

**KEMP LAKE
WATERWORKS DISTRICT
FINANCIAL STATEMENTS**

December 31, 2020

KEMP LAKE WATERWORKS DISTRICT INDEX TO FINANCIAL STATEMENTS

Year ended December 31, 2020

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MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS), and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. The significant accounting policies are described in Note 2 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

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

The Board of Trustees is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Board. The Chair of the Trustees reviews internal financial statements on a regular basis and the Board reviews external audited financial statements annually. The Board also discusses any significant financial reporting or internal control matters prior to its approval of the financial statements.

The external auditors, Hutcheson & Co. Chartered Professional Accountants LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial information of the Kemp Lake Waterworks District and meet with management when required. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the Kemp Lake Waterworks District,

Kevan Brehart
Chair of the Trustees

Joanne Hemphill
Trustee

PARTNERS* *designates incorporated member*

MARLON BADESSO, BComm, CPA, CA*

BRENT V. ENGLAND, BSc, CPA, CA, CPA (Colorado)*

PHILIP HOGAN, CPA, CA, CPA (Colorado)*

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INDEPENDENT AUDITOR'S REPORT

To: The Members of Kemp Lake Waterworks District

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kemp Lake Waterworks District, which comprise the statement of financial position as at December 31, 2020, and the statements of operations and accumulated surplus (deficit), changes in net financial liabilities, and cash flow 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 District as at December 31, 2020, and its results of operations and its 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 District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards (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 District ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT, continued

Auditor's Responsibilities for the Audit of the Financial Statements

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

We also:

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

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

Victoria, British Columbia
April 25, 2021


Chartered Professional Accountants

KEMP LAKE WATERWORKS DISTRICT STATEMENT OF FINANCIAL POSITION

December 31

	2020	2019
Financial assets		
Cash and cash equivalents (note 3)	\$ 623,108	\$ 633,898
Accounts receivable (note 4)	175,697	202,977
	798,805	836,875
Financial liabilities		
Bank indebtedness (note 5)	1,932,617	1,980,657
Accounts payable and accrued liabilities	32,095	62,020
Deferred revenue (note 6)	194,000	4,000
Deferred designated revenue (note 7)	617,024	589,075
	2,775,736	2,635,752
Net financial liabilities	(1,976,931)	(1,798,877)
Non-financial assets		
Tangible capital assets (note 8)	1,790,796	1,514,429
Prepaid expenses	8,307	6,662
Non-financial assets	1,799,103	1,521,091
Accumulated surplus (deficit)	\$ (177,828)	\$ (277,786)

APPROVED BY THE TRUSTEES

Trustee

Trustee

See accompanying notes to financial statements

KEMP LAKE WATERWORKS DISTRICT

STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (DEFICIT)

Year ended December 31	Budget 2020 (Unaudited - Note 2(g))	Actual 2020	Actual 2019
Revenue			
Taxes	\$ 224,220	\$ 224,395	\$ 222,085
Tolls	300,000	268,275	119,821
Restricted grant	-	-	-
Connection fees	-	-	-
Interest and penalty charges	4,000	2,022	4,057
Interest earned	-	17	66
Amortization of deferred designated revenue	-	17,751	7,751
	528,220	512,460	353,780
Expenses			
Administration (Schedule A)	204,920	105,311	52,582
Operating (Schedule B)	323,300	300,444	153,498
	528,220	405,755	206,080
Excess of revenues over expenses from operations	-	106,705	147,701
Extraordinary items			
Water source replacement project (note 10)	-	6,747	264,883
Excess (deficiency) of revenues over expenses for the year	-	99,958	(117,182)
Accumulated surplus (deficit), beginning of year	-	(277,786)	(160,604)
Accumulated surplus (deficit), end of year	\$ -	\$ (177,828)	\$ (277,786)

