

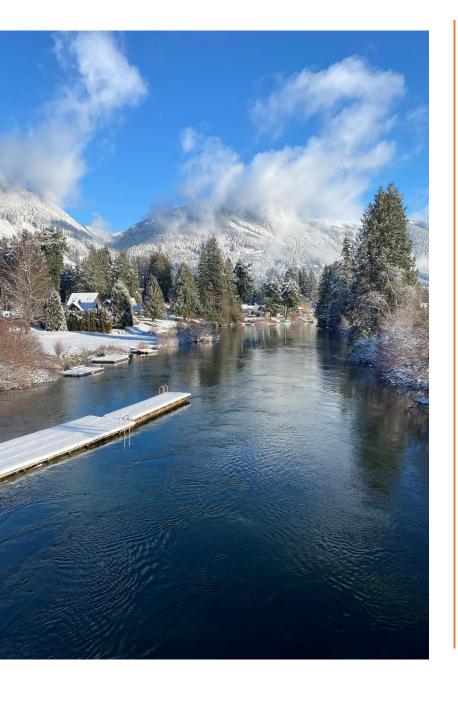


Cover Photo: Madisyn Young



TABLE OF CONTENTS

INTRODUCTION		REPORTS		DEPARTMENTS	
Our Vision Organizational Structure About the Town of Lake Cowichan Mayor and Council	4 5 6 10	Mayor's Report Corporate Objectives Report from CAO	12 14 16	Administration and Finance Public Works and Engineering Fire and Rescue Lakeview Park Campground and Cowichan Lake Education Centre	18 20 22 22



DIRECTOR OF FINANCE REPORT	26
2023 CONSOLIDATED FINANCIAL STATEMENTS	27
Index Auditors Report Statement of Financial Position Statement of Operations & Accumulated Surplus Statement of Cash Flows Statement of Changes in Net Financial Assets Notes to the Financial Statements Schedules I Taxation and Grants-in-Lieu Schedule II Government Grants and Transfers Schedule III Sales of Services Schedule IV 2023 Cons. Segment Disclosures Schedule V 2022 Cons. Segment Disclosure	28 30 32 33 34 35 36 49 50 51 52 53
STATISTICAL ANALYSIS	54
Revenues and expenses by Percentage Taxation Revenue Property Tax Revenue Property Tax Deferments	55 56 57 58
Homeowner Grant Claims BC Assessment Values Building Permits Issued Land Title Changes	59 59 60 60
Building Permit Revenue Construction Value of Permits Waste Tipping Costs Waste and Organics Collection	61 61 62 62
Payments for Goods and Services Permissive Property Tax Exemptions Development Cost Charges and Other Revenue	63 64 64









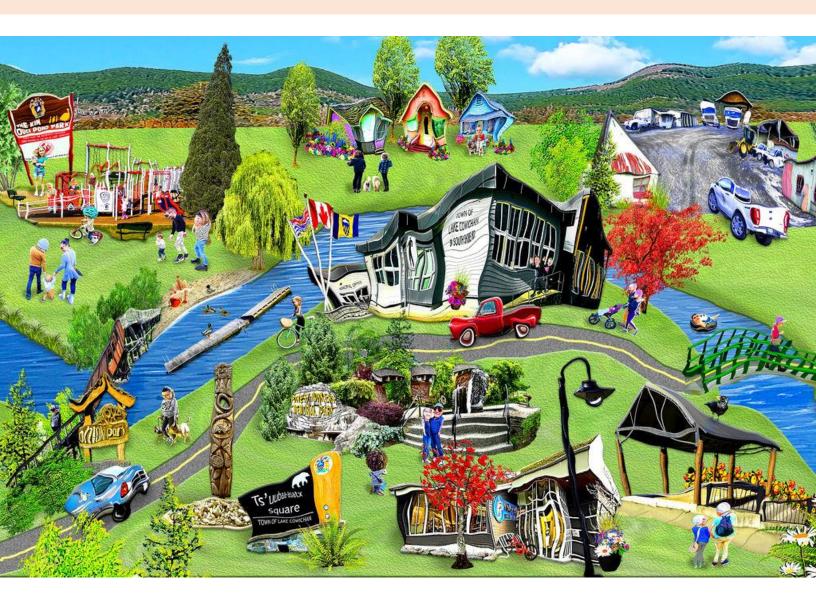






OUR VISION

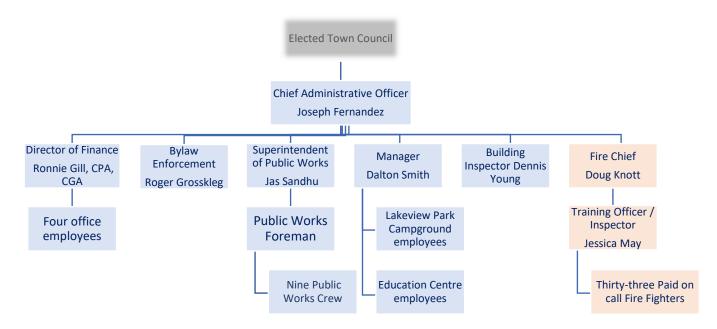
Our vision is to create a vibrant, healthy, sustainable community that exists in harmony with the natural environment, enjoys a balanced economy, supports all generations, and provides the opportunities to satisfy diverse social needs.



Artwork: Twistography



ORGANIZATIONAL STRUCTURE







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 a one-hour drive from Victoria.

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, Lakeview Park Campground and the Visitor Centre. The Visitor Centre is open six days a week, closed every Wednesday, during the busy summer tourist season each year from May to September.

Lake Cowichan Statistics

Incorporated August 19, 1944

Population 3,226

Elevation 180 m (590 ft)

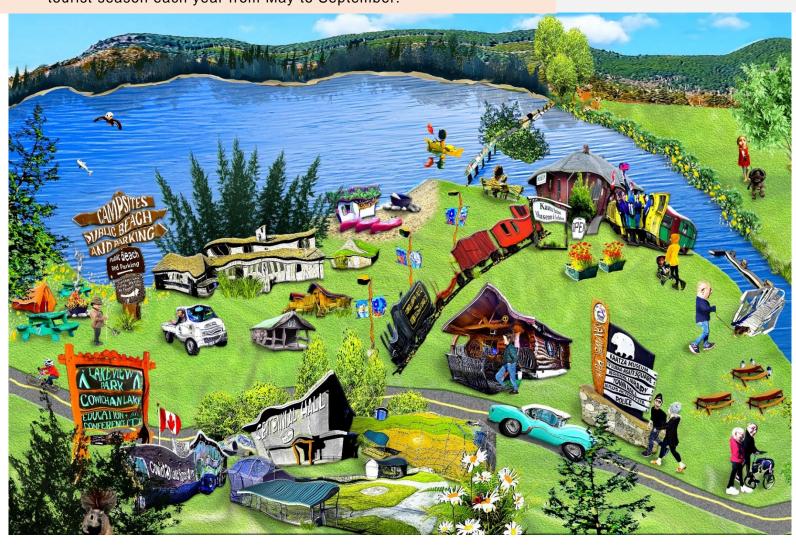
Coordinates 48 49'33'N

124 03'1'W

550 feet (168 meters above sea level

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

School District 79 Cowichan Valley Regional District







October 19, 2023 – Minister Anne Kang, (Minister of Municipal Affairs), Minister Sean Fraser and Mayor Tim McGonigle announced the investment in the final phase of the wastewater infrastructure upgrade, a total combined investment of \$10.1 million from the Governments of Canada, British Columbia and the Town of Lake Cowichan.

