



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

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### **COMMITTEE OF THE WHOLE MEETING**

#### **OF THE VILLAGE OF LIONS BAY**

**HELD ON TUESDAY, MAY 3, 2022 at 5:30 PM**

**COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY**

**AND VIA ZOOM VIDEO CONFERENCE**

**MEETING LINK: <https://us02web.zoom.us/j/81089016804>**

**TO JOIN VIA PHONE, DIAL 778-907-2071 AND ENTER MEETING ID 810 8901 6804**

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### **AGENDA**

- 1. Call to Order**
- 2. Adoption of Agenda**
- 3. Public Participation**
- 4. Review & Approval of Minutes of Prior Meetings**
  - A. Committee of the Whole Meeting – February 15, 2022 (Page 3)  
THAT the Council Strategy Committee Meeting Minutes of February 15, 2022 be approved as circulated.
  - B. Council Strategy Committee Meeting – April 7, 2022 (Page 9)  
THAT the Council Strategy Committee Meeting Minutes of April 7, 2022 be approved as circulated.
- 5. Business Arising from the Minutes**
- 6. Unfinished Business**
- 7. New Business**
  - A. Village of Lions Bay 2021 Audit Report – BDO Canada LLP (Page 13)
- 8. Public Questions & Comments**
- 9. Closed Council Meeting**

THAT the meeting be closed to the public on the basis of matters to be considered under the following sections of the *Community Charter*:

  - 90 (1)** A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:
    - c) labour relations or other employee relations;

- g) litigation or potential litigation affecting the municipality;
- l) discussions with municipal officers and employees respecting municipal objectives, measures and progress reports for the purposes of preparing an annual report under section 98 [annual municipal report].

**10. Reporting Out from Closed Portion of Meeting**

**11. Adjournment**



## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

### COMMITTEE OF THE WHOLE MEETING

#### OF THE VILLAGE OF LIONS BAY

HELD ON TUESDAY, FEBRUARY 15, 2022 at 5:30 PM

COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY

AND VIA ZOOM VIDEO CONFERENCE

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### MINUTES

In Attendance:

Council: Mayor Ron McLaughlin  
Councillor Neville Abbott (via video conference)  
Councillor Fred Bain (via video conference)  
Councillor Norm Barmeier  
Councillor Jaime Cunliffe (via video conference)

Staff: Chief Administrative Officer Peter DeJong  
Chief Financial Officer Pamela Rooke  
Public Works Manager Nai Jaffer (via video conference)  
Municipal Coordinator Karla Duarte (Recorder)

Public: 1

**1. Call to Order**

Mayor McLaughlin called the meeting to order at 5:31 p.m.

**2. Adoption of Agenda**

Moved/Seconded

THAT the agenda be adopted as submitted.

**CARRIED**

**3. Public Participation**

None

**4. Review & Approval of Minutes of Prior Meetings**

A. Council Strategy Committee Meeting – November 30 and December 1, 2021

Moved/Seconded

THAT the Council Strategy Committee Meeting Minutes of November 30 and December 1, 2021, be approved, as circulated.

**CARRIED**

**5. Business Arising from the Minutes**

PWM Jaffer provided an update, noting that tests to check for asbestos fibers came back negative.

**6. Unfinished Business**

None

**7. Reports****A. Staff****i. CFO: 2022 Preliminary Budget**

CFO Rooke presented the preliminary budget, noting Council's opportunity to ask questions regarding the budget.

Councillor Barmeier commented on the 2022 preliminary budget, noting

- whether funds received from parking could be allocated for leveraging grants for infrastructure projects
- whether the EV charger funds could be budgeted
- he noted that an official community plan review is not a priority, and that spending should be focused on current OCP priorities
- Council has ear of community via many channels
- Lions Bay Connector Project – where does it fit on priorities
- questioned the Kelvin Grove Beach Park bridge

Staff clarified the following:

- EV Charger will be budgeted in the Five Year Financial Plan
- current presentation just looking at 2022
- Needs to be a prioritization on how to spend surplus
- Kelvin Grove bridge is about providing access to the point to avoid crossing private property, which has now been developed; costs have been revised

Discussion ensued on:

- increasing costs
- additional bylaw enforcement hours; provincial restart funds
- presentation of accounting documents – visually comprehensive for people who are not accountants
- accounting details important to understand what is being taxed for

Staff noted the following:

- continued IT support is an annual cost
- overview of smoke testing of sewer system

Mayor McLaughlin commented on the 2022 budget, noting:

- increasing costs

- removing budgets for both planning and communication consultants
- in favour of an OCP review
- in favour of CN crossing study, road paving and repairs, bridge repairs, beach park upgrades, Lions Bay connector project Fire department gear, backhoe; maybe to Kelvin Grove park access

Councillor Cunliffe commented on the 2022 budget, noting:

- in favour of Lions Bay connector project, public access to Kelvin Grove point, drainage; soft on OCP review

PWM Jaffer noted that the drainage study would be for the whole Village and proposals would be requested for the study

Councillor Abbott commented on the 2022 budget, noting:

- opposed to OCP review
- engineering traffic review: how to get for less than that
- drainage master plan, road paving
- Maybe to the KG park access

PWM Jaffer clarified the bridge repair, and noted that the mini excavator can is rusted through due to heavy use, the need for an additional salter, and requirements of a different type of fork life for auto ex training.

Moved/Seconded

THAT the report "2022 Preliminary Budget" be received for information purposes.

**CARRIED**

- B. Mayor  
None
  - C. Council  
None
  - D. Committees  
None
- 8. New Business**  
None
- 9. Public Questions & Comments**  
None

## 10. Closed Meeting

Proposed topics for discussion in the absence of the public:

- A. Personnel
- B. Procurement
- C. Legal Matters

Moved/Seconded

THAT the meeting be closed to the public on the basis of matters to be considered under the following sections of the *Community Charter* and where required, the Council does consider that the matters could reasonably be expected to harm the interests of the municipality if they were held in public:

**90 (1)** A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (a) personal information about an identifiable individual who holds or is being considered for a position as an officer, employee or agent of the municipality or another position appointed by the municipality;
- (c) labour relations or other employee relations;
- (e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;
- (g) litigation or potential litigation affecting the municipality;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the [\*Freedom of Information and Protection of Privacy Act\*](#);
- (n) the consideration of whether a council meeting should be closed under a provision of this subsection or subsection (2).

**90 (2)** A part of a council meeting must be closed to the public if the subject matter being considered relates to one or more of the following:

- (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party;

**CARRIED**

*The meeting was closed to the public at 6:33 pm*

## 11. Reporting Out from Closed Portion of Meeting

Council reviewed closed supplementary budget information from staff.

- 12. Adjournment**  
Moved/Seconded  
THAT the meeting be adjourned.

**CARRIED**

*The meeting was adjourned at 10:41 p.m.*

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer

Date Approved by Council:	
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## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

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### **COMMITTEE OF THE WHOLE MEETING**

#### **OF THE VILLAGE OF LIONS BAY**

**HELD ON THURSDAY, APRIL 7, 2022 at 7:00 PM**

**COUNCIL CHAMBERS, 400 CENTRE ROAD, LIONS BAY**

**AND VIA ZOOM VIDEO CONFERENCE**

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### **MINUTES**

In Attendance:

Council: Mayor Ron McLaughlin  
Councillor Neville Abbott  
Councillor Fred Bain (via video conference)  
Councillor Norm Barmeier  
Councillor Jaime Cunliffe

Staff: Chief Administrative Officer Peter DeJong (Recorder)  
Chief Financial Officer Pamela Rooke  
Public Works Manager Nai Jaffer

Public: 6

Delegation: 1

**1. Call to Order**

Mayor McLaughlin called the meeting to order at 7:05 p.m.

**2. Adoption of Agenda**

Moved/Seconded

THAT the agenda be adopted as submitted.

