

Village of Nakusp
Consolidated Financial Statements
For the year ended December 31, 2009

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Auditors' Report

To the Mayor and Council Village of Nakusp

We have audited the consolidated statement of financial position of the Village of Nakusp as at December 31, 2009 and the consolidated statements of operations, change in net assets, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Except as explained in the following paragraphs, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As disclosed in Note 1, the Village adopted the new standards for municipalities regarding tangible capital assets. Due to inability to estimate the historic cost of buildings, management recorded buildings at the current insurance value discounted to the date of purchase and amortized based on the number of years each building has been owned. Accordingly, we were unable to determine whether any adjustments might be necessary for differences between the carrying value and actual amortized historic cost of the buildings included in tangible capital assets and to the related amortization expense and surplus.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the carrying amount of buildings referred to in the preceding paragraph, these consolidated financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2009 and the results of its operations, change in net debt and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Canada LLP

Chartered Accountants

**Revelstoke, British Columbia
December 16, 2010**

**Village of Nakusp
Consolidated Statement of Financial Position**

December 31	2009	2008
		Restated (see Note 1)
Financial assets		
Cash and equivalents	\$ 57,128	\$ 74,161
Short-term investments (Note 2)	241,627	276,406
Accounts receivable (Note 3)	1,065,415	489,337
Deposit - Municipal Finance Authority	25,810	25,297
Investment in Nakusp & Area Community Forest Inc. (Note 4)	311,707	115,720
	1,701,687	980,921
Liabilities		
Accounts payable	538,964	340,000
Deferred revenue (Note 5)	673,753	259,156
Reserve - Municipal Finance Authority (Note 6)	25,810	25,297
Long-term debt (Note 7)	377,666	400,611
	1,616,193	1,025,064
Net financial assets (debt)	85,494	(44,143)
Non-financial assets		
Tangible capital assets (Note 8)	12,547,602	11,104,287
Prepaid expenses and inventories of supplies	61,642	45,977
	12,609,244	11,150,264
Accumulated surplus	\$ 12,694,738	\$ 11,106,121



Treasurer

The accompanying notes and summary of significant accounting policies are an integral part of these consolidated financial statements.

**Village of Nakusp
Consolidated Statement of Operations**

For the year ended December 31	2009	Budget 2009	2008
		(Note 12)	Restated (see Note 1)
Revenue			
Taxation	\$ 824,048	\$ 838,415	\$ 764,252
Grants in lieu of taxes	41,765	53,755	40,019
Grants and transfers	2,231,582	2,298,583	776,119
Sale of services	1,267,195	1,228,486	1,186,312
Income from NACFOR (Note 4)	195,987	-	115,696
Other	94,338	78,650	96,040
	4,654,915	4,497,889	2,978,438
Expenses			
General government services	916,726	1,074,642	910,063
Protective services	170,628	197,444	170,745
Transportation services	346,292	360,185	356,920
Waste disposal services	59,725	63,764	55,235
Sewer system	220,519	168,561	214,347
Water system	275,551	222,636	235,951
Public health	22,068	27,566	30,973
Parks and recreation	473,202	467,490	464,024
Hot Springs	481,968	440,377	559,382
Economic development and promotion	73,869	59,500	65,047
Interest	25,750	25,000	27,609
	3,066,298	3,107,165	3,090,296
Annual surplus (deficit)	1,588,617	1,390,724	(111,858)
Accumulated surplus, beginning of year as previously stated	11,106,121	11,106,121	16,769,425
Prior period adjustment (Note 1)	-	-	(5,551,446)
Accumulated surplus, beginning of year, restated	11,106,121	11,106,121	11,217,979
Accumulated surplus, end of year	\$ 12,694,738	\$ 12,496,845	\$ 11,106,121

The accompanying notes and summary of significant accounting policies are an integral part of these consolidated financial statements.