The funding will support the expansion of the wastewater treatment facility, enhancements in lagoon aeration and the implementation of phosphorus removal and disinfection process.



Mayor and Council

Town Council is comprised of the mayor, Tim McGonigle and four councillors: Carolyne Austin, Aaron Frisby, Kristine Sandhu, and Lorna Vomacka. Council is elected by the residents to serve for a four-year term. Municipal elections were held in October 2022.

Mayor and Council provide direction to the Chief Administrative Officer through resolutions, bylaws, and policies.



From left to right: Carolyne Austin, Aaron Frisby, Mayor Tim McGonigle, Kristine Sandhu and Lorna Vomacka.



Mayor's Report

On behalf of my fellow Councillors and myself, I'm pleased to share the Town of Lake Cowichan's Annual report. You will find our community highlighted in photographs, as well as financial information and highlights of The Town's amenities.

Transitioning from a pandemic to an unstable economy, with supply chain issues, rising interest rates and overall cost increases on virtually everything, has been extremely challenging. While trying to balance community needs and wants, we also had to ensure fiscal discipline on any property tax increases. With grants from senior levels of government, we were able to minimize the increase to 5.9%, lower than the inflation rate of the day.

I want to commend my table mates, and staff, for the hard work on the budget process. Each of us are taxpayers as well as Council members and understand the importance of maintaining a balanced approach on capital projects, and tax increases. As we approach the halfway point of this term, we will continue to work towards making our Town the best it can be for all.

Mayor Tim McGonigle

Left to right: MLA Sonia Furstenau, Cowichan Tribes Chief Cindy Daniels, Premier David Eby, MLA Doug Routley, Mayor/CVRD Chair Aaron Stone, and Nathan Cullen Minister of Water, Land and Resource Stewardship at Saywell Park for weir funding announcement



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.



Artwork by Twistography

Report from Chief Administrative Officer

It is a requirement under the Community Charter that an annual report be submitted for your review and critique. It summarizes the major accomplishments of the Town. The accompanying 2023 audited financial statements which the council has reviewed and approved also form part of this report.

The Town continues to make infrastructure improvements in a fiscally responsible and sustainable manner. However, as a result of mandated demands being placed on it by senior governments and agencies, the Town faces ongoing onerous and inevitable infrastructure upgrade requirements that are beyond its ability to meet. Financial constraints also place limitations on our ability to respond to those demands in a timely manner.

Those mandated demands would have resulted in exorbitant financial burdens being placed on the taxpayer, even more so if it had had to rely on funding from its own sources. Please note the Town of Lake Cowichan is not unique in that respect as other communities are facing similar challenges. Fiscally responsible decisions will have to be made as we tackle those challenges if this community is to remain economically viable.

Since the Water Treatment Objectives for Surface Water in British Columbia were mandated by the Province's stringent water quality standards more advanced treatment technologies that have been implemented in Lake Cowichan with the construction of a new water treatment plant. That plant was completed in 2019 through a combination of funds provided by the Federal Gas Fund and the Town. There have been no water quality issues with respect to drinking water since.

The Ministry of Environment and Climate Change Strategy has expressed concerns over the Town not meeting provincial water quality objectives over its effluent discharges from its sewer treatment plant into the Cowichan River, a designated heritage river. Water quality parameters are such that toxicity reduction measures with respect to effluent standards for phosphorus, ammonia, and fecal coliforms have to be implemented and strictly enforced. The Town has been served with non-compliance warnings by the Province's Ministry of Environment and Climate Change Strategy which has now been joined by the Federal Environment and Climate Change Canada to demand that the Town meets its obligations under the Amended Permit issued under the provisions of the Environmental Act for effluent discharge.

The funding announcement by the senior governments in October, 2023 of providing funds to support the expansion of the wastewater treatment facility, enhancements in lagoon aeration, and the implementation of phosphorus removal and disinfection processes could not have been timelier. The Government of Canada is investing \$4,053,600 in this project, while the Government of British Columbia is investing \$3,377,662. The Town of Lake Cowichan has to contribute at least \$2,702,738, if not more. The Town is on track to meeting the prescribed water quality objectives with the corrective measures being currently undertaken.

Report from Chief Administrative Officer Continued

When the municipality was first incorporated as a village on August 19th, 1944, it did not have a standalone municipal hall. It only had the semblance of its own administrative building after 2004 when the Fire Department moved out to its new quarters. Plans to reconfigure the use of the existing building as a municipal hall with the removal of the truck bays began in earnest in 2005 culminating in a substantial retrofit of the municipal hall in its current centralized location. The year 2023 saw the completion of the upgraded Municipal Hall.

The Town must continue to be vigilant about how it manages its financial resources if it is to remain a viable entity. It is incumbent on the council and staff to continue to ensure that our budgetary limitations are understood and treated with the utmost of care.

Joseph A. Fernandez

Chief Administrative Officer



Administration and Finance Department

The Town Hall is the center of the activities for Council, Finance, Public Works, Bylaw Enforcement, Building Inspection, Planning, Lakeview Park, Visitor Information Centre 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.

DEPARTMENT HIGHLIGHTS

- Grant application submitted to Canada Mortgage and Housing Corp under the Housing Accelerator Fund.
- Completed the asset retirement obligations work required under PS 3280.
- \$7.431,262 grant funding obtained for final phase of wastewater treatment plant upgrades and enhancement of lagoon aeration.
- Established a corporate response policy.
- Followed the process for the establishment of a local area service -construction of the Greendale Road sanitary sewer however a majority of the residents voted the service down.
- To undertake upgrades to the Town's water supply line all new developments for newly developed single or multi-family units to pay a \$1,200 per unit fee
- Mildred Child demolition contract awarded.
- OCP open house held September 23.
- Protocol and treaty agreement signed with Ts'uubaa-asatx First Nation.
- Town office retrofit completed.
- Municipal office moved back to 39 South Shore Road in September.







Public Works 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:

- Good quality water for drinking and adequate water pressure for firefighting purposes.
- Adequate collection and treatment facilities for sanitary sewage.
- Adequate storm drainage for storm water.
- Review of requirements for proposed subdivisions.
- Collection and disposal of garbage, organics, and recyclables.
- Maintaining roads, sidewalks, curb, and gutter.
- Maintaining parks, playgrounds, and greenspaces.

