



2021 Annual Report

For the year ended
December 31, 2021

District of Lantzville

British Columbia
Canada



District of Lantzville

British Columbia

2021 Annual Report

Fiscal year ended December 31, 2021



This Annual Report has been prepared by the Financial Services Department

Telephone: 250.390.4006

Fax: 250.390.5188

lantzville.ca



TABLE OF CONTENTS

INTRODUCTORY INFORMATION

Message from the Mayor	Page 6
2021 Officials	Page 8
2021 Elected Officials	Page 9
Organizational Structure	Page 10
Report from Director of Financial Services	Page 11
Canadian Award for Financial Reporting	Page 13
Strategic Priorities for 2021-2023	Page 14
Summary of Services	Page 17

Departmental Reports

General Government	
Administration	Page 18
Corporate Administration	Page 20
Financial Services	Page 23
Protective Services	
Fire Suppression, Prevention, & Rescue	Page 25
Bylaw Enforcement	Page 27
Planning & Community Services	
Planning	Page 27
Economic Development	Page 27
Building Inspection	Page 27
Engineering, Public Works, & Parks	Page 29
Emergency Management	Page 31

FINANCIAL SECTION

Statement of Responsibility	Page 34
Auditor's Report	Page 35

Financial Statements

Statement of Financial Position	Page 38
Statement of Operations	Page 39
Statement of Change in Net Financial Assets	Page 40

Statement of Cash Flows	Page 41
Notes to the Financial Statements	Page 42
Schedule of Tangible Capital Assets	Page 60
Schedule of Statutory Reserve Funds	Page 61
Schedule of Statutory Segment Disclosures, 2021	Page 62
Schedule of Statutory Segment Disclosures, 2020	Page 63

STATISTICS SECTION

Demographics	Page 67
Assessment Values by Property Class	Page 68
Tax Revenue by Property Class	Page 69
Revenues by Source	Page 70
Expenses by Function & Object	Page 71
Surplus/(Deficit)	Page 72
Reserve Fund Balances	Page 73
Assets & New Construction	Page 75
Other Statistics	Page 76

OTHER INFORMATION

2021 Permissive Tax Exemptions	Page 79
Declaration of Disqualification from Office	Page 80
Photo Credits	Page 81





INTRODUCTORY INFORMATION



MESSAGE FROM THE MAYOR



On behalf of Council, I am pleased to present the 2021 Annual Report for the District of Lantzville. This report contains valuable information related to the District's operations, including the 2021 financial statements, 2021 accomplishments, and 2022 objectives aimed to help achieve Council's 2021-2023 strategic priorities. 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.

The Covid-19 pandemic presented challenges for everyone, and municipal governments were certainly no exception. Senior government orders impacted social and economic activities which placed municipal governments on the frontline of the Covid-19 crisis. Technology and adaptation to new ways of doing business became more critical than ever as a way to facilitate real-time

communication, maintain public engagement and to provide continuance of municipal governance services throughout the pandemic.

Council has continued to approve a number of initiatives to help support the community during this challenging time. Late payment penalties for property taxes were adjusted so that only a 1 percent penalty would be applied to outstanding property taxes after the due date of July 2nd in 2021. The additional penalty of 9 percent (on unpaid taxes as of September 30th) not applied until October 1st. Prior to the pandemic a 5 percent penalty was applied to unpaid taxes after the first due date in July and an additional 5 percent was applied to unpaid taxes after the second due date in September. The required tax rate increase to balance the budget for 2021 was also reduced by over 12 percent in 2021 by replacing property taxation funding for contributions to asset reserves with one time funding from grants.

Significant accomplishments in 2021 included: completion of one of the District's largest capital projects - Sanitary and Sewer Collection System Phase III, which brought sanitary and sewer service to over 300 properties, acquisition of an approximately 7 acre waterfront park - Pierce Woods Marine Park, to provide increased public waterfront access to residents and completion of Phase I of the Village Core Streetscape and Pedestrian Improvement Project.

Major works planned in the upcoming year include the Dickinson Road Replacement, design for the eventual replacement of the Public Works and Fire Services Facility, and Phase II of the Commercial Core Revitalization. The District is also seeking funding through available grants for expansion of the District water system to provide water to the Winds residential area and for the eventual replacement of the Fire Hall component of the combined Public Works and Fire Hall Facility.

To maintain public engagement and resident input while following Covid-19 Public Health Orders, Council meetings in 2021 were held electronically and livestreamed, recorded and posted on the District's website, and members of the public who wished to provide input regarding agenda items were able to 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.

Priorities and objectives established in the 2021 strategic planning update will continue to drive Council direction to the end of its term 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 really appreciate all the contributions that residents undertake to make the community better. As the 2018-2022 term draws to a close, it is now time to reflect upon our many decisions, and to focus on the transition to the next Council to ensure Lantzville remains a great place to live.

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

Sincerely,



Mark Swain
Mayor
District of Lantzville

DISTRICT OF LANTZVILLE

2021 OFFICIALS

MAYOR

Mark Swain

COUNCILLORS

Will Geselbracht	Karen Proctor
Ian Savage	Jamie Wilson

MANAGEMENT

Chief Administrative Officer	Ronald Campbell, CLGM
Director of Financial Services	Raj Hayre, CPA
Director of Corporate Administration	Trudy Coates
Director of Public Works	Fred Spears
Director of Planning & Community Services	Frank Limshue, RPP
Fire Chief	Neil Rukus

AUDITORS

MNP LLP

PRIMARY BANKERS

Coastal Community Credit Union

PRIMARY SOLICITORS

Lidstone & Company

DISTRICT OF LANTZVILLE

2021 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 unless a portion is closed to the public in accordance with the *Community Charter*. Due to Covid-19, most of the year's meetings were held electronically with an opportunity for the public to view the live stream or to register to participate via Zoom. Starting in October 2021, public attendance was permitted in the Council Chamber; however, due to limited seating and ongoing health concerns most chose to view the open portion of the meeting via the live stream. Meeting agendas and schedules, meeting minutes and meeting video archives, are available on the District's website at 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

Ronald Campbell, CLGM

**Director of Financial
Services**

Raj Hayre, CPA

**Director of Corporate
Administration**

Trudy Coates

Director of Public Works

Fred Spears

**Director of Planning &
Community Services**

Frank Limshue, RPP

Fire Chief

Neil Rukus



REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES



District of Lantzville

May 19, 2022

Mayor and Council
District of Lantzville

Your Worship and Members of Council,

I am pleased to present the District of Lantzville's 2021 Annual Report for the fiscal year ended December 31, 2021.

This report, as required by Section 98 of the *Community Charter*, includes the audited 2021 financial statements, performance objectives, and supplementary information for the District of Lantzville.

The financial statements for the year ended December 31, 2021 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 2021 operations.

The 2021 audited financial statements were presented and approved by Council on May 11, 2022. At that meeting, MNP LLP also presented the results of the audit.

As at December 31, 2021, the District had an accumulated surplus of \$68.2 million, an increase of \$6.1 million for the year. The 2021 increase in accumulated surplus is largely attributable to developer contributed assets. Accumulated surplus is largely comprised of net investments in tangible capital

assets (\$64.3 million), which includes land, park infrastructure, buildings, roads, and utility assets. The District currently holds \$4.2 million of debenture debt for the Sanitary Sewer - Phase III capital project.

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 2022-2026 Financial Plan has been approved by Council and continues to focus on asset management and reserve fund contributions to ensure long term financial stability of the District's infrastructure.

Respectfully,

A handwritten signature in black ink, appearing to read 'R. Hayre', with a long horizontal stroke extending to the left.

Raj Hayre, CPA
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, 2020

Christopher P. Morrell

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, 2020. 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, determine potential sites for consideration and provide appropriate zoning to encourage outside agencies to develop seniors' housing.
- Support community greenhouses (2023). Council to determine potential sites for consideration and encourage outside agencies to develop and manage.

Corporate Maintenance/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.

District of Lantzville Council Strategic Priorities 2021 – 2023

May 2021

1. Infrastructure

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

2. Financial Planning

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

3. Community Planning

- 3.1 Council to establish high level priorities for community amenity contributions.
- 3.2 Complete the negotiation of the Foothills phased development agreement.
- 3.3 Design and construct a parking lot on MCTI land at West Road/Industrial Road. (2023).
- 3.4 Acquire as much land as possible through development.
- 3.5 Explore options for the provision of childcare space in the District.
- 3.6 Explore options for the future of Community Living Building A (Crestle Hall) and B (former church) and District community care facilities.
- 3.7 Consider implementation of the Age-Friendly Action Plan.

4. Communications & Engagement

- 4.1 Work with community partners to facilitate community engagement and potential events such as Farmer's Market, Film Nights, Wine and Cheese Socials, Summer Music Festival, Summer Movie Festival, Polar Bear Swim (2023).

5. Parks And Recreation

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

6. Service Delivery

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

7. Corporate Maintenance/Governance, Internal And External Relationships

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

8. Community Safety

- 8.1 Explore the establishment of a Policing Reserve Fund.

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.



District of Lantzville, PO Box 100, 7102 Lantzville Road, Lantzville, BC V0R 2H0 | 250.390.4006 | districtlantzville.ca | lantzville.ca

Council Strategic Priorities 2021 – 2023 available @ lantzville.ca



SUMMARY OF MUNICIPAL SERVICES 2021

General Government

- Administration
- Corporate Administration
- Financial Services

Protective Services

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

Community Planning

- Planning
- Economic Development
- Building Inspection

Public Works

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

Emergency Management and Geographic 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 2021, 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 Deputy 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 four staff at the Municipal Hall who assist with financial services, general government administration, planning, building and bylaw services.

Progress on 2021 Objectives:



The 2021 Objectives were to implement the Council Strategic Priorities, subject to available resources.

