

MAYNE ISLAND IMPROVEMENT DISTRICT
Financial Statements
Year Ended December 31, 2019

MAYNE ISLAND IMPROVEMENT DISTRICT
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Year Ended December 31, 2019

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

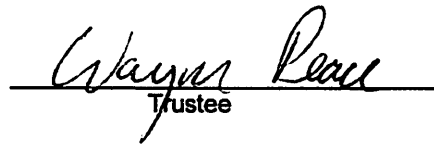
The financial statements of Mayne Island Improvement District are the responsibility of Mayne Island Improvement District and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS). These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that the financial information is reliable and accurate.

The Board of Trustees is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The financial statements have been audited by Paterson Henn CPA Chartered Professional Accountants. The independent auditor's report addressed to the Trustees appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Improvement District in accordance with Canadian public sector accounting standards.


Trustee


Trustee

Mayne Island, BC
March 24, 2020



PATERSON HENN CPA
CHARTERED PROFESSIONAL ACCOUNTANTS

Caroline M. Paterson, CPA, CGA*

Sheila C. Henn, CPA, CA*

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of Mayne Island Improvement District

Report on the Financial Statements

Opinion

We have audited the financial statements of Mayne Island Improvement District (the Improvement District), which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in annual surplus (deficit), changes in net financial debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Improvement District as at December 31, 2019, and the results of its operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, 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 Improvement 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 Improvement District or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Societies Act of British Columbia, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Sidney, British Columbia
April 13, 2020

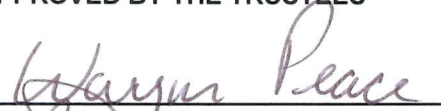

Paterson Henn CPA

Chartered Professional Accountants

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Financial Position
December 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash	\$ 251,761	\$ 345,763
Renewal reserve funds (Note 6)	318,709	254,632
Accounts receivable	22,034	11,945
	<u>592,504</u>	<u>612,340</u>
LIABILITIES		
Accounts payable and accrued liabilities	34,878	52,508
Long term debt (Note 4)	2,004,822	2,101,386
	<u>2,039,700</u>	<u>2,153,894</u>
NET FINANCIAL DEBT	<u>(1,447,196)</u>	<u>(1,541,554)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 3)	3,413,904	3,460,790
Prepaid expenses	24,012	19,563
	<u>3,437,916</u>	<u>3,480,353</u>
ACCUMULATED SURPLUS (Notes 5, 6)	<u>\$ 1,990,720</u>	<u>\$ 1,938,799</u>

APPROVED BY THE TRUSTEES


 _____ Trustee

 _____ Trustee

MAYNE ISLAND IMPROVEMENT DISTRICT

Statement of Operations

Year Ended December 31, 2019

	Budget 2019	Fire Protection 2019	Health Centre 2019	Total 2019	Total 2018
REVENUES					
Fire Protection Tax Levies	\$ 624,207	\$ 624,207	\$ -	\$ 624,207	\$ 617,587
Capital Tax Advance Levies	-	159,606	-	159,606	159,606
Health Centre Tax Levies	92,604	-	92,600	92,600	90,404
Rental Revenue	15,000	-	15,000	15,000	15,000
Penalties & Interest on Tax Levies	4,000	-	3,799	3,799	3,437
Burn Permit Sales	3,000	3,541	-	3,541	3,290
Operating Interest and Other Revenue	750	6,590	982	7,572	5,916
Interest Revenue on Reserve Funds	4,275	5,524	981	6,505	3,791
	<hr/> 743,836	<hr/> 799,468	<hr/> 113,362	<hr/> 912,830	<hr/> 899,031
EXPENSES					
Fire Protection Expenditures (<i>Schedule 1</i>)	490,465	551,640	-	551,640	504,094
Governance Expenditures (<i>Schedule 2</i>)	49,767	48,790	-	48,790	42,946
Health Centre Expenditures (<i>Schedule 3</i>)	95,604	-	103,569	103,569	105,161
	<hr/> 635,836	<hr/> 600,430	<hr/> 103,569	<hr/> 703,999	<hr/> 652,201
SURPLUS FROM OPERATIONS	<hr/> 108,000	<hr/> 199,038	<hr/> 9,793	<hr/> 208,831	<hr/> 246,830
OTHER REVENUE (EXPENSES)					
Amortization	-	(137,957)	(18,953)	(156,910)	(154,712)
Budgeted transfer to Fire Protection reserve	(87,000)	-	-	-	-
Budgeted transfer to capital - Fire Protection	(5,000)	-	-	-	-
Budgeted transfer to Health Centre reserve	(16,000)	-	-	-	-
	<hr/> (108,000)	<hr/> (137,957)	<hr/> (18,953)	<hr/> (156,910)	<hr/> (154,712)
ANNUAL SURPLUS (DEFICIT)	<hr/> \$ -	<hr/> \$ 61,081	<hr/> \$ (9,160)	<hr/> \$ 51,921	<hr/> \$ 92,118