DEPARTMENT HIGHLIGHTS

- Approved installation of a pay to use sani disposal system at Centennial Park under a three-year contract with a \$10 user fee.
- WSP to complete the project management and preliminary design report and cost estimates of the upgrades to the wastewater treatment plant.
- BC Hydro given approval to install metered electrical charging stations at site 2 near Saywell Park.
- River safe sunscreen stations setup at locations on the lake and river.
- Dog park constructed at Centennial Park.
- Town crew took over the collection of the recycling service and purchased recycling truck.
- Nelson Road paving project completed.
- Decking replaced on pedestrian footbridge.
- Tree planting completed under the BC Hydro tree planting grant.
- Upgrades made to generator at Pump Station #3.
- Tenders for River Road and 100 houses area watermain upgrades and design work issued.
- Garden upgrades at wye entrance, cougar sign and various sites throughout the Town.
- Upgrades to drainage at Pump Station #4.







Fire and Rescue Services

The Lake Cowichan Fire Department is comprised of the Fire Chief, thirty volunteer members, plus one junior member and two trainees. 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.

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.

Over the last several years the Fire Department has been active in the Cowichan Lake area undertaking fire smart initiatives with funding obtained under the FireSmart Program.

DEPARTMENT HIGHLIGHTS

- Deployed to assist with wildfires to Wonowon, Cache Creek, Burns Lake and Little Shuswap.
- \$30,000 grant application made under the Community Emergency Preparedness Fund for a 2023 Equipment and Training Project grant through UBCM.
- Drone purchased and the members are undertaking drone pilot training.
- Utility terrain vehicle purchased for offroad rescue and firefighting purposes.
- \$200,000 grant application made under Community Resiliency Investment Program for a 2024 FireSmart Community Funding.
- \$400,000 grant application made under the Fire Chiefs Association of BC and Office of the Fire Commissioner program to establish a live fire training centre.







Lakeview Park 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 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 teaming 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.

The high demand for camping at Lakeview Park continues and the campsite is 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.



Director of Finance Report

This report provides the reader a synopsis of the organization, it's departments, corporate structure, objectives and achievements for 2023. The annual report also includes the audited financial statements for the year ended December 31, 2023, and statistical data that the readers of this report may find useful.

I am pleased to report that the Town's has received a clean audit opinion from our audit firm, MNP. The audit report states that "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, 2023, 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."

PS 3280, the asset retirement obligations standard has been adopted in these financial statements. This standard requires the recognition, measurement, presentation and disclosure of legal obligations associated with the retirement of tangible capital assets. The estimated future liability (\$373,200) has been recognized in these statements.

As shown in the statement of financial position, the historical amortized cost of tangible capital assets exceeds thirty-seven million, this is the largest number on the balance sheet. The Town is charged with the management, safeguarding, acquisition and maintenance of tangible capital assets to service the needs of the residents of Lake Cowichan.

The Town expended over two million on capital spending in 2023. The municipal hall retrofit was completed over two calendar years at a cost of \$3.89 million. The operations of the municipal office were moved back to 39 South Shore Road in September and now house the bylaw enforcement officer and building inspector in the same building. The town hall project was completed with Gas Tax Community Works funding in the amount of \$2,786,368 in addition to building reserves.

The Town was successful in a grant application to complete the final phase of the wastewater treatment plant. This exciting announcement was made in October 2023 for an investment of \$10.1 million estimated to complete this project. The Government of Canada providing \$4,053,600 to this project while the Government of BC is investing \$3,377,662 and the Town of Lake Cowichan is contributing the balance of \$2,702,738.

The Town has been able access grant funding to complete large infrastructure projects limiting tax increases to the taxpayers of Lake Cowichan. Town staff continue to work for the betterment of the Lake Cowichan community in a planned, strategic, and sustainable manner.

Ronnie Gill, CPA, CGA Director of Finance

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Consolidated Financial Statements

For the Year Ended December 31, 2023

INDEX

Independent Auditor's Report		30
Co	nsolidated Financial Statements	
	nsolidated Statement of Financial Position	32
Coı	nsolidated Statement of Operations and Accumulated Surplus	33
Coı	nsolidated Statement of Cash Flows	34
Coi	nsolidated Statement of Changes in Net Financial Assets	35
Not	tes to the Consolidated Financial Statements	36 - 48
Scl	hedules	
I	Taxation and Grants-in-Lieu of Taxes	49
II	Government Grants and Transfers	50
Ш	Sales of Services	51
IV	2023 Consolidated Segment Disclosures	52
V	2022 Consolidated Segment Disclosures	53





To the 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, 2023, 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, 2023, 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.

MNP LLP

400 MNP Place, 345 Wallace Street, Nanaimo B.C., V9R 5B6

T: 250.753.8251 F: 250.754.3999



MNP.ca

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.

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.

Nanaimo, British Columbia

April 23, 2024

MNP LLP
Chartered Professional Accountants



31

Consolidated Statement of Financial Position

As at December 31, 2023

	2023	2022
FINANCIAL ASSETS		
Cash and short-term deposits (Note 3)	\$ 22,278,043	\$ 17,961,979
Accounts receivable (Note 4)	816,863	864,423
Redeemable Tax Sale Properties	 48,434	 _
	 23,143,340	 18,826,402
FINANCIAL LIABILITIES		
Accounts payable (Note 5)	719,485	781,409
Wages payable	37,539	35,113
Future payroll obligations (Note 6)	436,869	401,628
Deferred revenues and deposits (Note 7)	712,726	733,584
Community works fund (Note 8)	234,469	1,281,046
Restricted Revenues (Note 9)	2,571,611	2,206,570
Municipal Finance Authority Loans (Note 10)	32,893	165,452
Asset Retirement Obligation (Note 11)	373,200	-
Tax Sale Deposits	63,817	 -
	 5,182,609	 5,604,802
NET FINANCIAL ASSETS	 17,960,731	 13,221,600
NON-FINANCIAL ASSETS		
Inventory	85,435	65,121
Prepaid items	174,298	133,889
Tangible capital assets (Note 12)	 37,386,855	 34,269,011
	 37,646,588	 34,468,021
ACCUMULATED SURPLUS (Note 13)	55,607,319	47,689,621

Commitments and Contingencies (Note 14)

See accompanying notes to the Consolidated Financial Statements

Ronnie Gill, CPA, CGA

Director of Finance

Consolidated Statement of Operations and Accumulated Surplus

For the Year Ended December 31, 2023

	Budget		
	2023	2023	2022
	(Note 17)		
REVENUES			
Taxation and grants-in-lieu of taxes (Schedule I)	\$ 3,583,405	\$ 3,588,596	\$ 3,433,917
Government grants and transfers (Schedule II)	1,601,900	2,425,845	640,822
Grants and Other (Schedule II)	3,363,094	1,722,008	1,843,659
Sales of services (Schedule III)	3,091,957	3,693,886	3,392,657
Return on investments	50,000	908,026	261,699
Contributed tangible capital assets	 -	 1,999,368	 -
	 11,690,356	 14,337,729	 9,572,754
EXPENSES			
General government services	909,394	998,964	812,396
Protective services	667,200	1,051,091	915,132
Public Works - transportation	535,000	612,943	661,699
Garbage and Recycling Services	471,000	507,941	412,771
Parks and Recreational Services (Note 15)	995,700	1,224,577	1,118,406
Sewer services	502,000	774,620	555,573
Water services	 907,400	 1,249,895	 1,193,303
	 4,987,694	 6,420,031	 5,669,280
SURPLUS FOR THE YEAR	6,702,662	7,917,698	3,903,474
ACCUMULATED SURPLUS			
Beginning of year	 43,786,147	 47,689,621	 43,786,147
ACCUMULATED SURPLUS, end of year	50,488,809	55,607,319	47,689,621

