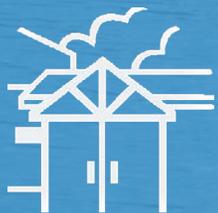
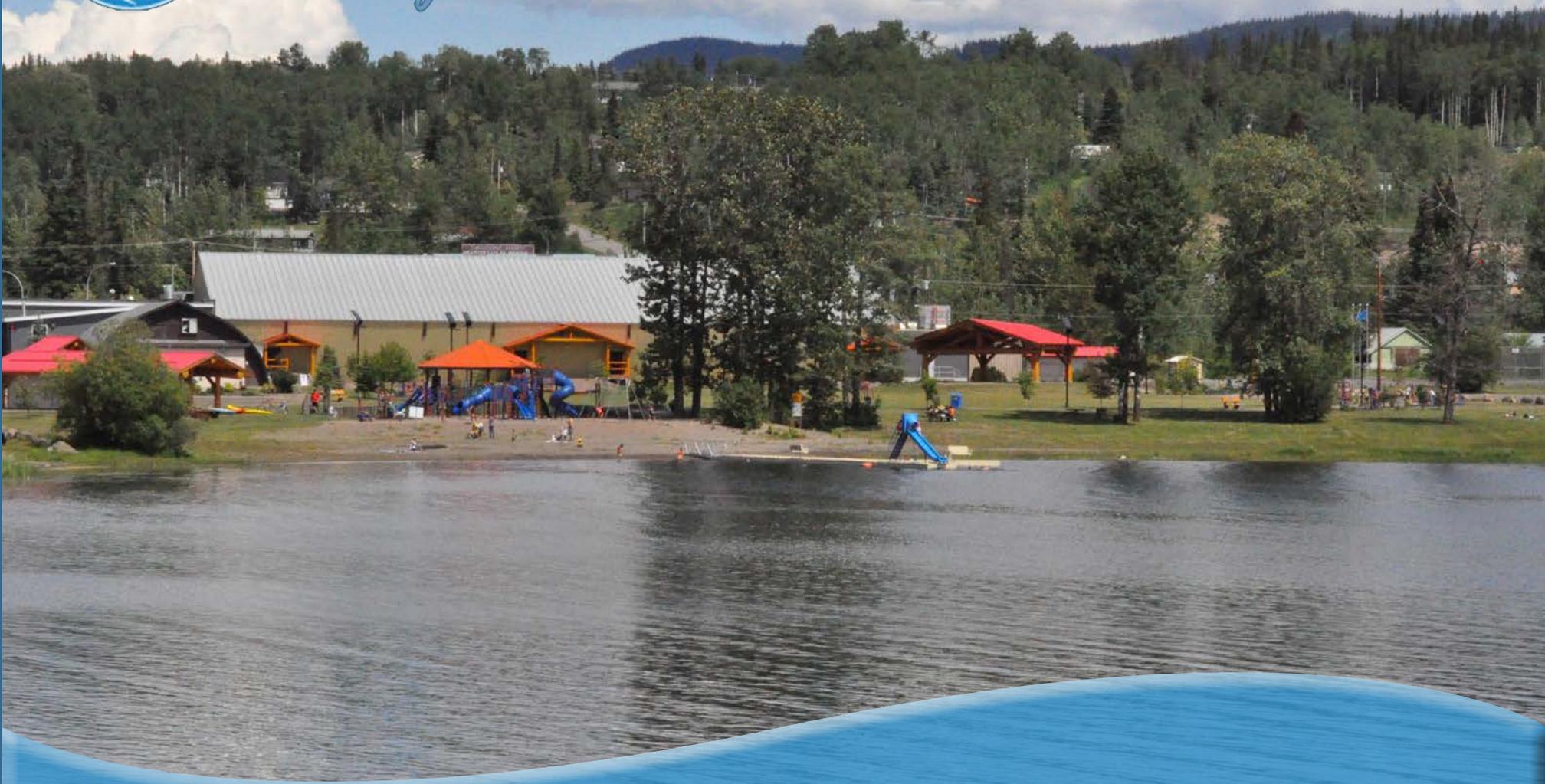


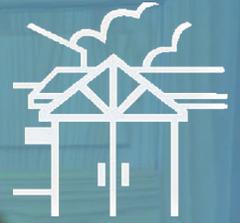


VILLAGE OF
BURNS LAKE
It's Only Natural!



2014 ANNUAL REPORT





2014 New Council

Centre: Mayor Strimbold

Left to Right: Councillor Kelly Holliday, Councillor Chris Beach, Councillor John Illes, Councillor Susan Schienbein

Last year was an incredible year for the Village of Burns Lake. With a new hospital and recreation centre, a completely rebuilt bridge, and a newly elected Council, we have much to look back and reflect on. Our community continues to be one of the finest in the country, and the place that we can very proudly call our home.

This year, Northern Health began construction on the new Lakes District Hospital and Health Centre. It is a beautiful addition to our town, and a huge step forward for the entire community. The care that will be provided in this facility will draw new residents to our community, and allow those who have previously faced challenges in getting the care they needed the ability to receive it right here at home. We are very thankful to Northern Health for their decision to update our hospital, and we look forward to the ways in which it will enliven our community.

For Council, we are very proud to be able to showcase the new Lakeside Multiplex facility. With the addition of a climbing wall, as well as a fitness centre and a squash and racquetball court, we are very excited to see recreation opportunities expand within our community. Staff are continually adding new and exciting program-

ming to the facility, and we can now comfortably say that there is something there for everyone! This will be of tremendous benefit for families and groups who are looking to get active year-round. If you haven't seen it yet, head down the Lakeside Multiplex and take a tour!

Structurally in the Village Office, last year was a year of change. Council completed an organizational review, and made some structural changes to make our organization more financially sustainable. The main outcome of this review was to reduce staffing costs, which will allow us to put more money toward our aging infrastructure.

Finally, we replaced the Government St. Bridge, which had reached the end of its usable life. This new bridge will keep pedestrians and vehicles safe for decades to come.

2014 was an incredible year for Burns Lake. I am excited to work along side our new Council to make our community one of the best in the world!



- Mayor Luke Strimbold



Mayor's Report



CAO Report

I am very pleased to provide an update on the Village Staff operations for 2014. It was an amazing and challenging year, and we are excited to move forward into 2015. Staff completed a multitude of big projects over the past year. Their hard work and dedication to their roles is inspiring, and I can't wait to see what they will do moving forward.

In 2014 staff's most sig-

nificant accomplishment was commencing operations at the Lakeside Multiplex. At times, this project required the effort of the entire staff, and this effort shows in the beautiful aesthetic and inviting atmosphere of the Lakeside Multiplex. The ever-expanding programming, and incredible new activities that this facility offers is an amazing addition to the community, and I invite you to come

out and experience it for yourself!

2014 was also an election year. This year we were very pleased to have eight nominees for Council and two for Mayor, which is more than we have had for many election cycles. Organizing an election is a monumental task, and I want to congratulate staff on gathering one of the highest voter turnouts we have ever had.

There are dozens of other projects that I could mention, but instead I invite you to continue on in this report, and find out what your municipality has been doing for you this year.

Thanks, as always, to the residents of Burns Lake for continuing to make it an incredible place to live.

- CAO Sheryl Worthing

Objective 1:

The Village of Burns Lake will prioritize infrastructure replacement and repair in a fiscally responsible manner.

In 2014, The Village of Burns Lake aimed to find ways of reducing the infrastructure deficit that our community, along with almost every other community across the country, faces. Our road surface and substructure, as well as water and sewer mains are in need of repair. However, the cost of repair is much higher than the current budget can afford. This means that creative solutions must be sought, and that the Village must use its limited budget to the greatest effect.

The first step in this process is to create a long-term asset replacement plan that will prioritize repairs based on criteria like traffic volume, proximity to emergency services, current condition, and many other considerations. To this end, the Asset Management Plan has been created. This plan details

every asset that the village owns and gives staff an immediate perspective on its condition, expected life-time, replacement cost, and priority. Through thorough examination of this report, a plan has been laid out for gradual replacement of roads, water, and sewer systems. This plan will allow the Village to move forward with infrastructure replacement while helping to minimize unforeseen expenses.

The Village Goals and Objectives also called for a public engagement forum regarding long-term asset replacement. This was done as part of the 2014 Budget Town Hall meeting, at which Council discussed infrastructure issues with the public, and detailed potential solutions.

Finally, a financial plan was created that will find funding

Measurables

- 1. Complete a detailed, prioritized, long-term asset replacement strategy for replacement/repair of community infrastructure considering potential growth strategies.**
- 2. Hold a public engagement forum regarding the long-term asset replacement strategy.**
- 3. Create an accompanying long-term financial plan detailing strategies for funding replacement and repair costs.**

solutions for implementing the Asset Management Plan. The primary way that the Village plans to pay for these replacements is to search for grant funding. However, if funding is not received, a plan for borrowing funds has been developed.

With careful management, Council and Staff hope to find ways to fund infrastructure replacements and make strides toward renewing our community's assets.





Objective 2

The Village of Burns Lake will continue to focus on the community recovery strategy, leveraging local and provincial assets to promote social and economic recovery.

The Village of Burns Lake has a wide variety of amazing recreation opportunities and events. One of Council's top priorities is aiming to harness and expand tourism in our area so that local businesses can be supported, and our area can continue to grow and thrive by attracting new residents to our community.

