



2020 Annual Report

For the year ended
December 31, 2020

District of Lantzville

British Columbia
Canada



District of Lantzville

British Columbia

2020 Annual Report

Fiscal year ended December 31, 2020



This Annual Report has been prepared by the Finance Department

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www.lantzville.ca



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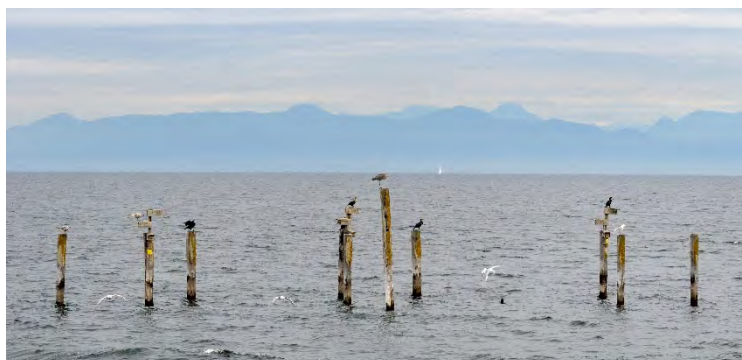
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INTRODUCTORY INFORMATION



MESSAGE FROM THE MAYOR



On behalf of Council, I am pleased to present the 2020 Annual Report for the District of Lantzville. This report contains valuable information related to the District's operations, including the 2020 financial statements, 2020 accomplishments, and 2021 objectives aimed to help achieve Council's 2020-2024 strategic goals. Thank you for taking the time to discover our beautiful seaside community in these pages and learn more about what is happening now and in the future.

During 2020, we faced unprecedented challenges not only in our Community, but across the world. Our lives have all been impacted by the COVID-19 pandemic, and how we gather as a community has changed. Our small businesses have been hit especially hard by the impacts of COVID-19, and it is important for us to support them at this time.

Council has continued to approve a number of initiatives to help support the Community during this challenging time. The 2020 property tax penalty dates were extended to October 1st, utility billing penalties were waived for billings from January 1st through June 30th, and budget cuts were made to the 2020 Financial Plan in order to reduce the property tax rate for 2020.

Council has also taken steps towards strengthening the relationship between the District of Lantzville and Snaw-naw-as, Nanoose First Nation as both communities are currently working on developing a Memorandum of Understanding (MOU). The Lantzville - Snaw-naw-as MOU will provide a framework from which both communities may collaboratively work together.

To maintain public engagement and resident input while following COVID-19 Public Health Orders, Council meetings are held via video-conference and live-streamed, recorded, and posted on the District's website, and members of the public who wish to provide input regarding agenda items can submit written comments by email to district@lantzville.ca, mail or drop off at Municipal Hall, or participate remotely through Zoom during the Public Input on agenda items section by registering in advance at lantzville.ca under the Council meeting event.

The upcoming year will see one of the District's largest capital projects completed, which is the Sanitary Sewer Phase 3 Project that will bring sewer service to over 300 properties. As well, Village Core streetscape and pedestrian improvements are currently underway, and the Copley Park playground upgrade has been completed.

In early 2021, Council initiated a Strategic Planning update, which will determine the remaining priorities and objectives for our term ending in 2022.

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



Lantzville Plaza mural by: Grace Edwards, Snaw-naw-as artist

DISTRICT OF LANTZVILLE

2020 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

2020 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 November 2, 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 via on-line streaming. Due to COVID-19, most of the year's meetings were held electronically with an opportunity for the public to view live stream or to register to participate via Zoom. Meeting agendas and schedules, meeting minutes and meeting video archives, are available 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

May 20, 2021

Mayor and Council
District of Lantzville

Your Worship and Members of Council,

I am pleased to present the District of Lantzville's 2020 Annual Report for the fiscal year ended December 31, 2020.

This report, as required by Section 98 of the *Community Charter*, includes the audited 2020 financial statements, performance objectives, and supplementary information for the District of Lantzville.

The financial statements for the year ended December 31, 2020, 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, as appointed by Council, 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 2020 operations.

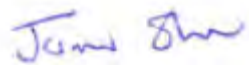
The 2020 audited financial statements were presented and approved by Council on May 5, 2021. At that meeting, MNP LLP also presented the results of the audit.

The year 2020 saw the District's grant revenue increase by approximately \$5.0 million. This increase is attributed to \$1.2 million received from the Province of BC as part of the COVID-19 Safe Restart Grants for Local Governments and \$3.7 million from the New Building Canada Fund for the Sanitary Sewer Project – Phase 3.

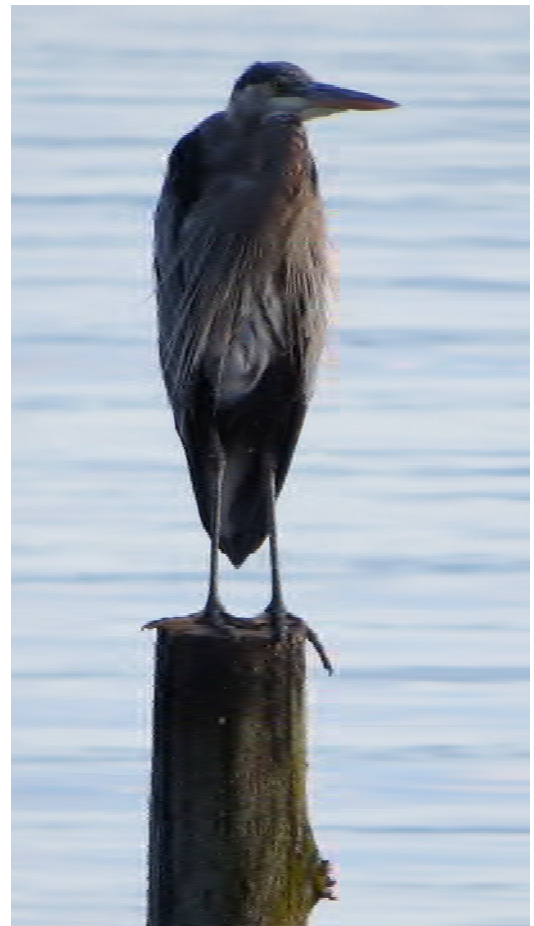
As at December 31, 2020, the District had an accumulated surplus of \$62.1 million, an increase of \$6.2 million for the year. Accumulated surplus is largely comprised of net investments in tangible capital assets (\$58.0 million), which includes land, park infrastructure, buildings, roads, and utility assets. The District currently holds \$4.3 million of debenture debt. This new debenture debt was incurred for the Sanitary Sewer - Phase 3 capital project. Borrowing from the Municipal Finance Authority was initiated during the Fall 2020 borrowing session.

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 2021-2025 Financial Plan has been approved by Council and continues to 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, 2019

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 2021-2023

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. 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 2021-2023 strategic planning session are as follows:

Infrastructure

- Implement the Village Commercial Core Improvement Plan and the Streetscape Design.
- Bring water to most residents in Lantzville - Implement Water Master Plan.
- Secure a District-owned Public Works facility.
- Secure the District Firehall site.

Financial Planning

- Establish a policy to identify how new growth tax revenues are allocated.

Community Planning

- Council to establish high level priorities for community amenity contributions.
- Complete the negotiation of the Foothills phased development agreement.
- Design and construct a parking lot on MOTI land at Ware Road/Industrial Road. (2023).
- Acquire as much land as possible through development.
- Explore options for the provision of childcare spaces in the District.
- Explore options for the future of Community Use Building A (Costin Hall) and B (former church) and District community use facilities.
- Consider implementation of the Age-friendly Action Plan.

Communication and Engagement

- Work with community partners to facilitate community engagement and potential events such as Farmer's Market(s), Film Nights, Minetown Day, Summer Beach Festival, Summer Music Festival, Polar Bear Swim (2023).

Parks and Recreation

- Work with community partners for access to recreational and greenspace at some beach road ends.
- Reclaim road ends and rights-of-way to provide access to beaches. Staff to bring forward report regarding encroachments and communications with landowners.
- Achieve a partnership with Regional District of Nanaimo for Foothills park as a regional park and consider other options for partnerships for components.
- Continue advocacy to preserve, protect, and expand the Knarston Creek Riparian Corridor.

Service Delivery

- Develop and revise bylaws as needed.
- Facilitate provision of subsidized seniors' housing. Council to facilitate land acquisition and provide appropriate zoning to encourage outside agencies to develop seniors' housing.
- Support community greenhouses (2023).

Corporate Governance, Internal and External Relationships

- Plan adequate funding for staff levels to deliver District services and meet statutory requirements.
- Continue to develop relationships and shared opportunities with Snaw-naw-as, the Nanoose First Nation.

Community Safety

- Explore the establishment of a Policing Reserve Fund.





SUMMARY OF MUNICIPAL SERVICES AND OPERATIONS FOR 2020

General Government

- Administration
- Corporate Administration
- Financial Services

Protective Services

- Fire Suppression
- Fire Prevention
- Rescue
- Bylaw Enforcement
- Animal Control

Community Planning

- Planning
- Economic Development
- Building Inspection

Public Works

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

Emergency Management and Graphic Information System (GIS) services are contracted from the Regional District of Nanaimo. In 2020, the District of Lantzville began delivering building inspection, bylaw enforcement, and animal control through Municipal Hall using part-time contract services.

In 2020, the District of Lantzville continued to contract engineering and some public works services. The contracting of these services is reviewed on an annual basis to ensure best value for service.



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 Council Strategic Priorities, policies, objectives, and directions. The current CAO also holds the position of Statutory Approving Officer.

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 priorities.
- Fostering both a positive work environment and displaying a commitment to community.

In addition to the management staff, the District has three and one-half staff at the Municipal Hall who assist with financial services, general government administration, planning, building and bylaw services.

