



Town of Lake Cowichan

2020 Annual Report



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About Lake Cowichan

Town of Lake Cowichan Statistics

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

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

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

Cowichan Valley Regional District

Cowichan Valley School District 79

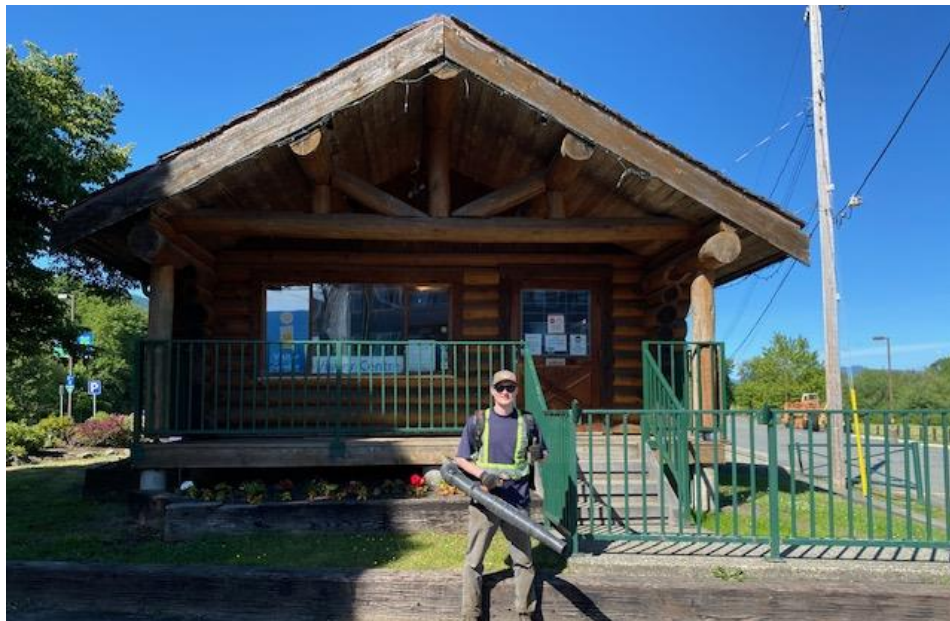
The Town was incorporated in 1944.

Lake Cowichan is a beautiful 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 all municipal services including the Cowichan Lake Education Centre and Lakeview Park campground. Both facilities are located on Cowichan Lake.



Your Mayor and Council



Mayor Bob K. Day

Councillors



Carolyn Austin



Kristine Sandhu



Tim McGonigle



Lorna Vomacka

Town Council comprises 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.

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.

Message from the Mayor



As we close the books on another year end, I would like to take the time to acknowledge all the professional work done throughout the year by our entire management and staff. Serving the public involves a very high level of professionalism and I truly admire the dedication of the people we employ to manage the Town finances as well as the renewal and maintenance of all our infrastructure.

This past year was challenging due to the pandemic as well as the by-election for the position of Mayor. Throughout all of this, members of Council and staff, managed to soldier on and get the job done without barely a hiccup. This is a true testament to the quality of people that are both elected and employed to look after the interests of your community.



Over this past year, Council has had to adapt to the virtual meeting process as we all stay connected to the various boards and committees we are appointed. As well, members of the public have had to adapt to attending our Regular Council and Committee meetings virtually, either in real time or by accessing the archived recordings on the Town of Lake Cowichan YouTube channel. The consensus seems to be that in person meetings are preferred for the business of the Town, but the reality is pointing towards combining the best of both platforms when it comes to day to day educational and operational essentials of managing a municipality.



This has been a difficult year for community and service groups, in that they have not been able to meet and further their initiatives to the fullest, but if all goes well everyone will be able to get together very soon and revive the community spirit like never before.

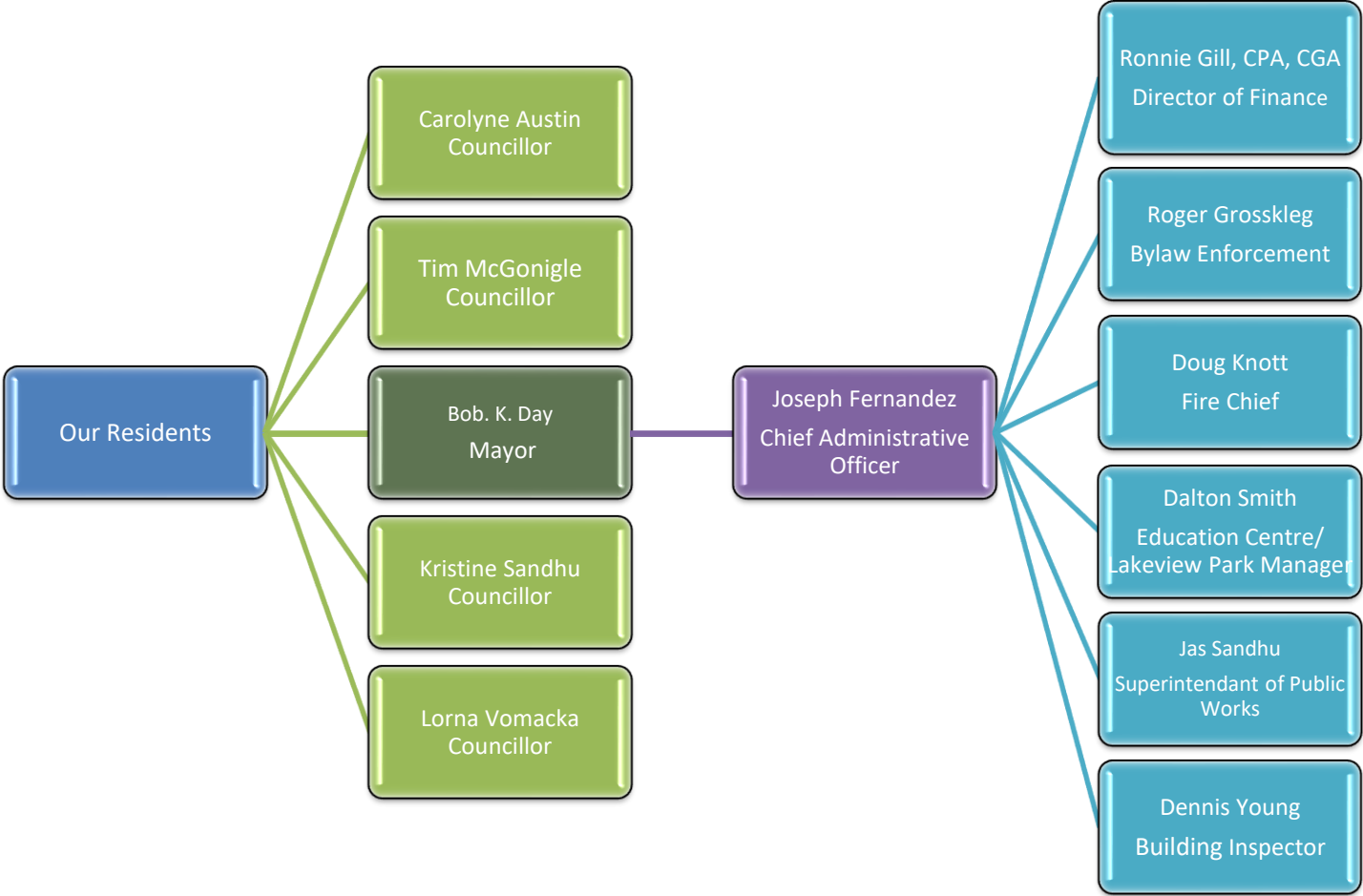
The act of building community brings us all closer together.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob K. Day".

Bob K. Day, Mayor

Organizational Structure



Message from the Chief Administrative Officer



The fiscal well-being of the Town is wholly dependent on how well that responsibility is managed. The Town continues to be in reasonably good financial health. The required capital asset replacements and upgrades, however, far exceed the available accumulated surpluses and reserve funds. Without an inflow of grants, the situation can indeed be dire. A consistent and rational approach needs to be undertaken for the management of capital project requirements. There is sometimes a perception that new or added operational service requirements can be

managed simply through dipping into funds on hand which would be not only foolhardy but short-sighted. We cannot be oblivious to the capital infrastructure shortfall. The audited statements for 2020 accompanying this report will better enlighten the reader on the current financial state of the Town.

As is often the case with major municipal capital projects, deadlines on the completion of same are generally not met. The new water treatment plant saw construction commence in 2016 and it was completed in 2019. Some of the required appurtenances were installed towards the latter part of the year and were completed in early 2020. The commissioning of the plant in part to COVID 19 was delayed until September of 2020.

Further, to the major accomplishment of the completion of the Water Treatment which was financed in large part by the \$5 million grant funding provided by the Federal Government under the 2015 Strategic Priorities Fund, the Town in 2020 completed paving upgrades on three streets and put in the finishing touches to the columbarium site. Renovations to the roof of the municipal hall were also undertaken.

