



**TOWN OF LAKE COWICHAN**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**(Audited)**  
**DECEMBER 31, 2025**

**Town of Lake Cowichan**  
**Consolidated Financial Statements**  
**For the Year Ended December 31, 2025**

Statement of Management's Responsibility

Independent Auditor's Report

**Consolidated Financial Statements**

|  |   |
|--|---|
| Consolidated Statement of Financial Position                 | 1 |
| Consolidated Statement of Operations and Accumulated Surplus | 2 |
| Consolidated Statement of Cash Flows                         | 3 |
| Consolidated Statement of Changes in Net Financial Assets    | 4 |
| Notes to the Consolidated Financial Statements               | 5 |

**Schedules**

|     |                                       |    |
|-----|---------------------------------------|----|
| I   | Taxation and Grants-in-Lieu of Taxes  | 17 |
| II  | Government Grants and Transfers       | 18 |
| III | Sales of Services                     | 19 |
| IV  | 2025 Consolidated Segment Disclosures | 20 |
| V   | 2024 Consolidated Segment Disclosures | 21 |

**TOWN OF LAKE COWICHAN**  
**CONSOLIDATED FINANCIAL STATEMENTS**

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY**

The accompanying Consolidated Financial Statements for the Town of Lake Cowichan (the Town) are the responsibility of management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards.

In carrying out its responsibilities, management maintains appropriate systems of internal controls and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that the financial information produced is relevant and reliable.

The consolidated financial statements have been audited by MNP LLP, independent external auditors appointed by the Town.

The accompanying Independent Auditor's report, addressed to the Mayor and members of Council, outlines MNP's responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Their opinion is based upon an examination conducted in accordance with Canadian Auditing Standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the Town in accordance with Canadian Public Sector Accounting Standards.

---

John Thomas  
Chief Administrative Officer

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, 2025, and the consolidated statements of operations and accumulated surplus, net financial assets and cash flows 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, 2025, and the results of its consolidated operations, changes in net financial assets and its 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.

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

May 12, 2026

*MNP LLP*

Chartered Professional Accountants

**MNP**  
LLP

**Town of Lake Cowichan**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2025**

|   | <b>2025</b>       | <b>2024</b>       |
|---|-------------------|-------------------|
| <b>FINANCIAL ASSETS</b>                 |                   |                   |
| Cash and short-term deposits (Note 3)   | \$ 27,371,812     | \$ 25,868,014     |
| Accounts receivable (Note 4)            | 1,353,316         | 907,710           |
|   | 28,725,128        | 26,775,724        |
| <b>FINANCIAL LIABILITIES</b>            |                   |                   |
| Accounts payable (Note 5)               | 451,505           | 374,286           |
| Wages payable                           | 17,796            | 47,843            |
| Future payroll obligations (Note 6)     | 304,888           | 409,060           |
| Deferred revenues and deposits (Note 7) | 1,191,372         | 979,585           |
| Community works fund (Note 8)           | 426,155           | 234,597           |
| Restricted Revenues (Note 9)            | 3,136,773         | 2,948,519         |
| Asset Retirement Obligation (Note 10)   | 373,200           | 373,200           |
|   | 5,901,689         | 5,367,090         |
| <b>NET FINANCIAL ASSETS</b>             | <b>22,823,439</b> | <b>21,408,634</b> |
| <b>NON-FINANCIAL ASSETS</b>             |                   |                   |
| Inventory                               | 133,839           | 104,483           |
| Prepaid items                           | 215,066           | 168,230           |
| Tangible capital assets (Note 11)       | 38,860,632        | 37,950,643        |
|   | 39,209,537        | 38,223,356        |
| <b>ACCUMULATED SURPLUS (Note 12)</b>    | <b>62,032,976</b> | <b>59,631,990</b> |
| Commitments and Contingencies (Note 13) |                   |                   |

See accompanying notes to the Consolidated Financial Statements

---

Ronnie Gill, CPA, CGA  
Director of Finance

**Town of Lake Cowichan**  
**Consolidated Statement of Operations and Accumulated Surplus**  
**For the Year Ended December 31, 2025**

