

*Town of Lake Cowichan*  
*2021 Annual Report*



**ohtaki park**

OHTAKI, JAPAN & LAKE GOWICHAN B.C.  
TWINNED SEPT. 14, 1989



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[www.lakecowichan.ca](http://www.lakecowichan.ca)





***Our vision*** is to create a vibrant, healthy, sustainable community that exists in harmony with the natural environment, enjoys a balanced economy, supports all generations, and provides the opportunities to satisfy diverse social needs.



## About the Town of Lake Cowichan



Lake Cowichan is a beautiful and vibrant community of approximately 3,000 people that is centrally located on Vancouver Island. Lake Cowichan is an hour's drive from Victoria, British Columbia's capital city.

The Town is located by Cowichan Lake, one of the largest freshwater lakes on Vancouver Island. The Town is a gateway to twenty-six miles of spectacular swimming, boating, hiking, fishing, and camping opportunities.

The Cowichan River flows from Cowichan Lake through town. There are numerous hiking trails and nature walks in the area including the Cowichan River Footpath and the Trans Canada Trail.

The Town of Lake Cowichan manages the Education Centre and Lakeview Park campground. Both facilities are located on Cowichan Lake.

### Lake Cowichan Statistics

Incorporated	August 19, 1944
Population	3,226
Elevation	180 m (590 ft)
Coordinates	48 49'33"N 124 03'1"W
Record high	38.0 C, 100.4 F
Record low	5.3 C, 41.5 F

Accumulated precipitation 1,016.7 mm  
550 feet (168 meters) above sea level

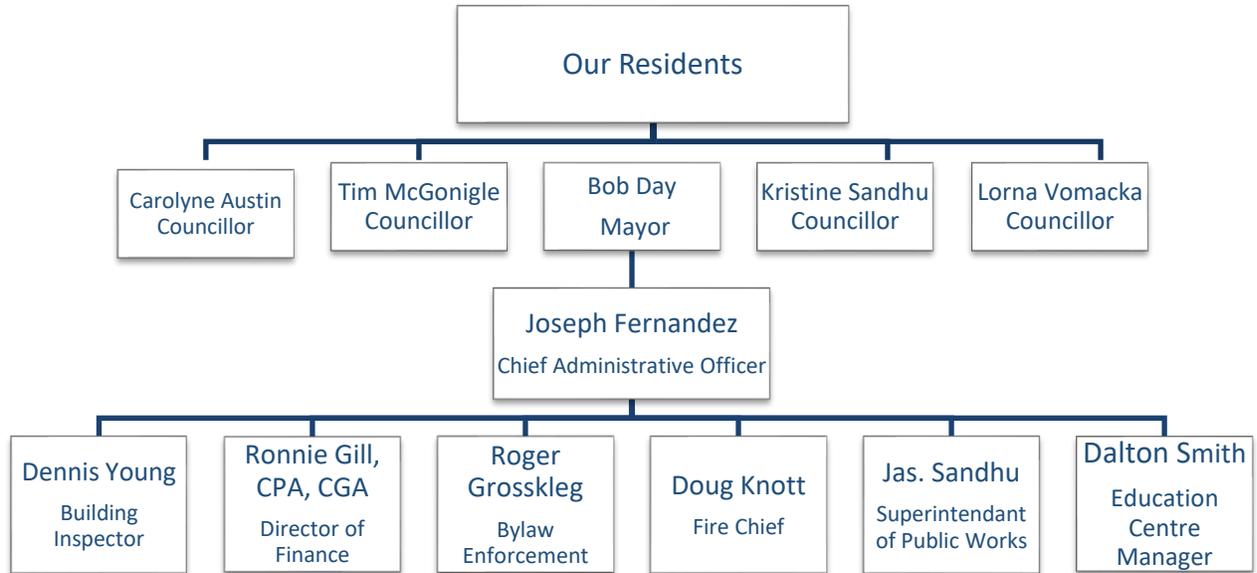
The Village became the Town of Lake Cowichan on November 26, 1996.

The Town was incorporated in 1944.

Cowichan Valley Regional District  
Cowichan Valley School District 79



# Organizational Structure





## *Mayor and Council*



Councillor  
Tim McGonigle

Councillor  
Lorna Vomacka

Mayor  
Bob K. Day

Councillor  
Carolyne Austin

Councillor  
Kristine Sandhu

Town Council is comprised of the mayor and four councillors. Elected by the residents for a four-year term, Mayor and Council provide direction to the Chief Administrative Officer and to the operation of the Town through the establishment of policies, bylaws, and public consultation.





## Mayor's Report

I am proud to present to you the Town of Lake Cowichan 2021 Annual Report. Council, Management and staff of the Town have again done, their very best stewarding the finances and operations of the municipality.

This past year Mayor and Council focused on and adopted a strategic plan that will guide the municipality through to 2026 and beyond. I am very proud of this document as it serves as a menu of what priorities are most urgent to complete and helps guide the budgeting process.

I am sure we all have noticed a significant increase in residential development in and around the town in recent times. Much of this has been planned for many years and now many new homes are getting built. We are also starting to see significant improvements along our main street which is bringing vibrancy back to our commercial district as most empty store fronts are once again occupied.

Underneath all the progress we see on the surface, the most important aspects of the health of a municipality are good quality drinking water and good storm water and wastewater management. The municipality must continue to focus on these underground services in the coming years.

2021 saw us all navigate through a pandemic, a mass vaccination program, atmospheric rivers, a heat dome, an old growth logging protest, bumper tourism season, a residential development boom and an increase in homelessness. We persevered as a community and managed to navigate all these significant issues. I can tell you from experience, there was a lot of work going on behind the scenes helping keep things safe and calm.

On behalf of myself and the rest of council, I wish to thank all the people on the front lines. Health care workers, police, fire and ambulance staff as well as municipal staff in all departments for all the extra effort it took help us navigate the unique events of the year 2021.

Finally, I would like to thank the residents of the Town of Lake Cowichan for the support and trust that you instill upon your elected officials. I know from working with each member of council that the best interest of the community is being served when making governance decisions.

Sincerely,

Bob K. Day  
Mayor - Town of Lake Cowichan





# *Report from Chief Administrative Officer*

The fiscal year 2021 was not a particularly productive year in terms of major project accomplishments. Despite that the Town still saw deficits in all of its funds with capital expenditures included for 2021. The activities of the Town were particularly hampered by the COVID-19 pandemic. The audited statements for 2021 which form part of the overall report will provide you with details of the state of the Town in financial terms.

Unlike a number of municipalities, the Town continued to provide in person services and all operational activities were maintained without us losing a beat. The projects of note are the completion of its paving and sidewalk projects, the Arbutus Road sanitary system upgrades, Stone Park upgrades and required equipment purchases. The Town was also the beneficiary of a number of operational grants under the FireSmart programme and for the proposed emergency operations centre.

Since its incorporation as a Village, the municipality has used temporary quarters for its administrative purposes and the Town finally had a semblance of a municipal hall when the Fire Department with which the municipal administration shared its premises moved to its new location on North Shore Road. The council chambers were then relocated to the newly vacated quarters of the fire department.

Given the age and the state of the current administrative facility, the need for a new Municipal Hall was first broached in 2005. Financial constraints, however, prevented the realization of any of the options that were considered at the time and for the years following. At the end of 2021, the Town was finally able to award the tender in the amount of \$2.695 million plus taxes for the retrofit and additions to the existing Town Hall.

The Town continues to refrain from incurring further debt and the only debt outstanding is for that of the fire hall and firefighting equipment. It is important to remember that while the finances of the Town appear healthy, the reality is the current infrastructure deficit requirements exceed the ability of the Town to fund those.

A capital item that requires prompt funding from the senior governments is for the completion of the sewer treatment plant upgrades. Grants were provided under Phase 1 for the construction of a third cell to the lagoon. We have, however, been unsuccessful thus far to secure the much needed grant funding for the sewer treatment upgrades to accommodate the following: the requirements of a growing community; comply with the minimum requirements of the Municipal Wastewater Regulation; and meet the water quality objectives of the Cowichan River. We must avoid becoming steeped in a quagmire of sewage woes.

An important tool that Council, staff, and a consultant worked on in 2021 was the Strategic Planning exercise at which priorities for the short term were established.

The members of the Advisory Planning Commission had spent considerable time and effort on providing invaluable input on the new and improved zoning and sign bylaws which were subsequently adopted by council.

Joseph A. Fernandez





## Corporate Objectives

### Leadership and informed decision-making:

- Ensure timely compliance with directives issued through Council and Committees of Council;
- Reasoned decisions are the outcome of regularly scheduled meetings of Council;
- Using the Official Community Plan as a tool for future planning and development;
- Invite public feedback on municipal services, projects, and initiatives.

### Excellence in customer service:

- Respond to public complaints in a timely fashion;
- Provide public with access to Council agendas, minutes and bylaws and other relevant information on the municipal website;
- Provide planning, building, inspection, bylaw enforcement and fire protection services;
- Provide emergency fire protection services, promote fire prevention and education programs.

### Effective financial reporting and prudent management of assets and resources:

- Provide timely financial reports and updates to the Finance and Administration Committee;
- Keep Council apprised of annual operational and capital expenditure requirements and ensure budget limits are not exceeded;
- Ensure that idle cash is invested for maximum interest returns;
- Ensure inventory listings are current, that capital assets are appropriately protected and that appropriate risk management measures have been undertaken;
- Ensure allocation of adequate reserve funds;
- Ensure adequate financing is available to finance capital projects as budgeted.

### Transportation improvements:

- Plan for traffic and road improvements;
- Plan for pedestrian traffic and safety improvements;
- Upgrade and replace transportation infrastructure as required.

### Improved parks, playgrounds, and trails:

- Budget sufficient funding to ensure parks, playgrounds and recreation facilities are accessible and enjoyable to the public;
- Ensure that the Provincial regulations respecting the Riparian Areas are complied with as development occurs adjacent to them.

### Water and sewer utility services improvements:

- Ensure the quality and safety of drinking water supply for its users;
- Ensure sufficient capacity of water for fire-fighting needs;
- Provide adequate garbage, organics, and recycling services for all users;
- Ensure adequate collection and treatment capacity for sanitary sewage;
- Meet or exceed Federal and Provincial standards and regulations regarding the quality and quantity of effluent discharged in the Cowichan River;
- Protect natural waterways from contaminants caused by human activities.



Town of Lake Cowichan  
2021 Annual Report





## Administration and Finance

The Town office is the center of the activities for Council, Finance, Public Works, Bylaw Enforcement, Building Inspection, Planning, Lakeview Park, and Cowichan Lake Education Centre. The Chief Administrative Officer (CAO) oversees all divisions and department heads and is also the Corporate Officer of the municipality. The CAO reports directly to the Mayor and Council.

The Finance Department is managed by the Director of Finance, who supervises the office staff. The office staff provide administrative support including processing accounts receivable, accounts payable, property tax payments, utility billings, payroll and perform all other day to day functions of the municipal office.

The Town office remains open to the public however the doors at the Town hall remain locked with the start of the pandemic and now due to the construction. There is a doorbell to allow the public access to services and safety protocols remain in place.

The management of the Visitor/Information Centre reverted to the Town when the contractor chose not to renew the fee for service contract. The Visitor Centre seamlessly continued to provide the services to the tourists visiting Lake Cowichan.

### DEPARTMENT HIGHLIGHTS

- An appraisal of Town assets was completed by Suncorp Valuations.
- A contract to review of the Development Cost Charges was awarded to Urban Systems for \$38,828.
- Land use bylaws and animal control bylaw 1051-2021 amended to allow backyard hens.
- Allison Habkirk facilitated completion of the Strategic plan for the next five years.
- Funding to operate the Visitor Information Centre obtained from Destination BC.
- Adopted new zoning bylaw 1055-2021.
- Municipal hall retrofit awarded to Copcan Civil LP. Demolition of fire hall bays, site preparation, shoring, compacting, and retaining wall completed.
- Online services to view property tax notices and utility billings was implemented to provide access to taxpayers.



