



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

STATEMENT OF FINANCIAL INFORMATION

For the Fiscal Year ended December 31, 2020

Pursuant to the Financial Information Act:

- 1) i) Schedule of Guarantee and Indemnity Agreements
ii) Schedule of Remuneration
iii) Statement of Severance Agreements
iii) Schedule of Amounts Paid to Suppliers for Goods or Services
iv) Statement of Financial information Approval
- 2) Management Report
- 3) 2020 Audited Financial Statements



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020
PURSUANT TO THE FINANCIAL INFORMATION ACT**

SECTION 5

This organization has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.

Information on all Contingent Liabilities and Commitments for this organization is included in Note 7 to the Financial Statements.

Pamela Rooke

Pamela Rooke, CFO
Chief Financial Officer

Ron McLaughlin

Ron McLaughlin
Mayor

THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

FINANCIAL INFORMATION ACT REPORT
Year Ended December 31, 2020

SCHEDULE OF REMUNERATION
SECTION 6

<i>Name</i>	<i>Position</i>	<i>Remuneration*</i>	<i>Expenses**</i>
MAYOR & COUNCIL:			
Neville Abbott	Councillor	8,253.35	
Fred Bain	Councillor	8,253.35	
Norman Barmeier	Councillor	8,253.35	
Jaime Cunliffe	Councillor	8,253.35	
Ron McLaughlin	Mayor	16,506.72	
Total Council		49,520.12	-
STAFF:			
Employees in excess of \$75,000:			
Garth Begley	Public Works Foreman	100,759.16	298.49
Hayley Cook	Municipal Accountant	75,665.60	2,222.35
Peter DeJong	Chief Administrative Officer	139,869.48	1,911.44
Nai Jaffer	Public Works Manager	105,932.53	230.99
Kyle McCallum	Public Works Technician 2	85,425.18	6,389.81
Neale Mullen	Public Works Technician 1	83,740.09	343.11
Pamela Rooke	Chief Financial Officer	111,834.13	2,484.79
Alberto Urrutia	Public Works Treatment Plant Operator 1	117,820.66	1,005.00
Aidan Young	Public Works Technician 1	87,670.66	1,182.71
Add amounts paid to Employees < \$75,000:		444,827.27	3,408.89
Total Staff		1,353,544.76	19,477.58
TOTAL COUNCIL AND STAFF		1,403,064.88	19,477.58


RECONCILIATION OF AMOUNTS PAID:

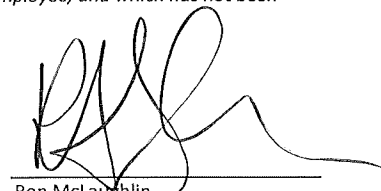
ADD: Benefits & Remittances paid by employer (non taxable)	239,715.79
Difference in Cash/ Accrual	7,203.33
Total \$	1,649,984.00

Total per Schedule 1 of the Financial Statements \$ 1,649,984.00

* Remuneration includes taxable benefits and vacation payouts. 2020 included pay for 27 pay periods

** Expenses include travel expenses, memberships, tuition, relocation, vehicle leases, extraordinary hiring expenses, registration fees and similar amounts paid directly to an employee, or to a third party on behalf of the employee, and which has not been included in 'remuneration'.


Pamela Rooke
Chief Financial Officer


Ron McLaughlin
Mayor



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

SCHEDULE OF SEVERANCE AGREEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020 PURSUANT TO THE FINANCIAL INFORMATION ACT

SECTION 6 (7)

There were **no** severance agreements made between the Village of Lions Bay and its non-unionized employees during fiscal year 2020.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

A handwritten signature in cursive script, reading "Pamela Rooke", written over a horizontal line.

Pamela Rooke
Chief Financial Officer

A handwritten signature in cursive script, reading "Ron McLaughlin", written over a horizontal line.

