



2019 Annual Report

For the year ended
December 31, 2019

District of Lantzville

British Columbia
Canada

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District of Lantzville

British Columbia

2019 Annual Report

Fiscal year ended December 31, 2019



This Annual Report has been prepared by the Finance Department

Telephone: 250-390-4006

Fax: 250-390-5188

www.lantzville.ca



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INTRODUCTORY INFORMATION



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MESSAGE FROM THE MAYOR



On behalf of Council, I am pleased to present the 2019 Annual Report for the District of Lantzville. This report contains valuable information related to the District's operations, including the 2019 financial statements, 2019 accomplishments, and 2020 objectives aimed to help achieve Council's 2019-2023 strategic goals. Thank you for taking the time to discover our beautiful seaside community in these pages and learn more about what's happening now and in the future.

During 2019, Lantzville had one of the largest parkland acquisitions in BC since 2009, preserving a large recreational park space in the Foothills.

Design work was also completed on the Sanitary Sewer Phase III project. The District was the recipient of \$4,373,332 funding under the New Building Canada Fund – Small Communities Fund (NBCF-SCF) for Sanitary Sewer Phase III, with funding coming equally between the provincial and federal government and the District of Lantzville. The District will borrow for its portion through the Municipal Finance Authority of BC and recover these costs by way of a 30-year parcel tax on benefiting properties.

In January 2020, Council completed a Strategic Planning update, which has helped to reinforce the priorities and objectives for our term.

The upcoming year holds many projects for the District, with the largest capital project being the Sanitary Sewer Phase 3 Local Area Service, bringing Sewer Service to 307 properties. This year will also see a watermain and road replacement at Sebastian Road, design work on Village Core improvements, and replacement of the Public Works backhoe.

The highest priority strategic objectives set by Council include:

- Providing water to residents
- Village core revitalization
- Corporate maintenance including staffing for 2019 and subsequent years
- Financial planning including policies around new growth funding and reserve funds
- Improved communications and planning with the Snaw-Naw-As, Nanoose First Nation
- Service delivery including revision of bylaws

On behalf of Council we are honoured to serve the people of Lantzville and look forward to the progress being made this year.

Council maintains a commitment to the District of Lantzville's Mission statement and Council Values.

Mission Statement:

"Provide efficient, effective and environmentally and economically sustainable services and good governance for the public while managing growth of the community and respecting Lantzville's diverse character and charm."

Council Values:

"Act in a professional manner at all times, having respect for:

- *the public,*
- *staff,*
- *Council members,*
- *the roles of Council, staff and the public,*
- *the decision-making process, and*
- *carry out adequate research and thoughtfully consider the issues before us, while serving and representing all of our community."*

On behalf of the District of Lantzville Council, we are honoured to serve the people of Lantzville and we are excited about the progress being made. We appreciate all the contributions that residents undertake to make the community better, and we look forward to further improvements that will benefit the community for years to come.

It is an honour and privilege to serve as your Mayor.



Sincerely,

Mark Swain
Mayor
District of Lantzville



DISTRICT OF LANTZVILLE

2019 OFFICIALS

MAYOR

Mark Swain

COUNCILLORS

Will Geselbracht	Karen Proctor
Ian Savage	Jamie Wilson

MANAGEMENT

Chief Administrative Officer	Ronald Campbell, CLGM
Director of Financial Services	Jamie Slater, CPA, CA
Director of Corporate Administration	Trudy Coates
Director of Public Works	Fred Spears
Director of Planning	Kyle Young, RPP
Fire Chief	Neil Rukus

AUDITORS

MNP LLP

PRIMARY BANKERS

Coastal Community Credit Union

PRIMARY SOLICITORS

Lidstone & Company

DISTRICT OF LANTZVILLE

2019 ELECTED OFFICIALS

The Municipal Council is Lantzville's governing body. Lantzville's Municipal Council is comprised of a Mayor and four Councillors. Your 5-member Council is serving a term expiring in October 2022. Under the *Community Charter*, their role is to provide good government; services its citizens need and want; stewardship for its public assets; and a positive economic, social and environmental climate. Council is responsible to set budgets, levy taxes, adopt bylaws, establish policies and make decisions that guide the growth, development and operation of the District of Lantzville. District staff are responsible for day-to-day operations, implementing Council decisions and policies, and providing advice to elected officials.

Council usually holds two meetings each month, which are open to the public. Meeting agendas and schedules are available from the Municipal Hall or on the District's website at www.lantzville.ca.



From left to right: Councillor Ian Savage, Councillor Karen Proctor, Mayor Mark Swain, Councillor Jamie Wilson, Councillor Will Geselbracht

DISTRICT OF LANTZVILLE ORGANIZATIONAL STRUCTURE

Citizens of Lantzville

Mayor & Councillors

**Chief Administrative Officer/
Subdivision Approving Officer**

Ronald Campbell, CLGM

**Director of Financial
Services**

Jamie Slater, CPA, CA

**Director of Corporate
Administration**

Trudy Coates

Director of Public Works

Fred Spears

Director of Planning

Kyle Young, RPP

Fire Chief

Neil Rukus



REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES



District of Lantzville

July 13, 2020

Mayor and Council
District of Lantzville

Your Worship and Members of Council,

I am pleased to present the District of Lantzville's 2019 Annual Financial Report for the fiscal year ended December 31, 2019.

This report, as required by Section 98 of the *Community Charter*, includes the audited 2019 financial statements, performance objectives, and supplementary information for the District of Lantzville.

The financial statements for the year ended December 31, 2019 were prepared by District staff in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The District maintains a system of internal accounting controls designed to safeguard the assets of the District and to provide reliable financial information. We confirm and test these systems on an annual basis through contracted audit services.

The audit firm MNP LLP was appointed by Council in 2019 and is responsible for expressing an opinion as to whether the consolidated financial statements fairly present the financial position of the District of Lantzville and the results of its 2019 operations.

The 2019 audited financial statements were presented and approved by Council on April 27, 2020. At that meeting, MNP LLP also presented the results of the audit.

During 2019, the District received \$16,049,845 of developer contributed assets. This included 732 acres of parkland in the Foothills valued at \$8,514,000, in addition to roads, sewer, and water infrastructure. This resulted in a significant increase in revenues reported on the statement of

operations, as well as a large increase in tangible capital assets, annual surplus, and accumulated surplus.

As at December 31, 2019, the District had an accumulated surplus of \$55.9 million, an increase of \$16.7 million for the year. Accumulated surplus is largely comprised of net investments in tangible capital assets (\$50.8 million), which includes land, park infrastructure, buildings, roads, and utility assets. The District currently holds no debenture debt. In 2020, debt will be incurred for the Sewer Phase 3 capital project. Borrowing from the Municipal Finance Authority has been initiated for the Fall 2020 borrowing session.

Cash holdings have increased because of a new high-interest savings account that will provide liquidity, flexibility, and return on investment. This is essential for a small municipality such as Lantzville, where operating cash flows need to be managed, in addition to cash flow requirements for larger capital projects. District financial assets are invested according to the requirements outlined in the Community Charter, with guarantees and safety of the funds being the highest priority.

The District of Lantzville continues to remain in a strong financial position with all liabilities being fully funded by current cash and investment holdings. The 2020-2024 Financial Plan has been approved by Council and will bring more focus on asset management and reserve fund contributions to ensure long term financial stability for the District's infrastructure.

Respectfully,



Jamie Slater, CPA, CA
Director of Financial
Services



CANADIAN AWARD FOR FINANCIAL REPORTING



Government Finance Officers Association

Canadian Award for Financial Reporting

Presented to

**District of Lantzville
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of Lantzville for its annual financial report for the fiscal year ended December 31, 2018. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards'. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we will be submitting it to GFOA to determine its eligibility for another award.

STRATEGIC PRIORITIES FOR 2019-2023

The District of Lantzville conducts a comprehensive annual planning process, which begins with strategic direction from Council. This is followed by a joint review by both Council and senior staff, which focuses on the nature and extent of the services that the District will provide to its residents. Based on this framework, a five-year financial plan is developed. The five-year financial plan includes the costs of ongoing operations, strategic projects and planned capital expenditure projects to provide the necessary infrastructure for the proposed services. As a result of the municipal election that was held in 2018, a Strategic Plan for 2019-2023 was developed for this Council's term and is reflected within this report. The Financial Plan and Strategic Plan are updated annually.

Strategic Priorities

Council recognizes the importance of planning for the future and continues to conduct strategic planning sessions as a means of identifying and establishing priorities, goals and objectives in response to issues identified by both residents of the Community and Council.

Council's priorities, as identified at the 2019-2023 strategic planning session are as follows:

Village Core Revitalization:

- *Implement the Village Commercial Core Improvement Plan and the Streetscape Design*

Bring Water to Most Residents in Lantzville:

- *Implement the Water Master Plan*

Staffing:

- *Plan adequate funding for staff levels to deliver District services and meet statutory requirements*

Financial Planning:

- *Adequate annual funding allocations for asset management and financial sustainability*

Adopt Official Community Plan:

- *Adopt the new Official Community Plan (OCP)*

Improved Relationship with Snaw-Naw-As Nanoose First Nation:

- *Ongoing joint discussions and initiatives*

SUMMARY OF MUNICIPAL SERVICES AND OPERATIONS FOR 2019

General Government

- Administration
- Corporate Administration
- Financial Services

Protective Services

- Fire Suppression
- Fire Prevention
- Rescue

Community Planning

- Development Planning
- Land Development
- Subdivision Approval

Public Works

- Transportation Services (roads and drainage)
- Waterworks
- Sewer Collection
- Parks and Trails

In 2019, the District of Lantzville continued to contract engineering and some public works services. The following services are contracted from the Regional District of Nanaimo:

- Building Inspection
- Emergency Management
- Bylaw Enforcement
- Animal control
- GIS, mapping

The contracting of these services is reviewed on an annual basis to ensure best value for service and effective October 1, 2020, the District of Lantzville will be taking over the Building Inspection and Bylaw Enforcement functions.



DEPARTMENTAL REPORTS

General Government

ADMINISTRATION

The Chief Administrative Officer (CAO) is responsible for the overall management of the operations of the municipality, as well as implementation of specific Council policies, objectives and directions. The current CAO also holds the positions of Statutory Approving Officer and Deputy Director of Corporate Administration, and Deputy Director of Financial Services.

Duties of the CAO include:

- Ensuring that the policies, programs and other directions of Council are implemented
- Advising and informing Council on the operation and affairs of the municipality
- Being a support for Mayor and Councillors in providing clear, factual, non-biased information so that Council can make good decisions on matters within the control and purview of the Council
- Providing support and direction to senior staff in the day to day operations of the municipality
- Supporting Council's strategic objectives
- Fostering both a positive work environment and displaying a commitment to community

In addition to the management staff, the District has three staff at the Municipal Hall who assist with financial services and general government administration.



Progress on 2019 Objectives:

Continued focus on providing water to residents in Lantzville : Ongoing. In 2019, the District submitted an application for grant funding under the *Investing in Canada Infrastructure Program* for the Clark Drive Area Water System Expansion.

Strengthen relationships with Snaw-Naw-As (Nanoose) First Nation: *Ongoing.* In 2019, two meetings were held between the Councils of the Snaw-Naw-As Nanoose First Nation and the District of Lantzville on April 24, 2019 and September 16, 2019.

Creation of a Village Core Improvement Fund to provide funding for Village Core enhancement projects: *Complete.* In January 2019, a new non-statutory reserve fund entitled the “Village Core Improvement Reserve Fund” was created.