Progress on 2020 Objectives:



Continued focus on providing water to residents in Lantzville: Ongoing. In 2020, the District re-submitted an application for grant funding under the *Investing in Canada Infrastructure Program (ICIP) Green Infrastructure Program* for the Clark Drive Area Water System Expansion; applied for grant funding for the Winds Residential Area Water System Expansion under the *ICIP – Rural & Northern Communities Program*.

Administration continued. . .

Strengthen relationships with Snaw-naw-as (Nanoose) First Nation: *Ongoing.* In 2020, two meetings were held between the Councils of the Snaw-naw-as Nanoose First Nation and the District of Lantzville, and work began on a Memorandum of Understanding and Joint Working Group Terms of Reference.

New Growth Funding Policy: *Ongoing.* Challenges with new growth funding were presented as part of the 2020-2024 and 2021-2025 Five Year Financial Plan discussions.

Develop a new Building Bylaw: *Completed.* Building Bylaw No. 182, 2020 adopted July 30, 2020.

Create a Community Safety Committee: *Ongoing.* Terms of Reference and appointments of Council as members of the Mayor's Standing Committee completed; inaugural meeting postponed to 2021.

Improve Access to Trails / Parking: *Ongoing.* Secured a ten-year Licence of Occupation of Provincial Public Highway for 1.9 ha. At the intersection of Industrial Road and Ware Road, for parking for a park n' ride and access to the E&N Trail.

Facilitate Provision of Senior's Housing: *Ongoing.*

Objectives for 2021:

Council has adopted Strategic Priorities for 2021-2023 and the objective for 2021 is to implement the Council Strategic Priorities, subject to resources available.

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.



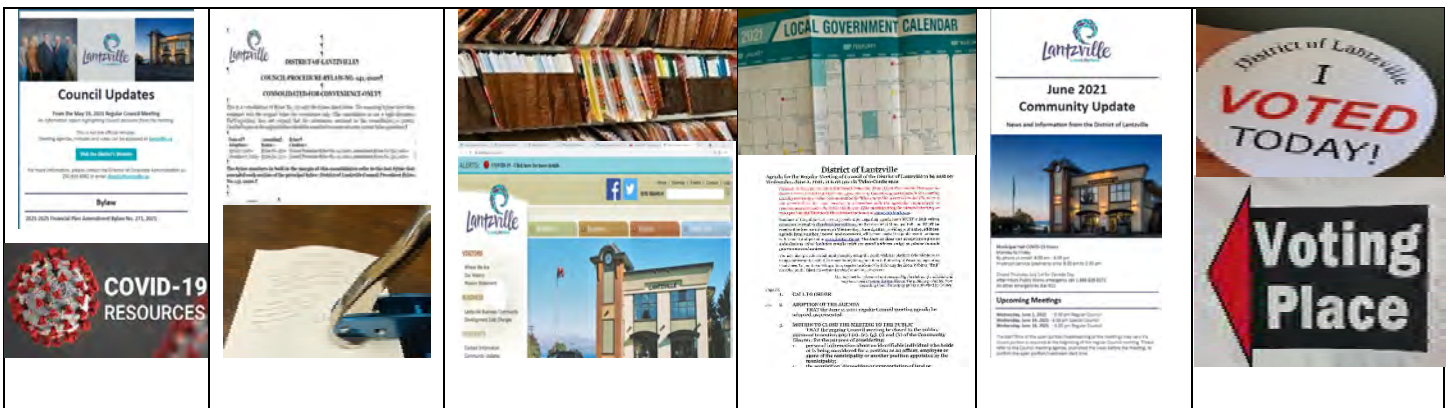
DEPARTMENTAL REPORTS

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 referendums.



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 the staff liaison on the Community Safety Standing Committee; Acting CAO when required; provides the Human Resources functions; communications; purchasing; website governance; property management (leases and licences); and liaise with the public, elected officials, advisory bodies, Provincial ministries, and other local governments.

Progress on 2020 Objectives:

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

Assist with new bylaws: *Ongoing.* Processed 30 new bylaws, including work on the Council Procedure Bylaw amendments, Phase III Sanitary Sewer Collection System Establishment and Loan Authorization Bylaws (including petition against process), and the Good Neighbour Bylaw.

Continue streamlining of electronic meeting processes: *Ongoing.* Implemented live streaming and transitioned to Zoom meetings during Covid-19. Completed 5 committee meeting agendas and 38 Council open meeting and 12 closed meeting agendas, resulting in 186 pages of minutes and over 250 Council resolutions.

Update bylaw index, consolidate bylaws, review bylaws, and provide recommendations: *Ongoing.* Over 30 new bylaws were reviewed and added to the bylaw index during 2020.

Update Council and Administrative policy index, review policies and provide recommendations: *Ongoing.* Work on Fire Rescue Compensation policy along with four new policies and two amendments were reviewed and added to the policy index during 2020.

Maintain improved corporate communications consistent with District policies on communication, engagement, and transparency: *Ongoing.* Implemented and maintained evolving measures, due to Covid-19, to deliver Council meetings electronically, and for public participation. Increased communication of new programs promoted through advertisements, newsletters, Constant Contact emails, including Covid-19 response measures, and social media.

Facilitate building inspection and bylaw enforcement transition from the Regional District to the District of Lantzville, including records systems: *Completed.* Retrieved and incorporated over 112 active permit files and 865 archived permit files.

Revision of Municipal Ticket Information (MTI) and implementation of Bylaw Notice Enforcement and Good Neighbour bylaws: *Ongoing.*

Establish new Deputy position, orient, and implement work transitions: *Complete.* Deputy position filled April 2020.

Objectives for 2021:

- Redesign of *www.Lantzville.ca* website.
- Complete Phase III Sanitary Sewer Collection System Establishment Amendment Bylaw.
- Enhance streamlining of electronic meeting processes by implementing iCompass, agenda management software.
- Modernize and enhance customer service by implementing an electronic document manager system and incorporate with the Districts' website for searchable bylaws, policies, and forms.
- Draft Bylaw Notice Enforcement bylaw and implement an adjudication system.
- Draft Animal Control and Good Neighbour bylaws and publish public education materials.
- Review Election Bylaw and begin preparing for October 2022 general local election.
- Review Records Management Bylaw for updates.
- Update bylaw index, consolidate bylaws, review bylaws, and provide recommendations.
- Update policy index, review policies and provide recommendations, e.g. lapel pins, flags, memorial trees, etc.
- 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 Standing Committee.

Performance measures:

- Launch of redesigned District website.
- Implementation of iCompass.
- Implementation of document management software to provide ease of customer access to District bylaws, policies, and forms.
- Adoption of Bylaw Notice Enforcement bylaw and implementation of an adjudication system.
- Adoption of Animal Control and Good Neighbour Bylaws.
- Adoption of updated Election and Records Management Bylaws.
- Number of citizens signed up for Council updates and monthly community updates.



DEPARTMENTAL REPORTS

General Government

FINANCIAL SERVICES

The mandate of the Finance Department is to provide operational efficiency, financial planning, and accountability through the application of sound accounting practices and internal control. Its powers, duties and functions include:

- receiving all money paid to the municipality.
- ensuring the keeping of all funds and securities of the municipality.
- investing municipal funds, until required, in authorized investments.
- expending municipal money in the manner authorized by Council.
- ensuring the accurate records and full accounts of the financial affairs of the municipality are prepared, maintained, and kept safe; and
- exercising control and supervision over all other financial affairs of the municipality.

Financial services support all departments with their financial analysis and coordinates the annual budgeting process and financial policy development as well as preparation of the annual financial statements, the annual report, and all grant funding applications and grant claim reports.

In addition, the Department seeks to achieve excellence in customer service through the efficient and effective use of technology and personal service.



Progress on 2020 objectives:

- **Implementation of an online tax certificate program:** *Complete.* To allow Law Firms and Notaries to request tax certificate information electronically. During 2020, 184 tax certificates were issued.
- **Implementation of a quarterly billing system for Garbage, Recycling, & Food Waste:** *Complete.* To accommodate the transition to the Automated Curbside Collection program. The quarterly billing for Garbage, Recycling, and Food Waste came into effect on January 1, 2020. 5,892 utility notices were mailed in 2020, or an average of 1,473 utility notices each quarter.
- **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 2021.
- **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 2021:

- Establish new position of Deputy Director of Financial Services, orient, and implement work transitions.
- Development of a new growth funding policy.
- Continued focus on increasing reserve fund contributions to reduce the funding gap identified in the asset management plan.
- Explore the establishment of a Policing Reserve Fund to provide Council with an analysis of the need and costs of establishing a Policing Reserve Fund.
- Comprehensive financial policy review.

Performance measures:

- Deputy Director of Financial Services hired and fully trained.
- Council review and approval of a new growth funding policy to outline the allocation of new-growth taxation revenues.
- Increased reserve fund contributions in areas that have been identified as under-funded.
- Financial policies reflect best practices.

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 2020:

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.

Purchase of New Command Unit: *Carry Forward.* 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. Purchase to occur in early 2021.

Firefighter Interior Certification: *Ongoing.* Certify all firefighters with the National Fire Protection Association (NFPA) 1001 – Firefighter 2 standard. This will be completed by the end of June 2021.

Recruitment: *Complete.* An additional seven on call firefighters have been hired bringing the fire station to a full complement.

Truck Bay Maintenance: *Ongoing.* Oversee the completion of painting of the truck bays. The bay floors were completed in 2020. The remaining painting will be complete in 2021.



Objectives for 2021:

- Implement Fire Smart training into the community.
- Award tender for a new mini pumper.
- Transition to Surrey Fire Dispatch as a regional partner.
- Restructure of the Lantzville Fire Rescue organization.
- Have Recruit Firefighters complete NFPA 1001 level 1-2.
- Purchase of 4 Computer Aid Dispatch systems (CAD's).