Ron McLaughlin
Mayor

THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY


FINANCIAL INFORMATION ACT REPORT
Year Ended December 31, 2020

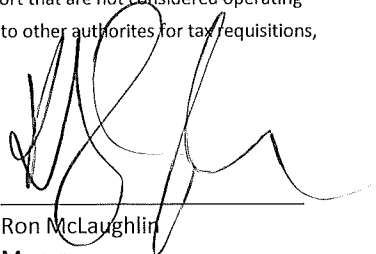
SCHEDULE OF AMOUNTS PAID TO SUPPLIERS FOR GOODS AND SERVICES
SECTION 7

<i>Supplier Accounts</i>	<i>Amounts Paid in 2020</i>
Industra Construction Corporation	1,379,186.98
Revenue Canada	355,796.44
South Coast BC Transportation Authority ***	224,968.91
Waste Control Services Inc.	187,125.09
BA Blacktop Ltd	179,543.53
Municipal Pension Plan	171,273.97
Metro Vancouver	141,652.57
Municipal Finance Authority	111,983.48
G E Koba Enterprises Inc	84,000.00
AON Canada Inc	65,119.00
ISL Engineering and Land Services Ltd.	54,393.08
Metro Vancouver Regional District ***	54,100.00
BDO Canada LLP	51,003.22
Canadian Septic Inc.	48,241.80
EHD Consulting Ltd.	47,422.95
Associated Fire Safety Equipment	46,183.63
E-COMM	44,859.00
Sea to Sky Network Solutions	42,904.66
BC Hydro	40,160.81
BC Assessment Authority ***	38,135.58
Pacific Blue Cross	36,489.59
Absolute Power Ltd.	35,648.40
Workers Compensation Board of BC	34,048.04
ICONIX Waterworks LP	28,879.57
Your City Solutions Inc.	27,243.30
Total for Suppliers Paid > \$ 25,000	3,530,363.60
Other Supplier Payments	940,329.55
All Payments	4,470,693.15

*** Other Taxing Authority Payments

The Village prepares the Schedule of Suppliers of Goods and Services based on actual disbursements through the accounts payable system which is on a cash basis. The audited Financial Statements figure is based on an accrual basis, therefore, this figure will be significantly different. There are also a number of payments included in the Supplier report that are not considered operating expenses in the audited Financial Statements such as capital expenditures, payments made to other authorities for tax requisitions, refunds, and payroll related expenses.


Pamela Rooke
Chief Financial Officer


Ron McLaughlin
Mayor



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

STATEMENT OF FINANCIAL INFORMATION APPROVAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020 PURSUANT TO THE FINANCIAL INFORMATION ACT

SECTION 9 (2)

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

Pamela Rooke
Chief Financial Officer
Date: June 15, 2021

Ron McLaughlin
Mayor, on behalf of Council
Date: June 15, 2021



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

MANAGEMENT REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020 PURSUANT TO THE FINANCIAL INFORMATION ACT SECTION 9

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the external auditors. The external auditors have met with Council.

The Council has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, *BDO Canada LLP*, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Council and meet with them on an annual basis.

On behalf of the Village of Lions Bay,

Pamela Rooke
Chief Financial Officer
June 15, 2021

Village of Lions Bay
Financial Statements
For the year ended December 31, 2020

Village of Lions Bay
Financial Statements
For the year ended December 31, 2020

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Management's Responsibility for the Financial Statements

The accompanying financial statements of the Village of Lions Bay (the "Village") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada. A summary of the significant accounting policies are described in the summary of significant accounting policies which proceed the notes to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

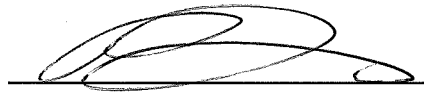
The Village's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Village. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Village's financial statements.



Pamela Rooke, CPA, CMA
Chief Financial Officer



Peter DeJong
Chief Administrative Officer

May 4, 2021

Independent Auditor's Report

To the Mayor and Councillors of the Village of Lions Bay

Opinion

We have audited the financial statements of the Village of Lions Bay (the "Village") which comprise the Statement of Financial Position as at December 31, 2020 and the Statements Operations, Changes in Net Financial Assets, and Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2020 and its results of operations, changes in net financial assets, and 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 Financial Statements section of this report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the 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.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Village'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 Village'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 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 Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 4, 2021