|   | <b>Budget</b>     |                   |                   |
|---|-------------------|-------------------|-------------------|
|   | <b>2025</b>       | <b>2025</b>       | <b>2024</b>       |
|   | (Note 16)         |                   |                   |
| <b>REVENUES</b>                                   |                   |                   |                   |
| Taxation and grants-in-lieu of taxes (Schedule I) | \$ 4,228,705      | \$ 4,237,851      | \$ 3,723,390      |
| Government grants and transfers (Schedule II)     | 481,900           | 476,845           | 723,970           |
| Grants and Other (Schedule II)                    | 1,762,950         | 687,161           | 840,499           |
| Sales of services (Schedule III)                  | 3,463,200         | 3,802,623         | 3,601,683         |
| Return on investments                             | 200,000           | 685,506           | 1,040,675         |
| Contributed tangible capital assets               | -                 | 644,603           | 625,498           |
|   | <u>10,136,755</u> | <u>10,534,589</u> | <u>10,555,715</u> |
| <b>EXPENSES</b>                                   |                   |                   |                   |
| General government services                       | 1,467,500         | 1,734,584         | 1,060,702         |
| Protective services                               | 786,500           | 910,814           | 861,827           |
| Public Works - transportation                     | 524,000           | 615,578           | 601,881           |
| Garbage and Recycling Services                    | 607,000           | 561,683           | 521,102           |
| Parks and Recreational Services (Note 14)         | 1,093,000         | 1,373,417         | 1,228,810         |
| Sewer services                                    | 725,000           | 844,325           | 927,746           |
| Water services                                    | 1,718,000         | 2,093,202         | 1,328,976         |
|   | <u>6,921,000</u>  | <u>8,133,603</u>  | <u>6,531,044</u>  |
| <b>SURPLUS FOR THE YEAR</b>                       | 3,215,755         | 2,400,986         | 4,024,671         |
| <b>ACCUMULATED SURPLUS, beginning of year</b>     | 59,631,990        | 59,631,990        | 55,607,319        |
| <b>ACCUMULATED SURPLUS, end of year</b>           | <u>62,847,745</u> | <u>62,032,976</u> | <u>59,631,990</u> |

See accompanying notes to the Consolidated Financial Statements

**Town of Lake Cowichan**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2025**

|   | 2025         | 2024         |
|---|--------------|--------------|
| <b>OPERATIONS</b>                               |              |              |
| Surplus for the year                            | \$ 2,400,986 | \$ 4,024,671 |
| Non-cash charges to operations                  |              |              |
| Amortization                                    | 1,469,263    | 1,420,537    |
| Loss on disposal                                | -            | 99,758       |
| Contributed tangible capital assets             | (644,603)    | (625,498)    |
| Cash from Operations                            | 3,225,646    | 4,919,468    |
| <b>CHANGE IN WORKING CAPITAL BALANCES</b>       |              |              |
| Accounts receivable                             | (445,606)    | (90,847)     |
| Prepaid items                                   | (46,836)     | 6,068        |
| Inventory                                       | (29,356)     | (19,048)     |
| Redeemable Tax Sale Properties                  | -            | 48,434       |
| Accounts payable                                | 77,219       | (345,199)    |
| Wages payable                                   | (30,047)     | 10,304       |
| Future payroll obligations                      | (104,172)    | (27,809)     |
| Deferred revenue                                | 211,787      | 266,859      |
| Community works fund                            | 191,558      | 128          |
| Restricted Revenues                             | 188,254      | 376,908      |
| Tax sale deposits                               | -            | (63,817)     |
| Cash provided by operating transactions         | 3,238,447    | 5,081,449    |
| <b>CAPITAL</b>                                  |              |              |
| Acquisition of tangible capital assets          | (1,734,649)  | (1,458,585)  |
| <b>FINANCING</b>                                |              |              |
| Municipal Finance Authority loan payments       | -            | (32,893)     |
| NET CHANGE IN CASH AND SHORT TERM DEPOSITS      | 1,503,798    | 3,589,971    |
| CASH AND SHORT TERM DEPOSITS, beginning of year | 25,868,014   | 22,278,043   |
| CASH AND SHORT TERM DEPOSITS, end of year       | 27,371,812   | 25,868,014   |
| <b>Cash and short term deposits:</b>            |              |              |
| Cash  | 411,470      | 509,011      |
| Short term deposits                             | 26,960,342   | 25,359,003   |
|   | 27,371,812   | 25,868,014   |

Interest paid during the year amounted to \$7,160 (2024 - \$9,346).  
See accompanying notes to the Consolidated Financial Statements

**Town of Lake Cowichan**  
**Consolidated Statement of Changes in Net Financial Assets**  
**For the Year Ended December 31, 2025**

|  | <b>Budget<br/>2025<br/>(Note 16)</b> | <b>2025</b> | <b>2024</b> |
|--|--------------------------------------|-------------|-------------|
| <b>SURPLUS FOR THE YEAR</b>                        | 3,215,755                            | 2,400,986   | 4,024,671   |
| Amortization of tangible capital assets            | -                                    | 1,469,263   | 1,420,537   |
| Change in inventories and prepaid expenses         | -                                    | (76,192)    | (12,980)    |
| Acquisition of tangible capital assets             | (5,459,000)                          | (2,379,252) | (1,984,325) |
| <b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b> | (2,243,245)                          | 1,414,805   | 3,447,903   |
| NET FINANCIAL ASSETS, beginning of year            | 21,408,634                           | 21,408,634  | 17,960,731  |
| <b>NET FINANCIAL ASSETS, end of year</b>           | 19,165,389                           | 22,823,439  | 21,408,634  |

See accompanying notes to the Consolidated Financial Statements

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

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.