The Village of Burns Lake partnered with the Burns Lake and District Chamber of Commerce in 2013 and 2014 to update the visitor kiosks that are located in various rest stops in Burns Lake and the surrounding area. This signage provides updated information in an attractive eye catching way that will attract visitors to stop and read it and possibly

spend extra time in Burns Lake

Additionally, Burns Lake supported and participated in the development of the Northern BC Mountain Bike Tourism Strategy, a regional strategy that developed goals and objectives around promoting Northern BC as a world class mountain bike destination. This project will showcase Burns Lake as one of the premier destinations in Northern BC and help complete many of the objectives listed on the Tourism Plan.

Burns Lake partnered with Northern BC Tourism to produce a high quality mountain biking video that highlights the local trails and will be featured on various Mountain Biking outlets to promote and encourage travelers to consider Burns Lake when looking to plan their next trip .

Finally, staff and Council

Measurables

- 1. Establish a select committee of council with the objective of increased tourism (as measured by the Visitor Information Centre tracking system), holding meetings at least quarterly.**
- 2. Prioritize the action items contained in the Burns Lake Tourism Plan and the Economic Development Plan for subsequent implementation**
- 3. Implement the Business Retention and Expansion**

began implementation of the Business Retention and Expansion Plan by coordinating with businesses through the facade improvement program, business walks, downtown beautification, and Economic Development support.

A select committee of Council for tourism was not formed in 2014 as the above mentioned groups were inclusive of the entire region, and held better opportunities for collaboration.

Objective 3:

Continue to strengthen and improve communication between The Village of Burns Lake and local First Nations.

In 2014, Village Council wanted to prioritize communication with the local First Nations groups. It was noted that there are dozens of excellent opportunities for collaboration between these organizations, which will be to the benefit of all members of the community. Significant strides were taken to increase communication between the governments and to find areas of mutual interest.

In March of last year, the councils of the Village of Burns Lake and the Lake Babine Nation signed a revolutionary communications protocol that details a variety of ways that the two organizations will cooperate on initiatives. With this agreement in place, the Village of Burns Lake and Lake Babine Nation will move forward with a better understanding of the needs of the other. The first

joint council meeting between the two organizations is set to take place in 2015.

This communication plan has already resulted in new areas of cooperation between the two organizations. Village Staff now regularly meet with the staff of the Lake Babine Nation to discuss initiatives such as tourism, economic development, water, sewer, and garbage and snow removal service provision. While not all areas of the communication protocol have yet been implemented, the agreement will continue to take shape over the coming years, resulting in ever expanding areas of collaboration. In 2015, the Village will seek to come to a similar agreement with the Burns Lake Band.

The third measurable regarding the Official Community Plan consultation has been postponed, and the OCP update has not yet been initiated.

Finally, the Village has been working closely with all local First Nations groups to form the Chinook Community Forest, which is a brand new community forest that will benefit all government and First Nations groups in our area. This exciting new initiative will be a long lasting source of revenue for the community, and all parties are excited to see it take shape. The 2015 Municipal objectives contain further plans to find areas of cooperation, and Council looks forward to what the future holds!

Measurables

- 1. One representative from the Village of Burns Lake Council will meet with local First Nations at least once per year.**
- 2. Facilitate an annual planning session with local First Nations to address areas of mutual interest.**
- 3. Facilitate a consultation with local First Nations to provide input on the Official Community Plan review.**





Objective 4

The Village of Burns Lake will continue to implement the Downtown Revitalization Plan.

Council was very excited in 2014 to continue with the implementation of the Downtown Revitalization Plan. This plan has already made many exciting changes to our community, making the downtown core more attractive and inviting for residents and visitors alike. Both Council and Staff are very enthusiastic to continue with the project and the changes that it will bring to the community.

The next phase of the landscaping project, phase 2a, includes the installation of a new pull-through style parking lot on the old Shell site, along with some greenspace and a picnic area. The Village was unable to complete this initiative in 2014 because an agreement had to be reached with Shell Canada for the use of the property, and an

environmental certificate of compliance had to be obtained from the Provincial Government. Fortunately, all of this paperwork was completed in October of 2014, and the project now forms part of the budget for 2015. This project may be completed as early as July of 2015.

In addition to these improvements, the Village facilitated the Facade Improvement Program offered by Northern Development Initiative Trust. This program offers fund matching grants to businesses who wish to make improvements to their storefront. This grant resulted in four more businesses in town beautifying their storefronts, which has made a more attractive downtown core, and Council hopes that this will help to boost foot traffic and business in Burns Lake.

These initiatives took

Measurables

- 1. Modify and complete Phase 2 of the Downtown Revitalization Plan subject to approved budget.**
- 2. Complete a return on investment review of the Downtown Revitalization Tax Exemption Bylaw.**
- 3. Promote the Northern Development Initiative Trust Business Facade Improvement Program.**

priority in the 2014 Economic Development Work Plan. Unfortunately, staff did not have the resources to complete the return on investment review for the Revitalization Tax Exemption Bylaw

Finally, the Public Works Crew have been working hard to continue to beautify and expand Village landscaping. The Village horticulture has been improving every year, and new and better landscaping has been placed throughout the town. Many thanks to the Public Works Crew for all that they are doing to keep our town beautiful!

Objective 5:

The Village of Burns Lake will seek ways to support physical and social health and wellness for the community of Burns Lake

The health and wellbeing of the residents of Burns Lake was a major factor in Council's goals for 2014. The Village of Burns Lake has sought to find ways to promote healthy living in our community, and in partnership with other local organizations, there are now programs in place.

The Partnering for Healthier Communities Grant program is a fantastic way for local groups to get funding for their recreation, health, and fitness programs. Every year this funding is received from Northern Health and distributed to community applicants who would otherwise not be able to offer their quality programs. This program was a tremendous success in 2014.

Throughout the year, Staff and Council met with Northern Health to discuss the hospital

project and other initiatives. Through these meetings, the Village was able to provide support of the Healing Garden that will be installed at the LD Hospital in 2015. This garden will be a beautiful addition to the hospital and will provide an outdoor area of healing for patients.

In 2014, the Village worked closely with local community groups to complete the Age-Friendly Assessment. This study looked at the status of the community's amenities and identified areas for improvement. With this information, The Village as well as other stakeholders in the community will be able to identify ways to accommodate all age groups.

One of the biggest and most important events for our municipality in the last year was the opening of the Lakeside multiplex. This beautiful recre-

ation facility was completed through a grant given by the Ministry of Community, Sport, and Cultural Development. It features a rock climbing wall, a squash/racquetball court, a fitness centre, and a multi-use room that can be used for everything from fitness classes to board meetings. This facility now has a variety of fun programming for all ages and skill levels, which has in turn boosted the level of intergenerational activity in our town. It is an excellent addition to our community's health and wellbeing, and Council is excited to see it continue to grow and develop.

Measurables

1. **Administer the Partnering for Healthier Communities grant program.**
2. **Meet with Northern Health to discuss health and wellness at least quarterly.**
3. **Provide administrative assistance for the completion of an age-friendly assessment of the Community of Burns Lake.**
4. **Collect data on Village recreation for the purpose of a future service delivery assessment.**
5. **Complete the Multi-Use Facility Expansion and implement associated programming.**
6. **Incorporate intergenerational activities into 2014 recreation program.**





Objective 6

The Village of Burns Lake will update the Official Community Plan.

In 2014, Council and staff aimed to update the Official Community Plan. The OCP is a document that sets out all the guidelines by which the community will be developed into the future. During

the organizational review process that took place in 2014, this project was put on hold. The organizational review was a process by which Council sought to prioritize municipal needs, and this process found that while an OCP update remains a priority, there are other, more important considerations that require budget funding to be allocated elsewhere.



Project Local Government

One of the most fun and interesting events throughout the municipal year is Project Local Government. In 2014, 10 students from Lakes District Secondary School spent 2 days with staff and Council learning about municipal government. The students attended a Council meeting, toured the public works facilities, the arena and the Lakeside Multiplex construction, the firehall

and rescue equipment, and the Village office. Once they were given an overview of municipal operations, they were asked to elect from amongst themselves their own Staff and Council, and also choose staff members. They then wrote reports on municipal issues that were important to them and had a Council meeting of their own.

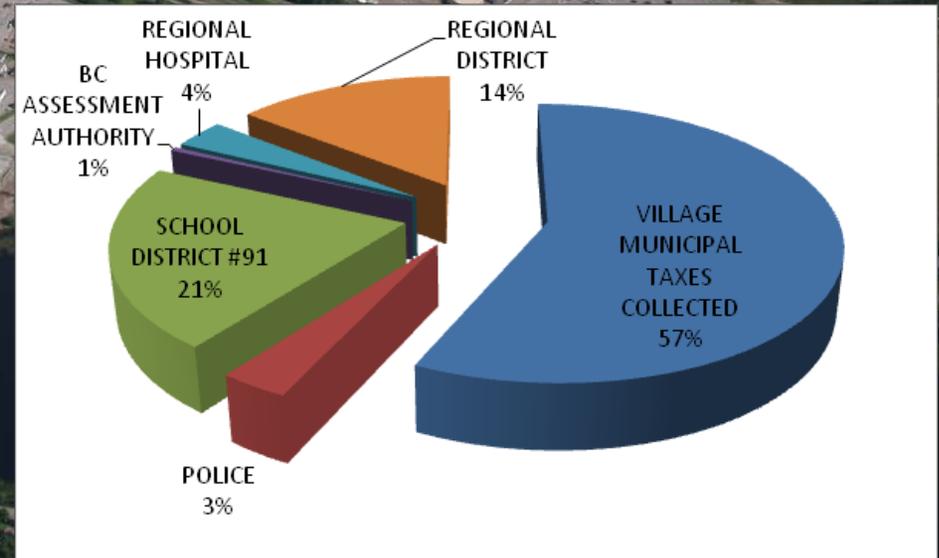
The discussion that the students have, as well as the questions that they ask of staff and Council are sometimes funny, sometimes pro-

found. They leave with a better understanding of how their municipal government effects their day to day lives, and the ways in which they can contribute to their community. Staff and Council are left with new perspectives on municipal issues and a sense of how the youth see the world into which they are growing. Project Local Government is expanding into other communities, and Council is excited to see the project grow and evolve.