See notes to financial statements

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Changes in Annual Surplus (Deficit)
Year Ended December 31, 2019

	Fire Protection 2019	Health Centre 2019	Total 2019	Total 2018
ACCUMULATED SURPLUS (DEFICIT) - BEGINNING OF YEAR	\$ (1,781,702)	\$ 5,078	\$ 1,938,799	\$ 1,846,681
Surplus (deficit) for the year	61,081	(9,160)	51,921	92,118
Amortization of tangible capital assets	(1,720,621)	(4,082)	1,990,720	1,938,799
Transfers to tangible capital assets <i>(Note 3)</i>	137,951	18,953	-	-
Transfers to renewal reserve funds <i>(Note 6)</i>	(86,033)	(23,984)	-	-
	(71,080)	7,003	-	-
ACCUMULATED SURPLUS (DEFICIT) - END OF YEAR <i>(Note 5)</i>	\$ (1,739,783)	\$ (2,110)	\$ 1,990,720	\$ 1,938,799

See notes to financial statements

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Changes in Net Financial Debt
Year Ended December 31, 2019

	Budget 2019	2019	2018
ANNUAL SURPLUS	\$ -	\$ 51,921	\$ 92,118
Amortization of tangible capital assets	-	156,910	154,712
Purchase of tangible capital assets	(108,000)	(110,024)	(144,516)
Decrease (increase) in prepaid expenses	-	(4,449)	(1,124)
	(108,000)	42,437	9,072
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(108,000)	94,358	101,190
NET FINANCIAL DEBT - BEGINNING OF YEAR	(1,541,555)	(1,541,554)	(1,642,744)
NET FINANCIAL DEBT - END OF YEAR	\$ (1,649,555)	\$ (1,447,196)	\$ (1,541,554)

See notes to financial statements

MAYNE ISLAND IMPROVEMENT DISTRICT
Statement of Cash Flows
Year Ended December 31, 2019

	2019	2018
OPERATING ACTIVITIES		
Annual surplus	\$ 51,921	\$ 92,118
Item not affecting cash:		
Amortization of tangible capital assets	<u>156,910</u>	154,712
	<u>208,831</u>	246,830
Changes in non-cash working capital:		
Accounts receivable	(10,089)	3,469
Accounts payable and accrued liabilities	(17,630)	15,441
Prepaid expenses	<u>(4,449)</u>	(1,125)
	<u>(32,168)</u>	17,785
Cash flow from operating activities	<u>176,663</u>	264,615
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	<u>(110,024)</u>	(144,516)
Cash flow used by capital transactions	<u>(110,024)</u>	(144,516)
INVESTING TRANSACTIONS		
(Increase) decrease in renewal reserve funds	<u>(64,077)</u>	(8,471)
FINANCING ACTIVITY		
Repayment of long term debt	<u>(96,564)</u>	(93,751)
Cash flow used by financing activity	<u>(96,564)</u>	(93,751)
INCREASE (DECREASE) IN CASH FLOW	(94,002)	17,877
Cash - beginning of year	<u>345,763</u>	327,886
CASH - END OF YEAR	\$ 251,761	\$ 345,763

See notes to financial statements

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2019

1. NATURE OF OPERATIONS

The Mayne Island Improvement District (the "Improvement District") is an Improvement District in British Columbia, Canada, governed by the Local Government Act, Letters Patent and its own bylaws. It is tax-exempt pursuant to the Canadian Income Tax Act.