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 1. Significant Accounting Policies (continued)

The Town recognizes revenue from sources of revenue deemed to be non-exchange transactions such as some user fees, donations and contributions and investments. These non-exchange transactions have no performance obligations and are recognized at their realizable value when the Town has the authority to claim or retain economic inflow based on a past transaction giving rise to an asset.

Revenue from transactions with performance obligations is recognized when the Town satisfies a performance obligation by providing the promised goods or services to a payor. The performance obligation is evaluated as being satisfied either over a period of time or at a point in time.

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 use 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 replacement cost.

#### 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                     | 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                   |

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 1. Significant Accounting Policies (continued)

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 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.

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 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% (2024 – 2%)
- discount rate is 3.45% (2024 – 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 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, 2025.

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, 2025, the Town has not recorded any liability for contaminated sites as no such sites exist.

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 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 has not inflated and discounted current valuations due to the uncertainty surrounding the actual settlement of the asset retirement obligations included in the scope.

#### 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.

#### 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*.

|                                      | <b>2025</b>      | <b>2024</b>      |
|--------------------------------------|------------------|------------------|
| General cash and short-term deposits | \$ 20,191,872    | \$ 19,036,613    |
| Restricted revenues                  | 3,136,773        | 2,948,519        |
| Capital reserves                     | 4,043,167        | 3,882,882        |
|                                      | <hr/> 27,371,812 | <hr/> 25,868,014 |

**Town of Lake Cowichan**

**Notes to the Consolidated Financial Statements**

**For the Year Ended December 31, 2025**

**4. Accounts Receivable**

|                         | <b>2025</b>     | <b>2024</b>   |
|-------------------------|-----------------|---------------|
| Property taxes          | \$ 515,564      | \$ 450,718    |
| Water trade receivables | 74,483          | 63,033        |
| Sewer trade receivables | 62,403          | 53,071        |
| Other                   | 700,865         | 340,888       |
|                         | <hr/> 1,353,316 | <hr/> 907,710 |

**5. Accounts Payable**

|  | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
| Trade accounts and accrued liabilities | \$ 431,107    | \$ 355,677    |
| Regional and local governments         | 20,399        | 18,609        |
|  | <hr/> 451,505 | <hr/> 374,286 |

**6. Future Payroll Obligations**

|                        | <b>2025</b>   | <b>2024</b>   |
|------------------------|---------------|---------------|
| Vacation leave accrual | \$ 236,728    | \$ 348,806    |
| Sick leave payable     | 68,160        | 60,254        |
|                        | <hr/> 304,888 | <hr/> 409,060 |

Total sick leave paid out during the year amounted to \$44,746 (2024 - \$54,968).

**7. Deferred Revenues and Deposits**

|                                      | <b>2025</b>     | <b>2024</b>   |
|--------------------------------------|-----------------|---------------|
| Prepaid property taxes and utilities | \$ 155,221      | \$ 172,368    |
| Developers' deposits                 | 440,978         | 427,516       |
| Other deposits and unearned revenues | 595,173         | 379,701       |
|                                      | <hr/> 1,191,372 | <hr/> 979,585 |

**Town of Lake Cowichan**

**Notes to the Consolidated Financial Statements**

**For the Year Ended December 31, 2025**

**8. Community Works Fund**

|                             | <b>2025</b>    | <b>2024</b>    |
|-----------------------------|----------------|----------------|
| Balance, beginning of year  | \$234,597      | \$234,469      |
| Funds received              | 214,812        | 214,811        |
| Funds expended              | (31,453)       | (218,088)      |
| Interest earned             | 8,199          | 3,405          |
| <u>Balance, end of year</u> | <u>426,155</u> | <u>234,597</u> |

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**

|                               | <b>2025</b>      | <b>2024</b>      |
|-------------------------------|------------------|------------------|
| Land acquisition              | \$ 119,122       | \$ 115,796       |
| Parkland dedication           | 357,159          | 347,188          |
| Road development charge       | 678,965          | 654,231          |
| Sewer development charge      | 479,547          | 417,977          |
| Water development charge      | 1,466,014        | 1,395,280        |
| Parks development charge      | 16,514           | 7,913            |
| Stormwater development charge | 19,452           | 10,134           |
| <u></u>                       | <u>3,136,773</u> | <u>2,948,519</u> |

