatments and cut blocks that address the wildfire risk around critical areas within each of the watersheds.

## **GEID Shop Expansion:**

In 2013 the need to expand the outgrown GEID Workshop (built in 1970), including a separate lunch room, water quality lab and office space was identified. To secure the required funds for construction, a Building Reserve Fund was established and contributions have been allocated annually. In 2019 the construction began with the expected completion July 2020.

## **Hydrovac Truck Purchase:**

In 2019, GEID purchased a hydrovac truck in order to improve operational efficiencies and to be better equipped to respond to emergencies. Hydrovac trucks make for faster project completion and cause minimum damage to the work site, as opposed to traditional digging. Damage and conflict with other underground utilities can be easily avoided.

## **Election:**

The terms for Trustees Bob Fugger and Steve Lemke expired in 2020. In April, notices seeking nominations for two positions were posted in the Kelowna Capital News and on the GEID website. Nomination papers were subsequently received for Bob Fugger, Steve Lemke and no others. An election was not necessary and both were appointed by acclamation for a further 3-year term each. The Trustees welcomed them back to the Board.

**On behalf of the District, we thank the staff and crew for their dedication in meeting the ever-increasing demands throughout this exceptionally busy year.**

Respectfully submitted,

## **BOARD OF TRUSTEES:**

Steven Bonn  
Horst Grams  
Bob Fugger  
Steve Lemke  
Lee-Ann Tiede

## PROJECTS & WORKS REPORT– 2019

### MEMBERS OF THE BOARD:

The snow survey data in the spring was 25% below average by the last reading in March. The District managed its water resources accordingly and responsibly throughout the year. Only Bulman and South Lake reservoirs filled to capacity. Postill Lake did not spill in 2019 but reached a level of 95% capacity. The Kelowna Cr Watershed received 13.2" of rainfall throughout 2019 which is 32.9% more than the 23-year avg. The 2019 lake levels and reservoirs at year-end were as follows:

#### 2019 year-end summary

Lake	Year-end level	Year-end volume	Full level	Full volume
Postill	29` 5"	3340 ac ft	34` 4"	4,537 ac ft
South	11` 0"	291 ac ft	17` 7"	627 ac ft
Bulman	19` 5"	586 ac ft	26` 5"	955 ac ft
McKinley Res.	30` 7"	527 ac ft	36` 3"	948 ac ft

- ❖ 2019 year-end storage levels were 67% of the total available storage capacity.
- ❖ Total delivered volumes were 5166 ac ft [6370 ML]. 2019 delivered volume of 5166 ac ft [6370 ML] is 7.8% below the 10-year annual demand average of 5605 ac ft [6911 ML].
- ❖ Okanagan Lake supply = 81.2%
- ❖ Kelowna Creek = 18.6%
- ❖ Wells = 0.2%, District wells were only used as a stand-by/emergency/operational water supply in 2019.

### Other projects that the District was involved with were as follows:

- ❖ Completion of 145 various existing works repairs, 24 special works projects and 2 new service installations. Crews also completed 35 fire hydrant repairs.
- ❖ Completed numerous new watermain and facility installation inspections as well as connection tie-in inspections for the works as noted in the Trustee's report, including in-progress works for the new developments not yet complete.

Routine maintenance is a large part of the staff's daily duties with 16 pumping stations, 10 enclosed reservoirs with 32.8 ML of total storage, 21 pressure reducing stations, 26 pressure zones, 5 groundwater wells, 5 gas chlorinators, 5 hypochlorite chlorinators and 519 fire hydrants. On top of their regular duties the crew responded to 1,285 service requests and 492 BC One-Call locate requests.

We would like to express our appreciation to the staff for their dedication and great work they provide to GEID.