Village of Lions Bay
Statement of Financial Position

As at December 31	2020	2019
Financial Assets		
Cash and cash equivalents	5,493,309	3,780,886
Accounts receivable	197,197	254,141
Grants receivable	219,365	970,555
Assets held for sale (Note 1)	273,518	273,518
Debt reserve fund	36,195	-
	<u>6,219,584</u>	<u>5,279,100</u>
Liabilities		
Accounts payable	1,131,806	415,456
Sick, overtime, wellness and vacation payable	98,782	81,391
Deferred revenue (Note 2)	49,895	46,911
Developer deposits (Note 3)	141,500	180,500
Equipment financing (Note 4)	74,384	89,986
Long term debt (Note 5)	2,175,096	1,782,678
	<u>3,671,463</u>	<u>2,596,922</u>
Net Financial Assets	<u>2,548,121</u>	<u>2,682,178</u>
Non-Financial Assets		
Tangible capital assets (Schedule 3)	23,412,300	22,292,774
Prepaid expenses	15,527	19,008
	<u>23,427,827</u>	<u>22,311,782</u>
Accumulated Surplus (Note 11)	<u>25,975,948</u>	<u>24,993,960</u>

Contingent liabilities and contractual obligations (Note 7)
Contractual rights (Note 8)
Significant event (Note 15)



Pamela Rooke CPA, CMA
Chief Financial Officer



Ron McLaughlin
Mayor

**Village of Lions Bay
Statement of Operations**

For the year ended December 31	Financial Plan 2020	2020	2019
	(Note 9)		
Revenue (Schedules 1 & 2)			
Taxation (Note 6)	1,747,005	1,747,131	1,695,399
Utility user rate	1,191,782	1,170,752	1,118,668
Government transfers	859,809	1,190,059	2,025,628
Sale of services	163,629	270,161	259,359
Other revenues	114,531	133,752	214,912
Gain of sale of asset held for sale (Note 1)	500,000	-	1,810,716
Loss on disposal of tangible capital assets	-	(25,170)	(63,713)
	4,576,756	4,486,685	7,060,969
Expenses (Schedules 1 & 2)			
General departmental expenses	2,891,117	2,532,289	2,324,813
Water system operations	979,395	857,842	781,444
Sewer system operations	159,828	114,566	138,360
	4,030,340	3,504,697	3,344,617
Annual Surplus	546,416	981,988	3,816,352
Accumulated Surplus , beginning of year	24,993,960	24,993,960	21,177,608
Accumulated Surplus , end of year	25,540,376	25,975,948	24,993,960

Village of Lions Bay
Statement of Change in Net Financial Assets

For the year ended December 31	Financial Plan 2020	2020	2019
	(Note 9)		
Annual Surplus	546,416	981,988	3,816,352
Change in Tangible Capital Assets			
Acquisition of tangible capital assets	(3,015,524)	(1,757,070)	(2,532,333)
Amortization of tangible capital assets	639,183	612,374	557,046
Loss on disposal of tangible capital assets	-	25,170	63,713
	(2,376,341)	(1,119,526)	(1,911,574)
Change in Other Non-Financial Assets			
Net use (acquisition) of prepaid expenses	-	3,481	(4,466)
Change in net financial assets for the year	(1,829,925)	(134,057)	1,900,312
Net financial assets, beginning of year	2,682,178	2,682,178	781,866
Net financial assets, end of year	852,253	2,548,121	2,682,178

Village of Lions Bay
Statement of Cash Flows

For the year ended December 31	2020	2019
Cash provided by (used in)		
Operating transactions		
Annual surplus	981,988	3,816,352
Items not involving cash		
Amortization expense	612,374	557,046
Loss on disposal of tangible capital assets	25,170	63,713
Changes in non-cash operating balances		
Accounts receivable	56,944	(32,570)
Grants receivable	751,190	(808,962)
Assets held for sale	-	85,866
Debt reserve fund	(36,195)	-
Developer deposits	(39,000)	36,500
Deferred revenue	2,984	(590,416)
Accounts payable	716,350	204,194
Sick, overtime, wellness and vacation payable	17,391	(77,060)
Prepaid expenses	3,481	(4,466)
	3,092,677	3,250,197
Capital transactions		
Cash used to acquire tangible capital assets	(1,757,070)	(2,532,333)
Financing transactions		
Repayment of equipment financing	(15,602)	(25,098)
Repayment of long-term debt principal	(207,582)	(192,737)
Issue of long-term debt	600,000	380,000
	376,816	162,165
Increase in cash and equivalents during the year	1,712,423	880,029
Cash and equivalents, beginning of year	3,780,886	2,900,857
Cash and equivalents, end of year	5,493,309	3,780,886
Supplemental information:		
Interest paid on long-term debt	78,944	78,343

Village of Lions Bay

Summary of Significant Accounting Policies

December 31, 2020

The Village of Lions Bay ("the Village") is a municipality in the province of British Columbia operating under the provisions of the Community Charter. The Village provides a wide range of services to the residents such as parks and recreation, fire and rescue, general government services, solid waste collection, and maintenance of roads, storm drainage, water and sewer infrastructure and facilities. The Village prepares its financial statements in accordance with Canadian public sector accounting standards ("PSAS") using guidelines developed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Basis of Accounting

The basis of accounting followed in these financial statements is an accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred.