**10. 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 11.

**Town of Lake Cowichan**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended December 31, 2025**

**11. Tangible Capital Assets**

|                          |            |           |                        |            |  |              |                        |  | <b>2025</b>       | <b>2024</b>       |
|--------------------------|------------|-----------|------------------------|------------|--|--------------|------------------------|--|-------------------|-------------------|
|                          | Opening    | Additions | Transfers<br>Disposals | Closing    | Opening<br>Accumulated<br>Amortization | Amortization | Transfers<br>Disposals | Closing<br>Accumulated<br>Amortization | Net Book<br>Value | Net Book<br>Value |
| Land                     | 5,399,654  | 45,000    | -                      | 5,444,654  | -                                      | -            | -                      | -                                      | 5,444,654         | 5,399,654         |
| Land improvements        | 2,156,731  | 88,608    | 8,082                  | 2,253,421  | 644,065                                | 101,819      | -                      | 745,884                                | 1,507,537         | 1,512,666         |
| Buildings (Note 10)      | 10,360,878 | 92,164    | -                      | 10,453,042 | 3,921,024                              | 261,365      | -                      | 4,182,389                              | 6,270,653         | 6,439,854         |
| Equipment and vehicles   | 5,532,507  | 404,837   | -                      | 5,937,344  | 3,240,423                              | 288,444      | -                      | 3,528,867                              | 2,408,477         | 2,292,084         |
| Engineering structures   | 12,178,028 | 132,229   | 9,945                  | 12,320,202 | 2,752,246                              | 381,242      | -                      | 3,133,488                              | 9,186,714         | 9,425,782         |
| Roads and services       | 10,121,298 | 621,570   | -                      | 10,742,868 | 3,813,648                              | 231,462      | -                      | 4,045,110                              | 6,697,758         | 6,307,650         |
| Underground services     | 9,815,313  | 292,812   | -                      | 10,108,125 | 3,644,629                              | 204,931      | -                      | 3,849,560                              | 6,258,565         | 6,170,684         |
| Construction in Progress | 402,269    | 702,032   | 18,027                 | 1,086,274  | -                                      | -            | -                      | -                                      | 1,086,274         | 402,269           |
|                          | 55,966,678 | 2,379,252 | -                      | 58,345,930 | 18,016,035                             | 1,469,263    | -                      | 19,485,298                             | 38,860,632        | 37,950,643        |

**Town of Lake Cowichan**

**Notes to the Consolidated Financial Statements**

**For the Year Ended December 31, 2025**

**12. Accumulated Surplus**

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

| <b>Surpluses</b>                               | <b>2025</b>       | <b>2024</b>       |
|--|-------------------|-------------------|
| Invested in capital assets                     | \$38,487,432      | \$37,577,443      |
| Operating surplus                              | 19,502,377        | 18,171,665        |
|  | <b>57,989,809</b> | <b>55,749,108</b> |
| <b>Reserves</b>                                |                   |                   |
| Capital equipment                              | 4,602             | 4,474             |
| Covid Restart Grant* (See details below)       | 18,307            | 57,812            |
| Fire equipment                                 | 666,823           | 463,511           |
| Fire Hall                                      | 410,846           | 365,353           |
| Growing Communities Grant* (See details below) | 794,765           | 985,919           |
| Municipal Hall                                 | 557,592           | 444,817           |
| Public Works equipment                         | 1,284,047         | 1,278,992         |
| Parks Capital Improvement                      | 38,640            | 37,561            |
| Snow Removal                                   | 135,417           | 116,002           |
| Transportation - Roads                         | 120,127           | 116,774           |
| Sewer General                                  | 2,027             | 1,971             |
| Water General                                  | 9,974             | 9,696             |
|  | <b>4,043,167</b>  | <b>3,882,882</b>  |
|  | <b>62,032,976</b> | <b>59,631,990</b> |

| <b>*Covid Restart Grant</b> | <b>2025</b> | <b>2024</b> |
|-----------------------------|-------------|-------------|
| Opening balance             | \$ 57,812   | \$ 182,053  |
| Interest earned             | 1,660       | 8,758       |
| Covid expenses              | (41,166)    | (132,999)   |
| Ending Balance              | 18,307      | 57,812      |

| <b>*Growing Communities Grant</b>                  | <b>2025</b> | <b>2024</b>  |
|--|-------------|--------------|
| Opening balance                                    | \$ 985,919  | \$ 1,591,703 |
| Interest earned                                    | 28,315      | 76,572       |
| Roads and sidewalks                                | (219,468)   | (158,292)    |
| Washroom/concession building and park improvements | -           | (481,957)    |
| Equipment and energy efficient heating             | -           | (42,107)     |
| Ending Balance                                     | 794,765     | 985,919      |

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 13. 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, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 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, 2024 indicated a \$2.675 billion funding surplus for the basic pension benefits on a going concern basis.