Permissive Tax Exemptions

Roll #	Facility	Approx. Value of General Portion Of Taxes Exempt
1099.000	The Pines (800 Center Street)	\$47,000
3054.000	Kinette Park (126 4th Ave.)	\$214
3055.000	United Church (136 4th Ave.)	\$1,300
2534.000	Pentecostal Church (760 and 766 Mulvaney Cres.)	\$1,150
2533.000		
2533.500		
2515.000	Pentecostal Church (724 Babine Road)	\$2,600
2511.000	The Hospital (741 Center Street)	\$40,000
1574.000	\Catholic Church (224 & 248 3rd Ave.)	\$2,500
1640.000		
2939.000	Vineyard Christian Fellowship (457 Hwy 16)	\$500
2940.000	Vineyard Christian Fellowship (465 Hwy 16)	\$160
2941.000	The Thrift Store (36 4th Ave.)	\$600
2937.000	Lakes District Film Society (441 Hwy 16)	\$1,750
2800.005	Canadian National Railway Co. T5JOK2 Leased Gilgan Drive Roadway Access	\$379
2800.010	Canadian National Railway Co. T5JOK2 Leased Dick Schritt Park	\$330
3319.000	Canadian National Railway Co. #RP1708 Leased Ditch Encroachment	\$23

Roll #	Facility	Approx. Value of General Portion Of Taxes Exempt
2542.000	School District No. 91 – Library (585 Government St.)	\$7,500
1183.000	Village of Burns Lake – Childcare facility (788 Center St.)	\$2,100
1204.000	BL Christian Supportive Society – Group Home (206 8th Ave.)	\$3000
3217.000	BL Christian Supportive Society – Nourse House (133 Francois Lake Drive)	\$3,150



2015 MUNICIPAL OBJECTIVES

The Village of Burns Lake will invest in new and existing infrastructure in a fiscally responsible manner and will ensure core needs of Citizens are met.

- Continue with replacement of the portion of 8th Avenue and Centre St. from the highway to the hospital.
- Continue with downtown revitalization <Phase2b>.
- Create a long-term funding plan to match the long-term asset management plan.

The Village of Burns Lake will work with other local agencies to strengthen the local economy, grow our existing businesses and increase our economic diversity.

- Continue to implement a business retention and expansion program.
- Engage with LNG project sponsors and identify regional and local partnership goals to promote the local economy and mitigate impacts from development.
- Coordinate and collaborate with other local governments, First Nations, and economic development agencies, to clarify goals and roles in the Lakes District.
- Using the Official Community Plan, identify any proposed improvements to the Zoning Bylaws.
- Initiate a Village branding exercise to support Recreation, Culture, Tourism and Economic Development.

The Village of Burns Lake will provide its citizens with opportunities to reduce their impact on the earth, and demonstrate social & environmental stewardship.

- Examine the implementation of recycling programs in other municipalities.
- Prepare a report that:
 1. Identifies the operational and logistical requirements of a recycling program.
 2. Includes results from consultations with First Nations, the Regional District, and citizens of the Village of Burns Lake about the introduction of recycling.
 3. Estimates the start up costs and the one-time and ongoing financial impacts for a recycling program.
 4. Examines alternatives with MMBC with the aim of identifying a feasible model.
 5. Where appropriate, identifies options for implementing a recycling program.
- Continue to identify options to create carbon offsets and reduce our green house emissions.

Continue to strengthen and improve communication between The Village of Burns Lake and local First Nations.

- Develop a protocol with the Burns Lake Band.
- Facilitate an annual planning session with local First Nations to address areas

of mutual interest.

- Continue to expand and improve the protocol with Lake Babine First Nations.

Continue to improve collaboration and shared services with the Regional District.

- Meet quarterly with Regional District Area B, and Area E. Explore continue to explore expand and optimize shared services with Regional Districts such as:
 1. Introduction of recycling
 2. Expansion of maintained hiking and biking trails
 3. Recreation services available to all residents in the region

The Village of Burns Lake will continue to provide and support valued recreation and cultural opportunities for the community.

- Measure the use and impact of the Multi use facility.
- Promote multiculturalism by engaging with our community and identifying a new cultural event that celebrates the unique heritage of members of our community.
- Identify 2-3 improvements for Spirit Square.
- Investigate feasibility of offering free Wireless Internet in the downtown core, or in municipal buildings.

2016 MUNICIPAL OBJECTIVES

The Village of Burns Lake will invest in new and existing infrastructure in a fiscally responsible manner and will ensure core needs of Citizens are met.

Active Projects:

- Continue with replacement of the portion of 8th Avenue and Centre St. from the highway to the hospital.
- Complete engineering for upgrade to the Pioneer Way sewage lift station.
- Expand columbarium at the Village cemetery to accommodate future demand.

Future Projects

- Continue with planning the downtown revitalization Phase 2b. The plan for phase 2b should be updated to reflect the possible closure of part of Gilgan Drive.

Infrastructure Strategy

- Prepare a report that outlines options that are alternatives to asset replacement that could maintain roads in usable condition. (e.g. surface repair, road abandonment etc) with the goal of repairing infrastructure in 2017.
- Investigate feasibility of a parcel tax that could be levied to fund installation, repair and replacement of sidewalks. Feasibility should evaluate revenue potential, typical costs to replace sidewalk and public attitudes towards such a tax.

The Village of Burns Lake will work with other local agencies to strengthen the local economy, grow our existing businesses and increase our economic diversity.

- Continue to implement the Economic Development Plan.
- Assist with implementation of the Regional Bike Tourism Strategy.
- Continue to pursue grants through Northern Development and other funding agencies to support Lakes district economic development, tourism and recreation projects.
- Engage with Pipeline project proponents and identify regional and local partnership goals to promote the local economy and mitigate impacts from development.
- Update the Official Community Plan and Zoning Bylaws.
- Create Burns Lake sign strategy to promote: recreation, culture, local business and other economic activity.

The Village of Burns Lake will provide its citizens with opportunities to reduce their impact on the earth, and demonstrate social & environmental stewardship.

- Examine the implementation of recycling programs in other municipalities.
- Prepare a report that:
 - i. Identifies the operational and logistical requirements of a recycling program.
 - ii. Includes results from consulta-

tions with First Nations, the Regional District, and citizens of the Village of Burns Lake about the introduction of recycling.

iii. Estimates the start up costs and the one-time and ongoing financial impacts for a recycling program.

iv. Examines alternatives with MMBC with the aim of identifying a feasible model.

v. Where appropriate, identifies options for implementing a recycling program.

- Encourage the use of recycling cardboard by businesses. The Village and Regional District fund a drop off location for commercial cardboard. The Village will engage with businesses and identify and implement a means of reducing or eliminating the disposal of cardboard in garbage.
- Continue to identify options to create carbon offsets and reduce our green house emissions.

Continue to strengthen and improve communication between The Village of Burns Lake and local First Nations.

- Continue to expand and improve the protocol with Lake Babine Nation.
- Continue to expand and improve the protocol with Burns Lake Band.
- Renew service agreements with Burns Lake Band.

Continue to improve collaboration and shared services with the Regional District.

- Meet multiple times per year with Regional District Area B, and Area E. Continue to explore expand and optimize shared services with Regional Districts such as:
 - i. Introduction of recycling.
 - ii. Expansion of maintained hiking and biking trails.
 - iii. Recreation services available to all residents in the region.
 - iv. Planning and development services.
 - v. Airport runway replacement.
 - vi. Emergency preparedness.

Promote youth collaboration and engagement in municipal affairs

- Research potential initiatives to engage youth in municipal affairs.
- Launch a new initiative to engage with youth in municipal affairs.

The Village of Burns Lake will continue to provide and support valued recreation, healthy living and cultural opportunities for the community.

- Examine options that would enable the Lakeside Multiplex facility to fund operating costs from revenue.
- Enhance Spirit Square:
 - i. Investigate the feasibility of installing a water park & playground equipment at spirit square pending

- budget considerations.
 - ii. Solicit feedback on desired improvements to spirit square.
 - iii. Consider an outdoor rink.
- Enhance the Multiplex:
 - i. Update facility usage agreements with external organizations.
 - ii. Update user agreements and policies.
- Enhance the Arena & Curling Rink:
 - i. Replace the Zamboni.
 - ii. Consider upgrading the arena to use a freon cooling system that would enable the facility to remain open longer hours, or reduce costs for existing hours.
 - iii. Refurbish the portion of the Arena roof that covers the Zamboni.
 - iv. Enhance the curling rink, prioritizing the rink wall.

The Village of Burns Lake will continue to improve the effectiveness of Municipal processes and services

- Implement alternative methods for engaging the public that produce higher engagement levels for similar or lower effort / cost.
- Explore opportunities for implementing user fees to reduce the tax burden in all municipal operations.
- Implement and sustain an annual planning process with a three year planning horizon. This will encourage alignment with longer-term planning already in

- place in the Village.
- Explore the potential to expand boundaries of the Village to improve public safety and strengthen management of lands that are important to the Village.



THANK YOU FOR READING!