The financial statements include the accounts of all funds of the Village. Interfund transactions and balances have been eliminated.

Cash and Cash Equivalents

Cash and cash equivalents include bank balances and bank term deposits or guaranteed income certificates with duration of less than three months at the time of purchase. All amounts are held at Canadian chartered banks and are denominated in Canadian dollars.

Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is put into use. Contributed tangible capital assets are recorded at fair value at the time of the contribution.

Estimated useful lives of tangible capital assets are as follows:

Buildings	20 to 50 years
Equipment, furniture, and vehicles	5 to 20 years
Land improvements	7 to 40 years
Infrastructure - water	5 to 80 years
Infrastructure - sewer	5 to 100 years
Transportation	10 to 60 years
Storm sewer	25 to 50 years
WIP - general	Not amortized until put into use

Village of Lions Bay
Summary of Significant Accounting Policies

December 31, 2020

Debt Reserve Fund Under borrowing arrangements with MFA, the Village is required to lodge security by means of demand notes and interest bearing cash deposits based on the amount of the borrowing. As a condition of these borrowings, a portion of the debenture proceeds is withheld by the MFA as a debt reserve fund. These deposits are held by the MFA as security against the possibility of debt repayment default. If the debt is repaid without default, the deposits are refunded to the Village. The balance of the contingent demand notes are not included in the financial statements of the Village.

Revenue Recognition Taxes are recorded when they meet the definition of an asset, have been authorized and the taxable event occurs. Taxes receivable are recognized net of allowance for anticipated uncollectible amounts.

Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effects of these adjustments on taxes are recognized at the time they are awarded. Levies imposed by other taxing authorities, including the Greater Vancouver Regional District, are not included as taxes for municipal purposes.

Charges for sewer, water usage and solid waste collection are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government transfers, which include legislative grants, are recognized as revenue in the financial statements when received if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. If government transfers contain stipulation liabilities, they are recognized as deferred revenue, and the related revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Sales of service and other revenue is recognized on an accrual basis.

Use of Estimates The preparation of financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. A significant area requiring management estimates relates to the useful life of tangible assets for amortization calculations.

Village of Lions Bay
Summary of Significant Accounting Policies

December 31, 2020

Financial Instruments The Village's financial instruments consist of cash and cash equivalents, accounts receivable, grants receivable, accounts payable, sick, overtime, wellness and vacation payable, developer deposits, equipment financing and long term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risk arising from these financial instruments.

Deferred Revenue Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specified purpose.

Contaminated Sites Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when all of the following criteria are met:

1. an environmental standard exists;
2. contamination exceeds the environmental standard;
3. the Village is directly responsible or accepts responsibility;
4. it is expected that future economic benefits will be given up; and
5. a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. There is no liability for contaminated sites recorded as at December 31, 2020 or 2019.

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

1. Assets Held for Sale

During 2018, the Village listed a parcel of land as available for sale. The net book value of the land previously classified in tangible capital assets is \$273,518. The land sold in March 2021 with a gain on sale of \$399,607 to be recorded in the next fiscal year.

2. Deferred Revenue

	<u>2020</u>	<u>2019</u>
Contributions for future use	14,209	14,209
Prepaid taxes	35,686	32,702
	<u>49,895</u>	<u>46,911</u>

3. Developer Deposits

Bylaw 497 requires an applicant for certain building permits to pay a damage deposit of \$1,500 when the work is under \$50,000 and \$3,000 when the work is over \$50,000. The deposit less any costs incurred by the Village in restoring or replacing any damaged works or property will be returned to the applicant. The total cash on deposit of \$141,500 (2019 - \$180,500) has been reported as a liability because the deposits will be returned to the applicants at the completion of the project. Any portion of these deposits used for replacing damaged works or property will be taken into income by the Village in the period it is determined that restoration or replacement is required.