The Town of Lake Cowichan paid \$132,991 (2024 - \$108,601) for employer contributions while employees contributed \$122,992 (2024 - \$99,936) to the Plan in fiscal 2025.

The next valuation will be no later than as of December 31, 2027.

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, 2025 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.

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 13. 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.

#### 14. Parks and Recreational Services

|                                | <b>Budget</b>    |                  |                  |
|--------------------------------|------------------|------------------|------------------|
|                                | <b>2025</b>      | <b>2025</b>      | <b>2024</b>      |
| Cowichan Lake Education Centre | \$ 484,000       | \$ 619,173       | \$ 516,413       |
| Information Centre             | 55,000           | 50,327           | 42,185           |
| Lakeview Park                  | 245,000          | 236,079          | 233,767          |
| Parks and Playgrounds          | 262,000          | 422,676          | 399,266          |
| Buildings and Other            | 47,000           | 45,162           | 37,179           |
|                                | <u>1,093,000</u> | <u>1,373,417</u> | <u>1,228,810</u> |

#### 15. Funds Held in Trust

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

|                    | <b>2025</b>   | <b>2024</b>   |
|--------------------|---------------|---------------|
| Cash held in trust | \$ 11,534     | \$ 10,875     |
| Care Fund equity   | <u>11,534</u> | <u>10,875</u> |

## Town of Lake Cowichan

### Notes to the Consolidated Financial Statements

For the Year Ended December 31, 2025

#### 16. Budget Amounts

Financial Plan Bylaw 1118-2025 was adopted by Council on May 13, 2025. The Financial Plan is prepared on a cash basis with anticipated capital expenditure 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        | (1,150,250)  | (130,725)     | (663,000)     | (1,944,245)        |
| Add: Capital expenditures          | 3,199,000    | 1,825,000     | 435,000       | 5,459,000          |
| Less: Transfers from reserve funds | (299,000)    | -             | -             | (299,000)          |
| Adjusted Annual Surplus            | 1,749,480    | 1,694,275     | (228,000)     | 3,215,755          |

#### 17. 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.

#### 18. Comparative Amounts

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

**Town of Lake Cowichan**  
**For the Year Ended December 31, 2025**

**Schedule I**

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

|  | <b>Budget</b>    |                  |                  |
|--|------------------|------------------|------------------|
|  | <b>2025</b>      | <b>2025</b>      | <b>2024</b>      |
|  | (Note 16)        |                  |                  |
| Property taxes                           | \$ 2,937,380     | \$ 2,937,028     | \$ 2,666,508     |
| Sewer and Water Parcel Tax               | 1,229,325        | 1,239,125        | 999,250          |
| Utilities                                | 55,000           | 54,418           | 51,190           |
| Federal Grants-in-lieu                   | 7,000            | 7,280            | 6,442            |
|  | <u>4,228,705</u> | <u>4,237,851</u> | <u>3,723,390</u> |
| <b>Collections for other Governments</b> |                  |                  |                  |
| British Columbia Assessment Authority    | 43,546           | 43,567           | 41,472           |
| Cowichan Valley Regional District        | 2,032,348        | 2,032,348        | 1,818,146        |
| Municipal Finance Authority              | 237              | 237              | 232              |
| Police Tax Levy                          | 270,000          | 263,546          | 256,707          |
| Regional Hospital District               | 448,727          | 448,727          | 423,075          |
| School Tax Levy                          | 1,620,000        | 1,602,137        | 1,518,629        |
| Vancouver Island Regional Library        | 225,572          | 225,572          | 218,416          |
|  | <u>4,640,430</u> | <u>4,616,134</u> | <u>4,276,677</u> |
| Total Property Taxes and Collections     | 8,869,135        | 8,853,985        | 8,000,067        |
| Less: transfers to other Governments     | 4,640,430        | 4,616,134        | 4,276,677        |
| Net Taxation Revenue                     | <u>4,228,705</u> | <u>4,237,851</u> | <u>3,723,390</u> |