Performance measures:

- Community engagement on Fire Smart.
- Complete a pre-construction meeting for the build of the mini rescue pumper and have a signed contract in place.
- Surrey Fire Dispatch operational.
- Have all the roles, as identified in the organizational restructure, filled.
- Recruits to have their NFPA 1001 level 1-2 certificates.
- CAD system to be installed in the assigned fire rescue vehicles and operational.



DEPARTMENTAL REPORTS

Planning & Community Services

Planning & Community Services provides planning, economic development, building inspection, and bylaw enforcement services for the District of Lantzville.

PLANNING

Planning includes responding to bylaw and land development enquiries from the public, processing planning applications, including Official Community Plan and Zoning Bylaw amendments, development permits, development variance permits, temporary use permits, subdivisions, and Agricultural Land Commission proposals. Planning also facilitates long range planning initiatives.

ECONOMIC DEVELOPMENT

The primary function of economic development services is to implement the Economic Development Strategy (2018). In 2020, the District continued to use provincial grant funding to retain an Economic Development Officer on a term basis. The EDO worked with the Economic Development & Sustainability Committee to establish a shop-local campaign and facilitate the painting of a mural by Snaw-naw-as artist Grace Edwards in the village. The District has received a new grant from the Island Coastal Economic Trust to continue to fund the EDO position in 2021 to assist with recovery from the COVID-19 Pandemic.

BUILDING INSPECTION

On October 1, 2020, the District's contract with the Regional District of Nanaimo to provide building inspection services in Lantzville ended. Since the transition date, the District has processed several building permits applications for building projects and has significantly reduced processing times from upwards of 4 months to issue a Building Permit to 2 weeks.

BYLAW ENFORCEMENT

On October 1, 2020, the District's contract with the Regional District of Nanaimo to provide bylaw enforcement services in Lantzville ended. Since the transition date, the District has used its own contractor to provide bylaw education and facilitate enforcement action where voluntary compliance cannot be achieved.

Progress on 2020 Objectives:

Council adoption of a new Zoning Bylaw: *Complete.* District of Lantzville Zoning Bylaw No. 180, 2020 was adopted on March 30, 2020.

Complete Phased Development Agreement for Foothills: *Ongoing.*

Objectives for 2021:

- Responding to planning, building and bylaw enquiries and to continue processing planning and building applications.

Performance Measures:

- Community satisfaction with planning processes.
- Applicant and Developer satisfaction with planning processes.



DEPARTMENTAL REPORTS

Engineering, Public Works & Parks

The District has four 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 2020.

TRANSPORTATION SERVICES (ROADS AND DRAINAGE)

A municipality is responsible for maintaining local roads within its boundaries except for 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 1,000 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.



Copley Park Playground

Progress on 2020 Objectives:

Complete Replacement of Copley Park Playground Equipment: *Completed.* 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 to save funds.

Complete a replacement of the Storm Drainage Pipe under Rumming Road: Works have been removed from the municipal budget and have been completed by the Ministry of Transportation and Infrastructure.

Replacement of Costin Hall Flat Roof: *Completed.* The replacement of the Costin Hall flat roof was carried over to 2020. In 2019, it was found necessary to have the roof in its entirety replaced, so to add economy of scale to the works, the flat roof replacement was carried over to 2020.



Begin Construction of the Phase III Sanitary Sewer Project: *Under Construction.* Construction began in the Spring of 2020 and is projected to be completed in 2021.

Complete Construction of a Water Reservoir: *Under construction.* A reservoir was designed, tendered and the contract awarded in 2019. The completion date for the reservoir was November 30, 2020; however, construction setbacks and material delivery delay has pushed the project completion date into 2021.

Reconstruct Sebastion Road: *Ongoing.* Sebastion Road was to be completed in 2020 however, due to the Phase III Sanitary Sewer Project affecting Sebastion Road, construction will now be completed in 2021.

Replace Water Main Sebastion Road: *Ongoing.* The Sebastion Road Water Main Replacement was added to the Phase III Sanitary Sewer Project to benefit from the economy of scale and save District funds. By doing this, the timeline for the project's completion will carry into 2021.

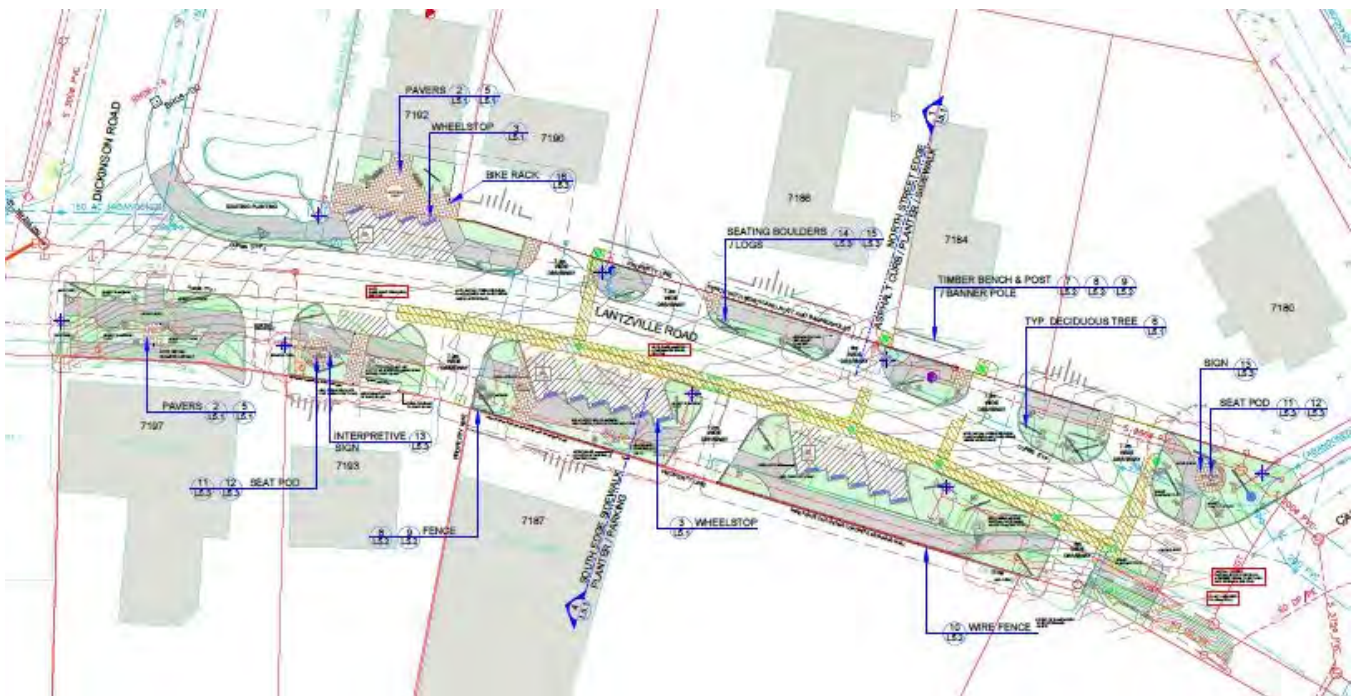
Install Storm Drainage Huddlestone Road: *Ongoing.* Huddlestone Road Storm Drainage installation was postponed to 2021 as a carry forward to allow for the project to be expanded to include the Huddlestone Road Storm Drainage System in its entirety. This delay will provide economy of scale and save the Municipality funds in the long run.

Objectives for 2021:

- Lantzville Commercial Core Revitalization Project.
- Replace Water Main on Clark Crescent.
- Replace Asphalt on Mart Road.
- Replace Asphalt on Metro Road.
- Replace Asphalt on Venture Road.
- Install a Multi-Use Path on Lantzville Road.
- Purchase a Utility Vehicle.

Performance Measures:

- Completion of capital and operating projects within the 2021 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.



Lantzville Commercial Core Revitalization Project



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 2020 Objectives:

- EPC's continuing attendance at conferences/workshops and participation in the Mid-Island Emergency Coordinators and Managers Society and the BC Association of Emergency Managers.
- Ongoing recruitment, orientation, and training of local Emergency Support Services (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.
- Annual participation in Emergency Preparedness Week.
- Ongoing community communications and presentations regarding emergency preparedness.
- Apply for and manage Emergency Preparedness Grants.
- Inventory all Emergency Operation Centre (EOC) and ESS supplies and materials and replace as required.

Completion of the Evacuation Route Plan: The Evacuation route plan was completed for Nanoose and Lantzville in March 2020. Many Recommendations have already been implemented including evacuation templates for the Voyent Alert System, evacuation kits for door-to-door notifications, updated reception centre supplies and virtual public outreach events.

Update or add Agreements for Reception Centre and ESS Suppliers: A new reception Centre was added at St. Phillips Church, there are now 3 Reception Centre locations in Lantzville in addition to the Emergency Management Agreement that provides access to an additional 15 reception centre locations across the region.

Complete Emergency Resource Contact lists: Contact lists were developed in 2019 and continue to be updated annually ensuring current supplier lists are available.

Completion of UBCM ESS and EOC Grants: The ESS grant for modernization and group lodging supplies is now complete. Group lodging supplies were purchased to support up to 160 evacuees throughout Lantzville and the RDN. Digital ESS kits were developed as part of the modernization project to support the electronic delivery of ESS services. The District of Lantzville also received an EOC grant to develop Information Officer Kits and to purchase EOC equipment.

Update Emergency Notification System: The Voyent Alert Emergency Notification System was launched in August 2020. To date there are just over 3600 registered users with about 300 in the District of Lantzville registered.