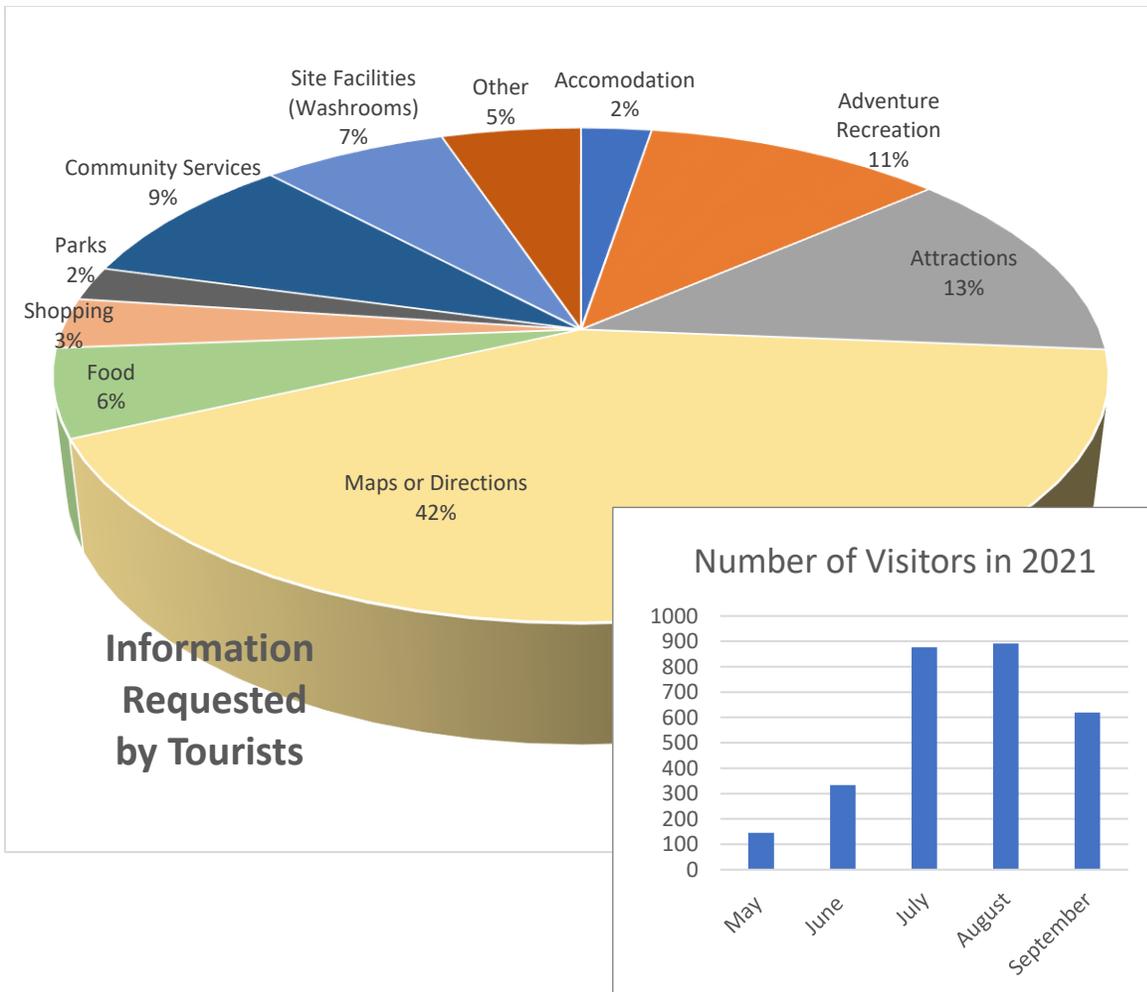
## Visitor Information Centre



2021 was the first year the Visitor Information Centre was operated by the Town of Lake Cowichan.

The Info Centre was open for the busy summer tourist season. The Town was successful in obtaining a \$10,000 grant from Destination BC.

The Info Centre employed two summer staff and was open six days a week, closed every Wednesday.





## Public Works, Parks, and Engineering Services

The public works department is responsible for the operation, maintenance and capital improvements of roads, parks, water and sewer utility systems that provide our community with:

- Quality water for drinking and adequate water pressure for fire-fighting purposes.
- Adequate collection and treatment facilities for sanitary sewage.
- Adequate drainage of storm water.
- Review of engineering design of proposed subdivisions.
- Collection and disposal of garbage, organics, and recyclables.
- Maintaining roads, sidewalks, curb, and gutter.
- Maintaining parks, playgrounds, and greenspaces.

### DEPARTMENT HIGHLIGHTS

- A grant in the amount of \$100,000 was approved for improvements to the bus stop on Cowichan Lake Road across from the Country Grocer. An updated design of the bus pullout has been sent to the Ministry of Transportation and Highways.
- Hockey box at Stone Park completed with fencing installed.
- Arbutus Street West Sanitary Main replacement project completed by LRD Contracting.
- New bus shelter installed across from Fields Store. Railings will be installed.
- Engineering services contract for the sewer main extension to Greendale Road awarded to Herold Engineering.
- Pine Street sanitary lift station upgrades completed.
- Johel Road paving and sidewalk replacement at Sahtlam Ave. completed.
- Fire hydrant upgrades completed.





## Fire and Rescue Services

The Lake Cowichan Fire Department is comprised of the Fire Chief, thirty volunteer members, two junior members and a training group of four. In addition to the important emergency response requirements, the Fire Department is very active in the community by promoting fire prevention and suppression programs including school education programs.

Through a mutual-aid agreement, the Fire Department assists the Cowichan Valley Regional District with fire protection services in the electoral areas adjacent to the Town. In 2020 the Emergency Plan bylaw was passed by the Town.

Due to Covid-19, the Lake Cowichan Fire Department adapted and overcame the everchanging challenges of the pandemic. The new protocols in place for cleaning trucks, equipment and the firehall to keep members and their families safe while still fulfilling the duty to serve the community of Lake Cowichan with the highest level of service.

The Town of Lake Cowichan and Lake Cowichan Fire department are committed to educating the public about what we all can do to mitigate the effects of wildfire and make our community more resilient as we live, work and recreate in the Wildland Urban Interface.

### DEPARTMENT HIGHLIGHTS

- The Lake Cowichan Fire Department was successful in obtaining Firesmart grants to reduce the possibilities of forest fires in Lake Cowichan and the surrounding areas.
- Construction of the display building at the firehall for storage of the vintage fire truck was completed.
- Lake Cowichan firefighters were deployed to fight wildfires in White Rock Mountain, Cache Creek, Monte Creek and 100 Mile House.





## *Lakeview Park Campground and Cowichan Lake Education Centre*

Lakeview Park remains one of the foremost treasures of the Town. The campground has continued to blossom into one of the most acclaimed attractions for tourists in the area, along with the lake itself. With a picturesque sandy beach and convenient location, the allure of the campground is self-evident.

Only a short walk from downtown Lake Cowichan, the attraction is often overflowing with visitors. It presents the ideal weekend destination, often drawing considerable crowds during the hot summer months.

The campground offers hot showers, a protected swimming area, water and electrical hookups, hiking trails, boat moorage and a small children's play area. Lakeview Park is the perfect family destination, often hosting planned events such as movie nights.

With a charming beach and scenic mountains bordering the lake, the park provides a fantastic site for both swimming and kayaking. The gradual drop-off from the sandy shoreline presents a safe, optimal area for activities.

Although travel was restricted due to the pandemic, there was a high demand for camping at Lakeview Park which was extremely busy during the summer season.

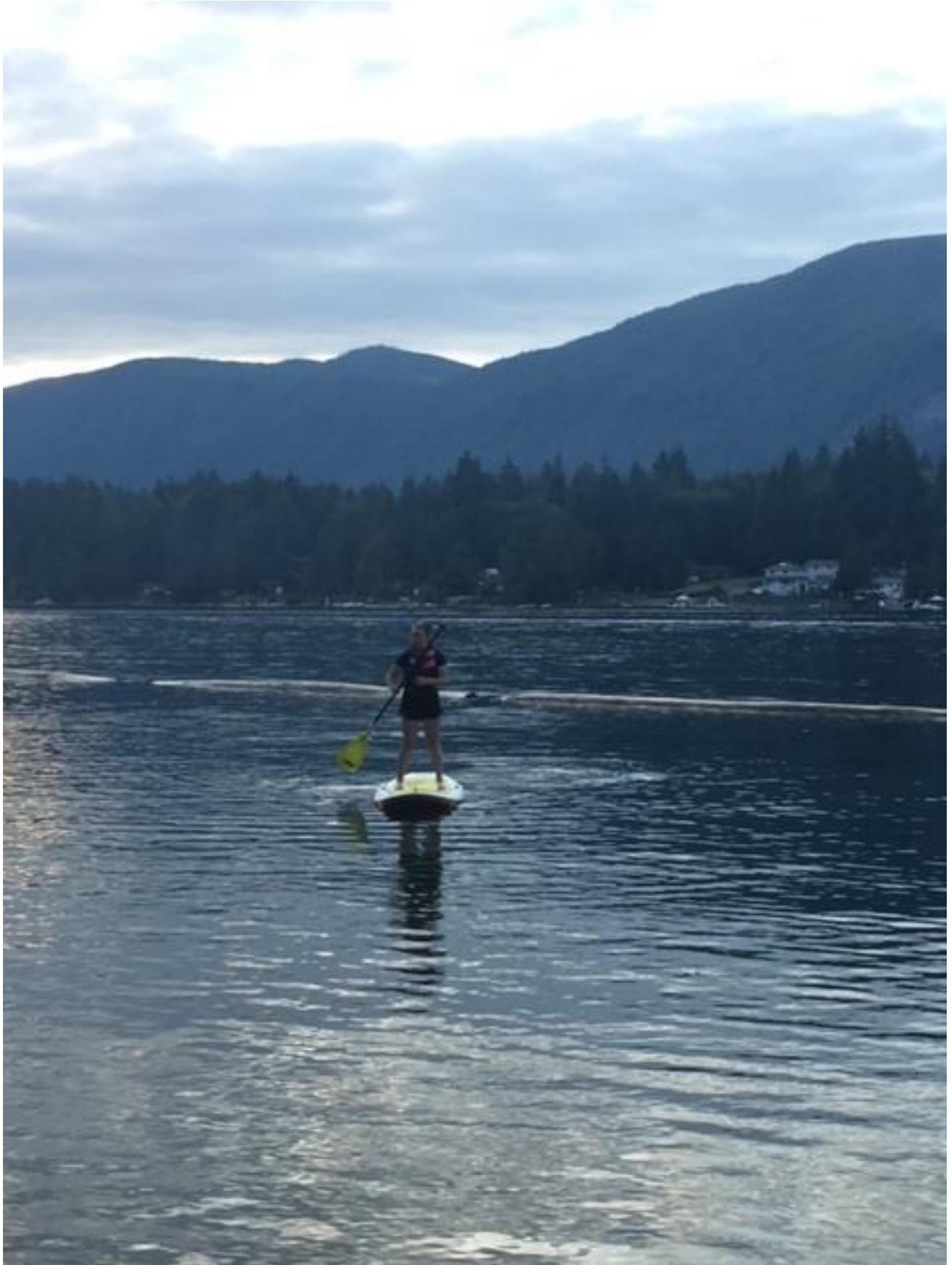
Nestled among 42 acres of Douglas fir forest with 600 feet of secluded shoreline on one of Vancouver Island's largest freshwater lakes, the Centre is a full-service outdoor learning and conference centre.

This centre is strategically located close to the West Coast gateway to the majestic landscape of Carmanah-Walbran Provincial Park and the popular Juan de Fuca Marine Trail. Patrons can access the gateway to the spectacular rugged terrain of Clayoquot Sound's Pacific Rim National Park, where hikers and backpackers gather to undertake the challenge of the world-renowned West Coast Trail.

The Centre offers rustic hostel-type facilities which can accommodate up to 100 visitors. It features a central lodge with a large fireplace and dining facility with mixed housing including two log cabins, two motel style units and a sectional dormitory with four bunks in each room and shared washroom facilities.

Staff includes a manager, as well as grounds keeping, maintenance, housekeeping, and food preparation staff, who all work as a team to ensure that each visitor has a rewarding experience.

The operations of the Centre were severely impacted due to the Covid-19 pandemic. Due to restrictions on gatherings and limits placed on the number of persons allowed to gather during the pandemic, the Centre was only able to operate with smaller groups and as a quarantine center.





## Director of Finance Report

I am pleased to present the consolidated financial statements for the Year ended December 31, 2021. The statements include the audit report issued by MNP LLP, the Town's audit firm which states that in their opinion "the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2021, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards."