The COVID-19 pandemic impacted this community as it did the rest of the world. However, the pandemic may in part have resulted in residents making irrational claims that would normally be ignored but the propriety of those claims resulted in council taking them seriously despite professional evidence to the contrary. Second guessing became the order of the day.

The 2020 year was like no other. However, the following year will still prove to be challenging what with the pandemic continuing to cast a pall on everyday activities. Still the Town through its employees ensured that all service requirements of the residents were met.

Volunteers who through their dedication and hard work and for no remuneration make this town the great place it is. These citizens and volunteers are involved in activities ranging from the river clean-up to “broom busting” to helping others less fortunate or putting in countless hours on our committees and the non-profit organizations need to be specially commended.

A handwritten signature in black ink, appearing to read 'Joseph A. Fernandez', written in a cursive style.

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 is 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 and promote fire prevention and education programs.*

Transportation Improvements

- *Plan for traffic and road improvements.*
- *Plan for pedestrian traffic and safety improvements.*
- *Upgrade and replace transportation 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 in Town.*

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 as per the operations and capital budget.*
- *Ensure that cash is invested to maximize returns with no risk.*
- *Ensure inventory listings are current, that capital assets are adequately protected, and that risk management measures have been undertaken.*
- *Ensure reserve funds are adequately maintained with sources and uses accurately reported.*
- *Ensure adequate financing is available for long term and short term needs to finance capital projects as budgeted.*

Water and Sewer Utility Service 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 to 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 to the Cowichan River.*
- *Protect natural waterways from contaminants caused by human activities.*

Administration and Finance

DEPARTMENT HIGHLIGHTS

- Vacancy for the Superintendent of Public Works and Engineering Services advertised and filled.
- Implemented Covid-19 safety protocols and procedures in accordance with the Province and CDC health directives in the everchanging requirements during the pandemic.
- The Council meetings were moved to a virtual format so that attendance at meetings in the workplace was limited.
- A by-election was held for the mayor in October 2020. Former mayor Rod Peters resigned July 25, 2020.
- Strategic Planning Questionnaire conducted to gauge what the Town should focus on.
- Memorandum of understanding with the Cowichan Lake Elder Care Society for the disposition of municipal land to support an affordable housing project for senior was agreed upon.
- Roof at municipal hall replaced and Hardie panel trim.
- Asset management plan developed for the Town with 50% grant funding.
- Resident input (by poll) on whether to allow back yard chickens conducted and results presented.

The Town office is the center of the activities of 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 and process accounts receivable, accounts payable, property tax, utility bills, payroll and perform all other day to day functions of the municipal office.

The Town office, after a brief closure to the public to install glass barriers at the front office, remained open to the public with a limit of one visitor in the office at a time. The doors at the Town hall remain locked but there is a doorbell to allow the public access to services with all safety protocols in place.



Public Works, Parks and Engineering Services

The 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; and*
- *Maintaining roads, sidewalks, curb, and gutter.*
- *Maintaining parks, playgrounds, and greenspaces.*

DEPARTMENT HIGHLIGHTS

- Columbarium site landscaping design and first phase construction completed.
- Soda Ash equipment installation complete.
- River Road Booster station upgraded.
- Sewage lagoon slope stability work completed.
- Sewer treatment plant converted from chlorine gas to liquid chlorine.
- Awarded grant in the amount of \$25,000 for 50% of Active Transportation study.
- Dawn Coe-Jones and cougar signs refurbished; new signs installed at Kate's Park and Kasapi Park.
- Sahtlam Park hockey boards replaced.
- Hired Mike Hewitt, a ticketed level 4 water operator to work at the water treatment plant operator.
- Paving projects completed at Grants Lake, Larch and Arbutus Road.
- The public works officed was closed to the public as part of the Covid-19 safety protocols that were developed and implemented for the safety and protection of Town employees.



Fire and Rescue Services

The Lake Cowichan Fire Department is comprised of the Fire Chief, thirty volunteer members and two junior members. 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. Regular practices were moved to online with a mix of zoom presentations and online courses. The FD adapted to the new normal with 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

- With the award of a Fuel Management grant, 18 hectares at Lakeview Park Campground and the Cowichan Lake Education Centre were cleaned. The LCFD and the Town are committed to educating the public and to making our community more resilient.
- Additional grant funding under the CRI FireSmart grant in the amount of \$149,960 was received and the Fire Department is hoping to ramp up this program as the pandemic restrictions are eased.
- Construction of a display building for FD truck #1 was in progress with donations collected from the public.





Mutual aid to North Oyster Fire during the Schnitzer Steel Recycling fire

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.

The Covid-19 pandemic provided new challenges to the operations of the campground. The opening was delayed while safety plans were developed and implemented in accordance with Provincial Health Orders.

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 an on-site program coordinator with special outdoor education qualifications, as well as grounds keeping, maintenance, security, 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 unable to operate except as a quarantine center.



Water Treatment Plant



Plans for the \$6.3 million water treatment plant (WTP) followed receipt of a \$5 million grant through the Federal Strategic Priorities Fund as stated in a news release dated July 5, 2016. The objective of the infrastructure upgrade was to be compliant with increasingly stringent *Drinking Water Treatment Objectives (Microbiological) for Surface Water* in British Columbia.

A tender for a WTP with more advanced technologies was prepared, issued and awarded in 2017, with construction beginning soon after. The WTP was substantially completed in February 2019 and has since been operational using a three-stage treatment process consisting of:

- direct filtration treatment using anthracite/sand media,
- ultraviolet (UV) disinfection, and
- chlorine disinfection via onsite sodium hypochlorite generation (OSHG)

A soda ash (sodium carbonate) delivery system was added to ensure that the pH as mandated by the *Guidelines for Canadian Drinking Water Quality (GCDWQ)* is maintained within a defined band to minimize corrosion and scaling effects within the water distribution system.

The Lake Cowichan WTP is engineered to comply with the Island Health Surface Water “4-3-2-1 Policy” stipulating the following:

- 4-log inactivation of viruses
- 3-log removal/inactivation of Giardia cysts and Cryptosporidium oocysts
- 2 treatment processes
- Less than 1 NTU of turbidity in finished water

The Lake Cowichan water treatment plant was commissioned and is a fully operational facility in compliance with Federal and Provincial guidelines. Murray Sexton, P. Eng. Public Health Engineer with Island Health conducted a site inspection on Friday, July 17, 2020, the Operating Permit (OP) to replace the “Interim Operating Permit” pending some final laboratory test results was issued in September.

As part of our commitment to directives issued by Island Health, the Town of Lake Cowichan welcomes Mike Hewitt as the new Chief Water System Operator. Mike began July 8 and holds both Level IV water treatment certification and Level II in water distribution.

He brings years of technical experience working at Metro Vancouver Seymour-Capilano filtration plant, the Lakeview and Lorne Park WTPs in Mississauga, Ontario, and from working at remote locations throughout oil field camps in northern Alberta, CFS Alert on Ellesmere Island, the Canadian Forces Camp Julien in Kabul, Afghanistan from 2003-2005 and NATO Kandahar Airfield from 2006-2007. Mike states that “This water plant uses similar processes to SCFP in Vancouver. Both are direct filtration plants using many of the same chemicals along with UV disinfection.”



Interior panoramic showing (from right to left) the HVAC system, pipe gallery with UV disinfection system, anthracite/sand media filters, flocculation tanks.

Director of Finance Report



I am pleased to present the municipal financial report for the Town of Lake Cowichan for the fiscal year ended December 31, 2020, in accordance with Section 167 of the Community Charter.

This report contains an introduction to the Town of Lake Cowichan, Mayor and Council and departments. The Town's vision, corporate objectives and a summary of department highlights is also included.

The second part of this report includes the consolidated audited financial statements of the Town of Lake Cowichan encompassing all operations of the Town including Lakeview Park Campground and the Cowichan Lake Education Centre.

MNP LLP, the Town's audit firm has provided a clean audit opinion stating that the "accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at December 31, 2020, 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 financial statements can be relied upon by the readers to provide a comprehensive financial summary for the Town.

The final section of the annual report contains other financial information for the Town of Lake Cowichan providing the reader a better understanding of the Town and its operations.

In March 2020, Covid-19 was declared a world-wide pandemic. The Federal and Provincial governments enacted emergency measures to help stop the spread of the virus with far reaching impacts for local governments and their citizens. All Town functions were impacted from service delivery to Council meetings. Safety precautions for all Town functions added unforeseen costs and with the loss of revenues there was a significant financial impact for the Town.

Upon reflection, the Town's strategy to fund capital improvements and investment in infrastructure from taxation and grant revenue, where possible, in addition to minimizing debt and borrowing enables the Town to provide its residents with the sustainable levels of service delivery at affordable costs.

