



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

STATEMENT OF FINANCIAL INFORMATION

For the Fiscal Year ended December 31, 2021

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) 2021 Audited Financial Statements



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

**SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021
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.

A handwritten signature in blue ink, reading "Pamela Rooke".

Pamela Rooke, CFO
Chief Financial Officer

A handwritten signature in blue ink, reading "Ron McLaughlin".

Ron McLaughlin
Mayor

THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

FINANCIAL INFORMATION ACT REPORT
Year Ended December 31, 2021

SCHEDULE OF REMUNERATION
SECTION 6

<i>Name</i>	<i>Position</i>	<i>Remuneration*</i>	<i>Expenses**</i>
MAYOR & COUNCIL:			
Neville Abbott	Councillor	8,316.11	
Fred Bain	Councillor	8,316.11	
Norman Barmeier	Councillor	8,316.11	
Jaime Cunliffe	Councillor	8,316.11	
Ron McLaughlin	Mayor	16,632.14	
Total Council		49,896.58	-
STAFF:			
Employees in excess of \$75,000:			
Garth Begley	Public Works Foreman	106,732.72	618.99
Hayley Cook	Municipal Accountant	78,557.61	1,131.47
Peter DeJong	Chief Administrative Officer	140,047.32	44.40
Karla Duarte	Municipal Coordinator	75,015.21	1,713.88
Nai Jaffer	Public Works Manager	105,498.14	771.96
Kyle McCallum	Public Works Technician 2	86,325.10	6,397.35
Pamela Rooke	Chief Financial Officer	113,627.74	2,723.36
Alberto Urrutia	Public Works Treatment Plant Operator 1	115,026.61	268.99
Aidan Young	Public Works Technician 1	99,297.56	1,751.65
		920,128.01	15,422.05
Add amounts paid to Employees < \$75,000:		534,810.67	2,369.17
Total Staff		1,454,938.68	17,791.22
TOTAL COUNCIL AND STAFF		1,504,835.26	17,791.22

RECONCILIATION OF AMOUNTS PAID:

ADD: Benefits & Remittances paid by employer (non taxable)	264,136.41
Difference in Cash/ Accrual	8,414.33
Total \$	1,777,386.00

Total per Schedule 1 of the Financial Statements \$ 1,777,386.00

* Remuneration includes taxable benefits and vacation payouts.

** 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

Pamela Rooke
Chief Financial Officer

Ron McLaughlin

Ron McLaughlin
Mayor



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

SCHEDULE OF SEVERANCE AGREEMENTS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021 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 2021.

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

A handwritten signature in blue ink, reading "Pamela Rooke".

Pamela Rooke
Chief Financial Officer

A handwritten signature in blue ink, reading "Ron McLaughlin".

Ron McLaughlin
Mayor

THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

FINANCIAL INFORMATION ACT REPORT

Year Ended December 31, 2021

SCHEDULE OF AMOUNTS PAID TO SUPPLIERS FOR GOODS AND SERVICES

SECTION 7

<i>Supplier Accounts</i>	<i>Amounts Paid in 2021</i>
School Tax ***	1,381,229.21
Industra Construction Corp.	599,745.95
Revenue Canada	470,150.47
South Coast BC Transportation Authority ***	244,653.81
Waste Control Services Inc.	195,439.71
Municipal Pension Plan	185,334.54
Metro Vancouver	172,151.41
CN Railway Properties	128,622.29
Ramtech Environmental Products	116,005.11
Municipal Finance Authority	111,989.36
AON Canada Inc	93,656.00
BC Hydro	86,138.31
Sea to Sky Network Solutions	63,367.02
Metro Vancouver Regional District ***	59,701.00
BA Blacktop Ltd	59,203.36
ISL Engineering and Land Services Ltd.	48,051.90
E-COMM	43,464.83
BDO Canada LLP	43,212.21
Associated Fire Safety Equipment	42,050.74
Workers Compensation Board	41,339.68
BC Assessment Authority ***	38,021.05
McRae's Environmental Services Ltd	37,247.92
Lidstone & Company, In Trust	37,061.50
Pacific Blue Cross	36,667.73
Absolute Power Ltd.	36,645.90
Lidstone & Company	33,518.22
ICONIX Waterworks LP	31,874.65
Revenue Services of British Columbia	28,598.05
Supersave Fuels	25,517.02
Total for Suppliers Paid > \$ 25,000	4,490,658.95
Other Supplier Payments	845,542.30
All Payments	5,336,201.25

*** 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

Pamela Rooke
Chief Financial Officer

Ron McLaughlin

Ron McLaughlin
Mayor



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

STATEMENT OF FINANCIAL INFORMATION APPROVAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021 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*.

A handwritten signature in blue ink that reads "Pamela Rooke".

Pamela Rooke
Chief Financial Officer
Date: June 21, 2022

A handwritten signature in blue ink that reads "Ron McLaughlin".

Ron McLaughlin
Mayor, on behalf of Council
Date: June 21, 2022



THE MUNICIPALITY OF THE VILLAGE OF LIONS BAY

MANAGEMENT REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021 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 21, 2022

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

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

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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 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.

