

**Town of Lake Cowichan  
PSAB Financial Indicators – Executive Summary  
December 31, 2022**

**Sustainability**

The degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the debt or tax burden relative to the economy within which it operates.

- Assets to liabilities ratio is greater than 1 and increased from 7.9 to 9.5 in 2022
- Financial assets to liabilities increased from 2.66 to 3.36
- Net financial assets have increased from \$10.54 million to \$13.22 million

**Flexibility**

The degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

- Carrying value (or depreciated value) of capital assets decreased in the current year from 70.1% to 69.1%

**Vulnerability**

The degree to which a government is dependent on sources of funding outside its control or influence or is exposed to risks that could impair its ability to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

- The ratio of government transfers to total revenues has slightly increased from 6.41% in 2021 to 6.69% in 2022.