A handwritten signature in black ink, appearing to read 'Ronnie Gill'.

*Ronnie Gill, CPA, CGA
Director of Finance*

Consolidated Financial Statements

For the Year Ended December 31, 2020





Town of Lake Cowichan
Consolidated Financial Statements
For the Year Ended December 31, 2020

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Independent Auditor's Report

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, 2020, 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, 2020, 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.

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 11, 2021

MNP LLP
Chartered Professional Accountants

Consolidated Statement of Financial Position

As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash and short-term deposits (Note 2)	\$ 14,228,078	\$ 11,964,924
Accounts receivable (Note 3)	695,997	552,807
Redeemable Tax Sale Properties	-	7,692
	14,924,075	12,525,423
FINANCIAL LIABILITIES		
Accounts payable (Note 4)	271,895	311,243
Wages payable	36,654	36,420
Future payroll obligations (Note 5)	360,078	334,269
Deferred revenues and deposits (Note 6)	475,387	263,042
Community works fund (Note 7)	2,103,966	1,896,728
Restricted Revenues (Note 8)	1,758,531	1,595,542
Tax Sale Deposits	-	7,692
Municipal Finance Authority Loans (Note 9)	526,630	728,017
	5,533,141	5,172,953
NET FINANCIAL ASSETS	9,390,934	7,352,470
NON-FINANCIAL ASSETS		
Inventory	60,157	65,080
Prepaid items	93,711	107,348
Tangible capital assets (Note 10)	31,926,966	32,000,794
	32,080,834	32,173,222
ACCUMULATED SURPLUS (Note 11)	\$ 41,471,768	\$ 39,525,692
Commitments and Contingencies (Note 12)		
Significant Event (Note 17)		

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, 2020

	Budget 2020 (Note 14)	2020	2019
REVENUES			
Taxation and grants-in-lieu of taxes (Schedule I)	\$ 2,283,064	\$ 2,289,639	\$ 2,201,626
Government grants and transfers (Schedule II)	494,900	1,653,911	494,157
Grants and Other (Schedule II)	2,964,960	49,295	264,370
Sales of services (Schedule III)	2,612,768	3,028,235	3,061,680
Return on investments	50,000	76,729	157,578
Contribution from Developers	-	7,334	
Gain (loss) on disposal of tangible capital assets	-	(16,314)	7,815
	8,405,692	7,088,829	6,187,226
EXPENSES			
General government services	578,900	656,067	596,074
Protective services	710,960	705,962	790,536
Public Works - transportation	487,100	732,970	593,459
Garbage and Recycling Services	408,500	408,715	390,275
Parks and Recreational Services (Schedule IV)	587,500	917,774	1,056,687
Sewer services	458,000	564,149	524,573
Water services	817,900	1,157,116	910,749
	4,048,860	5,142,753	4,862,353
SURPLUS FOR THE YEAR	4,356,832	1,946,076	1,324,873
ACCUMULATED SURPLUS			
Beginning of year	39,525,692	39,525,692	38,200,819
ACCUMULATED SURPLUS, end of year	\$ 43,882,524	\$ 41,471,768	\$ 39,525,692

See accompanying notes to the Consolidated Financial Statements

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2020

	2020	2019
OPERATIONS		
Surplus for the year	\$ 1,946,076	\$ 1,324,873
Non-cash charges to operations		
Amortization	1,036,198	1,002,407
Gain (loss) on disposal of tangible capital assets	16,314	(7,815)
Cash from Operations	2,998,588	2,319,465
CHANGE IN WORKING CAPITAL BALANCES		
Accounts receivable	(143,190)	1,189,242
Inventory	4,923	(9,538)
Prepaid items	13,637	(54,101)
Redeemable Tax Sale Properties	7,692	(300)
Accounts payable	(39,348)	(833,053)
Wages payable	234	8,740
Future payroll obligations	25,809	20,126
Deferred revenue	212,345	13,672
Community works fund	207,238	403,581
Restricted Revenues	162,989	84,859
Tax sale deposits	(7,692)	7,692
Cash provided by operating transactions	3,443,225	3,150,385
CAPITAL		
Acquisition of tangible capital assets	(1,005,684)	(2,432,416)
Proceeds on disposal of tangible capital assets	27,000	56,494
	(978,684)	(2,375,922)
FINANCING		
Municipal Finance Authority loan payments	(201,387)	(156,695)
Proceeds from borrowing	-	225,000
	(201,387)	68,305
NET CHANGE IN CASH AND SHORT-TERM DEPOSITS	2,263,154	842,768
CASH AND SHORT-TERM DEPOSITS, beginning of year	11,964,924	11,122,156
CASH AND SHORT-TERM DEPOSITS, end of year	\$ 14,228,078	\$ 11,964,924
Cash and short-term deposits:		
Cash	\$ 161,708	\$ 233,351
Short term deposits	14,066,370	11,731,573
	\$ 14,228,078	\$ 11,964,924

Interest paid during the year amounted to \$15,135 (2019 - \$20,270).

See accompanying notes to the Consolidated Financial Statements

Consolidated Statement of Changes in Net Financial Assets

For the Year Ended December 31, 2020

	Budget 2020 (Note 14)	2020	2019
SURPLUS FOR THE YEAR	\$ 4,356,832	\$ 1,946,076	\$ 1,324,873
Amortization of tangible capital assets	-	1,036,198	1,002,407
Change in inventories and prepaid expenses	-	18,560	(63,639)
Disposal of tangible capital assets	-	43,314	48,679
Acquisition of tangible capital assets	(6,830,000)	(1,005,684)	(2,432,416)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(2,473,168)	2,038,464	(120,096)
NET FINANCIAL ASSETS, beginning of year	7,352,470	7,352,470	7,472,566
NET FINANCIAL ASSETS, end of year	\$ 4,879,302	\$ 9,390,934	\$ 7,352,470

See accompanying notes to the Consolidated Financial Statements

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

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, 2020

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, 2020

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% (2019 – 2%)
- discount rate is 3.45% (2019 – 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, 2020.

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, 2020, 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, 2020

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*.

	2020	2019
General cash and short-term deposits	\$ 10,204,224	\$ 8,361,713
Restricted revenues	1,758,531	1,595,542
Capital reserves	2,265,323	2,007,669
	\$14,228,078	\$11,964,924

3. Accounts Receivable

	2020	2019
Property taxes	\$ 448,821	\$ 296,768
Water trade receivables	63,873	56,916
Sewer trade receivables	52,893	47,365
Other	130,410	151,758
	\$ 695,997	\$ 552,807

4. Accounts Payable

	2020	2019
Trade accounts and accrued liabilities	\$ 246,381	\$ 302,188
Regional and local governments	25,514	9,055
	\$ 271,895	\$ 311,243

5. Future Payroll Obligations

	2020	2019
Vacation leave accrual	\$ 284,977	\$ 248,834
Sick leave payable	75,101	85,435
	\$ 360,078	\$ 334,269

Total sick leave paid out during the year amounted to \$47,743 (2019 - \$37,832).

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

6. Deferred Revenues and Deposits

	2020	2019
Prepaid property taxes and utilities	\$ 113,445	\$ 57,948
Developers' deposits	329,133	141,798
Other deposits and unearned revenues	32,809	63,296
	\$ 475,387	\$ 263,042

7. Community Works Fund

	2020	2019
Balance, beginning of year	\$1,896,728	\$1,493,147
Funds received	190,978	377,451
Funds spent	-	(4,325)
Interest earned	16,260	30,455
Balance, end of year	\$2,103,966	\$1,896,728

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.

Restricted Revenues

	2020	2019
Land acquisition	\$ 103,015	\$ 102,151
Parkland dedication	90,452	54,986
Road development charge	412,401	387,549
Sewer development charge	249,899	219,503
Water development charge	902,764	831,353
	\$1,758,531	\$1,595,542

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

8. Restricted Revenues

	2020	2019
Land acquisition	\$ 103,015	\$ 102,151
Parkland dedication	90,452	54,986
Road development charge	412,401	387,549
Sewer development charge	249,899	219,503
Water development charge	902,764	831,353
	\$1,758,531	\$1,595,542

9. Municipal Finance Authority Loans

	Monthly Payment	Expiry Date	2020	2019
Fire hall	\$10,706	Sept. 30, 2023	\$ 338,851	\$ 459,020
Fire truck #6	\$ 3,998	Sept. 30, 2024	169,924	214,414
Fire truck #10	\$ 3,118	May 31, 2021	17,855	54,583
			\$ 526,630	\$ 728,017

Principal payments:	2021	\$190,274
	2022	174,009
	2023	133,239
	2024	29,108
		\$526,630

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, 2020 was 1.21% (2019 – 2.5%). Interest paid on the loans during the year amounted to \$11,139 (2019 - \$16,342).