The Improvement District is empowered to levy taxes to support the provisions of fire protection, the operation of the Mayne Island Health Centre and the provision of garbage collection and disposal services to the community of Mayne Island. Fire protection consists of prevention services, fire control and public education. The Health Centre facility and heliport are maintained by the Improvement District while the operations are carried out by other parties, including Mayne Island Health Centre Association (MIHCA). Garbage collection and disposal on Mayne Island is not provided by the Improvement District in the current year or previous years and currently no taxes have been collected for this provision of garbage collection and disposal services (see Note 9).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (GAAP) and are prepared using the accrual basis of accounting.

Basis of accounting

Operating Funds - Fire Protection and Health Centre

Revenues and expenses related to fire protection, governance of the fire protection operations and the Health Centre are reported in the Operating Fund. The programs consist of fire protection and governance as well as the Health Centre and heliport. The operating fund also accounts for the net bank debt and long term debt and the associated costs for these, unless considered construction costs. Costs specific to one function only are charged to the specific cost centre. When costs relate to the entire Improvement District, the expenses are consistently allocated 35% to Fire Protection, 30% to Governance of the Fire Protection operations, and 35% to the Health Centre.

Tangible Capital Assets Fund

The Tangible Capital Assets Fund reports the assets, liabilities, revenues, and expenses related to Mayne Island Improvement District's capital assets for fire protection and the Health Centre. Bank debt and long term debt relating to the fire hall building are considered part of the applicable operating fund.

Renewal Reserve Funds

The Renewal Reserve Funds are funds established through bylaw for the upgrading, replacement or renewal of existing works. The funds, as well as interest earned on the funds, are held in separate interest earning cash or cash equivalent accounts. Expenditures may only be made from these funds after a bylaw is approved by the trustees of the Improvement District. See Note 6.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Improvement District collects taxes for Fire Protection and the Mayne Island Health Centre. The provincial government distributes the taxes collected for fire protection as an annual statutory advance in July. In addition, the provincial government collects taxes for the capital advance tax levy which is distributed directly to offset the long term debt held with the provincial government. Other revenues, including tax revenues, are recorded in the period in which the transaction or events that gave rise to the revenues occurred. Expenditures are recorded in the period that the goods and services are acquired and a liability is incurred.

Restricted contributions (if any) are recognized as revenue in the year in which the related expenses are incurred. When the related expenses have not been incurred, the restricted contribution is recognized as deferred revenue on the statement of financial position.

Budget

The budget reflects the Statutory Annual Budget as adopted by the Improvement District and is not subject to review or audit.

Financial instruments

The Improvement District's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, and long term debt. The carrying amounts of these financial instruments approximates their fair value.

Unless otherwise noted, it is management's opinion that the Improvement District is not exposed to significant interest, liquidity or credit risk arising from these financial instruments.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives at the following rates and methods, with one-half amortization charged in the year of acquisition:

Buildings - Health Centre	4%	declining balance method
Building - Fire hall	40 years	straight-line method
Computer equipment	2 years	straight-line method
Equipment and furniture	5 years	straight-line method
Fire fighting clothing	10 years	straight-line method
Fire fighting equipment	10 years	straight-line method
Generator	20 years	straight-line method
Heliport	20 years	straight-line method
Paving	20 years	straight-line method
Radios and pagers	5 years	straight-line method
Vehicles	10 years and 20 years	straight-line method
Water access and equipment	10 years	straight-line method
Water storage	20 years	straight-line method

The Improvement District regularly reviews its tangible capital assets to eliminate obsolete items. The tangible capital assets are considered for their fair value and any impairments are expensed. There were no impairments during the year.