**Town of Lake Cowichan**  
**For the Year Ended December 31, 2025**

**Schedule II**

**Government Grants and Transfers**

|                                  | <b>Budget</b>  |                |                |
|----------------------------------|----------------|----------------|----------------|
|                                  | <b>2025</b>    | <b>2025</b>    | <b>2024</b>    |
|                                  | (Note 16)      |                |                |
| <b>Unconditional Grants</b>      |                |                |                |
| Small Community Protection Grant | \$ 480,000     | \$ 475,000     | \$ 528,500     |
| Other                            | 1,900          | 1,845          | 1,845          |
| BC Climate Action                | -              | -              | 193,625        |
|                                  | <u>481,900</u> | <u>476,845</u> | <u>723,970</u> |

**Conditional Grants**

|                                  |                  |                |                |
|----------------------------------|------------------|----------------|----------------|
| CMHC Housing Accelerator grant   | 100,000          | 3,859          | -              |
| Community Works Funds            | 235,000          | 31,453         | 218,088        |
| CRI FireSmart Community Funding  | 125,000          | 89,614         | 319,026        |
| Destination BC                   | 15,000           | 15,000         | 15,000         |
| Development Approval Process     | 100,000          | 3,911          | 17,188         |
| Federal Grants                   | -                | -              | 39,070         |
| Fire Department equipment grants | 45,000           | 59,189         | 29,142         |
| Other                            | 8,000            | 5,000          | 8,750          |
| Province of BC                   | 35,000           | 7,647          | -              |
| Sewer Treatment Facilities grant | 1,099,950        | 471,488        | 194,235        |
|                                  | <u>1,762,950</u> | <u>687,161</u> | <u>840,499</u> |

**Town of Lake Cowichan**  
**For the Year Ended December 31, 2025**  
**Schedule III**

**Sales of services**

|                                 | <b>Budget<br/>2025<br/>(Note 16)</b> | <b>2025</b>      | <b>2024</b>      |
|---------------------------------|--------------------------------------|------------------|------------------|
| Administration recoveries       | \$ 3,500                             | \$ 3,866         | \$ 3,777         |
| Cowichan Lake Education Centre  | 449,000                              | 506,143          | 485,238          |
| CVRD fire protection            | 461,000                              | 447,923          | 423,278          |
| Fire service                    | -                                    | 1,478            | 2,730            |
| Garbage fees                    | 483,000                              | 515,993          | 481,278          |
| Lakeview Park fees              | 250,000                              | 267,933          | 257,203          |
| Lease revenues                  | 66,800                               | 67,996           | 65,798           |
| Penalties and interest on taxes | 60,000                               | 101,661          | 92,803           |
| Public Works revenues           | -                                    | 15,175           | 8,350            |
|                                 | <u>1,773,300</u>                     | <u>1,928,168</u> | <u>1,820,455</u> |

**Licences and Permits**

|                          |                |                |                |
|--------------------------|----------------|----------------|----------------|
| Business licences        | 22,000         | 26,470         | 23,340         |
| Building permit and fees | 50,100         | 129,892        | 98,536         |
| Dog licences and fines   | 2,700          | 3,385          | 3,695          |
| Other                    | 35,100         | 47,065         | 22,695         |
|                          | <u>109,900</u> | <u>206,812</u> | <u>148,266</u> |

**Water and Sewer Utility Fees**

|                                |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|
| Connection and service charges | 57,000           | 150,176          | 142,326          |
| Penalties and interest         | 11,000           | 13,486           | 11,536           |
| User fees                      | 1,512,000        | 1,503,981        | 1,479,100        |
|                                | <u>1,580,000</u> | <u>1,667,643</u> | <u>1,632,962</u> |
|                                | <u>3,463,200</u> | <u>3,802,623</u> | <u>3,601,683</u> |