Objectives for 2021:

- 2021 Objectives will be the 2020 objectives but subject to new opportunities or challenges.
- Completion of the Community Emergency Preparedness ESS grant to develop locally tailored training and exercises that can be delivered both in person and virtually.
- Renewing the Emergency Management Agreement which includes the RDN, District of Lantzville, City of Parksville, Town of Qualicum Beach and Snuneymuxw, Snaw-naw-as and Qualicum First Nations.
- Participation in COVID-19 Coordination calls with Emergency Management BC and Health Authorities and actively monitoring information provided by Federal and Provincial agencies. Providing monthly updates or as required.
- Transition training and exercises to a virtual delivery model.

Performance Measures:

- Education and training that facilitates EPC, staff, and Council competencies to effectively respond to and recover from an emergency or disaster.
- Retention, recruitment, and active engagement of NEPP groups and ESS volunteers.
- Emergency Operations Centre and Reception Centres are operational.
- EOC supplies are current and emergency communications capacity is sufficient.
- Increased users registered for Voyent Alert and Community participation in virtual events.

VOYENT ALERT!

NOTIFICATION SERVICE

GET THE INFORMATION YOU NEED, WHEN YOU NEED IT

The Regional District of Nanaimo is pleased to announce it has chosen the Voyent Alert! service to keep you informed during times of crisis and for day-to-day notices. Register now to receive important notifications that matter to you. The service is free, easy to use and totally anonymous.

REGISTER NOW!

MOBILE APP USERS

Download and install the Voyent Alert! app from the Apple App or Google Play stores.

Register online to receive email, voice or text-based alerts at:
register.voyent-alert.com



FINANCIAL SECTION



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, LGM
Chief Administrative Officer
May 5, 2021

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, 2020, 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, 2020, and the results of its operations, changes in its net debt 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 consolidated 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 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.

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.

Auditor's Report continued...

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

May 5, 2021

MNP LLP
Chartered Professional Accountants

District of Lantzville



STATEMENT OF FINANCIAL POSITION

As at December 31, 2020 with comparative information for 2019

	2020	2019
Financial assets:		
Cash (Note 3)	\$ 9,079,460	\$ 8,333,572
Investments (Note 3)	3,921,238	3,815,780
Taxes receivable	133,837	119,763
Accounts receivable	1,055,910	304,048
Inventories for resale	-	1,897
	14,190,445	12,575,060
Liabilities:		
Accounts payable and accrued liabilities	1,475,712	204,878
Deposits	528,882	1,566,917
Deferred revenue (Note 4)	3,498,822	5,488,791
Prepaid property taxes	227,531	214,455
Employee future benefits obligations (Note 5)	161,388	106,292
Debt (Note 6 and Note 7)	4,300,000	-
	10,192,335	7,581,333
Net financial assets	3,998,110	4,993,727
Non-financial assets:		
Tangible capital assets (Note 8 and Schedule A)	58,037,392	50,867,795
Inventory of supplies	20,787	30,599
Prepaid expenses	37,841	27,991
	58,096,020	50,926,385
Accumulated surplus (Note 9)	\$ 62,094,130	\$ 55,920,112

Commitments and contingencies (Note 14)

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, 2020 with comparative information for 2019

	Financial Plan (Note 10)	2020	2019
Revenue:			
Taxation, net (Note 11)	\$ 2,847,648	\$ 2,779,505	\$ 2,407,064
Sales of services	976,501	1,153,600	857,757
Grants and government transfers (Note 12)	5,094,669	5,858,507	845,750
Investment income	103,125	128,063	226,333
Penalties and fines	28,022	25,279	29,220
Development cost charges earned	300,000	267,966	-
Contributions from developers and others	3,000	-	16,067,306
Other revenue from own sources	298,450	278,062	213,899
Total revenues	9,651,415	10,490,982	20,647,329
Expenses: (Note 13 and Schedules C)			
General government services	1,239,535	1,331,537	1,194,057
Transportation services	1,021,334	914,164	913,049
Protective services	530,613	485,092	466,843
Bylaw enforcement	30,623	39,947	29,764
Solid waste collection	207,247	213,469	203,786
Recreation and cultural services	201,891	184,145	185,310
Community development services	379,655	299,608	180,673
Building inspection	76,971	44,699	23,024
Sewer	386,583	292,930	264,060
Water	451,961	511,373	462,440
Total expenses	4,526,413	4,316,964	3,923,006
Annual surplus	5,125,002	6,174,018	16,724,323
Accumulated surplus, beginning of year	55,920,112	55,920,112	39,195,789
Accumulated surplus, end of year	\$ 61,045,114	\$ 62,094,130	\$ 55,920,112

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, 2020 with comparative information for 2019

	Financial Plan (Note 10)	2020	2019
Annual surplus	\$ 5,125,002	6,174,018	\$ 16,724,323
Acquisition of tangible capital assets	(8,080,293)	(8,105,926)	(1,730,765)
Contributions of tangible capital assets	-	-	(16,049,845)
Amortization of tangible capital assets	765,000	925,938	889,891
(Gain) Loss on the disposal of tangible capital assets	-	(21,109)	6,192
Proceeds on tangible capital assets deposited to reserve	-	31,500	18,808
	(2,190,291)	(995,579)	(141,396)
Acquisition and consumption of inventory of supplies	-	9,812	(10,985)
Acquisition and consumption of prepaid expenses	-	(9,850)	(3,320)
	-	(38)	(14,305)
Change in net financial assets	(2,190,291)	(995,617)	(155,701)
Net financial assets at beginning of year	4,993,727	4,993,727	5,149,428
Net financial assets at end of year	\$ 2,803,436	\$ 3,998,110	\$ 4,993,727

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

District of Lantzville



STATEMENT OF CASH FLOWS

As at December 31, 2020 with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating transactions:		
Annual surplus	\$ 6,174,018	\$ 16,724,323
Items not involving cash:		
Amortization of tangible capital assets	925,938	889,891
(Gain) Loss on the disposal and write-down of tangible capital assets	(21,109)	6,193
Contributions of tangible capital assets	-	(16,049,845)
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(751,862)	168,201
Inventories for resale	1,897	(1,378)
Taxes receivable	(14,074)	(7,244)
Accounts payable and accrued liabilities	1,270,834	(892,154)
Deposits	(1,038,035)	439,627
Deferred revenue	(1,989,969)	638,410
Prepaid property taxes	13,076	38,448
Employee future benefit obligations	55,096	23,487
Inventory of supplies	9,812	(10,985)
Prepaid expenses	(9,850)	(3,320)
Cash provided by operating transactions	4,625,772	1,963,654
Capital transactions:		
Proceeds on sale of tangible capital assets	31,500	18,808
Acquisition of tangible capital assets	(8,105,926)	(1,730,765)
Cash used in capital transactions	(8,074,426)	(1,711,957)
Financing transactions:		
Proceeds from borrowing	4,300,000	-
Investing transactions:		
Changes in investments held	(105,458)	4,440,513
Increase in cash and cash equivalents	745,888	4,692,210
Cash and cash equivalents, beginning of year	8,333,572	3,641,362
Cash and cash equivalents, end of year	\$ 9,079,460	\$ 8,333,572

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

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

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, 2020 with comparative information for 2019

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, 2020 with comparative information for 2019

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) Debt:

Debt is presented net of repayments and actuarial adjustments.

(h) 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, 2020 with comparative information for 2019

1. Significant Accounting Policies: (continued)

(i) 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, 2020 with comparative information for 2019

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, 2020 with comparative information for 2019

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, accounts payable and accrued liabilities, deposits, and debt. 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, 2020 with comparative information for 2019

3. Cash and Investments:

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

	2020	2019
Cash	\$ 9,079,460	\$ 8,333,572
Investments	3,921,238	3,815,780
	\$ 13,000,698	\$12,149,352

Cash deposited at the Coastal Community Credit Union cash account earns interest at a rate of prime less 2%. The Coastal Community Credit Union high interest savings account earns interest at a rate of prime less 1.45%. At December 31, 2020, the Canadian bank prime rate was 2.45%.

Investments consist of short-term investments in the Municipal Finance Authority of BC money market fund and bond funds. Investments have yields ranging from 1.00% to 1.05%. Investments are recorded at cost.

Included in cash and investments are the following restricted amounts:

	2020	2019
Statutory reserves	\$ 6,188,481	\$ 4,350,015
Restricted investments – development cost charges	1,741,463	1,861,433
	\$ 7,929,944	\$ 6,211,448

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

4. Deferred Revenue:

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

	2019 Opening	Receipts	Interest Earned	Revenue Recognized	2020
Community Works (Gas Tax)	\$ 1,828,306	\$ 206,939	\$ 24,937	\$ (334,590)	\$ 1,725,592
Development Cost Charges – Water	611,685	47,604	8,343	-	667,632
Development Cost Charges - Sewer	298,767	30,180	4,075	-	333,022
Development Cost Charges - Drainage	350,004	11,277	4,774	-	366,055
Development Cost Charges – Highway	342,945	21,594	4,678	(267,966)	101,251
Development Cost Charges - Parkland	258,032	11,952	3,519	-	273,503
Other Deferred Revenue	1,799,052	-	-	(1,767,285)	31,767
	\$ 5,488,791	\$ 329,546	\$ 50,326	\$ (2,369,841)	\$ 3,498,822

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.

Other Deferred Revenue

The following is a reconciliation of the other deferred revenue recognition items for the year:

	2020
Other Deferred Revenue – Opening Balance	\$ 1,799,052
Adjust for:	
Sewer Phase 3 Grant Funding	(1,691,488)
Economic Development Officer Grant Funding	(73,350)
MIABC Risk Management Grand Funding for AED	(2,447)
Other Deferred Revenue – Closing Balance	\$ 31,767

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

5. Employee Future Benefit Obligations:

Employee benefit obligations represent accrued benefits as follows:

	2020	2019
Vacation payable	\$ 51,713	\$ 24,344
Accrued sick leave	109,675	81,948
	\$ 161,388	\$ 106,292

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.