Respectfully submitted,

**Mike Rojem**  
Project Coordinator

**Kevin Burtch**  
Operations Manager

**GLENMORE-ELLISON  
IMPROVEMENT DISTRICT**  
**Consolidated Financial Statements**  
**Year ended December 31, 2019**

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## Independent Auditor's Report

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**To the Trustees and Water Users  
Glenmore-Ellison Improvement District**

**Opinion**

I have audited the accompanying consolidated financial statements of the Glenmore-Ellison Improvement District (the District), which comprise the consolidated statement of financial position as at December 31, 2019 and the consolidated statements of operations, changes in net financial assets, and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Glenmore-Ellison Improvement District at December 31, 2019, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Basis for Opinion**

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

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

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report, to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

*T. Waelfa Co. Ltd.*

Chartered Professional Accountant

Kelowna, British Columbia  
March 17, 2020

**Glenmore-Ellison Improvement District  
Consolidated Statement of Financial Position**

<b>December 31</b>	<b>2019</b>	<b>2018</b>
<b>Financial Assets</b>		
Cash (Note 1)	\$ 12,872,386	\$ 12,244,422
Accounts receivable (Note 2)	764,102	848,434
	<u>13,636,488</u>	<u>13,092,856</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	423,100	89,833
Deferred revenue (Note 3)	3,174,868	4,250,516
Deposits-Special Jobs	604,901	658,313
Long-term debt (Note 7)	9,447,588	9,974,720
	<u>13,650,457</u>	<u>14,973,382</u>
<b>Net Financial Assets</b>	<b>(13,969)</b>	<b>(1,880,526)</b>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 5)	64,941,564	60,948,556
Supply inventory	163,786	158,269
Prepaid expenses	201,769	12,534
	<u>65,307,119</u>	<u>61,119,359</u>
<b>Accumulated Surplus</b>	<b>\$ 65,293,150</b>	<b>\$ 59,238,833</b>
<b>Represented by:</b>		
Operating fund (Schedule 1)	\$ 2,431,650	\$ 2,428,271
Reserve funds (Note 4 & Schedule 2)	7,367,524	5,836,726
Equity in Tangible Capital Assets (Note 6)	55,493,976	50,973,836
	<u>\$ 65,293,150</u>	<u>\$ 59,238,833</u>

Approved on behalf of the Board:

 Treasurer

**Glenmore-Ellison Improvement District  
Consolidated Statement of Operations**

<b>For the year ended December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenues</b>			
Domestic Water Connection Fees	\$ 68,000	\$ 115,655	\$ 124,654
Domestic Water Rates	4,351,360	4,457,258	4,386,139
Tax Levy	521,750	531,148	523,898
Sale of Water by Agreement	4,470	4,893	4,616
Equipment Rentals	30,000	38,756	33,474
Wage and Overhead Recoveries	89,500	129,451	94,850
Interest and Penalties on Accounts	15,000	19,225	18,428
Interest – Deposits and Investments	145,000	166,200	124,902
Interest – Special Works Account	6,500	11,694	6,109
Sundry	113,090	118,122	44,598
Contributions from Developers	1,470,238	1,470,238	2,322,049
Contributions from CEC Reserve	1,180,517	1,180,517	1,705,345
Contribution from Renewal Reserve	322,989	322,989	114,065
Contribution from MLWW Renewal Reserve	-	-	2,368
Contribution from CEC – Shortfall	2,064,205	2,064,205	2,181,434
	<b>10,382,619</b>	<b>10,630,351</b>	<b>11,686,929</b>
<b>Expenditures</b>			
<i>Operating</i>			
Chlorinator	100,000	90,798	90,287
Holiday and Sick Pay	180,250	156,331	164,227
Insurance	67,400	67,285	62,489
Power	500,000	396,705	424,144
Pumps	120,000	97,868	71,015
Repairs & Maintenance			
Buildings	114,000	47,670	45,741
Distribution System	951,500	938,908	822,829
Watershed Management	33,000	31,116	20,585
Supervision	206,000	241,320	140,382
Tractor and Backhoe	21,000	19,393	7,315
Truck	72,700	70,185	69,800
<i>Administration</i>			
Bank Charges	2,800	2,870	2,797
Chairman's Remuneration	20,000	15,690	17,140
Computer Maintenance and Support	45,000	27,700	41,617
Licenses and Dues	20,000	19,058	10,766
Insurance	101,100	100,927	93,734
Janitorial and Security	12,000	7,148	11,081
Office and Printing	55,000	35,205	32,694
Postage and Telephone	40,000	40,461	38,656
Professional Fees	200,000	112,443	131,327
Seminars and Courses	34,500	21,355	30,808
Sundry	5,000	4,741	4,339