The consolidated statement of financial position is a snapshot of the Town's assets, liabilities and surplus on December 31, 2021. On this date the assets exceeded the liabilities by \$10.5 million, a positive indicator of cash flow. The accumulated surplus was \$43.7 million of which \$32.7 million is invested in tangible capital assets.

Capital assets, including land, buildings, equipment, engineering structures, roads and underground water, sewer, and storm services, as shown in Note 10 to the financial statements are the Town's largest investment. At historical costs the assets cost a total of \$47.1 million, with \$14 million in depreciation the net amortized cost is \$33 million. The Town continues to work towards meeting asset management guidelines, which require the Town to adequately inventory and plan for the repair and replacement of these assets.

The consolidated statement of operations and accumulated surplus shows the sources of revenues and expenses and the surplus for the year in the amount of \$2.3 million. Schedule VI provides the same information by function. The statement of cash flows shows the inflows and outflows of cash. An investment of \$1.1 million was made for the acquisition of tangible capital assets in 2021.

The Covid-19 pandemic continued to affect the Town operations in 2021. Town council meetings continued to be held virtually. The Town office remained open for business however the front door was kept locked. A new online service portal was setup for taxpayers to be able to access their property tax and utility bills online. The Town also upgraded the phone system to provide better services to the public.

The municipal office retrofit, and addition was awarded at the end of the year. The construction of new municipal town hall is now underway. The town hall bays were demolished at the end of the year and work on shoring and compacting the ground and construction of the retaining wall was completed. This project has been planned for many years and it is exciting to see it proceed.

This annual report contains not only the audited consolidated financial statements but an introduction to Mayor and Council, department information and statistical and other information. If you have any questions on this report do not hesitate to contact me.

Ronnie Gill, CPA, CGA  
Director of Finance



*Consolidated Financial Statements  
(Audited)  
for the year ended December 31, 2021*



**Consolidated Financial Statements**  
**For the Year Ended December 31, 2021**

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## Independent Auditor's Report

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To Mayor and Council of the Town of Lake Cowichan:

### Opinion

We have audited the consolidated financial statements of the Town of Lake Cowichan (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2021, and the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### 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 Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

### [Other Information]

Management is responsible for the other information, consisting of the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.





## Town of Lake Cowichan 2021 Annual Report

In preparing the consolidated financial statements, management is responsible for assessing the Town'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 Town or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Town'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 Town'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 consolidated 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 Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Duncan, British Columbia

May 10, 2022

*MNP LLP*

Chartered Professional Accountants





## Consolidated Statement of Operations and Accumulated Surplus

For the Year Ended December 31, 2021

	<b>Budget</b>		
	<b>2021</b>	<b>2021</b>	<b>2020</b>
	(Note 14)		
<b>REVENUES</b>			
Taxation and grants-in-lieu of taxes (Schedule I)	\$ 2,346,656	\$ 2,345,099	\$ 2,289,639
Government grants and transfers (Schedule II)	507,900	510,937	1,653,911
Grants and Other (Schedule II)	3,639,199	140,146	49,295
Sales of services (Schedule III)	3,015,959	3,669,052	3,028,235
Return on investments	50,000	19,914	76,729
Contribution from Developers	-	5,297	7,334
Contributed tangible capital assets	-	1,285,062	-
Gain (loss) on disposal of tangible capital assets	-	(8,367)	(16,314)
	<u>9,559,714</u>	<u>7,967,140</u>	<u>7,088,829</u>
<b>EXPENSES</b>			
General government services	1,041,100	1,001,263	656,067
Protective services	555,800	807,598	705,962
Public Works - transportation	488,500	702,364	732,970
Garbage and Recycling Services	427,000	410,766	408,715
Parks and Recreational Services (Schedule IV)	782,900	1,028,085	917,774
Sewer services	468,000	585,739	564,149
Water services	893,000	1,116,946	1,157,116
	<u>4,656,300</u>	<u>5,652,761</u>	<u>5,142,753</u>
<b>SURPLUS FOR THE YEAR</b>	4,903,414	2,314,379	1,946,076
<b>ACCUMULATED SURPLUS</b>			
Beginning of year	41,471,768	41,471,768	39,525,692
<b>ACCUMULATED SURPLUS, end of year</b>	<u>\$ 46,375,182</u>	<u>\$ 43,786,147</u>	<u>\$ 41,471,768</u>

See accompanying notes to the Consolidated Financial Statements



**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2021**

	<b>2021</b>	<b>2020</b>
<b>OPERATIONS</b>		
Surplus for the year	\$ 2,314,379	\$ 1,946,076
Non-cash charges to operations		
Amortization	1,213,466	1,036,198
Contributed tangible capital assets	(1,285,062)	-
Loss on disposal of tangible capital assets	8,367	16,314
<b>Cash from Operations</b>	<b>2,251,150</b>	<b>2,998,588</b>
<b>CHANGE IN WORKING CAPITAL BALANCES</b>		
Accounts receivable	116,556	(143,190)
Inventory	(17,123)	4,923
Prepaid items	(29,568)	13,637
Redeemable Tax Sale Properties	(28,123)	7,692
Accounts payable	92,977	(39,348)
Wages payable	5,488	234
Future payroll obligations	25,602	25,809
Deferred revenue	212,987	212,345
Community works fund	394,277	207,238
Restricted Revenues	251,546	162,989
Tax sale deposits	10,000	(7,692)
<b>Cash provided by operating transactions</b>	<b>3,285,769</b>	<b>3,443,225</b>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(1,103,668)	(1,005,684)
Proceeds on disposal of tangible capital assets	49,999	27,000
	<b>(1,053,669)</b>	<b>(978,684)</b>
<b>FINANCING</b>		
Municipal Finance Authority loan payments	(190,192)	(201,387)
<b>NET CHANGE IN CASH AND SHORT-TERM DEPOSITS</b>	<b>2,041,908</b>	<b>2,263,154</b>
<b>CASH AND SHORT-TERM DEPOSITS, beginning of year</b>	<b>14,228,078</b>	<b>11,964,924</b>
<b>CASH AND SHORT-TERM DEPOSITS, end of year</b>	<b>\$ 16,269,986</b>	<b>\$ 14,228,078</b>
<b>Cash and short-term deposits:</b>		
Cash	\$ 230,296	\$ 161,708
Short term deposits	16,039,690	14,066,370
	<b>\$ 16,269,986</b>	<b>\$ 14,228,078</b>

Interest paid during the year amounted to \$7,280 (2020 - \$15,135).  
See accompanying notes to the Consolidated Financial Statements



## Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2021

	Budget 2021 (Note 14)	2021	2020
<b>SURPLUS FOR THE YEAR</b>	\$ 4,903,414	\$ 2,314,379	\$ 1,946,076
Amortization of tangible capital assets	-	1,213,466	1,036,198
Change in inventories and prepaid expenses	-	(46,691)	18,560
Disposal of tangible capital assets	-	58,366	43,314
Acquisition of tangible capital assets	(7,387,500)	(2,388,730)	(1,005,684)
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	(2,484,086)	1,150,790	2,038,464
NET FINANCIAL ASSETS, beginning of year	9,390,934	9,390,934	7,352,470
<b>NET FINANCIAL ASSETS, end of year</b>	\$ 6,906,848	\$10,541,724	\$ 9,390,934

See accompanying notes to the Consolidated Financial Statements



## Notes to the Consolidated Financial Statements

### For the Year Ended December 31, 2021

The Town of Lake Cowichan was incorporated under the provisions of the British Columbia Municipal Act in 1944. Its principal activities are the provision of local government services to the Town, as governed by the Community Charter and the Local Government Act.

The notes to the consolidated financial statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis for these statements. They also provide relevant supplementary information and explanations which cannot be expressed in the consolidated financial statements.

#### 1. Significant Accounting Policies

The consolidated financial statements are prepared by management in accordance with Public Sector Accounting Standards, as recommended by the CPA Canada Public Sector Accounting Board. The following is a summary of the Town's significant policies:

##### a) Basis of Presentation

The consolidated financial statements reflect the assets, liabilities, reserves, surpluses or deficits, revenues and expenses and financial position of the Town. These consolidated financial statements include the operations of the General, Water, Sewer, Capital and Reserve Funds.

##### b) Basis of Accounting

###### Revenue Recognition

Revenue is recorded on the accrual basis and is recorded in the period in which the transaction or event occurred that gave rise to the revenue. Expenses are recorded in the period the goods and services are acquired and a liability is incurred.

Property tax and parcel taxes are recognized in the year levied. User fees including water, sewer and garbage are recognized as revenue in the period to which they relate or when the commodity or service has been received by the user.

Receipts that are restricted by legislation or by an agreement with external parties are recorded as deferred revenues until the qualifying expenses are incurred, at which time revenue is recognized.

The Town recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Town recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized when received.



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 1. Significant Accounting Policies (continued)

Interest and penalties are recognized when earned. Allocations of interest are made to the reserve funds.

#### Short-term deposits

Short-term deposits are held with the Municipal Finance Authority in the Money Market fund and are carried at cost, which approximates market value.

#### Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for us in the provision of services. They have useful lives extending beyond the current year and are not included for sale in the ordinary course of business.

#### Inventory

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

#### Tangible Capital Assets

Tangible capital assets are recorded at cost in the year of acquisition or construction. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

<u>Tangible Capital Asset</u>	<u>Useful Life - Years</u>
Land improvements	15 to 25
Buildings	20 to 50
Equipment and vehicles	5 to 25
Engineering structures	30 to 60
Roads and footbridges	20 to 80
Underground services	20 to 80

Amortization is charged commencing on the date the asset is acquired or available for use. Assets under construction are not amortized until the assets are available for use.

Donated or contributed tangible capital assets are recorded as revenue at the fair market value at the date of receipt.

#### Financial Instruments

The Town's financial instruments consist of cash and short-term deposits, accounts receivable, accounts payable, deposits, MFA loans and wages payable. The carrying amount of these financial instruments approximates their fair value because they are short term in nature or bear interest at market rates. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risks arising from these financial instruments.



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 1. Significant Accounting Policies (continued)

#### Future Payroll Obligations

The Town has adopted PS 3255 of the CPA Canada handbook which requires municipalities to recognize estimated sick leave benefits.

The Town provides sick leave to employees based on their banked sick time and to a maximum of six months of sick leave benefits for non-unionized staff.

The estimated sick leave liability has been calculated by management based on the following assumptions:

- annual inflation rate is 2% (2020 – 2%)
- discount rate is 3.45% (2020 – 3.45%)
- probability of compensated sick leave being used is 50% for management staff and 100% for public works and administration employees.

#### Use of Estimates

The preparation of financial statements in conformity with Canadian Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits, collectability of accounts receivable, provisions and contingencies. Amortization is calculated using estimated useful life of the tangible capital asset. 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.

#### Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Town of Lake Cowichan is either directly responsible or accepts the responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2021.

At each financial reporting date, the Town reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at December 31, 2021, the Town has not recorded any liability for contaminated sites as no such sites exist.



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 2. Cash and Short-Term Deposits

The restricted statutory reserve funds include, but are not limited to, reserves that can only be used for expenses as permitted by the Development Cost Charges Bylaw and the relevant sections of the *Local Government Act or Community Charter*.

	<b>2021</b>	<b>2020</b>
General cash and short-term deposits	\$ 11,433,405	\$ 9,508,634
Restricted revenues	2,010,077	1,758,531
Capital reserves	2,826,504	2,960,913
	\$16,269,986	\$14,228,078

### 3. Accounts Receivable

	<b>2021</b>	<b>2020</b>
Property taxes	\$ 347,246	\$ 448,821
Water trade receivables	49,759	63,873
Sewer trade receivables	42,942	52,893
Other	139,494	130,410
	\$ 579,441	\$ 695,997

### 4. Accounts Payable

	<b>2021</b>	<b>2020</b>
Trade accounts and accrued liabilities	\$ 341,022	\$ 246,381
Regional and local governments	23,850	25,514
	\$ 364,872	\$ 271,895

### 5. Future Payroll Obligations

	<b>2021</b>	<b>2020</b>
Vacation leave accrual	\$ 302,083	\$ 284,977
Sick leave payable	83,597	75,101
	\$ 385,680	\$ 360,078

Total sick leave paid out during the year amounted to \$32,975 (2020 - \$47,743).