**PLEASE FIND THE VILLAGE OF BURNS LAKE
2014 AUDITED FINANCIAL STATEMENTS ATTACHED**

**THE CORPORATION OF THE VILLAGE
OF BURNS LAKE**

Financial Statements

December 31, 2014

**THE CORPORATION OF THE VILLAGE
OF BURNS LAKE**

Financial Statements

December 31, 2014

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PAGE 2	Consolidated Statement of Operations
PAGE 3	Consolidated Statement of Cash Flows
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Statements and Schedules to Consolidated Financial Statements

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Accumulated Amortization

SCHEDULE B Statement of Operations - by Segment

Supplementary Information

SCHEDULE C Statement of Financial Position - by Fund

SCHEDULE D Statement of Operations - by Fund

SCHEDULE E Statement of Changes in Equity in Tangible Capital Assets

SCHEDULE F Statement of Financial Position - Capital Reserve & Cemetary

SCHEDULE G Statement of Operations by Reserve - Cemetary & Reserve Funds

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INDEPENDENT AUDITOR'S REPORT

To the Council of
The Corporation of the Village of Burns Lake
Burns Lake, BC

We have audited the accompanying financial statements of The Corporation of the Village of Burns Lake, which comprise the Consolidated Statement of Financial Position as at December 31, 2014, and the Consolidated Statements of Operations, Cash Flows and Net Financial Assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Corporation of the Village of Burns Lake as at December 31, 2014, and of its financial performance and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Smithers, BC
April 28, 2015



Edmison Mehr

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Consolidated Statement of Financial Position

December 31, 2014

	<u>2014</u>	<u>2013</u>
FINANCIAL ASSETS		
Cash and cash equivalents, note 2	\$ 518,180	785,530
Investments, note 3	3,379,764	4,640,980
Accounts receivable, note 4	667,201	725,589
Loans receivable, note 5	7,414	2,029
	<u>4,572,559</u>	<u>6,154,128</u>
OTHER		
Trust and debt reserve funds, note 6	19,678	19,515
Comfor Management Services Ltd., note 17	6,758,437	5,623,775
	<u>6,778,115</u>	<u>5,643,290</u>
TOTAL FINANCIAL ASSETS	<u>11,350,674</u>	<u>11,797,418</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities, note 7	357,835	770,635
Trust and deposit liabilities	19,678	19,515
Deferred revenue, note 8	44,400	78,035
MFA capital leases, note 9	224,478	267,137
Long-term debentures, note 10	125,145	147,019
	<u>771,536</u>	<u>1,282,341</u>
NET FINANCIAL ASSETS	10,579,138	10,515,077
NON FINANCIAL ASSETS		
Tangible Capital Assets (Notes 1, 11, 16, Schedule A)	<u>16,937,442</u>	<u>16,244,322</u>
ACCUMULATED SURPLUS (Notes 12, Schedule C)	<u>\$ 27,516,580</u>	<u>26,759,399</u>

The accompanying notes and schedules are an integral part of these financial statements

Mayor Strimbold

Sheryl Worthing
Chief Administrative Officer

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Consolidated Statement of Operations
For the Year Ended December 31, 2014

<u>Budget</u>		<u>2014</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
REVENUE (Schedule D)			
\$ 1,396,941	Real property taxes	\$ 1,395,097	1,354,656
243,000	Frontage taxes	239,266	238,941
35,000	Grants-in-lieu of taxes	13,402	36,003
844,323	Sale of services	834,218	785,406
263,429	Other revenue from own services	245,318	461,358
468,000	Unconditional transfers - Province of BC	309,218	311,157
471,241	Conditional transfers and grants	319,138	787,548
324,188	Tom Forsythe Memorial Arena	263,974	268,325
166,546	Recreation and multi-use facility	170,816	39,725
-	Income earned on reserves	21,307	15,212
21,500	Return on investments	24,877	42,592
10,000	Donations - community members and groups	250	90,619
-	Donations - Burns Lake Community Forest	-	960,000
-	Tax sale proceeds	4,145	-
-	Comfor Management Services Ltd. income	1,134,662	1,189,819
4,244,168		4,975,688	6,581,361
EXPENSES			
783,749	General Government Services	704,269	663,143
358,042	Protective services	359,954	392,389
973,124	Transportation services	961,289	974,315
257,409	Environmental health	116,427	136,898
101,500	Development services	206,586	236,831
978,815	Recreation and cultural services	1,012,339	707,540
824,304	Utility Services (water/sewer)	846,496	774,527
23,522	Debt interest charges	11,147	11,461
4,300,465		4,218,507	3,897,104
(56,297)	Annual Surplus	757,181	2,684,257
26,759,399	Accumulated Surplus, beginning of year	26,759,399	24,075,142
\$ 26,703,102	Accumulated Surplus, end of year	\$ 27,516,580	26,759,399

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Consolidated Statement of Cash Flows

December 31, 2014

	<u>2014</u>	<u>2013</u>
Cash provided by (used for):		
OPERATING		
Annual Surplus	\$ 757,181	2,684,257
Non Cash Items included in Annual Surplus		
Amortization	724,734	633,211
Changes in Non-Cash Operating Items		
Decrease (increase) in Accounts Receivable	58,388	49,722
Decrease (increase) in Loans receivable	(5,385)	-
Increase (decrease) in Accounts Payable	(412,800)	426,394
Increase (decrease) in Deferred Revenue	(33,635)	(159,043)
	<u>1,088,483</u>	<u>3,634,541</u>
INVESTING		
Net Addition to Tangible Capital Assets	(1,417,854)	(2,910,872)
(Income) from Comfor Management Services Ltd.	(1,134,662)	(1,189,819)
(Purchase) disposition of investments	1,261,216	490,237
	<u>(1,291,300)</u>	<u>(3,610,454)</u>
FINANCING		
Annual Debt Payments	(12,061)	(12,061)
Actuarial Adjustments	(9,813)	(8,866)
Proceeds from Capital Lease	48,348	127,023
Capital Lease Repayments	(91,007)	(73,198)
	<u>(64,533)</u>	<u>32,898</u>
Increase in Cash and Equivalents	(267,350)	56,985
Cash and Cash Equivalents, beginning of year	<u>785,530</u>	<u>728,545</u>
Cash and Cash Equivalents, end of year	<u>\$ 518,180</u>	<u>785,530</u>
Additional Information		
Debt Interest Payments	<u>\$ 11,147</u>	<u>11,461</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Consolidated Statement of Net Financial Assets

For the Year Ended December 31, 2014

	2014 <u>Actual</u>	2013 <u>Budget</u>	2013 <u>Actual</u>
Annual Surplus (Deficit)	\$ 757,181	(56,297)	2,684,257
Acquisition of Tangible Capital Assets	(1,417,854)	(2,367,021)	(2,910,872)
Amortization of Tangible Capital Assets	724,734	741,000	633,211
Change in Net Financial Assets (Net Debt)	64,061	(1,682,318)	406,596
Net Financial Assets, beginning of year	<u>10,515,077</u>	<u>10,108,481</u>	<u>10,108,481</u>
Net Financial Assets, end of year	<u>\$ 10,579,138</u>	<u>8,426,163</u>	<u>10,515,077</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

GENERAL

The Corporation of the Village of Burns Lake was incorporated on December 19, 1923 under statute of the Province of British Columbia. The principal activities of the Corporation include the provision of local government services to the residents of the incorporated area. These services include administration, protection, transportation, planning, economic development, recreation, water and sewer.

PRESENTATION

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation of the Village of Burns Lake are prepared in accordance with the Canadian generally accepted accounting principles as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

a) Principles of Consolidation

The consolidated financial statements reflect the combined results and activities of the Corporation of the Village of Burns Lake. The statements exclude trust assets that are administered by the Corporation for the benefit of external parties. Interfund transactions have been eliminated on consolidation.

b) Fund Accounting

The resources and operations of the Village have been segregated for accounting and financial reporting purposes into the following funds.

Operating Funds: Operating funds report the General, Water, and Sewer operations.

Capital Funds: Capital funds report the acquisition and disposal of property and equipment and their related financing.

Reserve Funds: Under the Community Charter, Council may, by bylaw, establish reserve funds for particular purposes. Money in the reserve fund, and interest earned thereon, must be expended only for the purpose for which the fund was established.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES: ...(con't)

c) Cash and Cash Equivalents

Cash consists of cash and cash equivalents that are defined as highly liquid investments of three months or less at the acquisition date.

d) Investments

Investments are held in Municipal Finance Authority of BC money market funds. Cost approximates fair market value on these investments.

e) Tangible Capital Assets

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

Major Asset Category	Useful Life Range
Land	Unlimited
Buildings	15 to 50 years
Machinery & Equipment, Vehicles	5 to 20 years
Office Equipment and Computers	5 to 10 years
Other equipment	5 to 15 years
Engineering Structures (Roads, Streets, Parks)	10 to 75 years
Utility Systems (Water, Sewer, Storm)	20 to 100 years
Capital leases	15 to 20 years

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES: ...(con't)

f) Revenue Recognition

The Corporation of the Village of Burns Lake follows the restricted contribution method for recording revenues.

Restricted contributions related to general operations are recognized as revenue in the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Taxation revenue is recognized at the time of issuing the property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the Village.

g) Expenditure Recognition

Operating and capital expenditures are recognized on the accrual basis in the period when goods or services have been received. Interest expense is accrued on long-term debt to year-end.

h) Government Transfers

Government transfers are recognized as revenues or expenditures in the period that the events giving rise to the transfer occur. Transfers to other agencies are granted only in return for services provided to the community.