**Glenmore-Ellison Improvement District  
Consolidated Statement of Operations, cont'd.**

<b>For the year ended December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Trustees' Fees	40,000	28,420	34,000
Utilities	11,500	13,203	10,885
Wages and Employee Benefits	677,800	672,063	567,736
Open House & Tour	4,000	-	3,459
Interest Expense, Long Term Debt	333,022	338,551	350,424
Amortization (Notes 5 & 6)	778,620	778,620	740,744
Contribution to GEID Renewal Reserve	200,000	200,000	100,000
<b>Total Expenditures</b>	<b>4,946,192</b>	<b>4,576,034</b>	4,141,021
<b>Annual Surplus</b>	<b>\$ 5,436,427</b>	<b>\$ 6,054,317</b>	\$ 7,545,908

**Annual Surplus Represented By:**

Current Fund (Schedule 1)	\$ 14,967	\$ 3,379	\$ 13,925
Reserve Fund (Schedule 2)	901,320	1,530,798	1,722,357
Equity in Tangible Capital Assets (Note 6)	4,520,140	4,520,140	5,809,626
	<b>5,436,427</b>	<b>6,054,317</b>	7,545,908
Accumulated Surplus, beginning of year	59,238,833	59,238,833	51,692,925
<b>Accumulated Surplus, end of year</b>	<b>\$ 64,675,260</b>	<b>\$ 65,293,150</b>	\$59,238,833

**Glenmore-Ellison Improvement District  
Consolidated Statement of Changes in Net Financial Assets**

<b>December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Annual surplus</b>	<b>\$ 5,436,427</b>	<b>\$ 6,054,317</b>	<b>\$ 7,545,908</b>
Acquisition of tangible capital assets (net of disposals)	<b>(4,771,628)</b>	<b>(4,771,628)</b>	(6,035,950)
Amortization of tangible capital assets	<b>778,620</b>	<b>778,620</b>	740,744
	<b>1,443,419</b>	<b>2,061,309</b>	2,250,702
Acquisition of supply inventory	<b>(85,000)</b>	<b>(87,214)</b>	(57,469)
Acquisition of prepaid expense	<b>(380,000)</b>	<b>(377,827)</b>	(159,506)
Consumption of supply inventory	<b>75,000</b>	<b>81,697</b>	54,468
Use of prepaid expense	<b>190,000</b>	<b>188,592</b>	159,366
	<b>(200,000)</b>	<b>(194,752)</b>	(3,141)
<b>Increase in net financial assets</b>	<b>1,243,419</b>	<b>1,866,557</b>	2,247,561
<b>Net financial assets, beginning of year</b>	<b>(1,880,526)</b>	<b>(1,880,526)</b>	(4,128,087)
<b>Net financial assets, end of year</b>	<b>\$ (637,107)</b>	<b>\$ (13,969)</b>	<b>\$ (1,880,526)</b>

**Glenmore-Ellison Improvement District  
Consolidated Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Operating Activities</b>		
Receipts from water taxes, tolls, developers, & other	\$ 10,512,046	\$ 11,684,406
Cash paid to employees and suppliers	(4,443,890)	(4,636,033)
Interest received	197,119	149,439
Interest paid on Long-Term Debt	(338,551)	(350,424)
	5,926,724	6,847,388
<b>Financing Activities</b>		
Proceeds from issuance of debt	-	-
Repayment of Long-Term Debt	(527,132)	(514,420)
<b>Capital Activities</b>		
Purchase of capital assets	(4,771,628)	(6,035,950)
Proceeds from disposal of Capital Assets	-	-
	627,964	297,018
<b>Increase (Decrease) in Cash</b>	<b>627,964</b>	<b>297,018</b>
Cash, beginning of year	12,244,422	11,947,404
<b>Cash, end of year</b>	<b>\$ 12,872,386</b>	<b>\$ 12,244,422</b>
 <b>Cash is represented by:</b>		
Unrestricted Cash	\$ 9,697,518	\$ 7,993,906
Restricted cash	3,174,868	4,250,516
	<b>\$ 12,872,386</b>	<b>\$ 12,244,422</b>