See accompanying notes to the Consolidated Financial Statements

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2023

	2023	2022
OPERATIONS		
Surplus for the year	\$ 7,917,698	\$ 3,903,474
Non-cash charges to operations		
Amortization	1,295,371	1,272,407
Contributed tangible capital assets	 (1,999,368)	_
Cash from Operations	 7,213,701	5,175,881
CHANGE IN WORKING CAPITAL BALANCES		
Accounts receivable	47,560	(284,982)
Inventory	(40,409)	12,159
Prepaid items	(20,314)	(10,610)
Redeemable Tax Sale Properties	(48,434)	28,123
Accounts payable	(61,924)	416,537
Wages payable	2,426	(7,029)
Future payroll obligations	35,241	15,948
Deferred revenue	(20,858)	45,210
Community works fund	(1,046,577)	(1,217,197)
Restricted Revenues	365,041	196,493
Tax sale deposits	 63,817	(10,000)
Cash provided by operating transactions	 6,489,270	4,360,533
CAPITAL		
Acquisition of tangible capital assets	(2,040,647)	(2,497,554)
FINANCING		
Municipal Finance Authority loan payments	 (132,559)	(170,986)
NET CHANGE IN CASH AND SHORT TERM DEPOSITS	4,316,064	1,691,993
CASH AND SHORT TERM DEPOSITS, beginning of year	17,961,979	16,269,986
CASH AND SHORT TERM DEPOSITS, end of year	 22,278,043	17,961,979
	, -,	, - , -
Cash and short term deposits:		
Cash	\$,	\$ 279,139
Short term deposits	 21,907,914	17,682,840
	22,278,043	17,961,979

Interest paid during the year amounted to \$11,779 (2022 - \$9,049). See accompanying notes to the Consolidated Financial Statements

Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2023

	Budget				0000	
	2023 (Note 17)		2023		2022	
	(Note 17)					
SURPLUS FOR THE YEAR	\$ 6,702,662	\$	7,917,698	\$	3,903,474	
Amortization of tangible capital assets	-		1,295,371		1,272,407	
Change in inventories and prepaid expenses	-		(60,723)		1,549	
Acquisition of tangible capital assets	 (8,639,260)		(4,413,215)		(2,497,554)	
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(1,936,598)		4,739,131		2,679,876	
NET FINANCIAL ASSETS, beginning of year	 13,221,600		13,221,600		10,541,724	
NET FINANCIAL ASSETS, end of year	11,285,002		17,960,731		13,221,600	

See accompanying notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

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, 2023

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:

Tangible Capital Asset	<u> Useful Life - Years</u>
Land improvements	15 to 25
Buildings	15 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.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

1. Significant Accounting Policies (continued)

Financial Instruments

The Town recognizes financial instruments when the Town becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at fair value.

At initial recognition, the Town may irrevocably elect to subsequently measure any financial instrument at fair value. The Town has made such an election during the year.

The Town subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the operating annual surplus. Conversely, transactions costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net measurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

The Town has not presented a statement remeasurement gains and losses as it does not have any items giving rise to remeasurement gains or losses.

Change in Accounting Policy

Effective January 1, 2023, the Town adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives, under Section PS 3450 Financial Instruments. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the financial statement from the prospective application of the new accounting recommendations.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

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% (2022 2%)
- discount rate is 3.45% (2022 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, contingencies and recognition of assets retirement obligations. 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 exits, 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, 2023.

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, 2023, 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, 2023

1. Significant Accounting Policies (continued)

Asset Retirement Obligations

PS 3280 Asset Retirement Obligations, issued August 2018, establishes standards for recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets and is effective for the Town as of January 1, 2023. A liability will be recognized when, as at the financial reporting date:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. The capitalized asset retirement cost is amortized on the same basis as the related asset is included in the Consolidated Statement of Operations and Accumulated Surplus. The Town will not inflate and discount current valuations due to the uncertainty surrounding the actual settlement of the asset retirement obligations included in the scope.

Change in Accounting Policy

Effective January 1, 2023, the Town adopted the Public Sector Accounting Board's (PSAB) PS 3280, Asset Retirement Obligations. The new standard establishes guidelines for acknowledging, assessing, presenting, and disclosing legal responsibilities connected with the retirement of tangible capital assets. The Town has chosen the prospective approach where liabilities are recognized on a forward-looking basis for the current and subsequent periods only. The valuation and accounting of the asset retirement obligation is completed at the time of adoption without consideration for previous years.

2. Financial Instruments

Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest, currency or credit risks arising from financial instruments.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

3. 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*.

	2023	2022
General cash and short-term deposits	\$ 15,746,714	\$ 13,746,413
Restricted revenues	2,571,611	2,206,570
Capital reserves	3,959,718	2,008,996
	22,278,043	17,961,979

4. Accounts Receivable

	2023	2022
Property taxes	\$ 435,378	\$ 411,157
Water trade receivables	60,467	57,325
Sewer trade receivables	49,485	75,542
Other	271,533	320,399
	816,863	864,423

5. Accounts Payable

•	2023	2022
Trade accounts and accrued liabilities	\$ 709,525	\$ 739,026
Regional and local governments	9,960	42,383
	719,485	781,409

6. Future Payroll Obligations

	2023	2022
Vacation leave accrual	\$ 340,081	\$ 316,314
Sick leave payable	96,788	85,314
	436,869	401,628

Total sick leave paid out during the year amounted to \$49,252 (2022 - \$54,298).

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

7. Deferred Revenues and Deposits

	2023	2022
Prepaid property taxes and utilities	\$ 168,237	\$ 166,908
Developers' deposits	474,681	527,856
Other deposits and unearned revenues	69,808	38,820
	712,726	733,584

8. Community Works Fund

	2023	2022
Balance, beginning of year	\$1,281,046	\$2,498,243
Funds received	208,943	199,862
Funds expended	(1,295,781)	(1,470,588)
Interest earned	40,261	53,528
Balance, end of year	234,469	1,281,046

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.

9. Restricted Revenues

Land acquisition \$ 110,481 \$ 105,168
Parkland dedication 261,302 166,669
Road development charge 595,657 519,958
Sewer development charge 343,273 303,667
Water development charge 1,260,898 1,111,108
2,571,611 2,206,570

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

10. Municipal Finance Authority Loans

	Monthly Payment	Expiry Date	2023	2022
Fire truck #6	\$3,998	Sept. 30, 2024	\$32,893	\$77,785
Fire hall			-	87,667
			32,893	165,452
Principal	2024	\$32,893		

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, 2023 was 5.63% (2022 – 4.04%). Interest paid on the loans during the year amounted to \$4,685 (2022 - \$5,357).