Village of Nakusp
Consolidated Statement of Change in Net Assets

For the year ended December 31	2009	Budget 2009	2008
		(Note 12)	Restated (see Note 1)
Annual surplus (deficit)	\$ 1,588,617	\$ 1,390,724	\$ (111,858)
Acquisition of tangible capital assets	(1,968,800)	(1,241,920)	(664,557)
Amortization of tangible capital assets	525,485	525,000	484,301
Loss on sale of tangible capital assets	-	-	46,405
	145,302	673,804	(245,709)
Acquisition of prepaid expenses and inventory of supplies	(113,987)	-	(49,160)
Use/ consumption of prepaid expenses and inventory of supplies	98,322	-	61,115
	(15,665)	-	11,955
Net change in net debt	129,637	673,804	(233,754)
Net financial assets (debt), beginning of year	(44,143)	(44,143)	189,611
Net financial assets (debt), end of year	\$ 85,494	\$ 629,661	\$ (44,143)

The accompanying notes and summary of significant accounting policies are an integral part of these consolidated financial statements.

**Village of Nakusp
Consolidated Statement of Cash Flows**

For the year ended December 31	2009	2008
Operating transactions		
Annual surplus (deficit)	\$ 1,588,617	\$ (111,858)
Items not involving cash		
Amortization	525,485	484,301
Loss on disposal of tangible capital assets	-	46,405
Changes in non-cash operating balances		
Accounts receivable	(576,077)	(200,388)
Prepaid expenses and inventory of supplies	(15,665)	11,955
Accounts payable and accrued liabilities	198,964	31,811
Deferred revenue	414,597	4,074
	<u>2,135,921</u>	<u>266,300</u>
Capital transactions		
Acquisition of tangible capital assets	<u>(1,968,800)</u>	<u>(664,557)</u>
Investing transactions		
Increase in investment in NACFOR	(195,987)	(115,696)
Decrease in short term investment	34,779	371,672
	<u>(161,208)</u>	<u>255,976</u>
Financing transaction		
Repayment of long-term debt	<u>(22,946)</u>	<u>(39,095)</u>
Net change in cash and cash equivalents	(17,033)	(181,376)
Cash, beginning of year	<u>74,161</u>	<u>255,537</u>
Cash, end of the year	<u>\$ 57,128</u>	<u>\$ 74,161</u>

The accompanying notes and summary of significant accounting policies are an integral part of these consolidated financial statements.

Village of Nakusp Summary of Significant Accounting Policies

December 31, 2009

**Management's
Responsibility for the
Financial Statements**

The consolidated financial statements of the Village of Nakusp (the "Village") are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The Village of Nakusp is a municipality in the Province of British Columbia and operates under the provisions of the Community Charter. The Village provides municipal services such as fire, public work, planning, parks, recreation and other general government services.

Basis of Consolidation

The consolidated financial statements include the accounts of all funds of the Village. All interfund balances have been eliminated. They do not include joint functions or related committees other than specific expenditures on their account and capital transactions.

The consolidated financial statements include the operations of a wholly owned subsidiary of the Village. The Nakusp & Area Community Forest Inc. (NACFOR), a government business enterprise, is accounted for using the modified equity method. Under this method, the business enterprise's accounting principles are not adjusted to conform with those of the Village. NACFOR has a fiscal year end of April 30, though the consolidated financial statements reflect activities between the fiscal year end of NACFOR and the fiscal year end of the Village.

Cash and cash equivalents

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

Inventory for Resale

Inventory is stated at the lower of cost and net realizable value. Cost is generally determined on the first-in, first-out basis.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated useful life of the tangible capital asset commencing once the asset is available for productive use. Amortization is recognized as follows:

Land	not amortized
Building	20 - 50 years
Roads	40 - 50 years
Vehicle	5 - 25 years
Equipment	5 - 20 years
Engineering structure	15 - 40 years
Water/sewer infrastructure	20 - 50 years

Village of Nakusp Summary of Significant Accounting Policies

December 31, 2009

Leased Assets	Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Village of Nakusp, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.
Deferred Revenue	Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the consolidated statement of financial position. The revenue is recognized in the consolidated statement of operations in the year in which it is used for the specified purpose.
Pension Plan	The Village and its employees contribute to the Municipal Pension Plan, a jointly trusted pension plan. The pension plan is a multi-employer contributory pension plan.
Use of Estimates	The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the accounting policies summarized above.
Government Transfers	Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.
Revenue Recognition	<p>Taxes are recognized as revenue in the year they are levied.</p> <p>Charges for sewer and water usage are recorded as user fees. Connection fee revenue are recognized when the connection has been established.</p> <p>Conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Unconditional grant revenue is recognized when monies are receivable.</p> <p>Grants for acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made.</p> <p>Sales of service and other revenue is recognized when the service or product is provided by the Village.</p>