### 6. Deferred Revenues and Deposits

	<b>2021</b>	<b>2020</b>
Prepaid property taxes and utilities	\$ 139,862	\$ 113,445
Developers' deposits	520,141	329,133
Other deposits and unearned revenues	28,371	32,809
	\$ 688,374	\$ 475,387



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 7. Community Works Fund

	<b>2021</b>	<b>2020</b>
Balance, beginning of year	\$2,103,966	\$1,896,728
Funds received	390,841	190,978
Interest earned	3,436	16,260
<b>Balance, end of year</b>	<b>\$2,498,243</b>	<b>\$2,103,966</b>

Transfer of Federal Gas Tax Revenues is provided by the Government of Canada. Gas tax funds received may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the Community Works Fund agreement administered by the Union of British Columbia Municipalities.

### 8. Restricted Revenues

	<b>2021</b>	<b>2020</b>
Land acquisition	\$ 103,173	\$ 103,015
Parkland dedication	145,598	90,452
Road development charge	469,951	412,401
Sewer development charge	278,206	249,899
Water development charge	1,013,149	902,764
	<b>\$2,010,077</b>	<b>\$1,758,531</b>

### 9. Municipal Finance Authority Loans

	Monthly Payment	Expiry Date	<b>2021</b>	<b>2020</b>
Fire hall	\$10,706	Sept. 30, 2023	\$ 212,994	\$ 338,851
Fire truck #6	\$ 3,998	Sept. 30, 2024	123,444	169,924
Fire truck #10			-	17,855
			<b>\$ 336,438</b>	<b>\$ 526,630</b>
Principal payments:				
	2022	\$173,854		
	2023	133,351		
	2024	29,233		
		<b>\$336,438</b>		

Interest on loans is charged at a variable rate that is based on the CDOR rate (Canadian dollar offered rate). The variable rate is set periodically by MFA and at December 31, 2021 was 0.96% (2020 – 1.21%). Interest paid on the loans during the year amounted to \$4,050 (2020 - \$11,139).



**Notes to the Consolidated Financial Statements**

**For the Year Ended December 31, 2021**

**10. Tangible Capital Assets**

	Opening Balance	Additions	Transfers Disposals	Closing Balance	Opening Accumulated Amortization	Amortization	Transfers Disposals	Closing Accumulated Amortization	2021 Net Book Value	2020 Net Book Value
Land	\$ 5,343,554	-	-	\$ 5,343,554	\$ -	\$ -	-	\$ -	\$5,343,554	\$ 5,343,554
Land improvements	2,054,444	37,946	-	2,092,390	269,039	90,709	-	359,748	1,732,642	1,785,405
Buildings	5,314,743	51,274	30,601	5,396,618	3,196,872	160,541	-	3,357,413	2,039,205	2,117,870
Equipment and vehicles	4,557,125	372,418	(101,507)	4,828,036	2,178,185	265,453	(43,140)	2,400,498	2,427,538	2,378,940
Engineering structures	11,609,562	544,562	-	12,154,124	1,253,288	362,005	-	1,615,293	10,538,831	10,356,274
Roads and services	7,788,251	555,419	-	8,343,670	3,052,326	174,490	-	3,226,816	5,116,854	4,735,925
Underground services	7,536,723	683,020	-	8,219,743	2,942,556	160,268	-	3,102,824	5,116,919	4,594,167
Construction in Progress	614,831	365,376	(251,886)	728,321	-	-	-	-	728,321	614,831
	<b>\$44,819,233</b>	<b>\$2,610,015</b>	<b>\$ (322,792)</b>	<b>\$47,106,456</b>	<b>\$12,892,266</b>	<b>\$1,213,466</b>	<b>\$ (43,140)</b>	<b>\$14,062,592</b>	<b>\$33,043,864</b>	<b>\$31,926,966</b>



**Notes to the Consolidated Financial Statements**

**For the Year Ended December 31, 2021**

**11. Accumulated Surplus**

The accumulated surplus consists of surpluses and reserves as shown below:

<b>Surpluses</b>	<b>2021</b>	<b>2020</b>
Invested in capital assets	\$32,707,426	\$31,400,336
Operating surplus	8,252,217	7,110,519
	<b>40,959,643</b>	<b>38,510,855</b>
<b>Reserves</b>		
Capital equipment	3,874	3,868
Covid Restart Grant* (See details below)	420,879	695,590
Fire equipment	187,263	100,090
Fire Hall	312,468	197,167
Municipal Hall	1,061,002	1,009,448
Public Works equipment	664,035	891,516
Parks Capital Improvement	28,379	26,480
Snow Removal	34,166	9,054
Transportation - Roads	104,043	17,322
Sewer General	1,756	1,753
Water General	8,639	8,625
	<b>2,826,504</b>	<b>2,960,913</b>
	<b>\$43,786,147</b>	<b>\$41,471,768</b>

<b>*Covid Restart Grant</b>	<b>2021</b>	<b>2020</b>
Opening balance	\$ 695,590	\$ -
Funds received	-	1,158,000
Interest earned	1,048	-
Covid expenses	(75,759)	(112,410)
Revenue shortfall Cowichan Lake Education Centre	(200,000)	(350,000)
Ending Balance	<b>\$ 420,879</b>	<b>\$ 695,590</b>



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 12. Commitments and Contingencies

#### a.) Pension Liability

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2018 indicated a \$2.866 billion funding surplus for the basic pension benefits on a going concern basis. The Town of Lake Cowichan paid \$97,121 (2020 - \$97,414) for employer contributions while employees contributed \$85,432 (2020 - \$85,346) to the Plan in fiscal 2021.

The next valuation will be as at December 31, 2021 with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

#### b.) Commitments

In 2003, the Town received from the Province of B.C. a crown grant to lands on which the Cowichan Lake Education Centre and the Lakeview Park campground are located. In exchange for the land, the Town agreed to extend and provide municipal services to the adjacent lands. These future costs cannot be determined until subdivision applications are made at which point engineered estimates shall be required.

The Town has entered into an agreement with Copcan Civil Limited Partnership for an addition and renovations to the Municipal Hall at a cost of \$2,695,000.



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 12. Commitments and Contingencies (continued)

#### c.) Contingent Liability

There were outstanding claims made against the Town of Lake Cowichan as at December 31, 2021 for incidents that arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are not determinable at this time, no amount has been accrued in the financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

#### d.) Reciprocal Insurance Exchange Agreement

The Municipality 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 Agreement, the Municipality is assessed a premium and specific deductible for its claims based on population. The obligation of the Municipality 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 Municipality irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other Subscribers against liability losses and costs which the other Subscribers may suffer.

### 13. Funds Held in Trust

These funds account for assets that must be administered as directed by statute and are for the columbaria constructed in 2018. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Town’s Consolidated Financial Statements. A summary of these assets is shown below:

	<b>2021</b>	<b>2020</b>
Cash held in trust	\$ 5,465	\$ 3,981
Care Fund equity	5,465	3,981



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 14. Budget Amounts

Financial Plan Bylaw 1056-2021 was adopted by Council on April 27, 2021. The Financial Plan is prepared on a cash basis with anticipated capital expenditures rather than amortization. Transfers to and from reserves and surplus are treated as revenue or expense. The financial plan is the basis for the budget figures presented in these financial statements. Below is a reconciliation of the surplus on the financial plan to the surplus on the consolidated financial statements as presented:

	General Fund	Sewer Utility	Water Utility	Consolidated Funds
Financial Plan Bylaw surplus	\$ -	\$ -	\$ -	\$ -
Transfers to (from) surplus	(99,386)	(978,900)	(306,500)	(1,384,786)
Add: Capital expenditures	3,487,500	3,500,000	400,000	7,387,500
Add: Principal debt repayments	192,700	-	-	192,700
Less: Transfers from reserve funds	(1,292,000)	-	-	(1,292,000)
Adjusted Annual Surplus	\$ 2,288,814	\$ 2,521,100	\$ 93,500	\$ 4,903,414

### 15. Consolidated Segment Reporting

The Town of Lake Cowichan provides a variety of services to its residents. The segment disclosures reported on Schedules V and VI, are grouped and reported under services areas/departments that are responsible for the provision of services. They are as follows:

**General Government** – comprises of all administrative services including corporate administration, planning and zoning, property tax and utility levies and all aspects of financial services and reporting.

**Protective Services** – includes fire and rescue, building inspection, bylaw enforcement and emergency and public health services.

**Public Works/Transportation** – comprises of general public works, roads and construction, storm drainage, facility management, fleet operations and engineering planning.

**Garbage and Recycling** – provision of residential curbside garbage collection and recycling services.

**Parks and Recreation** – includes the planning, management and maintenance of parks, trails and green spaces and includes the operations of Lakeview Park Campground and the Cowichan Lake Education Centre.

**Sewer/Water Services** – comprises of planning, design, construction, operations and maintenance of the Town's infrastructure of water distribution and sewer collection systems.

**Reserve Funds** – reports interest income on reserve funds.



## Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2021

### 16. Comparative Amounts

The prior years' figures have been restated, where applicable, to conform to the current presentation.

### 17. Significant Event

The global outbreak of COVID-19 pandemic continues to have a significant impact on organizations and businesses through the restrictions put in place by the Canadian and provincial governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Town as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. The Cowichan Lake Education Centre operations have been severely impacted. While the extent of the impact is unknown, we anticipate this outbreak may cause supply chain disruptions, staff shortages, and increased government regulations, all of which will negatively impact the Town's financial condition.



**For the Year Ended December 31, 2021**

**Schedule I**

**Taxation and Grants-in-Lieu of Taxes**

	<b>Budget</b>		
	<b>2021</b>	<b>2021</b>	<b>2020</b>
Property taxes	\$ 2,289,656	\$ 2,289,015	\$ 2,232,765
Utilities	51,000	49,262	49,995
Federal Grants-in-lieu	6,000	6,822	6,879
	<hr/>	<hr/>	<hr/>
	2,346,656	2,345,099	2,289,639
<b>Collections for other Governments</b>			
British Columbia Assessment Authority	29,990	29,987	28,693
Cowichan Valley Regional District	1,223,153	1,223,153	1,197,159
Municipal Finance Authority	141	141	131
Police Tax Levy	187,778	187,756	182,477
Regional Hospital District	339,808	339,808	339,850
School Tax Levy	1,160,312	1,158,430	1,046,497
Vancouver Island Regional Library	155,218	155,218	150,202
	<hr/>	<hr/>	<hr/>
	3,096,400	3,094,493	2,945,009
Total Property Taxes and Collections	5,443,056	5,439,592	5,234,648
Less: transfers to other Governments	3,096,400	3,094,493	2,945,009
	<hr/>	<hr/>	<hr/>
Net Taxation Revenue	\$ 2,346,656	\$ 2,345,099	\$ 2,289,639



For the Year Ended December 31, 2021

Schedule II

Government Grants and Transfers

	Budget		
	2021	2021	2020
Small Community Protection Grant	\$ 506,000	\$ 509,000	\$ 493,974
Other	1,900	1,937	1,937
Covid Restart Grant	-	-	1,158,000
	<u>\$ 507,900</u>	<u>\$ 510,937</u>	<u>\$ 1,653,911</u>

Grants and Other

Active Transportation Grant	\$ 25,000	\$ 23,788	\$ -
Asset Management BC	-	-	15,000
Centennial Park Grant	207,500	-	-
Community Works Funds	275,000	-	-
CRI Firesmart Community Funding	271,700	58,982	23,707
Destination BC	10,000	10,000	-
Emergency Operations Centre	25,000	-	-
Province of BC	589,999	6,855	6,500
Poverty Reduction Grant	25,000	24,700	-
Stormwater Planning Grant	10,000	-	-
Summer Student Grant	-	15,821	4,088
Sewer Treatment Facility	2,200,000	-	-
	<u>\$ 3,639,199</u>	<u>\$ 140,146</u>	<u>\$ 49,295</u>