11. Asset Retirement Obligation

Asbestos and other designated hazardous materials represent a health hazard upon disturbance and as a result carry a legal obligation to remove them when a facility undergoes a significant renovation or demolition. The Town owns and operates several facilities that are known to have asbestos and as a result recognized an obligation related to the removal of the hazardous materials upon adoption of the PS 3280 Asset Retirement Obligations. An asset retirement obligation associated with asbestos within several facilities owned by the Town that will need to be abated upon retirement. This resulted in a \$373,200 increase in the asset retirement liability and an equal increase in the historical cost base of the associated building assets as presented in Note 12.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

12. Tangible Capital Assets

					Onenina			Closing	2023	2022
	Opening Balance	Additions	Transfers Disposals	Closing Balance	Opening Accumulated Amortization	Amortization	Transfers Disposals	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 5,343,554	-	-	\$ 5,343,554	-	-	-	-	\$5,343,554	\$5,343,554
Land improvements	2,092,390	36,620	-	2,129,010	453,121	93,678	-	546,799	1,582,211	1,639,269
Buildings (Note 11)	5,486,568	1,780,411	2,554,702	9,821,681	3,512,647	184,198	(21,000)	3,675,845	6,145,836	1,973,920
Equipment and vehicles	4,985,738	183,919	(13,871)	5,155,786	2,687,629	286,509	(13,871)	2,960,267	2,195,519	2,298,109
Engineering structures	12,154,124	23,904	-	12,178,028	1,994,243	379,002	-	2,373,245	9,804,783	10,159,881
Roads and services	8,503,996	1,117,215	-	9,621,211	3,418,191	176,293	-	3,594,484	6,026,727	5,085,805
Underground services	8,273,082	1,182,237	-	9,455,319	3,269,167	175,691	-	3,444,858	6,010,461	5,003,915
Construction in Progress	2,764,557	88,909	(2,575,702)	277,764	-	-	_	-	277,764	2,764,558
	49,604,009	4,413,215	(34,871)	53,982,353	15,334,998	1,295,371	(34,871)	16,595,498	37,386,855	34,269,011

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

13. Accumulated Surplus

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

Surpluses	2023	2022
Invested in capital assets	\$36,980,762	\$34,103,559
Operating surplus	14,668,511	11,577,066
	51,649,273	45,680,625
Reserves		
Capital equipment	4,148	3,948
Covid Restart Grant* (See details below)	182,053	261,708
Fire equipment	289,580	189,363
Fire Hall	334,605	318,512
Growing Communities Grant* (See details below)	1,591,703	-
Municipal Hall	328,991	265,229
Public Works equipment	986,958	773,775
Parks Capital Improvement	35,837	34,113
Snow Removal	81,626	45,696
Transportation - Roads	111,414	106,056
Sewer General	1,880	1,790
Water General	9,251	8,806
	3,958,046	2,008,996
	55,607,319	47,689,621
*Covid Restart Grant	2023	2022
Opening balance	\$ 261,708	\$ 420,879
Interest earned	13,222	8,165
Covid expenses	(72,877)	(87,336)
Revenue shortfall Cowichan Lake Education Centre	(20,000)	(80,000)
Ending Balance	182,053	261,708
*Growing Communities Grant	2023	2022
Funds received	\$ 1,936,000	\$ -
Interest earned	67,551	-
Roads, sidewalks and footbridge decking and railing	(275,378)	-
Washroom renovations and building improvements	(75,947)	-
Dog park and septic system	(60,523)	
Ending Balance	1,591,703	-

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

14. Commitments and Contingencies

a.) Pension Liability

The Town and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 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, 2021 indicated a \$3.761 billion funding surplus for the basic pension benefits on a going concern basis.

The Town of Lake Cowichan paid \$102,452 (2022 - \$86,091) for employer contributions while employees contributed \$94,749 (2022 - \$79,618) to the Plan in fiscal 2023.

The next valuation will be as at December 31, 2024.

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.) Contingent Liability

There were outstanding claims made against the Town of Lake Cowichan as at December 31, 2023 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.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

14. Commitments and Contingencies (continued)

c.) 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.

15. Parks and Recreational Services

	Budget		
	2023	2023	2022
Cowichan Lake Education Centre	\$ 460,500	\$ 484,354	\$ 475,832
Information Centre	46,900	45,070	39,557
Lakeview Park	223,300	235,735	226,453
Parks and Playgrounds	229,800	403,496	350,155
Buildings and Other	35,200	55,922	26,409
	995,700	1,224,577	1,118,406

16. Funds Held in Trust

These funds account for assets that must be administered as directed by statue 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:

	2023	2022
Cash held in trust	\$ 9,263	\$ 7,718
Care Fund equity	9,263	7,718

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2023

17. Budget Amounts

Financial Plan Bylaw 1089-2023 was adopted by Council on April 25, 2023. 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	202	(3,500)	138,700	135,402
Add: Capital expenditures	4,589,260	3,780,000	270,000	8,639,260
Add: Principal debt repayments	132,000	-	-	132,000
Less: Debt	-	(2,000,000)	-	(2,000,000)
Less: Transfers from reserve funds	(204,000)	-	-	(204,000)
Adjusted Annual Surplus	4,517,462	1,776,500	408,700	6,702,662

18. Consolidated Segment Reporting

The Town of Lake Cowichan provides a variety of services to its residents. The segment disclosures reported on Schedules IV and V, 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 and 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.

19. Comparative Amounts

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

For the Year Ended December 31, 2023

Schedule I

Taxation and Grants-in-Lieu of Taxes

raxation and Grants-III-Lieu or raxes			
	Budget		
	2023	2023	2022
Property taxes	\$ 2,545,305	\$ 2,544,414	\$ 2,401,670
Sewer and Water Parcel Tax	981,100	982,750	975,600
Utilities	50,000	55,691	50,227
Federal Grants-in-lieu	7,000	5,741	6,420
	3,583,405	3,588,596	3,433,917
Collections for other Governments			
British Columbia Assessment Authority	42,535	42,520	36,680
Cowichan Valley Regional District	1,630,535	1,630,535	1,361,456
Municipal Finance Authority	244	244	202
Police Tax Levy	210,000	252,718	200,181
Regional Hospital District	418,878	418,878	380,321
School Tax Levy	1,400,000	1,514,979	1,326,802
Vancouver Island Regional Library	180,068	180,068	163,581
_	3,882,260	4,039,942	3,469,223
Total Property Taxes and Collections	7,465,665	7,628,538	6,903,140
Less: transfers to other Governments	3,882,260	4,039,942	3,469,223
Net Taxation Revenue	3,583,405	3,588,596	3,433,917