Tangible capital assets acquired or constructed during the year but not placed into use are not amortized. There are currently no assets under construction.

MAYNE ISLAND IMPROVEMENT DISTRICT
Notes to Financial Statements
Year Ended December 31, 2019

3. TANGIBLE CAPITAL ASSETS

	2019 Cost	Accumulated amortization	2019 Net book value	2018 Net book value
<u>Fire Protection</u>				
Land	\$ 4,690	\$ -	\$ 4,690	\$ 3,650
Building - fire hall	2,567,385	256,264	2,311,121	2,375,305
Computer equipment	51,893	48,518	3,375	6,750
Equipment and furniture	22,677	15,890	6,787	8,021
Fire fighting clothing	56,010	56,010	-	-
Fire fighting equipment	248,234	195,776	52,458	60,527
Generator	108,072	65,982	42,090	47,494
Paving	151,500	13,763	137,737	58,188
Radios and pagers	15,587	15,587	-	-
Vehicles	1,101,483	635,865	465,618	507,736
Water access and equipment	56,770	46,216	10,554	15,916
Water storage	55,197	52,760	2,437	5,197
	<u>4,439,498</u>	<u>1,402,631</u>	<u>3,036,867</u>	<u>3,088,784</u>
<u>Health Centre</u>				
Building	603,233	256,496	346,737	336,701
Computer equipment	23,627	18,564	5,063	6,750
Equipment	595	595	-	-
Heliport	55,673	37,353	18,320	21,103
Water system	10,682	3,765	6,917	7,452
	<u>693,827</u>	<u>316,773</u>	<u>377,037</u>	<u>372,006</u>
	<u>\$ 5,133,308</u>	<u>\$ 1,719,404</u>	<u>\$ 3,413,904</u>	<u>\$ 3,460,790</u>

(continues)

MAYNE ISLAND IMPROVEMENT DISTRICT
Notes to Financial Statements
Year Ended December 31, 2019

3. TANGIBLE CAPITAL ASSETS *(continued)*

The following additions and disposals occurred during the year:

	2018 Cost	2019 Additions	2019 Disposals	2019 Cost
<u>Fire Protection</u>				
Land	\$ 3,650	\$ 1,040	\$ -	\$ 4,690
Building - fire hall	2,567,385	-	-	2,567,385
Computer equipment	51,893	-	-	51,893
Equipment and furniture	22,677	-	-	22,677
Fire fighting clothing	56,010	-	-	56,010
Fire fighting equipment	248,234	-	-	248,234
Generator	108,072	-	-	108,072
Paving	66,500	85,000	-	151,500
Radios and pagers	15,587	-	-	15,587
Vehicles	1,101,483	-	-	1,101,483
Water access and equipment	56,770	-	-	56,770
Water storage	55,197	-	-	55,197
	<u>4,353,458</u>	<u>86,040</u>	<u>-</u>	<u>4,439,498</u>
<u>Health Centre</u>				
Building	579,249	23,984	-	603,233
Computer equipment	23,627	-	-	23,627
Equipment	595	-	-	595
Heliport	55,673	-	-	55,673
Water system	10,682	-	-	10,682
	<u>669,826</u>	<u>23,984</u>	<u>-</u>	<u>693,810</u>
	<u>\$ 5,023,284</u>	<u>\$ 110,024</u>	<u>\$ -</u>	<u>\$ 5,133,308</u>

4. LONG TERM DEBT

	<u>2019</u>	<u>2018</u>
Bylaw 167 - Capital Tax Advance issued, for the purpose of financing the construction of the new fire hall, in the amount of \$2,400,000, requiring annual payments of loan bearing interest at 3% per annum, repayable in annual blended payments of \$159,606, beginning in 2016 through 2035.	<u>\$ 2,004,822</u>	<u>\$ 2,101,386</u>

Principal repayment terms for the next five years are approximately:

2020	\$ 99,461
2021	102,445
2022	105,518
2023	108,684
2024	111,944
	<u>\$ 528,052</u>

Tax levies are collected by the BC provincial government and applied directly each July to the debt held with the provincial government.