See accompanying notes to financial statements

KEMP LAKE WATERWORKS DISTRICT

STATEMENT OF CHANGES IN NET FINANCIAL LIABILITIES

Year ended December 31

	2020	2019
Excess (deficiency) of revenues over expenses for the year	\$ 99,958	\$ (117,182)
Acquisition of tangible capital assets	(342,213)	(202,788)
Amortization (depreciation) of tangible capital assets	65,845	44,655
	(276,368)	(158,133)
Acquisition of prepaid expense	(14,208)	(11,422)
Use of prepaid expense	12,563	11,183
	(1,645)	(239)
Increase in net financial liabilities	(178,055)	(275,554)
Net financial liabilities, beginning of year	(1,798,877)	(1,523,323)
Net financial liabilities, end of year	\$ (1,976,931)	\$ (1,798,877)

See accompanying notes to financial statements

KEMP LAKE WATERWORKS DISTRICT

CASH FLOW STATEMENT

Year ended December 31	2020	2019
Operating activities		
Excess (deficiency) of revenues over expenditures for the year	\$ 99,959	\$ (117,182)
Deferred designated revenue received for future periods	35,700	92,080
Items not affecting cash		
Amortization expense	65,845	44,655
Amortization of deferred designated revenue	(7,751)	(7,751)
	193,753	11,802
Change in non-cash working capital items		
Accounts receivable	27,280	(22,940)
Prepaid expenses	(1,645)	(240)
Accounts payable and accrued liabilities	(29,925)	(209,246)
Deferred revenue	190,000	4,000
	379,463	(216,624)
Investing activity		
Purchase of tangible capital assets	(342,213)	(202,788)
Financing activities		
Proceeds of RBC multi-draw term loan	-	483,538
Payments RBC fixed term loan	(48,040)	(19,342)
	(48,040)	464,196
Increase (decrease) in cash	(10,790)	44,784
Cash, beginning of year	633,898	589,114
Cash, end of year	\$ 623,108	\$ 633,898

See accompanying notes

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KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

1. NATURE OF OPERATIONS

Kemp Lake Waterworks District (the District) was established on May 26, 1953 by Letters Patent under the Water Act of British Columbia. Currently, the purpose of the District is to provide water services to residents of the District. It also has the authority to assess and collect property taxes and water tolls for the District.

The District operates on a not-for-profit basis under the jurisdiction of the B.C. Ministry of Community Development.

The District is exempt from income taxes under the Income Tax Act.

2. ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements are prepared by management in accordance with Canadian public sector accounting standards for provincial reporting entities established by the Canadian Public Sector Accounting Board.

(b) Cash and cash equivalents

Cash and cash equivalents consist of liquid instruments, such as cash on hand, bank accounts, and guaranteed investment certificates, which have maturities of three months or less.

(c) Financial instruments

The District's financial instruments consist of cash, accounts receivable, bank indebtedness and accounts payable and accrued liabilities. These financial instruments are measured at cost.

Transaction costs related to the acquisition of these financial instruments are expensed.

KEMP LAKE WATERWORKS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

2. ACCOUNTING POLICIES, continued

(d) Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Contributed capital assets are recorded at fair value at the date of contribution. 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. The estimated useful lives are as follows:

Buildings	30 - 40 years
Reservoirs	40 - 50 years
Machinery and equipment	5 - 20 years
Water distribution systems	20 - 50 years
Computer equipment and software	2 - 5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of the future economic benefits associated with the tangible capital assets are less than their book value.

In 2020, the District connected to the Capital Regional District's water source. All tangible capital assets will continue to be maintained by the District so that if required, the District can switch back to the original fully functioning system.

(e) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, and related disclosures at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Key areas where management has made estimates and assumptions include those related to accounts receivable and the useful life of tangible capital assets. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known. By their nature, these estimates are subject to measurement uncertainty.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

2. ACCOUNTING POLICIES, continued

(f) Revenue recognition

The District recognizes revenue for tolls, taxes, connection fees, renewal reserve fees and subdivision fees in accordance with its bylaws (as approved by the Ministry of Community Development) as follows:

- a. Tolls are recognized as water is used by the residents of the District. Water meters are read bi-monthly and the residents are billed for this usage.
- b. Taxes are assessed in the middle of each year based on the classification of each parcel within the District. The taxes are for the calendar year.
- c. Renewal reserve fees are assessed bi-monthly based on the classification of each parcel.
- d. Connection fees are recognized when the District has completed connecting the District's water line to a private parcel.
- e. Subdivision fees are recognized when the District approves each subdivision plan. Developers are required to pay subdivision fees before subdivision takes place.