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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of the unfunded actuarial liability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

5. Employee Future Benefit Obligations: (continued)

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 \$106,612 (2019 - \$87,276) for employer contributions, while employees contributed \$96,031 (2019 - \$78,147) to the Plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

6. Debt, Net of Municipal Finance Authority (MFA) Sinking Fund Deposits:

The District issues debt instruments through the MFA pursuant to security issuing bylaws under authority of the *Community Charter* to finance certain capital expenditures.

All of the District's debt held is with the MFA. Payments and actuarial allocations on the gross amount borrowed of \$4,300,000 are held in a sinking fund by the MFA. Sinking fund assets, managed by the MFA, as used to reduce long-term debt to be repaid. In the event that the District does not default under any of its obligations, the sinking fund earnings will be used to offset future principal repayments.

	2020	2019
Total outstanding debt – beginning of year	\$ -	\$ -
Proceeds from long-term borrowing	4,300,000	-
Reduction of long-term debt	-	-
Total outstanding debt – end of year	\$ 4,300,000	\$ -

The District is subject to 'Liability Servicing Limits' as outlined in Section 174 of the *Community Charter*. The maximum value of liability servicing cost for a given year is 25% of a municipality's controllable and sustainable revenues for the previous year. The calculated liability servicing limit for the District for 2020 at December 31, 2019 was \$1,094,029. The estimated liability servicing cost for Sewer Phase 3 Borrowing was \$186,245, leaving \$907,784 of liability servicing capacity available.

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

6. Debt, Net of Municipal Finance Authority (MFA) Sinking Fund Deposits: (continued)

Future payments on net outstanding debt over the next five years and thereafter are as follows:

	Sewer	Total
2021	\$ 149,338	\$ 149,338
2022	149,338	149,338
2023	149,338	149,338
2024	149,338	149,338
2025	149,338	149,338
Thereafter	3,553,310	3,553,310
	\$ 4,300,000	\$ 4,300,000

Bylaw #	MFA Issue #	Interest Rate	Year Matures	Balance 2020	Balance 2019
Sewer Fund – Sewer Phase 3					
MFA Bylaw 1811	152	0.91%	2050	\$ 4,300,000	\$ -
				\$ 4,300,000	\$ -

7. Municipal Finance Authority Debt Reserve Fund:

The Municipal Finance Authority (MFA) of British Columbia provides capital financing for regional districts and their member municipalities. The MFA is required to establish a debt reserve fund. Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the debt reserve certain amounts set out in the debt agreements. The MFA pays into the debt reserve fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund if at any time there are insufficient funds to meet payments on its obligations. When this occurs the regional districts may be called upon to restore the fund.

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

7. Municipal Finance Authority Debt Reserve Fund: continued

Upon the maturity of a debt issue, the unused portion of the debt reserve fund established for that issue will be discharged to the District. The proceeds from these discharges will be credited to income in the year they are received. The District's MFA debt reserve fund is:

Fund	DRF Cash	DRF Demand Note	Total 2020	Total 2019
General	-	-	-	-
Sewer	43,204	31,669	74,873	-
Water	-	-	-	-
	\$43,204	\$31,669	\$ 74,873	\$ -

8. Tangible Capital Assets (Schedule A):

(a) Assets under construction:

Assets under construction having a value of \$8,316,733 (2019 - \$613,847) 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 \$nil (2019 - \$16,067,306)

(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) Interest capitalized:

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

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

9. Accumulated Surplus:

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

	2020	2019
Equity in Tangible Capital Assets	\$ 54,862,788	\$ 50,694,105
Unrestricted General Fund Surplus	1,029,126	904,794
Unrestricted Sewer Fund Deficit	(325,190)	(346,720)
Unrestricted Water Fund Surplus	338,925	317,918
Statutory Reserve Funds (Schedule B)	6,188,481	4,350,015
	\$ 62,094,130	\$ 55,920,112

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

10. Annual Budget:

These financial statements include the Annual Budget as approved by Council on December 9, 2019. 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:

	2020
Annual Budgeted Surplus – Statement of Operations	\$ 5,125,002
Adjust for:	
Capital expenditures	(8,080,293)
Proceeds from borrowing	1,746,700
Transfer from reserves	501,719
Internal borrowing repayment	(58,128)
Amortization	765,000
Net Annual Budget – as approved by Council	\$ -

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

11. 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.

	2020	2019
Taxes:		
Property / parcel taxes	\$ 6,245,807	\$ 5,738,738
Payments in lieu of taxes	28,023	23,090
1% utility taxes	56,966	57,855
	6,330,796	5,819,683
Less taxes levied for other authorities:		
School District	2,149,878	2,157,969
Policing	267,399	250,952
Regional Hospital District	203,247	203,126
Regional District of Nanaimo	875,060	749,855
BC Assessment Authority	55,455	50,468
Municipal Finance Authority	252	249
	3,551,291	3,412,619
Net taxes available for municipal purposes	\$ 2,779,505	\$ 2,407,064

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

12. Grants and Government Transfers

	2020	2019
Operating transfers from provincial government:		
Strategic Communities Investment Fund Grant	\$ 449,865	\$ 447,619
Other	135,352	54,266
Capital transfers from provincial government:		
New Building Canada Fund – Small Communities Fund	1,691,490	64,065
Capital transfers from federal government:		
New Building Canada Fund – Small Communities Fund	2,019,488	64,065
Federal Gas Tax	334,590	214,333
Other contributions	7,722	1,402
Covid Recovery Funding	1,220,000	-
	\$ 5,858,507	\$ 845,750

COVID Recovery Funding

In November 2020, the Province of British Columbia announced a funding stream called “COVID-19 Safe Restart Grants for Local Governments.” The District received \$1,220,000 of funds at that time to assist with increased operating costs and lower revenue due to COVID-19. The following outlines how the funds were allocated during the year:

	2020
Safe Restart Grant Received November 2020	\$ 1,220,000
Eligible costs incurred:	
Information technology requirements	(17,377)
Facility safety improvements	(2,611)
First responder, cleaning supplies, and cleaning expenses	(5,720)
Wages & benefit costs incurred due to COVID-19	(26,798)
Balance, December 31, 2020 (Included in Operating Reserves)	\$ 1,167,494

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

13. 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 and emergency planning.

Bylaw Enforcement

Bylaw enforcement services include enforcement of regulatory bylaws.

Solid Waste Collection

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

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.

Community Development Services

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

Building Inspection

Building inspection services ensure the health, safety, and protection of persons and property by confirming that buildings and their systems generally conform to the BC Building Code and other applicable standards.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020 with comparative information for 2019

13. Expenditure by Object and Segment (continued)

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.

14. 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 \$42,718 (2019 - \$12,861) 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.
- (d) Since 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 2021.

District of Lantzville



SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2020

	<div>Infrastructure</div>										
	Land	Land Improvements	Buildings	Vehicles	Equipment	Roads	Sewer	Water	Assets Under Construction	2020	2019
HISTORICAL COST:											
Opening Balance	\$ 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
Additions	-	-	122,217	218,662	5,669	-	-	-	7,759,378	8,105,926	17,991,943
Disposal	-	-	(46,360)	(50,319)	(29,254)	-	-	(11,969)	-	(137,902)	(547,719)
Transfers	-	-	1,620	-	-	54,873	-	-	(56,493)	-	(211,333)
Closing Balance, Dec 31	18,001,197	1,228,809	2,074,775	2,072,592	385,871	15,786,908	9,204,029	12,328,954	8,316,733	69,399,868	61,431,844
ACCUMULATED AMORTIZATION:											
Opening Balance	-	431,803	1,060,934	727,598	301,355	4,757,548	1,136,016	2,148,795	-	10,564,049	10,196,877
Additions	-	32,248	52,295	84,111	34,333	413,810	113,481	195,660	-	925,938	889,891
Disposal	-	-	(41,078)	(45,210)	(29,254)	-	-	(11,969)	-	(127,511)	(552,719)
Closing Balance, Dec 31	-	464,051	1,072,151	766,499	306,434	5,171,358	1,249,497	2,332,486	-	11,362,476	10,564,049
NET BOOK VALUE	\$ 18,001,197	\$ 764,758	\$ 1,002,624	\$ 1,306,093	\$ 79,437	\$ 10,615,550	\$ 7,954,532	\$ 9,996,468	\$8,316,733	\$ 58,037,392	\$ 50,867,795

Schedule A

District of Lantzville



SCHEDULE OF STATUTORY RESERVE FUNDS

For the year ended December 31, 2020

	Operating Reserve	Capital Works	Asset Replacement	Fire Truck	Park Development	Park Acquisition	Asset Replacement	Asset Replacement	2020 Total	2020 Financial Plan	2019
	GENERAL FUND						SEWER FUND	WATER FUND			
Opening balance	\$ 63,419	\$ 1,891,930	\$ 463,403	\$ 164,176	\$ 273,001	\$ 210,216	\$ 363,142	\$ 920,728	\$ 4,350,015	\$ 4,350,015	\$ 3,953,811
Transfers in	1,305,899	579,600	94,500	106,100	10,000	-	42,400	484,615	2,623,114	1,213,574	1,970,203
Interest earned	865	25,805	6,324	2,239	3,724	2,867	4,953	12,558	59,335	67,750	91,955
Transfers out	(52,506)	(412,570)	(218,662)	(11,462)	-	-	(4,179)	(144,604)	(843,983)	(1,715,293)	(1,665,954)
Closing balance	\$1,317,677	\$ 2,084,765	\$ 345,565	\$ 261,053	\$ 286,725	\$ 213,083	\$ 406,316	\$ 1,273,297	\$ 6,188,481	\$ 3,916,046	\$ 4,350,015