For the Year Ended December 31, 2023

Schedule II

Government Grants and Transfers

Government Grants and Transfers			
	Budget		
	2023	2023	2022
Small Community Protection Grant	\$ 510,000	\$ 488,000	\$ 639,000
Other	1,900	1,845	1,822
Growing Communities Grant	1,090,000	1,936,000	_
	1,601,900	2,425,845	640,822
Conditional Grants			
Climate Action	-	66,082	66,082
Community Works Funds	1,200,000	1,295,780	1,470,588
CRI Firesmart Community Funding	175,594	277,146	136,655
Destination BC	20,000	20,000	15,000
Emergency Operations Centre	30,000	-	-
Fire Department equipment grant	15,000	30,000	-
Footbridge refurbishment grant	715,000	-	-
Other	7,500	8,000	5,500
Poverty Reduction Grant	-	25,000	25,000
Province of BC	-	-	122,829
Sewer Treatment Facilities grant	1,200,000	-	-
Summer Student Grant			2,005
	3,363,094	1,722,008	1,843,659

For the Year Ended December 31, 2023

Schedule III

Sales of services

		Budget 2023		2023		2022
Administration recoveries	\$	3,500	\$	3,768	\$	3,528
Cowichan Lake Education Centre	•	407,200	Ψ	445,993	Ψ	350,111
CVRD fire protection		349,957		349,957		348,898
Fire service		-		4,714		1,471
Garbage fees		447,000		459,669		442,310
Lakeview Park fees		242,000		246,495		239,078
Lease revenues		65,000		64,809		64,809
Penalties and interest on taxes		60,000		92,384		72,892
Public Works revenues		-		9,061		17,594
Wildfire Recoveries		-		220,472		100,358
	1,	574,657		1,897,322		1,641,049
Licences and Permits						
Business licences		20,000		24,365		20,675
Building permit and fees		46,000		95,938		145,768
Dog licences and fines		2,700		2,920		3,170
Other		35,100		58,542		62,983
		103,800		181,765		232,596
Water and Sewer Utility Fees						
Connection and service charges		14,500		149,764		236,883
Penalties and interest		9,000		10,813		9,349
User fees	1,	390,000		1,454,222		1,272,780
	1,	413,500		1,614,799		1,519,012
	3,	091,957		3,693,886		3,392,657
Building permit and fees Dog licences and fines Other Water and Sewer Utility Fees Connection and service charges Penalties and interest	1,· 1,·	46,000 2,700 35,100 103,800 14,500 9,000 390,000		95,938 2,920 58,542 181,765 149,764 10,813 1,454,222		145,7 3,1 62,9 232,5 236,8 9,3 1,272,7 1,519,0

For the Year Ended December 31, 2023 Schedule IV

Consolidated Segment Disclosures

	General	Protective	Public Works	Garbage &	Parks and	Sewer	Water		2023	2023
	Government	Services	Transportation	Recycling	Recreation	Services	Services	Reserve	Consolidated	Budget
REVENUE										
Taxation & grants in lieu of taxes	\$ 2,605,846	\$ -	\$ -	\$ -	\$ -	\$ 441,250	\$ 541,500	\$ -	\$ 3,588,596	\$ 2,602,305
Government grants and transfers	2,425,845	-	-	-	-	-	-	-	2,425,845	1,601,900
Conditional Grants	1,394,862	307,146	-	-	20,000	-	-	-	1,722,008	3,363,094
Utility fees	-	-	-	459,669	-	635,257	818,965	-	1,913,891	2,818,100
Services and fees	250,344	575,143	9,061	-	692,486	69,713	80,051	-	1,676,798	1,185,957
Interest and penalties	830,346	-	-	-	-	4,670	6,143	170,064	1,011,223	119,000
Contributed tangible capital assets	-	-	1,241,840	-	-	350,800	406,728	-	1,999,368	
	7,507,243	882,289	1,250,901	459,669	712,486	1,501,690	1,853,387	170,064	14,337,729	11,690,356
EXPENSES										
Administration	(283,000)	16,000	(226,000)	46,000	43,000	161,000	243,000	_	-	_
Audit and legal	81,843	-	-	-	_	_	-	_	81,843	66,000
Advertising, promotion and rebates	4,128	63	384	-	405	-	-	_	4,980	9,700
Conferences, travel and memberships	40,688	47,090	43	-	-	1,546	537	-	89,904	76,200
Contracted services	235,952	85,914	143,610	148,946	76,317	144,883	68,351	-	903,973	765,094
Discounts	-	-	-	29,493	-	45,358	55,436	-	130,287	129,000
Fuel	-	13,798	68,504	-	-	-	-	-	82,302	19,500
Insurance	145,327	9,426	24,023	-	157	-	-	-	178,933	155,600
Interest	7,095	4,685	-	-	-	-	-	-	11,780	16,000
Materials	89,607	225,841	129,405	12,016	231,975	47,895	65,204	-	801,943	644,750
Telephone	15,420	5,541	6,157	-	8,754	-	2,079	-	37,951	43,300
Utilities	2,908	39,838	93,533	-	76,515	40,157	78,165	-	331,116	334,700
Wages, benefits and equipment charges	616,127	413,489	17,166	271,486	613,931	217,272	320,177	-	2,469,648	2,727,850
	956,095	861,685	256,825	507,941	1,051,054	658,111	832,949	-	5,124,660	4,987,694
Amortization	42,869	189,406	356,118	_	173,523	116,509	416,946	_	1,295,371	_
TOTAL EXPENSES	998,964	1,051,091	612,943	507,941	1,224,577	774,620	1,249,895	-	6,420,031	4,987,694
SURPLUS (DEFICIT)	6,508,279	(168,802)	637,958	(48,272)	(512,091)	727,070	603,492	170,064	7,917,698	6,702,662

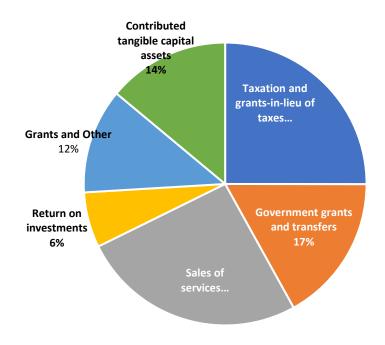
For the Year Ended December 31, 2022 Schedule V