Unrestricted grants and revenues are recorded as revenue when received or receivable, if the amounts can be estimated and collection is reasonably assured.

Restricted grants and revenues are reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors. Contributions for the purpose of acquiring or developing a depreciable tangible capital asset are recorded as deferred designated revenue and are recognized in revenue at the rate that amortization for the tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.

(g) Budget figures

Annual budget figures are determined by the District's Trustees based on the expected expenditures.

Budget figures have not been audited, and are presented for comparative and information purposes only.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	2020	2019
Restricted cash - Renewal reserve and CEC fund	\$ 277,300	\$ 335,447
Unrestricted cash - General operating fund	345,808	298,451
	\$ 623,108	\$ 633,898

The District has the following funds: General Operating, Miscellaneous Reserve, and Renewal Reserve and Capital Expenditure Charge (CEC).

The General Operating fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and unrestricted operating grants. The Miscellaneous Reserve Fund is a contingency fund for unplanned expenses or special projects not relating to the above funds. The Renewal Reserve and CEC Fund is restricted to fund repairs and improvements to the District's waterworks systems and equipment.

4. ACCOUNTS RECEIVABLE

	2020	2019
Taxes	\$ 38,562	\$ 39,254
Tolls	95,132	63,230
GST rebate	42,003	100,493
	\$ 175,697	\$ 202,977

The District does not record a provision for doubtful accounts for overdue taxes and tolls receivable as management believes all outstanding amounts will be recovered once a property is sold, either by the owner or through a forced tax sale.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

5. BANK INDEBTEDNESS

	2020	2019
Royal Bank of Canada, due on June 30, 2029, repayable at \$10,567.31 per month including interest at 4.01% per annum	\$ 1,932,617	\$ 1,980,657

On June 30, 2019, the District converted a multi-draw term loan to a 10-year fixed rate term loan, amortized over 25 years. The loan is secured by a general security agreement over the District's assets and an assignment of business loan insurance.

6. DEFERRED REVENUE

	2020	2019
Connection fees	\$ 4,000	\$ 4,000
CRD funding received during the year	200,000	-
CRD funding amortized during the year	(10,000)	-
Balance, end of year	\$ 194,000	\$ 4,000

Deferred revenue represents:

- Payments received for water line connections where the job has not yet been completed; and
- The unamortized amount of funding received from the Capital Regional District (CRD). The District received this grant to help cover the tangible capital costs associated with the Kemp Lake Water Source Replacement Project. The amortization of the grant related to these tangible capital assets will be recorded as revenue in the statement of operations.

KEMP LAKE WATERWORKS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

7. DEFERRED DESIGNATED REVENUE

Renewal reserve and capital expenditure charges collected are restricted by the Ministry of Community Development to fund future waterworks systems and equipment upgrading, replacement and purchases. Interest earned on these amounts is also restricted for the same purpose.

	2020	2019
Deferred revenue for designated purposes, beginning of year	\$ 589,075	\$ 504,746
Less: amount recognized as revenue in the year	(7,751)	(7,751)
Add: amount received for future periods	35,700	92,080
	\$ 617,024	\$ 589,075

These funds have been set aside, as restricted cash (see note 3) and may only be disbursed by a resolution of the Board of Trustees of the District. The Ministry of Community Development (the Ministry) provides final verification that these funds are used as originally intended.

In fiscal 2015, the Ministry, through Bylaw #184, appropriated \$10,000 from the Capital Works Renewal Reserve Fund to be expended on upgrading main pumps and manifolds at the Chubb Road Pumphouse. No payments from this appropriation were made from 2015 through 2020.