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

1. Change in Accounting Policy

On January 1, 2009, the Village of Nakusp adopted revised Public Sector Accounting Standards: Section 1000 - Financial Statement Concepts, Section 1100 - Financial Statement Objectives, Section 1200 - Financial Statement Presentation and Section 3150 - Tangible Capital Assets. As a result of the adoption, the presentation of the consolidated financial statements changed from the prior year. The standards require the recognition of all non-financial assets including tangible capital assets and prepaid expenses as assets in the consolidated financial statements. The change in accounting policy has been applied retroactively with the restatement of the prior period. The impact of adopting the tangible capital asset standard was as follows:

Consolidated Statement of Financial Position:

Decrease in non-financial asset	<u>\$ (6,008,747)</u>
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Consolidated Statement of Operations:

Decrease in Expense (Capital Expenditure)	664,557
Increase in Investment Income	95,283
Increase in Expense (Amortization)	<u>(484,301)</u>
Increase in Annual Surplus (Decrease in Expenses)	<u>275,539</u>

Equity Changes:

Capital Asset Disposals	98,875
Debt Repayments	(32,809)
Increase in Equity of Subsidiary Operations	<u>115,696</u>
Increase in Annual Surplus (Increase in Equity)	<u>181,762</u>

Decrease in Opening Accumulated Surplus	<u>(5,551,446)</u>
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2. Short Term Investments

	2009	2008
MFA Money Market Fund, variable interest, on demand	\$ 236,656	\$ 1,789
MFA Intermediate Fund, variable interest, on demand	2,141	138,409
MFA Short Term Bond Fund, variable interest, on demand	<u>2,830</u>	<u>136,208</u>
	<u>\$ 241,627</u>	<u>\$ 276,406</u>

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

3. Accounts Receivable

	2009	2008
General fund		
Property taxes	\$ 162,119	\$ 114,461
Provincial government	457,472	114,247
GST recoverable	38,109	14,176
Other	111,355	94,183
Inter company - NACFOR	-	8,557
	769,055	345,624
Sewer fund		
User fees	14,258	16,138
Provincial government	197,119	70,831
	211,377	86,969
Water fund		
User fees	22,302	20,539
Provincial government	62,681	36,205
	84,983	56,744
	\$ 1,065,415	\$ 489,337

4. Investment in Nakusp & Area Community Forest Inc.

Nakusp & Area Community Forest Incorporation (NACFOR) is a wholly owned subsidiary that was created for the purpose of managing a tree farm license in Nakusp area. NACFOR has a fiscal year end of April 30. The condensed supplementary financial information for the period ended December 31, 2009 with 2008 comparative figures are as follows:

	2009	2008
Financial position		
Current assets	\$ 335,119	\$ 139,301
Due to Village of Nakusp	-	8,557
Long-term debt	23,388	15,000
Share capital	24	24
	23,412	23,581
Retained earnings	\$ 311,707	\$ 115,720
Results of operations		
Grant income and logging revenues	\$ 371,704	\$ 217,283
Administrative expenses	(16,539)	(29,922)
Project expenses	(159,178)	(71,641)
	195,987	115,720
Net income for the year	195,987	115,720
Retained deficit, beginning of year	115,720	-
Retained earnings, end of year	\$ 311,707	\$ 115,720

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

5. Deferred Revenue

	Opening balance	Contributions received	Externally restricted investment income	Revenue recognized	Ending balance
Federal Gas Taxes	\$ 224,157	\$ 112,399	\$ 4,039	\$(337,880)	\$ 2,715
Small Community Works Fund	-	660,225	-	(382,528)	277,697
Water Source Grant	-	400,000	-	(107,285)	292,715
Prepaid Taxes	106,435	100,626	-	(106,435)	100,626
	\$ 330,592	\$ 1,273,250	\$ (4,039)	\$(934,128)	\$ 673,753

Federal Gas Tax

The Community Works Fund Agreement (Gas Tax) funding is provided by the Government of Canada. The use of the funding is established by an agreement between the Village and the Union of British Columbia Municipalities. Funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects.