**CARRIED**

**3. Delegation – Presentation and Discussion with Council**

A. Matthias Jakob, Principal Geoscientist, BGC Engineering

Mayor McLaughlin introduced the delegation and Council agreed to allow for an interactive presentation with questions at periodic intervals.

M. Jakob presented on geohazards, noting:

- overview of maps and geohazards affecting Lions Bay

M. Jakob responded to questions, noting

- overview of Tsunamis as hazards
- The Province or the Federal Government has not published any risk tolerance threshold
- Insurance companies have risk tolerance thresholds, which differ according to company

M. Jakob presented on:

- Summary of Cordilleran report (2018)
- Risk Tolerance Decisions: assessment methods
- Modern Best Practices and Safety Standards
- Risk Threshold in context and consequences of not having one

M. Jakob responded to questions, noting:

- Overview of Britannia Beach risk tolerance criteria and new developments
- Overview of mitigation techniques, such as warning systems, real-time systems, engineered measures
- A geohazard review has previously been done in Lions Bay for good value and which provides maps that identify hazards
- Cannot concur on hypothesis that landslides are not a hazard as a comparative study would need to occur
- While major events do not occur daily in Lions Bay, they may occur, which may produce effects such as landslides (example: recent atmospheric rivers); not in a position to affirm that Lions Bay has negligible hazards

M. Jakob presented on:

- Roles and responsibilities of consultants, governments, professional engineers and local municipalities - new guidelines from EGBC for Landslide Assessments, mapping overview

M. Jakob responded to questions, noting:

- Examples of mapping schemes, effort to homogenize mapping throughout the province; watersheds not necessarily delineated but can be through GIS environments
- Unaware whether mapping has resulted in changes in insurance in communities where they are available; property values may be a consideration
- Mapping also allows for justification in grant applications that mitigation is required for a particular place (example: East Kootenays mitigation measure grant awards)
- intention would be that residual risk is low after implementation of mitigation measures; may increase resiliency of individual homes
- Grants are competitive and look at whether studies have been done
- Grants were specific to the engineering and construction; ownership of such structure lies within the local government, which would require maintenance

CAO DeJong responded to a question as to why this matter was being pursued now, noting that the presentation is being received for information and future consideration.

M. Jakob presented on:

- A history of climate, climate change and global distribution of natural hazards
- Impacts of Climate Change on Geohazards, such as landslides and what it means for Lions Bay

#### 4. Public Questions & Comments

##### A. Ruth Simons

R. Simons questioned whether there would be immediate measures that could be taken, whether current issues are current indicators for more to come, whether rockfalls along highways are increasing, and whether M. Jakob would be doing a presentation on sea level rise.

M. Jakob responded, noting:

- not aware of specific issues in Lions Bay, however, major events do occur and what really matters is the long-term trend
- Nuisance occurrences can be mitigated in the meantime, after appropriate study by professionals
- rock fall and landslides do occur on highways, which are cost prohibitive to repair in some cases
- A sea level rise expert should be consulted for such a presentation

#### 5. Adjournment

Moved/Seconded

THAT the meeting be adjourned.

**CARRIED**

*The meeting was adjourned at 9:15 p.m.*

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Corporate Officer

Date Approved by Committee:	
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## THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

<b>Type</b>	<b>Information Report</b>		
<b>Title</b>	<b>Village of Lions Bay 2021 Audit Final Report</b>		
<b>Author</b>	<b>Pamela Rooke</b>	<b>Reviewed By:</b>	<b>Peter DeJong</b>
<b>Date</b>	<b>April 28, 2022</b>	<b>Version</b>	
<b>Issued for</b>	<b>May 3, 2022 Committee of the Whole meeting</b>		

### RECOMMENDATION

THAT the report “Village of Lions Bay 2021 Final Audit Report” be received for information purposes.

### ATTACHMENTS

- Audit Final Report to the Mayor and Council
- Draft 2021 Audited Financial Statements

### KEY INFORMATION

The attached report from our auditors, BDO Canada LLP (“BDO”), is a report on the results of their audit of the financial statements of the Village of Lions Bay for the year ended December 31, 2021. The purpose of the report is to summarize certain aspects of the audit that BDO believe to be of interest to Council and should be read in conjunction with the draft financial statements and the draft independent audit report which is included as Appendix A. Paul Fripp, a partner with BDO, will present the Audit Report to Council and answer any questions after the presentation.

### FOLLOW UP ACTION

The December 31, 2021 financial statements will be brought to the May 3, 2022 regular Council meeting for approval by Council.

# Village of Lions Bay

Audit final report to the Mayor and Council for  
the year ended December 31, 2021

Dated April 27, 2022, for presentation on May 3, 2022

START



## To the Mayor and Council of Village of Lions Bay

We are pleased to provide you with the results of our audit of Village of Lions Bay (the "Village") financial statements for the year ended December 31, 2021.

The enclosed final report includes our approach to your audit, including: significant risks identified and the nature, extent, and results of our audit work. We will also report any significant internal control deficiencies identified during our audit and reconfirm our independence.

During the course of our audit, management made certain representations to us—in discussions and in writing. We documented these representations in the audit working papers.

The business environment has changed for us all during the time of COVID-19. Cash flow, strategy, operations: each has received a rethink. As your auditors, we have relied on our digital audit suite to stay connected—among ourselves, with management, and with you.

We look forward to discussing our audit conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

*BDO Canada LLP*

BDO Canada LLP  
April 27, 2022



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# Audit at a glance

Preliminary materiality was determined to be \$134,000, based on 3% of Revenue in the prior year. Final materiality remained unchanged from our preliminary assessment.

We are not aware of any fraud affecting the Village. If you have become aware of changes to processes or are aware of any instances of actual, suspected, or alleged fraud since our discussions held at planning, please let us know.

We have complied with relevant ethical requirements and are not aware of any relationships between Village of Lions Bay and our Firm that may reasonably be thought to bear on our independence.

LEAD  
PARTNER  
ON YOUR  
AUDIT

Paul Fripp, CPA, CA

Email: [pfripp@bdo.ca](mailto:pfripp@bdo.ca)

Direct: +1 (778) 947-1215

START OF  
AUDIT  
FIELD  
WORK

April 11, 2022

ANTICIPATED  
DATE OF  
AUDITORS  
REPORT

May 3, 2022



## Status of the audit

We have substantially completed our audit of the year ended December 31, 2021 financial statements, pending completion of the following items:

- Approval of financial statement by Mayor and Council
- Receipt of signed management representation letter
- Receipt of certain bank confirmations
- Receipt of legal confirmation letter from external counsel
- Subsequent events review through to the financial statement approval date

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See [Appendix A](#) for our final independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Report to the Mayor and Council for the year ended December 31, 2021.





## Audit findings

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Village's accounting practices, including accounting policies, accounting estimates and financial statements disclosures. We look forward to exploring these topics in depth and answering your questions. A summary of the key discussion points are below:

Financial statement areas	Approach	Audit findings
<b>Management override of internal controls</b> <i>(Mandatory audit consideration)</i>  Management is in a unique position to perpetrate fraud because of management's ability to directly or indirectly manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	We reviewed transactions recorded in the various ledgers for unusual or non-recurring adjustments not addressed by other audit procedures.  We tested the design of controls over the execution and approval of journal entries and tested a sample of journal entries recorded.	All audit testing in this area was executed with no issues to be reported.
<b>Risk of fraudulent revenue recognition</b> <i>(Rebuttable audit risk area)</i>  Under Canadian auditing standards, we are required to consider whether there is a risk of material misstatement due to fraudulent revenue recognition in all audits. Based on our understanding of the Village's significant revenue streams, we have rebutted this as a significant risk. We assess this potential risk annually with respect to revenue as accounting standards over revenue recognition are complex and subject to variation in application.	Grant funding recorded was assessed through a review of agreements to ensure revenue was recorded accurately in accordance with the settlement of any stipulations. We also performed separate testing of cash receipts against revenue recognition accounting standards.	All audit testing in this area was executed with no issues to be reported.