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2020

10. Tangible Capital Assets

	Opening Balance	Additions	Transfers Disposals	Closing Balance	Opening Accumulated Amortization	Amortization	Transfers Disposals	Closing Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Land	\$ 5,343,554	-	-	\$ 5,343,554	\$ -	\$ -	-	\$ -	\$ 5,343,554	\$ 5,343,554
Land improvements	1,989,610	64,834	-	2,054,444	181,622	87,417	-	269,039	1,785,405	1,807,988
Buildings	5,101,570	213,172	-	5,314,742	3,041,447	155,425	-	3,196,872	2,117,870	2,060,123
Equipment and vehicles	4,474,111	146,975	(63,961)	4,557,125	1,951,998	261,009	(34,822)	2,178,185	2,378,940	2,522,113
Engineering structures	11,059,705	315,227	234,630	11,609,562	1,050,651	202,637	-	1,253,288	10,356,274	10,009,054
Roads and services	7,651,243	137,008	-	7,788,251	2,882,143	170,183	-	3,052,326	4,735,925	4,769,100
Underground services	7,538,723	-	-	7,538,723	2,783,029	159,527	-	2,942,556	4,594,167	4,753,694
Construction in Progress	735,168	128,468	(248,805)	614,831	-	-	-	-	614,831	735,168
	\$43,891,684	\$1,005,684	\$ (78,136)	\$44,819,232	\$11,890,890	\$1,038,198	\$ (34,822)	\$12,892,266	\$31,926,966	\$32,000,794

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

11. Accumulated Surplus

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

Surpluses	2020	2019
Invested in capital assets	\$31,400,336	\$31,272,777
Operating surplus	7,110,519	6,245,246
	38,510,855	37,518,023
Reserves		
Capital equipment	3,868	3,835
Covid Restart Grant* (See details below)	695,590	-
Fire equipment	100,090	12,980
Fire Hall	197,167	195,512
Municipal Hall	1,009,448	951,393
Public Works equipment	891,516	790,224
Parks Capital Improvement	26,480	26,257
Snow Removal	9,054	-
Transportation - Roads	17,322	17,176
Sewer General	1,753	1,739
Water General	8,625	8,553
	2,960,913	2,007,669
	\$41,471,768	\$39,525,692

***Covid Restart Grant**

Funds received	\$ 1,158,000	\$ -
Covid expenses	(112,410)	-
Revenue shortfall Cowichan Lake Education Centre	(350,000)	-
	\$ 695,590	\$ -

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 \$97,414 (2019 - \$99,746) for employer contributions while employees contributed \$85,346 (2019 - \$88,070) to the Plan in fiscal 2020.

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. title 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 at the Town's cost. These future costs cannot be determined until subdivision applications are made at which point engineered estimates shall be required.

c.) Contingent Liability

Two claims are outstanding against the Town as at December 31, 2020. In the opinion of management and legal counsel, the outcome of the claim, now pending, is not determinable. As the outcome is 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 losses will be charged to the operations in the year of resolution.

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

12. Commitments and Contingencies (continued)

b.) 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:

	2020	2019
Cash held in trust	\$ 3,981	\$ 2,690
Care Fund equity	3,981	2,690

14. Budget Amounts

Financial Plan Bylaw 1037-2020 was adopted by Council on May 8, 2020. 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	(312,218)	(999,450)	(360,200)	(1,671,868)
Add: Capital expenditures	2,846,000	3,495,000	489,000	6,830,000
Add: Principal debt repayments	185,700	-	-	185,700
Less: Transfers from reserve funds	(987,000)	-	-	(987,000)
Adjusted Annual Surplus	\$ 1,732,482	\$2,495,550	\$ 128,800	\$ 4,356,832

Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2020

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.

16. Comparative Amounts

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

17. Significant Event

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had 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, 2020

Schedule I

Taxation and Grants-in-Lieu of Taxes

	Budget		
	2020	2020	2019
Property taxes	\$ 2,226,064	\$ 2,232,765	\$ 2,146,518
Utilities	51,000	49,995	49,637
Federal Grants-in-lieu	6,000	6,879	5,471
	<u>2,283,064</u>	<u>2,289,639</u>	<u>2,201,626</u>
Collections for other Governments			
British Columbia Assessment Authority	28,712	28,693	24,779
Cowichan Valley Regional District	1,197,159	1,197,159	1,104,880
Municipal Finance Authority	131	131	122
Police Tax Levy	182,600	182,477	166,630
Regional Hospital District	339,850	339,850	309,247
School Tax Levy	1,046,713	1,046,497	1,036,859
Vancouver Island Regional Library	150,202	150,202	133,728
	<u>2,945,367</u>	<u>2,945,009</u>	<u>2,776,245</u>
Total Property Taxes and Collections	5,228,431	5,234,648	4,977,871
Less: transfers to other Governments	<u>2,945,367</u>	<u>2,945,009</u>	<u>2,776,245</u>
Net Taxation Revenue	\$ 2,283,064	\$ 2,289,639	\$ 2,201,626

For the Year Ended December 31, 2020

Schedule II

Government Grants and Transfers

	Budget		
	2020	2020	2019
Small Community Protection Grant	\$ 493,000	\$ 493,974	\$ 492,220
Other	1,900	1,937	1,937
Covid Restart Grant	-	1,158,000	-
	\$ 494,900	\$ 1,653,911	\$ 494,157
Grants and Other			
BC Hydro	\$ -	\$ -	\$ 500
Community Works Funds	600,000	-	4,325
CRI Firesmart Community Funding	149,960	23,707	-
Fire smart Grant	-	-	3,200
Asset Management BC	15,000	15,000	-
Other	-	6,500	9,000
Summer Student grants	-	4,088	7,762
Sewer Treatment Facility	2,200,000	-	-
Water and Wastewater grants	-	-	239,583
	\$ 2,964,960	\$ 49,295	\$ 264,370

For the Year Ended December 31, 2020

Schedule III

Sales of services

	Budget		
	2020	2020	2019
GENERAL REVENUE FUND			
Garbage fees	\$ 397,500	\$ 400,718	\$ 386,875
Cowichan Lake Education Centre	21,000	44,700	346,880
Lakeview Park fees	1,000	199,864	205,460
CVRD fire protection	322,918	322,918	312,469
Fire service	-	31,943	39,973
Administration recoveries	3,170	3,229	3,204
Public Works revenues	-	12,573	6,393
Lease revenues	64,800	64,800	64,526
Penalties and interest on taxes	50,000	77,004	63,177
	860,388	1,157,749	1,428,957
Licences and Permits			
Business licences	18,000	18,525	18,275
Building permit and fees	24,700	49,275	61,072
Dog licences and fines	3,300	2,715	3,855
Other	6,130	33,050	31,722
	52,130	103,565	114,924
WATERWORKS UTILITY REVENUE FUND			
User fees	595,000	620,158	589,747
Parcel tax	341,200	341,400	238,420
Penalties and interest	5,500	6,486	5,829
Connection and service charges	5,000	14,690	12,850
	946,700	982,734	846,846
SEWER UTILITY REVENUE FUND			
User fees	497,000	510,220	485,005
Parcel tax	250,050	250,200	166,700
Penalties and interest	4,500	5,403	4,857
Connection and service charges	2,000	18,364	14,391
	753,550	784,187	670,953
	\$ 2,612,768	\$ 3,028,235	\$ 3,061,680

For the Year Ended December 31, 2020

Schedule IV

Parks and Recreational Services Expenses

	Budget		
	2020	2020	2019
GENERAL REVENUE FUND			
Cowichan Lake Education Centre	\$ 277,800	\$ 307,169	\$ 501,523
Information Centre	22,000	18,673	18,415
Lakeview Park	33,600	199,829	192,250
Parks and playgrounds	219,800	345,666	318,041
Buildings and other	34,300	46,437	26,458
	<hr/>	<hr/>	<hr/>
	\$ 587,500	\$ 917,774	\$ 1,056,687

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
REVENUE										
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
EXPENSES										
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
Amortization	650,848	533,010	411,398	408,715	727,592	466,862	908,130	-	4,106,555	4,048,860
	5,219	172,952	321,572	-	190,182	97,287	248,986	-	1,036,198	-
TOTAL EXPENSES	656,067	705,962	732,970	408,715	917,774	564,149	1,157,116	-	5,142,753	4,048,860
SURPLUS	2,487,087	(282,829)	(703,728)	(7,519)	(312,513)	227,372	(174,382)	712,588	1,946,076	4,356,832