6. Debt Reserve

The Municipality issues its debt instruments through the Municipal Finance Authority (MFA). As a condition of these borrowings, a portion of the debenture proceeds are withheld by the MFA as a debt reserve fund. The Municipality also executes demand notes in connection with each debenture whereby the Municipality may be required to loan certain amounts to the MFA. Upon full repayment of the related debt, the cash withheld, including interest earned thereon is paid to the Municipality, and the demand note expires. Details of the cash reserve and demand notes at the year end are as follows:

	<u>2009</u>	<u>2008</u>
Cash reserve	\$ 7,673	\$ 7,160
Demand note	18,137	18,137
	\$ 25,810	25,297

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

7. Long-Term Debt

	2009	2008
Municipal Finance Authority		
Bylaw 564 Hotspring campground, varies rate, due December 2011	\$ 16,254	\$ 23,805
Bylaw 573 Hotspring grounds, 1.25%, due December 2014	60,900	60,900
Bylaw 476 Sewer extension, 7.75%, due June 2016	70,204	78,416
Bylaw 571 Lift Stations, varies rate, due June 2028	230,308	237,490
	\$ 377,666	\$ 400,611

Estimated future annual principal requirements on existing debt in the next five years and thereafter are as follows:

	General Fund	Sewer Fund
2010	\$ 13,529	\$ 16,164
2011	13,925	16,972
2012	5,600	17,821
2013	5,600	18,712
2014	5,600	19,647
And thereafter	32,900	211,196
	\$ 77,154	\$ 300,512

The gross interest paid relating to the above long-term debt was \$25,750 (2008 - \$27,609).

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

8. Tangible Capital Assets

2009

	Land	Buildings	Vehicles and Equipment	Roads	Engineering Structures	Sewer	Water	Total
Cost, beginning of year	\$ 1,374,386	\$ 6,558,144	\$ 1,637,107	\$2,117,833	\$ 868,444	\$ 3,647,461	\$ 3,614,648	\$19,818,023
Additions	-	1,175,556	247,792	-	109,733	313,491	122,228	1,968,800
Cost, end of year	<u>\$ 1,374,386</u>	<u>\$ 7,733,700</u>	<u>\$ 1,884,899</u>	<u>\$2,117,833</u>	<u>\$ 978,177</u>	<u>\$ 3,960,952</u>	<u>\$ 3,736,876</u>	<u>\$21,786,823</u>
Accumulated amortization, beginning of year	\$ -	\$ 3,758,098	\$ 826,193	\$1,007,173	\$ 280,860	\$ 1,325,280	\$ 1,516,132	\$ 8,713,736
Amortization	-	138,216	128,724	51,384	19,406	102,770	84,985	525,485
Accumulated amortization, end of year	<u>\$ -</u>	<u>\$ 3,896,314</u>	<u>\$ 954,917</u>	<u>\$1,058,557</u>	<u>\$ 300,266</u>	<u>\$ 1,428,050</u>	<u>\$ 1,601,117</u>	<u>\$ 9,239,221</u>
Net carrying amount, end of year	<u>\$ 1,374,386</u>	<u>\$ 3,837,386</u>	<u>\$ 929,982</u>	<u>\$1,059,276</u>	<u>\$ 677,911</u>	<u>\$ 2,532,902</u>	<u>\$ 2,135,759</u>	<u>\$12,547,602</u>

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

8. Tangible Capital Assets (continued)

2008

	Land	Buildings	Vehicles and Equipment	Roads	Engineering Structures	Sewer	Water	Total
Cost, beginning of year	\$ 1,374,386	\$ 6,558,144	\$ 1,417,128	\$ 2,117,833	\$ 853,674	\$ 3,323,222	\$ 3,581,926	\$ 19,226,313
Additions	-	-	292,826	-	14,770	324,239	32,722	664,557
Disposals	-	-	(72,847)	-	-	-	-	(72,847)
Cost, end of year	\$ 1,374,386	\$ 6,558,144	\$ 1,637,107	\$ 2,117,833	\$ 868,444	\$ 3,647,461	\$ 3,614,648	\$ 19,818,023
Accumulated amortization, beginning of year	\$ -	\$ 3,621,448	\$ 716,078	\$ 955,789	\$ 265,260	\$ 1,233,130	\$ 1,437,730	\$ 8,229,435
Amortization	-	136,650	110,115	51,384	15,600	92,150	78,402	484,301
Disposal	-	-	-	-	-	-	-	-
Accumulated amortization, end of year	\$ -	\$ 3,758,098	\$ 826,193	\$ 1,007,173	\$ 280,860	\$ 1,325,280	\$ 1,516,132	\$ 8,713,736
Net carrying amount, end of year	\$ 1,374,386	\$ 2,800,046	\$ 810,914	\$ 1,110,660	\$ 587,584	\$ 2,322,181	\$ 2,098,516	\$ 11,104,287

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$1,132,068 (2008 - nil).