Entitlement transfers are received from the provincial and federal governments according to prescribed legislation and/or regulations. These include the provincial equalization grant and provincial utility debt-sharing payments.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES: ...(con't)

i) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported revenue and expenditures during the reporting period. Significant areas requiring the use of management estimates relate to the determination of employee benefit plans, allowance for doubtful accounts receivable, provision for contingencies and prior years tangible capital asset historical costs and related amortization. Actual results could differ from management's best estimates as additional information becomes available. Adjustments, if any, will be reflected in the financial statements in the period that the change in estimate is made, as well as in the period of settlement if the amount is different.

j) Budget Presentation

Budget amounts are from the Village's Five Year Financial Plan for the years 2014 - 2018, adopted by Council in May 2014 with minor subsequent reallocations and reclassifications to conform to financial statement presentation (see Note 16)

k) Segmented Information

The Corporation of the Village of Burns Lake is a diversified municipal government institution that provides a wide range of services to its citizens. Distinguishable functional segments have been separately disclosed. The nature of the segments and the activities they encompass are as follows, and quantitative data on these segments can be found in Schedule A.

General Government: This segment includes the revenue and expenses associated with Legislative (Council), Administration, Finance, Information Technology and the Municipal Building services. It also included the Election costs (in an election year).

Protective Services: This segment includes the revenue and expenses associated with the fire department, bylaw enforcement/animal control and building inspection services.

Transportation: This segment includes the revenue and expenses associated with Works Yard costs, vandalism, and all operating costs associated with all Roads and Streets (snow removal, sanding, street lighting, dust control, line marking, sidewalk maintenance, boulevard work, street sweeping and drainage ditches).

Solid Waste Management/Recycling: This segment includes the revenue and expenses associated with garbage (solid waste).

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES: ...(con't)

k) Segmented Information continued

Economic Development: This segment includes the revenue and expenses associated with Engineering, Planning, Economic Development and Tourism services.

Recreation and Culture: This segment includes the revenue and expenses associated with Arenas, Parks and Playgrounds, Recreation programs and cultural facilities services.

Utilities: This segment includes the revenue and expenses associated with providing water, sewer and storm sewer services.

l) Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES: ...(con't)

D) Financial Assets and Liabilities:

The municipality is not subject to significant risk from market, foreign currency, or price risk. The significant financial risks to which the Municipality is exposed include the following:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Municipality to a concentration of credit risk consist primarily of cash, investments and accounts receivable. The Municipality limits its exposure to credit loss by placing its cash with major Canadian financial institutions and the Municipal Finance Authority. The Municipality's maximum exposure to credit risk for cash, investments and accounts receivable are the amounts disclosed in the statement of financial position. Management believes that the credit risk concentration with respect to financial instruments included in cash, investments, and receivables is minimal.

Fair value

The Municipality estimates the fair value of its financial instruments based on current interest rates, market value and pricing of financial instruments with comparable terms. Unless otherwise indicated, the carrying value of these financial instruments approximates their fair market value because of the near maturity of those instruments.

Liquidity Risk

Liquidity risk is the risk that the Municipality will not be able to meet its financial obligations as they fall due. The Municipality's approach to managing liquidity is to evaluate current and expected liquidity requirements under both normal and stressed conditions to ensure that it maintains sufficient reserves of cash or have an available credit facility to meet its liquidity requirements in the short and long term.

As at December 31, 2014, the Municipality has unrestricted cash of \$250,539 (December 31, 2013 - \$391,945) to settle liabilities of \$771,536 (December 31, 2013 - \$1,282,341). Excluding debt and leases, the current liabilities are \$421,913 (December 31, 2013 - \$868,185) and the Municipality would cover any possible shortfall with receivables and investments.

Interest Rate Risk

The Municipality is exposed to interest rate risk to the extent that the cash and term deposits maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash and term deposits is not considered significant. Fixed-interest instruments subject the municipality to a fair value risk while the floating rate instruments subject it to a cash flow risk.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

	<u>2014</u>	<u>2013</u>
2. CASH AND CASH EQUIVALENTS		
Cash - unrestricted	\$ 250,539	391,945
Cash - restricted	267,641	393,585
	<u>518,180</u>	<u>785,530</u>
Total	\$ <u>518,180</u>	<u>785,530</u>

	<u>2014</u>	<u>2013</u>
3. INVESTMENTS		
Municipal Finance Authority of BC Money Market Fund	\$ 3,377,264	4,638,480
Term Deposit - Department of Lands	2,500	2,500
	<u>3,379,764</u>	<u>4,640,980</u>
Total	\$ <u>3,379,764</u>	<u>4,640,980</u>

Cost approximates fair market value for these investments. The term deposit is held by the Department of Lands as security and interest is paid yearly. Interest and other income earned on the MFA investments amounted to 1.2% in 2014 (1.21% - 2013).

	<u>2014</u>	<u>2013</u>
4. ACCOUNTS RECEIVABLE		
Due from federal governments - GST	\$ 27,725	59,258
Property taxes receivable	220,481	177,957
Trade accounts (net of allowance for doubtful accounts \$4,300, 2013-2,900)	403,297	478,739
Utilities Receivable - taxes	15,698	9,635
	<u>667,201</u>	<u>725,589</u>
Total	\$ <u>667,201</u>	<u>725,589</u>

	<u>2014</u>	<u>2013</u>
5. LOANS RECEIVABLE		
Due from Burns Lake Curling Club	\$ -	2,029

Interest is at zero percent. The Burns Lake Curling Club loan repayment schedule is currently at the club's discretion.

	<u>2014</u>	<u>2013</u>
Due from Burns Lake Mountain Biking Association.	7,414	-
Interest is at zero percent. The loan was repaid in January 2015.		
	<u>7,414</u>	<u>2,029</u>
Total Loans Receivable	\$ <u>7,414</u>	<u>2,029</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

6. TRUST AND DEBT RESERVE FUNDS	<u>2014</u>	<u>2013</u>
Trust and debt reserve funds	\$ <u>19,678</u>	<u>19,515</u>

The Corporation of the Village of Burns Lake issues its debt instruments through the Municipal Finance Authority of BC (MFA). As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA to act as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Corporation with interest and the demand notes are cancelled.

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	<u>2014</u>	<u>2013</u>
Trade accounts payable and accruals	\$ 193,204	617,298
Payroll payable and accrued benefits	156,743	152,282
Municipal Finance Authority - interest	628	942
Other deposits - funds held for community groups	<u>7,260</u>	<u>113</u>
Total	\$ <u>357,835</u>	<u>770,635</u>

Accrued payroll benefits include an estimated value for accrued sick pay that could be paid out over the next few years to employees, in accordance with the provisions of the CUPE union agreement.

8. DEFERRED REVENUE	<u>2014</u>	<u>2013</u>
Comfor Management Services Ltd. - wildfire mitigation project	\$ -	10,060
Hampton Fire Protection Agreement	-	3,750
ICBC funds from 2014 DTR	44,400	44,400
Partnering for healthier communities	-	19,825
Total	\$ <u>44,400</u>	<u>78,035</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2014

9. MFA CAPITAL LEASE

	<u>2014</u>	<u>2013</u>
General Capital Fund:		
MFA Lease, bearing interest at 1.25%, monthly payments of \$907.73 including interest, maturing October 2014, secured by specific fire equipment (NBV \$48,513).	\$ -	10,735
MFA Lease, bearing interest at 2%, monthly payments of \$ 1519.60 including interest, maturing January 2016, secured by a garbage truck (NBV \$193,331).	19,572	37,224
MFA Lease, bearing interest at 2%, monthly payments of \$2810.58 including interest, maturing March 2017, secured by a fire truck (NBV \$417,244).	74,329	106,223
MFA Lease, bearing interest at 2%, monthly payments of \$2,226.43 including interest, maturing May 2018, secured by a backhoe (NBV \$110,087)	88,271	112,955
MFA Lease, bearing interest at 2%, monthly payments of \$578.47 including interest, maturing June 2019, secured by a truck (NBV \$35,375).	29,859	-
MFA Lease, bearing interest at 2%, monthly payments of \$439.53 including interest, maturing May 2017, secured by a photocopier (NBV \$13,811).	12,447	-
	<u>\$ 224,478</u>	<u>267,137</u>

Principal payments due within the next five years and thereafter:

2015	\$ 63,263
2016	71,498
2017	68,267
2018	17,990
2019	3,460
	<u>\$ 224,478</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

10. LONG-TERM DEBENTURES	<u>2014</u>	<u>2013</u>
Sewer Capital Fund		
#By law 761, bearing an interest rate of 5.25%, annual payments of \$12,061, maturing in December 2019	\$ 125,145	147,019

Principal repayments, due within each of the next five years and thereafter.

	<u>Sewer</u>			
	Principal		Actuarial adj	Total repayments
2015	\$ 12,061	\$	10,802	22,863
2016	12,061		11,837	23,898
2017	12,061		12,919	24,980
2018	12,061		14,049	26,110
2019	12,063		15,231	27,294
Thereafter	-		-	-
	<u>\$ 60,307</u>	\$	<u>64,838</u>	<u>125,145</u>

11. TANGIBLE CAPITAL ASSETS (Schedule G)

	<u>2014</u>	<u>2013</u>
Land	\$ 518,656	518,442
Buildings	4,512,160	1,553,021
Engineered structures	6,059,650	6,100,976
Machinery and equipment, vehicles	892,429	939,220
Office equipment and computers	18,485	32,598
Other equipment	224,649	135,493
Utilities	4,310,296	4,422,042
Leased tangible capital assets	401,117	376,623
Machinery and equipment and buildings, Work in Progress	-	2,165,907
	<u>\$ 16,937,442</u>	<u>16,244,322</u>

Tangible capital assets are recorded net of accumulated amortization at net book value.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

12. ACCUMULATED SURPLUS

	<u>2014</u>	<u>2013</u>
General Operating Funds	\$ 1,639,376	2,165,675
Capital Funds		
Capital Reserves	1,358,920	2,545,072
Equity in tangible capital assets	24,518,284	22,048,652
	<u>\$ 27,516,580</u>	<u>26,759,399</u>

Equity in Tangible Capital Assets represents the net book value of total Tangible Capital Assets less any long-term debt obligations required to obtain those assets.