In addition to priorities highlighted in the Annual Report, Staff provide quarterly status reports in open Council meetings to provide updates on the progress and status of Council Strategic Priorities.

Administration continued. . .

Continued focus on providing water to residents in Lantzville: *Ongoing.* In 2021, the District re-submitted an application for grant funding under the *Investing in Canada Infrastructure Program (ICIP) Green Infrastructure Program* to expand water service to the Winds residential area, after applications were denied twice previously for the Clark Drive area and once for the Winds area.

Strengthen relationships with Snaw-naw-as (Nanoose) First Nation: *Ongoing.* In 2021, the Councils of the Snaw-naw-as Nanoose First Nation and the District of Lantzville signed a Memorandum of Understanding, including a Joint Working Group Terms of Reference. The Joint Working Group meets regularly to collaborate and discuss issues of shared interest and key priorities.

Secure a District-owned Public Works facility and the District Fire Hall site: Financial Plan was amended to include \$475,000 for the design of a fire hall and public works facility, funded from facilities life cycle reserves. A Request for Proposals was issued in late 2021 and a consulting architect planner firm was selected.

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. Staff report planned for 2022.

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

Objectives for 2022:

Council has adopted Strategic Priorities for 2021-2023 and the objective for 2022 is to implement the Council Strategic Priorities, subject to resources available.

Performance Measures

- Degree of implementation of the Lantzville Council 2021-2023 Strategic Priorities.
- Health of the organization as a whole and staffing capacity to handle work volume.
- Community consultation, participation, and outreach.



DEPARTMENTAL REPORTS

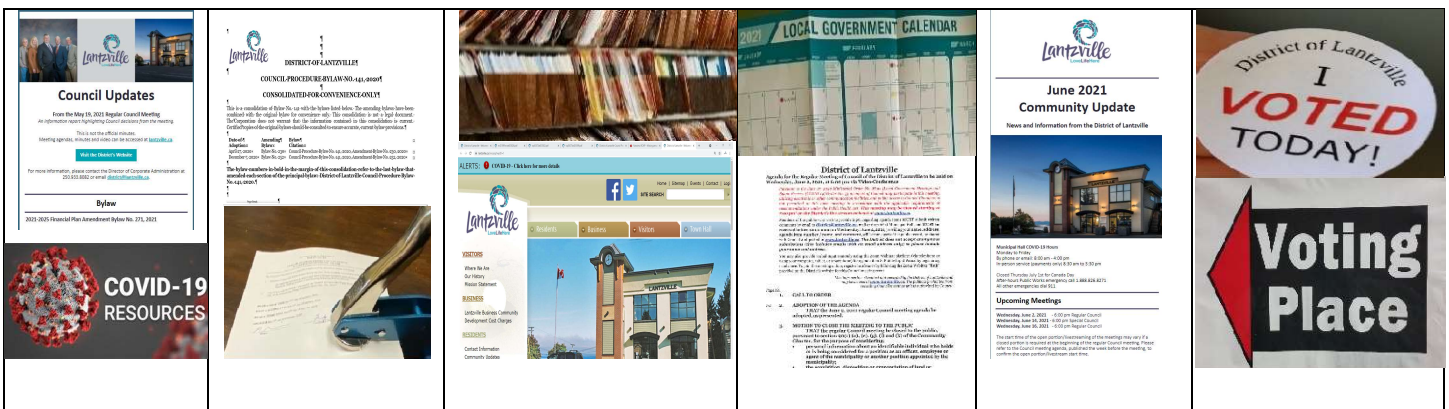
General Government

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.

The Director of Corporate Administration is supported by the Deputy Director of Corporate Administration and the Administrative Assistant (Administration).



Corporate Administration continued...

In addition to the above, the Director of Corporate Administration continues to: act as the Freedom of Information and Protection of Privacy Coordinator, Secretary to the Board of Variance and the staff liaison on the Community Safety Standing Committee; Acting CAO when required; provides the Human Resources functions; communications; purchasing; website management; property management (leases and licences); and liaise with the public, elected officials, advisory bodies, Provincial ministries, and other local governments.

Progress on 2021 Objectives:

- Redesign of lantzville.ca: *Ongoing*. Updates and improvements to the District website are ongoing, plus new features live in 2022.
- Complete Phase III Sanitary Sewer Collection System Establishment Amendment Bylaw: *Completed*. Amendment adopted. New amendment for boundary adjustment in 2022.
- Enhance streamlining of electronic meeting processes by implementing iCompass, agenda management software: *Ongoing*. New audio video equipment installed. iCompass live in 2022. Completed 3 committee/board meeting, 35 Council open meeting and 12 closed meeting agendas, resulting in 162 pages of minutes and over 225 Council resolutions.
- Modernize and enhance customer service by implementing an electronic document manager system and incorporate with the Districts' website for searchable bylaws, policies, and forms: *Ongoing*. Live in 2022.
- Draft Bylaw Notice Enforcement bylaw and implement an adjudication system: *Ongoing*. Drafted, amendment in process/required for consistency with Bylaw Notice Dispute Adjudication host (City of Nanaimo) municipality's updated bylaw; to Council in 2022.
- Draft Animal Control and Good Neighbour bylaws and publish public education materials: Good Neighbour Bylaw adopted September 2021, public education material and Animal Control Bylaw under development.
- Review Election Bylaw and begin preparing for October 2022 general local election: *Ongoing*. Calendar, forms, articles, etc. in progress and Election Bylaw Amendment to Council in 2022.
- Review Records Management Bylaw for updates: *Ongoing*.
- Update bylaw index, consolidate bylaws, review bylaws, and provide recommendations: *Ongoing*. Over 20 new bylaws were reviewed and added to the bylaw index during 2021. Prepared Council Procedure Bylaw Amendments (2), Council Remuneration Bylaw Amendment.
- Update policy index, review policies and provide recommendations, e.g. lapel pins, flags, memorial trees, etc.: In 2021, Social Media Policy adopted by Council and administrative policy Protection of Personal Information Collection from ICBC approved, and drafts for lapel pins, flags, and Video Surveillance of District Buildings and Property policies started. Memorial trees and benches program review in 2022.
- Maintain improved corporate communications consistent with District policies on communication, engagement, and transparency: Implemented and maintained evolving measures due to Covid-19 to deliver Council meetings and public participation electronically, and to transition back to in-person meetings in Fall 2021. In 2021, evolved to a monthly 4-page Community Update newsletter, distributed by mail and through Constant Contact emails; and a Council Update newsletter distributed by Constant Contact emails to subscribers post-meeting.

- Orient and support Committees created by Council and Mayor's Standing Committees, e.g., Community Safety Standing Committee: Continue to provide support to Council and Mayor's Standing Committees, and to the Snaw-naw-as Nanoose First Nation and the District of Lantzville Joint Working Group.

Objectives for 2022:

- Election Bylaw updated, public well informed on election process and October 2022 general local election completed successfully.
- Updated lantzville.ca to go live.
- Complete Phase III Sanitary Sewer Collection System Establishment Amendment (Boundary Adjustment) Bylaw; Bylaw Notice Enforcement bylaw, implement an adjudication system and update Municipal Ticket Information Bylaw.
- iCompass agenda management and website document management to go live.
- Provide support for Council and committee meetings.
- Update bylaw index, consolidate bylaws, review bylaws and provide recommendations and assist with Traffic and Parking Regulations Bylaw update.
- Update Officers, Indemnification and Delegation Bylaw and Records Management and complete Animal Control Bylaw for consideration by Council.
- Update policy index, complete draft policies, review policies and provide recommendations.
- Complete public education material and maintain improved corporate communications consistent with District policies on communication, engagement and transparency.

Performance measures:

- High voter turnout and general local election compliant with legislation.
- Launch of redesigned District website, including iCompass agenda and document management.
- Adoption of Bylaw Notice Enforcement bylaw and updated MTI Bylaw, and implementation of an adjudication system.
- Adoption of updated Officers, Indemnification and Delegation Bylaw, and new Animal Control Bylaw.
- Adoption of updated Election and Records Management Bylaws.
- Number of citizens signed up for Council Updates and monthly Community Updates.

DEPARTMENTAL REPORTS

General Government

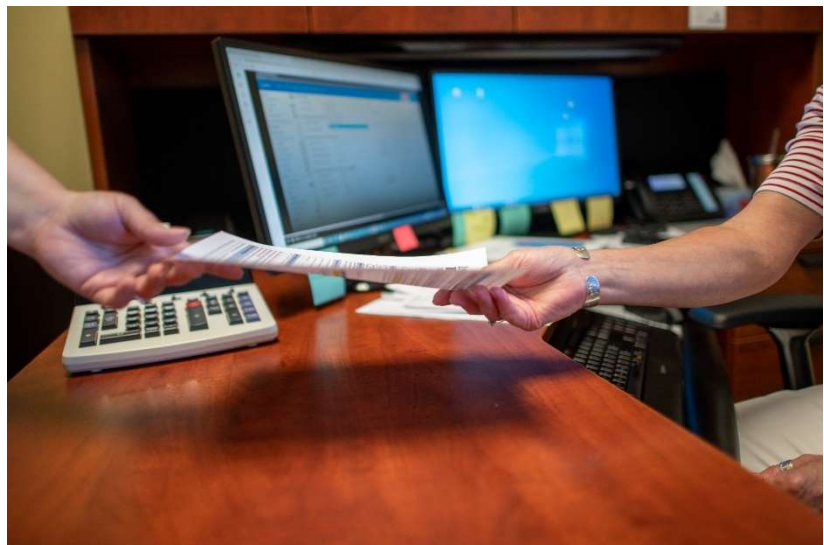
FINANCIAL SERVICES

The mandate of the Financial Services 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 safekeeping 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 2021 Objectives:

- Establish new position of Deputy Director of Financial Services, orient, and implement work transitions. Complete.
- Development of a new growth funding policy. Ongoing. Discussions continue throughout the financial planning process.
- Continued focus on increasing reserve fund contributions to address the infrastructure funding deficit identified in the asset management plan. Ongoing. The five year financial plan incorporates increases to the reserve fund contributions.
- 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. Complete. It was determined that the rate of future growth and associated policing costs for increased population in Lantzville did not warrant the establishment of a special reserve.
- Comprehensive financial policy review. Ongoing. Documentation and update of policy and procedures continues.
- Long-Term Financial Planning: Ongoing. Efforts are underway to improve the quality of asset management information and develop a strategy or policy to address the annual infrastructure funding gap identified in the 2019 Strategic Asset Management Plan

Objectives for 2022:

- Pursue infrastructure grant funding opportunities from senior levels of government.
- Review and update financial policies to reflect current best practices and standards.
- Update asset management information to include development of asset management plans, including levels of service, and condition and risk assessment information.
- Enhance online services and payment options available to residents.
- Inter departmental support.