KEMP LAKE WATERWORKS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

8. TANGIBLE CAPITAL ASSETS

December 31, 2020

	Land	Buildings	Computer Equipment and Software	Machinery and Equipment	Reservoirs	Water Distribution System	2020 Total
Cost							
Opening Balance	\$ 93,990	\$ 19,280	\$ 5,781	\$ 119,042	\$ 382,925	\$ 1,969,129	\$ 2,590,147
Additions	-	-	-	4,687	-	337,526	342,213
Disposals	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Closing balance	93,990	19,280	5,781	123,729	382,925	2,306,655	2,932,360
Accumulated amortization							
Opening Balance	-	10,789	5,781	88,063	161,258	809,827	1,075,718
Amortization	-	377	-	6,908	8,402	50,159	65,846
Disposals	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Closing Balance	-	11,166	5,781	94,971	169,660	859,986	1,141,564
Net book value	\$ 93,990	\$ 8,114	\$ -	\$ 28,758	\$ 213,265	\$ 1,446,669	\$ 1,790,796

Amortization and depreciation can be used synonymously throughout the financial statements.

KEMP LAKE WATERWORKS DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

8. TANGIBLE CAPITAL ASSETS

December 31, 2019

	Land	Buildings	Computer Equipment and Software	Machinery and Equipment	Reservoirs	Water Distribution System	2019 Total
Cost							
Opening Balance	\$ 93,990	\$ 19,280	\$ 5,781	\$ 119,042	\$ 382,925	\$ 1,766,341	\$ 2,387,359
Additions	-	-	-	-	-	202,788	202,788
Disposals	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Closing balance	93,990	19,280	5,781	119,042	382,925	1,969,129	2,590,147
Accumulated amortization							
Opening Balance	-	10,412	5,781	81,390	152,856	780,624	1,031,063
Amortization	-	377	-	6,673	8,402	29,203	44,655
Disposals	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Closing Balance	-	10,789	5,781	88,063	161,258	809,827	1,075,718
Net book value	\$ 93,990	\$ 8,491	\$ -	\$ 30,979	\$ 221,667	\$ 1,159,302	\$ 1,514,429

Amortization and depreciation can be used synonymously throughout the financial statements.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

9. FINANCIAL RISK MANAGEMENT

(a) Interest rate risk

The District is not exposed to significant interest rate risk relating to its financial assets and liabilities.

(b) Liquidity risk

Liquidity risk is the risk that the District will encounter difficulty in meeting obligations associated with financial liabilities. It is measured by reviewing the District's future net cash flows for the possibility of a negative net cash flow. The District manages the liquidity risk resulting from its accounts payable obligations by maintaining significant cash resources and investing in liquid investments.

(c) Fair value of financial instruments

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate fair value because of the short maturity term of these instruments.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

10. KEMP LAKE WATER SOURCE REPLACEMENT PROJECT

During 2012, the Vancouver Island Health Authority (VIHA) asked the District to upgrade its water source to meet the 4-3-2-1 Water Plan. The District anticipated connecting to the Capital Regional District (CRD) water line and began feasibility studies in 2017. This project was named the Kemp Lake Water Source Replacement Project (Project).

The District is responsible for the full cost of design and construction of the Project, as well as any improvements required to its existing water distribution system. After completion, the CRD would assume responsibility and ownership of a 1,850 metre section of the water main line from the intersection of West Coast Road and Erinan Boulevard up to the District's boundary.

The District would assume responsibility and ownership of the remaining 360 metre section of the water main line, connecting from the CRD's terminus at the District's boundary up to the District's existing water systems.

During 2020, a total of \$212,779 was spent on construction costs and they have been recorded as follows:

- \$206,031 was capitalized to Tangible Capital Assets as part of the Water Distribution System;
- \$6,748 was expensed as Kemp Lake Water Source Replacement Project on the Statement of Operations and Accumulated Surplus (Deficit).

The Project was completed and was fully operational on April 30, 2020.

11. SUBSEQUENT EVENTS

The global economic impact arising from the Covid-19 pandemic may expose the District to economic and operational risks in the 2021 fiscal period. The impact on the District's operations is not readily determinable at this time.