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## Glenmore-Ellison Improvement District Summary of Significant Accounting Policies

**December 31, 2019**

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### **Nature of Business**

The Glenmore-Ellison Improvement District was incorporated in 1921, under the *Water Act*, a statute of the Province of British Columbia. The legislative provisions relating to Improvement Districts were later removed from the *Water Act* and transferred to the *Municipal Act*, which was replaced by the current *Local Government Act*, under which the District is now governed. The principal activities of the District include the provision of irrigation and domestic water supply services to residents within the District boundaries.

### **Basis of Presentation**

It is the District's policy to follow accounting principles generally accepted for municipalities in the Province of British Columbia and to apply such principles consistently. The consolidated financial statements include the account of all funds for the District. All inter-fund transfers have been eliminated. Accordingly all revenues and expenses are recorded on the accrual basis of accounting. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation for pay. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

### **Budget Figures**

The budget figures are adopted annually by the board of trustees and are provided for informational purposes only and are not subject to audit.

### **Inventory**

Inventory of material is valued at the lower of cost and net realizable value. Costs include all expenses directly attributable to the purchase of inventory. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

### **Tangible Capital Assets**

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives as follows:

Land	not amortized
Buildings	40 to 75 years
Building Improvements	10 to 100 years
Construction in Progress	not amortized
Machinery and Equipment	5 to 15 years
Vehicles	5 to 10 years
IT Infrastructure	4 to 10 years
Infrastructure (Water System)	10 to 200 years

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**Glenmore-Ellison Improvement District  
Summary of Significant Accounting Policies, cont'd.**

**December 31, 2019**

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**Deferred Revenue**

GEID Renewal Reserve Fund

The fund was established by Bylaw #98, for costs of upgrading, replacement or renewal of existing works.

Capital Expenditure Charge Reserve Fund

The fund was established for Capital Expenditure charges utilized for increasing source capacity, enlarging mains or otherwise in any way augmenting the capacity of the water system, and is supported by Bylaw #162.

**Reserve Funds**

Vehicle Reserve Fund

The fund was established for the replacement or acquisition of equipment for Glenmore-Ellison Improvement District.

Meter Reserve Fund

The fund was established for the purpose of funding future water meter expenditures.

Water Quality Improvement Fund

The fund was established for the purpose of funding future water quality improvements.

Risk Management Reserve Fund

The fund was established for the purpose of funding new regulation compliance such as dam safety reviews.

Rate Stabilization Reserve Fund

The fund was established to offset revenue anomalies as a result of climate driven events.

Building Fund

The fund was established for future shop expansion.

Land and Access Fund

The fund was established in 2015 for future legal expense pertaining to District Lands.

**Revenue Recognition**

Tax revenues are recognized from January 1<sup>st</sup> each year and prorated as service is provided. Toll revenues are recognized on a monthly basis as service is provided. Development cost charges are recognized when the service is applied for; the collection of these charges and the provision of service occurs upon application. Grant revenues are recognized when received. Interest revenue is recognized as it is earned. Other revenue is recognized when the service is provided.

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## Glenmore-Ellison Improvement District Summary of Significant Accounting Policies, cont'd.

**December 31, 2019**

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### **Financial Instruments**

The District's financial instruments consist of cash, receivables, payables and accruals and debt. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted. The District is, however, exposed to interest rate risk, primarily through its floating interest rate long-term debt as disclosed in Note 7.

### **Use of Estimates**

The preparation of consolidated 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 at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the determination of employee benefit accrual, allowance for doubtful accounts, obsolete inventory provisions, provision for contingencies, the determination of tangible capital asset estimated useful lives and related amortization expenses.

Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the consolidated financial statements in the period that the change in estimate is made, as well as the period of settlement if the amount is different.

### **Future accounting changes**

#### **PS 1201 – *Financial statement presentation***

This section revises and replaces the existing Section PS1200 *Financial statement presentation*. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

#### **PS 2601 – *Foreign currency translation***

This section revises and replaces the existing Section PS 2600 *Foreign currency translation*. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

#### **PS 3041 – *Portfolio investments***

This section revises and replaces the existing Section PS 3040 *Portfolio investments*. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

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**Glenmore-Ellison Improvement District  
Summary of Significant Accounting Policies, cont'd.**

**December 31, 2019**

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**PS 3450 – *Financial instruments***

This section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. This section applies to fiscal years beginning on or after April 1, 2019, with early adoption permitted.

**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

**1. Cash**

	<b>2019</b>	<b>2018</b>
<b>Restricted Cash</b>		
CEC Reserve	\$ 1,302,289	\$ 2,299,299
GEID Renewal Reserve	1,872,579	1,951,217
	<b>3,174,868</b>	<b>4,250,516</b>
Unrestricted Cash	<b>9,697,518</b>	<b>7,993,906</b>
<b>Total Cash</b>	<b>\$ 12,872,386</b>	<b>\$ 12,244,422</b>

**2. Accounts Receivable**

	<b>2019</b>	<b>2018</b>
Tolls and Taxes	\$ 548,404	\$ 593,361
GST/HST Rebate	149,049	167,494
Trade and Other	66,649	87,579
	<b>764,102</b>	<b>848,434</b>
Less allowance for doubtful accounts	-	-
<b>Total Accounts Receivable</b>	<b>\$ 764,102</b>	<b>\$ 848,434</b>

**3. Deferred Revenue (Restricted Cash)**

Cash has been externally restricted by provincial government authorities for the following:

	CEC Fund	GEID Renewal Reserve Fund	<b>2019</b>	<b>2018</b>
Balance, beginning of year	\$2,299,299	\$1,951,217	<b>\$4,250,516</b>	\$5,931,736
Contributions				
From operating	-	200,000	<b>200,000</b>	100,000
From developers	2,167,202	-	<b>2,167,202</b>	2,128,172
Interest earned	80,510	44,351	<b>124,861</b>	93,820
Expenditures				
Transfers between funds	(1,180,517)	(322,989)	<b>(1,503,506)</b>	(1,821,778)
Transfers to WQIF	(2,064,205)	-	<b>(2,064,205)</b>	(2,181,434)
<b>Balance, end of year</b>	<b>\$1,302,289</b>	<b>\$1,872,579</b>	<b>\$3,174,868</b>	<b>\$4,250,516</b>

**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

**4. Reserve Fund Continuity Schedule**

	Balance Dec. 31 2018	Contributions Operating Fund	Contribution CEC Fund	Interest	Transfers Out	Balance Dec. 31 2019
Vehicle Reserve Fund	\$ 453,531	\$ 210,000	\$ -	\$ 9,352	\$ -	\$ 672,883
Meter Reserve Fund	143,595	-	-	3,264	-	146,859
Water Quality Fund	3,037,482	-	2,064,205	69,597	1,003,142	4,168,142
Risk Management Fund	353,910	550,000	-	8,051	182,681	729,280
Rate Stabilization Fund	529,442	-	-	12,035	-	541,477
Building Fund	1,202,752	375,000	-	24,542	612,062	990,232
Land and Access Fund	116,014	-	-	2,637	-	118,651
	<b>\$ 5,836,726</b>	<b>\$1,135,000</b>	<b>\$ 2,064,205</b>	<b>\$129,478</b>	<b>\$1,797,885</b>	<b>\$7,367,524</b>

**5. Tangible Capital Assets**

	2019	2018
Water System Infrastructure	<b>57,586,396</b>	51,176,836
I.T. Infrastructure	<b>64,099</b>	81,834
Construction in Progress	<b>5,441,373</b>	8,181,868
Land and Buildings	<b>831,332</b>	592,828
Vehicles	<b>57,947</b>	73,790
Furniture, Machinery and Equipment	<b>960,417</b>	841,400
<b>Balance, end of year</b>	<b>\$ 64,941,564</b>	<b>\$ 60,948,556</b>

For additional information, see the Consolidated Schedule of Tangible Capital Assets on next page.