Consolidated Segment Disclosures

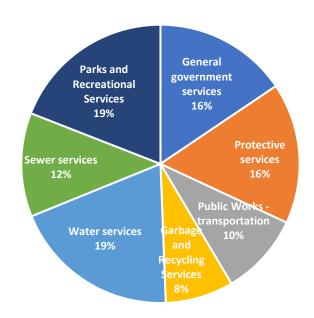
	General Government	Protective Services	Public Works Transportation	Garbage & Recycling	Parks and Recreation	Sewer Services	Water Services	Reserve	2022 Consolidated	2022 Budget
REVENUE			·	, ,						· ·
Taxation & grants in lieu of taxes	\$ 2,458,317	\$ -	\$ -	\$ -	\$ -	\$ 438,000	\$ 537,600	\$ -	\$ 3,433,917	\$ 2,454,980
Government grants and transfers	640,822	-	-	-	-	-	-	-	640,822	511,900
Conditional Grants	1,567,170	136,655	122,829	_	17,005	-	_	_	1,843,659	1,799,870
Utility charges and parcel taxes	-	-	-	442,310	-	575,157	697,623	_	1,715,090	2,337,200
Services and fees	383,174	450,727	17,594	-	589,189	99,545	137,338	_	1,677,567	1,324,300
Interest and penalties	196,903	-	-	-	<i>.</i>	4,187	5,162	55,447	261,699	17,000
•	5,246,386	587,382	140,423	442,310	606,194	1,116,889	1,377,723	55,447	9,572,754	8,445,250
EXPENSES										
Administration	(281,700)	14,700	(226,000)	46,000	43,000	161,000	243,000	-	-	-
Audit and legal	28,526	-	-	-	_	_	-	-	28,526	66,000
Advertising, promotion and rebates	4,949	204	271	-	386	-	-	-	5,810	11,700
Conferences, travel and memberships	34,656	50,421	200	-	-	175	3,447	-	88,899	59,200
Contracted services	217,821	107,575	55,901	121,508	89,120	42,919	97,156	-	732,000	663,600
Discounts	-	-	-	28,640	-	43,710	53,272	-	125,622	119,000
Fuel	-	16,088	66,276	-	-	-	-	-	82,364	15,500
Insurance	115,017	9,736	23,630	-	158	-	-	-	148,541	135,600
Interest	3,693	5,357	-	-	-	-	-	-	9,050	9,500
Materials	51,341	159,318	65,927	4,748	211,954	38,744	82,277	-	614,309	539,950
Telephone	12,199	6,208	6,462	-	6,005	-	2,203	-	33,077	38,200
Utilities	3,149	49,024	93,497	-	65,610	37,847	74,536	-	323,663	328,700
Wages, benefits and equipment charges	612,305	310,560	208,686	211,875	518,618	120,489	222,479	-	2,205,012	2,588,750
	801,956	729,191	294,850	412,771	934,851	444,884	778,370	-	4,396,873	4,575,700
Amortization	10,440	185,941	366,849	_	183,555	110,689	414,933	-	1,272,407	
TOTAL EXPENSES	812,396	915,132	661,699	412,771	1,118,406	555,573	1,193,303	-	5,669,280	4,575,700
SURPLUS (DEFICIT)	4,433,990	(327,750)	(521,276)	29,539	(512,212)	561,316	184,420	55,447	3,903,474	3,869,550



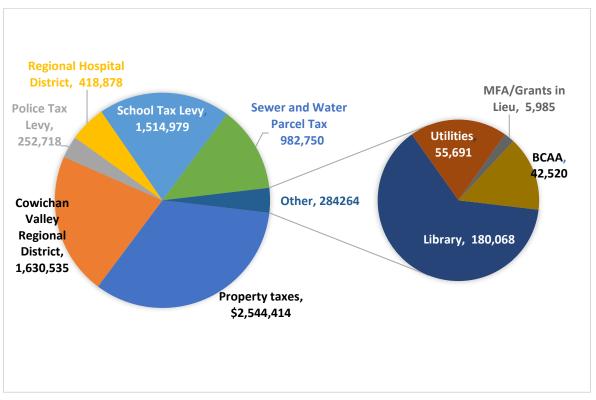
Revenues by Percentage

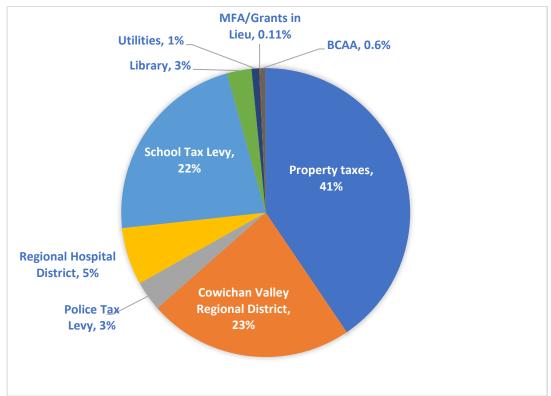


Expenses by Percentage



Taxation Revenue





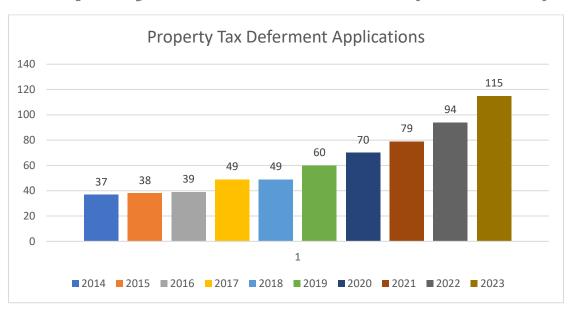
Property Tax Revenue by Class



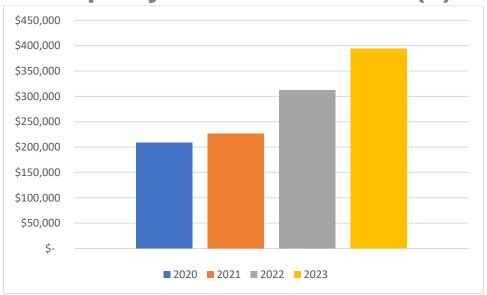
Property Tax Revenue Comparatives

_	2023	2022	2021	2020	2019
Residential	2,237,226	2,084,091	1,973,655	1,922,845	1,857,633
Commercial	248,624	261,877	260,595	254,581	234,743
Industrial	48,549	44,583	43,513	43,622	42,720
Managed Forest/Utilities/Rec.	10,015	11,119	11,253	11,717	11,422
Total Property Tax Revenue	2,544,414	2,401,670	2,289,016	2,232,765	2,146,518

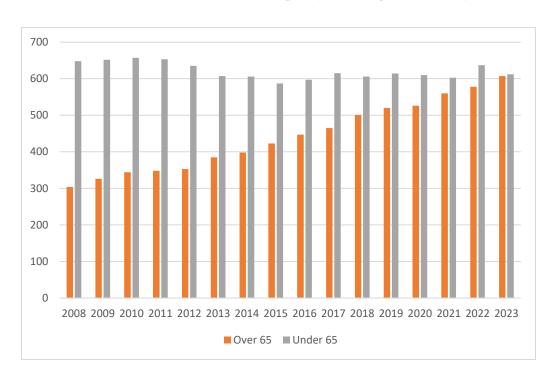
Property Tax Deferments (Number)