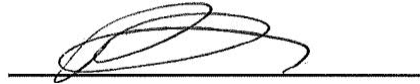
The Village's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely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



Pamela Rooke, CPA, CMA
Chief Financial Officer



Peter DeJong
Chief Administrative Officer

May 3, 2022



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

Independent Auditor's Report

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.

BDO Canada LLP

Chartered Professional Accountants

Vancouver, British Columbia
May 6, 2022

Village of Lions Bay
Statement of Financial Position

As at December 31	2021	2020
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Financial Assets

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>

Liabilities

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>

Net Financial Assets

	<u>3,133,599</u>	<u>2,548,121</u>
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Non-Financial Assets

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>

Accumulated Surplus (Note 11)

	26,869,560	25,975,948
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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)		
Revenue (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)
	<u>8,006,608</u>	<u>4,846,344</u>	<u>4,486,685</u>
Expenses (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
	<u>4,329,719</u>	<u>3,952,732</u>	<u>3,504,697</u>
Annual Surplus	3,676,889	893,612	981,988
Accumulated Surplus, beginning of year	<u>25,975,948</u>	<u>25,975,948</u>	<u>24,993,960</u>
Accumulated Surplus, end of year	<u>29,652,837</u>	<u>26,869,560</u>	<u>25,975,948</u>

Village of Lions Bay
Statement of Change in Net Financial Assets

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

Village of Lions Bay
Statement of Cash Flows

For the year ended December 31	2021	2020
Cash provided by (used in)		
Operating transactions		
Annual surplus	893,612	981,988
Items not involving cash		
Amortization expense	575,808	612,374
(Gain) loss on disposal of tangible capital assets	(30,579)	25,170
Changes in non-cash operating balances		
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>
Capital transactions		
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>
Financing transactions		
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>
Increase in cash and equivalents during the year	216,038	1,712,423
Cash and equivalents, beginning of year	<u>5,493,309</u>	<u>3,780,886</u>
Cash and equivalents, end of year	<u>5,709,347</u>	<u>5,493,309</u>
Supplemental information:		
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	<p>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.</p>
Revenue Recognition	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Sales of service and other revenue is recognized on an accrual basis.</p>
Use of Estimates	<p>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.</p>

Village of Lions Bay
Summary of Significant Accounting Policies

December 31, 2021

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, 2021 or 2020.

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	27,607	34,085
374 / 104	2.9%	2028	600,000	264,984	297,244
401 / 104	2.9%	2028	800,000	353,314	396,326
104 / 380	2.9%	2028	250,000	110,410	123,852
142 / 508	3.15%	2047	460,900	420,370	430,956
150 / 508	1.99%	2040	600,000	575,306	600,000
MFA Financing	(a)	2022	145,000	25,931	55,915
MFA Financing	(a)	2024	380,000	157,155	236,718
				1,935,077	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	1,035,698
	1,935,077

Village of Lions Bay
Notes to Financial Statements

December 31, 2021

6. Taxation

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

December 31, 2021

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:

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

December 31, 2021

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, 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:

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

12. Reserve Funds

	Opening Balance	Revenues & Transfers	Interest Earned	Expenditures & Transfers	Closing Balance
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
	<u>1,569,617</u>	<u>399,177</u>	<u>17,691</u>	<u>-</u>	<u>1,986,485</u>

December 31, 2021

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, 2021

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 - 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)
Revenues											
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	-
	2,835,185	353,531	-	200,552	69,145	16,353	3,474,766	1,177,546	194,032	4,846,344	8,006,608
Expenses											
Operating											
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
	1,230,763	530,201	572,845	192,751	55,470	293,341	2,875,371	894,588	102,521	3,872,480	4,244,194
Interest	-	1,698	9,923	-	-	-	11,621	68,631	-	80,252	85,525
	1,230,763	531,899	582,768	192,751	55,470	293,341	2,886,992	963,219	102,521	3,952,732	4,329,719
Annual surplus (deficiency)	1,604,422	(178,368)	(582,768)	7,801	13,675	(276,988)	587,774	214,327	91,511	893,612	3,676,889

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
Cost, beginning 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
Additions	36,500	-	58,823	-	72,733	18,788	38,010	-	647,728	872,582	1,757,070
Disposals	(2,421)	-	(269,476)	(291)	-	-	-	-	-	(272,188)	(511,105)
Cost, end of year	11,729,844	2,336,836	2,325,579	197,254	9,533,358	1,466,304	4,804,274	101,450	879,418	33,374,317	32,773,923
Accumulated amortization, beginning 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
Amortization	-	57,544	175,833	7,281	197,394	36,200	100,314	1,242	-	575,808	612,374
Disposals	-	-	(269,476)	(291)	-	-	-	-	-	(269,767)	(485,935)
Accumulated amortization, end of year	-	1,005,306	1,524,645	85,425	3,450,640	303,624	3,214,524	83,500	-	9,667,664	9,361,623
Net carrying amount, end of year	11,729,844	1,331,530	800,934	111,829	6,082,718	1,162,680	1,589,750	17,950	879,418	23,706,653	23,412,300

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

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:

	2021
COVID-19 BC Safe Restart Grant received	\$603,000
2020 eligible costs incurred	(235,865)
Balance, December 31, 2020	\$367,135
2021 eligible costs Incurred:	
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)
Total 2021 eligible costs incurred	(217,135)
Balance, December 31, 2021	\$150,000