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## Internal control matters

During the audit, we performed the following procedures regarding the Village's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.

We considered the results of these procedures in determining the extent and nature of audit testing required.



We are required to report to you in writing about any significant deficiencies in internal control that we have identified during the audit.

A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that merits the attention of those charged with governance.

The audit expresses an opinion on the Village's financial statements. As a result, it does not cover every aspect of internal controls—only those relevant to preparing the financial statements and designing appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss.



# Adjusted and Unadjusted differences

## Summary of adjusted differences

There were no adjusted differences noted during the course of our audit engagement.

## Summary of unadjusted differences

	Increase (Decrease)			
	Assets	Liabilities	Equity	Net income
To accrue interest expense on debt as at December 31, 2021	\$ -	\$ 11,922	\$ (12,000)	\$ 78
To accrue construction in progress up to December 31, 2021.	\$ 17,449	\$17,449		
<b>Total unadjusted differences</b>	<b>\$ 17,449</b>	<b>\$ 29,371</b>	<b>\$ (12,000)</b>	<b>\$ 78</b>

## Summary of disclosure omissions

There were no disclosure omissions noted.



## Other required communications

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

Issue	BDO response
1. Our responsibilities under Canadian Auditing Standards (CAS)	Included in our engagement letter dated December 8, 2019
2. Our audit strategy and audit scope	Included in our Planning Report issued on January 10, 2022
3. Fraud risk factors	Included in our Planning Report issued on January 10, 2022
4. Going concern matters	None noted
5. Audit adjustments	None noted
6. Unadjusted differences	See page 8
7. Omitted disclosures	None noted
8. Disagreements with management	There were no disagreements with management
9. Consultations with other accounts or experts	Communicated with external actuaries with no issues noted during our audit
10. Major issues discussed with management in regards to retention	None noted



## Other required communications (cont'd)

Issue	BDO response
11. Significant deficiencies in internal control	No significant deficiencies were noted
12. Significant difficulties encountered during the audit	No significant difficulties were encountered during our audit
13. Material written communication between BDO and management	No material written communications were noted
14. Any relationships which may affect our independence	No independence issues noted
15. Any illegal acts identified during the audit	No illegal activities identified through the audit process
16. Any fraud or possible fraudulent acts identified during audit	No fraud or possible fraudulent acts identified during the audit
17. Significant transactions with related parties not consistent with ordinary business operations	None noted
18. Non-compliance with laws or regulations identified during the audit	No legal or regulatory non-compliance matters were noted as part of our audit
19. Limitations of scope over our audit, if any	None noted
20. Written representations made by management	See Appendix B
21. Any modifications to our opinion, if required	None noted. Please see our draft independence auditor's report included in Appendix A





# How we audit financial statements: Our six-step audit process

## IDENTIFY AND ASSESS RISK

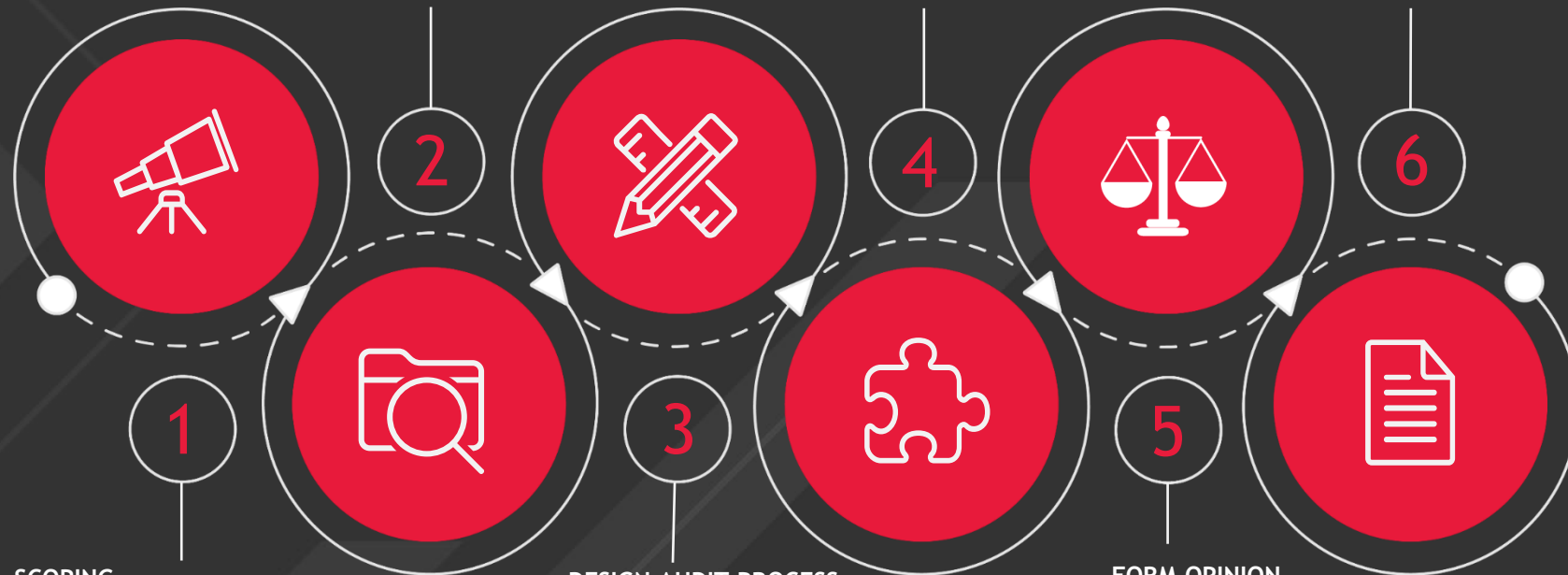
Focus on those areas of financial statements that contain potential material misstatements as a consequence of the risks you face

## OBTAIN AUDIT EVIDENCE

Perform audit procedures while maintaining appropriate degree of professional skepticism, to conclude whether or not the financial statements are presented fairly

## REPORT

Communicate our opinion and details of matters on which we are required to report



## SCOPING

Complete a preliminary review to plan the audit, determine the materiality level, and define the audit scope

## DESIGN AUDIT PROCESS

Design an appropriate audit strategy to obtain sufficient assurance and enable us to report on the financial statements

## FORM OPINION

Evaluate whether we have enough evidence to conclude that the financial statements are free from material misstatement, and consider the effect of any potential misstatements found

## New Standard for Audit Quality



## ISQM 1

The quality of an audit depends not only on the people conducting it—but also on the systems underpinning it. These new rules up the ante for your audit quality.