**Town of Lake Cowichan**  
**For the Year Ended December 31, 2025**  
**Schedule IV**

**Consolidated Segment Disclosures**

|  | General<br>Government | Protective<br>Services | Public Works<br>Transportation | Garbage &<br>Recycling | Parks and<br>Recreation | Sewer<br>Services | Water<br>Services | Reserve        | 2025<br>Consolidated | 2025<br>Budget<br>(Note 16) |
|--|-----------------------|------------------------|--------------------------------|------------------------|-------------------------|-------------------|-------------------|----------------|----------------------|-----------------------------|
| <b>REVENUE</b>                           |                       |                        |                                |                        |                         |                   |                   |                |                      |                             |
| Taxation & grants in lieu of taxes       | \$ 2,998,726          | \$ -                   | \$ -                           | \$ -                   | \$ -                    | \$ 589,875        | \$ 649,250        | \$ -           | \$ 4,237,851         | \$ 4,228,705                |
| Government grants and transfers          | 476,845               | -                      | -                              | -                      | -                       | -                 | -                 | -              | 476,845              | 481,900                     |
| Conditional Grants                       | 15,417                | 148,803                | -                              | 31,453                 | 20,000                  | 471,488           | -                 | -              | 687,161              | 1,762,950                   |
| Utility fees                             | -                     | -                      | -                              | 515,993                | -                       | 679,764           | 824,217           | -              | 2,019,974            | 1,995,000                   |
| Services and fees                        | 393,821               | 449,401                | 15,175                         | -                      | 774,076                 | 63,583            | 86,593            | -              | 1,782,649            | 1,468,200                   |
| Interest and penalties                   | 560,507               | -                      | -                              | -                      | -                       | 6,286             | 7,200             | 111,513        | 685,506              | 200,000                     |
| Contributed tangible capital assets      | -                     | -                      | 494,179                        | -                      | -                       | 52,150            | 98,274            | -              | 644,603              | -                           |
|  | 4,445,316             | 598,204                | 509,354                        | 547,446                | 794,076                 | 1,863,146         | 1,665,534         | 111,513        | 10,534,589           | 10,136,755                  |
| <b>EXPENSES</b>                          |                       |                        |                                |                        |                         |                   |                   |                |                      |                             |
| Administration                           | (337,000)             | 16,000                 | (305,000)                      | 67,000                 | 48,000                  | 205,000           | 306,000           | -              | -                    | -                           |
| Audit and legal                          | 214,562               | -                      | -                              | -                      | -                       | -                 | -                 | -              | 214,562              | 71,000                      |
| Conferences, travel and memberships      | 42,469                | 33,853                 | -                              | -                      | -                       | 534               | 353               | -              | 77,209               | 91,000                      |
| Contracted services                      | 281,992               | 52,674                 | 142,961                        | 126,176                | 93,824                  | 115,739           | 92,026            | -              | 905,392              | 1,088,700                   |
| Contribution-Ts'uubaa-asatx First Nation | -                     | -                      | -                              | -                      | -                       | -                 | 731,000           | -              | 731,000              | 731,000                     |
| Discounts                                | -                     | -                      | -                              | 32,241                 | -                       | 51,933            | 63,507            | -              | 147,681              | 144,000                     |
| Insurance                                | 184,724               | 9,990                  | 31,890                         | -                      | 156                     | -                 | -                 | -              | 226,760              | 197,200                     |
| Interest                                 | 7,160                 | -                      | -                              | -                      | -                       | -                 | -                 | -              | 7,160                | 6,000                       |
| Materials                                | 186,698               | 150,352                | 164,432                        | -                      | 241,056                 | 31,885            | 97,406            | -              | 871,829              | 764,500                     |
| Telephone and utilities                  | 16,133                | 51,018                 | 97,770                         | -                      | 81,114                  | 53,031            | 87,538            | -              | 386,604              | 393,300                     |
| Wages, benefits and equipment charges    | 1,015,807             | 398,638                | 72,200                         | 336,266                | 723,485                 | 261,828           | 287,919           | -              | 3,096,143            | 3,434,300                   |
|  | 1,612,545             | 712,525                | 204,253                        | 561,683                | 1,187,635               | 719,950           | 1,665,749         | -              | 6,664,340            | 6,921,000                   |
| Amortization                             | 122,039               | 198,289                | 411,325                        | -                      | 185,782                 | 124,375           | 427,453           | -              | 1,469,263            | -                           |
| <b>TOTAL EXPENSES</b>                    | <b>1,734,584</b>      | <b>910,814</b>         | <b>615,578</b>                 | <b>561,683</b>         | <b>1,373,417</b>        | <b>844,325</b>    | <b>2,093,202</b>  | <b>-</b>       | <b>8,133,603</b>     | <b>6,921,000</b>            |
| <b>SURPLUS (DEFICIT)</b>                 | <b>2,710,732</b>      | <b>(312,610)</b>       | <b>(106,224)</b>               | <b>(14,237)</b>        | <b>(579,341)</b>        | <b>1,018,821</b>  | <b>(427,668)</b>  | <b>111,513</b> | <b>2,400,986</b>     | <b>3,215,755</b>            |