Schedule B

District of Lantzville



SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

For the year ended December 31, 2020

	General					Recreation	Community					2020
	Government	Transportation	Protective	Bylaw	Solid Waste	and Cultural	Development	Building				Financial
	Services	Services	Services	Enforcement	Collection	Services	Services	Inspection	Sewer	Water	2020	Plan
REVENUE												
Taxation	\$ 2,366,458	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,692	\$ 363,355	\$ 2,779,505	\$ 2,847,648
Sales and services	-	-	-	-	213,265	-	-	81,442	266,544	592,349	1,153,600	976,501
Grants and government transfers	1,785,783	334,590	525	-	-	-	22,373	-	3,710,978	4,258	5,858,507	5,094,669
Investment income	128,063	-	-	-	-	-	-	-	-	-	128,063	103,125
Penalties and fines	17,151	-	-	2,988	-	-	-	-	2,143	2,997	25,279	28,022
Development charges earned	-	267,966	-	-	-	-	-	-	-	-	267,966	300,000
Contributions from developers and others	-	-	-	-	-	-	-	-	-	-	-	3,000
Other revenue from own sources	131,720	-	28,928	-	-	5,000	112,414	-	-	-	278,062	298,450
	4,429,175	602,556	29,453	2,988	213,265	5,000	134,787	81,442	4,029,357	962,959	10,490,982	9,651,415
EXPENSES												
Salaries, wages and benefits	874,738	101,854	183,900	-	-	106,992	216,186	9,379	39,971	175,998	1,709,018	1,725,030
Materials and supplies	131,550	167,069	124,284	-	1,797	33,627	-	119	24,588	60,097	543,131	562,350
Contracted services	158,636	104,464	45,568	39,947	211,672	-	12,349	35,201	86,148	10,411	704,396	769,648
Other	104,968	96,838	53,630	-	-	10,023	71,073	-	28,742	69,207	434,481	704,385
Amortization	61,645	443,939	77,710	-	-	33,503	-	-	113,481	195,660	925,938	765,000
	1,331,537	914,164	485,092	39,947	213,469	184,145	299,608	44,699	292,930	511,373	4,316,964	4,526,413
SURPLUS / (DEFICIT)	\$ 3,097,638	\$ (311,608)	\$ (455,639)	\$ (36,959)	\$ (204)	\$ (179,145)	\$ (164,821)	\$ 36,743	\$ 3,736,427	\$ 451,586	\$ 6,174,018	\$ 5,125,002

Schedule C– 2020

District of Lantzville



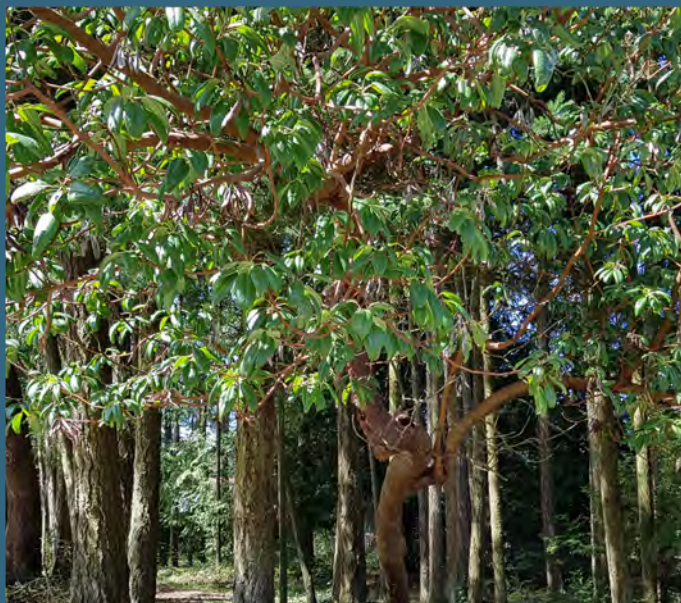
SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

For the year ended December 31, 2019

	General Government Services	Transportation Services	Protective Services	Bylaw Enforcement	Solid Waste Collection	Recreation and Cultural Services	Community Development Services	Building Inspection	Sewer	Water	2019 Financial Plan
REVENUE											
Taxation	\$ 1,995,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,692	\$ 361,935	\$ 2,407,064
Sales and services	-	-	-	-	203,825	-	-	-	244,416	409,516	857,757
Grants and government transfers	515,620	200,000	2,000	-	-	-	-	-	128,130	-	845,750
Investment income	215,983	-	-	-	-	-	-	-	10,350	-	226,333
Penalties and fines	20,668	-	-	-	-	-	-	-	3,475	5,077	29,220
Development charges earned	-	-	-	-	-	-	-	-	-	-	-
Contributions from developers and others	-	3,151,977	-	-	-	8,516,210	-	-	690,269	3,708,850	16,067,306
Other revenue from own sources	116,769	-	48,751	350	-	1,170	46,400	-	-	459	213,899
	2,864,477	3,351,977	50,751	350	203,825	8,517,380	46,400	-	1,126,332	4,485,837	20,647,329
EXPENSES											
Salaries, wages and benefits	740,156	87,434	187,699	-	-	104,131	159,397	-	34,080	140,657	1,453,554
Materials and supplies	101,694	167,298	84,681	-	4,869	22,070	-	-	16,937	42,268	439,817
Contracted services	161,965	142,028	62,242	29,764	198,917	2,447	13,421	23,024	78,702	21,531	734,041
Other	129,386	106,821	48,994	-	-	25,862	7,855	-	21,067	65,718	405,703
Amortization	60,856	409,468	83,227	-	-	30,800	-	-	113,274	192,266	889,891
	1,194,057	913,049	466,843	29,764	203,786	185,310	180,673	23,024	264,060	462,440	3,923,006
SURPLUS / (DEFICIT)	\$ 1,670,420	\$ 2,438,928	\$ (416,092)	\$ (29,414)	\$ 39	\$ 8,332,070	\$ (134,273)	\$ (23,024)	\$ 862,272	\$ 4,023,397	\$ 16,724,323
											\$ 3,605,805

Schedule C - 2019





STATISTICS SECTION (UNAUDITED)



DEMOGRAPHICS

POPULATION OF LANTZVILLE 2016-2020

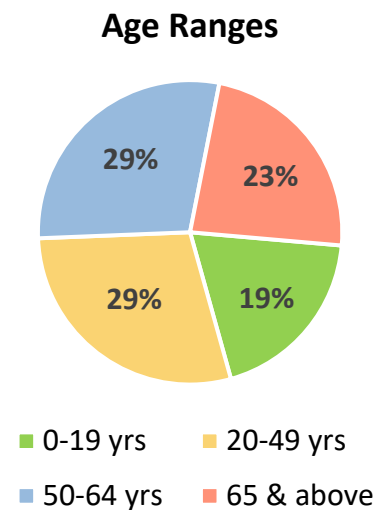
	2016	2017	2018	2019	2020
Total Population Estimates	3,741	3,747	3,806	3,805	3,816
% Change from Prior Year	2.4%	0.1%	1.6%	0.0%	0.3%

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.

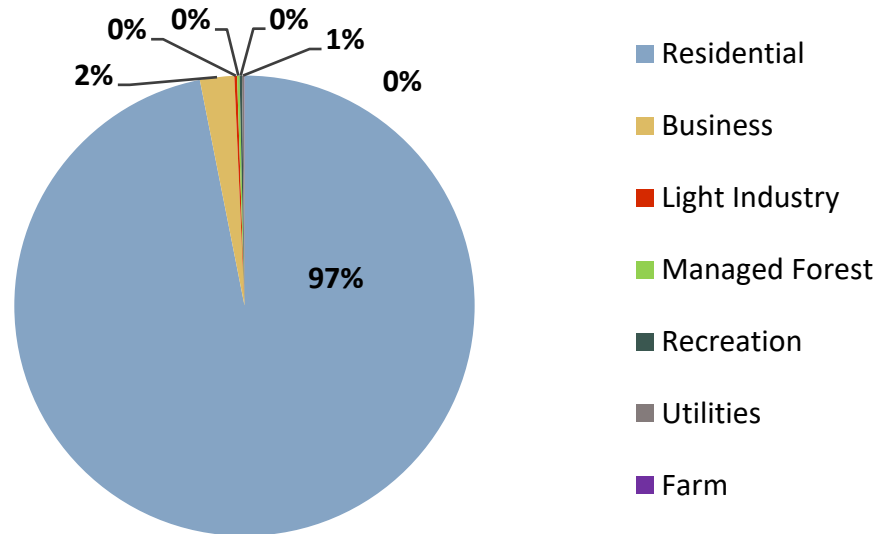
ASSESSMENT VALUES BY PROPERTY CLASS

TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS 2016-2020 (IN THOUSANDS)

Property Class	2016	2017	2018	2019	2020
Residential	738,172	819,436	964,780	1,153,348	1,160,662
Business	19,079	20,952	24,063	26,065	29,242
Light Industry	1,441	1,606	1,871	2,047	2,298
Managed Forest	1,360	1,498	1,703	1,865	1,936
Recreation	1,658	1,658	1,678	1,710	1,796
Utilities	1,484	1,531	1,603	2,193	2,239
Farm	101	108	116	109	113
	763,295	846,789	995,814	1,187,337	1,198,287