Performance measures:

- Successful infrastructure grant applications.
- Council review and approval of a new growth funding.
- Approval of policy to address infrastructure funding deficit.
- Approval of financial policies reflecting best practices.

DEPARTMENTAL REPORTS

Protective Services

FIRE SUPPRESSION, PREVENTION, AND RESCUE

The Fire Chief is responsible for:

- Overall fire safety of the municipality.
- Training, education and equipment maintenance for fire personnel.
- Ensuring budgets and operations are managed responsibly.
- Acting as the Local Assistant to the Fire Commissioner
- Maintaining certifications and accreditations of fire personnel.
- For completing fire inspections.
- Overseeing fire ground operations.
- Fire prevention, acting as local FireSmart representative and providing 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 2021:

- Implement FireSmart in the Community - this is an ongoing program in our community. Over the last year we have conducted FireSmart inspections, held FireSmart workshops and ran social media ads.
- Award Tender For Mini Pumper - tender was awarded to Rocky Mountain Phoenix.
- Transition to Surrey Fire Dispatch - the dispatch services of Lantzville Fire Rescue were transferred to Surrey Dispatch in June 2021.
- Restructure of the Organization - has been completed.
- Have Recruit Members Complete NFPA 1001 firefighter 1&2 - almost complete.
- Purchase of 4 Computer Aided Dispatch Systems - installed and running.



Protective Services continued...

Objectives for 2022:

- Promote FireSmart programs in the community.
- Take possession of the new mini pumper and put it into service.
- Have all active members certified to NFPA 1001 Full service.
- Implement the superior tanker shuttle service.
- Complete the design of the new fire station.
- Recruit new members.

Performance measures:

- Community engagement on Fire Smart.
- Have the new mini pumper in full service.
- Members to have certificate in NFPA 1001 Full service.
- Complete the testing of the superior tanker shuttle service program.
- Have a full design ready for construction of the new station.
- Bring on up to 5 new members.



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 2021, the provincial grant funding to retain an Economic Development Officer on a term basis ended. Council approved funding to hire a new planner. The new planner will also be responsible for implementation of the Economic Development Strategy.

BUILDING INSPECTION

The District provides building permit services using a part-time private contract Building Inspector. The District transitioned from its contract with the Regional District of Nanaimo to provide building permit and inspection services in Lantzville in 2020. This led to significantly reducing processing times from upwards of 4 months to issuing a Building Permit in 2-3 weeks.

BYLAW ENFORCEMENT

In the Fall of 2020, the District began to provide bylaw enforcement services through a part-time private contractor to provide bylaw education and facilitate enforcement action where voluntary compliance cannot be achieved. Prior to October 2020, bylaw enforcement services were provided by contract by the Regional District of Nanaimo.

Progress on 2021 Objectives:

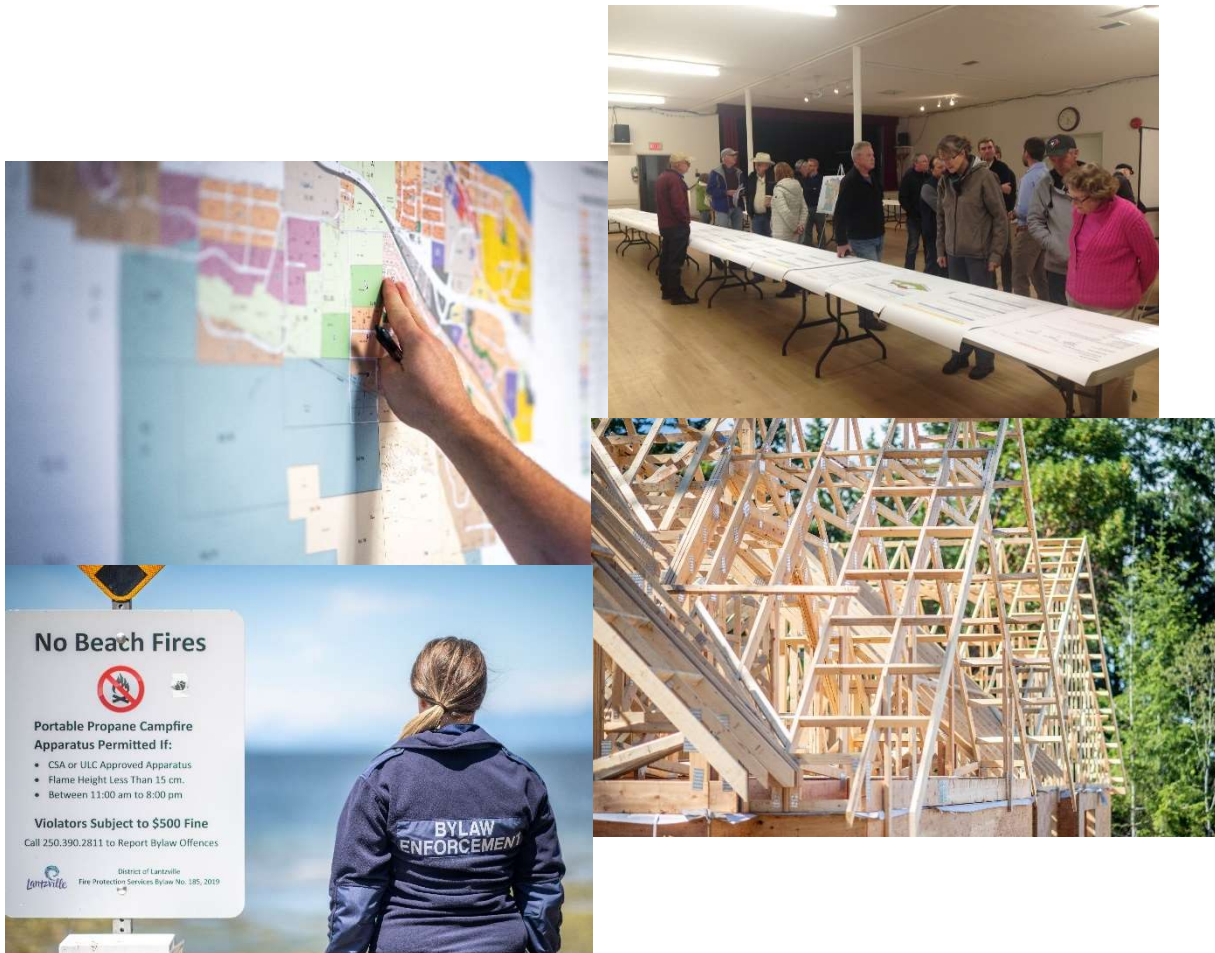
- Responding to planning, building and bylaw enquiries and to continue processing planning and building applications. Planning and Community Service have fully integrated the contract Building Inspector and the contract Bylaw Enforcement Officer into the department's processes.

Objectives for 2022:

- Continue to improve planning processes, response times to building and bylaw enquiries.
- Continue to process planning and building applications.
- Review and update bylaws as required.

Performance Measures:

- Community satisfaction with planning and bylaw enforcement processes.
- Applicant and Developer satisfaction with planning and building processes.



DEPARTMENTAL REPORTS

Engineering, Public Works & Parks

The District has five full-time employees in the Public Works 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 2021.

TRANSPORTATION SERVICES (ROADS AND DRAINAGE)

A municipality is responsible for maintaining local roads within its boundaries except for Provincially-owned Highways. The District contracts a portion of 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 600 properties. The District is responsible for maintaining and improving the District-owned equipment and infrastructure related to this system within federal and provincial regulations.

PARKS AND RECREATION

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

Progress on 2021 Objectives:

Lantzville Commercial Core Revitalization Project: Lantzville Core Revitalization Project was completed in 2021. Phase I consisted of installation of sidewalks, garden beds, benches, and tree planting.

Replace Water Main on Clark Crescent: Construction of the full replacement of the water main and service connections on Clark Crescent began in December of 2021 and was under construction at the beginning of 2022.

Replace Asphalt on Mart and Metro Roads: Tenders for the replacement of asphalt on Mart and Metro Road were combined and advertised in November of 2021. Combining the works provided economy of scale and provided the District cost savings. Works are planned to begin in March of 2022 to coincide with the opening of the asphalt plant in Nanaimo.

Install a Multi-Use Path on Lantzville Road: Design of a multi-use path was carried out and a cost estimate provided. This project was grant dependent and the District was not successful in acquiring the grant funds. The project was postponed to 2022 when the municipality budgeted for full funding of the project.

Purchase a Utility Vehicle: Public Works purchased a utility vehicle for Parks and Water System purposes.