**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

**5. Tangible Capital Assets, cont'd.**

**Historical Cost:**

	Land	Buildings	Construction in Progress	Furniture, Machinery & Equipment	Vehicles	I.T. Infrastructure	Water System Infrastructure	2019 Total	2018 Total
Opening Balance	\$84,790	\$666,758	\$8,181,868	\$987,989	\$350,037	\$170,300	\$59,981,430	\$70,423,172	\$64,387,222
Additions	-	245,171	2,237,819	162,197	-	-	2,126,441	4,771,628	6,659,479
Completed Constr. In Progress	-	-	-4,978,314	-	-	-	4,978,314	-	-623,529
Disposals	-	-	-	-	-	-	-	-	-
Closing Balance	84,790	911,929	5,441,373	1,150,186	350,037	170,300	67,086,185	75,194,800	70,423,172

**Accumulated Amortization:**

Opening Balance	-	158,720	-	146,589	276,247	88,466	8,804,594	9,474,616	8,733,872
Amortization Expense	-	6,667	-	43,180	15,843	17,735	695,195	778,620	740,744
Effects of Disposal	-	-	-	-	-	-	-	-	-
Closing Balance	-	165,387	-	189,769	292,090	106,201	9,499,789	10,253,236	9,474,616

**Net Carrying Amount for  
Year Ended December 31, 2019**

	<b>\$84,790</b>	<b>\$746,542</b>	<b>\$5,441,373</b>	<b>\$960,417</b>	<b>\$57,947</b>	<b>\$64,099</b>	<b>\$57,586,396</b>	<b>\$64,941,564</b>	<b>\$60,948,556</b>
Less: Long-Term Debt (Note 7)	-	-	-	-	-	-	-9,447,588	-9,447,588	-9,974,720

**NBV for Year Ended December 31, 2019**      **\$84,790**      **\$746,542**      **\$5,441,373**      **\$960,417**      **\$57,947**      **\$64,099**      **\$48,138,808**      **\$55,493,976**      **\$50,973,836**

**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

**6. Equity in Tangible Capital Assets**

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Equity in TCA, beginning of year	<b>\$ 50,973,836</b>	<b>\$ 50,973,836</b>	\$ 45,164,210
Add:			
Contributions from Building Reserve	<b>612,062</b>	<b>612,062</b>	-
Contributions from Risk Management	<b>182,681</b>	<b>182,681</b>	-
Contributions from Land Access Reserve	-	-	12,965
Contributions from Renewal Reserve	<b>322,989</b>	<b>322,989</b>	114,065
Contributions received from Operating Fund	-	-	37,303
Contributions from CEC Fund	<b>1,180,517</b>	<b>1,180,517</b>	1,705,345
Contributions from Developers	<b>1,470,237</b>	<b>1,470,237</b>	2,322,049
Contribution from Water Quality Reserve	<b>1,003,142</b>	<b>1,003,142</b>	1,798,265
Contribution from Vehicle Reserve	-	-	45,958
Total Additions	<b>4,771,628</b>	<b>4,771,628</b>	6,035,950
Less: Amortization Expense	<b>(778,620)</b>	<b>(778,620)</b>	(740,744)
Less: Issuance of Debt	-	-	-
Plus: Long-Term Debt Repayment (Note 7)	<b>527,132</b>	<b>527,132</b>	514,420
Change in Equity in TCA	<b>4,520,140</b>	<b>4,520,140</b>	5,809,626
<b>Equity in TCA, end of year</b>	<b>\$ 55,493,976</b>	<b>\$ 55,493,976</b>	\$ 50,973,836

**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

**7. Long-Term Debt**

**A. FIXED RATE LOAN**

Toronto-Dominion Bank and derivative product transaction payment agreement. The loan is repayable monthly in equal blended payments of \$48,189, with interest for a 20-year term at 3.97%, due October 31, 2033, with the Toronto Dominion Bank issued amortizing swap and floating rate option at 30 day Canadian Bankers Acceptance CDOR rate. The District has pledged the full collecting and taxing powers of the Improvement District as security for the repayment of the loan.