13. TAXATION

	<u>2014</u>	<u>2013</u>
Municipal Taxes		
General tax levy	\$ 1,395,097	1,354,656
Frontage taxes	239,266	238,941
Grant-in-lieu of taxes	13,402	36,003
	<u>1,647,765</u>	<u>1,629,600</u>
Plus: Requisitions on behalf of other taxing authorities		
Province of B.C. - School taxes	538,948	545,635
Police	82,777	81,594
Regional Hospital District	311,764	306,348
Bulkley Nechako Regional District	120,210	118,775
British Columbia Assessment Authority	11,190	11,360
Municipal Finance Authority	32	32
Total Taxes Collected	<u>2,712,686</u>	<u>2,693,344</u>
 Add (less): Requisition paid out to other taxing authorities	 <u>(1,064,921)</u>	 <u>(1,063,744)</u>
 Net Municipal Property Taxes	 <u>\$ 1,647,765</u>	 <u>1,629,600</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2014

14. CONSOLIDATED EXPENDITURES BY OBJECT	<u>2014</u>	<u>2013</u>
Advertising and promotion	\$ 23,260	32,564
Amortization	724,734	633,211
Contract services	271,822	199,326
Debt interest and charges	11,310	12,161
Election	4,370	422
Equipment charges	227,156	372,891
Grants and other	71,111	115,032
Insurance	68,409	67,109
Legal and audit	49,920	55,638
Materials and supplies	814,499	865,562
Salaries, wages and benefits	1,667,372	1,386,371
Travel	85,958	70,292
Utilities and general overhead	198,586	86,525
	<u>\$ 4,218,507</u>	<u>3,897,104</u>

15. CONTINGENT LIABILITIES AND COMMITMENTS

a) Pension Liability

The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly-trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 36,000 contributors from local governments.

The most recent valuation as at December 31, 2013 indicated a \$1,370 million funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

Village of Burns Lake paid \$94,035 for employer contributions to the Plan in fiscal 2014 (2013 - \$83,442), while employees contributed \$85,069 (2013 - \$76,473) to the plan in fiscal 2014.

b) Contingent Liabilities

The municipality is responsible, as a member of the Regional District of Bulkley - Nechako for its portion of any operating deficits of capital debt related to functions in which it participates.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

15. CONTINGENT LIABILITIES... (cont'd)

c) Reciprocal Insurance Exchange Agreement

The Corporation is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the Insurance Act of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any Subscriber. Under the Reciprocal Insurance Exchange Agreements, the Corporation is assessed a premium and specific deductible for its claims based on population. The obligation of the Corporation with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its Subscribers in connection with the Exchange are in every case several, and not joint and several. The Corporation irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other Subscribers against liability losses and costs which the other Subscriber may suffer.

d) Municipal Finance Authority

The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations, it shall make payments from the Debt Reserve Fund which is established by a similar Debt Reserve Fund in the Municipality and all other borrowing participants. If the Debt Reserve Fund is deficient, the Authority's obligations become a liability of the Regional District and may become a liability of the participating municipalities.

e) Lease Commitments

The corporation entered into a lease agreement in December 2014 for 60 months with MFA Leasing Corporation. The lease covers two dump trucks and requires monthly payments of \$3,321 plus tax for each truck. The final payment is due November 2019.

f) Contaminated Sites Accounting

Effective April 1, 2014, Canadian municipalities are required under PSAB 3260 to account for contaminated site liabilities that exist on municipal owned lands. The Corporation of the Village of Burns Lake has not identified any significant contaminated site liability on its lands.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

16. COMPLIANCE WITH LEGISLATIVE FINANCIAL PLAN REQUIREMENTS

The legislative requirements for the Financial Plan are that cash inflows for the period must equal cash outflows.

Cash inflows and outflows include such items as: debt proceeds, transfers to and from reserves and surplus, debt principal repayment and asset sale proceeds. These items are not recognized as revenues and expenses in the Consolidated Statement of Operations as they do not meet the public sector accounting standard requirements. The legislation does not require (but does not preclude) the funding of non-cash items such as amortization or liability accruals to provide for future cash requirements, thus, there is no legislative requirement to include these items in the Financial Plan. However, these items are recognized as expenses in the Statement of Operations.

Thus, the financial items included in the legislative Financial Plan and the Public Sector Accounting Statement of Operations are different. The purpose of this note is to explain the difference between these two requirements and demonstrate how the legislative requirement for a balanced budget, or Financial Plan net balance of "0", has been met.

	2014 <u>Budget</u>	2014 <u>Actual</u>	2013 <u>Actual</u>
Accumulated Surplus - Statement of Operations	\$ (56,297)	757,181	2,684,257
Adjustments to non-cash items:			
Amortization expense	741,000	724,734	633,211
Net change in Comfor Management Services Ltd.	-	1,134,662	1,189,819
Adjustments for cash items, not recognized as revenues Or expenses in the Statement of Operations:			
Tangible Capital Asset costs	(2,367,021)	(1,417,854)	(2,910,872)
Capital lease proceeds	-	48,348	127,023
Capital lease repayments	-	(91,007)	(73,198)
Debt principle repayments	-	(12,061)	(12,061)
Net transfers from reserves	(304,050)	(1,186,152)	(216,108)
Net transfers (from) to operating surplus	<u>1,986,368</u>	<u>42,149</u>	<u>(1,422,071)</u>
Balanced Financial Plan/Operations	<u>\$ -</u>	<u>-</u>	<u>-</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

17. COMFOR MANAGEMENT SERVICES LTD., A GOVERNMENT ENTERPRISE.

Burns Lake Community Forest Ltd. exists as an entity, the operating company holds the forest license, and undertakes the timber harvesting. The shares of this company are owned by Comfor Management Services Ltd. which serves as management in the conduct of both companies. The Village of Burns Lake is the sole shareholder of the management company.

This wholly owned company is a government business enterprise because of having all of the following characteristics:

- (i) Legal entity with the power to contract in its own name and can sue and be sued.
- (ii) Delegated the financial and operational authority to carry on a business.
- (iii) Sells goods and services to organizations outside of the government reporting entity.
- (iiii) Maintains a viable operation, meets its liabilities from revenues received from sources outside of the parents ownership.

The CICA Public Sector Accounting Handbook recommends that the method of accounting for the business enterprise be undertaken by the modified equity method. The municipality records the net assets by adjusting the investment it has made in the company. Comfor Management Services Ltd. (consolidated) audited financial statements for the years ended October 31, 2014 and the year ended October 31, 2013 are summarized hereunder and the appropriate recording of the investment increase in the government enterprise by the municipality has been reflected in the consolidated statement of financial position (page 1). These are the summarized consolidated statements of Comfor Management Services Ltd.

Basis of presentation

a) Statement of compliance

Comfor Management Services Ltd. prepares its consolidated financial statements in accordance with International Financial Reporting Standards as required by the Canadian Public Sector Accounting Standards. The company has adopted all IFRS issued and in effect at October 31, 2014.

b) Basis of measurement

The presentation and functional currency of the corporation is the Canadian dollar. The consolidated financial statements have been prepared on a historical cost basis, except available-for-sale financial assets.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise its judgment in applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in these statements.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2014

17. COMFOR MANAGEMENT SERVICES LTD., A GOVERNMENT ENTERPRISE. CONTINUED...

c) Basis of consolidation

The consolidated financial statements include the accounts of the company and its subsidiaries as follows:

Comfor Management Services Ltd. (parent company)
Burns Lake Community Forest Ltd. (100% owned subsidiary)

Inter company balances and transactions have been eliminated.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

17. COMFOR MANAGEMENT SERVICES LTD. ... (con't)

Comfor Management Services Ltd. Consolidated Statement of Financial Position

	<u>October 31, 2014</u>	<u>October 31, 2013</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash	\$ 2,203,720	2,516,913
Accounts receivable, net of allowance of \$nil (2013 \$20,000)	8,734	93,324
GST receivable	4,771	2,538
Prepaid expenses and deposits	98,804	128,973
	<u>2,316,029</u>	<u>2,741,748</u>
Property, plant and equipment	560,792	602,095
Investments, long term	6,847,824	5,287,101
Province of BC silviculture deposit	500,000	500,000
Loan receivable - Community Futures of Nadina	17,500	17,500
Totals	<u>\$ 10,242,145</u>	<u>9,148,444</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts payable and accrued expenses	\$ 77,368	163,061
Accrued reforestation costs	528,000	300,000
	<u>605,368</u>	<u>463,061</u>
Accrued reforestation costs	<u>2,878,338</u>	<u>3,061,606</u>
Due to Shareholder	<u>1</u>	<u>1</u>
Shareholders' Equity		
Share Capital	1	1
Retained Earnings	6,758,437	5,623,775
	<u>6,758,438</u>	<u>5,623,776</u>
Totals	<u>\$ 10,242,145</u>	<u>9,148,444</u>