Completion of a Village Core Streetscape Design: *Complete.* In July 2019 the streetscape concept design was approved by Council.

Staffing Incrementation for 2019: *Complete.* Staffing levels have been addressed in the 2020-2024 Financial Plan that was approved by Council in December 2019.

Objectives for 2020:

Council has set forth a list of objectives for 2020, including but not limited to:

- Finances
 - New Growth Funding Policy
- Community Planning
 - Develop a new Building Bylaw
 - Create a Community Safety Committee
- Parks and Recreation / Environmental Protection
 - Improve Access to Trails / Parking
 - Preserve, protect and expand the Knarston Creek Riparian Corridor
- Service Delivery
 - Facilitate Provision of Senior's Housing
- Corporate Governance and Relationships
 - Relationships and Joint Opportunities with Snaw-Naw-As
 - Renewed focus on Corporate Governance

Performance Measures

- Degree of implementation of the above initiatives and projects
- Health of the organization as a whole and staffing capacity to handle work volume
- Community consultation, participation and outreach



DEPARTMENTAL REPORTS

General Government

CORPORATE ADMINISTRATION

The Director of Corporate Administration is responsible for:

- statutory duties of the corporate officer per section 148 of the *Community Charter*, including keeping the corporate seal and accepting service of notices and documents on behalf of the corporation, and acting as the Signing Officer
- receiving and distributing correspondence, including referrals to Council and/or staff
- developing the agenda for Council and committee meetings, ensuring accurate minutes of Council and committees are prepared and actions are tracked
- preparing reports, bylaws, and policies for the Chief Administrative Officer (CAO) and Council's consideration, and conducting research assignments and special projects
- providing procedural advice and administrative support to Council, committees and the CAO
- the records management system including maintaining and safeguarding minutes, bylaws and other records, and providing public access to records
- communications such as the community newsletter, website, and publications, including publishing notices and advertisements, and assisting with special events and public relations
- administering oaths and taking affirmations, affidavits and declarations, and certifying copies of bylaws and other documents
- organizing and conducting the District's elections and referenda



Corporate Administration continued...

In addition to the above, the Director of Corporate Administration continues to: act as the Freedom of Information and Protection of Privacy Coordinator, Secretary to the Board of Variance, and Acting CAO when required; provide assistance with Human Resources functions and property management (leases and licences); and liaise with the public, elected officials, advisory bodies, Provincial ministries, and other local governments

Progress on 2019 Objectives:

Website Update: *Ongoing.* Updates and improvements to the District website are ongoing.

Revision of Municipal Ticket Information (MTI) and Council Procedure Bylaws: *Complete.* Draft MTI amendment (tree retention) did not proceed. Bylaw Notice Enforcement bylaw started. Council Procedure Bylaw No. 141 was started in 2019 and adopted in March 2020.

Assist with new bylaws: *Ongoing.* Processed 50 new bylaws, including work on the Fire Protection Services Bylaw, Officers, Indemnification and Delegation Bylaw, reserve fund establishment bylaws, and Phase III Sanitary Sewer Collection System Loan Authorization Bylaw (including petition against process).



Continue streamlining of electronic agenda process: *Completed.* Completed 23 committee meeting agendas and 27 Council open meeting agendas, resulting in 115 pages of minutes and 200 Council resolutions.

Update bylaw index, consolidate bylaws, review bylaws and provide recommendations: *Ongoing.* Over 50 new bylaws were reviewed and added to the bylaw index during 2019.

Update policy index, review policies and provide recommendations: *Ongoing.* Work on Grants in Aid policy amendment and new Council Code of Conduct adopted by Council and four other policies were reviewed and added to the policy index during 2019.

Maintain improved corporate communications consistent with District policies on communication, engagement and transparency: *Ongoing.* District website content updated and new program information added. Increased communication of new programs promoted through advertisements, newsletters, Constant Contact emails, social media and new Outdoor Burning brochure.

Orient and support committees created by Council including the Parks and Trails and Economic Development and Sustainability Committees: *Completed.*

Objectives for 2020:

- Facilitate building inspection and bylaw enforcement transition from the Regional District to the District of Lantzville, including records systems.
- Continue website updates and improvements
- Revision of Municipal Ticket Information (MTI) and implementation of Bylaw Notice Enforcement and Good Neighbour bylaws
- Continue streamlining of electronic meeting process, in response to COVID-19 requirements
- Update bylaw index, consolidate bylaws, review bylaws and provide recommendations
- Update policy index, review policies and provide recommendations
- Maintain improved corporate communications consistent with District policies on communication, engagement and transparency
- Orient and support Committees created by Council and Mayor's Standing Committees, e.g. Community Safety Committee
- Establish new Deputy position, orient and implement work transitions

Performance measures:

- Building Inspection and Bylaw Enforcement record systems transferred and established as District of Lantzville records
- Increased communications, including completion of website updates
- Adoption of updated or new bylaws and policies, and consolidation of more bylaws
- New committee oriented and in operation
- Deputy position established and fully trained



DEPARTMENTAL REPORTS

General Government

FINANCIAL SERVICES

The Director of Financial Services is responsible for:

- statutory duties of the financial officer per section 149 of the *Community Charter*, including the following:
 - (a) receiving all money paid to the municipality;
 - (b) ensuring the keeping of all funds and securities of the municipality;
 - (c) investing municipal funds, until required, in authorized investments;
 - (d) expending municipal money in the manner authorized by the council;
 - (e) ensuring that accurate records and full accounts of the financial affairs of the municipality are prepared, maintained and kept safe;
 - (f) exercising control and supervision over all other financial affairs of the municipality.
- Preparing the 5-year financial plan
- Preparing the annual financial statements and other financial reporting
- Act as the District's Collector
- Assume the duties and responsibilities of Acting Chief Administrative Officer as required



Progress on 2019 Objectives:

- **Asset Management Policy:** *Complete.* An Asset Management Policy was created and approved by Council on February 25, 2019.
- **Strategic Asset Management Plan:** *Complete.* The Strategic Asset Management Plan was approved by Council on February 25, 2019.

- **Surplus Policy or Bylaw:** *Complete.* The Accumulated General Operating Surplus Reserve Fund Bylaw No. 189 was adopted on May 27, 2019.
- **New Growth Funding:** *Ongoing.* Discussions on new-growth taxation revenues were discussed during the financial planning process and the creation of a new growth funding policy is scheduled for 2020.
- **Long-Term Financial Planning:** *Ongoing.* During 2019 there were asset management funding gaps identified. These will need to be addressed in the five-year financial plan and integrated with the new Strategic Asset Management Plan.

Objectives for 2020:

- **New Growth Funding:** Development of a new growth funding policy
- **Implementation of an online tax certificate program:** To allow Law Firms and Notaries to request tax certificate information electronically
- **Implementation of a quarterly billing system for Garbage, Recycling, & Food Waste:** To accommodate the transition to the Automated Curbside Collection program
- **Long-Term Financial Planning:** Continued focus on increasing reserve fund contributions to reduce the funding gap identified in the asset management plan

Performance measures:

- Council review and approval of a new growth funding policy to outline the allocation of new-growth taxation revenues
- Number of electronic tax certificates produced
- Number of quarterly garbage, recycling, & foot waste billings issued
- Increased reserve fund contributions in areas that have been identified as under-funded



DEPARTMENTAL REPORTS

Protective Services

FIRE SUPPRESSION, PREVENTION, AND RESCUE

The Fire Chief is responsible for:

- Overall fire safety of the municipality
- Training and education for fire personnel
- Ensuring budgets and operations are managed responsibly
- Maintaining certifications and accreditations of fire personnel
- Fire inspections
- Public education on fire safety

In addition to the above, Protective Services is working to establish up-to-date financial and administrative procedures, and maintaining a positive, sound relationship with the community.

Progress on objectives for 2019:

- **Emergency Evacuation Route Plan:** *Completed.* The emergency evacuation route plan was completed spring of 2020 and tested by the Regional District of Nanaimo Emergency Management Team in coordination with the District of Lantzville.
- **Firefighter Exterior Certification:** *Completed.* All active firefighters are certified with the National Fire Protection Association (NFPA) 1001 – Firefighter 1 standard.
- **Fire Department Building Upgrade:** *Completed.* The renovation of the offices and training area on the second floor of the fire station are complete.
- **Community Wildfire Plan:** *Ongoing.* An invitation to tender has been posted for the preparation of a Community Wildfire Plan. Project completion is expected in early 2021.



Objectives for 2020:

- **Purchase of New Command Unit:** To purchase a new truck as a designated command unit. This truck will also be used for transporting members to and from training, as well as day to day operations.
- **Firefighter Interior Certification:** Certify all firefighters with the National Fire Protection Association (NFPA) 1001 – Firefighter 2 standard.
- **Recruitment:** Hire an additional six on call firefighters to bring the fire station to a full complement.
- **Truck Bay Maintenance:** Oversee the completion of painting of the truck bays.



Performance measures:

- Purchase and take delivery in fall of 2020 for new command unit
- Firefighter training certification for NFPA 1001 – Firefighter 2
- Successful recruitment of six new members with training starting fall of 2020
- Painting to be completed by winter of 2020



DEPARTMENTAL REPORTS

Community Planning

DEVELOPMENT PLANNING

The primary role of the Planning Department is to provide the District with a planning program to promote the orderly and sustainable development of the community by adhering to the District's Official Community Plan, Zoning and Subdivision Bylaws.

Progress on 2019 Objectives:

Council adoption of a new Official Community Plan: *Completed.* The Official Community Plan (OCP) Bylaw No. 150 was adopted on June 24, 2019.

Council adoption of a new Zoning Bylaw: *Ongoing.* On October 30, 2019 a Committee of the Whole Meeting was scheduled to review the draft Zoning Bylaw No. 180.

Complete Phased Development Agreement for Foothills: *Ongoing.*

Completion of the Lantzville Road Streetscape Concept Design: *Completed.* The Lantzville Road Streetscape Design was approved by Council on July 8, 2019.



Development Planning continued...

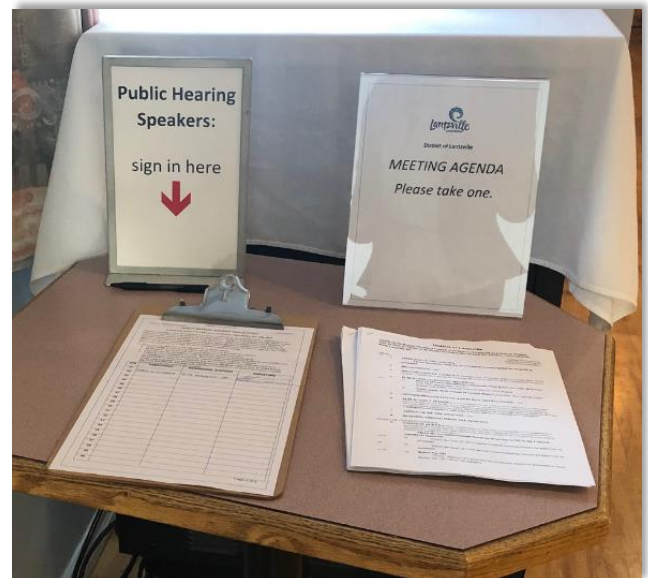
Objectives for 2020:

- Council adoption of a new Zoning Bylaw
- Complete Phased Development Agreement for Foothills
- Completion of the Village Core Detailed Design



Performance Measures:

- Council approval of Zoning Bylaw
- Council approval of the PDA for the Foothills
- Applicant satisfaction with process
- Developer satisfaction with process



DEPARTMENTAL REPORTS

Community Planning

LAND DEVELOPMENT AND SUBDIVISION APPROVAL

The Approving Officer processes subdivision applications to ensure that all legislative requirements are met, District policies and bylaws are adhered to, and that development approval is coordinated among District departments and outside agencies.