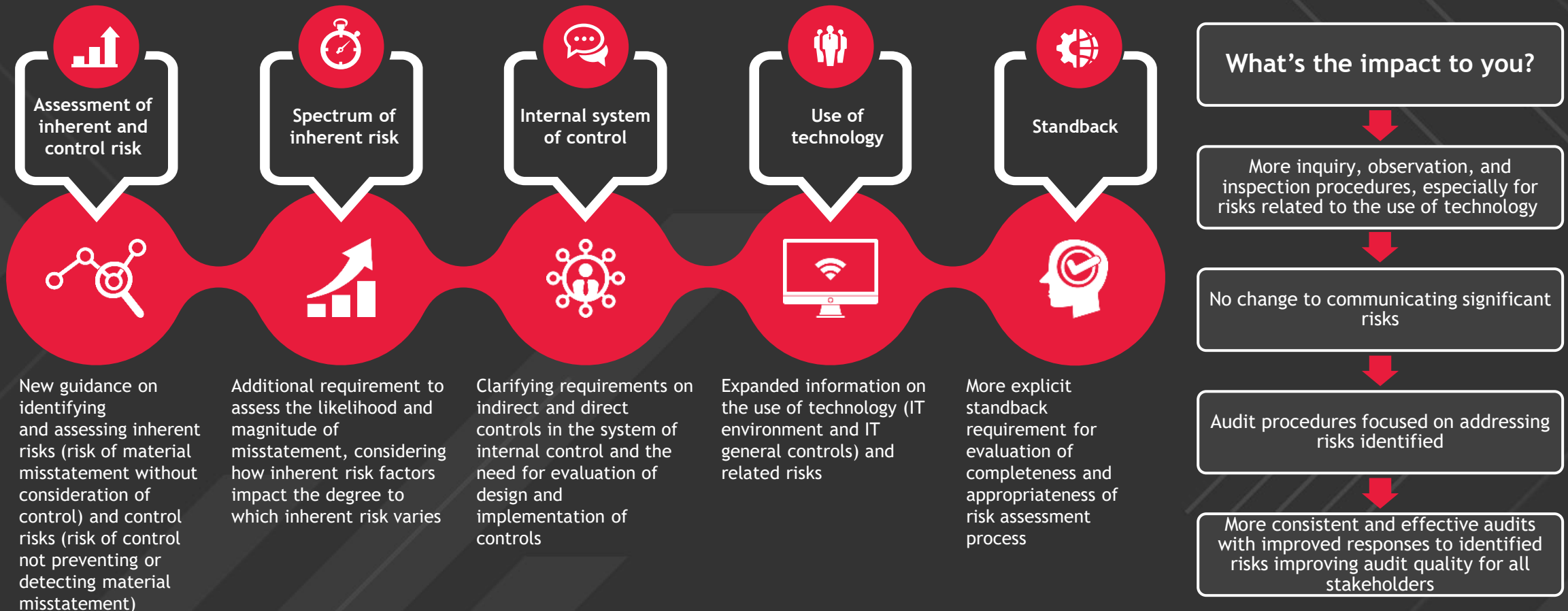
[SEE THE STANDARD](#)





# Coming soon: Updates to our audit process

Canadian Auditing Standard 315, *Identifying and Assessing the Risks of Material Misstatement*, was significantly revised with a greater focus on more robust risk identification, assessment and response procedures. The standard will be effective for periods beginning on or after December 15, 2021. Key enhancements include:





# Our audit approach: Responsiveness in action

Our firm is deliberately structured to allow one partner to every six staff members. This means easy access to senior staff and the lead partner throughout your audit. It also helps our team gain a better understanding of your organization.

Our audit process differs from the typical audit in our use of in-field reviews, subject to COVID-19 safety protocols. The benefit of these in-field reviews is that final decision-makers are on site ensuring issues are resolved and files closed quickly.

We offer clients the full-service expertise of a national firm. Yet we maintain a local community focus. The comprehensive range of services we deliver is complemented by a deep industry knowledge gained from over 100 years of working within local communities.



Discover how we're accelerating audit quality



## Audit Quality Report

We collected our core beliefs around audit quality, the very practical steps we take to sustain it, and the progress we have made to accelerate its quest.

[Follow our progress](#)

# BDO's digital audit suite

Our digital audit suite of technologies enables our engagement teams to conduct consistent risk-based audits, both domestically and internationally, with maximum efficiency and minimal disruption to our clients' operations and people.



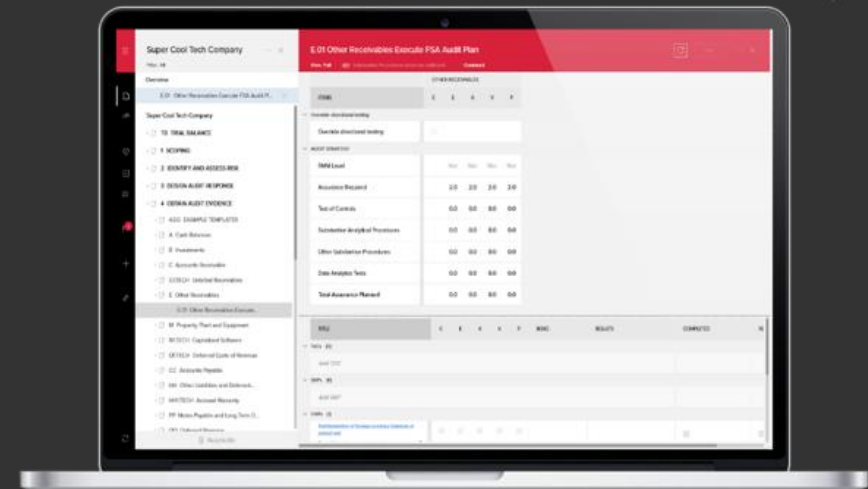
## APT Next Gen

Our audit software and documentation tool, APT, is an integral part of our audit methodology. Our professionals engage APT to devise and perform appropriate, risk-based audit procedures and testing based on applicable Canadian Auditing Standards (CASs), as well as to factor in engagement and industry-specific objectives and circumstances.

APT enables us to deliver an audit that fits your organization—whether large or small; complex or basic.

This sophisticated tool also amplifies two key attributes of our audits: consistency and quality. The quality framework that we developed measures our audit performance with hard quality indicators and reflects our indispensable culture for quality. To see our audit quality and consistency in action, look no further than how our teams share best audit practices for continuous improvement.

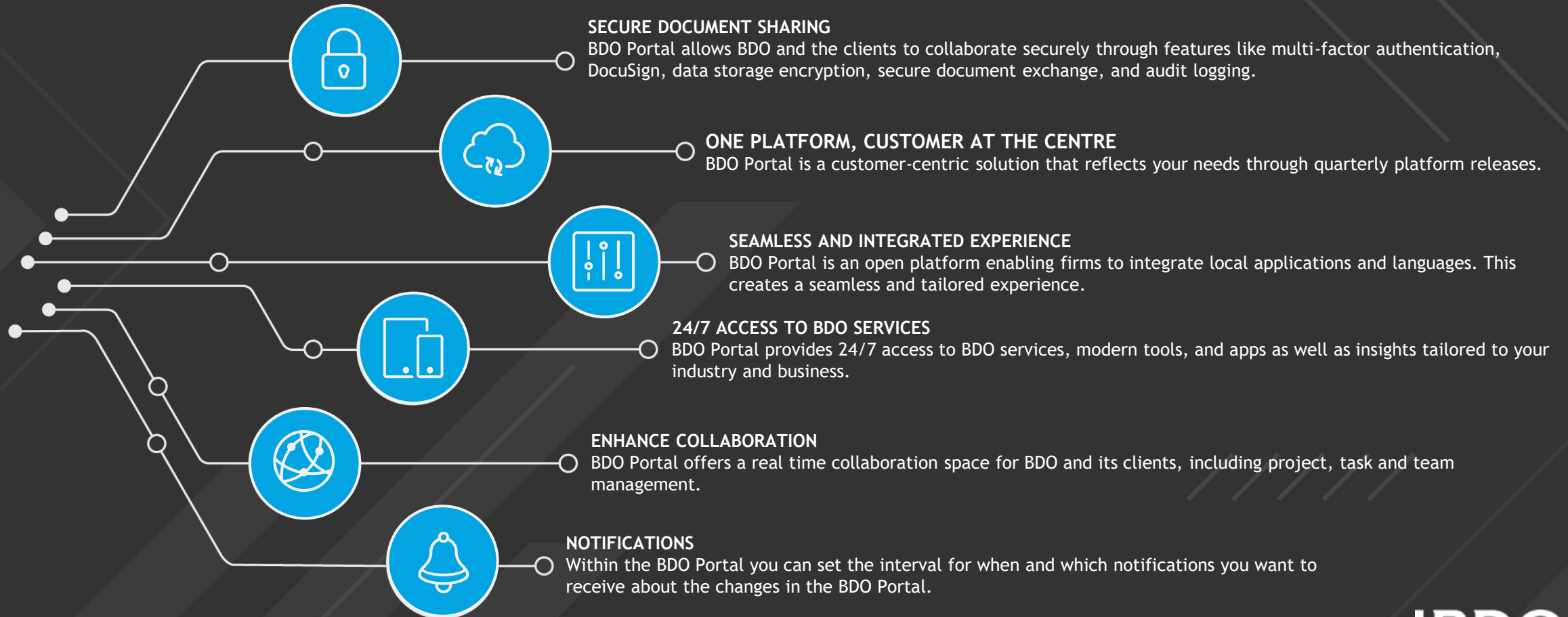
Through a strategic alliance with Microsoft and the introduction of new technology, this global, cloud-based application can now streamline and focus the audit process in even more ways for BDO professionals and their clients.