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2014

**17. COMFOR MANAGEMENT SERVICES LTD. CONSOLIDATED
STATEMENT of COMPREHENSIVE INCOME AND CHANGES IN EQUITY**

	October 31, <u>2014</u>	October 31, <u>2013</u>
Continuing Operations:		
Revenue	\$ 4,777,112	7,610,026
Cost of sales	<u>3,756,769</u>	<u>6,627,750</u>
Gross profit before change in silviculture obligation estimate	1,020,343	982,276
Change in silviculture obligation estimate	<u>-</u>	<u>1,488,936</u>
Gross profit (loss)	1,020,343	2,471,212
Administration expenses	<u>306,067</u>	<u>349,920</u>
Profit (loss) from operations	<u>714,276</u>	<u>2,121,292</u>
Other Income (expenses)		
Investment income (loss)	335,209	184,348
Gain on disposal of capital assets	41,800	-
Community donations and gifts	<u>(75,741)</u>	<u>(1,502,967)</u>
	<u>301,268</u>	<u>(1,318,619)</u>
Profit for the period from continuing operations	<u>1,015,544</u>	<u>802,673</u>
Discontinued Operations		
Profit (loss) for the period from discontinued operation	<u>(2,629)</u>	<u>11,389</u>
Profit for the period	1,012,915	814,062
Unrealized gain (loss) - available for sale securities	<u>121,744</u>	<u>375,757</u>
Comprehensive income for the period	1,134,659	1,189,819
Retained Earnings, beginning of period	<u>5,623,778</u>	<u>4,433,956</u>
Retained Earnings, end of period	\$ <u><u>6,758,437</u></u>	<u><u>5,623,775</u></u>

SCHEDULE A

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Schedule of Changes in Tangible Capital Assets and Accumulated Amortization
For the year ended December 31, 2014

	Land	Buildings	Machinery & Equipment	Engineered Structures	Utilities	Office Equipment	Other Equipment	Capital leases	Work in process	2014 Total	2013 Total
TANGIBLE CAPITAL ASSETS - COST											
Opening Balance	\$ 518,442	2,155,176	2,181,550	10,971,701	8,092,182	149,586	154,202	427,241	2,165,907	26,815,987	23,972,692
Add: Additions	214	2,991,083	57,889	298,076	56,407	-	123,476	56,616	-	3,583,761	825,852
Add: WIP	-	-	(38,212)	-	-	-	-	-	-	-	2,085,020
Less: Disposals	-	-	-	-	-	-	-	-	(2,165,907)	(2,204,119)	(67,577)
Closing Balance	\$ 518,656	5,146,259	2,201,227	11,269,777	8,148,589	149,586	277,678	483,857	-	28,195,629	26,815,987
ACCUMULATED AMORTIZATION											
Opening Balance	\$ -	602,155	1,242,330	4,870,725	3,670,140	116,988	18,709	50,618	-	10,571,665	10,006,031
Add: Amortization	-	31,944	104,680	339,402	168,153	14,113	34,320	32,122	-	724,734	633,211
Less: Accumulated on disposals	-	-	(38,212)	-	-	-	-	-	-	(38,212)	(67,577)
Closing Balance	\$ -	634,099	1,308,798	5,210,127	3,838,293	131,101	53,029	82,740	-	11,258,187	10,571,665
Net Book Value for year ended December 31, 2014	\$ 518,656	4,512,160	892,429	6,059,650	4,310,296	18,485	224,649	401,117	-	16,937,442	
Net Book Value for year ended December 31, 2013	\$ 518,442	1,553,021	939,220	6,100,976	4,422,042	32,598	135,493	376,623	2,165,907		16,244,322

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Statement of Operations by Segment
For the Year Ended December 31, 2014

SCHEDULE B

	<u>General Government</u>	<u>Protective Services</u>	<u>Solid Waste/Environment</u>	<u>Economic Development</u>	<u>Transportation Services</u>	<u>Recreation & Culture</u>	<u>Utilities (water/sewer)</u>	<u>2014 Total Operations (unaudited)</u>	<u>2013 Total Operations</u>
REVENUE									
Operating Revenue									
Taxation, note 13	\$ 1,395,097	13,402	-	-	-	-	239,266	1,647,765	1,674,941
Service Charges/User Fees	-	105,850	139,143	-	16,021	-	573,204	834,218	844,323
Government Transfers/Grants	320,004	57,308	-	94,950	22,500	-	-	494,762	939,241
Other revenue from own services	82,260	69,926	-	1,300	7,335	510,459	8,828	680,108	754,163
Donation - Community	250	-	-	-	-	-	-	250	10,000
Investment Income	24,715	-	-	-	-	-	162	24,877	21,500
Total operating revenue	<u>1,822,326</u>	<u>246,486</u>	<u>139,143</u>	<u>96,250</u>	<u>43,856</u>	<u>510,459</u>	<u>821,460</u>	<u>3,681,980</u>	<u>4,244,168</u>
EXPENDITURES									
Operating Expenditures									
Advertising and Promotion	7,153	2,605	-	3,785	-	-	-	23,260	26,580
Amortization	31,764	81,711	8,392	-	227,632	207,082	168,153	724,734	741,000
Election	4,370	-	-	-	-	-	-	4,370	3,750
Equipment Charges	-	20,412	-	-	99,153	-	-	227,156	316,234
Grants to Organizations/Fees Waiters	269	6,431	600	24,849	-	38,962	-	71,111	70,786
Insurance	17,651	5,791	-	-	42,225	2,742	-	68,409	70,666
Legal and audit	49,920	-	-	-	-	-	-	49,920	25,500
Materials and Supplies	117,768	28,904	28,367	14,905	355,503	118,693	150,359	814,499	765,292
Professional and Contracted Services	39,418	39,418	38,764	92,757	-	100,883	-	271,822	345,380
Travel, dues and conferences	43,732	23,084	-	3,330	4,116	10,384	1,312	85,958	104,445
Utilities (Telephone, Hydro and Gas)	11,221	7,217	-	-	5,784	102,457	71,907	198,586	199,411
Wages and Employee Benefits	420,421	144,381	40,304	66,960	226,876	421,419	347,011	1,667,372	1,607,899
Debt charges	-	-	-	-	-	-	11,310	11,310	23,522
Total operating expenditures	<u>\$ 704,269</u>	<u>359,954</u>	<u>116,427</u>	<u>206,586</u>	<u>961,289</u>	<u>1,012,339</u>	<u>857,643</u>	<u>4,218,507</u>	<u>4,300,465</u>
REVENUE OVER EXPENDITURES/ (EXPENDITURES OVER REVENUE)	<u>\$ 1,118,057</u>	<u>(113,468)</u>	<u>22,716</u>	<u>(110,336)</u>	<u>(915,433)</u>	<u>(501,880)</u>	<u>(36,183)</u>	<u>(536,527)</u>	<u>(56,297)</u>
									<u>(10,066)</u>

EDMISON MEHR
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INDEPENDENT AUDITOR'S COMMENTS ON SUPPLEMENTARY INFORMATION

To the Council of
The Corporation of the Village of Burns Lake
Burns Lake, BC

We have audited the consolidated financial statements of the The Corporation of the Village of Burns Lake, which comprise the Consolidated Statement of Financial Position as at December 31, 2014, and the Consolidated Statements of Operations, Cash Flows, and Net Financial Assets for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated April 28, 2015. The following supplementary financial information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the consolidated financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves.

Smithers, BC
April 28, 2015



Edmison Mehr

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Statement of Financial Position - by Fund
December 31, 2014

SCHEDULE C

	General Operating Fund	Water Operating Fund	Sewer Operating Fund	Total Operating Funds	General Capital Fund	Water Capital Fund	Sewer Capital Fund	Total Capital Funds	Reserve Funds	Comfor Management Services Ltd. (consolidated)	Consolidating adjustments	Consolidated 2014	Consolidated 2013
FINANCIAL ASSETS													
Cash and cash equivalents, note 2	\$ 250,539	-	-	250,539	-	-	-	-	267,641	-	-	518,180	785,530
Investments, note 3	1,559,484	-	-	1,559,484	-	-	-	-	1,820,280	-	-	3,379,764	4,640,980
Taxes Receivable, note 4	220,481	15,698	-	236,179	-	-	-	-	-	-	-	236,179	187,592
Accounts Receivable, note 4	403,297	-	-	403,297	-	-	-	-	-	-	-	403,297	478,739
Due from Federal Government - GST, note 4	27,725	-	-	27,725	-	-	-	-	-	-	-	27,725	59,258
Loans receivable, note 5	7,414	-	-	7,414	-	-	-	-	-	-	-	7,414	2,029
MFA debt reserve fund deposits, note 6	-	-	19,678	19,678	-	-	-	-	-	-	-	19,678	19,515
Comfor Management Services Ltd. (consolidated), note 17	268,538	150,544	78,610	497,692	465,572	346,319	360,137	1,172,028	-	-	(1,669,720)	6,758,437	5,623,775
Due from Own Funds	2,737,478	166,242	98,288	3,002,008	465,572	346,319	360,137	1,172,028	2,087,921	-	(1,669,720)	6,758,437	11,797,418
	193,204	-	-	193,204	-	-	-	-	-	-	-	193,204	617,298
Accounts Payable and Accrued Liabilities, note 7	-	-	628	628	-	-	-	-	-	-	-	628	942
Accrued debenture interest, note 7	156,743	-	-	156,743	-	-	-	-	-	-	-	156,743	152,282
Wages and deductions payable, note 7	7,260	-	-	7,260	-	-	-	-	-	-	-	7,260	113
Other deposits - payable, note 7	940,719	-	-	940,719	-	-	-	-	729,001	-	(1,669,720)	-	-
Due to Own Funds	-	-	19,678	19,678	-	-	-	-	-	-	-	19,678	19,515
MFA debt reserve fund	44,400	-	-	44,400	-	-	-	-	-	-	-	44,400	78,035
Deferred Revenue, note 8	-	-	-	-	224,478	-	-	224,478	-	-	-	224,478	267,137
MFA Capital Lease, note 9	-	-	-	-	-	125,145	-	125,145	-	-	-	125,145	147,019
Long term debentures, note 10	1,342,326	-	20,306	1,362,632	224,478	-	125,145	349,623	729,001	-	(1,669,720)	771,556	1,282,341
NET FINANCIAL ASSETS	1,395,152	166,242	77,982	1,639,376	241,094	346,319	234,992	822,405	1,358,920	-	-	10,579,138	10,515,077
NON FINANCIAL ASSETS													
Tangible Capital Assets (Schedule A), note 1, 11	-	-	-	-	12,627,145	2,140,632	2,169,665	16,937,442	-	-	-	16,937,442	16,244,322
ACCUMULATED SURPLUS	1,395,152	166,242	77,982	1,639,376	12,868,239	2,486,951	2,404,657	17,759,847	1,358,920	6,758,437	-	27,516,580	26,759,999
Composed of:													
Surplus	\$ 1,395,152	166,242	77,982	1,639,376	-	-	-	-	-	-	-	-	-
Operating reserves	\$ 1,395,152	166,242	77,982	1,639,376	-	-	-	-	-	-	-	-	-