For the Year Ended December 31, 2019
Schedule VI

Consolidated Segment Disclosures

	General Government	Protective Services	Public Works Transportation	Garbage & Recycling	Parks and Recreation	Sewer Services	Water Services	Reserve	2019 Consolidated	2019 Budget
REVENUE										
Taxation & grants in lieu of taxes	\$ 2,201,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,201,626	\$ 2,201,881
Government grants and transfers	494,157	-	-	-	-	-	-	-	494,157	451,900
Utility charges and parcel taxes	-	-	-	386,875	-	666,096	841,017	-	1,893,988	1,840,420
Sales of services and fees	245,831	312,469	6,393	-	552,340	-	-	-	1,117,033	1,116,897
Interest and penalties	109,498	-	-	-	-	4,857	5,829	48,080	168,264	30,000
Grants	13,825	3,200	-	-	7,762	-	239,583	-	264,370	6,160,075
Other	7,815	39,973	-	-	-	-	-	-	47,788	-
	3,072,752	355,642	6,393	386,875	560,102	670,953	1,086,429	48,080	6,187,226	11,801,173
EXPENSES										
Administration	(268,700)	13,000	(194,500)	43,100	43,100	157,000	207,000	-	-	-
Audit and legal	41,248	-	-	-	-	-	-	-	41,248	56,000
Advertising, promotion and rebates	6,538	751	685	-	350	-	-	-	8,324	15,100
Conferences, travel and memberships	38,495	32,968	491	-	-	1,684	1,103	-	74,741	86,200
Contracted services	68,939	100,242	47,993	110,221	80,357	71,390	31,323	-	510,465	585,200
Discounts	-	-	-	24,101	-	35,635	43,405	-	103,141	103,500
Fuel	-	8,072	44,199	-	-	-	-	-	52,271	12,100
Insurance	40,371	11,548	31,801	-	116	-	-	-	83,836	111,900
Interest	3,928	16,342	-	-	-	-	-	-	20,270	25,300
Materials	28,659	246,557	87,870	5,165	123,095	29,213	56,500	-	577,059	434,550
Telephone	10,336	5,526	6,528	-	10,516	-	3,083	-	35,989	34,600
Utilities	10,595	24,115	87,308	-	58,336	36,337	80,735	-	297,426	311,700
Wages, benefits and equipment charges	615,665	180,631	165,071	207,688	550,523	96,027	239,571	-	2,055,176	2,364,450
	596,074	639,752	277,446	390,275	866,393	427,286	662,720	-	3,859,946	4,140,600
Amortization	-	150,784	316,013	-	190,294	97,287	248,029	-	1,002,407	-
TOTAL EXPENSES	596,074	790,536	593,459	390,275	1,056,687	524,573	910,749	-	4,862,353	4,140,600
SURPLUS	2,476,678	(434,894)	(587,066)	(3,400)	(496,585)	146,380	175,680	48,080	1,324,873	7,660,573

A winter scene featuring a calm lake in the center. The foreground is dominated by a thick layer of snow and snow-laden evergreen trees on the left. Bare, snow-covered branches frame the top and right sides of the image. In the background, a large house with a white roof and a smaller building are visible, surrounded by more snow-covered trees. The sky is overcast and grey, suggesting a snowy day.

*Other
Information*

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 2020.

Permissive Property Tax Exemptions

Anglican Church, 70 Cowichan Avenue	\$1,942
Bishop of Victoria, 60 Fern Road	2,873
Catalyst Paper Corp., North Shore Road Boat launch	9,402
Cow Lake Dist. Seniors Assoc., 55 Coronation Street	11,913
Cowichan Lake Lions Club, 131 Oak Lane	1,311
Island Corridor Foundation, Trails	1,500
Kaatza Historical Society, 125 South Shore Road	5,008
Lake Cowichan Khalsa Diwan Society, 9 Boundary Rd.	2,681
Pentecostal Assemblies of Canada, 10 King George St.	7,377
Royal Canadian Legion, 5 North Shore Road	1,457
50% exempted: King George Seniors Affordable Housing, 20 South Shore Road	2,730
Total Property Tax Exemptions	48,194

Development Cost Charges and Other Reserves

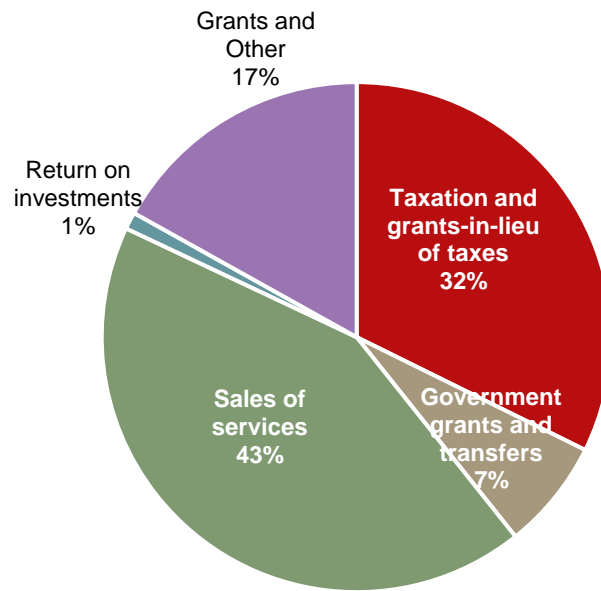
The development cost charge is a method provided by the Local Government Act (Sections 932 to 937) to assist local governments in paying the capital costs of installing local government services related to:

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

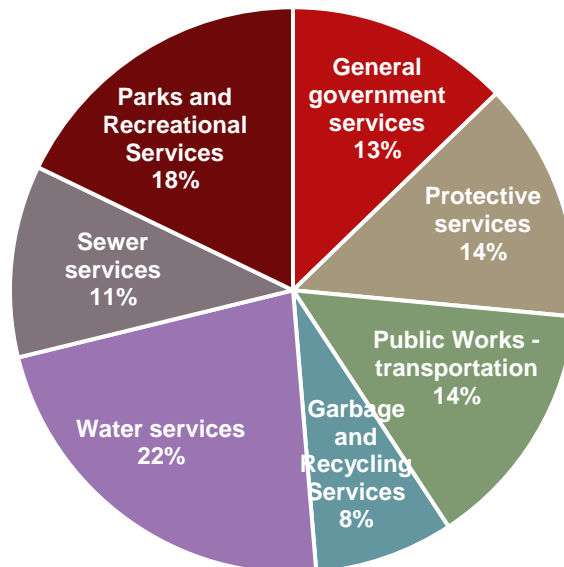
Development Cost Charges and Other Reserves

Parks Dedication Reserve	90,452
DCC Roads	412,401
DCC Water	902,763
DCC Sewer	249,899
Land Acquisition Reserve	103,015
Total DCC's & Other Reserves	1,758,530