Progress on 2019 Objectives:

Subdivision applications/approvals are done in a timely manner: *Ongoing.* There were numerous subdivision applications received in 2019, including applications for Preliminary Subdivision Review and applications for Subdivision Approval.

Subdivision applications/approvals are given subject to legislation requirements and that adhere to the District's low impact development standards: *Ongoing.*

Subdivision applications/approvals are given subject to application of the District's various applicable bylaws and policies: *Ongoing.*

Objectives for 2020:

- Subdivision applications/approvals are done in a timely manner.
- Subdivision applications/approvals are given subject to legislation requirements and that adhere to the District's low impact development standards.
- Subdivision applications/approvals are given subject to application of the District's various applicable bylaws and policies

Performance Measures:

- Number of subdivision applications/approvals processed
- Subdivisions are developed to the standards pursuant to District bylaws

DEPARTMENTAL REPORTS

Engineering, Public Works & Parks

OVERVIEW

The District has three full-time employees in this department, which ensure the safe and efficient operation of the District's waterworks, sanitary sewer collection systems, storm drainage systems, parks, municipal buildings, signage and other related facilities and equipment. In addition, a casual on-call employee provides services on an as-needed basis.



Engineering services

Engineering services continued to be contracted to Koers & Associates Engineering Ltd in 2019.

Transportation services (roads and drainage)

A municipality is responsible for maintaining local roads within its boundaries with the exception of Provincially owned Highways. The District contracts this service directly to Windley Contracting Ltd. The public works department provides some road maintenance services such as pothole repairs, signage and other minor road repair items.





Waterworks

The District supplies and distributes water for household use, commercial and fire suppression purposes to approximately 1000 properties. The District is responsible for ensuring that the water it supplies meets strict drinking water quality guidelines. The District is also responsible for maintaining and improving the equipment and infrastructure related to this supply and distribution system.

Sewer Collection

The District provides sewer collection services for approximately 460 properties. The District is responsible for maintaining and improving the District-owned equipment and infrastructure related to this system within federal and provincial regulations.



Parks and

Recreation

The District maintains various parks, playgrounds, and road ends within the District.

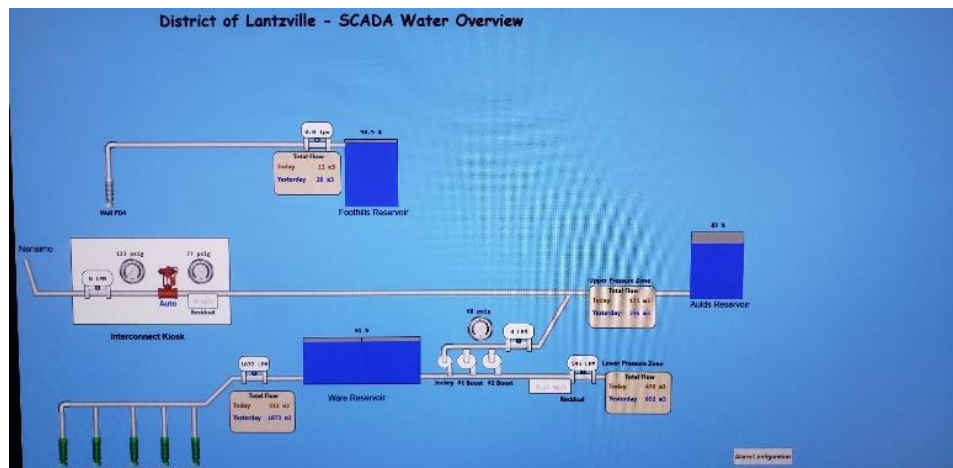


Progress on 2019 Objectives:

Complete Replacement of Copley Park Playground Equipment: *Carry Forward 2020.* The Copley Park Playground Equipment Replacement was identified as a project that would coincide with the placement of Phase III Sewer infrastructure as a sewer main was destined to be placed within Copley Park. The project was carried forward to 2020 in order to save funds.



Update the Water/Sewer SCADA System: *Completed.* The Upgrade of the SCADA System was Carried out in 2019 and with the upgrades, the District is able to add more controls to the system. The District, since upgrading the SCADA System, has connected and new reservoir and two wells to the system.



Rehabilitate District of Lantzville Water Well #5: *Completed.* The District of Lantzville carried out the rehabilitation of well 5 in 2019. New electrical lines were installed, new piping was installed, and a new pump with a variable frequency drive was installed. A new permit was issued from Island Health and well 5 now produces water for the District's consumption.



Complete an upgrade project on Peterson Road: Completed. The District, in 2019 replaced the existing asphalt and road base with new asphalt and road base. In addition, a new 1.5-meter-wide asphalt sidewalk was installed along the full length of newly replaced asphalt.

Complete a replacement of the Storm Drainage Pipe under Rumming Road: Carry Forward

The work for the Rumming Road culvert replacement has not been completed. Engineering and survey work was completed, and a preliminary design started. A landslide occurred in the area where the Ministry of Transportation took over the site and rerouted the water flow around the Rumming Road culvert. The District and the Ministry of Transportation and Infrastructure are trying to define boundaries.

RFP for Roads Contract: Completed. The District of Lantzville advertised an RFP for maintenance of the roads in 2019. The successful candidate was Windley Contracting. Windley Contracting has been providing this service since 2008, and has in 2019, signed a new contract for five years. The Contract will see Windley Contracting providing a service to the District on an as needed basis.

Replacement of Costin Hall Flat Roof: Carry Forward to 2020. The replacement of the Costin Hall flat roof was carried over to 2020. It was found to be necessary to have the roof in its entirety replaced on Costin Hall so in order to achieve economy of scale to the works, the flat roof replacement was carried over to 2020.

Begin Construction of Phase the III Sanitary Sewer Project: Carry Forward to 2020. Construction of the Phase III Sanitary Sewer project was expected to begin in 2019 however, tenders were advertised and when the bidding came in, they were above the amount allotted in the Local Area Service Borrowing Bylaw. Staff carried out the works necessary to have the bylaw amount increased, but the end of 2019 passed prior to the authorization of the bylaw.



Complete Construction of a Water Reservoir: *Under construction, completion 2020.* A reservoir was designed, tendered and the contract awarded in 2019. The completion date for the reservoir is November 30, 2020.



Objectives for 2020:

- Complete a closure plan for the Storm Drainage Pipe under Rumming Road
- Complete construction of a Water Reservoir
- Begin construction of the Phase III Sanitary Sewer Installation Project
- Replace Entire Roof on Costin Hall
- Replace Playground Equipment at Copley Park
- Reconstruct Sebastion Road
- Replace Water Main Sebastion Road
- Install Storm Drainage Huddleston Road

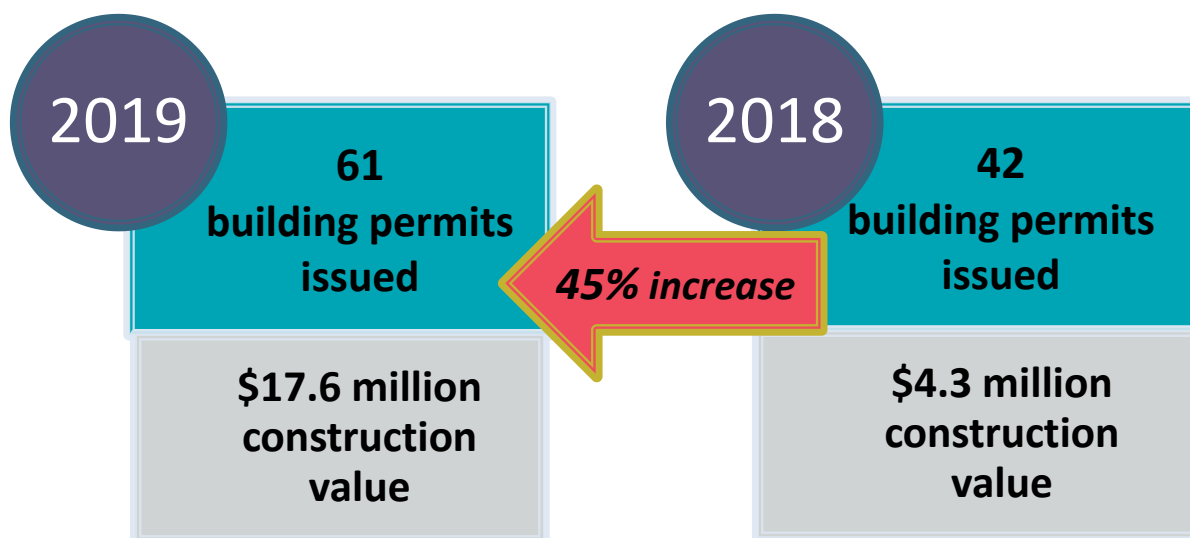
Performance Measures:

- Completion of capital and operating projects within the 2020 Financial Plan parameters
- Increase of Fire Flow capacity
- Decrease number of complaints from residents
- Increase in Pedestrian Safety
- Increase in efficiencies for Water and Sewer Operation

DEPARTMENTAL REPORTS

Building Inspection

Building Inspectors enforce the Building Code and regulatory bylaws governing building, heating, plumbing, and zoning. The District contracts with the Regional District of Nanaimo to provide Building Inspection services to the residents of Lantzville.



Note: Effective October 1, 2020, the District of Lantzville will be providing building inspection services and the contract with the Regional District of Nanaimo will end.

Progress on 2019 Objectives:

Building permit applications/approvals: *Ongoing.* Building permits continue to be issued on a timely basis in accordance with regulatory and legislative requirements including District bylaws.

Building permits are issued subject to meeting B.C. Building Code requirements, District bylaws, and other regulations as applicable: *Ongoing.* Building permits were issued in consultation with District staff and in accordance with B.C. Building Code requirements, District bylaws, and other regulations.

Objectives for 2020:

- Building permit applications/approvals and inspections are done in a timely manner.
- Building permits are issued subject to meeting B.C. Building Code requirements, District bylaws, and other regulations as applicable.

Performance Measures:

- The timely manner in which applications/approvals are processed.

DEPARTMENTAL REPORTS

Emergency Management

The District has contracted with the Regional District of Nanaimo (RDN) for the provision of emergency preparedness, response and recovery services. This contractual arrangement has the RDN providing the District of Lantzville with an Emergency Program Coordinator (EPC) on a permanent basis.

Progress on 2019 Objectives:

- EPC's continuing attendance at conferences/workshops and participation in the Mid-Island Emergency Program Coordinators Committee, Regional Community Recovery Working group (focus on recovery/resilience in the community), and BC Association of Emergency Managers.
- Ongoing recruitment, orientation and training of local ESS volunteers for operational readiness.
- Coordinate and provide ongoing support to ESS volunteers during responses.
- Ongoing establishment of Neighbourhood Emergency Preparedness (NEPP) groups and participation in public education and preparedness.
- Coordinate continuing emergency response training and exercises for District staff as needed.
- Coordinate emergency response training for elected officials.
- Participate in Emergency Preparedness Week in May 2019.
- Continue community communications and presentations regarding emergency preparedness.
- Apply for and manage Emergency Preparedness Grants.
- Inventory all Emergency Operation Center and ESS supplies and materials and replace as required.
- Completion of the Evacuation Route Plan



Emergency Management continued...