For the Year Ended December 31, 2021

Schedule III

Sales of services

	Budget		
	2021	2021	2020
<b>GENERAL REVENUE FUND</b>			
Garbage fees	\$ 411,500	\$ 415,514	\$ 400,718
Cowichan Lake Education Centre	120,000	232,768	44,700
Lakeview Park fees	197,000	247,442	199,864
CVRD fire protection	341,509	330,670	322,918
Fire service	-	5,187	31,943
Wildfire Recoveries	-	171,549	-
Administration recoveries	3,200	3,348	3,229
Public Works revenues	-	35,630	12,573
Lease revenues	64,800	64,807	64,800
Penalties and interest on taxes	50,000	73,313	77,004
	1,188,009	1,580,228	1,157,749
<b>Licences and Permits</b>			
Business licences	18,750	19,900	18,525
Building permit and fees	24,700	132,828	49,275
Dog licences and fines	2,700	2,690	2,715
Other	6,200	54,554	33,050
	52,350	209,972	103,565
<b>WATERWORKS UTILITY REVENUE FUND</b>			
User fees	629,000	653,731	620,158
Parcel tax	346,000	351,600	341,400
Penalties and interest	5,500	5,194	6,486
Connection and service charges	6,000	46,168	14,690
	986,500	1,056,693	982,734
<b>SEWER UTILITY REVENUE FUND</b>			
User fees	530,000	538,687	510,220
Parcel tax	253,600	257,850	250,200
Penalties and interest	4,500	4,112	5,403
Connection and service charges	1,000	21,510	18,364
	789,100	822,159	784,187
	\$ 3,015,959	\$ 3,669,052	\$ 3,028,235



**For the Year Ended December 31, 2021**

**Schedule IV**

**Parks and Recreational Services Expenses**

	<b>Budget</b>		
	<b>2021</b>	<b>2021</b>	<b>2020</b>
<b>GENERAL REVENUE FUND</b>			
Cowichan Lake Education Centre	\$ 276,600	\$ 406,691	\$ 307,169
Information Centre	56,500	36,911	18,673
Lakeview Park	189,800	222,520	199,829
Parks and playgrounds	240,500	325,590	345,666
Buildings and other	19,500	36,373	46,437
	<hr/>	<hr/>	<hr/>
	\$ 782,900	\$ 1,028,085	\$ 917,774



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For the Year Ended December 31, 2021  
Schedule VI

Consolidated Segment Disclosures

	General Government	Protective Services	Public Works Transportation	Garbage & Recycling	Parks and Recreation	Sewer Services	Water Services	Reserve	2021 Consolidated	2021 Budget
<b>REVENUE</b>										
Taxation & grants in lieu of taxes	\$ 2,345,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,345,099	\$ 2,346,656
Government grants and transfers	510,937	-	-	-	-	-	-	-	510,937	507,900
Utility charges and parcel taxes	-	-	-	415,514	-	818,047	1,051,499	-	2,285,060	2,177,100
Sales of services and fees	278,127	507,406	35,630	-	480,209	-	-	-	1,301,372	828,859
Interest and penalties	88,688	-	-	-	-	4,112	5,194	4,540	102,534	50,000
Grants	55,343	58,982	-	-	25,821	-	-	-	140,146	3,649,199
Contributed capital assets	483,343	-	-	-	-	119,300	682,419	-	1,285,062	-
Other	(8,367)	-	-	-	-	5,297	-	-	(3,070)	-
	3,753,170	566,388	35,630	415,514	506,030	946,756	1,739,112	4,540	7,967,140	9,559,714
<b>EXPENSES</b>										
Administration	(277,000)	14,000	(224,000)	45,000	43,000	158,000	241,000	-	-	-
Audit and legal	49,225	-	-	-	-	-	-	-	49,225	65,000
Advertising, promotion and rebates	4,076	54	526	-	368	-	-	-	5,024	10,700
Conferences, travel and memberships	11,550	20,408	790	-	-	2,129	1,714	-	36,591	59,800
Contracted services	449,863	100,666	94,943	118,508	71,875	71,654	76,065	-	983,574	1,013,600
Discounts	-	-	-	26,931	-	40,898	50,013	-	117,842	111,000
Fuel	-	9,212	51,520	-	-	-	-	-	60,732	12,800
Insurance	99,221	8,794	27,869	-	200	-	-	-	136,084	114,400
Interest	3,230	4,050	-	-	-	-	-	-	7,280	9,600
Materials	44,791	187,012	78,085	4,716	139,196	25,659	39,343	-	518,802	454,450
Telephone	11,293	6,577	7,061	-	8,965	-	2,286	-	36,182	38,700
Utilities	2,920	32,259	85,821	-	58,544	34,275	65,302	-	279,121	346,100
Wages, benefits and equipment charges	591,654	248,006	252,227	215,611	512,274	148,218	240,848	-	2,208,838	2,420,150
	990,823	631,038	374,842	410,766	834,422	480,833	716,571	-	4,439,295	4,656,300
Amortization	10,440	176,560	327,522	-	193,663	104,906	400,375	-	1,213,466	-
<b>TOTAL EXPENSES</b>	<b>1,001,263</b>	<b>807,598</b>	<b>702,364</b>	<b>410,766</b>	<b>1,028,085</b>	<b>585,739</b>	<b>1,116,946</b>	<b>-</b>	<b>5,652,761</b>	<b>4,656,300</b>
<b>SURPLUS</b>	<b>2,751,907</b>	<b>(241,210)</b>	<b>(666,734)</b>	<b>4,748</b>	<b>(522,055)</b>	<b>361,017</b>	<b>622,166</b>	<b>4,540</b>	<b>2,314,379</b>	<b>4,903,414</b>



Town of Lake Cowichan  
2021 Annual Report

For the Year Ended December 31, 2020  
Schedule V

Consolidated Segment Disclosures

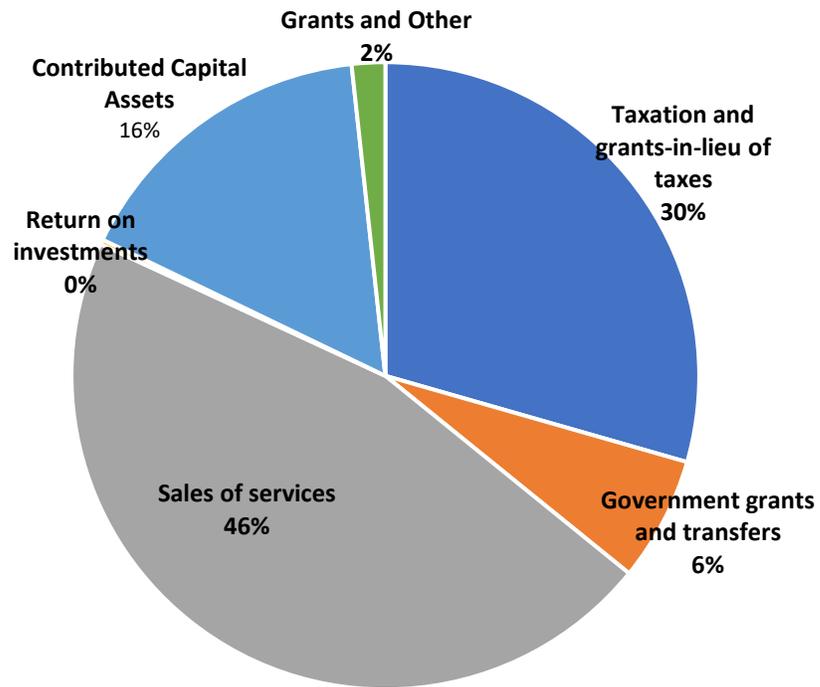
	General Government	Protective Services	Public Works Transportation	Garbage & Recycling	Parks and Recreation	Sewer Services	Water Services	Reserve	2020 Consolidated	2020 Budget
<b>REVENUE</b>										
Taxation & grants in lieu of taxes	\$ 2,289,639	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,289,639	\$ 2,283,064
Government grants and transfers	540,000	44,565	16,669	478	356,609	-	-	695,590	1,653,911	494,900
Utility charges and parcel taxes	-	-	-	400,718	-	779,340	976,248	-	2,156,306	2,070,750
Services and fees	171,594	322,918	12,573	-	244,564	-	-	-	751,649	482,018
Interest and penalties	136,735	-	-	-	-	4,847	6,486	16,998	165,066	110,000
Grants	21,500	23,707	-	-	4,088	-	-	-	49,295	2,964,960
Other	(16,314)	31,943	-	-	-	7,334	-	-	22,963	-
	3,143,154	423,133	29,242	401,196	605,261	791,521	982,734	712,588	7,088,829	8,405,692
<b>EXPENSES</b>										
Administration	(278,600)	14,000	(197,000)	43,500	25,100	158,000	235,000	-	-	-
Audit and legal	98,598	-	-	-	-	-	-	-	98,598	56,000
Advertising, promotion and rebates	4,228	118	1,020	-	350	-	-	-	5,716	12,700
Conferences, travel and memberships	5,479	19,477	560	-	-	184	550	-	26,250	59,500
Contracted services	107,393	106,883	113,215	115,853	84,374	42,349	155,392	-	725,459	723,560
Discounts	-	-	-	25,203	-	37,491	46,045	-	108,739	102,000
Fuel	-	6,236	41,302	-	-	206	-	-	47,744	13,300
Insurance	85,441	14,389	32,827	-	-	-	-	-	132,657	96,200
Interest	3,996	11,139	-	-	-	-	-	-	15,135	23,300
Materials	31,057	135,971	88,653	5,925	130,523	88,692	94,631	-	575,452	379,250
Telephone	10,746	5,232	6,716	-	10,312	-	2,932	-	35,938	34,200
Utilities	4,879	29,790	86,705	-	61,329	36,588	78,451	-	297,742	366,800
Wages, benefits and equipment charges	577,631	189,775	237,400	218,234	415,604	103,352	295,129	-	2,037,125	2,182,050
	650,848	533,010	411,398	408,715	727,592	466,862	908,130	-	4,106,555	4,048,860
Amortization	5,219	172,952	321,572	-	190,182	97,287	248,986	-	1,036,198	-
<b>TOTAL EXPENSES</b>	<b>656,067</b>	<b>705,962</b>	<b>732,970</b>	<b>408,715</b>	<b>917,774</b>	<b>564,149</b>	<b>1,157,116</b>	<b>-</b>	<b>5,142,753</b>	<b>4,048,860</b>
<b>SURPLUS</b>	<b>2,487,087</b>	<b>(282,829)</b>	<b>(703,728)</b>	<b>(7,519)</b>	<b>(312,513)</b>	<b>227,372</b>	<b>(174,382)</b>	<b>712,588</b>	<b>1,946,076</b>	<b>4,356,832</b>