**B. FLOATING RATE LOAN**

Toronto-Dominion Bank and derivative product transaction payment agreement. The loan is payable monthly in equal principal payments of \$16,667 plus floating rate interest at the Canadian Dealer Offered rate (CDOR) and a stamping fee of 0.59% per annum. The loan is repayable in 240 monthly payments and is due on June 30, 2036.

	2019	2018
<b>Fixed Rate Loan</b>		
Opening Balance	\$ 6,474,730	\$ 6,789,146
Repayments	(327,128)	(314,416)
Ending Balance	\$ 6,147,602	\$ 6,474,730
 <b>Floating Rate Loan</b>		
Opening Balance	\$ 3,499,990	\$ 3,699,994
Loan Advances	-	-
Repayments	(200,004)	(200,004)
Ending Balance	\$ 3,299,986	\$ 3,499,990
 <b>Total Long-Term Debt, Ending Balance</b>	<b>\$ 9,447,588</b>	<b>\$ 9,974,720</b>

The estimated principal repayments for the next five years and thereafter are as follows:

2020	\$	540,358
2021		554,119
2022		568,436
2023		583,332
2024		598,830
Thereafter		6,602,513
	<b>\$</b>	<b>9,447,588</b>

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**Glenmore-Ellison Improvement District  
Notes to Consolidated Financial Statements**

**December 31, 2019**

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**8. Commitments and contingencies**

The District is involved in litigation and claims which arise from time to time in the normal course of business. In the opinion of management, any liability that may arise from such contingencies would not have a significant adverse effect on the consolidated financial position of the District and will be recorded in the period that the ultimate loss, if any is known.

**9. Subsequent Event**

Subsequent to December 31, 2019, the Glenmore-Ellison Improvement District disposed of water infrastructure assets located on the University of British Columbia Okanagan campus. These assets are referred to as the Vector Wells and were sold to the University of British Columbia for proceeds of \$200,000.

**10. Contingencies**

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 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 Glenmore-Ellison Improvement District paid \$107,839 (2018 - \$94,588) for employer contributions while employees contributed \$96,927 (2018 - \$84,989) to the plan in fiscal 2019.

The next valuation will be at December 31, 2021, with the 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 individual employers participating in the plan.

## **11. Prior Period Figures**

Certain of the prior period figures have been reclassified to conform with the current year's presentation.

**Schedule 1**

**Glenmore-Ellison Improvement District  
Current Fund – Statement of Operations**

<b>For the year ended December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenues</b>			
Domestic Water Connection Fees	\$ 68,000	\$ 115,655	\$ 124,654
Domestic Water Rates	4,351,360	4,457,258	4,386,139
Tax Levy	521,750	531,148	523,898
Sale of Water by Agreement	4,470	4,893	4,616
Equipment Rentals	30,000	38,756	33,474
Wage and Overhead Recoveries	89,500	129,451	94,850
Interest and Penalties on Accounts	15,000	19,225	18,428
Interest – Deposits and Investments	45,000	36,722	50,304
Interest – Special Works Account	6,500	11,694	6,109
Sundry	113,090	118,122	44,598
Contribution from MLWW Renewal	-	-	2,368
Contribution from Risk Management	-	-	1,487
	<b>5,244,670</b>	<b>5,462,924</b>	<b>5,290,925</b>
<b>Expenditures</b>			
<i>Operating</i>			
Chlorinator	100,000	90,798	90,287
Holiday and Sick Pay	180,250	156,331	164,227
Insurance	67,400	67,285	62,489
Power	500,000	396,705	424,144
Pumps	120,000	97,868	71,015
Repairs & Maintenance			
Buildings	114,000	47,670	45,741
Distribution System	951,500	938,908	822,829
Watershed Management	33,000	31,116	20,585
Supervision	206,000	241,320	140,382
Tractor and Backhoe	21,000	19,393	7,315
Truck	72,700	70,185	69,800
<i>Administration</i>			
Bank Charges	2,800	2,870	2,797
Chairman's Remuneration	20,000	15,690	17,140
Computer Maintenance and Support	45,000	27,700	41,617
Licenses and Dues	20,000	19,058	10,766
Insurance	101,100	100,927	93,734
Janitorial and Security	12,000	7,147	11,081
Office and Printing	55,000	35,204	32,694
Postage and Telephone	40,000	40,461	38,656
Professional Fees	200,000	112,443	131,327
Seminars and Courses	34,500	21,355	30,808
Sundry	5,000	4,741	4,339
Trustees' Fees	40,000	28,420	34,000