## BDO Portal

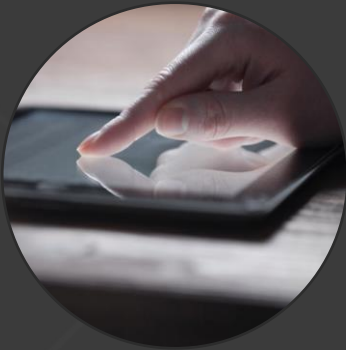
BDO Portal transforms and enhances your digital experience with your BDO advisors. Available at any time, Portal enables you to access all services, tools, apps, and information and to collaborate with your advisors in a seamless way through a flexible, appealing, and secure environment.





## Recommended resources

### PSAS knowledge centre



Collected here are useful resources to help increase your understanding of the accounting required under the Public Sector Accounting Standards in the CPA Canada Handbook (PSAS).

**ACCESS OUR  
KNOWLEDGE CENTRE**

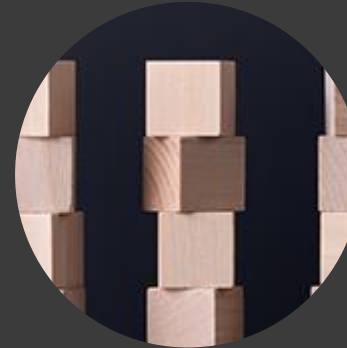
### The latest tax pointers



Corporate. Commodity. Transfer pricing. International tax. Government programs. Together they add up to immense differences on the organization's bottom line. Our tax collection keeps you current.

**STAY ON TOP OF TAXES**

### 7 powerful steps to financial audit readiness



Getting and staying prepared for an audit simplifies the process, cuts turnaround time, and improves your chances of overall success. Learn how you can be audit ready.

**7 STEPS**

### Asset Retirement Obligations (ARO): A Practical Approach to Section PS 3280



This publication will walk through a practical approach to applying Section PS 3280 including: identification, recognition and measurement of an obligation, and the different options available to entities on transition.

**READ ARTICLE**



# Spotlight on sustainability

Fast-moving world events are pushing sustainability up the agenda of Canadian organizations. Now organizational leaders, investors, and customers are responding on three fronts: environmental, social, and governance (ESG).

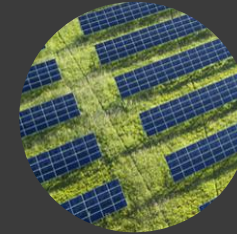
Regulators and issuers of standards are doing their part by supporting sustainability in the reporting ecosystem. Increasingly, organizations will need to go beyond the financials—and demonstrate sustainability with non-financial metrics.

## 5 reasons why businesses should care about ESG



[SEE 5 REASONS](#)

## How climate change became a business issue worth reporting



[READ ARTICLE](#)

## What executives need to do to align ESG with strategy



[TAKE NEXT STEPS](#)

## ESG, and the business case for dealing with climate change



[LEARN MORE](#)

## How does COVID-19 impact the environment?



[BUILD BACK SUSTAINABLY](#)

## Why Canadian manufacturers should be reviewing ESG strategy



[GET STARTED](#)



# Spotlight on public sector

PS 3280 is effective for March 31, 2023, and December 31, 2023, year ends, therefore entities must consider identification and recognition now to ensure a smooth transition. Check out the four-step approach below as an aid through the transition process:

## IDENTIFICATION

Potential AROs:

- Solid waste landfill closure and post closure liabilities
- Removal of asbestos
- Retirement of sewage treatment plants
- Removal of fuel tanks
- Removal of customizations/leasehold improvements from a leased premises

## Four-step approach to AROs

## SUBSEQUENT MEASUREMENT

Year-to-year changes in the liability from:

- Revisions to timing, the original estimate of undiscounted cash flows or the discount rate
- The passage of time as an accretion expense

## RECOGNITION

- There is a legal obligation to incur retirement costs
- The past transaction or event giving rise to the liability has occurred
- It is expected that future economic benefits will be given up
- A reasonable estimate can be made

## INITIAL MEASUREMENT

Best estimate of future costs:

- Any costs directly attributable to the asset retirement activities
- Any costs required in existing agreements, contracts, legislation, etc.

A present value technique is often the best method to estimate the liability. Engineers or other experts will likely be needed for estimates.

## PS 3280, Asset Retirement Obligations



It is important to understand the scope of the new standard and how it interacts with previous sections under PSAS, such as Section PS 3270 and Section PS 3260.

STANDARD AT A GLANCE



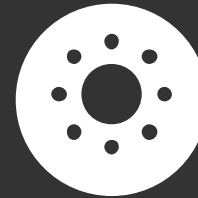
# Spotlight on public sector

Key identification considerations include:



## ASSET MANAGEMENT PLANS

Review any asset management plans in place for the retirement or remediation of assets and engage functions outside of finance (e.g. public works and engineering).



## CONTAMINATED SITES

Determine if there are any known contaminations associated with assets that remain in productive use, which are scoped out of PS 3260, but scoped into PS 3280.



## ASSESSMENT OF ASBESTOS

Complete an assessment of all buildings and other infrastructure to determine if there is any asbestos.



## LEGISLATION, AGREEMENTS, CONTRACTS

Consider relevant legislation, lease agreements, contracts and obligation studies previously completed to identify any assets that require retirement or remediation.



## REVIEW OF INFRASTRUCTURE FOOTPRINT

Complete a review of infrastructure footprint (e.g. survey maps, physical inspection, historical data, etc.) to determine if there are any unknown, off-book assets (e.g. equipment, subsurface infrastructure, etc.) that will require clean up or retirement.



## MINISTRY CORRESPONDENCE

Consider any past correspondence from Ministries and legal counsel for legal obligations to retire an asset or regarding funding to remediate potential environmental obligations.





## Spotlight on municipalities

A wave of accounting changes are on the horizon, the magnitude of impacts are as follows:

	SIGNIFICANT IMPACT	MODERATE IMPACT	MINOR IMPACT
Section PS 3280, Asset Retirement Obligations (effective April 1, 2022)			
Section PS 3250, Financial instruments and related standards (effective April 1, 2022)			
Section PS 3400, Revenue (effective April 1, 2023)			
Section PS 3160, Public Private Partnership (effective April 1, 2023)			
PSG-8, Purchased Intangibles (effective April 1, 2023)			

# Appendices

- ▶ Appendix A: Independent auditor's report
- ▶ Appendix B: Representation letter
- ▶ Appendix C: Management letter

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For the year ended December 31, 2021



# Appendix A: Independent auditor's report



Tel: 604 688 5421  
Fax: 604 688 5132  
vancouver@bdo.ca  
www.bdo.ca

BDO Canada LLP  
Unit 1100-Royal Centre  
1055 West Georgia Street,  
Vancouver, BC V6E 3P3  
Canada

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## Independent Auditor's Report

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To the Mayor and Council 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, 2021 and the Statements of 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 and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2021 and the results of its 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 our 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.