Objectives for 2022:

- Phase II of Lantzville Commercial Core Revitalization Project (Dickinson Rd. to Tweedhope Rd.).
- Purchase a Dump Truck.
- Rebuild Dickinson Road, add sidewalks and street trees.
- Construct Multi-Use Path with street trees along Lantzville Road, (Wiles Road to Schook Road)
- Overlay Lorenzen Lane with chip seal.
- Replace Culvert on Dickinson Road between Jacks and Lavender Roads.
- Replace Water Main on Lantzville Road between Peterson Road and Huddlestone Road.
- Expand Water System to the Northwind and Southwind Area, grant funding required.

Performance Measures:

- Completion of capital and operating projects within the 2022 Financial Plan parameters.
- Increase of Fire Flow capacity.
- Decrease number of complaints from residents.
- Increase in Pedestrian Safety.
- Increase in efficiencies for Water and Sewer Operation.

DEPARTMENTAL REPORTS

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 2021 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 and elected officials, as needed.
- Annual participation in Emergency Preparedness Week.
- Promoting personal, neighbourhood and organizational emergency preparedness throughout the District including participation at outreach events, workshops, websites and monthly newsletters.
- Apply for and manage Emergency Preparedness Grants.
- Inventory all Emergency Operation Centre (EOC) and ESS supplies and materials and replace as required.

Completion of UBCM ESS Grant: The 2021 ESS grant to develop locally tailored training and exercises and increase ESS modernization supplies is now complete. Four virtual training sessions and two tabletop exercises were hosted. All training materials are retained to support providing similar refresher sessions in the future. Additional ESS modernization equipment was also purchased through this funding stream and included laptops, cases, accessories and mobile hotspot routers.

Regional Emergency Management Agreement (EMA): The five-year term of the agreement expired May 1, 2021 and has now transitioned to a month to month agreement until the parties can discuss the renewal. The first facilitated discussion was hosted on February 15, 2022 which provided valuable feedback to guide the next steps to developing a modernized agreement. A document review and draft agreement are being developed that will support a second facilitated discussion with a goal of developing a final agreement.

Emergency Notification System: The Voyent Alert Emergency Notification System was launched in August 2020. To date there are just over 4300 registered users, with about 330 in the District of Lantzville registered – an increase of 9% in the District of Lantzville in the past year.

Objectives for 2022:

- 2022 objectives will be the 2021 objectives but, subject to new opportunities or challenges.
- Finalizing the Emergency Management Agreement Review which includes the RDN, District of Lantzville, City of Parksville, Town of Qualicum Beach, and Snuneymuxw, Snaw-naw-As and Qualicum First Nations.
- Developing evacuation route brochures.
- Return to in-person training and events.
- Voyent Alert training for District staff.
- Participation in the modernization of the Emergency Program Act engagement and implementation planning.

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 11, 2022

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, 2021, and the statements of operations, 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, 2021, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other 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 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 Report continued...

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

May 11, 2022

MNP LLP

Chartered Professional Accountants



District of Lantzville



STATEMENT OF FINANCIAL POSITION

As at December 31, 2021 with comparative information for 2020

	2021	2020
Financial assets:		
Cash (Note 3)	\$ 9,255,710	\$ 9,079,460
Investments (Note 3)	3,975,590	3,921,238
Taxes receivable	185,581	133,837
Accounts receivable	396,453	1,055,910
	13,813,334	14,190,445
Financial Liabilities:		
Accounts payable and accrued liabilities	803,522	1,475,712
Deposits	395,418	528,882
Deferred revenue (Note 4)	4,088,904	3,498,822
Prepaid property taxes	293,093	227,531
Employee future benefits obligations (Note 5)	219,532	161,388
Debt (Note 6 and Note 7)	4,189,792	4,300,000
	9,990,261	10,192,335
Net financial assets	3,823,073	3,998,110
Non-financial assets:		
Tangible capital assets (Note 8 and Schedule A)	64,289,862	58,037,392
Inventory of supplies	14,699	20,787
Prepaid expenses	32,198	37,841
	64,336,759	58,096,020
Accumulated surplus (Note 9)	\$ 68,159,832	\$ 62,094,130

Commitments and contingencies (Note 14)

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

Approved by:

Raj Hayre, CPA

Director of Financial Services

District of Lantzville



STATEMENT OF OPERATIONS

As at December 31, 2021 with comparative information for 2020

	Financial Plan (Note 10)	2021	2020
Revenue:			
Taxation, net (Note 11)	\$ 2,958,294	\$ 2,954,176	\$ 2,779,505
Sales of services	1,078,997	1,928,497	1,153,600
Grants and government transfers (Note 12)	9,452,643	1,533,748	5,858,507
Investment income	82,500	106,281	128,063
Penalties and fines	29,522	42,087	25,279
Development cost charges earned	401,163	372,575	267,966
Contributions from developers and others	-	4,044,470	-
Other revenue from own sources	291,180	167,472	278,062
Total revenues	14,294,299	11,149,306	10,490,982
Expenses: (Note 13 and Schedule C)			
General government services	1,480,013	1,583,619	1,331,537
Transportation services	1,071,841	1,069,925	914,164
Protective services	522,407	537,337	485,092
Bylaw enforcement	71,068	69,940	39,947
Solid waste collection	238,920	248,121	213,469
Recreation and cultural services	208,889	195,751	184,145
Community development services	244,565	292,506	299,608
Building inspection	34,500	108,180	44,699
Sewer	304,525	412,287	292,930
Water	572,202	565,938	511,373
Total expenses	4,748,930	5,083,604	4,316,964
Annual surplus	9,545,369	6,065,702	6,174,018
Accumulated surplus, beginning of year	62,094,130	62,094,130	55,920,112
Accumulated surplus, end of year	\$ 71,639,499	\$ 68,159,832	\$ 62,094,130

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, 2021 with comparative information for 2020

	Financial Plan (Note 10)	2021	2020
Annual surplus	\$ 9,545,369	\$ 6,065,702	\$ 6,174,018
Acquisition of tangible capital assets	(11,572,000)	(3,492,947)	(8,105,926)
Contributions of tangible capital assets	-	(3,769,419)	-
Amortization of tangible capital assets	906,000	1,009,894	925,938
(Gain) Loss on the disposal of tangible capital assets	-	-	(21,109)
Proceeds on tangible capital assets deposited to reserve	-	-	31,500
	(1,120,631)	(186,770)	(995,579)
Acquisition and consumption of inventory of supplies	-	6,089	9,812
Acquisition and consumption of prepaid expenses	-	5,644	(9,850)
	-	11,733	(38)
Change in net financial assets	(1,120,631)	(175,037)	(995,617)
Net financial assets at beginning of year	3,998,110	3,998,110	4,993,727
Net financial assets at end of year	\$ 2,877,479	\$ 3,823,073	\$ 3,998,110

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

District of Lantzville



STATEMENT OF CASH FLOWS

As at December 31, 2021 with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operating transactions:		
Annual surplus	\$ 6,065,702	\$6,174,018
Items not involving cash:		
Amortization of tangible capital assets	1,009,894	925,938
(Gain) Loss on disposal and write-down of tangible capital assets	-	(21,109)
Contributions of tangible capital assets	(3,769,419)	-
Changes in non-cash operating assets and liabilities:		
Accounts receivable	659,457	(751,862)
Inventories for resale	-	1,897
Taxes receivable	(51,744)	(14,074)
Accounts payable and accrued liabilities	(672,190)	1,270,834
Deposits	(133,464)	(1,038,035)
Deferred revenue	590,082	(1,989,969)
Prepaid property taxes	65,562	13,076
Employee future benefit obligations	58,144	55,096
Inventory of supplies	6,089	9,812
Prepaid expenses	5,644	(9,850)
Cash provided by operating transactions	3,833,757	4,625,772
Capital transactions:		
Proceeds on sale of tangible capital assets	-	31,500
Acquisition of tangible capital assets	(3,492,947)	(8,105,926)
Cash used in capital transactions	(3,492,952)	(8,074,426)
Financing transactions:		
Proceeds from (repayments of) borrowing	(110,208)	4,300,000
Investing transactions:		
Changes in investments held	(54,352)	(105,458)
Increase in cash and cash equivalents	176,250	745,888
Cash and cash equivalents, beginning of year	9,079,460	8,333,572
Cash and cash equivalents, end of year	\$ 9,255,710	\$ 9,079,460

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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, 2021 with comparative information for 2020

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, 2021 with comparative information for 2020

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, 2021 with comparative information for 2020

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 annually. 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, 2021 with comparative information for 2020

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, 2021 with comparative information for 2020

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, 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, 2021 with comparative information for 2020

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.

	2021	2020
Cash	\$ 9,255,710	\$ 9,079,460
Investments	3,975,590	3,921,238
	\$ 13,231,300	\$13,000,698

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, 2021, 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:

	2021	2020
Statutory reserves	\$ 6,348,066	\$ 6,188,481
Restricted investments – development cost charges	2,077,626	1,741,463
	\$ 8,425,692	\$ 7,929,944

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

4. Deferred Revenue:

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

	2020 Opening	Receipts	Interest Earned	Revenue Recognized	2021
Community Works (Gas Tax)	\$ 1,725,592	\$ 423,483	\$ 17,808	\$ (476,779)	\$ 1,690,104
Development Cost Charges – Water	667,632	372,897	6,890	(43,062)	1,004,357
Development Cost Charges - Sewer	333,022	88,177	3,437	-	424,636
Development Cost Charges - Drainage	366,055	68,314	3,778	-	438,147
Development Cost Charges – Highway	101,251	89,664	1,045	(42,113)	149,847
Development Cost Charges - Parkland	273,503	71,712	2,823	(287,399)	60,639
Other Deferred Revenue	31,767	289,736	-	(329)	321,174
	\$ 3,498,822	\$ 1,403,983	\$ 35,781	\$ (849,682)	\$ 4,088,904

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:

	2021	2020
Other Deferred Revenue – Opening Balance	\$ 31,767	\$ 1,799,052
Adjust for:		
First Nations Agreement	(329)	-
Frontage Works – Dickinson Road	19,037	-
Works & Services – 7360 Harby Road	265,699	-
Business License Revenue – 2022	5,000	-
Phase 3 Sewer Grant Claim	-	(1,691,488)
Economic Development Grant	-	(73,350)
MIABC Grant	-	(2,447)
Other Deferred Revenue – Closing Balance	\$ 321,174	\$ 31,767

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

5. Employee Future Benefit Obligations:

Employee benefit obligations represent accrued benefits as follows:

		2021	2020
Vacation payable	\$	51,726	\$ 51,713
Accrued sick leave		167,806	109,675
	\$	219,532	\$ 161,388

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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 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, 2021 with comparative information for 2020

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 \$107,718 (2020 - \$106,612) for employer contributions, while employees contributed \$95,326 (2020 - \$96,031) to the Plan in fiscal 2021.