MAYNE ISLAND IMPROVEMENT DISTRICT
Notes to Financial Statements
Year Ended December 31, 2019

5. ACCUMULATED SURPLUS (DEBT)

Accumulated surplus (debt) is represented by the following:

	2019	2018
Fire Department Operating Surplus (Debt)	\$ (1,739,783)	\$ (1,781,701)
Health Centre Operating Surplus (Debt)	(2,110)	5,078
Tangible Capital Assets (Note 3)	3,413,904	3,460,790
Renewal Reserve Funds (Note 6)	318,709	254,632
	\$ 1,990,720	\$ 1,938,799

6. RENEWAL RESERVE FUNDS

Changes to renewal reserve funds for the year, are as follows:

	Fire Protection Renewal Reserve	Health Centre Renewal Reserve	2019
Budget transfer - as per approved budget	\$ 87,000	\$ 16,000	\$ 103,000
Prior year surplus transfer	64,596	-	64,596
Current year interest earned on renewal accounts	5,524	981	6,505
	157,120	16,981	174,101
Bylaw 193 - Health Centre flooring	-	(23,984)	(23,984)
Bylaw 194 - Fire hall paving	(85,000)	-	(85,000)
Bylaw 196 - Fire Statutory Rights-of-Way	(1,040)	-	(1,040)
	(86,040)	(23,984)	(110,024)
Renewal reserve fund balance, beginning of year, December 31, 2019	212,916	41,716	254,632
BALANCE END OF YEAR, DECEMBER 31, 2019	\$ 283,996	\$ 34,713	\$ 318,709

Renewal reserve funds are held in separate interest earning cash or cash equivalent accounts in accordance to the the Improvement District's policies.

Bylaws where all funds have not been spent or the work not yet completed, may not yet be finalized by the year end. The expenditures included are actual expenditures incurred.

Bylaw 197 for the Health Centre Tree Clearing in the amount of \$5,000, dated August 20, 2019 was approved. This work has not yet occurred due to weather and other factors.

MAYNE ISLAND IMPROVEMENT DISTRICT

Notes to Financial Statements

Year Ended December 31, 2019

7. LEASE COMMITMENTS

The Improvement District renewed their lease as landlord for the Health Centre premises to Vancouver Island Health Authority ("VIHA") for the period of five (5) years from April 1, 2017 expiring on March 31, 2022 with an additional five (5) year renewal period with the same terms and conditions.

The Improvement District entered into a lease as the lessor with the Mayne Island Volunteer Firefighters' Association in 2014, whereby the Improvement District donated a building, with a nominal fair value, and agreed to lease the lands for a nominal value under a Ground Lease agreement dated May 9, 2014. The term of the lease is for ten (10) years expiring May 9, 2024. Water and sewer is supplied by the Improvement District and all other expenses, costs and improvements relating to this land and building are to be borne by the tenant.

8. OTHER COMMITMENTS

The Improvement District has entered into various contracts and agreements with individuals, companies and other organizations for maintenance, cleaning, gardening and general care of the facilities as well as general operating matters for the Improvement District. These agreements are under normal operations and have been approved by the trustees of the Improvement District.

The Improvement District has a signed Facility Access Agreement with the Capital Regional District ("CRD"). The purpose of this agreement is for the CRD to gain access to Improvement District property for the purpose of operating an ongoing communications centre, or in an event of an emergency, an operations centre. The Grant of License signed in 2017 is for 40 years with the revenue received in the year signed for the entire period.