Objectives for 2020:

- 2020 Objectives will be the 2019 objectives but subject to new opportunities or challenges.
- Update or add Agreements for Reception Centre and ESS Suppliers
- Complete Emergency Resource Contact lists
- Completion of UBCM ESS and EOC Grants
- Update Emergency Notification System



Performance Measures:

- Education and training that facilitates EPC, staff and Council competencies to effectively respond to & recover from an emergency or disaster
- Retention, recruitment and active engagement of NEPP groups and ESS volunteers
- Emergency Response Centre is operational
- EOC supplies are current and emergency communications capacity is sufficient



DEPARTMENTAL REPORTS

Bylaw Enforcement

The District has a contractual arrangement with the Regional District of Nanaimo to provide bylaw enforcement services to Lantzville residents. Effective October 1, 2020, the District of Lantzville will be providing bylaw enforcement services.

Bylaw enforcement officers investigate complaints from residents relating to such matters as dangerous dogs, noise, and land use matters. The District's policy when dealing with enforcement issues is complaint driven with a strong focus on seeking voluntary compliance whenever possible.



Progress on 2019 Objectives:

- Complete new compliance-based enforcement case files: *Ongoing*.
- Respond to and investigate complaints in a timely manner: *Ongoing*.

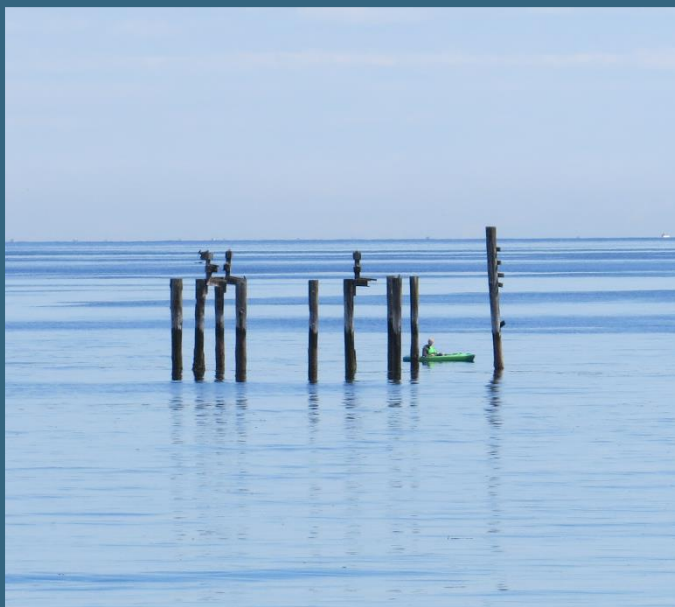
Objectives for 2020:

- Complete the transition of bylaw enforcement over to the District of Lantzville.
- Respond to and investigate complaints in a timely manner.

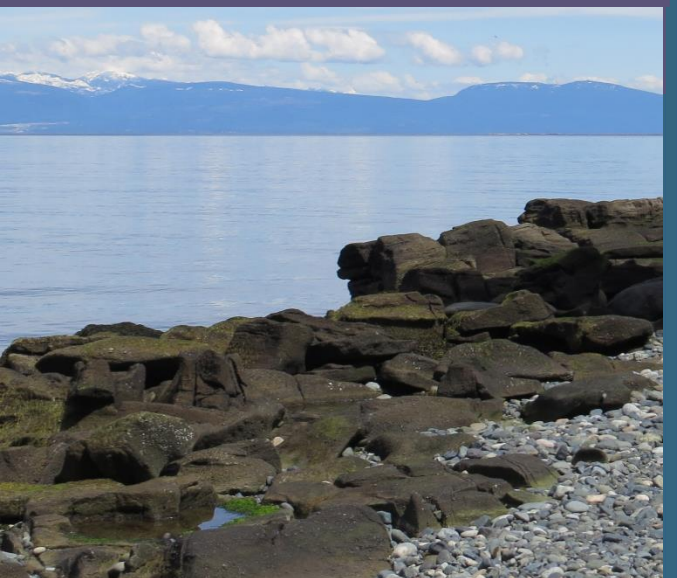
Performance Measures:

- Number of bylaw enforcement files closed
- Number of contraventions resolved on a voluntary basis





FINANCIAL SECTION



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DISTRICT OF LANTZVILLE

STATEMENT OF RESPONSIBILITY

The accompanying financial statements of the District of Lantzville (the “District”) are the responsibility of the District’s management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in the notes to the financial statements. The preparation of financial statements 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 District’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 MNP LLP, independent external auditors appointed by the District. The accompanying Independent Auditors’ Report outlines their responsibilities, the scope of their examination and their opinion on the District’s financial statements. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the District in accordance with Canadian public sector accounting standards.



Ronald Campbell, CLGM
Chief Administrative Officer
April 27, 2020



AUDITOR'S REPORT

Independent Auditor's Report

To the Mayor and Council of the District Of Lantzville:

Opinion

We have audited the financial statements of the District Of Lantzville (the "District"), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus, 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 District as at December 31, 2019, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the District 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.

Other Matter

The prior year comparative figures were audited by another firm of chartered professional accountants, who issued an unmodified opinion on May 6, 2019.

Other Information

Management is responsible for the other information. The other information comprises the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the 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 District'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 District or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Report continued...

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 District'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 District'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 District 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.

Nanaimo, British Columbia

April 27, 2020

MNP LLP

Chartered Professional Accountants

MNP
LLP



**ANNUAL FINANCIAL
STATEMENTS 2019**



District of Lantzville

STATEMENT OF FINANCIAL POSITION

As at December 31, 2019 with comparative information for 2018



	2019	2018
Financial assets:		
Cash (Note 3)	\$ 8,333,572	\$ 3,641,362
Investments (Note 3)	3,815,780	8,256,293
Taxes receivable	119,763	112,519
Accounts receivable	304,048	472,249
Inventories for resale	1,897	520
	12,575,060	12,482,943
Liabilities:		
Accounts payable and accrued liabilities	204,878	1,097,032
Deposits	1,566,917	1,127,290
Deferred revenue (Note 4)	5,488,791	4,850,381
Prepaid property taxes	214,455	176,007
Employee future benefits obligations (Note 5)	106,292	82,805
	7,581,333	7,333,515
Net financial assets	4,993,727	5,149,428
Non-financial assets:		
Tangible capital assets (Note 6 and Schedule A)	50,867,795	34,002,076
Inventory of supplies	30,599	19,614
Prepaid expenses	27,991	24,671
	50,926,385	34,046,361
Accumulated surplus (Note 7)	\$ 55,920,112	\$ 39,195,789

Commitments and contingencies (Note 11)

Subsequent events (Note 12)

The accompanying notes are an integral part of these financial statements.

Approved by:

Jamie Slater, CPA, CA

Director of Financial Services

District of Lantzville

STATEMENT OF OPERATIONS

As at December 31, 2019 with comparative information for 2018



	Financial Plan (Note 8)	2019	2018
Revenue:			
Taxation, net (Note 9)	\$ 2,536,076	\$ 2,600,254	\$ 2,459,513
Sales of services	820,052	857,757	708,569
Grants and government transfers (Note 10)	3,744,315	845,750	747,111
Investment income	68,800	226,333	204,192
Penalties and fines	34,100	29,220	26,884
Development charges earned	-	-	9,182
Contributions from developers and others	3,000	16,067,306	2,260
Other revenue from own sources	344,367	213,899	479,834
Total revenues	7,550,710	20,840,519	4,637,545
Expenses: (Note 11 and Schedules C)			
General government services	1,129,497	1,207,478	1,377,640
Transportation services	912,110	913,049	883,338
Protective services	515,080	519,631	477,625
Solid waste collection	194,600	203,786	192,338
Recreation and cultural services	381,008	378,500	369,100
Community development services	125,100	167,252	120,289
Sewer	285,510	264,060	275,949
Water	402,000	462,440	364,744
Total expenses	3,944,905	4,116,196	4,061,023
Annual surplus	3,605,805	16,724,323	576,522
Accumulated surplus, beginning of year	39,195,789	39,195,789	38,619,267
Accumulated surplus, end of year	\$ 42,801,594	\$ 55,920,112	\$ 39,195,789

The accompanying notes are an integral part of these financial statements.

District of Lantzville



STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

As at December 31, 2019 with comparative information for 2018

	Financial Plan (Note 8)	2019	2018
Annual surplus (deficit)	\$ 3,605,805	\$ 16,724,323	\$ 576,522
Acquisition of tangible capital assets	(7,221,437)	(1,730,765)	(2,918,080)
Contributions of tangible capital assets	-	(16,049,845)	-
Amortization of tangible capital assets	731,000	889,891	747,478
Loss on the disposal of tangible capital assets	-	6,192	5,246
Proceeds on tangible capital assets deposited to reserve	-	18,808	-
	(2,884,632)	(141,396)	(1,588,834)
Acquisition and consumption of inventory of supplies	-	(10,985)	(2,495)
Acquisition and consumption of prepaid expenses	-	(3,320)	17,941
	-	(14,305)	15,446
Change in net financial assets	(2,884,632)	(155,701)	(1,573,388)
Net financial assets at beginning of year	5,149,428	5,149,428	6,722,816
Net financial assets at end of year	\$ 2,264,796	\$ 4,993,727	\$ 5,149,428

The accompanying notes are an integral part of these financial statements.

District of Lantzville



STATEMENT OF CASH FLOWS

As at December 31, 2019 with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operating transactions:		
Annual surplus (deficit)	\$ 16,724,323	\$ 576,522
Items not involving cash:		
Amortization of tangible capital assets	889,891	747,478
Loss on the disposal and write-down of tangible capital assets	6,193	5,246
Contributions of tangible capital assets	(16,049,845)	-
Changes in non-cash operating assets and liabilities:		
Accounts receivable	168,201	(228,636)
Inventories for resale	(1,378)	200
Taxes receivable	(7,244)	18,434
Accounts payable and accrued liabilities	(892,154)	708,262
Deposits	439,627	1,097,038
Deferred revenue	638,410	1,167,583
Prepaid property taxes	38,448	36,892
Employee future benefit obligations	23,487	(12,324)
Inventory of supplies	(10,985)	(2,495)
Prepaid expenses	(3,320)	17,941
Cash provided by operating transactions	1,963,654	4,132,141
Investing transactions:		
Changes in investments held	4,440,513	1,928,095
Capital transactions:		
Proceeds on sale of tangible capital assets	18,808	-
Acquisition of tangible capital assets	(1,730,765)	(2,918,080)
Cash used in capital transactions	(1,711,957)	(2,918,080)
Increase in cash and cash equivalents	4,692,210	3,142,156
Cash and cash equivalents, beginning of year	3,641,362	499,206
Cash and cash equivalents, end of year	\$ 8,333,572	\$ 3,641,362

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

The District of Lantzville is a municipality that was incorporated on June 25, 2003 pursuant to the issue of Letters Patent dated April 3, 2003. The District operates under the provisions of the *Local Government Act* and *Community Charter* of British Columbia. The District's principal activities include the provision of local government and services to residents of the incorporated area. These services include government, fire protection, solid waste collection, parks and recreation, planning and development, and water and sewer services.

1. Significant Accounting Policies:

The financial statements of the District of Lantzville (the "District") are prepared by management in accordance with Canadian public sector accounting standards for local governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Reporting Entity:

The financial statements include a combination of all the assets, liabilities, accumulated surplus, revenues, and expenses of all the District's activities and funds. Inter-departmental balances and organizational transactions have been eliminated.