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.

	2021	2020
Total outstanding debt – beginning of year	\$ 4,300,000	\$ -
Proceeds from long-term borrowing	-	4,300,000
Reduction of long-term debt	110,208	-
Total outstanding debt – end of year	\$ 4,189,792	\$ 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 2021 at December 31, 2020 was \$1,198,575. The estimated liability servicing cost for Sewer Phase 3 Borrowing was \$198,277, leaving \$1,000,298 of liability servicing capacity available.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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

Anticipated annual principal payments over the next five years and thereafter are as follows:

	Principal & Actuarial	Total
2022	\$ 108,279	\$ 149,338
2023	106,317	149,338
2024	104,320	149,338
2025	102,289	149,338
2026	100,221	149,338
Thereafter	2,674,604	3,443,102
	\$ 3,196,030	\$ 4,189,792

Bylaw #	MFA Issue #	Interest Rate	Year Matures	Balance 2021	Balance 2020
Sewer Fund – Sewer Phase 3					
MFA Bylaw 1811	152	0.91%	2050	\$ 4,189,792	\$ 4,300,000
				\$ 4,189,792	\$ 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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:

	DRF Cash	DRF Demand Note
Sewer Fund	\$ 43,939	\$ 31,669

8. Tangible Capital Assets (Schedule A):

(a) Assets under construction:

Assets under construction having a value of \$1,649,796 (2020 - \$8,316,733) 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 \$3,769,419 (2020 - \$nil).

(c) Tangible capital assets disclosed at nominal values:

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

(d) 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, 2021 with comparative information for 2020

9. Accumulated Surplus:

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

	2021	2020
Equity in Tangible Capital Assets	\$ 60,100,070	\$ 54,862,788
Unrestricted General Fund Surplus	1,376,507	1,029,126
Unrestricted Sewer Fund Deficit	(127,993)	(325,190)
Unrestricted Water Fund Surplus	463,182	338,925
Statutory Reserve Funds	6,348,066	6,188,481
	\$ 68,159,832	\$ 62,094,130

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 7, 2020. 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:

	2021
Annual Budgeted Surplus – Statement of Operations	\$ 9,545,369
Adjust for:	
Capital expenditures	(11,572,000)
Proceeds from borrowing	1,522,474
Transfer from reserves	57,448
Development Cost Charges	(401,163)
Internal borrowing repayment	(58,128)
Amortization	906,000
Net Annual Budget – as approved by Council	\$ -

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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.

	2021	2020
Taxes:		
Property / parcel taxes	\$ 6,668,937	\$ 6,245,807
Payments in lieu of taxes	30,612	28,023
1% utility taxes	56,995	56,966
	6,756,544	6,330,796
Less taxes levied for other authorities:		
School District	2,349,430	2,149,878
Policing	273,916	267,399
Regional Hospital District	283,703	203,247
Regional District of Nanaimo	837,820	875,060
BC Assessment Authority	57,231	55,455
Municipal Finance Authority	268	252
	3,802,368	3,551,291
Net taxes available for municipal purposes	\$ 2,954,176	\$ 2,779,505

District of Lantzville



NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

12. Grants and Government Transfers

	2021	2020
Operating transfers from provincial government:		
Strategic Communities Investment Fund Grant	\$ 458,000	\$ 449,865
Other	82,561	135,352
Capital transfers from provincial government:		
New Building Canada Fund – Small Communities Fund	328,000	1,691,490
Capital transfers from federal government:		
New Building Canada Fund – Small Communities Fund	-	2,019,488
Federal Gas Tax	482,766	334,590
Other contributions:		
Capital	133,000	-
Other	49,421	7,722
Covid Recovery Funding	-	1,220,000
	\$ 1,533,748	\$ 5,858,507

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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:

	2021	2020
Balance forward, December 31	\$ 1,167,494	\$ 1,220,000
Eligible costs incurred:		
Information technology requirements	(71,114)	(17,377)
Facility safety improvements	(11,278)	(8,331)
Wages & benefits	(30,000)	(26,798)
Reserve fund contributions	(312,200)	-
Interest earned	12,048	-
Balance, December 31, 2021 (Included in Operating Reserves)	\$ 754,950	\$ 1,167,494

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021 with comparative information for 2020

14. Commitments and Contingencies: continued

- (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 has \$375,948 (2020 - \$42,718) 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, have had a significant impact on the local and global economy. At the time of preparation of the 2021 financial statements, although some emergency measures have been scaled back, it is still not possible to make a reliable determination of the impact on the District's financial results for 2022.

During 2021, as a result of the pandemic, the District experienced supply chain issues and labour shortages, which also caused delays to certain projects.



SCHEDULE OF TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2021

	<div>Infrastructure</div>										
	Land	Land Improvements	Buildings	Vehicles	Equipment	Roads	Sewer	Water	Assets Under Construction	2021	2020
HISTORICAL COST:											
Opening Balance	\$ 18,001,197	\$ 1,228,809	\$ 2,074,775	\$ 2,072,592	\$ 385,871	\$ 15,786,908	\$ 9,204,029	\$ 12,328,954	\$ 8,316,734	\$ 69,399,868	\$ 61,431,844
Additions	-	703,329	18,378	94,979	13,844	1,884,962	7,799,463	3,414,346	3,352,473	17,281,774	8,105,926
Disposal	-	-	-	-	-	(12,495)	-	-	-	(12,495)	(137,902)
Transfers	-	-	-	-	-	-	-	-	(10,019,411)	(10,019,411)	-
Closing Balance, Dec 31	18,001,197	1,932,138	2,093,153	2,167,571	399,715	17,659,375	17,003,492	15,743,300	1,649,796	76,649,736	69,399,868
ACCUMULATED AMORTIZATION:											
Opening Balance	-	464,051	1,072,151	766,498	306,434	5,171,358	1,249,497	2,332,486	-	11,362,475	10,564,049
Additions	-	45,041	49,471	89,901	27,714	428,853	156,039	212,875	-	1,009,894	925,938
Disposal	-	-	-	-	-	(12,495)	-	-	-	(12,495)	(127,511)
Closing Balance, Dec 31	-	509,092	1,121,622	856,399	334,148	5,587,716	1,405,536	2,545,361	-	12,359,874	11,362,476
NET BOOK VALUE	\$ 18,001,197	\$ 1,432,046	\$ 971,531	\$ 1,311,172	\$ 65,567	\$ 12,071,659	\$ 15,597,956	\$ 13,197,939	\$ 1,649,796	\$ 64,289,862	\$ 58,037,392

Schedule A



SCHEDULE OF RESERVE FUNDS

For the year ended December 31, 2021

	GENERAL FUND						SEWER FUND		WATER FUND	TOTAL	
	Operating Reserve	Capital Works	Facilities Life Cycle	Asset Replacement	Parks	CAC's	Asset Replacement	Debt Repayment	Asset Replacement	2021	2020
Opening Balance	\$ 1,317,677	\$ 705,426	\$ 1,379,339	\$ 606,619	\$ 499,808	\$ -	\$ 406,316	\$ -	\$ 1,273,296	\$ 6,188,481	\$ 4,350,015
Transfers in	23,100	650,000	132,100	615,678	680,750	12,000	50,000	920,924	807,577	3,892,129	2,623,114
Interest earned	13,599	7,280	14,235	6,260	5,158	-	4,193	-	13,142	63,867	59,335
Transfers out	(436,981)	(145,809)	-	(129,691)	(1,095,289)	-	(4,360)	(531,438)	(535,449)	(2,879,017)	(843,983)
Closing Balance	\$ 917,395	\$ 1,216,897	\$ 1,525,674	\$ 1,098,866	\$ 90,427	\$ 12,000	\$ 456,149	\$ 389,486	\$ 1,558,566	\$ 7,265,460	\$ 6,188,481