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

4. Equipment Financing

The Village has entered into obligations for emergency radios with future payment requirements as follows:

2021	18,185
2022	18,185
2023	18,185
2024	18,185
2025	7,271
	<hr/>
Total future minimum lease payments	80,011
Less: Imputed interest (at 3%)	(5,627)
	<hr/>
Present value of minimum lease payments	74,384
	<hr/>

5. Long Term Debt

Bylaw/Issue Number	Interest Rate	Maturity Date	Issued	Debt Outstanding	
				2020	2019
353 / 93	5.1%	2025	114,000	34,085	40,403
374 / 104	2.9%	2028	600,000	297,244	328,263
401 / 104	2.9%	2028	800,000	396,326	437,684
104 / 380	2.9%	2028	250,000	123,852	136,776
142 / 508	3.15%	2047	460,900	430,956	441,234
150 / 508	1.99%	2040	600,000	600,000	-
MFA Financing	(a)	2022	145,000	55,915	85,028
MFA Financing	(a)	2024	380,000	236,718	313,290
				<hr/>	<hr/>
				2,175,096	1,782,678
				<hr/>	<hr/>

(a) MFA Financing incurred to acquire equipment has a variable interest rate based on the Canadian Dollar Offered Rate (CDOR) and was 0.95% at December 31, 2020 (2.54% at December 31, 2019).

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

5. Long Term Debt (con't)

Repayments of debt to the Municipal Finance Authority of BC (MFABC) required in the next five years and thereafter are as follows:

2021	240,082
2022	241,264
2023	216,441
2024	144,550
2025	149,591
Thereafter	<u>1,183,168</u>
	<u>2,175,096</u>

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

6. Taxation

	Financial Plan 2020	2020	2019
	(Note 9)		
General purposes	1,736,420	1,736,546	1,684,814
Collections for other tax authorities			
School Taxes – Province	-	888,550	892,062
RCMP	-	144,802	145,088
Regional District	-	54,100	48,463
Greater Vancouver Transportation Authority	-	224,969	212,167
Municipal Finance Authority	-	178	190
British Columbia Assessment Authority	-	38,135	37,283
	1,736,420	3,087,280	3,020,067
Transfers to other tax authorities			
School Taxes – Province	-	888,550	892,062
RCMP	-	144,802	145,088
Regional District	-	54,100	48,463
Greater Vancouver Transportation Authority	-	224,969	212,167
Municipal Finance Authority	-	178	190
British Columbia Assessment Authority	-	38,135	37,283
	-	1,350,734	1,335,253
Available for general purposes	1,736,420	1,736,546	1,684,814
Water utility parcel taxes	10,585	10,585	10,585
	1,747,005	1,747,131	1,695,399

December 31, 2020

7. Contingent Liabilities and Contractual Obligations

- (i) The Village is responsible as a member of the Greater Vancouver Regional District for its portion of any operating deficits or capital debt related to functions in which it participates.
- (ii) The Village is a participant in the Municipal Insurance Association of British Columbia (the "Association"). Should the Association pay out claims in excess of the premiums received, it is possible that the Village, along with the other participants, would be required to contribute towards the deficit. Management does not consider external payments under this contingency to be likely and therefore no amounts have been accrued.
- (iii) The Village is a shareholder and member of the Emergency Communications for British Columbia Incorporated ("E-Comm") whose services provided include: regional 9-1-1 call centre; Wide Area Radio network, dispatch operations; and records management. The Village has 1 Class A Share (Police and Fire) and no Class B Shares (Operations) (of a total of 28 Class A and 23 Class B shares issued and outstanding as at December 31, 2020) recorded at nominal cost. As a Class A shareholder, the Village shares in both funding the future operations and capital obligations of E-Comm (in accordance with a cost sharing formula), including any lease obligations committed to by E-Comm up to the shareholder's withdrawal date.
- (iv) The Village is the subject to litigation in regard to employment matters. In addition, the Village is from time to time involved in other lawsuits. The Village vigorously defends any such claims. At December 31, 2020 there is not sufficient information available to allow the Village to make a reasonable estimate of the potential for loss, if any, resulting from outstanding matters. Accordingly, these financial statements contain no provision for such amounts. Amounts will be recorded in the financial statements in the period in which additional information becomes available that allows a reasonable estimate to be made.