Consolidated entities: The District does not control any significant external entities and accordingly no entities have been consolidated with the financial statements.

(b) Basis of Accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

1. Significant Accounting Policies: (continued)

(c) Revenue Recognition:

i. Taxation Revenue

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal purposes. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Taxes are recognized as revenue in the year they are levied.

Through the BC Assessment appeal process, taxes may be adjusted by way of supplementary roll adjustments. The impacts of these adjustments on taxes are recognized at the time they are awarded.

ii. Development Charges

Development cost charges are recognized as revenue during the period in which the related costs are incurred.

iii. Government Transfers

Government transfers without stipulations restricting their use are recognized in the financial statements as revenue in the period in which the transfers are authorized. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which eligible expenses are incurred provided they are authorized and meet eligible criteria.

iv. Sale of Services

Sales of services and user fee revenues are recognized when the service or product is rendered by the District and the amounts are received or become receivable.

v. Investment income

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and included in deferred revenue.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

1. Significant Accounting Policies: (continued)

(d) Cash and Investments:

Cash and investments consist of cash on deposit in qualifying institutions as defined in the *Community Charter*. Investments are recorded at cost plus amounts reinvested.

(e) Employee Future Benefits Payable:

The District and its employees make contributions to the Municipal Pension Plan. The District's contributions are expensed as incurred.

Sick leave and other retirement benefits are also available to the District's employees. The costs of these benefits are estimated based on the actual service and current salary and wage. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(f) Deposits:

Receipts restricted by third parties are deferred and reported as deposits and are refundable under certain circumstances. Deposits that are prepayments are recognized as revenue when qualifying expenditures are incurred.

(g) Non-Financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of business. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

1. Significant Accounting Policies: (continued)

(h) Tangible Capital Assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development, or betterment of the asset. The cost less residual value, of the tangible capital assets, excluding land, are amortized on a straight line basis over their estimated useful lives as follows:

Asset	Useful Life - Years
Land	Indefinite
Land Improvements	10 – 50
Buildings	15 – 80
Equipment	5 – 10
Roads Infrastructure	10 – 75
Vehicles	10 – 25
Sewer Infrastructure	10 – 100
Water Infrastructure	10 – 100

Amortization is calculated monthly, commencing the month the asset is put in service, and ending the month prior to disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services, or when the value of future economic benefits associated with the assets are less than the book value of the asset.

i. Contributions of Tangible Capital Assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

ii. Works of Art, and Historical Treasures:

The District manages and controls various works of art and non-operational historical cultural assets. These assets are not recorded as tangible capital assets and are not amortized due to the subjectivity of their value.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

1. Significant Accounting Policies: (continued)

iii. **Interest Capitalization:**

The District capitalizes interest costs associated with the acquisition or construction of a tangible capital asset.

iv. **Leased Tangible Capital Assets:**

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and the related payments are charged to expenses incurred.

v. **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. A liability for remediation of contaminated sites is to be recognized when all of the following criteria are met:

- i. An environmental standard exists;
- ii. Contamination exceeds the environmental standard;
- iii. The District is directly responsible or accepts responsibility;
- iv. It is expected that future economic benefits will be given up; and
- v. A reasonable estimate of the amount can be made.

As a result of a review of District of Lantzville sites, no liability has been recorded in these financial statements. If a liability is determined, it will be recorded net of any expected recoveries.

vi. **Inventory of Supplies:**

Inventory of supplies held for consumption is recorded at the lower of cost and replacement cost.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

1. Significant Accounting Policies: (continued)

(i) Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at a point in time, the reported amounts of revenues and expenses during the reporting period, and the disclosure of contingent assets and liabilities at the date of the financial statements. Significant estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, estimating provisions for accrued liabilities, and in estimating provisions of employee future benefits. Actual results could differ from these estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

(j) Comparative Figures:

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

2. Financial Instruments:

The District's financial instruments consist of cash and investments, accounts receivable, taxes, accounts payable and accrued liabilities, and deposits. The carrying amount of these financial instruments approximates their fair value because they are short-term in nature or because they bear interest at market rates.

Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest or credit risks arising from these financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

3. Cash and Investments:

Cash and investments are comprised of cash on hand, cash on deposit at financial institutions and investments held in the Municipal Finance Authority of British Columbia investment funds.

	2019	2018
Cash	\$ 8,333,572	\$ 3,641,362
Investments	3,815,780	8,256,293
	\$ 12,149,352	\$11,897,655

Cash deposited at the Coastal Credit Union earns interest at a rate in the range of prime minus 1 to 2%. Investments consist of short-term investments in the Municipal Finance Authority of BC money market fund and bond funds as well as Guaranteed Investment Certificates with various financial institutions. Investments have yields ranging from 1.44% to 2.00%. Investments are recorded at cost.

Included in cash and cash equivalents and investments are the following restricted amounts:

	2019	2018
Statutory reserves	\$ 4,350,015	\$ 3,953,811
Restricted investments – development cost charges	1,861,433	1,505,571
	\$ 6,211,448	\$ 5,459,382

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

4. Deferred Revenue:

Deferred revenue is comprised of the following as at December 31:

	2018 Opening	Receipts	Interest Earned	Revenue Recognized	2019
Community Works (Gas Tax)	\$ 1,584,676	\$ 421,109	\$ 36,854	\$ (214,333)	\$ 1,828,306
Development Cost Charges – Water	497,711	102,399	11,575	-	611,685
Development Cost Charges - Sewer	214,826	78,945	4,996	-	298,767
Development Cost Charges - Drainage	315,757	26,902	7,345	-	350,004
Development Cost Charges – Highway	244,272	92,992	5,681	-	342,945
Development Cost Charges - Parkland	233,005	19,608	5,419	-	258,032
Other Deferred Revenue	1,760,134	110,184	-	(71,266)	1,799,052
	\$ 4,850,381	\$ 852,139	\$ 71,870	\$ (285,599)	\$ 5,488,791

Community Works (Gas Tax) Funds

The Community Works funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the District and the Union of British Columbia Municipalities. These funds may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreement.

5. Employee Future Benefit Obligations:

Employee benefit obligations represent accrued benefits as follows:

	2019	2018
Vacation payable	\$ 24,344	\$ 15,768
Accrued sick leave	81,948	67,037
	\$ 106,292	\$ 82,805

Accrued vacation is the amount of vacation entitlement carried forward into the next year. Employee benefit obligations also include accumulated sick leave banks that may be drawn down in future years. These sick leave entitlements may only be used while employed by the District and are paid out on retirement under certain conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

5. Employee Future Benefit Obligations: (continued)

Municipal Pension Plan

The District and its employees contribute to the Municipal Pension Plan ("the Plan"), a jointly trusteesd pension plan. The Board of Trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of the benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 contributors from local government.

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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of the unfunded actuarial liability.

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

The District paid \$87,276 (2018 - \$91,757) for employer contributions, while employees contributed \$78,147 (2018 - \$81,712) to the Plan in fiscal 2019.

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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

6. Tangible Capital Assets (Schedule A):

(a) Assets under construction:

Assets under construction having a value of \$613,847 (2018 - \$617,764) have not been amortized. Amortization of these assets will commence when the asset is put into service.

(b) Contributed tangible capital assets:

Contributed capital assets are recognized at fair market value at the date of contribution. The value of contributed capital assets received during the year is \$16,067,306 (2018 - \$nil)

(c) Tangible capital assets disclosed at nominal values:

Where an estimate of fair value could not be made, the asset has been recognized at a nominal value.

(d) Write-down of tangible capital assets:

Tangible capital assets having a value of \$1 (2018 - \$1) have been written down during the year.

(e) Interest capitalized:

No interest was capitalized with the acquisition or construction of a tangible capital asset during the year.

7. Accumulated Surplus:

Accumulated surplus consists of individual fund surplus and reserve funds as follows:

	2019	2018
Equity in Tangible Capital Assets	\$ 50,867,795	\$34,002,076
Unrestricted General Fund Surplus	731,104	830,965
Unrestricted Sewer Fund Deficit	(346,720)	(366,656)
Unrestricted Water Fund Surplus	317,918	775,593
Statutory Reserve Funds (Schedule B)	4,350,015	3,953,811
	\$ 55,920,112	\$39,195,789

Reserve funds are comprised of the statutory reserve funds shown in Schedule B.

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

8. Annual Budget:

These financial statements include the Annual Budget as approved by Council on December 10, 2018. No amendments subsequent to this date have been included. The following is a reconciliation of the budget presentation required for the financial statements and the annual financial plan bylaw:

	2019
Annual Budgeted Surplus – Statement of Operations	\$ 3,605,805
Adjust for:	
Capital expenditures	(6,837,564)
Proceeds from borrowing	1,567,065
Transfer from reserves	962,525
Internal borrowing repayment	(58,831)
Amortization	761,000
Net Annual Budget – as approved by Council	\$ -

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

9. Net Taxes Available for Municipal Purposes:

The District is required to collect taxes on behalf of, and transfer these amounts to, other government agencies noted below. Taxes levied over or under the amounts requisitioned are recorded as accounts payable or receivable.

	2019	2018
Taxes:		
Property / parcel taxes	\$ 5,931,928	\$ 5,440,605
Payments in lieu of taxes	23,090	20,523
1% utility taxes	57,855	54,023
	6,012,873	5,515,151
Less taxes levied for other authorities:		
School District	2,157,969	1,911,079
Policing	250,952	231,256
Regional Hospital District	203,126	185,525
Regional District of Nanaimo	749,855	683,089
BC Assessment Authority	50,468	44,479
Municipal Finance Authority	249	210
	3,412,619	3,055,638
Net taxes available for municipal purposes	\$ 2,600,254	\$ 2,459,513

Net taxes available for municipal purposes includes \$193,191 for the Vancouver Island Regional Library (2018 - \$189,527).

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

10. Grants and Government Transfers

	2019	2018
Operating transfers from provincial government:		
Strategic Communities Investment Fund Grant	\$ 447,619	\$ 437,778
Other	54,266	51,299
Capital transfers from provincial government:		
New Building Canada Fund – Small Communities Fund	64,065	86,800
Capital transfers from federal government:		
New Building Canada Fund – Small Communities Fund	64,065	86,799
Federal Gas Tax	214,333	55,000
Other contributions	1,402	29,435
	\$ 845,750	\$ 747,111

11. Expenditure by Object and Segment

The District's operations and activities are organized and reported by Fund. These Funds include General, Water, and Sewer. The District's expenditures by object are reported in Schedule C – Schedule of Segment Disclosures. The following are the activities/services provided by each of the segments reported on:

GENERAL FUND

General Government

General government services includes all administrative aspects of the District including corporate administration, finance, human resources and legislated services to the residents of the District.

Transportation Services

Transportation services is comprised of annual maintenance of all municipally owned roads, storm drainage, sidewalks, street signs, street lighting, traffic signals and transportation vehicle fleet used to provide services to the District.

Protective Services

Protective services includes the fire department, building inspection, bylaw enforcement, and emergency planning.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

10. Expenditure by Object and Segment: (continued)

Solid Waste Collection

Solid waste management includes fees related to residential solid waste curbside collection services.

Community Development Services

Community development services includes land use planning, subdivision, development, and mapping.