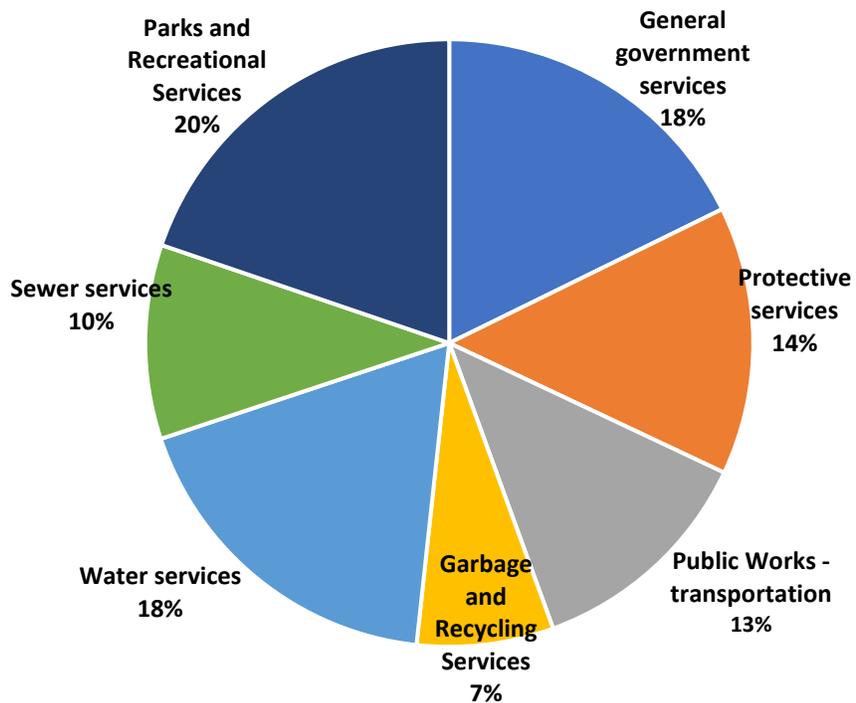
## *Other Information*



## Revenues by Percentage

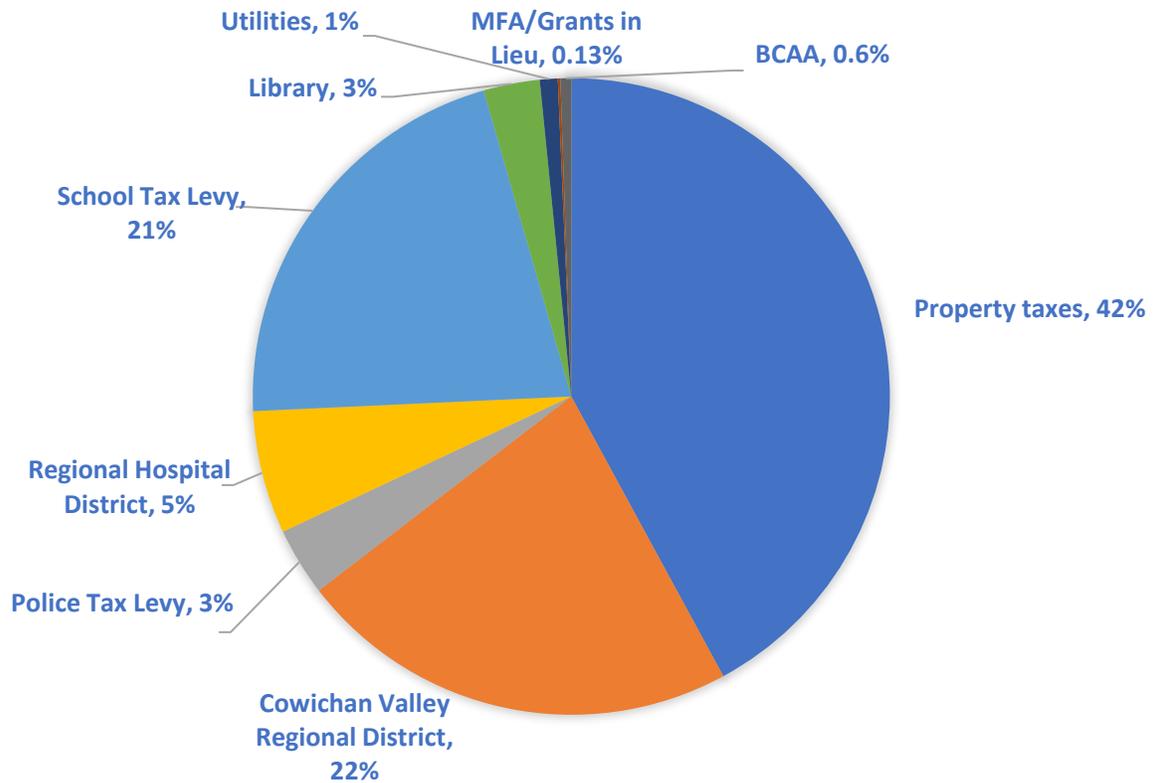
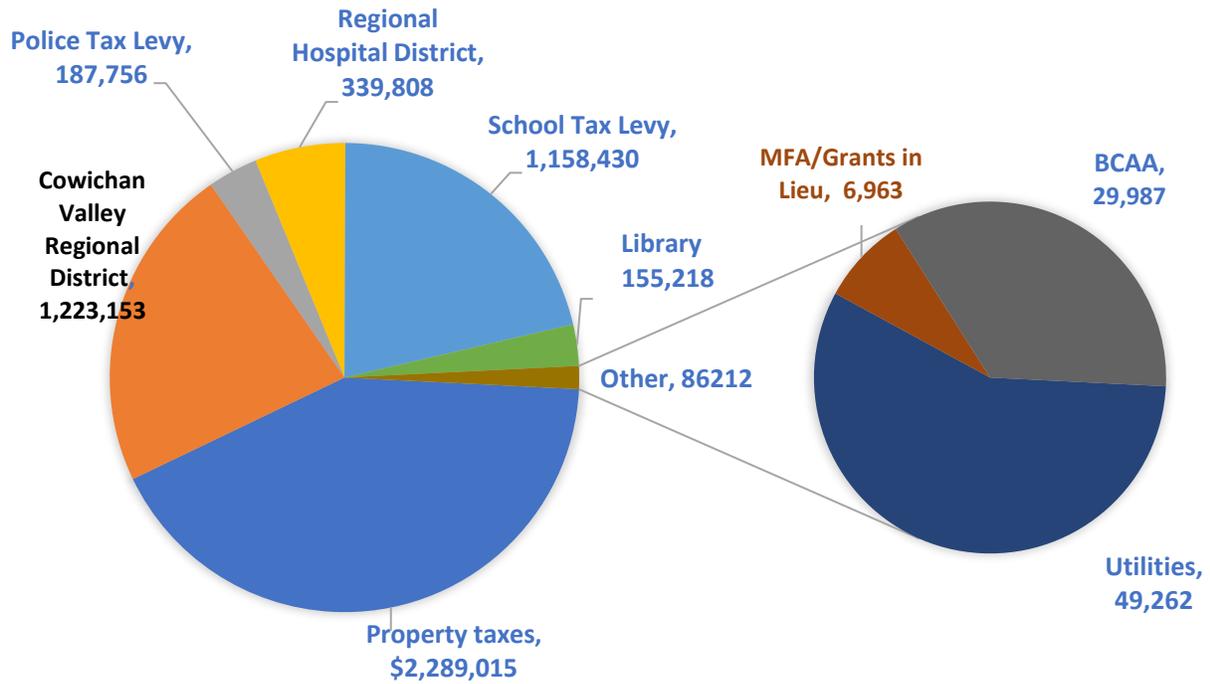