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

**Statement of Operations - by Fund
For the Year Ended December 31, 2014**

SCHEDULE D

	General Operating Fund	Water Operating Fund	Sewer Operating Fund	Total Operating Funds	Equity in Capital Funds	Capital Reserve Funds	Consolidated 2014	Consolidated 2013
REVENUE (Schedule C)								
Real property taxes	\$ 1,395,097	-	-	1,395,097	-	-	1,395,097	1,354,656
Frontage taxes	-	140,615	98,651	239,266	-	-	239,266	238,941
Grants-in- lieu of taxes	13,402	-	-	13,402	-	-	13,402	36,003
Sales of services	261,014	287,043	286,161	834,218	-	-	834,218	785,406
Other revenue from own resources	236,490	1,841	6,987	245,318	-	-	245,318	461,358
Unconditional transfers - Province of BC	309,218	-	-	309,218	-	-	309,218	311,157
Conditional transfers and grants	185,544	-	-	185,544	-	133,594	319,138	787,548
Tom Forsythe Memorial Arena	263,974	-	-	263,974	-	-	263,974	268,325
Recreation and Multi Use Facility	170,816	-	-	170,816	-	-	170,816	39,725
Return on investments	24,715	-	162	24,877	-	21,307	24,877	42,592
Income earned on reserves	-	-	-	-	-	250	250	15,212
Donations - community members and groups	250	-	-	250	-	-	250	90,619
Donations - Burns Lake Community Forest	-	-	-	-	-	-	-	960,000
Tax sale proceeds	-	-	-	-	-	4,145	4,145	-
Comfor Management Services Ltd. Income	-	-	-	-	1,134,662	-	1,134,662	1,189,819
	2,860,520	429,499	391,961	3,681,980	1,134,662	159,046	4,975,688	6,581,361
EXPENSES (Schedule C)								
General Government Services	704,269	-	-	704,269	-	-	704,269	665,143
Protective Services	359,954	-	-	359,954	-	-	359,954	392,389
Transportation Services	961,289	-	-	961,289	-	-	961,289	974,315
Environmental Health Services	116,427	-	-	116,427	-	-	116,427	136,898
Development Services	206,586	-	-	206,586	-	-	206,586	236,831
Recreation and Cultural Services	1,012,339	-	-	1,012,339	-	-	1,012,339	707,540
Utility Services (Water, Sewer)	-	452,289	394,207	846,496	-	-	846,496	774,527
Debt Charges	-	-	11,147	11,147	-	-	11,147	11,461
	3,360,864	452,289	405,354	4,218,507	-	-	4,218,507	3,897,104
	(500,344)	(22,790)	(13,393)	(536,527)	1,134,662	159,046	757,181	2,684,257
ANNUAL SURPLUS (DEFICIT)								
OTHER EXPENSES	-	-	12,061	12,061	(12,061)	-	-	-
Less: Annual Debt Payments	-	-	9,813	9,813	(9,813)	-	-	-
Less: Actuarial Interest	-	-	21,874	21,874	(21,874)	-	-	-
INTERFUND TRANSFERS								
Transfer (to) from Capital Funds	-	-	-	-	-	-	-	-
Transfer (to) from Operating Funds, schedule F	(107,531)	-	-	(107,531)	33,822	73,709	-	-
Transfer (to) from Reserve Funds, schedule F	129,820	-	9,813	139,633	1,279,274	(1,418,907)	-	-
	22,289	-	9,813	32,102	1,313,096	(1,345,198)	-	-
Change in accumulated Surplus Balances	(478,055)	(22,790)	(25,454)	(526,299)	2,469,632	(1,186,152)	757,181	2,684,257
Accumulated Surplus Balances, beginning of year	1,873,207	189,032	103,436	2,165,675	22,048,652	2,545,072	26,759,399	24,075,142
Accumulated Surplus Balances, end of year	\$ 1,395,152	166,242	77,982	1,639,376	24,518,284	1,358,920	27,516,580	26,759,399

SCHEDULE E

THE CORPORATION OF THE VILLAGE OF BURNS LAKE
Statement of Changes in Equity in Tangible Capital Assets
For the Year Ended December 31, 2014

	Equity in Tangible Capital Assets - General	Equity in Tangible Capital Assets - Water	Equity in Tangible Capital Assets - Sewer	Comfor Management Services Ltd. (consolidated)	Consolidated 2014	Consolidated 2013
REVENUE (Schedule B)						
Comfor Management Services Ltd. income	\$ -	-	-	1,134,662	1,134,662	1,189,819
Government grants	-	-	-	-	-	147,386
Nourse legacy fund	-	-	-	-	-	42,958
New deal gas tax grant	-	-	-	-	-	118,848
	-	-	-	1,134,662	1,134,662	1,499,011
EXPENSES						
Loss on disposal of tangible capital assets, schedule A	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	1,134,662	1,134,662	1,499,011
ANNUAL SURPLUS (DEFICIT)						
	-	-	-	-	-	-
OTHER EXPENSES						
Principal payments	-	-	12,061	-	12,061	12,061
Actuarial adjustments	-	-	9,813	-	9,813	8,866
	-	-	21,874	-	21,874	20,927
INTERFUND TRANSFERS						
Transfer (to) from Operating Funds	33,822	-	-	-	33,822	1,872,753
Transfer (to) from Reserve Funds, schedule F	1,279,274	-	-	-	1,279,274	215,003
	1,313,096	-	-	-	1,313,096	2,087,756
Change in Accumulated Surplus Balances	1,313,096	-	21,874	1,134,662	2,469,632	3,607,694
Accumulated Surplus Balances, beginning of year	11,555,143	2,486,951	2,382,783	5,623,775	22,048,652	18,440,958
Accumulated Surplus Balances, end of year	\$ 12,868,239	2,486,951	2,404,657	6,758,437	24,518,284	22,048,652

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

EXHIBIT 'F'

**Capital Reserve and Cemetary
Statement of Financial Position
For the Year Ended December 31, 2014**

		<u>Capital Reserve</u>	<u>Cemetary</u>	<u>Land Sales</u>	<u>Park Land</u>	<u>McEwan Estate</u>	<u>Total 2014</u>	<u>Total 2013</u>
FINANCIAL ASSETS								
Cash - restricted	\$	169,929	33,534	93,609	4,103	-	301,175	426,708
Investments		1,734,717	-	-	-	85,563	1,820,280	1,801,637
Loans receivable		-	-	-	-	-	0	2,029
Due to own funds - general operating		(733,752)	1,159	4,751	-	-	(727,842)	348,498
NET POSITION	\$	<u>1,170,894</u>	<u>34,693</u>	<u>98,360</u>	<u>4,103</u>	<u>85,563</u>	<u>1,393,613</u>	<u>2,578,872</u>

The Cemetary trust was eliminated upon consolidation.

THE CORPORATION OF THE VILLAGE OF BURNS LAKE

Cemetery and Reserve Funds

Statement of Operations - by Reserve

For the Year Ended December 31, 2014

EXHIBIT 'G'

	Capital Reserve	Cemetery	Land Sales	Park Land	McEwan Estate	Total 2014	Total 2013
REVENUE							
Interest income	\$ 19,408	410	931	41	927	21,717	15,315
Donation	-	-	-	-	-	-	84,557
Donation from Burns Lake Community Forest	-	-	-	-	-	-	960,000
Sale of plots and carefund	-	483	-	-	-	483	677
New Deal Gas Tax Reserve	133,594	-	-	-	-	133,594	134,937
Tax sale proceeds	-	-	4,145	-	-	4,145	606
	153,002	893	5,076	41	927	159,939	1,196,092
EXPENSE							
	-	-	-	-	-	-	-
ANNUAL SURPLUS	153,002	893	5,076	41	927	159,939	1,196,092
INTERFUND TRANSFERS							
Transfer from general operating	73,709	-	-	-	-	73,709	-
Transfer to general operating	(1,418,907)	-	-	-	-	(1,418,907)	(216,108)
Transfer (to) from water operating	-	-	-	-	-	-	-
Transfer (to) from sewer operating	-	-	-	-	-	-	-
	(1,345,198)	-	-	-	-	(1,345,198)	(216,108)
Change in accumulated surplus balances	(1,192,196)	893	5,076	41	927	(1,185,259)	979,984
Accumulated Surplus Balances, beginning of year	2,363,090	33,800	93,284	4,062	84,636	2,578,872	1,598,888
Accumulated Surplus Balances, end of year	\$ 1,170,894	34,693	98,360	4,103	85,563	1,393,613	2,578,872
Less Cemetery trust eliminated upon consolidation						34,693	33,800
						<u>1,358,920</u>	<u>2,545,072</u>