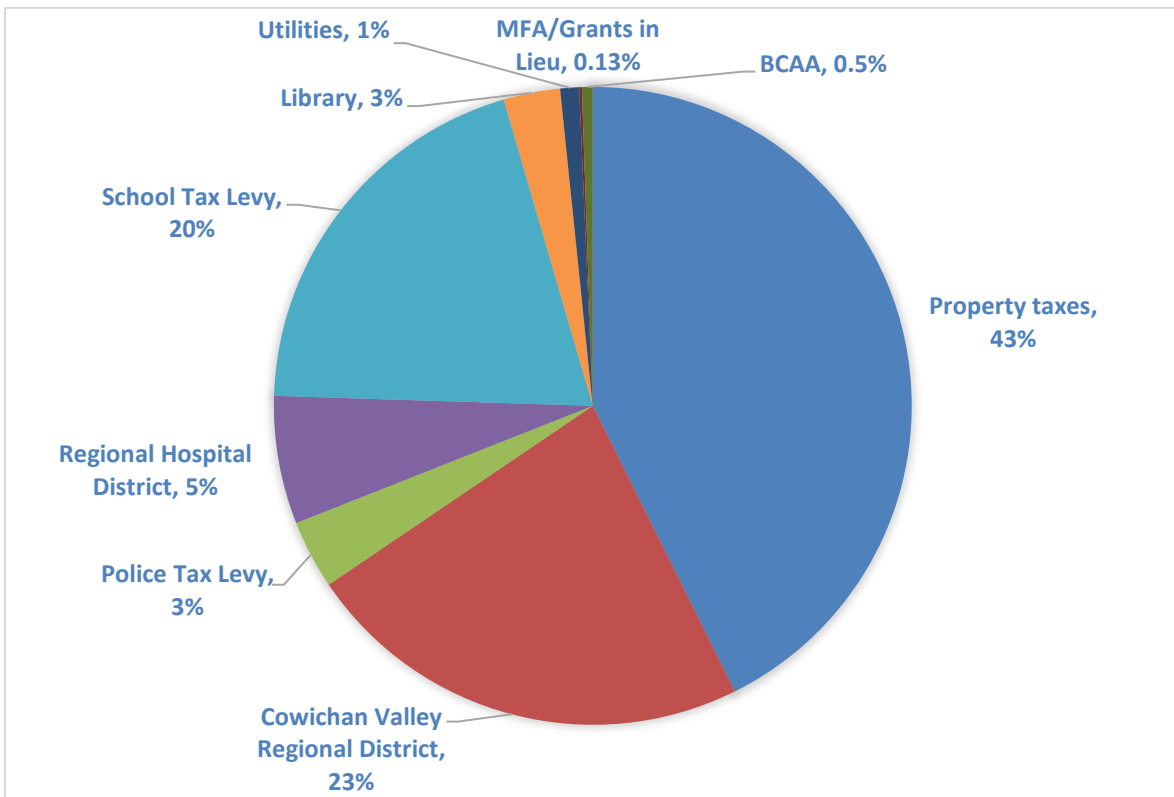
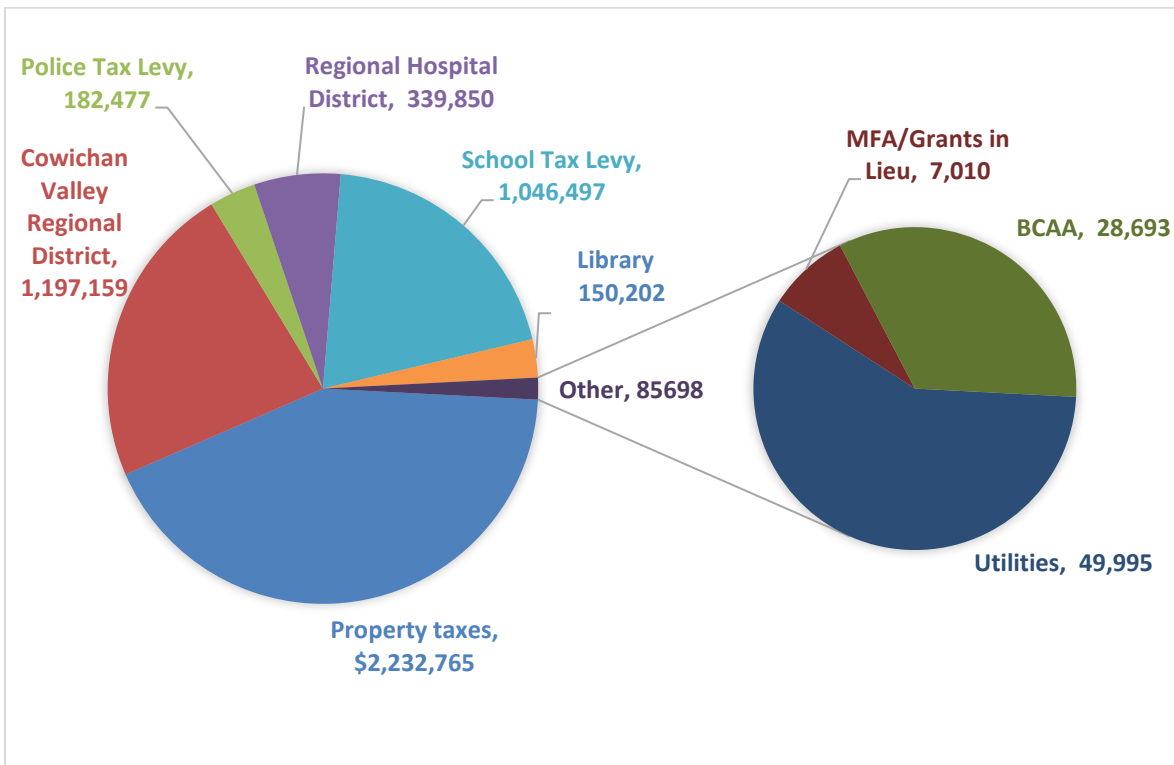
Revenues by Percentage



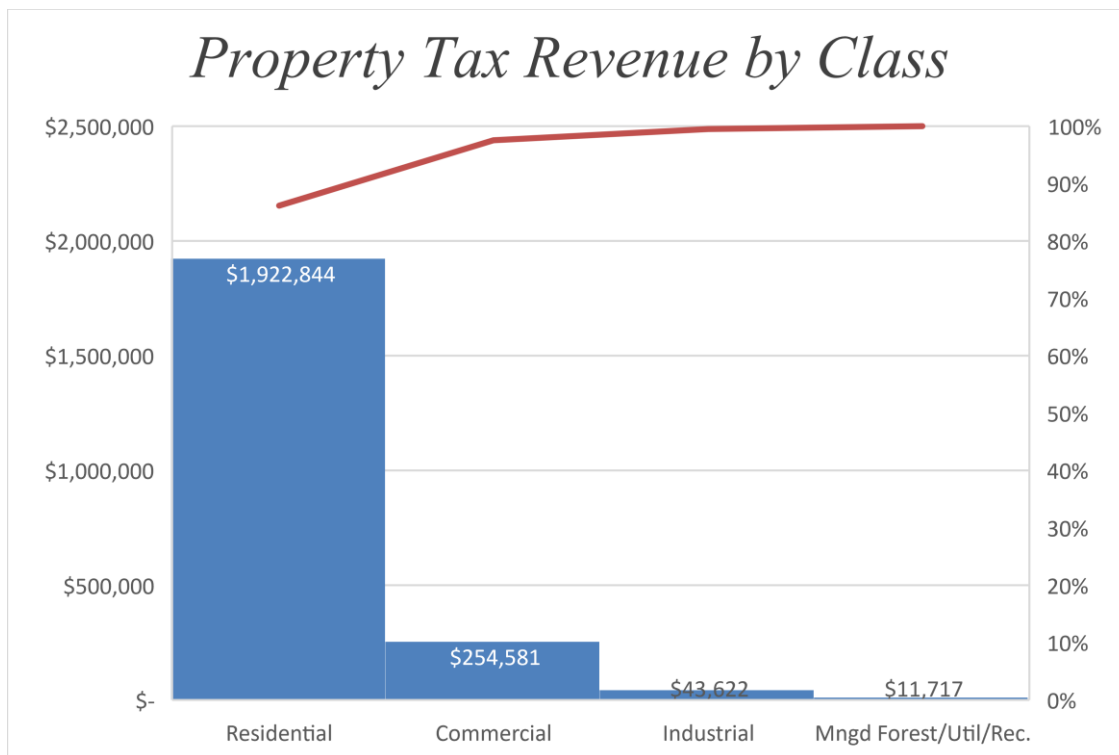
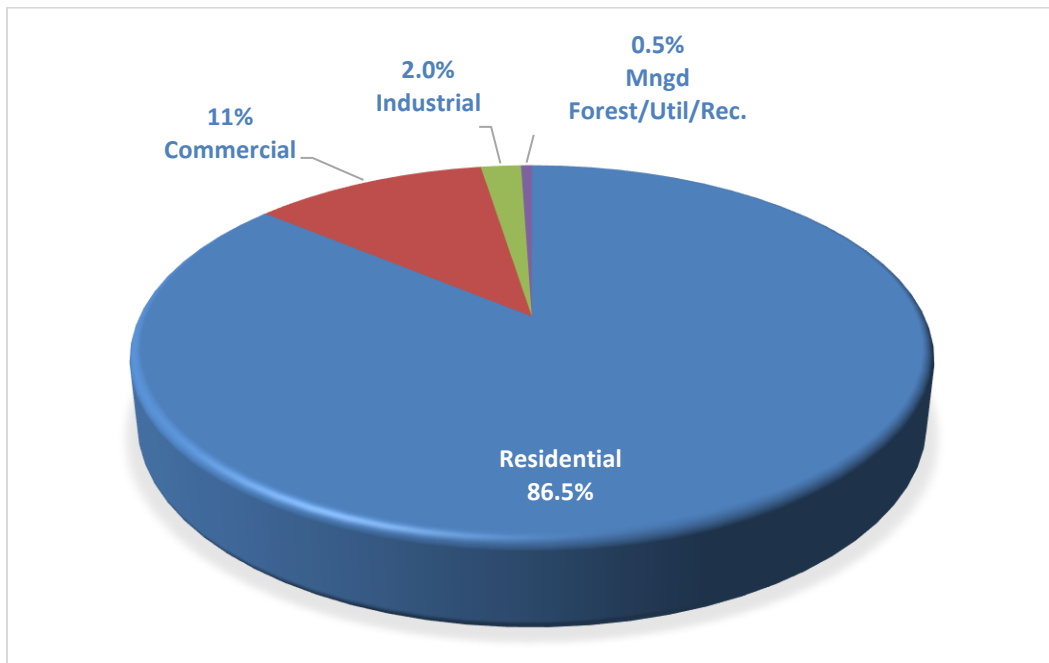
Expenses by Percentage