Recreation and Cultural Services

Recreation and Cultural Services is comprised of services meant to improve the health and development of citizens of Lantzville. This segment includes maintenance and development of all parks and green spaces within the District as well as the District's financial contribution to the services provided by the Vancouver Island Regional Library.

Sewer Fund

Sewer services includes the management and maintenance of the sanitary sewer collection system.

Water Fund

Water services includes the management and maintenance of the water distribution system including reservoirs, wells, and hydrants.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019 with comparative information for 2018

11. Commitments and Contingencies:

- (a) The Nanaimo Regional District ("RDN") debt, under provisions of the Local Government Act, is a direct, joint and several liability of the RDN and each member municipality within the RDN, including the District.
- (b) The District is a defendant in various lawsuits. The District records an accrual in respect to legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful as a result of litigation, will be recorded when a liability is likely and determinable. The District is insured through membership in the Municipal Insurance Association ("MIA") of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$10,000. Should the MIA pay out claims in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute towards the deficit.
- (c) The District also has \$12,861 (2018 - \$9,755) in open purchase orders at year end which have not been recorded in the financial statements. These amounts will be recorded in the period that the goods and services, to which they relate, are received.

12. Subsequent Events

In March 2020, the COVID-19 outbreak has caused governments worldwide to enact emergency measures to combat the spread of the virus. These measures, which include the implementation of facility closures, travel restrictions, self-isolation periods, and social and physical distancing, will have a significant impact on the local and global economy. At this time it is not possible to reliably estimate the length and severity of the COVID-19 outbreak and how it may impact the District's financial results for 2020.

SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2019

	Infrastructure										
	Land	Land Improvements	Buildings	Vehicles	Equipment	Roads	Sewer	Water	Assets Under Construction	2019	2018
HISTORICAL COST:											
Opening Balance	\$ 8,799,199	\$ 1,124,814	\$ 1,997,298	\$ 1,875,637	\$ 442,885	\$ 12,209,287	\$ 8,501,781	\$ 8,630,288	\$ 617,764	\$ 44,198,953	\$ 41,366,659
Additions	9,201,998	137,864	-	482,555	-	3,549,226	702,248	3,710,635	207,417	17,991,943	2,918,080
Disposal	-	(33,869)	-	(453,943)	(33,429)	(26,478)	-	-	-	(547,719)	-
Transfers	-	-	-	-	-	-	-	-	(211,333)	(211,333)	(85,786)
Closing Balance, Dec 31	18,001,197	1,228,809	1,997,298	1,904,249	409,456	15,732,035	9,204,029	12,340,923	613,848	61,431,844	44,198,953
ACCUMULATED AMORTIZATION:											
Opening Balance	-	436,127	1,010,773	1,087,950	293,945	4,388,809	1,022,742	1,956,531	-	10,196,877	9,529,939
Additions	-	29,545	50,161	68,591	40,839	395,217	113,274	192,264	-	889,891	747,478
Disposal	-	(33,869)	-	(428,943)	(33,429)	(26,478)	-	-	-	(522,719)	(80,540)
Closing Balance, Dec 31	-	431,803	1,060,934	727,598	301,355	4,757,548	1,136,016	2,148,795	-	10,564,049	10,196,877
NET BOOK VALUE	\$ 18,001,197	\$ 797,006	\$ 936,364	\$ 1,176,651	\$ 108,101	\$ 10,974,487	\$ 8,068,013	\$ 10,192,128	\$ 613,848	\$ 50,867,795	\$ 34,002,076

SCHEDULE OF STATUTORY RESERVE FUNDS

For the year ended December 31, 2019

	Operating Reserve	Capital Works	Asset Replacement	Fire Truck	Park Development	Park Acquisition	Asset Replacement	Asset Replacement	2019 Total	2019 Financial Plan	2018
	GENERAL FUND						SEWER FUND	WATER FUND			
Opening balance	\$ 10,645	\$ 2,169,863	\$ 712,575	\$ 325,876	\$ 247,233	\$ 38,211	\$ 325,940	\$ 123,468	\$ 3,953,811	\$ 3,953,811	\$ 4,009,857
Transfers in	108,492	505,820	50,397	122,810	118,598	209,327	41,600	813,159	1,970,203	948,320	1,070,793
Interest earned	248	50,464	10,997	7,579	11,325	889	7,581	2,872	91,955	56,120	95,554
Transfers out	(55,966)	(834,217)	(310,566)	(292,089)	(104,155)	(38,211)	(11,979)	(18,771)	(1,665,954)	(1,974,016)	(1,222,393)
Closing balance	\$ 63,419	\$ 1,891,930	\$ 463,403	\$ 164,176	\$ 273,001	\$ 210,216	\$ 363,142	\$ 920,728	\$ 4,350,015	\$ 2,984,235	\$ 3,953,811

SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

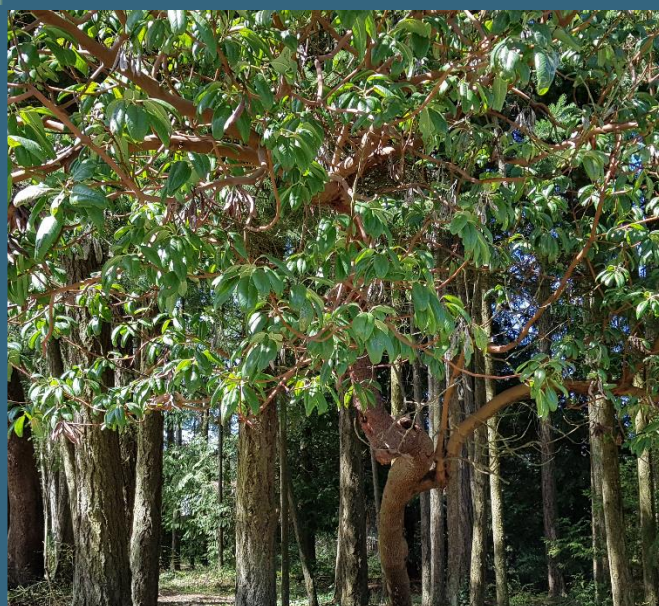
For the year ended December 31, 2019

	General Government Services	Transportation Services	Protective Services	Solid Waste Collection	Recreation and Cultural Services	Community Development Services	Sewer	Water	2019	2019 Financial Plan
REVENUE										
Taxation	\$ 818,963	\$ 542,944	\$ 308,998	\$ -	\$ 225,075	\$ 292,647	\$ 49,692	\$ 361,935	\$ 2,600,254	\$ 2,536,076
Sales and services	-	-	-	203,825	-	-	244,416	409,516	857,757	820,052
Grants and government transfers	515,620	200,000	2,000	-	-	-	128,130	-	845,750	3,744,315
Investment income	215,983	-	-	-	-	-	10,350	-	226,333	68,800
Penalties and fines	20,668	-	-	-	-	-	3,475	5,077	29,220	34,100
Development cost charges earned	-	-	-	-	-	-	-	-	-	-
Contributions from developers and others	-	3,151,977	-	-	8,516,210	-	690,269	3,708,850	16,067,306	3,000
Other revenue from own sources	117,119	-	48,751	-	1,170	46,400	-	459	213,899	344,367
	1,688,353	3,894,921	359,749	203,825	8,742,455	339,047	1,126,332	4,485,837	20,840,519	7,550,710
EXPENSES										
Salaries, wages and benefits	740,156	87,434	187,699	-	104,131	159,397	34,080	140,657	1,453,554	1,358,651
Materials and supplies	101,694	167,298	84,681	4,869	22,070	-	16,937	42,268	439,817	492,650
Contracted services	175,386	142,028	115,030	198,917	2,447	-	78,702	21,531	734,041	599,296
Other	129,386	106,821	48,994	-	219,052	7,855	21,067	65,718	598,893	733,308
Amortization	60,856	409,468	83,227	-	30,800	-	113,274	192,266	889,891	761,000
	1,207,478	913,049	519,631	203,786	378,500	167,252	264,060	462,440	4,116,196	3,944,905
SURPLUS / (DEFICIT)	\$ 480,875	\$ 2,981,872	\$ (159,882)	\$ 39	\$ 8,363,955	\$ 171,795	\$ 862,272	\$ 4,023,397	\$16,724,323	\$ 3,605,805

SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

For the year ended December 31, 2018

	General Government Services	Transportation Services	Protective Services	Solid Waste Collection	Recreation and Cultural Services	Community Development Services	Sewer	Water	2018	2018 Financial Plan
REVENUE										
Taxation	\$ 779,445	\$ 499,778	\$ 270,232	\$ -	\$ 398,358	\$ 68,057	\$ 117,003	\$ 326,640	\$ 2,459,513	\$ 2,522,581
Sales and services	-	-	-	191,663	-	-	194,746	322,160	708,569	720,545
Grants and government transfers	518,512	-	-	-	-	-	173,599	55,000	747,111	3,636,088
Investment income	178,338	-	-	-	-	-	12,245	13,609	204,192	60,600
Penalties and fines	19,379	-	-	-	-	-	2,909	4,596	26,884	34,000
Development charges earned	-	-	-	-	-	-	-	9,182	9,182	116,570
Contributions from developers and others	-	-	-	-	2,260	-	-	-	2,260	500,000
Other revenue from own sources	242,036	-	22,851	-	22,950	153,030	-	38,967	479,834	163,200
	1,737,710	499,778	293,083	191,663	423,568	221,087	500,502	770,154	4,637,545	7,753,584
EXPENSES										
Salaries, wages and benefits	740,884	83,428	175,886	-	98,387	105,054	34,911	135,438	1,373,988	1,422,043
Materials and supplies	134,364	164,438	77,902	4,971	26,724	-	19,752	42,661	470,812	466,530
Contracted services	331,234	66,634	106,932	187,367	7,915	-	72,973	15,279	788,334	733,272
Other	113,397	218,006	37,043	-	207,564	15,235	40,588	48,578	680,411	687,970
Amortization	57,761	350,832	79,862	-	28,510	-	107,725	122,788	747,478	731,000
	1,377,640	883,338	477,625	192,338	369,100	120,289	275,949	364,744	4,061,023	4,040,815
SURPLUS / (DEFICIT)	\$ 360,070	\$ (383,560)	\$ (184,542)	\$ (675)	\$ 54,468	\$ 100,798	\$ 224,553	\$ 405,410	\$ 576,522	\$ 3,712,769



STATISTICS SECTION

(UNAUDITED)



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DEMOGRAPHICS

POPULATION OF LANTZVILLE 2015-2019

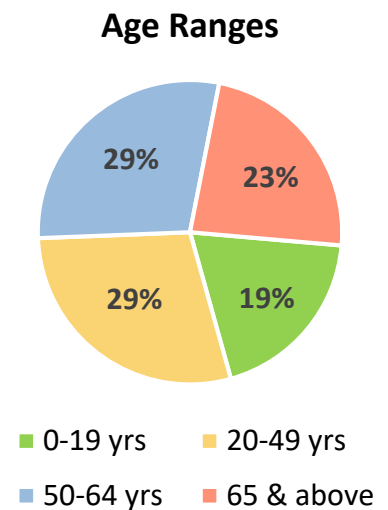
	2015	2016	2017	2018	2019
Total Population Estimates	3,653	3,741	3,745	3,805	3,790
% Change from Prior Year	-0.2%	2.4%	0.1%	1.6%	-0.4%

Source: BC Statistics per <https://www2.gov.bc.ca>

LANTZVILLE - MOST RECENT CANADIAN CENSUS (2016)

Total private dwellings	1,517
Population density per square KM	130.2
Land area in square KMs	27.68

Age Ranges	Total	Male	Female
0-14 years	505	265	240
15-19 years	190	100	90
Subtotal: 0-19 years	695	365	330
20-34 years	455	250	205
35-49 years	580	270	310
Subtotal: 20-49 years	1035	520	515
50-59 years	685	330	355
60-64 years	350	175	175
Subtotal: 50-64 years	1035	505	530
65-79 years	670	355	320
80-94 years	165	80	80
95 years and above	5	0	5
Subtotal: 65 years and above	840	435	405
TOTAL	3605	1825	1780



Source: Statistics Canada > Census Profile, 2016 Census per <http://www12.statcan.gc.ca>

Note: 2016 totals differ due to differences in methodologies between BC Statistics population estimates versus Statistics Canada Census.