**Town of Lake Cowichan**  
**For the Year Ended December 31, 2024**  
**Schedule V**

**Consolidated Segment Disclosures**

|                                       | General<br>Government | Protective<br>Services | Public Works<br>Transportation | Garbage &<br>Recycling | Parks and<br>Recreation | Sewer<br>Services | Water<br>Services | Reserve        | 2024<br>Consolidated | 2024<br>Budget   |
|---------------------------------------|-----------------------|------------------------|--------------------------------|------------------------|-------------------------|-------------------|-------------------|----------------|----------------------|------------------|
| <b>REVENUE</b>                        |                       |                        |                                |                        |                         |                   |                   |                |                      |                  |
| Taxation & grants in lieu of taxes    | \$ 2,724,140          | \$ -                   | \$ -                           | \$ -                   | \$ -                    | \$ 448,750        | \$ 550,500        | \$ -           | \$ 3,723,390         | \$ 3,723,040     |
| Government grants and transfers       | 723,970               | -                      | -                              | -                      | -                       | -                 | -                 | -              | 723,970              | 685,525          |
| Conditional Grants                    | 56,258                | 348,168                | -                              | 218,088                | 23,750                  | 194,235           | -                 | -              | 840,499              | 1,779,583        |
| Contributed tangible capital assets   | -                     | -                      | 429,688                        | -                      | -                       | 99,864            | 95,946            | -              | 625,498              | -                |
| Utility fees                          | -                     | -                      | -                              | 481,278                | -                       | 675,914           | 803,186           | -              | 1,960,378            | 1,913,000        |
| Services and fees                     | 322,180               | 426,008                | 8,350                          | -                      | 742,441                 | 68,600            | 73,726            | -              | 1,641,305            | 1,310,728        |
| Interest and penalties                | 838,807               | -                      | -                              | -                      | -                       | 5,036             | 6,500             | 190,332        | 1,040,675            | 269,000          |
|                                       | <u>4,665,355</u>      | <u>774,176</u>         | <u>438,038</u>                 | <u>699,366</u>         | <u>766,191</u>          | <u>1,492,399</u>  | <u>1,529,858</u>  | <u>190,332</u> | <u>10,555,715</u>    | <u>9,680,876</u> |
| <b>EXPENSES</b>                       |                       |                        |                                |                        |                         |                   |                   |                |                      |                  |
| Administration                        | (317,000)             | 16,000                 | (281,000)                      | 55,000                 | 47,000                  | 176,000           | 304,000           | -              | -                    | -                |
| Audit and legal                       | 47,990                | -                      | -                              | -                      | -                       | -                 | -                 | -              | 47,990               | 70,000           |
| Conferences, travel and memberships   | 38,329                | 34,084                 | -                              | -                      | -                       | 1,920             | -                 | -              | 74,333               | 82,000           |
| Contracted services                   | 234,550               | 42,185                 | 106,197                        | 121,490                | 58,583                  | 230,591           | 102,409           | -              | 896,005              | 707,000          |
| Discounts                             | -                     | -                      | -                              | 30,946                 | -                       | 49,553            | 61,266            | -              | 141,765              | 139,000          |
| Insurance                             | 159,527               | 7,801                  | 27,261                         | -                      | 155                     | -                 | -                 | -              | 194,744              | 187,200          |
| Interest                              | 8,625                 | 722                    | -                              | -                      | -                       | -                 | -                 | -              | 9,347                | 7,000            |
| Materials                             | 91,464                | 156,723                | 217,147                        | (3,759)                | 222,280                 | 72,817            | 54,142            | -              | 810,814              | 739,350          |
| Telephone and utilities               | 16,255                | 55,228                 | 93,980                         | -                      | 79,883                  | 43,657            | 85,503            | -              | 374,506              | 391,300          |
| Wages, benefits and equipment charges | 669,776               | 358,526                | 37,688                         | 317,425                | 650,308                 | 230,162           | 297,118           | -              | 2,561,003            | 2,900,250        |
|                                       | <u>949,516</u>        | <u>671,269</u>         | <u>201,273</u>                 | <u>521,102</u>         | <u>1,058,209</u>        | <u>804,700</u>    | <u>904,438</u>    | <u>-</u>       | <u>5,110,507</u>     | <u>5,223,100</u> |
| Amortization                          | 111,186               | 190,558                | 400,608                        | -                      | 170,601                 | 123,046           | 424,538           | -              | 1,420,537            | -                |
| <b>TOTAL EXPENSES</b>                 | <u>1,060,702</u>      | <u>861,827</u>         | <u>601,881</u>                 | <u>521,102</u>         | <u>1,228,810</u>        | <u>927,746</u>    | <u>1,328,976</u>  | <u>-</u>       | <u>6,531,044</u>     | <u>5,223,100</u> |
| <b>SURPLUS (DEFICIT)</b>              | <u>3,604,653</u>      | <u>(87,651)</u>        | <u>(163,843)</u>               | <u>178,264</u>         | <u>(462,619)</u>        | <u>564,653</u>    | <u>200,882</u>    | <u>190,332</u> | <u>4,024,671</u>     | <u>4,457,776</u> |