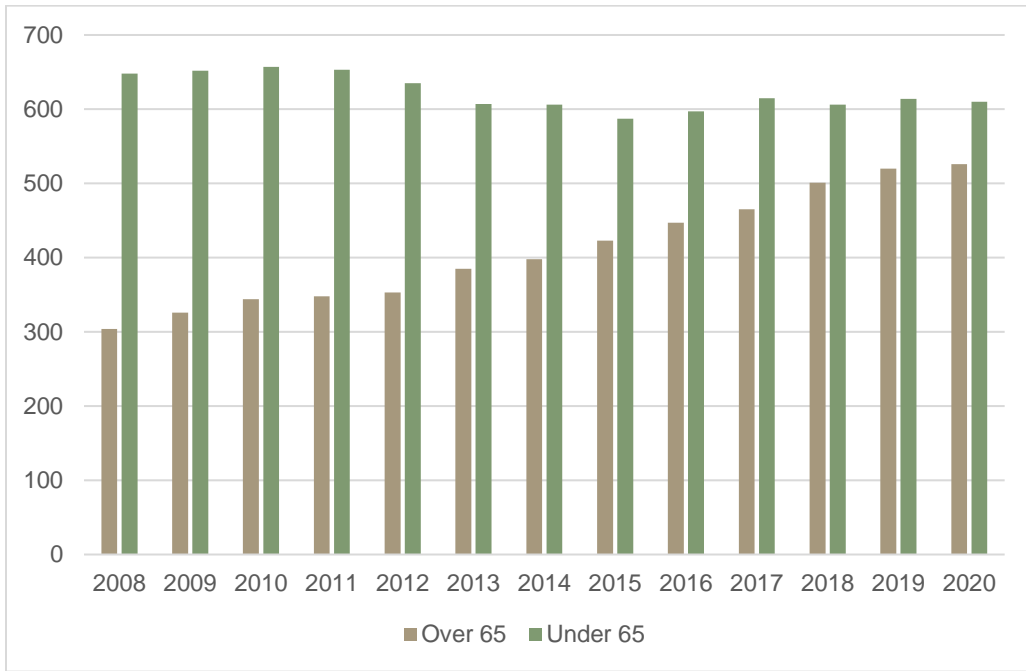
Taxation Revenue



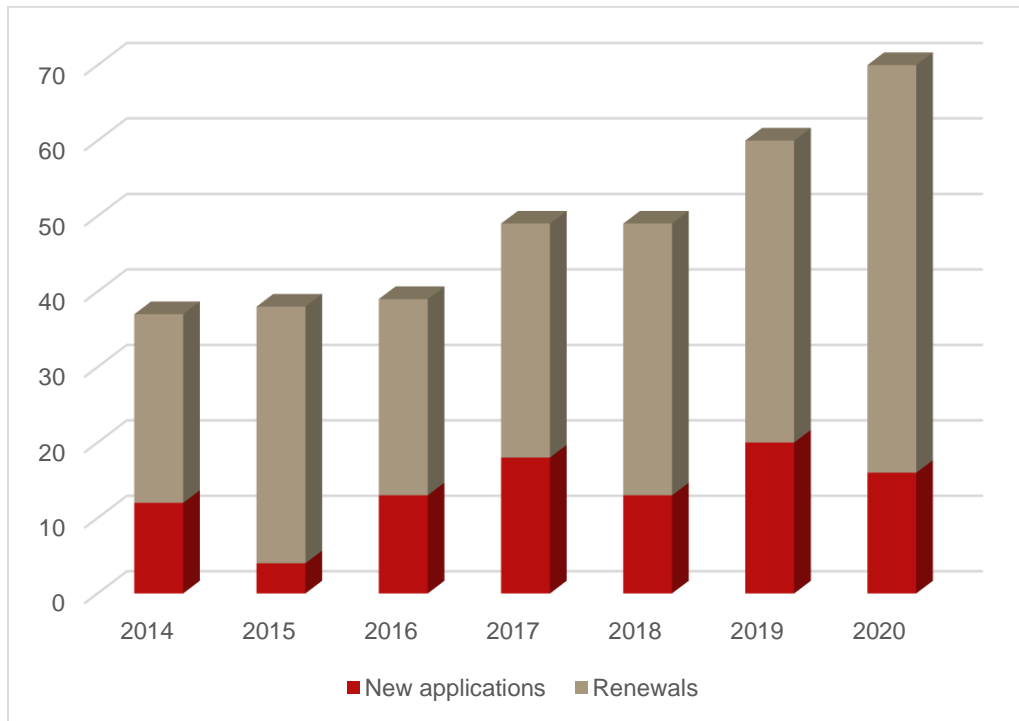
Property Tax Revenue by Class



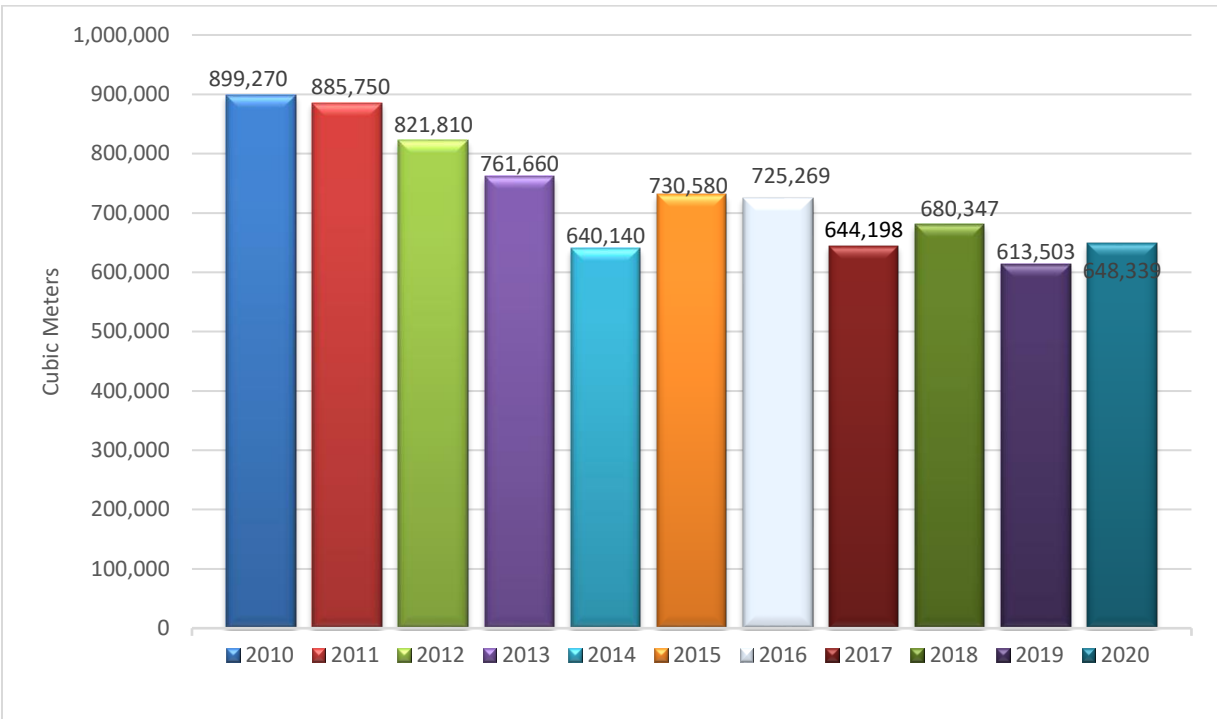
Homeowner Grant Claims



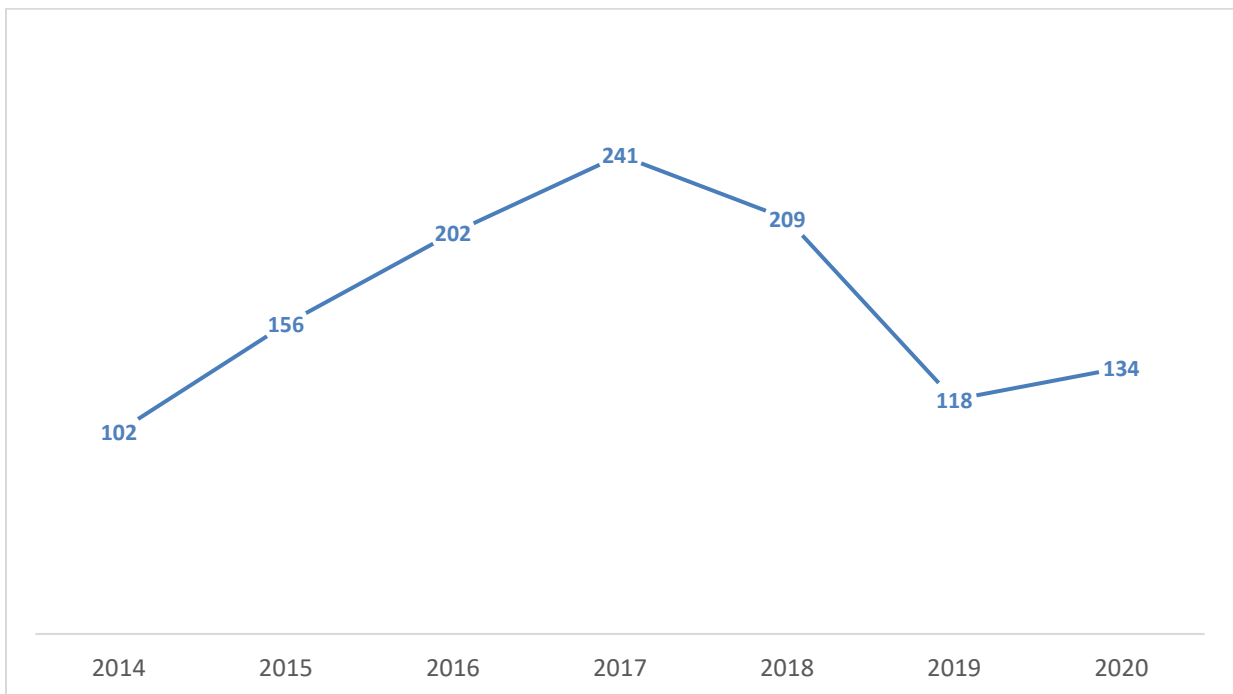
Property Tax Deferments



Water Consumption Data



Land Title Changes



Name	Amount
Aon Reed Stenhouse Inc.	\$ 68,405
Archie Johnstone Plumbing	65,467
BC Assessment Authority	28,817
BC Hydro & Power Authority	302,374
Bjk Architecture Inc.	26,439
Cida Holdings	83,277
Cowichan Valley Regional District	1,638,566
Cullen Diesel Power Ltd.	71,661
Drager Safety Canada Ltd	38,572
Duncan Paving Ltd	150,468
G & G Roofing Ltd	175,991
Global Pro Systems Inc	43,015
Guillevin International	131,335
Herold Engineering Limited	34,819
I.C.B.C	40,337
Iconix Waterworks Ltd. Partnership	25,121
Irwin Air Ltd.	38,572
Jaykar Holdings Ltd.	49,242
Malvern Panalytical	52,984
McElhanney Associates Land Surveying	39,212
Minister Of Finance & Corp. Relations	32,791
Municipal Pension Plan	182,760
New Landscapes	55,756
North Island Pumps	34,701
RBS Managed Services	30,016
Receiver General for Canada Payroll	424,165
Rollins Machinery Limited	28,839
Royal Bank Visa	29,274
Shur Power Electric	64,677