Chartered Professional Accountants

Vancouver, British Columbia  
[Date of Council Approval]



## Appendix B: Representation letter

DATE

BDO Canada LLP  
Chartered Professional Accountants  
Unit 1100 - Royal Centre  
1055 West Georgia Street  
Vancouver, BC V6E 3P3

This representation letter is provided in connection with your audit of the financial statements of Village of Lions Bay for the year ended December 31, 2021 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

### Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated December 8, 2019, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.

### Information Provided

- We have provided you with:
  - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.

- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

## Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

## General Representations

- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- Except as disclosed in the financial statements, there have been no changes to title, control over assets, liens or assets pledged as security for liabilities or collateral.
- The entity has complied with all provisions in its agreements related to debt and there were no defaults in principal or interest, or in the covenants and conditions contained in such agreements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).
- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.



- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity, except as disclosed in the financial statements.

#### Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. When applicable, these litigation and claims have been accounted for and disclosed in the financial statements.
- We will provide to you, when available and prior to issuance by the entity, the final version of the document(s) comprising the annual report.
- To the extent that our normal procedures and controls related to our financial statement close process or other reporting processes at any of our locations were adversely impacted by the COVID-19 outbreak, we took appropriate actions and safeguards to reasonably ensure the fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards. Disclosures included in the financial statements regarding the relevant significant business, financial, and reporting impacts of the COVID-19 outbreak accurately reflect management's full consideration of such impacts.

Yours truly,

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Signature and Position

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Date

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Signature and Position

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Date

[Back to contents](#)

For the year ended December 31, 2021



## Appendix C: Management letter



April 27, 2022

Village of Lions Bay  
Attention: Peter DeJong, Chief Administrative Officer  
PO Box 141  
400 Centre Road  
Lions Bay BC V0N 2E0

Dear Mr. DeJong;

During the course of our audit of the financial statements of Village of Lions Bay for the year ended December 31, 2021, we identified matters which may be of interest to management. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

The responsibility for producing financial statements and ensuring adequate internal controls and sound business practices is the responsibility of the Board of Directors through management and is a part of management's overall responsibility for the ongoing activities of the Village. Policies and procedures developed by the Village to safeguard its assets and to provide reasonable assurance that errors and irregularities or illegal acts are promptly identified, must be properly monitored to ensure that all staff are complying with the guidelines provided. Where we determined, from our testing, that there exists a need for improvement in existing systems of internal control or if we detected that the Village's staff are not complying with the critical accounting policies and procedures provided by management, we increased our year-end testing of account balances to ensure that audit risk was kept to an appropriately low level.

The comments and concerns expressed herein did not have a material effect on the Village's financial statements and, as such, our opinion thereon was without reservation. However, in order for the Village to ensure the safeguarding of its assets and the accuracy of its records, we believe our comments and concerns should be taken into consideration by management. Our comments are not intended to reflect upon the honesty or competence of the Village's employees.

The matters we have identified are discussed in Appendix 1.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance which we received during the course of our audit from Pamela Rooke and Hayley Cook.

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.



Yours truly,

A handwritten signature in black ink, appearing to read "Paul Fripp".

Paul Fripp, CPA, CA  
Partner through a corporation  
BDO Canada LLP  
Chartered Accountants

PF/mkn





## *Appendix 1*

### Update on prior year points:

#### 1. Information Technology Security

Cyber security, especially in the public sector, is becoming increasingly important. Instances of cyber fraud is common place in local governments. There are significant risks of data breaches, ransomware attacks, or cyber bank fraud that could have legal, financial or reputational impacts to the Village. We recommend the Village perform periodic penetration tests on their existing IT systems. In addition, we also recommend that the Village offer formal training and implement policies on cyber security to help safeguard the Village's financial information and data.

Management 2021 update:

In 2022, the Village has commenced formal training on cyber security with staff which includes periodic penetration tests. The Village will also be implementing multi-factor authentication in 2022.

#### 2. Approval of Expense of Mayor and Council

Approval of transactions by an authorized person with segregation of duty is a key control in any financial system. It is best practice that approval of any individual's expense be approved by a person with higher authority within the organization. We recommend that any expense reports for the Mayor or other members of Council be reviewed and approved by another Councillor.

Management 2021 update:

The expense reports for the Mayor and other members of Council are now reviewed and approved by another Councillor.

#### 3. PS 3280 Asset Retirement Obligations

Effective January 1, 2023, the provisions of PS 3280 Asset Retirement Obligations will be in effect for the Village. This standard will require that the liability be recognized at any time when there is a legal obligation to incur retirement costs in relation to tangible capital assets. This standard is in some ways slimmer, but is broader in scope, than the current section PS 3270 Solid Waste Landfill Closure and PS 3260 Liability for Contaminated Sites. Initial adoption of this standard may place a burden on the Village's management to consider and identify potential legal obligations for retirement costs among the Village's network of infrastructure and other tangible capital assets.

We encourage management to discuss proposed steps and application of this standard with BDO to ensure that reasonable and adequate steps are taken, consistent with those of other public sector entities.

Management 2021 update:

Management is aware of the new standard and is working on assessing its impact to ensure the necessary steps are taken to meet the January 1, 2023 deadline.

**Village of Lions Bay  
Financial Statements  
For the year ended December 31, 2021**

DRAFT

**Village of Lions Bay  
Financial Statements  
For the year ended December 31, 2021**

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## Management's Responsibility for the Financial Statements

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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 precede 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.

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Pamela Rooke, CPA, CMA  
Chief Financial Officer

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Peter DeJong  
Chief Administrative Officer

May x, 2022



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## Independent Auditor's Report

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To the Mayor and Councillors of the  
Village of Lions Bay

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**Village of Lions Bay  
Statement of Financial Position**

<b>As at December 31</b>	<b>2021</b>	<b>2020</b>
<b>Financial Assets</b>		
Cash and cash equivalents	5,709,347	5,493,309
Accounts receivable	191,121	197,197
Grants receivable	61,495	219,365
Other assets (Note 1)	-	273,518
Debt reserve fund	36,810	36,195
	<u>5,998,773</u>	<u>6,219,584</u>
<b>Liabilities</b>		
Accounts payable	573,706	1,131,806
Sick, overtime, wellness and vacation payable	106,505	98,782
Deferred revenue (Note 2)	47,575	49,895
Developer deposits (Note 3)	144,000	141,500
Equipment financing (Note 4)	58,311	74,384
Long term debt (Note 5)	1,935,077	2,175,096
	<u>2,865,174</u>	<u>3,671,463</u>
<b>Net Financial Assets</b>	<u>3,133,599</u>	<u>2,548,121</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule 3)	23,706,653	23,412,300
Prepaid expenses	29,308	15,527
	<u>23,735,961</u>	<u>23,427,827</u>
<b>Accumulated Surplus (Note 11)</b>	<u>26,869,560</u>	<u>25,975,948</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 2021	2021	2020
	(Note 9)		
<b>Revenue</b> (Schedules 1 & 2)			
Taxation (Note 6)	1,896,376	1,913,560	1,747,131
Utility user rate	1,228,265	1,206,652	1,170,752
Government transfers	4,017,862	732,450	1,190,059
Sale of services	321,974	440,314	270,161
Other revenues	143,851	123,182	133,752
Gain of sale of asset held for sale (Note 1)	398,280	399,607	-
Gain (loss) on disposal of tangible capital assets	-	30,579	(25,170)
	8,006,608	4,846,344	4,486,685
<b>Expenses</b> (Schedules 1 & 2)			
General departmental expenses	3,104,393	2,886,992	2,532,289
Water system operations	1,119,586	963,219	857,842
Sewer system operations	105,740	102,521	114,566
	4,329,719	3,952,732	3,504,697
<b>Annual Surplus</b>	3,676,889	893,612	981,988
<b>Accumulated Surplus</b> , beginning of year	25,975,948	25,975,948	24,993,960
<b>Accumulated Surplus</b> , end of year	29,652,837	26,869,560	25,975,948