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

8. Contractual Rights

The Village entered into a lease contract for space in a building located at 410 Centre Road which expires in July 2030. In return, the Village receives the following revenues:

2021	25,760
2022	25,760
2023	25,760
2024	25,760
2025	27,102
Thereafter	132,825

9. Financial Plan

Financial plan amounts represent the Financial Plan Bylaw adopted by Council on May 5, 2020 with adjustments for items accounted for differently under PSAS.

The Financial Plan Bylaw anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues. In addition, the Financial Plan Bylaw anticipated capital expenditures rather than amortization expense and repayment of debt during the year.

The following shows how these amounts were combined:

	<u>2020</u>
Financial Plan Balance per Bylaw	-
Add back:	
Capital expenditures	3,015,524
Repayment of Debt	189,295
MFA Actuarial Gain on Debt	30,481
Less:	
Proceeds from Borrowing	(600,000)
Budgeted transfers from accumulated surplus	(1,449,701)
Amortization	<u>(639,183)</u>
Financial Plan Surplus per PSAS	<u>546,416</u>

December 31, 2020

10. Pension Plan

The employer 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 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 actuarial valuation for the Municipal Pension Plan as of December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

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 individual employers participating in the plan.

The Village paid \$90,486 (2019 - \$87,399) for employer contributions while employees contributed \$81,464 (2019 - \$77,802) to the plan in fiscal 2020.

Village of Lions Bay
Notes to Financial Statements

December 31, 2020

11. Accumulated Surplus

The components of accumulated surplus are as follows:

	2020	2019
Invested in tangible capital assets	21,162,820	20,420,110
Reserve funds (Note 12)	1,548,309	2,264,396
Unrestricted amounts	3,264,819	2,309,454
	25,975,948	24,993,960

12. Reserve Funds

	Opening Balance	Revenues & Transfers	Interest Earned	Capital Borrowing	Closing Balance
Capital reserves	631,826	-	6,319	-	638,145
Land reserve fund	1,065,748	-	8,283	(950,000)	124,031
Infrastructure fund	145,815	153,464	2,225	-	301,504
Curly Stewart fund	8,448	-	84	-	8,532
Gas tax reserve	412,559	59,117	4,421	-	476,097
	2,264,396	212,581	21,332	(950,000)	1,548,309

The capital borrowing represents a loan from the restricted land reserve fund to cover a portion of the costs of the new Wastewater Treatment Plant. The loan will be repaid with interest (1.61% per annum) over a ten year term from the proceeds of the sewer parcel tax.

December 31, 2020

13. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its residents such as parks and recreation, maintenance of roads, fire and rescue, sewer and water utilities and solid waste collection. Key functional segments have been separately disclosed in Schedule 1. Following is a brief description of these segments and the activities they provide:

General Government

This segment relates to the general administration of the Village. It also includes revenues and expenses such as property tax revenues, legal costs, etc. that cannot be directly attributed to a specific segment.

Protective Services

Protective Services is comprised of fire and rescue services, bylaw enforcement and emergency services. The fire and rescue department is responsible for providing fire suppression service, fire prevention programs, training and education and highway call-out services. The members of the fire department are volunteer fire fighters.

Public Works Operation

Public works is responsible for the maintenance of roads, bridges, storm drainage, street lighting, creeks and drainage, fleet, equipment and snow removal.

Solid Waste Collection

Solid waste collection consists of recycling services and organics and waste collection.

Planning and Development

This segment includes building inspection, zoning and community planning such as land use master plan.

Parks and Recreation

This segment provides services meant to improve the health and development of the residents. They include recreation programs in the community centre, maintenance of trails, parks and beaches and facilities maintenance and management.

Water Utility

This segment is comprised of water treatment, water quality, water storage and water distribution to residents.

December 31, 2020

13. Segmented Information (con't)

Sewer Utility

The sewer utility provides for the operation, maintenance and repair of the sanitary sewer collection and waste water treatment plant.

14. Comparative Figures

Certain figures in the comparative information have been reclassified to conform to the current year presentation.

15. Significant Event

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy continues to be significant. As the impacts of COVID-19 continue, there could be further impact on the Village, its residents, employees, suppliers and other third party business associates that could impact the timing and amounts realized on the Village's assets and future ability to deliver services and projects. At this time, the full potential impact of COVID-19 on the Village is not known. Given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. The Village will continue to focus on collecting receivables, managing expenditures, and leveraging existing reserves to ensure it is able to continue providing essential services to its citizens.