KEMP LAKE WATERWORKS DISTRICT NOTES TO THE FINANCIAL STATEMENTS

December 31, 2020

12. RELATED PARTY TRANSACTIONS

During the year, the District made payments to various related parties in the normal course of operations. Related parties to the District are identified through inquiries with management, and are: the Trustees (K. Brehart, J. Hemphill and R. Birch), the District's administrator (D. Anderson), and the main contractor for the water source replacement project (R.E. Anderson Contracting Ltd., a company controlled by the spouse of the District's administrator).

Payments made to the Trustees and related parties are disclosed in Schedule 2 - Schedule of remuneration to employees, Schedule 3 - Schedule of expenses paid on behalf of employees, and Schedule 4 - Schedule of payments for goods and services, amounts exceeding \$10,000.

KEMP LAKE WATERWORKS DISTRICT SCHEDULES OF ADMINISTRATIVE AND OPERATING EXPENDITURES

Year ended December 31

	2020	2019
Schedule A		
Administration expenditures		
Bank charges	\$ 161	\$ 158
Fees and licences	1,082	1,224
Interest on long term debt	52,242	-
Miscellaneous	731	2,875
Office expenses and supplies	3,230	2,883
Postage	1,553	1,350
Professional fees	10,500	10,000
Rent	3,000	3,000
Secretary/accounting	19,400	18,000
Training	285	-
Trustees honoraria	<u>13,127</u>	<u>13,092</u>
	<u>\$ 105,311</u>	<u>\$ 52,582</u>

Schedule B

Operating expenditures		
Amortization	\$ 65,845	\$ 44,655
Contract labour – sublet/maintenance	39,176	40,256
CRD toll charges	151,645	-
Insurance	12,596	11,183
Lab testing	2,293	591
Supplies and labour	17,026	44,774
Telephone and utilities	11,147	11,358
Workers' compensation	<u>715</u>	<u>681</u>
	<u>\$ 300,444</u>	<u>\$ 153,498</u>

KEMP LAKE WATERWORKS DISTRICT

SCHEDULES TO THE FINANCIAL INFORMATION ACT

Unaudited
December 31, 2020

The following schedules have been prepared by the management of the Kemp Lake Waterworks District in compliance with the requirements of the Financial Information Act, Regulation, and Directive.

These schedules have been reviewed and approved by the Board of Trustees.

1. SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

None.

2. SCHEDULE OF REMUNERATION TO EMPLOYEES

	<u>2020</u>	<u>2019</u>
Assessor/Collector - D. Anderson	\$ 22,400	\$ 21,000
Trustee Honoraria - \$3,240 each to J. Hemphill and R. Birch (\$3,240 each in 2019); \$5,400 to K. Brehart (\$5,400 in 2019) and CPP deductions of \$1,247 (\$1,212 in 2019).	<u>13,127</u>	<u>13,092</u>
	\$ <u><u>35,527</u></u>	\$ <u><u>34,092</u></u>

3. SCHEDULE OF EXPENSES PAID ON BEHALF OF EMPLOYEES

Expenses include costs for business travel and professional development.

	<u>2020</u>	<u>2019</u>
K. Brehart	\$ 1,410	\$ 840
J. Hemphill	180	720
R. Birch	150	600
D. Anderson	<u>120</u>	<u>120</u>
	\$ <u><u>1,860</u></u>	\$ <u><u>2,280</u></u>

KEMP LAKE WATERWORKS DISTRICT

SCHEDULES TO THE FINANCIAL INFORMATION ACT

Unaudited

December 31, 2020

4. SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES

	<u>2020</u>	<u>2019</u>
a) Amounts exceeding \$10,000, in aggregate, to any one supplier:		
R.E. Anderson Contracting Ltd.	\$ 305,446	\$ 387,598
Capital Regional District	143,723	23,840
EMCO	75,568	-
BC Hydro	44,094	-
Van Isle Water Services Ltd.	11,968	16,042
WSP Canada Inc.	-	25,650
Emery Electric	-	14,526
b) Remuneration to employees (Schedule 2)	35,527	34,092
c) Expenses paid on behalf of employees (Schedule 3)	1,860	2,280

Approved: _____