**Village of Lions Bay**  
**Statement of Change in Net Financial Assets**

<b>For the year ended December 31</b>	<b>Financial Plan 2021</b>	<b>2021</b>	<b>2020</b>
	(Note 9)		
<b>Annual Surplus</b>	<b>3,676,889</b>	<b>893,612</b>	<b>981,988</b>
<b>Change in Tangible Capital Assets</b>			
Acquisition of tangible capital assets	(5,525,177)	<b>(872,582)</b>	(1,757,070)
Amortization of tangible capital assets	612,690	<b>575,808</b>	612,374
Proceeds on disposal of tangible capital assets	-	<b>33,000</b>	-
(Gain) loss on disposal of tangible capital assets	-	<b>(30,579)</b>	25,170
	<b>(4,912,487)</b>	<b>(294,353)</b>	<b>(1,119,526)</b>
<b>Change in Other Non-Financial Assets</b>			
Net use (acquisition) of prepaid expenses	-	<b>(13,781)</b>	3,481
<b>Change in net financial assets for the year</b>	<b>(1,235,598)</b>	<b>585,478</b>	<b>(134,057)</b>
<b>Net financial assets, beginning of year</b>	<b>2,548,121</b>	<b>2,548,121</b>	<b>2,682,178</b>
<b>Net financial assets, end of year</b>	<b>1,312,523</b>	<b>3,133,599</b>	<b>2,548,121</b>

**Village of Lions Bay**  
**Statement of Cash Flows**

For the year ended December 31	2021	2020
<b>Cash provided by (used in)</b>		
<b>Operating transactions</b>		
Annual surplus	893,612	981,988
<b>Items not involving cash</b>		
Amortization expense	575,808	612,374
(Gain) loss on disposal of tangible capital assets	(30,579)	25,170
<b>Changes in non-cash operating balances</b>		
Accounts receivable	6,076	56,944
Grants receivable	157,870	751,190
Other assets	273,518	-
Debt reserve fund	(615)	(36,195)
Developer deposits	2,500	(39,000)
Deferred revenue	(2,320)	2,984
Accounts payable	(558,100)	716,350
Sick, overtime, wellness and vacation payable	7,723	17,391
Prepaid expenses	(13,781)	3,481
	<u>1,311,712</u>	<u>3,092,677</u>
<b>Capital transactions</b>		
Cash used to acquire tangible capital assets	(872,582)	(1,757,070)
Proceeds on disposal of tangible capital assets	33,000	-
	<u>(839,582)</u>	<u>(1,757,070)</u>
<b>Financing transactions</b>		
Repayment of equipment financing	(16,073)	(15,602)
Repayment of long-term debt principal	(240,019)	(207,582)
Issue of long-term debt	-	600,000
	<u>(256,092)</u>	<u>376,816</u>
<b>Increase in cash and equivalents during the year</b>	<b>216,038</b>	<b>1,712,423</b>
<b>Cash and equivalents, beginning of year</b>	<b>5,493,309</b>	<b>3,780,886</b>
<b>Cash and equivalents, end of year</b>	<b>5,709,347</b>	<b>5,493,309</b>
<b>Supplemental information:</b>		
Interest paid on long-term debt	80,252	78,944

## Village of Lions Bay

### Summary of Significant Accounting Policies

**December 31, 2021**

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, 2021

### Debt Reserve Fund

Under borrowing arrangements with the Municipal Finance Authority (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, 2021

<b>Financial Instruments</b>	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.
<b>Deferred Revenue</b>	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.
<b>Contaminated Sites</b>	<p>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.</p> <p>A liability for remediation of contaminated sites is recognized when all of the following criteria are met:</p> <ol style="list-style-type: none"> <li>1. an environmental standard exists;</li> <li>2. contamination exceeds the environmental standard;</li> <li>3. the Village is directly responsible or accepts responsibility;</li> <li>4. it is expected that future economic benefits will be given up; and</li> <li>5. a reasonable estimate of the amount can be made.</li> </ol> <p>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, 2021 or 2020.</p>

**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2021**

**1. Other Assets**

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 was \$273,518. The land sold in March 2021 with a gain on sale of \$399,607.

**2. Deferred Revenue**

	2021	2020
Contributions for future use	14,209	14,209
Prepaid taxes	33,366	35,686
	<u>47,575</u>	<u>49,895</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 \$144,000 (2020 - \$141,500) 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.

**4. Equipment Financing**

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

2022	18,185
2023	18,185
2024	18,185
2025	<u>7,271</u>
Total future minimum lease payments	61,826
Less: Imputed interest (at 3%)	<u>(3,515)</u>
Present value of minimum lease payments	<u>58,311</u>

**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2021**

**5. Long Term Debt**

Bylaw/Issue Number	Interest Rate	Maturity Date	Issued	Debt Outstanding	
				2021	2020
353 / 93	5.1%	2025	114,000	<b>27,607</b>	34,085
374 / 104	2.9%	2028	600,000	<b>264,984</b>	297,244
401 / 104	2.9%	2028	800,000	<b>353,314</b>	396,326
104 / 380	2.9%	2028	250,000	<b>110,410</b>	123,852
142 / 508	3.15%	2047	460,900	<b>420,370</b>	430,956
150 / 508	1.99%	2040	600,000	<b>575,306</b>	600,000
MFA Financing	(a)	2022	145,000	<b>25,931</b>	55,915
MFA Financing	(a)	2024	380,000	<b>157,155</b>	236,718
				<b>1,935,077</b>	2,175,096

(a) MFA Financing incurred to acquire equipment has a variable interest rate based on the Canadian Dollar Offered Rate (CDOR) and was 0.97% at December 31, 2021 (0.95% at December 31, 2020).

Repayments of debt to the MFA required in the next five years and thereafter are as follows:

2022	241,190
2023	216,579
2024	144,550
2025	149,591
2026	147,469
Thereafter	<u>1,035,698</u>
	<u>1,935,077</u>

**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2021**

**6. Taxation**

	Financial Plan 2021	2021	2020
	(Note 9)		
<b>General purposes</b>	1,785,087	<b>1,785,021</b>	1,736,546
<b>Collections for other tax authorities</b>			
School Taxes – Province	-	<b>906,064</b>	888,550
RCMP	-	<b>145,374</b>	144,802
Regional District	-	<b>59,701</b>	54,100
Greater Vancouver Transportation Authority	-	<b>238,704</b>	224,969
Municipal Finance Authority	-	<b>184</b>	178
British Columbia Assessment Authority	-	<b>38,021</b>	38,135
	1,785,087	<b>3,173,069</b>	3,087,280
<b>Transfers to other tax authorities</b>			
School Taxes – Province	-	<b>906,064</b>	888,550
RCMP	-	<b>145,374</b>	144,802
Regional District	-	<b>59,701</b>	54,100
Greater Vancouver Transportation Authority	-	<b>238,704</b>	224,969
Municipal Finance Authority	-	<b>184</b>	178
British Columbia Assessment Authority	-	<b>38,021</b>	38,135
	-	<b>1,388,048</b>	1,350,734
<b>Available for general purposes</b>	1,785,087	<b>1,785,021</b>	1,736,546
<b>Water and sewer utility parcel taxes</b>	111,289	<b>128,539</b>	10,585
	1,896,376	<b>1,913,560</b>	1,747,131

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**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2021**

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**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, 2021) 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, 2021 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, 2021**

### 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:

2022	25,760
2023	25,760
2024	25,760
2025	27,102
2026	28,980
Thereafter	103,845

### 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:

	<b>2021</b>
<b>Financial Plan Balance per Bylaw</b>	-
<b>Add back:</b>	
Capital expenditures	5,525,177
Repayment of Debt	216,549
MFA Actuarial Gain on Debt	34,201
<b>Less:</b>	
Proceeds from Borrowing	(603,458)
Budgeted transfers from accumulated surplus	(882,890)
Amortization	(612,690)
<b>Financial Plan Surplus per PSAS</b>	<b>3,676,889</b>



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**Village of Lions Bay**  
**Notes to Financial Statements****December 31, 2021**

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**10. Pension Plan**

The employer and its employees contribute to the Municipal Pension Plan (a jointly trusted 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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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 \$98,240 (2020 - \$90,486) for employer contributions while employees contributed \$87,705 (2020 - \$81,464) to the plan in fiscal 2021.