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

9. Pension Liability

The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the 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 defined. The plan has about 150,000 active members and approximately 54,000 retired members. Active members include approximately 32,000 contributors from local government.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2012, with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. The Village paid \$85,808 for employer contributions to the plan in fiscal 2009.

10. Commitments

The Village has obligations to lease equipment and services. The aggregate annual anticipated payments of these obligations for the next three years are as follows:

2010	\$	26,435
2011		12,945
2012		<u>827</u>
Total	\$	<u>40,207</u>

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

11. Taxes Collected and Transferred to Other Governments

Municipalities collect taxes on behalf of other governments. In these circumstances, the municipality is acting as a collection agent for the other entity. The amounts collected are not treated as revenues for the municipality. For 2009, the Village of Nakusp collected the following amounts on behalf of each government agency:

	2009	Budget 2009	2008
General municipal purposes	\$ 824,071	\$ 821,727	\$ 802,750
Collections for other governments			
School District	644,030	634,484	634,859
Regional District	344,548	344,547	266,750
Regional Hospital District	43,534	43,531	73,701
British Columbia Assessment Authority	15,541	14,767	14,775
Police Tax	56,271	57,030	57,062
Municipal Finance Authority	45	36	36
	1,928,040	1,916,122	1,849,933
Transfers to other Governments			
School District	648,323	634,484	674,762
Regional District	344,547	344,547	266,585
Regional Hospital District	43,531	43,531	73,650
British Columbia Assessment Authority	15,541	14,767	14,766
Police tax	52,005	57,030	55,882
Municipal Finance Authority	45	36	36
	1,103,992	1,094,395	1,085,681
Available for general municipal purposes	\$ 824,048	\$ 821,727	\$ 764,252

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

12. Budget Figures

The Financial Plan (Budget) Bylaw 621 adopted by Council on May 12, 2009 was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require a full accrual basis. The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the Consolidated Statements of Operations and Consolidated Debt represent the Financial Plan adopted by Council on May 12, 2009 with adjustments as follows:

	2009
Financial Plan (Budget) Bylaw surplus for the year	\$ -
Add:	
Capital expenditures	2,355,256
Principal repayments	21,645
Budgeted transfer to reserves	428,138
Less:	
Budgeted transfer from reserves	(889,315)
Amortization	(525,000)
Budget surplus per Consolidated Statement of Operations	\$ 1,390,724

13. Held in Trust Funds

The Village operates the Catholic, Hillcrest, Women's Institute, Glenbank, and Legion cemeteries and maintains a cemetery perpetual care fund in accordance with the Cemeteries and Funeral Services Act. These funds are excluded from the consolidated statement of financial position and are comprised of the following:

	2009	2008
Assets		
Short-term investments	\$ 17,907	\$ 17,907
Accrued interest receivable	47	47
	\$ 17,954	\$ 17,954
Equity		
Cemetery perpetual care fund	\$ 17,954	\$ 17,954

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

14. Statement of Expenditures by Object

	<u>2009</u>	<u>2008</u>
Salaries, wages and benefits	\$ 1,398,946	\$ 1,368,031
Constructed and general services	637,012	712,297
Materials, supplies and utilities	473,105	492,637
Grants to individuals and organizations	6,000	6,000
Interest payments	25,750	27,030
Amortization	525,485	484,301
	<u>\$ 3,066,298</u>	<u>\$ 3,090,296</u>

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

15. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens such as fire protection, roads and public works, garbage collection, water and sewer systems, parks and recreation facilities and cemeteries. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The revenues and expenses and equity in government business enterprises that are directly attributable to a particular segment are allocated to that segment.

General Government

This segment relates to the revenues and expenses that pertain to the operations of the Village itself and cannot be directly attributed to any other specific segment.

Protective Services

This segment is comprised of fire protection. The volunteer fire department is responsible for providing fire suppression service, fire prevention programs, training and education.