## Expenses by Percentage



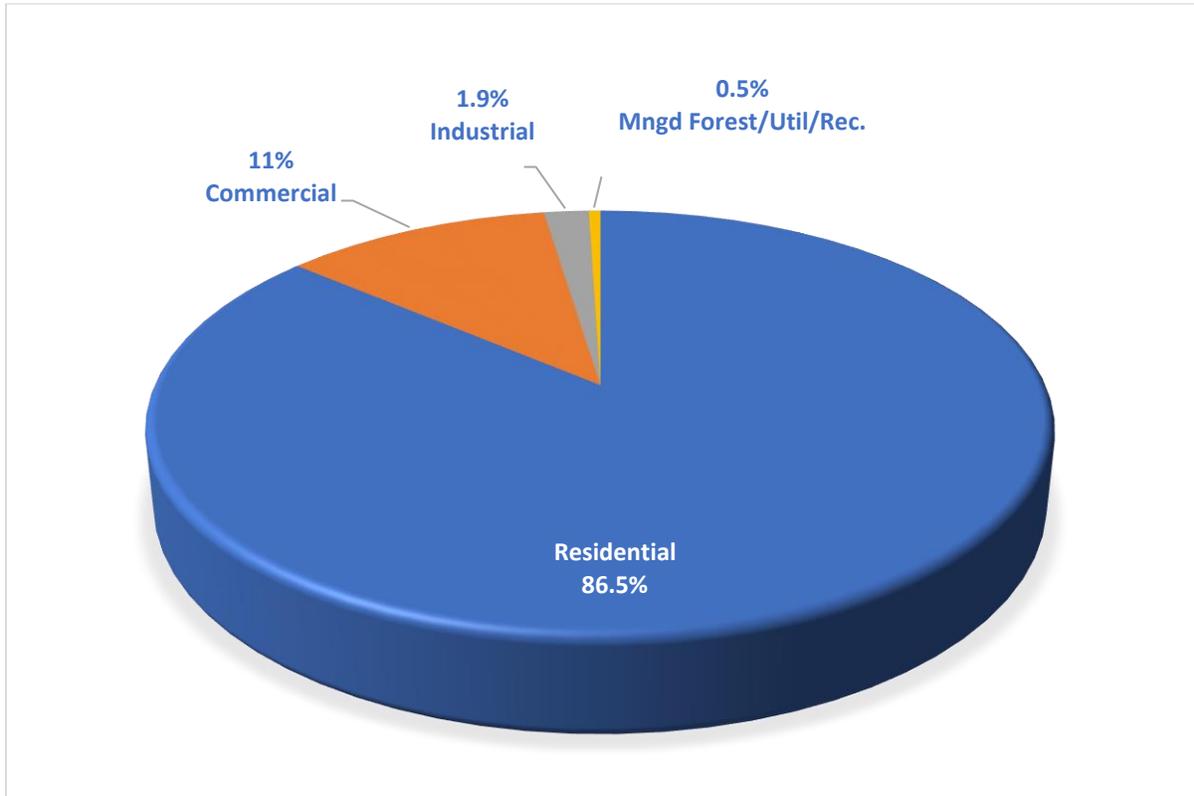


## Taxation Revenue

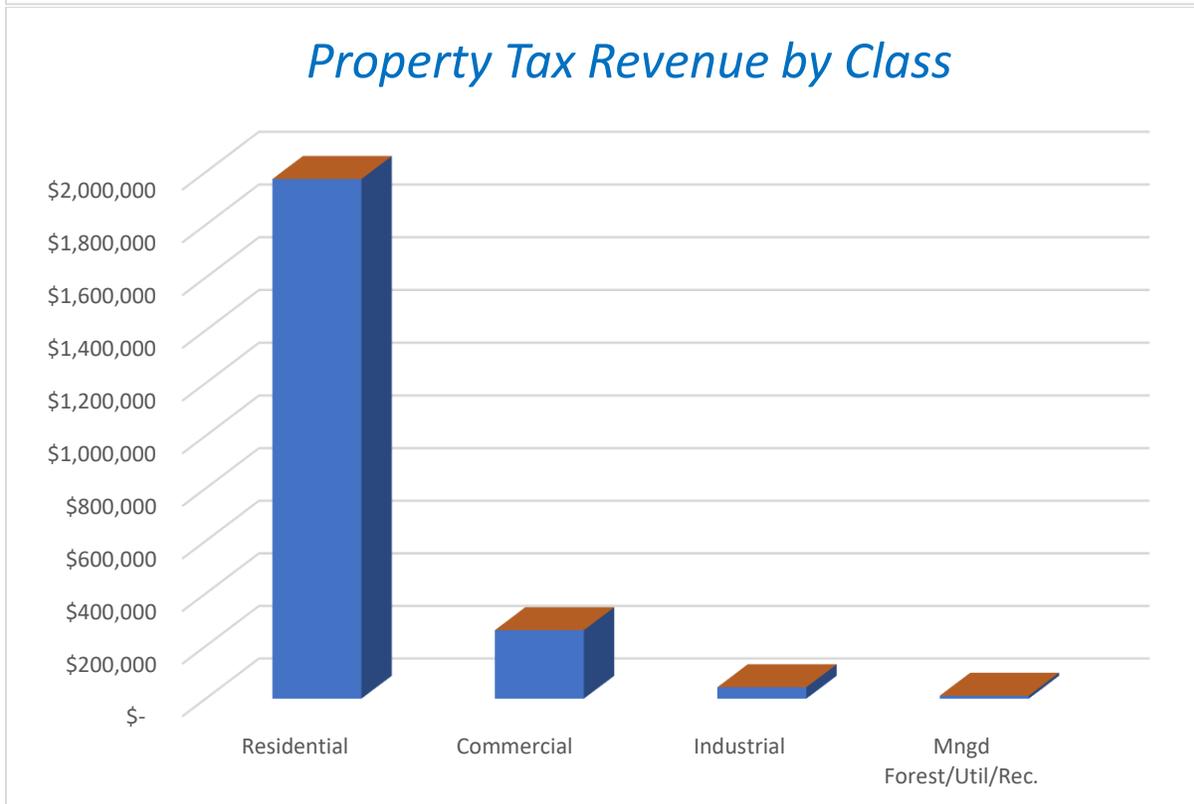




## Property Tax Revenue by Class

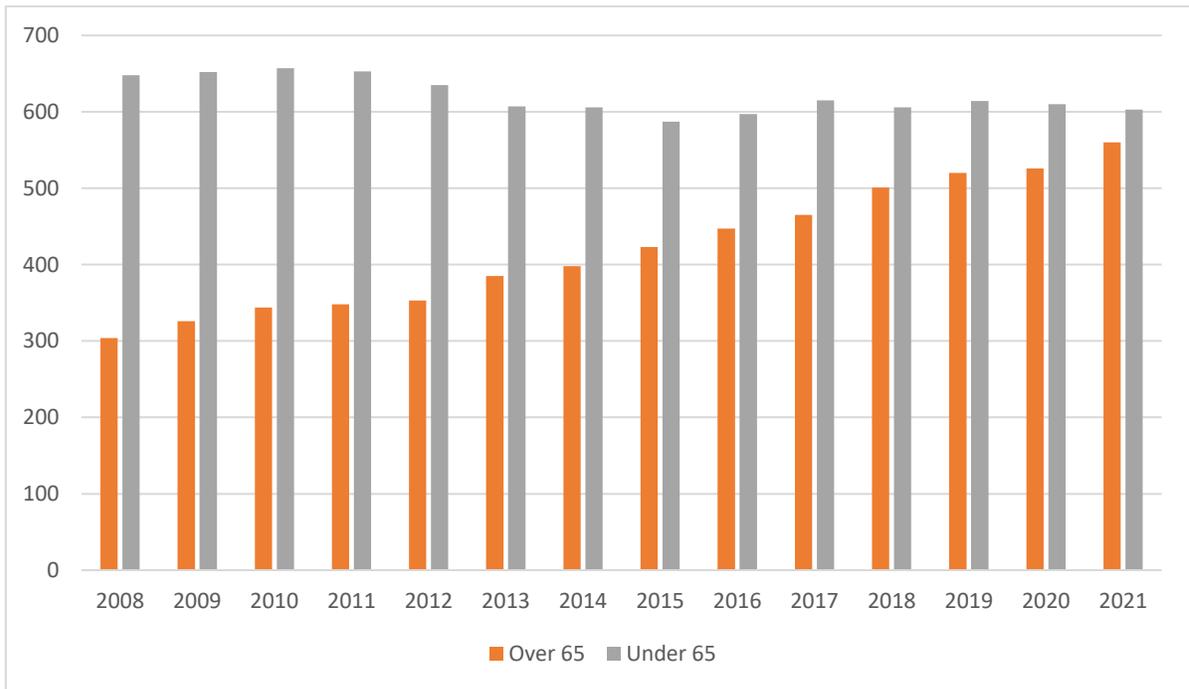


## Property Tax Revenue by Class

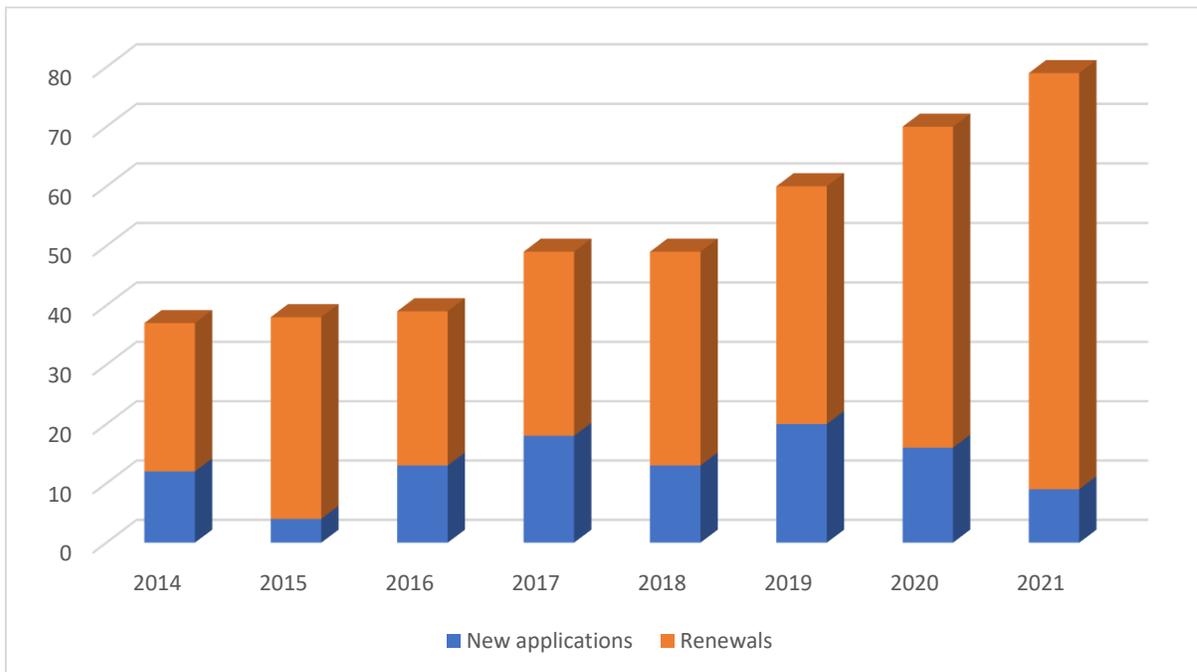




## Homeowner Grant Claims

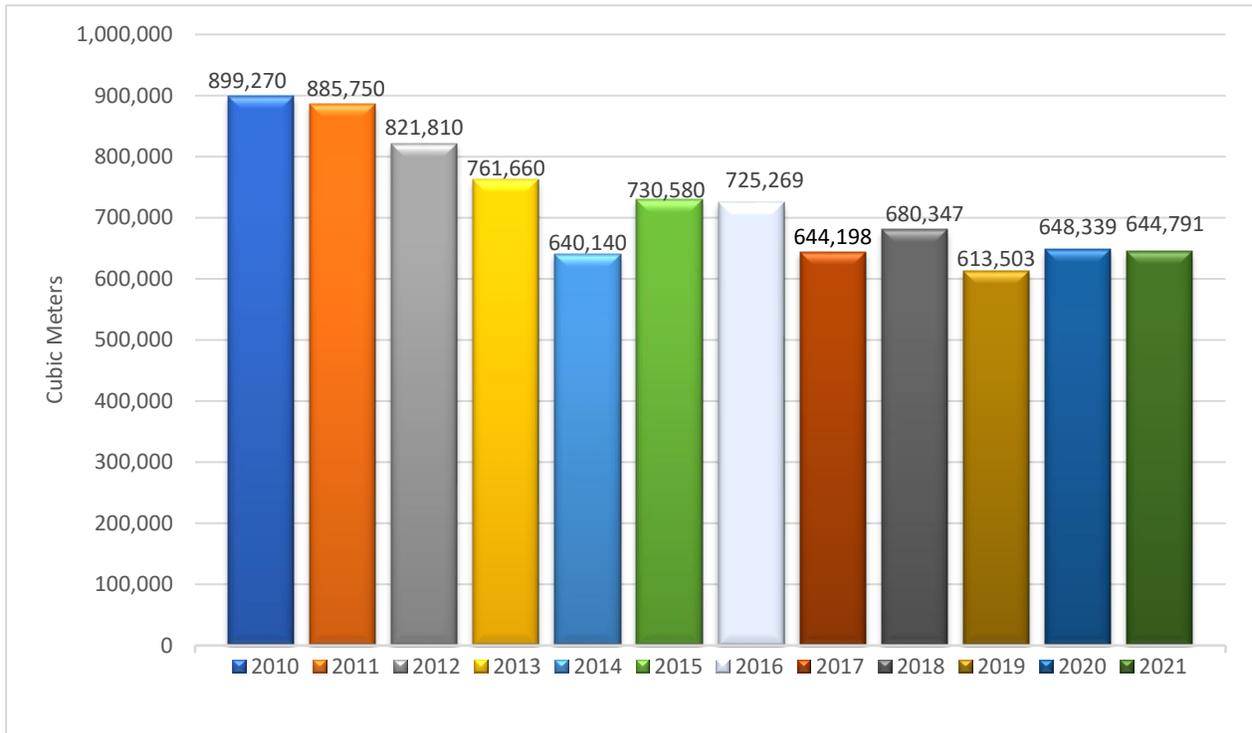


## Property Tax Deferments

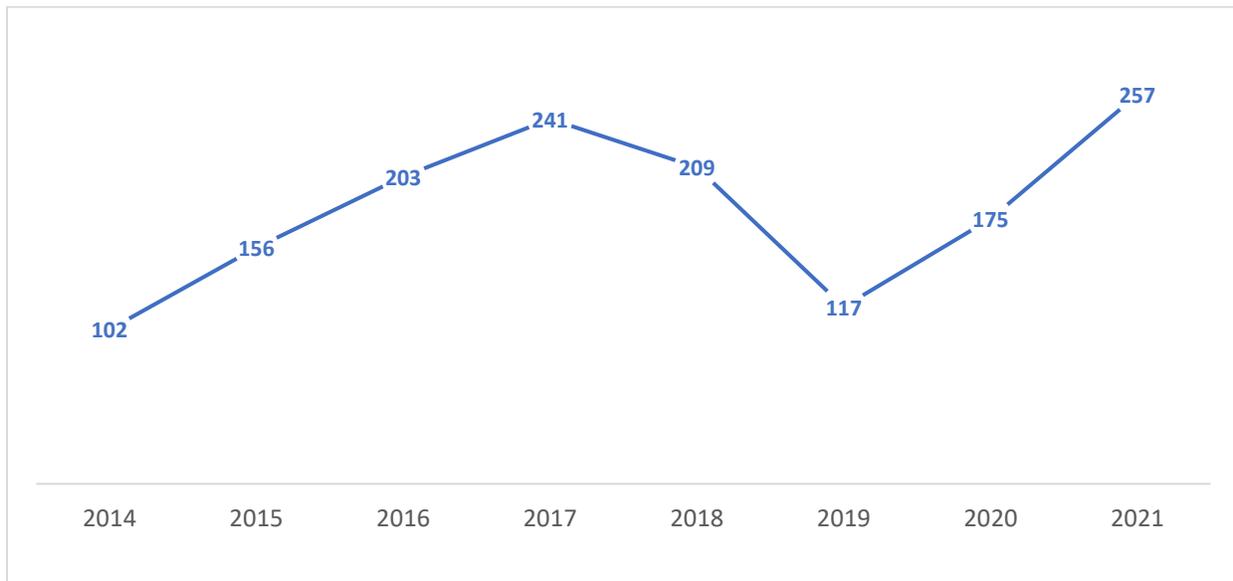




## Water Consumption Data

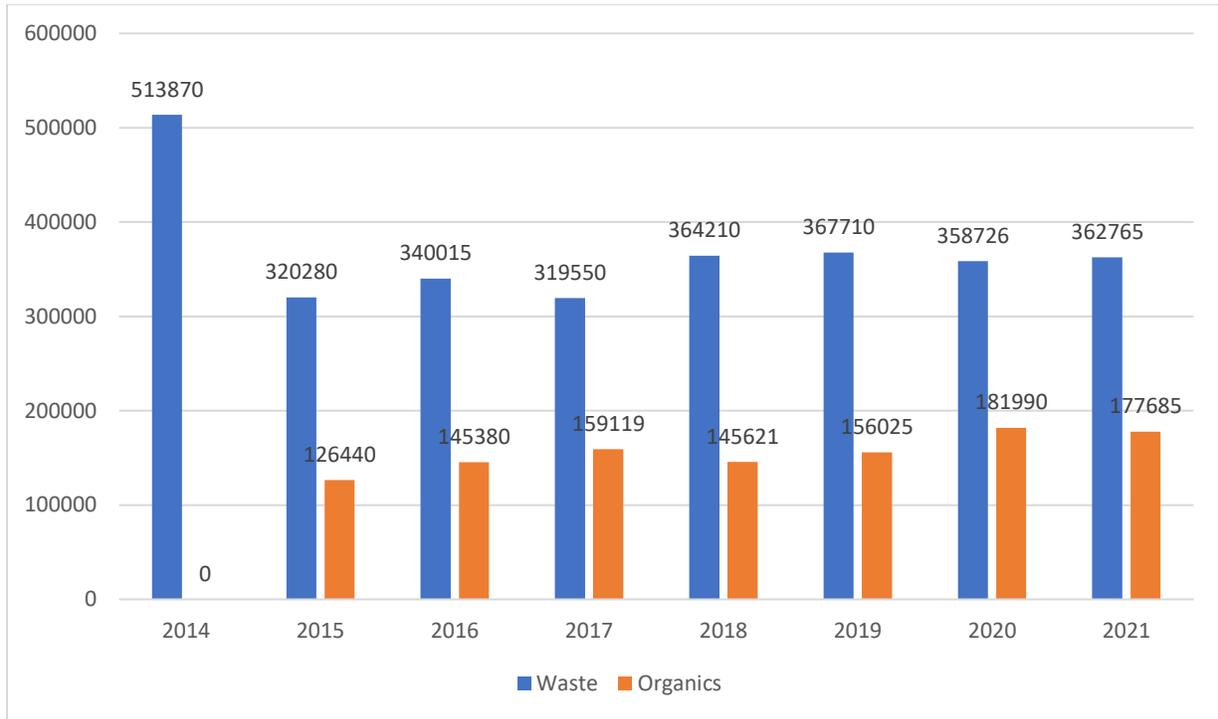


## Land Title Changes





## Waste and Organics Collection (in Kg)

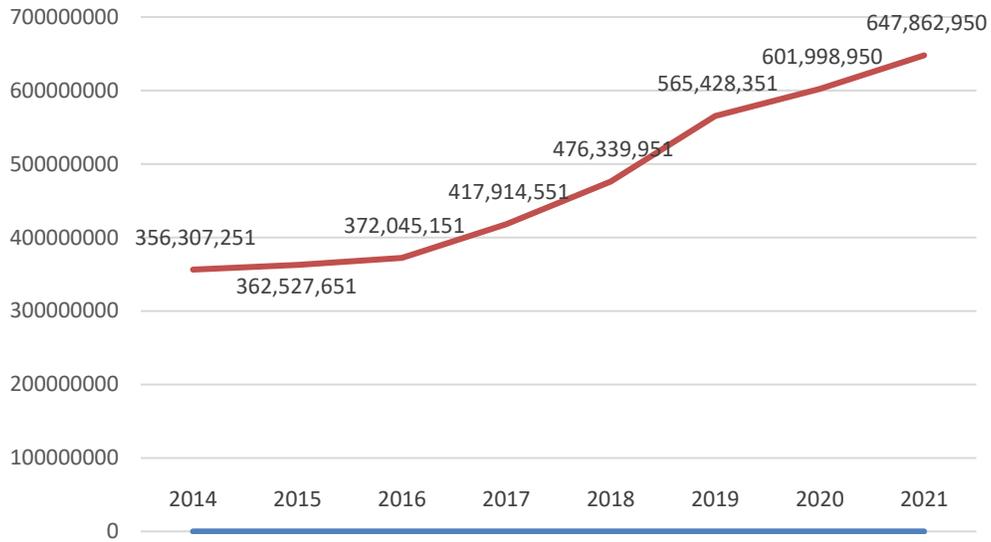


## Tipping Costs

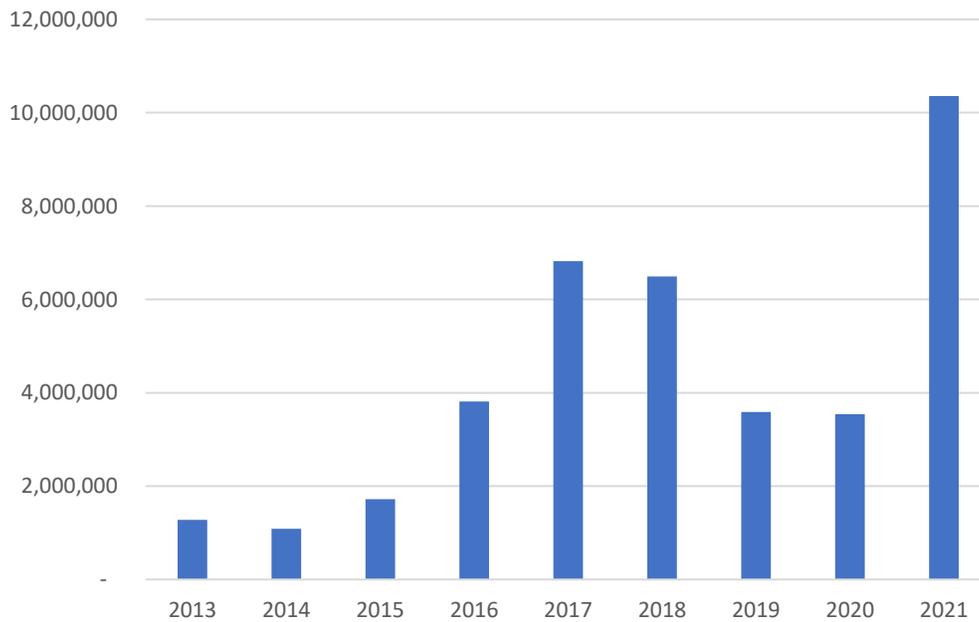




## BC Assessment Values

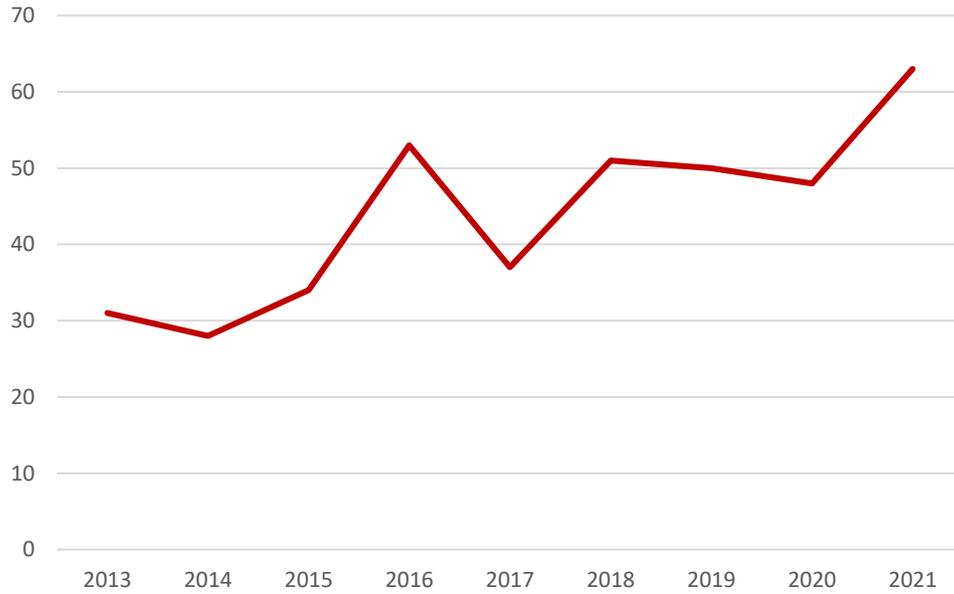


## Construction Value of Building Permits

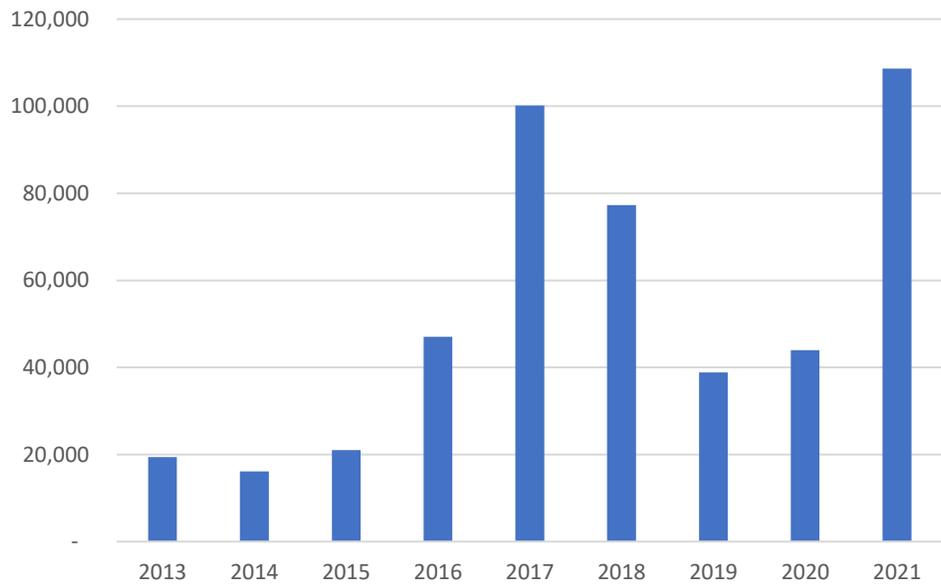




## *Building Permits Issued*



## *Building Permit Fees*





**Payments for  
Goods and  
Services  
Exceeding \$25,000**

*This schedule has been prepared on a cash basis and includes payments to vendors made in 2021.*

*The financial statements have been prepared on an accrual basis. As a result of timing differences and due to the inclusion of payments for capital improvements and payments to other taxing jurisdictions, this schedule will not agree to the financial statements.*

Name	Amount
0697413 BC LTD.	30,000
A Mais Technologies Inc.	44,647
Aon Reed Stenhouse Inc.	80,587
BC Assessment Authority	30,062
BC Hydro & Power Authority	262,679
BJK Architecture Inc.	50,369
Built Contracting Ltd	41,528
Cida Holdings	171,768
Cowichan Valley Regional District	1,651,448
Dueck Chevrolet Buick Cadillac GMC Ltd	77,522
Duncan Paving Ltd	162,354
Finning (Canada)	278,108
Guillevin International	117,554
Herold Engineering Limited	31,094
I.C.B.C	30,889
Iconix Waterworks Ltd. Partnership	86,273
Jaykar Holdings Ltd.	64,276
KGC Fire Rescue Inc.	30,064
Lake Cowichan Fire Department	29,473
Lakeside Property Maintenance	28,128
Leuco Construction Inc	88,641
Mcelhanney Associates Land Surveying Ltd	25,170
Ministry of Provincial Revenue School Tax	216,804
Municipal Insurance Assoc of B.C.	26,507
Municipal Pension Plan	182,554
Receiver General for Canada Payroll	432,210