Village of Lions Bay

Schedule 1 - Combined Statement of Operations by Segment - 2020

For the year ended December 31, 2020

	General Fund										
	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Parks and Recreation	Total General Fund	Water Utility	Sewer Utility	2020 Actual	2020 Financial Plan
											(Note 9)
Revenues											
Taxation	1,736,546	-	-	-	-	-	1,736,546	10,585	-	1,747,131	1,747,005
Utility user rates	-	-	-	189,395	-	-	189,395	910,602	70,755	1,170,752	1,191,782
Government transfers	1,038,937	-	-	-	-	3,650	1,042,587	147,472	-	1,190,059	859,809
Sales of services	19,340	167,668	-	4,425	47,770	10,370	249,573	18,571	2,017	270,161	163,629
Other revenues	83,310	22,636	-	-	-	-	105,946	27,806	-	133,752	114,531
Gain on sale of asset held for sale	-	-	-	-	-	-	-	-	-	-	500,000
Loss on disposal of tangible capital assets	(25,170)	-	-	-	-	-	(25,170)	-	-	(25,170)	-
	2,852,963	190,304	-	193,820	47,770	14,020	3,298,877	1,115,036	72,772	4,486,685	4,576,756
Expenses											
Operating											
Goods and Services	184,319	234,469	195,912	186,343	9,574	78,604	889,221	255,304	18,870	1,163,395	1,660,021
Labour	680,839	219,541	194,427	-	30,682	163,862	1,289,351	341,481	19,152	1,649,984	1,645,611
Amortization	337,761	-	-	-	-	-	337,761	198,069	76,544	612,374	639,183
	1,202,919	454,010	390,339	186,343	40,256	242,466	2,516,333	794,854	114,566	3,425,753	3,944,815
Interest	-	2,079	13,877	-	-	-	15,956	62,988	-	78,944	85,525
	1,202,919	456,089	404,216	186,343	40,256	242,466	2,532,289	857,842	114,566	3,504,697	4,030,340
Annual surplus (deficiency)	1,650,044	(265,785)	(404,216)	7,477	7,514	(228,446)	766,588	257,194	(41,794)	981,988	546,416

Village of Lions Bay

Schedule 2 - Combined Statement of Operations by Segment - 2019

For the year ended December 31, 2019

	General Fund										
	General Government	Protective Services	Public Works Operation	Solid Waste Collection	Planning and Development	Parks and Recreation	Total General Fund	Water Utility	Sewer Utility	2019 Actual	2019 Financial Plan
Revenues											
Taxation	1,684,814	-	-	-	-	-	1,684,814	10,585	-	1,695,399	1,695,433
Utility user rates	-	-	-	181,745	-	-	181,745	866,175	70,748	1,118,668	1,138,127
Government transfers	418,603	8,674	-	-	-	650	427,927	1,597,701	-	2,025,628	2,413,179
Sales of services	22,920	98,884	325	4,366	98,048	14,510	239,053	18,289	2,017	259,359	177,723
Other revenues	135,607	42,545	-	-	-	-	178,152	36,760	-	214,912	118,751
Gain on sale of asset held for sale	1,810,716	-	-	-	-	-	1,810,716	-	-	1,810,716	2,353,539
Loss on disposal of tangible capital assets	-	-	(5,327)	-	-	-	(5,327)	(58,386)	-	(63,713)	-
	4,072,660	150,103	(5002)	186,111	98,048	15,160	4,517,080	2,471,124	72,765	7,060,969	7,896,752
Expenses											
Operating											
Goods and Services	161,097	217,062	255,430	183,017	7,864	91,908	916,378	264,706	63,057	1,244,141	1,534,222
Labour	521,476	177,760	185,248	-	31,099	129,106	1,044,689	302,510	17,888	1,365,087	1,541,653
Amortization	342,739	-	-	-	-	-	342,739	156,892	57,415	557,046	736,619
	1,025,312	394,822	440,678	183,017	38,963	221,014	2,303,806	724,108	138,360	3,166,274	3,812,494
Interest	-	2,445	18,562	-	-	-	21,007	57,336	-	78,343	81,912
	1,025,312	397,267	459,240	183,017	38,963	221,014	2,324,813	781,444	138,360	3,244,617	3,894,406
Annual surplus (deficiency)	3,047,348	(247,164)	(464,242)	3,094	59,085	(205,854)	2,192,267	1,689,680	(65,595)	3,816,352	4,002,346