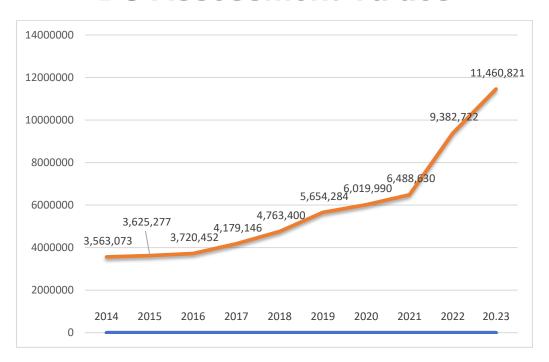




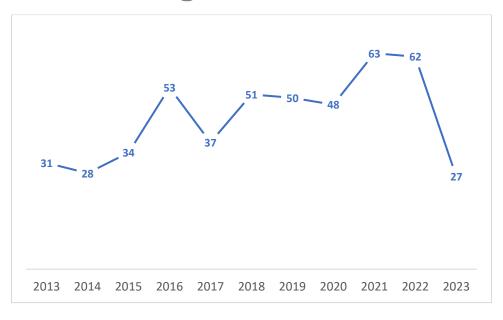
Homeowner Grant Claims



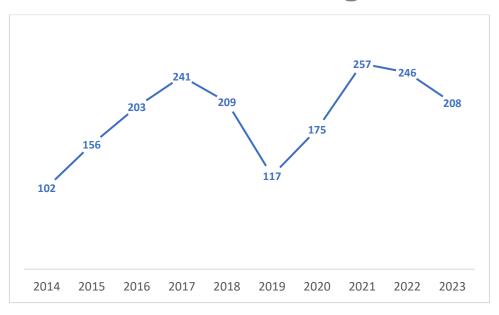
BC Assessment Values



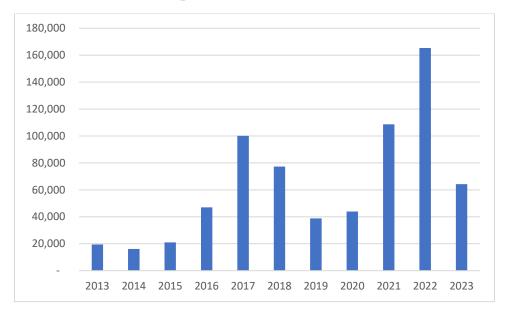
Building Permits Issued



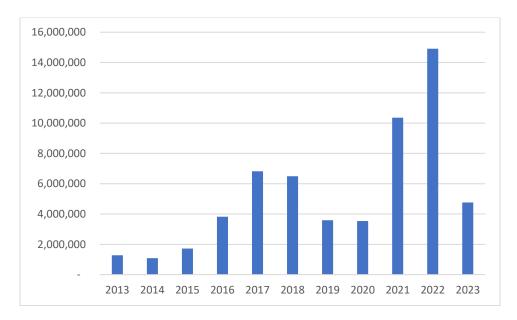
Land Title Changes



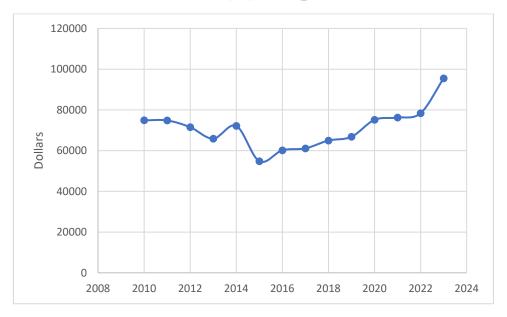
Building Permit Revenue



Construction Value of Permits



Waste Tipping Costs



Waste and Organics Collection (in Kg)



Payments for Goods and Services Exceeding \$25,000

Name	Amount	Name	Amount
0873373 BC LTD	29,450	P and R Truck Centre	28,812
A Mais Technologies Inc.	46,934	Plante Developments Ltd Inc BC 1072358	43,339
BC Assessment Authority	42,651	RBS Managed Services	37,707
BC Hydro & Power Authority	281,744	Receiver General for Canada Payroll	490,215
Beaver Electrical Machinery	26,430	Ritchie, Alastair	39,669
Bjk Architecture Inc.	42,385	Royal Bank Visa	85,000
Brogan Fire and Safety	49,758	Shur Power Electric	48,745
Copcan Civil LP	1,730,900	Social Planning Cowichan	26,250
Cowichan Valley Regional District	2,166,029	Spoonz Excavating Inc	27,632
Duncan Paving Ltd	154,638	Stantec Consulting Ltd.	25,757
Element Development Inc No Bc0731566	123,507	Stone Pacific	94,945
Factory Outlet Trailers	50,714	Strathcona Forestry Consulting	33,244
FPP Builders Corp.	34,477	Super Save Enterprises Ltd.	61,309
Herold Engineering Limited	33,054	Symon, Margaret	27,439
Hi Tech Global Builders Ltd.	51,403	Sysco Victoria	37,622
Iconix Waterworks Ltd. Partnership	25,573	Tarman Roofing	60,228
Island Tractor & Supply (1999) Ltd	50,666	Telus Communications (B.C.) Inc	26,685
Jaykar Holdings Ltd.	87,154	United Steelworkers Local 1-1937	25,087
Knott, Doug	34,792	Van Hemert, JAMES	30,998
Kolenberg Motors Ltd.	34,321	Vancouver Island Regional Library	180,068
Kti Limited	28,913	W.E. Consultants & Benefit Services Ltd.	34,282
Lake Cowichan Fire Department	28,717	Waste Connections of Canada Inc.	58,144
Mckinnon Murphy Development Limited	26,560	Wekan Holdings Ltd.	56,319
Minister Of Finance & Corp. Relations	34,149	Westland Insurance	33,867
Ministry Of Provincial Revenue School Tax	558,828	White Pacific	34,039
MNP	38,369	Workers Compensation Board	69,894
Municipal Insurance Assoc of B.C.	37,150	Young Anderson	46,181
Municipal Pension Plan	197,201	Payments Made (Vendors Over \$25000)	7,809,943
		Miscellaneous Payments (\$25000 and under)	1,368,146
		Tota Payments	7,809,943

This schedule has been prepared on a cash basis and includes payments to vendors made in 2023.

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.

Permissive Property Tax Exemptions

Name	Address	Amount
Anglican Church	70 Cowichan Avenue	\$2,612
Bishop of Victoria	60 Fern Road	4,042
Catalyst Paper Corp.	North Shore Road Boat launch	8,069
Cow Lake Dist. Seniors Association	55 Coronation Street	11,580
Cowichan Lake Lions Club	131 Oak Lane	1,419
Island Corridor Foundation	Trails	1,374
Kaatza Historical Society	125 South Shore Road	5,793
Lake Cowichan Khalsa Diwan Society	9 Boundary Rd.	4,577
Pentecostal Assemblies of Canada	10 King George St.	7,656
Royal Canadian Legion	5 North Shore Road	2,316
Total Property Tax Exemptions		49,438

In accordance with Section 98(2)(b) of the Community Charter, the attached table is disclosure of properties exempted from municipal property tax for 2023.

Development Cost Charges & Other Revenues

	2023	2022
Land acquisition	110,481	105,168
Parkland dedication	261,302	166,669
Road development charge	595,657	519,958
Sewer development charge	343,273	303,667
Water development charge	1,260,898	1,111,108
	2,571,611	2,206,570

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 and water
- Drainage and
- Parkland acquisition and improvement.



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

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