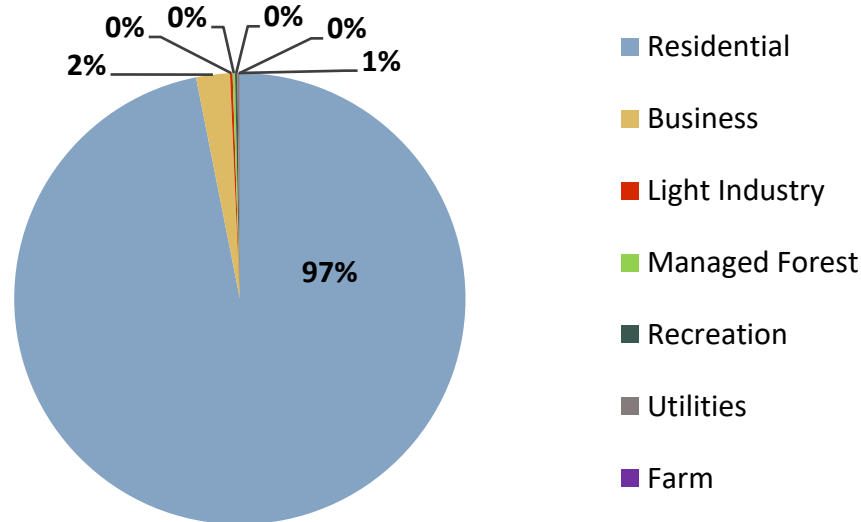
ASSESSMENT VALUES BY PROPERTY CLASS

TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS 2015-2019 (IN THOUSANDS)

Property Class	2015	2016	2017	2018	2019
Residential	682,719	738,172	819,436	964,780	1,153,348
Business	19,084	19,079	20,952	24,063	26,065
Light Industry	1,730	1,441	1,606	1,871	2,047
Managed Forest	1,245	1,360	1,498	1,703	1,865
Recreation	1,748	1,658	1,658	1,678	1,710
Utilities	1,459	1,484	1,531	1,603	2,193
Farm	101	101	108	116	109
	708,086	763,295	846,789	995,814	1,187,337

Source: BC Assessment

2019 Assessment by Property Class



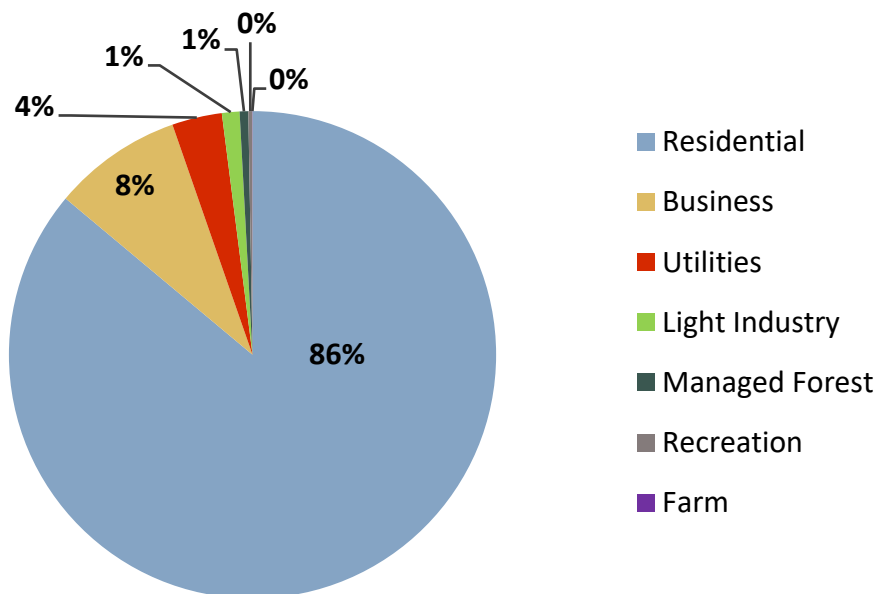
TAX REVENUE BY PROPERTY CLASS

TAX REVENUE BY PROPERTY CLASS 2015-2019

Property Class	2015	2016	2017	2018	2019
Residential	1,315,053	1,348,714	1,419,100	1,500,578	1,639,182
Business	147,040	139,440	145,143	149,709	148,175
Utilities	52,220	53,537	55,281	57,844	79,625
Light Industry	23,323	18,426	19,470	20,370	20,369
Managed Forest	8,993	9,318	9,728	9,933	9,940
Recreation	5,892	5,301	5,025	4,567	4,253
Farm	254	241	243	234	201
	1,552,775	1,574,977	1,653,990	1,743,235	1,901,745

Source: District of Lantzville Finance Department

2019 Tax Revenue by Property Class



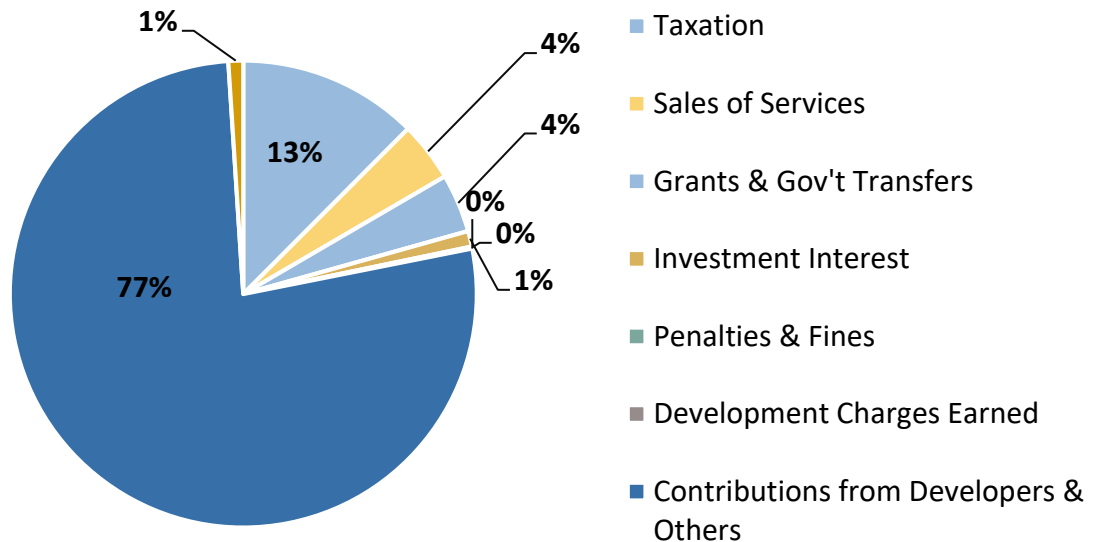
REVENUES BY SOURCE

REVENUES BY SOURCE 2015-2019

	2015	2016	2017	2018	2019
Taxation	2,315,597	2,348,126	2,432,617	2,459,513	2,600,254
Sales of Services	637,183	693,187	725,010	708,569	857,757
Grants and Gov't Transfers	472,695	445,380	672,180	747,111	845,750
Investment Interest	58,778	83,147	155,401	204,192	226,333
Penalties and Fines	31,829	37,924	36,064	26,884	29,220
Net Gain on Sale	-	1	-	-	-
Development Charges Earned	-	56,861	1,377	9,182	-
Contributions from Developers and Others	5,664	2,460	7,582	2,260	16,067,306
Other Revenue from Own Sources	99,733	86,721	150,726	479,834	213,899
	3,621,479	3,753,807	4,180,957	4,637,545	20,840,519

Source: District of Lantzville Finance Department

2019 Revenues By Source



EXPENSES BY FUNCTION & OBJECT

EXPENSES BY MAJOR FUNCTION/PROGRAM 2015-2019

	2015	2016	2017	2018	2019
General Government Services	953,604	1,041,223	1,287,678	1,377,640	1,207,478
Transportation Services	643,042	742,155	1,153,505	883,338	913,049
Protective Services	412,653	490,168	500,620	477,625	519,631
Solid Waste Collection	162,668	180,553	187,320	192,338	203,786
Recreation & Cultural Services	308,944	328,118	330,616	369,100	378,500
Community Development Services	63,265	70,715	107,144	120,289	167,252
Sewer	268,253	288,988	263,377	275,949	264,060
Water	394,376	393,112	408,817	364,744	462,440
	<u>3,206,805</u>	<u>3,535,032</u>	<u>4,239,077</u>	<u>4,061,023</u>	<u>4,116,196</u>

Source: District of Lantzville Finance Department

EXPENSES BY OBJECT 2015-2019

	2015	2016	2017	2018	2019
Salaries, Wages and Benefits	1,098,965	1,207,863	1,369,167	1,373,988	1,453,554
Materials and Supplies	393,038	373,050	745,596	470,812	439,817
Contracted Services	370,193	526,984	857,302	788,334	734,041
Other	607,868	683,427	495,729	680,411	598,893
Amortization	736,741	743,708	771,283	747,478	889,891
	<u>3,206,805</u>	<u>3,535,032</u>	<u>4,239,077</u>	<u>4,061,023</u>	<u>4,116,196</u>

Source: District of Lantzville Finance Department

SURPLUS/(DEFICIT)

ANNUAL SURPLUS/(DEFICIT) 2015-2019

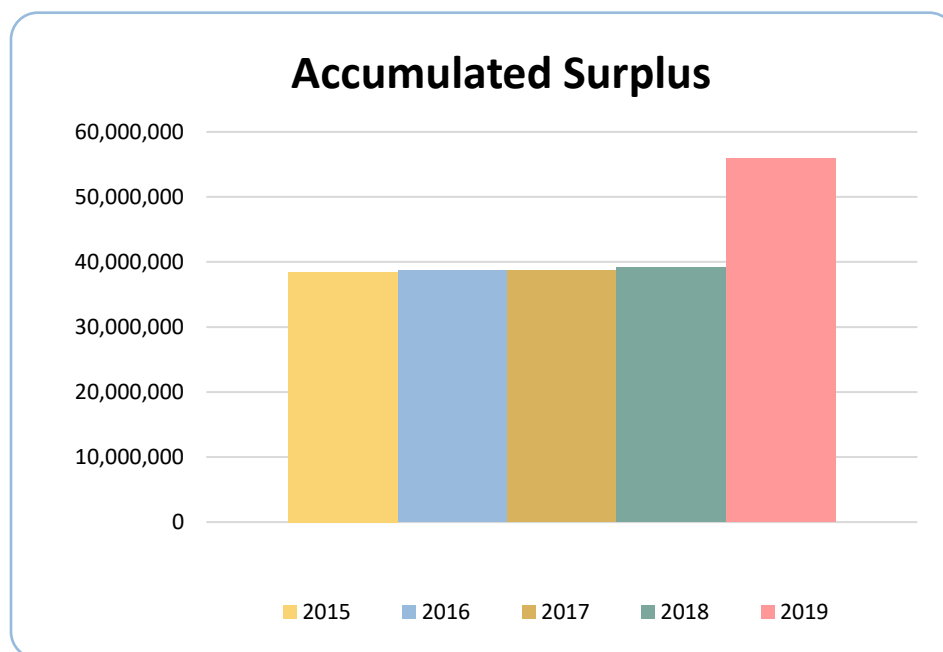
	2015	2016	2017	2018	2019
Annual Surplus/(Deficit)	414,674	218,775	(58,120)	576,522	16,724,323