9. SUBSEQUENT EVENT - GARBAGE COLLECTION AND DISPOSAL

The Improvement District is currently not actively involved in the Garbage Collection and Disposal, which is included in their Letters Patent.

Subsequent to the year end, the Improvement District issued an Invitation to Tender for Garbage Collection and Disposal for Mayne Island. This was due to there being no operating garbage collection businesses on Mayne Island, at the time.

A parking lease agreement is to be entered into for commercial property to park up to four garbage collection vehicles. In addition, a management fee will be paid to the successful applicant over the course of the agreement. All other business operations, including fees for collection services and operating expenses and capital asset purchases, are the responsibility of the independent operator.

The Improvement District will implement a tax to cover the costs for the leased commercial property and management fee.

Although expected to be in 2020 for a one to three year term, the commencement date and terms of the parking lease agreement and management fee agreement is not yet known.

MAYNE ISLAND IMPROVEMENT DISTRICT

Fire Protection Expenditures

(Schedule 1)

Year Ended December 31, 2019

	Budget 2019	2019	Total 2018
FIRE PROTECTION EXPENDITURES			
Appreciation and awards	\$ 4,000	\$ 3,311	\$ 3,444
Audit fees	3,850	3,850	3,850
Building repairs and maintenance	14,141	17,670	21,249
Education and training	43,200	44,478	18,932
Equipment maintenance and supplies	29,958	30,496	37,540
Firefighter clothing	3,000	2,476	2,566
Fire prevention education	2,940	2,819	1,962
Insurance	12,301	13,162	12,691
Interest on long term debt	-	63,042	65,854
Office supplies and sundry	3,905	7,329	5,053
Subscriptions and dues	2,665	3,648	4,051
Telecommunications	12,118	10,344	10,582
Travel	500	304	629
Utilities	10,000	6,670	6,812
Vehicle fuel and insurance	11,500	9,116	5,248
Vehicle repairs and maintenance	15,650	22,015	15,640
Wages and benefits - MIID office staff	36,071	37,152	32,848
Wages and benefits - firefighters	284,666	273,758	255,143
	<u>\$ 490,465</u>	<u>\$ 551,640</u>	<u>\$ 504,094</u>

MAYNE ISLAND IMPROVEMENT DISTRICT

Governance Expenditures

(Schedule 2)

Year Ended December 31, 2019

	Budget 2019	2019	Total 2018
GOVERNANCE EXPENDITURES			
Audit fees	\$ 3,300	\$ 3,300	\$ 3,300
Bank charges	1,560	1,600	1,823
Insurance	910	878	878
Legal	3,000	-	-
Newsletters and bulletins	500	148	200
Office supplies and equipment	2,706	2,586	2,344
Public meetings, freedom of information, misc	400	-	394
Telecommunications	5,524	6,540	5,235
Training and continuing education	750	1,008	275
Travel	200	391	-
Wages and benefits of MIID office staff	30,917	32,339	28,497
	<u>\$ 49,767</u>	<u>\$ 48,790</u>	<u>\$ 42,946</u>

MAYNE ISLAND IMPROVEMENT DISTRICT

Health Centre Expenditures

(Schedule 3)

Year Ended December 31, 2019

	Budget 2019	2019	Total 2018
HEALTH CENTRE EXPENDITURES			
Audit fees	\$ 3,850	\$ 3,850	\$ 3,850
Bank charges	1,560	1,527	1,750
Billing costs	5,955	5,734	5,323
Building repairs and maintenance	22,405	20,893	30,573
Heliport operations and insurance	3,200	2,507	2,178
Insurance	4,590	5,343	4,263
Legal	2,000	8,492	10,606
Maintenance contract	6,000	5,868	5,023
Telephone, internet and utilities	8,973	9,684	8,647
Wages and benefits - MIID office staff	36,071	37,515	32,848
Water system	1,000	2,156	100
	<u>\$ 95,604</u>	<u>\$ 103,569</u>	<u>\$ 105,161</u>