Source: BC Assessment

2020 Assessment by Property Class



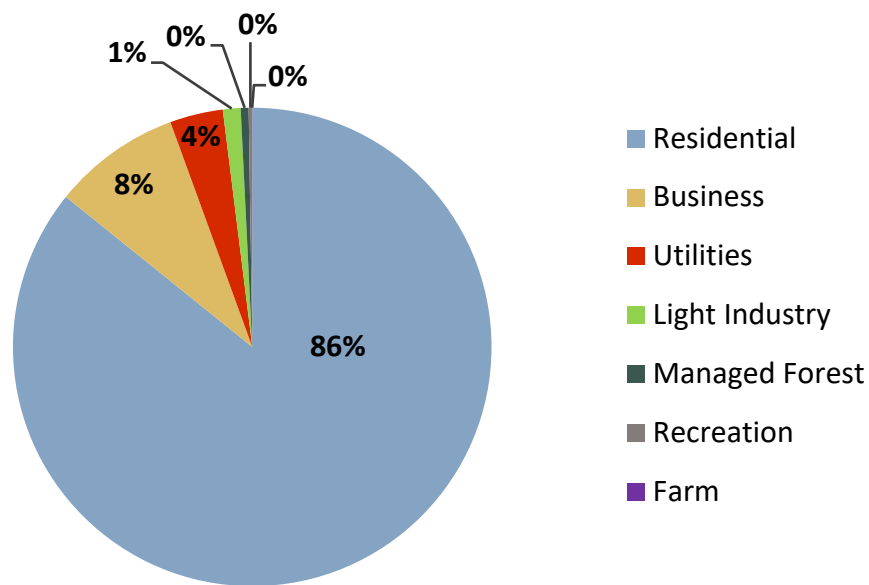
TAX REVENUE BY PROPERTY CLASS

TAX REVENUE BY PROPERTY CLASS 2016-2020

Property Class	2016	2017	2018	2019	2020
Residential	1,348,714	1,419,100	1,500,578	1,639,182	1,957,000
Business	139,440	145,143	149,709	148,175	197,213
Utilities	53,537	55,281	57,844	79,625	81,928
Light Industry	18,426	19,470	20,370	20,369	27,117
Managed Forest	9,318	9,728	9,933	9,940	12,240
Recreation	5,301	5,025	4,567	4,253	5,299
Farm	241	243	234	201	249
	1,574,977	1,653,990	1,743,235	1,901,745	2,281,048

Source: District of Lantzville Finance Department

2020 Tax Revenue by Property Class



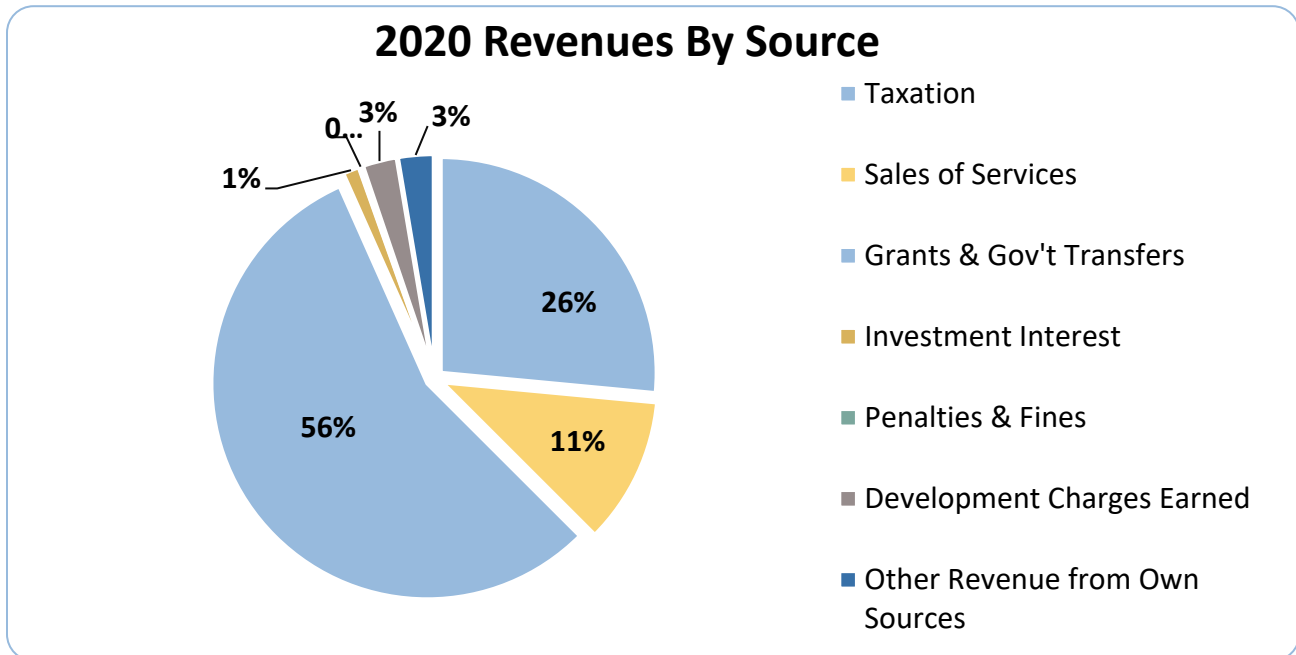
REVENUES BY SOURCE

REVENUES BY SOURCE 2016-2020

	2016	2017	2018	2019	2020
Taxation	2,177,017	2,254,500	2,269,986	2,407,064	2,779,505
Sales of Services	693,187	725,010	708,569	857,757	1,153,600
Grants and Gov't Transfers	445,380	672,180	747,111	845,750	5,858,507
Investment Interest	83,147	155,401	204,192	226,333	128,063
Penalties and Fines	37,924	36,064	26,884	29,220	25,279
Net Gain on Sale	1	-	-	-	-
Development Charges Earned	56,861	1,377	9,182	-	267,966
Contributions from Developers and Others	2,460	7,582	2,260	16,067,306	-
Other Revenue from Own Sources	86,721	150,726	479,834	213,899	278,062
	3,582,698	4,002,840	4,448,018	20,647,329	10,490,982

Certain comparative figures have been reclassified to conform with presentation adopted in the 2020 Financial Statements.

2020 Contributions from Developers and Others value is \$0 (2019 - \$16,067,306) comprised of Park Land \$0 (2019 - \$8,514,000), drainage and transportation infrastructure \$0 (2019 - \$3,151,976), and water and sewer infrastructure \$0 (2019 - \$4,401,330).



Source: District of Lantzville Finance Department

EXPENSES BY FUNCTION & OBJECT

EXPENSES BY MAJOR FUNCTION/PROGRAM 2016-2020

	2016	2017	2018	2019	2020
General Government Services	1,041,223	1,287,678	1,377,640	1,194,057	1,331,537
Transportation Services	742,155	1,153,505	883,338	913,049	914,164
Protective Services	490,168	500,620	477,625	519,631	569,738
Solid Waste Collection	180,553	187,320	192,338	203,786	213,469
Recreation & Cultural Services	157,009	152,499	179,573	185,310	184,145
Community Development Services	70,715	107,144	120,289	180,673	299,608
Sewer	288,988	263,377	275,949	264,060	292,930
Water	393,112	408,817	364,744	462,440	511,373
	<u>3,365,939</u>	<u>4,062,977</u>	<u>3,873,514</u>	<u>3,923,006</u>	<u>4,316,964</u>

Certain comparative figures have been reclassified to conform with presentation adopted in the 2020 Financial Statements.

Source: District of Lantzville Finance Department

EXPENSES BY OBJECT 2016-2020

	2016	2017	2018	2019	2020
Salaries, Wages and Benefits	1,207,863	1,369,167	1,373,988	1,453,554	1,709,018
Materials and Supplies	373,050	745,596	470,812	439,817	543,131
Contracted Services	526,984	857,302	788,334	734,041	704,396
Other	512,318	317,612	490,884	405,703	434,481
Amortization	743,708	771,283	747,478	889,891	925,938
	<u>3,363,923</u>	<u>4,060,960</u>	<u>3,871,496</u>	<u>3,923,006</u>	<u>4,316,964</u>

Certain comparative figures have been reclassified to conform with presentation adopted in the 2020 Financial Statements.

Source: District of Lantzville Finance Department

SURPLUS/(DEFICIT)

ANNUAL SURPLUS/(DEFICIT) 2016-2020

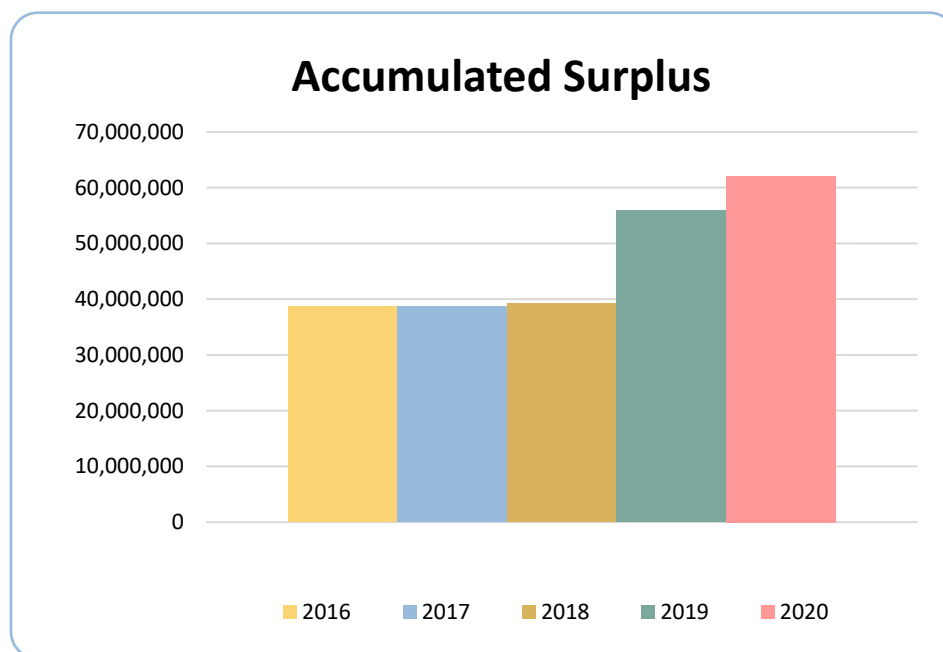
	2016	2017	2018	2019	2020
Annual Surplus/(Deficit)	218,775	(58,120)	576,522	16,724,323	6,174,018