Transportation Services

This department provides a number of services including road and storm sewer maintenance, snow removal, building maintenance.

Waste Disposal

This segment consists of providing garbage collection to citizens.

Sewer System

This segment processes and cleans sewage and ensure's the Village's sewer system meets all Provincial and Federal standards.

Water System

This segment provides the Municipality's drinking water. The Village's water system meets all Provincial and Federal standards.

Public Health

Health services consists of the management of the cemetery.

Parks and Recreation

This segment provides services meant to improve the health and development of the Village's citizens. Recreational and cultural programs are provided at the arena, community centre, sportsfields and parks.

Hot Springs

This segment captures the revenues and expenses associated with the running of the Village's Hot Springs.

Economic Development and Promotion

Development and promotion services provides sustainable community economic development programs and services and support for economic business retention and development initiatives.

Village of Nakusp
Notes to Consolidated Financial Statements

December 31, 2009

15. Segmented Information (continued)

	General Government	Protective Services	Transportation Services	Waste Disposal	Sewer System	Water System	Public Health	Parks & Recreation	Hot Springs	Development & Promotion	2009
Revenues											
Taxation	865,814	-	-	-	184,286	292,366	-	-	-	-	1,342,466
User Fees	49,093	-	-	62,259	-	-	7,315	136,261	508,511	-	763,439
Grants	722,701	114,270	-	-	183,029	147,607	37,030	1,022,172	-	4,773	2,231,582
Interest	9,520	-	-	-	-	-	-	-	-	-	9,520
Other	30,150	-	58,567	-	7,974	6,933	-	8,297	-	-	111,921
Income from government business enterprises	195,987	-	-	-	-	-	-	-	-	-	195,987
	1,873,265	114,270	58,567	62,259	375,289	446,906	44,345	1,166,730	508,511	4,773	4,654,915
Expenses											
Salaries and benefits	364,629	61,116	269,604	20,832	42,631	76,641	14,814	276,534	288,640	-	1,415,441
Goods and services	214,368	109,512	76,688	38,893	75,118	113,925	7,254	196,667	193,328	73,869	1,099,622
Interest	-	-	-	-	21,177	-	-	-	4,573	-	25,750
Amortization	337,730	-	-	-	102,770	84,985	-	-	-	-	525,485
	916,727	170,628	346,292	59,725	241,696	275,551	22,068	473,201	486,541	73,869	3,066,298
Net Surplus (deficit)	956,538	(56,358)	(287,725)	2,534	133,593	171,355	22,277	693,529	21,970	(69,096)	1,588,617

Village of Nakusp
Notes to Consolidated Financial Statements

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15. Segmented Information (continued)

	General Government	Protective Services	Transportation Services	Waste Disposal	Sewer System	Water System	Public Health	Parks & Recreation	Hot Springs	Development & Promotion	2008
Revenues											
Taxation	804,271	-	-	-	179,156	279,036	-	-	-	-	1,262,463
User Fees	46,239	-	-	56,221	-	-	5,992	146,958	437,009	-	692,419
Grants	342,681	69,913	-	-	60,289	48,107	16,700	238,429	-	-	776,119
Interest	16,016	-	-	-	-	-	-	-	-	-	16,016
Other	29,325	-	63,689	-	12,221	10,490	-	-	-	-	115,725
Income from government business enterprises	115,696	-	-	-	-	-	-	-	-	-	115,696
	1,354,228	69,913	63,689	56,221	251,666	337,633	22,692	385,387	437,009	-	2,978,438
Expenses											
Salaries and benefits	332,374	59,276	235,679	16,767	49,412	72,657	13,849	238,332	314,020	750	1,333,116
Goods and services	263,939	111,469	121,241	38,468	72,786	84,892	17,124	225,692	245,362	64,297	1,245,270
Interest	-	-	-	-	20,796	579	-	-	6,234	-	27,609
Amortization	313,749	-	-	-	92,150	78,402	-	-	-	-	484,301
	910,062	170,745	356,920	55,235	235,144	236,530	30,973	464,024	565,616	65,047	3,090,296
Net Surplus (deficit)	444,166	(100,832)	(293,231)	986	16,522	101,103	(8,281)	(78,637)	(128,607)	(65,047)	(111,858)