Schedule B



SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

For the year ended December 31, 2021

	General Government Services	Transportation Services	Protective Services	Bylaw Enforcement	Solid Waste Collection	Recreation and Cultural Services	Community Development Services	Building Inspection	Sewer	Water	2021	2021 Financial Plan
REVENUE												
Taxation	\$2,543,452	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,724	\$ 363,000	\$ 2,954,176	\$ 2,958,294
Sales and services	-	-	-	-	248,164	-	76,877	169,000	381,440	1,053,016	1,928,497	1,078,997
Grants and government transfers	638,098	482,767	4,260	-	-	-	77,629	-	328,000	2,994	1,533,748	9,452,643
Investment income	101,566	-	-	-	-	-	-	-	4,715	-	106,281	82,500
Penalties and fines	24,034	-	-	7,650	-	-	-	-	4,315	6,088	42,087	29,522
Development charges earned	-	329,513	-	-	-	-	-	-	-	43,062	372,575	401,163
Contributions from developers and others	546,895	275,051	-	-	-	-	-	-	90,063	3,132,461	4,044,470	3,000
Other revenue from own sources	55,536	-	29,525	-	-	8,550	72,981	-	-	880	167,472	288,188
	3,909,581	1,087,331	33,785	7,650	248,164	8,550	227,487	169,000	856,257	4,601,501	11,149,306	14,294,299
EXPENSES												
Salaries, wages, and benefits	1,033,537	119,412	195,040	-	-	111,362	195,760	53,842	59,088	199,528	1,967,569	1,834,418
Materials and supplies	147,847	166,684	148,111	1,030	-	36,534	499	940	15,861	69,273	586,779	548,700
Contracted services	239,640	142,331	81,517	68,910	248,121	-	11,665	53,398	107,302	9,606	962,490	854,399
Other	93,338	180,953	35,013	-	-	14,854	84,582	-	73,997	74,136	556,873	605,413
Amortization	69,257	460,545	77,656	-	-	33,001	-	-	156,039	213,395	1,009,893	906,000
	1,583,619	1,069,925	537,337	69,940	248,121	195,751	292,506	108,180	412,287	565,938	5,083,604	4,748,930
SURPLUS / (DEFICIT)	\$ 2,325,962	\$ 17,406	\$ (503,552)	\$ (62,290)	\$ 43	\$ (187,201)	\$ (65,019)	\$ 60,820	\$ 443,970	\$ 4,035,563	\$ 6,065,702	\$ 9,545,369

Schedule C - 2021

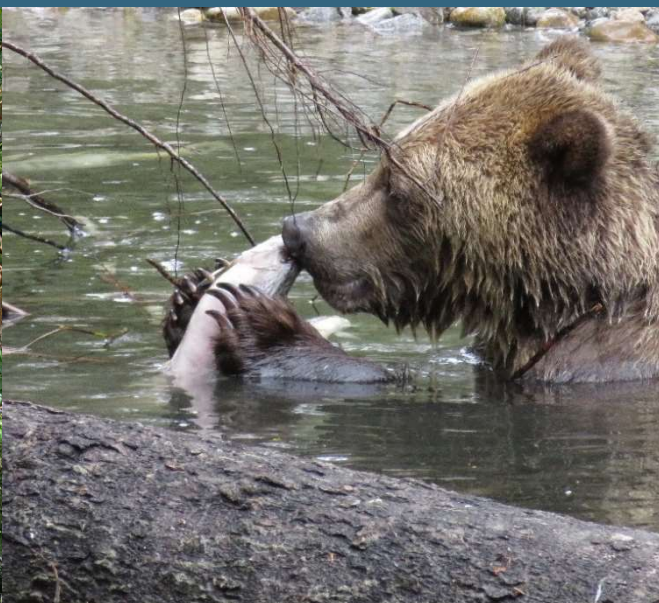
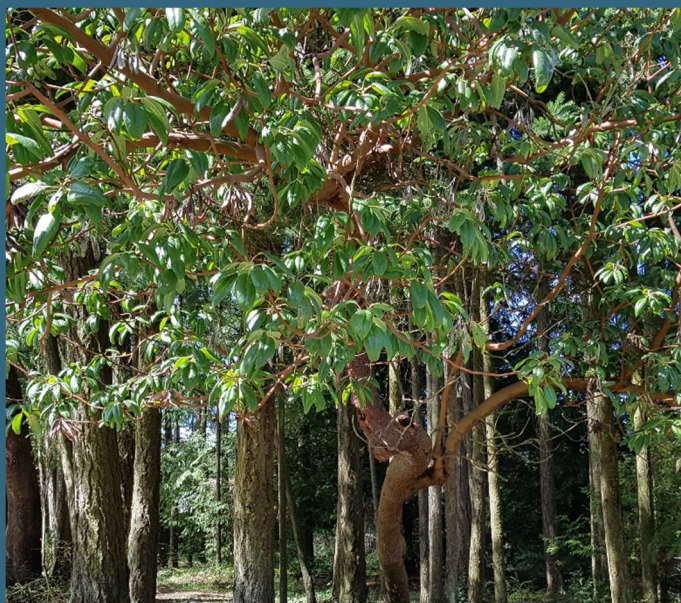


SCHEDULE OF STATUTORY SEGMENT DISCLOSURES

For the year ended December 31, 2020

	General Government Services	Transportation Services	Protective Services	Bylaw Enforcement	Solid Waste Collection	Recreation and Cultural Services	Community Development Services	Building Inspection	Sewer	Water	2020	2020 Financial 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





STATISTICS SECTION

(UNAUDITED)





DEMOGRAPHICS

POPULATION OF LANTZVILLE 2017-2021

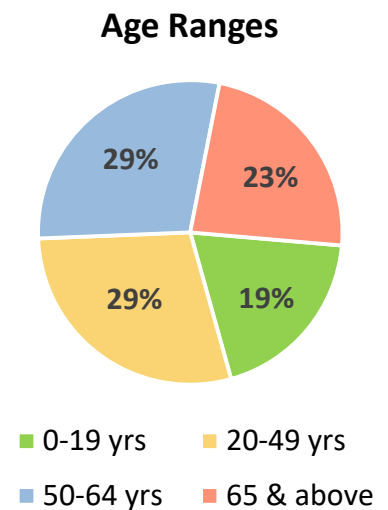
	2017	2018	2019	2020	2021
Total Population Estimates	3,797	3,860	3,805	3,845	3,874
% Change from Prior Year	1.5%	1.7%	-1.4%	1.1%	0.8%

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	585	305	280
15-19 years	195	105	90
Subtotal: 0-19 years	780	410	370
20-34 years	435	220	215
35-49 years	660	340	325
Subtotal: 20-49 years	1100	560	540
50-59 years	590	275	315
60-64 years	365	185	180
Subtotal: 50-64 years	955	460	495
65-79 years	800	405	395
80-94 years	180	90	90
95 years and above	5	5	
Subtotal: 65 years and above	985	500	485
TOTAL	3820	1930	1890



Source: Statistics Canada > Census Profile, 2021 Census per <http://www12.statcan.gc.ca>

Note: 2021 totals differ due to differences in methodologies between BC Statistics population estimates versus Statistics Canada Census.

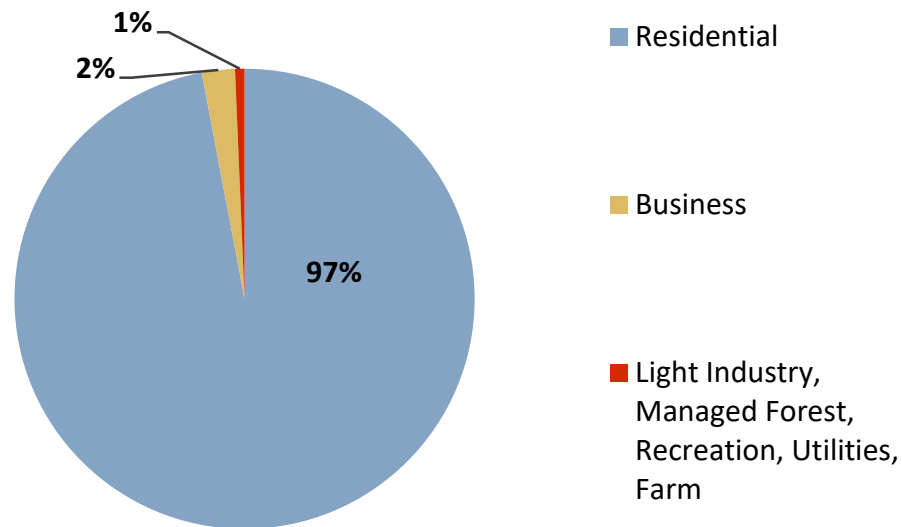
ASSESSMENT VALUES BY PROPERTY CLASS

TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS 2017-2021 (IN THOUSANDS)

Property Class	2017	2018	2019	2020	2021
Residential	819,436	964,780	1,153,348	1,160,662	1,241,265
Business	20,952	24,063	26,065	29,242	29,442
Light Industry	1,606	1,871	2,047	2,298	2,423
Managed Forest	1,498	1,703	1,865	1,936	1,876
Recreation	1,658	1,678	1,710	1,796	1,832
Utilities	1,531	1,603	2,193	2,239	2,355
Farm	108	116	109	113	113
	846,789	995,814	1,187,337	1,198,286	1,279,306

Source: BC Assessment

2021 Assessment by Property Class



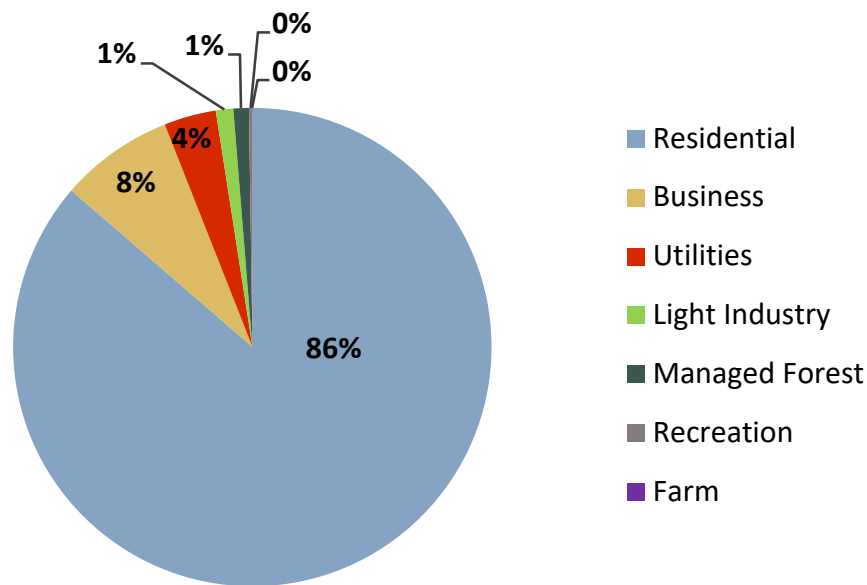
TAX REVENUE BY PROPERTY CLASS

TAX REVENUE BY PROPERTY CLASS 2017-2021

Property Class	2017	2018	2019	2020	2021
Residential	1,419,100	1,500,578	1,639,182	1,957,000	2,120,152
Business	145,143	149,709	148,175	197,213	188,581
Utilities	55,281	57,844	79,625	81,928	86,305
Light Industry	19,470	20,370	20,369	27,117	28,966
Managed Forest	9,728	9,933	9,940	12,240	25,635
Recreation	5,025	4,567	4,253	5,299	5,476
Farm	243	234	201	249	252
	1,653,990	1,743,235	1,901,745	2,281,046	2,455,367