Royal Bank Visa	49,574
SM Johnson Construction	50,450
Social Planning Cowichan	25,935
South Okanagan Tree Works 2020 Ltd.	99,915
Stantec Consulting Ltd.	25,882
Super Save Enterprises Ltd.	35,143
Urban Systems	48,150
van Hemert, James	30,201
Vancouver Island Regional Library	155,218
Vatcher, Steve	71,324
W.E. Consultants & Benefit Services Ltd.	30,841
Waste Connections of Canada Inc.	43,308
Workers Compensation Board	39,044
WSP Canada Inc.	46,995
Young Anderson	28,095
Payments Made (Vendors over \$25,000	5,050,784
Miscellaneous Payments (\$25,000 and under)	1,393,530
<b>Total Payments</b>	<b>6,444,314</b>



## Permissive Property Tax Exemptions

### Permissive Tax Exemptions

*In accordance with Section 98(2)(b) of the Community Charter, the attached table is disclosure of properties exempted from municipal property tax for 2021.*

Anglican Church, 70 Cowichan Avenue	\$2,240
Bishop of Victoria, 60 Fern Road	3,565
Catalyst Paper Corp., North Shore Road Boat launch	7,147
Cow Lake Dist. Seniors Assoc., 55 Coronation Street	13,733
Cowichan Lake Lions Club, 131 Oak Lane	1,507
Island Corridor Foundation, Trails	1,421
Kaatza Historical Society, 125 South Shore Road	5,816
Lake Cowichan Khalsa Diwan Society, 9 Boundary Rd.	3,612
Pentecostal Assemblies of Canada, 10 King George St.	8,383
Royal Canadian Legion, 5 North Shore Road	1,829
<b>Total Property Tax Exemptions</b>	<b>49,253</b>

## Development Cost Charges and Other Reserves

### Development Cost Charges and Other Reserves

*The development cost charge is a method provided by the Local Government Act (Sections 932 to 937) to assist local governments in paying the capital costs of installing local government services related to:*

- Roads
- Sewer
- Water
- Drainage and
- Parkland acquisition and improvement.

Parks Dedication Reserve	145,598
DCC Roads	469,951
DCC Water	1,013,149
DCC Sewer	278,206
Land Acquisition Reserve	103,173
<b>Total DCC's &amp; Other Reserves</b>	<b>2,010,077</b>

Town of Lake Cowichan

39 South Shore Road  
PO Box 860  
Lake Cowichan BC V0R 2G0

Town Office Tel: 250-749-6681  
Public Works Tel: 250-749-6244

Website: [www.lakecowichan.ca](http://www.lakecowichan.ca)