Source: District of Lantzville Finance Department

ACCUMULATED SURPLUS 2015-2019

	2015	2016	2017	2018	2019
Accumulated Surplus	38,458,612	38,677,387	38,619,267	39,195,789	55,920,112

Source: District of Lantzville Finance Department

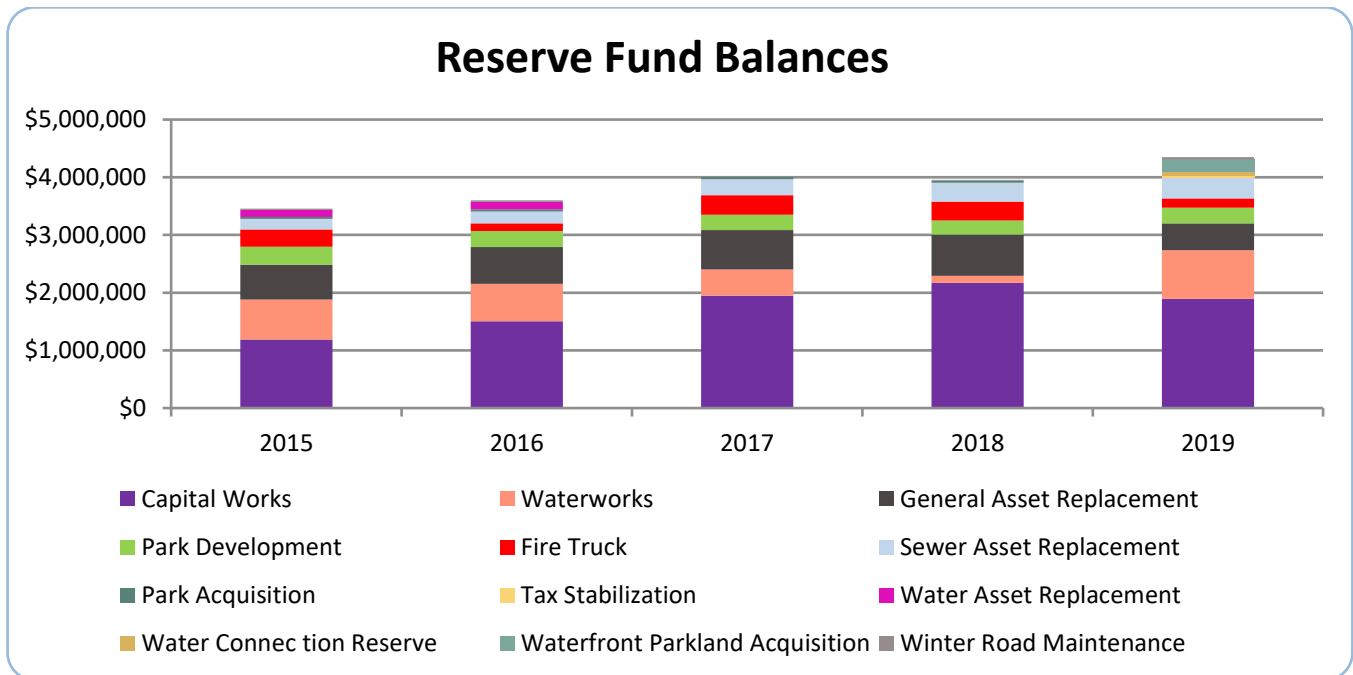


RESERVE FUND BALANCES

RESERVE FUND BALANCES 2015-2019

	2015	2016	2017	2018	2019
Capital Works	1,187,660	1,503,329	1,948,307	2,169,863	1,891,932
Waterworks	646,933	763,759	456,645	123,468	843,868
General Asset Replacement	640,031	648,388	681,700	712,575	463,404
Park Development	278,892	260,052	264,887	247,233	273,001
Fire Truck	130,723	232,496	336,819	325,876	164,175
Sewer Asset Replacement	206,356	234,369	278,727	325,940	363,142
Park Acquisition	36,343	36,670	37,352	38,211	-
Tax Stabilization Reserve	-	-	-	-	23,050
Water Asset Replacement	129,243	-	-	-	-
Water Connection Reserve	-	-	-	-	76,859
Waterfront Parkland Acquisition	-	-	-	-	210,216
Winter Road Maintenance	26,338	17,525	5,420	10,645	40,368
	3,282,519	3,696,588	4,009,857	3,953,811	4,350,015

Source: District of Lantzville Finance Department



ASSETS & NEW CONSTRUCTION

ACQUISITION OF TANGIBLE CAPITAL ASSETS 2015-2019

	2015	2016	2017	2018	2019
Acquisition of TCA	903,567	578,344	881,425	2,918,080	17,780,610

Source: District of Lantzville Finance Department

NET FINANCIAL ASSETS 2015-2019

	2015	2016	2017	2018	2019
Net Financial Assets	6,246,547	6,634,975	6,722,816	5,149,428	4,993,727

Source: District of Lantzville Finance Department

NEW CONSTRUCTION 2015-2019

	2015	2016	2017	2018	2019
New Construction - Permit Values	4,433,468	3,483,800	6,146,624	4,342,877	17,585,807

Source: District of Lantzville Finance Department

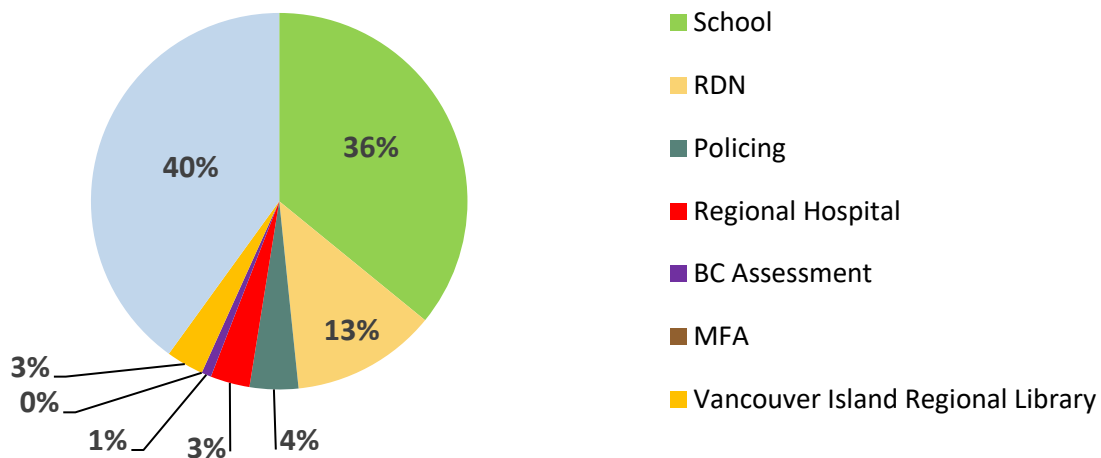


OTHER STATISTICS

TOTAL TAXES COLLECTED FOR OTHER AGENCIES 2015-2019

	2015	2016	2017	2018	2019
School	1,847,599	1,882,129	1,820,677	1,911,079	2,157,969
Regional District of Nanaimo	635,902	665,395	659,683	683,089	749,855
Policing	202,303	207,466	210,111	231,256	250,952
Regional Hospital	168,511	175,710	177,904	185,525	203,126
BC Assessment	46,457	45,644	40,879	44,479	50,468
Municipal Finance Authority	150	162	178	210	249
	2,900,922	2,976,506	2,909,432	3,055,638	3,412,619

2019 Property Value Taxes Collected



PROPERTY TAXES AVAILABLE FOR MUNICIPAL PURPOSES 2015-2019

	2015	2016	2017	2018	2019
Net Taxes for Municipal Purposes	2,315,597	2,348,126	2,432,617	2,459,513	2,600,254
Less Amounts for Vancouver Island Regional Library	170,292	171,109	178,117	189,527	193,191
Net Taxes for use by the District	2,145,305	2,177,017	2,254,500	2,269,986	2,407,063

Source: District of Lantzville Finance Department

OTHER STATISTICS

TOP 10 PRINCIPAL CORPORATE TAXPAYERS FOR 2019

Registered Owner	2019 Municipal Taxes Levied
FortisBC Energy (Vancouver Island) Inc	\$42,919
Telus Communications Inc	28,143
Lone Tree Properties Inc	31,196
Almarc Holdings Ltd	18,215
Lantzville Projects Ltd	18,980
Jim Pattison Developments Ltd	15,333
Hogler Enterprises Ltd	10,915
Datco Holdings Ltd Inc	10,392
Winchelsea View Golf Course Ltd	9,452
Lantzville Village Holdco Ltd	7,964
Total Tax Contribution from Top 10 Corporate Taxpayers	\$193,509

Total Municipal Tax	\$1,901,745
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Proportion of municipal tax paid by top ten **10.2%**

Source: District of Lantzville Finance Department

DEBENTURE DEBT

The District of Lantzville has not carried Debenture Debt in the past five years.

Source: District of Lantzville Finance Department





OTHER INFORMATION



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DISTRICT OF LANTZVILLE

REPORT ON PERMISSIVE TAX EXEMPTIONS

2019 PERMISSIVE TAX EXEMPTIONS

Amount of Municipal Property Taxes that would have been imposed if no tax exemption 2019

Roll #	Civic Address	Owner	Lessee - Occupant	2019 Assessed Value Exemption	General Municipal Taxes
350 07917.000	7113 Lantzville Road	Anglican Synod Diocese of BC	St. Phillip's by the Sea Anglican Church	436,980	\$ 1,087
350 07945.100	7244 Lantzville Road (Community Use Building B)	District of Lantzville	Seaside Community Society – Woodgrove Christian Community Church	472,700	1,176
350 07920.000	Lot 1, Plan 9671, DL 27G (School Road Tennis Courts – Parking Lot)	District of Lantzville		641,000	1,594
350 07906.500	7225 Lantzville Road	Seaview Centennial Branch #257 of the Royal Canadian Legion		600,000	2,826
350 07919.500	7232 Lantzville Road (Community Use Building A)	District of Lantzville	Seaside Community Society	770,000	4,377
351 19458.008	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	96,700	3,512
350 19459.009	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	21,300	773
350 19459.012	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	15,200	552
350 19459.014	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	86,100	3,127
350 19459.017	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	84,700	3,075
350 19459.018	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	115,000	4,176
350 19459.019	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	114,000	4,140
350 19460.003	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	25,800	937
					\$ 31,352

2019 ANNUAL MUNICIPAL REPORT

DECLARATION OF DISQUALIFICATION FROM OFFICE

NIL REPORT

July 13, 2020

No declaration has been made for any Council or former Council member to be disqualified from office under section 111 of the *Community Charter*.

Trudy Coates

Trudy Coates
Director of Corporate Administration





A special thank you to
the following
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Bob Colclough
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Trudy Coates

District of Lantzville
7192 Lantzville Road, P.O. Box 100
Lantzville, BC V0R 2H0

www.lantzville.ca