Source: District of Lantzville Finance Department

2021 Tax Revenue by Property Class



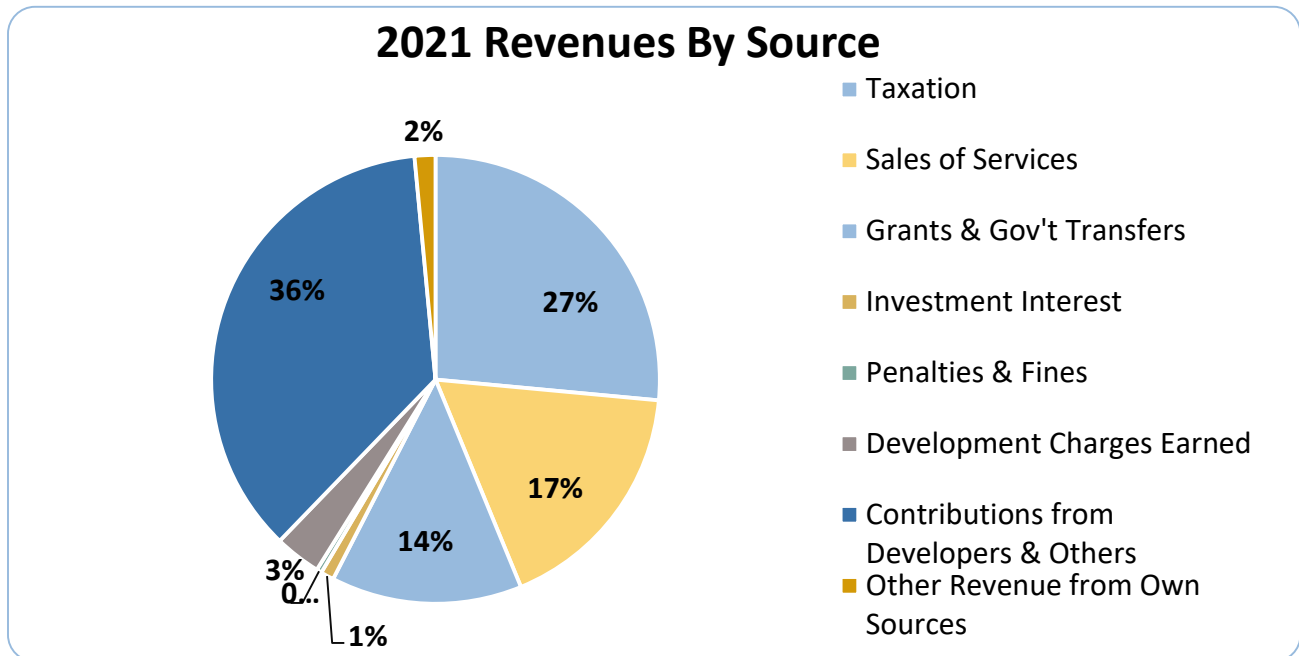
REVENUES BY SOURCE

REVENUES BY SOURCE 2017-2021

	2017	2018	2019	2020	2021
Taxation	2,254,500	2,269,986	2,407,064	2,779,505	2,954,176
Sales of Services	725,010	708,569	857,757	1,153,600	1,928,497
Grants and Gov't Transfers	672,180	747,111	845,750	5,858,507	1,533,748
Investment Interest	155,401	204,192	226,333	128,063	106,281
Penalties and Fines	36,064	26,884	29,220	25,279	42,087
Development Charges Earned	1,377	9,182	-	267,966	372,575
Contributions from Developers and Others	7,582	2,260	16,067,306	-	4,044,470
Other Revenue from Own Sources	150,726	479,834	213,899	278,062	167,472
	4,002,840	4,448,018	20,647,329	10,490,982	11,149,306

The increase in 2021 for Sales of Services represents an increase in development revenues resulting from bringing building permit activities in house. Previously this service was provided by the Nanaimo Regional District.

2021 Contributions from Developers and Others represents developer contributed assets for new development comprised of waterworks, roads and sanitary and sewer infrastructure.



Source: District of Lantzville Finance Department

EXPENSES BY FUNCTION & OBJECT

EXPENSES BY MAJOR FUNCTION/PROGRAM 2017-2021

	2017	2018	2019	2020	2021
General Government Services	1,287,678	1,377,640	1,194,057	1,331,537	1,583,619
Transportation Services	1,153,505	883,338	913,049	914,164	1,069,925
Protective Services	500,620	477,625	519,631	569,738	607,277
Solid Waste Collection	187,320	192,338	203,786	213,469	248,121
Recreation & Cultural Services	152,499	179,573	185,310	184,145	195,751
Community Development Services	107,144	120,289	180,673	299,608	400,686
Sewer	263,377	275,949	264,060	292,930	412,287
Water	408,817	364,744	462,440	511,373	565,938
	4,060,960	3,871,496	3,923,006	4,316,964	

Certain comparative figures have been reclassified to conform with presentation adopted in the 2021 Financial Statements.

Source: District of Lantzville Finance Department

EXPENSES BY OBJECT 2017-2021

	2017	2018	2019	2020	2021
Salaries, Wages and Benefits	1,369,167	1,373,988	1,453,554	1,709,018	1,967,568
Materials and Supplies	745,596	470,812	439,817	543,131	586,780
Contracted Services	857,302	788,334	734,041	704,396	962,490
Other	317,612	490,884	405,703	434,481	556,874
Amortization	771,283	747,478	889,891	925,938	1,009,892
	4,060,960	3,871,496	3,923,006	4,316,964	5,083,604

Certain comparative figures have been reclassified to conform with presentation adopted in the 2021 Financial Statements.

Source: District of Lantzville Finance Department

SURPLUS/(DEFICIT)

ANNUAL SURPLUS/(DEFICIT) 2017-2021

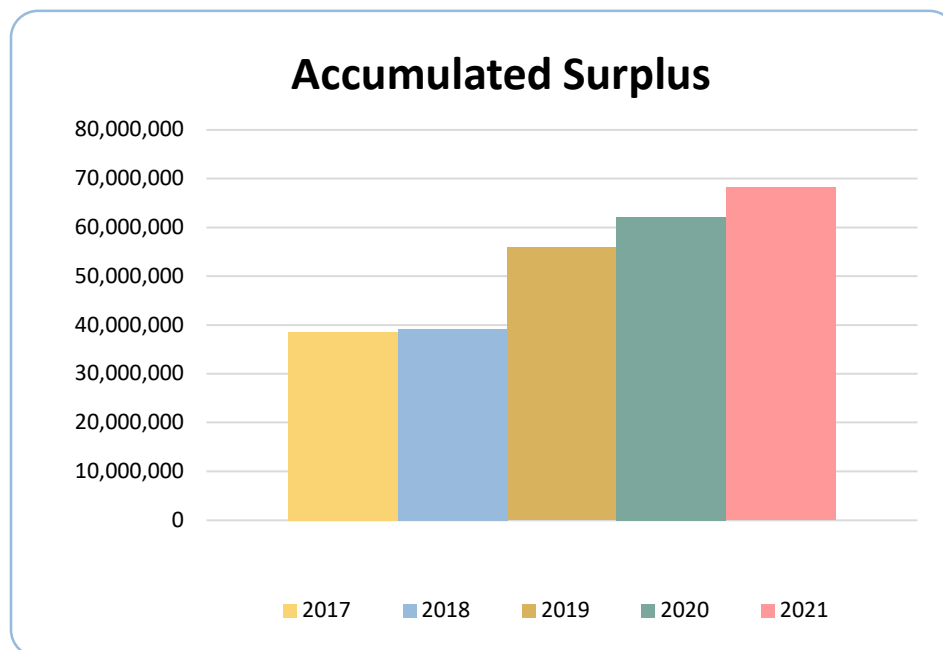
	2017	2018	2019	2020	2021
Annual Surplus/(Deficit)	(58,120)	576,522	16,724,323	6,174,018	6,065,702

Source: District of Lantzville Finance Department

ACCUMULATED SURPLUS 2017-2021

	2017	2018	2019	2020	2021
Accumulated Surplus	38,619,267	39,195,789	55,920,112	62,094,130	68,159,832