**Village of Lions Bay**  
**Notes to Financial Statements**

**December 31, 2021**

**11. Accumulated Surplus**

The components of accumulated surplus are as follows:

	<b>2021</b>	2020
Invested in tangible capital assets	<b>21,713,265</b>	21,162,820
Reserve funds (Note 12)	<b>1,986,485</b>	1,569,617
Unrestricted amounts	<b>3,169,810</b>	3,243,511
	<b>26,869,560</b>	25,975,948

**12. Reserve Funds**

	<b>Opening Balance</b>	<b>Revenues &amp; Transfers</b>	<b>Interest Earned</b>	<b>Expenditures &amp; Transfers</b>	<b>Closing Balance</b>
Capital reserves	638,145	-	6,381	-	644,526
Land reserve fund	145,339	117,954	2,043	-	265,336
Infrastructure fund	301,504	158,053	3,805	-	463,362
Curly Stewart fund	8,532	2,000	95	-	10,627
Gas tax reserve	476,097	121,170	5,367	-	602,634
	<b>1,569,617</b>	<b>399,177</b>	<b>17,691</b>	-	<b>1,986,485</b>

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**Village of Lions Bay**  
**Notes to Financial Statements****December 31, 2021**

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**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.

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**Village of Lions Bay**  
**Notes to Financial Statements****December 31, 2021**

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**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.

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**14. Comparative Figures**

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

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**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 - 2021

For the year ended December 31, 2021

	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	2021 Actual	2021 Financial Plan
											(Note 9)
<b>Revenues</b>											
Taxation	1,785,021	-	-	-	-	-	1,785,021	10,585	117,954	1,913,560	1,896,376
Utility user rates	-	-	-	195,621	-	-	195,621	938,231	72,800	1,206,652	1,228,265
Government transfers	545,028	9,036	-	-	-	6,000	560,064	172,386	-	732,450	4,017,862
Sales of services	14,690	318,622	-	4,931	69,145	10,353	417,741	20,495	2,078	440,314	321,974
Other revenues	60,260	25,873	-	-	-	-	86,133	35,849	1,200	123,182	143,851
Gain on sale of asset held for sale	399,607	-	-	-	-	-	399,607	-	-	399,607	398,280
Gain on disposal of tangible capital assets	30,579	-	-	-	-	-	30,579	-	-	30,579	-
	<b>2,835,185</b>	<b>353,531</b>	<b>-</b>	<b>200,552</b>	<b>69,145</b>	<b>16,353</b>	<b>3,474,766</b>	<b>1,177,546</b>	<b>194,032</b>	<b>4,846,344</b>	<b>8,006,608</b>
<b>Expenses</b>											
<b>Operating</b>											
Goods and Services	211,746	251,974	322,369	192,751	23,532	106,007	1,108,379	365,694	45,213	1,519,286	1,849,348
Labour	676,803	278,227	250,476	-	31,938	187,334	1,424,778	331,500	21,108	1,777,386	1,782,156
Amortization	342,214	-	-	-	-	-	342,214	197,394	36,200	575,808	612,690
	<b>1,230,763</b>	<b>530,201</b>	<b>572,845</b>	<b>192,751</b>	<b>55,470</b>	<b>293,341</b>	<b>2,875,371</b>	<b>894,588</b>	<b>102,521</b>	<b>3,872,480</b>	<b>4,244,194</b>
Interest	-	1,698	9,923	-	-	-	11,621	68,631	-	80,252	85,525
	<b>1,230,763</b>	<b>531,899</b>	<b>582,768</b>	<b>192,751</b>	<b>55,470</b>	<b>293,341</b>	<b>2,886,992</b>	<b>963,219</b>	<b>102,521</b>	<b>3,952,732</b>	<b>4,329,719</b>
<b>Annual surplus (deficiency)</b>	<b>1,604,422</b>	<b>(178,368)</b>	<b>(582,768)</b>	<b>7,801</b>	<b>13,675</b>	<b>(276,988)</b>	<b>587,774</b>	<b>214,327</b>	<b>91,511</b>	<b>893,612</b>	<b>3,676,889</b>

## 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 3 - Tangible Capital Assets - 2021**

**For the year ended December 31, 2021**

	Land	Buildings	Equipment & Furniture & Vehicles	Land Improvements	Water	Sewer	Transportation	Storm Sewer	WIP – General	2021 Total	2020 Total
<b>Cost, beginning of year</b>	11,695,765	2,336,836	2,536,232	197,545	9,460,625	1,447,516	4,766,264	101,450	231,690	<b>32,773,923</b>	<b>31,,527,958</b>
<b>Additions</b>	36,500	-	58,823	-	72,733	18,788	38,010	-	647,728	<b>872,582</b>	<b>1,757,070</b>
<b>Disposals</b>	(2,421)	-	(269,476)	(291)	-	-	-	-	-	<b>(272,188)</b>	<b>(511,105)</b>
<b>Cost, end of year</b>	<b>11,729,844</b>	<b>2,336,836</b>	<b>2,325,579</b>	<b>197,254</b>	<b>9,533,358</b>	<b>1,466,304</b>	<b>4,804,274</b>	<b>101,450</b>	<b>879,418</b>	<b>33,374,317</b>	<b>32,773,923</b>
<b>Accumulated amortization, beginning of year</b>	-	947,762	1,618,288	78,435	3,253,246	267,424	3,114,210	82,258	-	<b>9,361,623</b>	<b>9,235,184</b>
<b>Amortization</b>	-	57,544	175,833	7,281	197,394	36,200	100,314	1,242	-	<b>575,808</b>	<b>612,374</b>
<b>Disposals</b>	-	-	(269,476)	(291)	-	-	-	-	-	<b>(269,767)</b>	<b>(485,935)</b>
<b>Accumulated amortization, end of year</b>	-	<b>1,005,306</b>	<b>1,524,645</b>	<b>85,425</b>	<b>3,450,640</b>	<b>303,624</b>	<b>3,214,524</b>	<b>83,500</b>	-	<b>9,667,664</b>	<b>9,361,623</b>
<b>Net carrying amount, end of year</b>	<b>11,729,844</b>	<b>1,331,530</b>	<b>800,934</b>	<b>111,829</b>	<b>6,082,718</b>	<b>1,162,680</b>	<b>1,589,750</b>	<b>17,950</b>	<b>879,418</b>	<b>23,706,653</b>	<b>23,412,300</b>



For the year ended December 31, 2020

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

**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 have applied these funds to the programs impacted as follows:

	<b>2021</b>
<b>COVID-19 BC Safe Restart Grant received</b>	<b>\$603,000</b>
2020 eligible costs incurred	(235,865)
<b>Balance, December 31, 2020</b>	<b>\$367,135</b>
<b>2021 eligible costs Incurred:</b>	
Computer and technology costs to improve connectivity and virtual communications	(13,085)
Revenue shortfalls	(11,887)
General government services	(3,442)
Protective services	(107,654)
Public works	(81,067)
<b>Total 2021 eligible costs incurred</b>	<b>(217,135)</b>
<b>Balance, December 31, 2021</b>	<b>\$150,000</b>