Source: District of Lantzville Finance Department

ACCUMULATED SURPLUS 2016-2020

	2016	2017	2018	2019	2020
Accumulated Surplus	38,677,387	38,619,267	39,195,789	55,920,112	62,094,130

Source: District of Lantzville Finance Department

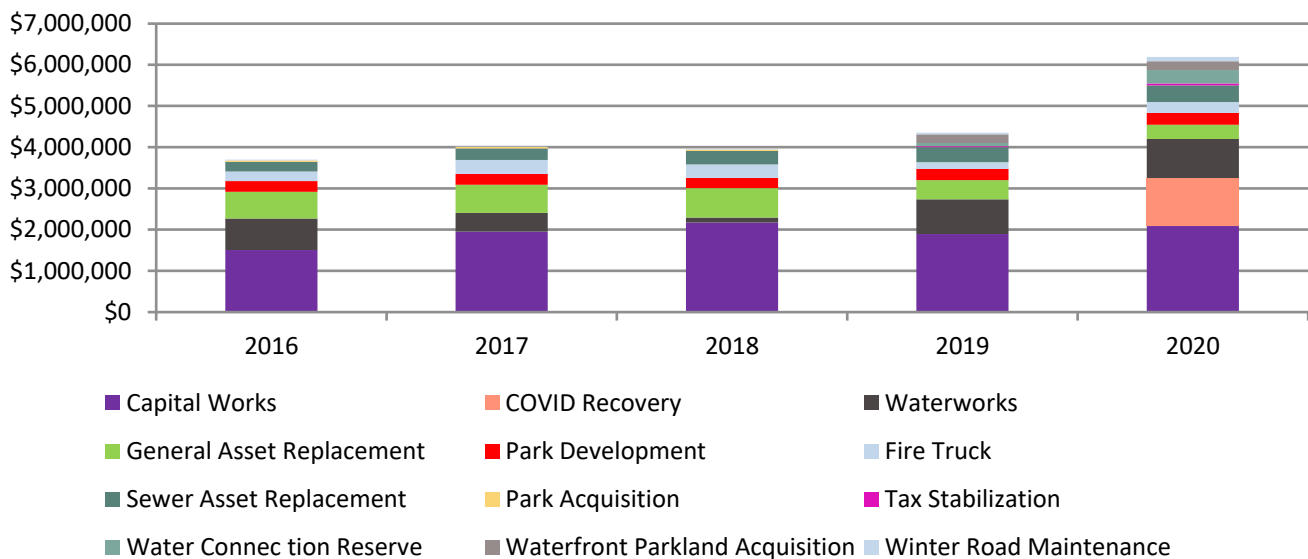


RESERVE FUND BALANCES

RESERVE FUND BALANCES 2016-2020

	2016	2017	2018	2019	2020
Capital Works	1,503,329	1,948,307	2,169,863	1,891,932	2,084,765
COVID Recovery Reserve	-	-	-	-	1,167,494
Waterworks	763,759	456,645	123,468	843,868	947,074
General Asset Replacement	648,388	681,700	712,575	463,404	345,565
Park Development	260,052	264,887	247,233	273,001	286,725
Fire Truck	232,496	336,819	325,876	164,175	261,053
Sewer Asset Replacement	234,369	278,727	325,940	363,142	406,316
Park Acquisition	36,670	37,352	38,211	-	-
Tax Stabilization Reserve	-	-	-	23,050	46,465
Water Connection Reserve	-	-	-	76,859	326,223
Waterfront Parkland Acquisition	-	-	-	210,216	213,083
Winter Road Maintenance	17,525	5,420	10,645	40,368	103,718
	3,696,588	4,009,857	3,953,811	4,350,015	6,188,481

Reserve Fund Balances



Source: District of Lantzville Finance Department

ASSETS & NEW CONSTRUCTION

ACQUISITION OF TANGIBLE CAPITAL ASSETS 2016-2020

	2016	2017	2018	2019	2020
Acquisition of TCA	578,344	881,425	2,918,080	17,780,610	7,968,024

Source: District of Lantzville Finance Department

NET FINANCIAL ASSETS 2016-2020

	2016	2017	2018	2019	2020
Net Financial Assets	6,634,975	6,722,816	5,149,428	4,993,727	3,998,110

Source: District of Lantzville Finance Department

NEW CONSTRUCTION 2016-2020

	2016	2017	2018	2019	2020
New Construction - Permit Values	3,483,800	6,146,624	4,342,877	17,585,807	22,676,545

Source: District of Lantzville Finance Department



OTHER STATISTICS

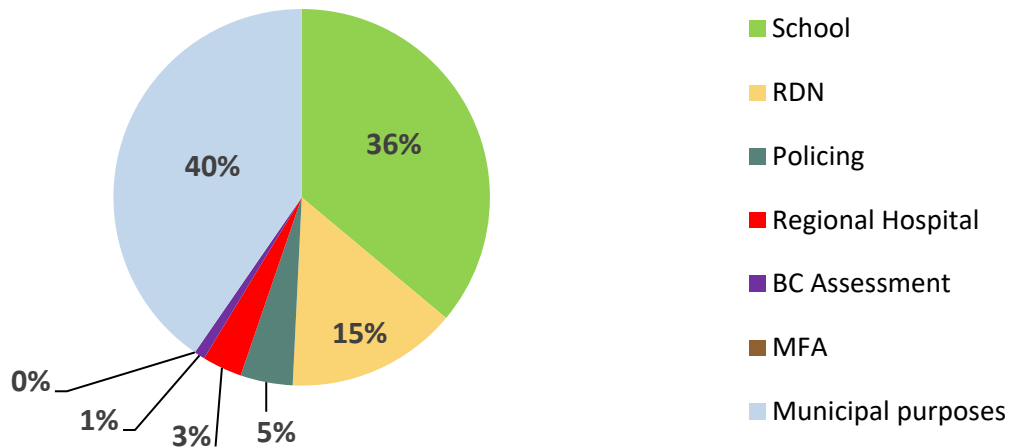
TOTAL TAXES COLLECTED FOR OTHER AGENCIES 2016-2020

	2016	2017	2018	2019	2020
School	1,882,129	1,820,677	1,911,079	2,157,969	2,149,878
Regional District of Nanaimo	665,395	659,683	683,089	749,855	875,060
Policing	207,466	210,111	231,256	250,952	267,399
Regional Hospital	175,710	177,904	185,525	203,126	203,247
BC Assessment	45,644	40,879	44,479	50,468	55,455
Municipal Finance Authority	162	178	210	249	252
	2,976,506	2,909,432	3,055,638	3,412,619	3,551,291

PROPERTY TAXES AVAILABLE FOR MUNICIPAL PURPOSES 2016-2020

	2016	2017	2018	2019	2020
Net Taxes for Municipal Purposes	2,348,126	2,432,617	2,459,513	2,600,254	2,779,505

2020 Property Value Taxes Collected



Source: District of Lantzville Finance Department

OTHER STATISTICS

TOP 10 PRINCIPAL CORPORATE TAXPAYERS FOR 2020

Registered Owner	2020 Municipal Taxes Levied
FortisBC Energy (Vancouver Island) Inc	\$42,601
Telus Communications Inc	26,309
Lone Tree Properties Inc	37,039
Almarc Holdings Ltd	24,278
Lantzville Projects Ltd	23,914
Jim Pattison Developments Ltd	23,384
Hogler Enterprises Ltd	12,956
Datco Holdings Ltd Inc	12,457
Winchelsea View Golf Course Ltd	9,740
Lantzville Village Holdco Ltd	11,924
Total Tax Contribution from Top 10 Corporate Taxpayers	\$224,602

Total Municipal Tax for general purposes	\$2,273,041
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Proportion of municipal tax paid by top ten **9.88%**

Source: District of Lantzville Finance Department

DEBENTURE DEBT

	Amount of Issue			
	Authorized	Unissued And Unsold	2020 Outstanding	2019 Outstanding
Sanitary Sewer – Phase 3	4,300,000	-	4,300,000	-
Total Debenture Debt	4,300,000	-	4,300,000	-

Source: District of Lantzville Finance Department



OTHER INFORMATION



DISTRICT OF LANTZVILLE

REPORT ON PERMISSIVE TAX EXEMPTIONS

2020 PERMISSIVE TAX EXEMPTIONS

Amount of Municipal Property Taxes that would have been imposed if no tax exemption 2020

Roll #	Civic Address	Owner	Lessee - Occupant	2020 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	474,200	\$ 1,399
350 07945.100	7244 Lantzville Road (Community Use Building B)	District of Lantzville	Seaside Community Society – Woodgrove Christian Community Church	419,700	1,238
350 07920.000	Lot 1, Plan 9671, DL 27G (School Road Tennis Courts – Parking Lot)	District of Lantzville		599,000	1,767
350 07906.500	7225 Lantzville Road	Seaview Centennial Branch #257 of the Royal Canadian Legion		600,900	3,355
350 07919.500	7232 Lantzville Road (Community Use Building A)	District of Lantzville	Seaside Community Society	859,200	5,795
351 19458.008	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	113,500	4,153
350 19459.009	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	22,900	838
350 19459.012	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	16,300	596
350 19459.014	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	102,000	3,732
350 19459.017	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	101,000	3,695
350 19459.018	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	137,000	5,012
350 19459.019	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	136,000	4,976
350 19460.003	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	30,800	1,127
					\$ 37,683

2020 ANNUAL MUNICIPAL REPORT

DECLARATION OF DISQUALIFICATION FROM OFFICE

NIL REPORT

May 31, 2021

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
individuals who
provided photos of
Lantzville for this
report:**

**Bob Colclough
Laurie Desloges
Jamie Slater
Fred Spears
Trudy Coates**



Lantzville
LoveLifeHere

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