Village of Lions Bay
Schedule 3 - Tangible Capital Assets - 2020

For the year ended December 31, 2020

	Land	Buildings	Equipment & Furniture & Vehicles	Land Improvements	Water	Sewer	Transportation	Storm Sewer	WIP – General	2020 Total	2019 Total
Cost, beginning of year	11,695,765	2,242,223	2,423,674	193,206	7,140,830	795,715	4,541,130	101,450	2,393,965	31,527,958	29,239,687
Additions	-	-	97,399	47,986	-	1,119,259	225,134	-	267,292	1,757,070	2,532,333
Transfers	-	94,613	15,159	-	2,319,795	-	-	-	(2,429,567)	-	-
Disposals	-	-	-	(43,647)	-	(467,458)	-	-	-	(511,105)	(244,062)
Cost, end of year	11,695,765	2,336,836	2,536,232	197,545	9,460,625	1,447,516	4,766,264	101,450	231,690	32,773,923	31,527,958
Accumulated amortization, beginning of year	-	890,720	1,442,460	89,456	3,055,177	658,338	3,018,017	81,016	-	9,235,184	8,858,487
Amortization	-	57,042	175,828	7,456	198,069	76,544	96,193	1,242	-	612,374	557,046
Disposals	-	-	-	(18,477)	-	(467,458)	-	-	-	(485,935)	(180,349)
Accumulated amortization, end of year	-	947,762	1,618,288	78,435	3,253,246	267,424	3,114,210	82,258	-	9,361,623	9,235,184
Net carrying amount, end of year	11,695,765	1,389,074	917,944	119,110	6,207,379	1,180,092	1,652,054	19,192	231,690	23,412,300	22,292,774

Village of Lions Bay
Schedule 4 - Tangible Capital Assets - 2019

For the year ended December 31, 2019

	Land	Buildings	Equipment & Furniture & Vehicles	Land Improvements	Water	Sewer	Transportation	Storm Sewer	WIP – General	2019 Total	2018 Total
Cost, beginning of year	11,695,765	2,215,238	2,147,053	134,978	7,190,170	795,715	4,541,130	101,450	418,188	29,239,687	29,201,112
Additions	-	26,985	451,352	58,228	19,991	-	-	-	1,975,777	2,532,333	398,555
Disposals	-	-	(174,731)	-	(69,331)	-	-	-	-	(244,062)	(359,980)
Cost, end of year	11,695,765	2,242,223	2,423,674	193,206	7,140,830	795,715	4,541,130	101,450	2,393,965	31,527,958	29,239,687
Accumulated amortization, beginning of year	-	834,655	1,445,017	81,119	2,909,230	600,923	2,907,769	79,774	-	8,858,487	8,360,817
Amortization	-	56,065	166,847	8,337	156,892	57,415	110,248	1,242	-	557,046	497,670
Disposals	-	-	(169,404)	-	(10,945)	-	-	-	-	(180,349)	-
Accumulated amortization, end of year	-	890,720	1,442,460	89,456	3,055,177	658,338	3,018,017	81,016	-	9,235,184	8,858,487
Net carrying amount, end of year	11,695,765	1,351,503	981,214	103,750	4,085,653	137,377	1,523,113	20,434	2,393,965	22,292,774	20,381,200

COVID-19 BC Safe Restart Grant

The following schedule is unaudited.

COVID-19 BC Safe Restart Grant

In 2020, the Province of British Columbia, under the “COVID-19 Safe Restart Grant Program”, provided the Village of Lions Bay with a grant of \$603,000 for increased operating costs and revenue shortfalls arising during the pandemic. The Village recognized the grant as income in 2020 and applied these funds to the programs impacted as follows:

	2020
COVID-19 BC Safe Restart Grant received	\$603,000
Eligible Costs Incurred:	
Computer and technology costs to improve connectivity and virtual communications	(8,496)
Revenue shortfalls	(82,177)
General government services	(87,621)
Protective services	(31,691)
Public works	(25,880)
Total 2020 eligible costs incurred	(235,865)
Balance, December 31, 2020	\$367,135