*Cont'd...*

**Glenmore-Ellison Improvement District  
Current Fund – Statement of Operations, cont'd.**

<b>For the year ended December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
Utilities	11,500	13,203	10,885
Wages and Employee Benefits	677,800	672,063	567,736
Open House & Tour	4,000	-	3,459
Debt Servicing	333,021	338,551	350,424
<b>Total Expenditures</b>	<b>3,967,571</b>	<b>3,597,412</b>	<b>3,300,277</b>
<b>Excess of Revenue over Expenditures</b>	<b>1,277,099</b>	<b>1,865,512</b>	<b>1,990,648</b>
<b>Interfund Transfers</b>			
Capital Fund – Repayment L.T. Debt	527,132	527,133	514,420
Capital Fund - Asset Additions	-	-	37,303
Reserve Funds – Unrestricted	535,000	1,135,000	1,325,000
Reserve Fund – Restricted	200,000	200,000	100,000
<b>Change in current fund</b>	<b>14,967</b>	<b>3,379</b>	<b>13,925</b>
Balance, beginning of year	2,428,271	2,428,271	2,414,346
<b>Balance, end of year</b>	<b>\$ 2,443,238</b>	<b>\$ 2,431,650</b>	<b>\$ 2,428,271</b>

**Glenmore-Ellison Improvement District  
Reserve Fund – Statement of Operations**

<b>For the year ended December 31</b>	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Revenues</b>			
Transfers from current fund	\$ 535,000	\$ 1,135,000	\$ 1,325,000
Transfers from CEC Fund	2,064,205	2,064,205	2,181,434
Interest earned	100,000	129,478	74,598
	<u>2,699,205</u>	<u>3,328,683</u>	<u>3,581,032</u>
<b>Expenditures</b>			
Contributions to capital fund	1,797,885	1,797,885	1,857,188
Contributions to current fund	-	-	1,487
	<u>1,797,885</u>	<u>1,797,885</u>	<u>1,858,675</u>
<b>Change in reserve fund</b>	<b>901,320</b>	<b>1,530,798</b>	<b>1,722,357</b>
Reserve Fund Surplus, beginning of year	<u>5,836,726</u>	<u>5,836,726</u>	<u>4,114,369</u>
<b>Reserve Fund Surplus, end of year</b>	<b>\$ 6,738,046</b>	<b>\$ 7,367,524</b>	<b>\$ 5,836,726</b>
<b>Summary of Reserve Funds positions</b>			
Vehicle Reserve	\$ 671,301	\$ 672,883	\$ 453,531
Meter Reserve	146,055	146,859	143,595
Water Quality Reserve	4,150,586	4,168,142	3,037,482
Risk Management Reserve	177,292	729,280	353,910
Rate Stabilization Reserve	538,513	541,477	529,442
Building Reserve	936,297	990,232	1,202,752
Land and Access Reserve	118,002	118,651	116,014
	<u>\$ 6,738,046</u>	<u>\$ 7,367,524</u>	<u>\$ 5,836,726</u>