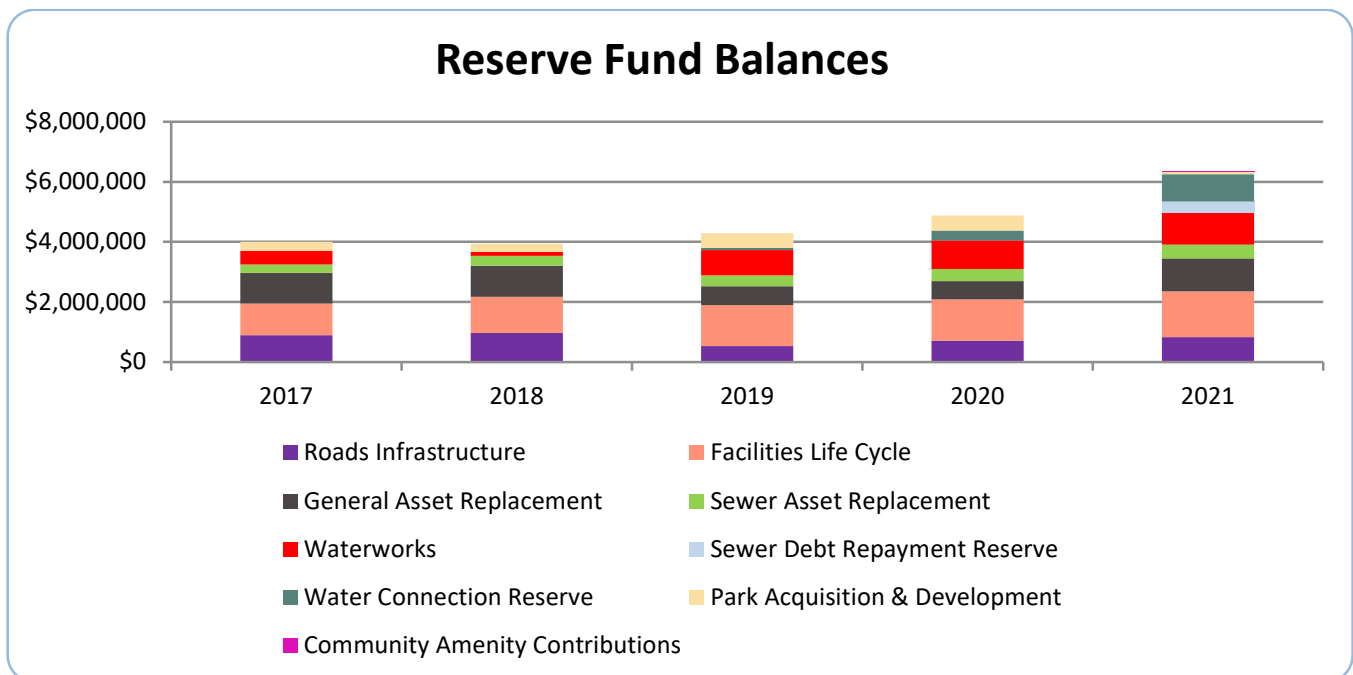
Source: District of Lantzville Finance Department



RESERVE FUND BALANCES

RESERVE FUND BALANCES 2017-2021

	2017	2018	2019	2020	2021
<u>Asset Reserves</u>					
Roads & Infrastructure Replacement	888,490	961,063	532,844	705,425	828,653
Facilities Life Cycle Replacement	1,059,817	1,208,800	1,359,088	1,379,340	1,525,674
General Asset Replacement	1,018,519	1,038,451	627,579	606,618	1,098,866
Sewer Fund Asset Replacement	278,727	325,940	363,142	406,316	456,149
Waterworks Reserve	456,645	123,468	843,868	947,074	1,049,642
<u>Utilities Reserves</u>					
Sewer Debt Repayment Reserve	-	-	-	-	389,486
Water Connection Reserve	-	-	76,859	326,223	897,166
<u>Developer Funded Reserves</u>					
Park Acquisition & Development	302,239	285,444	483,217	499,808	90,427
Community Amenity Contributions	5,420	10,645	63,418	1,317,617	917,395
	4,009,857	3,953,811	4,350,015	6,188,481	7,265,458



Source: District of Lantzville Finance Department



ASSETS & NEW CONSTRUCTION

ACQUISITION OF TANGIBLE CAPITAL ASSETS 2017-2021

	2017	2018	2019	2020	2021
Acquisition of TCA	881,425	2,918,080	17,780,610	7,968,024	17,269,279

Source: District of Lantzville Finance Department

NET FINANCIAL ASSETS 2017-2021

	2017	2018	2019	2020	2021
Net Financial Assets	6,722,816	5,149,428	4,993,727	3,998,110	3,823,073

Source: District of Lantzville Finance Department

NEW CONSTRUCTION 2017-2021

	2017	2018	2019	2020	2021
New Construction - Permit Values	6,146,624	4,342,877	17,585,807	22,676,545	22,423,000

Source: District of Lantzville Finance Department



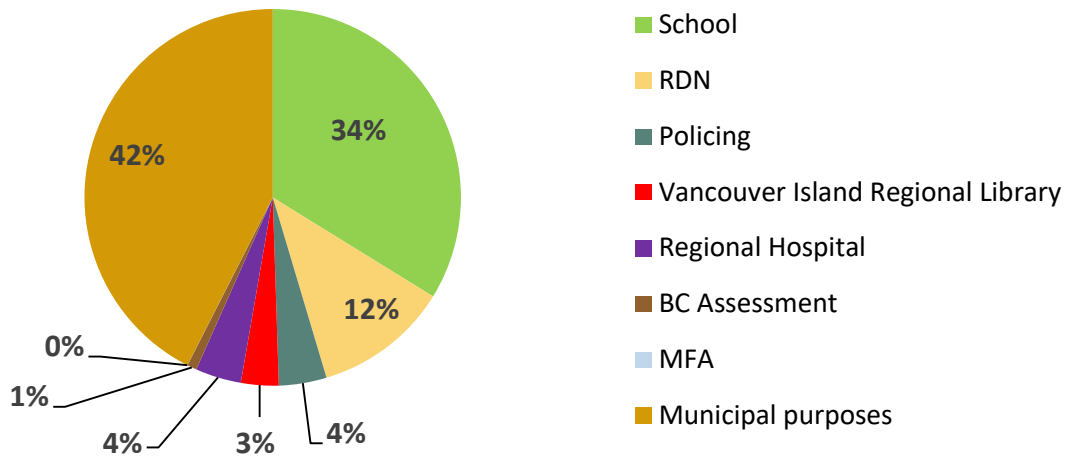
OTHER STATISTICS

TOTAL TAXES COLLECTED FOR OTHER AGENCIES 2017-2021

	2017	2018	2019	2020	2021
School	1,820,677	1,911,079	2,157,969	2,149,878	2,349,625
Regional District of Nanaimo	659,683	683,089	749,855	875,060	805,962
Policing	210,111	231,256	250,952	267,399	283,761
Vancouver Island Regional Library	178,117	189,526	193,190	212,535	224,963
Regional Hospital	177,904	185,525	203,126	203,247	273,916
BC Assessment	40,879	44,479	50,468	55,455	57,231
Municipal Finance Authority	178	210	249	252	268
	3,087,549	3,245,164	3,605,809	3,763,826	3,995,726

PROPERTY TAXES AVAILABLE FOR MUNICIPAL PURPOSES 2017-2021

2021 Property Value Taxes Collected



	2017	2018	2019	2020	2021
Net Taxes for Municipal Purposes	2,432,617	2,459,513	2,600,254	2,779,505	2,954,176

Source: District of Lantzville Finance Department

OTHER STATISTICS

TOP 10 PRINCIPAL CORPORATE TAXPAYERS FOR 2021

Registered Owner	2021 Municipal Taxes Levied
FortisBC Energy (Vancouver Island) Inc	\$47,162
Lantzville Projects Ltd	42,294
Lone Tree Properties Inc	40,358
Telus Communications Inc	29,278
Almarc Holdings Ltd	25,933
Jim Pattison Developments Ltd	23,298
Timberwest Forest Limited	17,245
Winchelsea View Golf Course Ltd	15,803
Datco Holdings Ltd	12,240
Hogler Enterprises Ltd	11,478
Total Tax Contribution from Top 10 Corporate Taxpayers	\$265,089

Total Municipal Tax for general purposes	\$2,954,176
---	--------------------

Proportion of municipal tax paid by top ten **8.97%**

Source: District of Lantzville Finance Department

DEBENTURE DEBT

	Amount of Issue			
	Authorized	Unissued And Unsold	2021 Outstanding	2020 Outstanding
Sanitary Sewer – Phase 3	4,300,000	-	4,189,792	4,300,000
Total Debenture Debt	4,300,000	-	4,189,792	4,300,000

Source: District of Lantzville Finance Department



OTHER INFORMATION



DISTRICT OF LANTZVILLE

REPORT ON PERMISSIVE TAX EXEMPTIONS

2021 PERMISSIVE TAX EXEMPTIONS

Amount of Municipal Property Taxes that would have been imposed if no tax exemption 2021

Roll #	Civic Address	Owner	Lessee - Occupant	2021 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	463,000	\$ 1,384
350 07945.100	7244 Lantzville Road (Community Use Building B)	District of Lantzville	Seaside Community Society – Woodgrove Christian Community Church	481,900	1,440
350 07920.000	Lot 1, Plan 9671, DL 27G (School Road Tennis Courts – Parking Lot)	District of Lantzville		629,000	1,880
350 07906.500	7225 Lantzville Road	Seaview Centennial Branch #257 of the Royal Canadian Legion		560,600	3,005
350 07919.500	7232 Lantzville Road (Community Use Building A)	District of Lantzville	Seaside Community Society	984,300	2,942
351 19458.008	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	116,700	4,276
350 19459.009	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	23,400	857
350 19459.012	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	16,600	608
350 19459.014	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	105,000	3,848
350 19459.017	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	103,000	3,774
350 19459.018	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	141,000	5,167
350 19459.019	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	139,000	5,093
350 19460.003	Railways within District boundaries	Island Corridor Foundation	Island Corridor Foundation	31,600	1,158
					\$ 35,432

2021 ANNUAL MUNICIPAL REPORT

DECLARATION OF DISQUALIFICATION FROM OFFICE

NIL REPORT

June 6, 2022

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

Fred Spears

Trudy Coates

Laurie Desloges



Lantzville
LoveLifeHere

District of Lantzville
7192 Lantzville Road, PO Box 100
Lantzville, BC V0R 2H0

lantzville.ca