Stantec Consulting Ltd.	78,800
Super Save Enterprises Ltd.	25,844
The Integrity Group	28,812
Triosh Cont. Ltd	35,795
Tritech Group Ltd.	33,963
United Steelworkers Local 1-1937	25,243
Urban Systems	40,703
Van HEMERT, JAMES	25,161
Vancouver Island Regional Library	150,203
Vatcher, Steve	72,626
W.E. Consultants & Benefit Services Ltd.	30,190
Waste Connections of Canada Inc.	42,310
Workers Compensation Board	41,940
Young Anderson	25,875
Payments Made (Vendors Over \$25000)	4,645,118
Miscellaneous Payments (\$25000 and under)	1,113,920
Total Payments	5,759,038

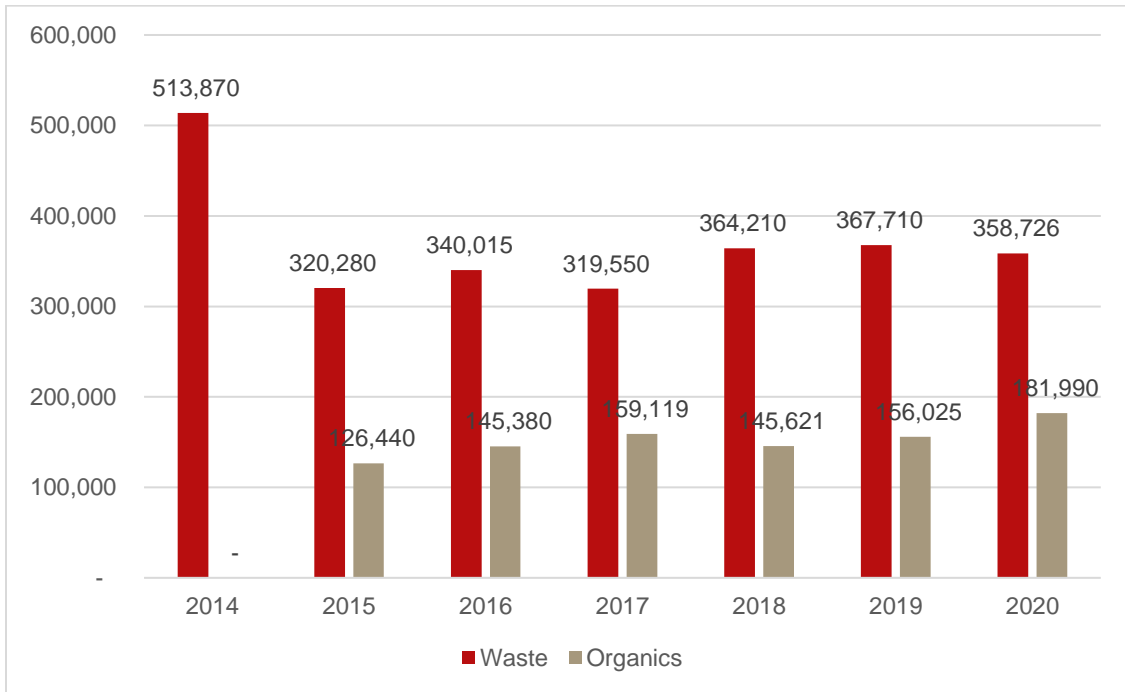
Payments for Goods & Services Exceeding \$25,000

Note

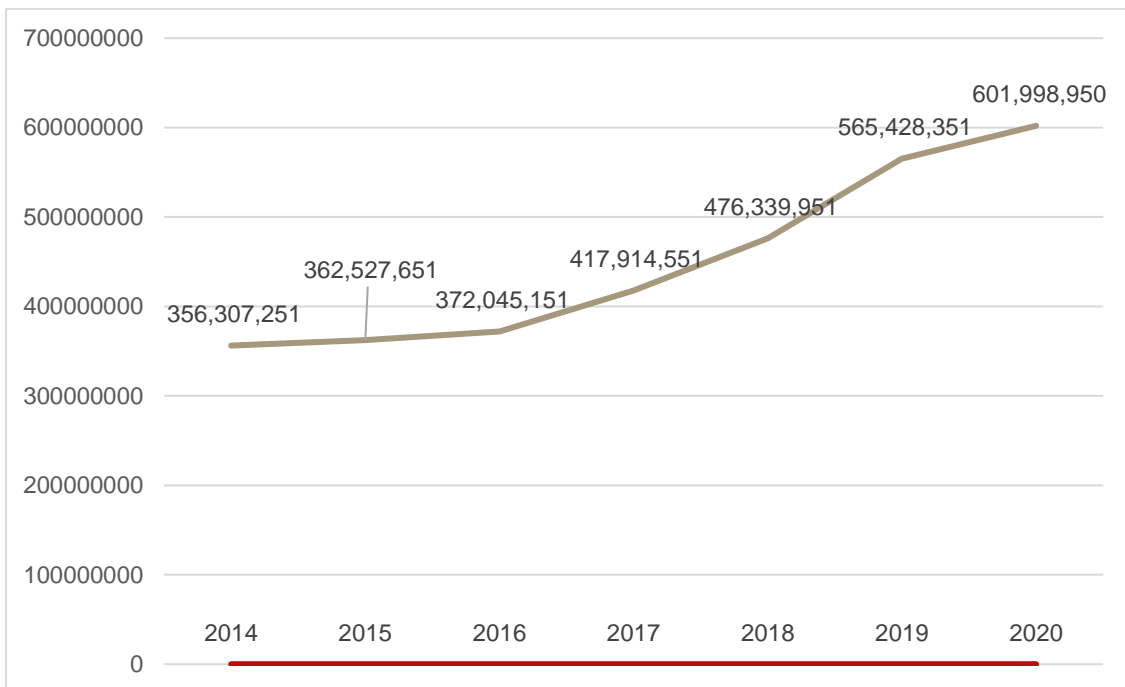
This schedule has been prepared on a cash basis and includes payments to vendors made in 2020.

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.

Waste and Organics Collection (in Kg)



BC Assessment Values





Town of Lake Cowichan

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

Town Office Tel: 250-749-6681
Fax: 250-749-3900

Public Works Tel: 250-749-6244
Fax: 250-749-6686

Cowichan Lake Education Centre: 250-749-6213
Lakeview Park Campground: 250-749-3350

Website: www.lakecowichan.ca