

THE CORPORATION OF THE CITY OF DUNCAN

December 31, 2020

Consolidated Financial Statements

(Audited)

STATEMENT OF RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Corporation of the City of Duncan and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of CPA Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

Council of the City met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

MNP LLP as the City's appointed external auditors, have audited the Consolidated Financial Statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. 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 Consolidated Financial Statements are free of material misstatement and present fairly the financial position and results of the City in accordance with Canadian public sector accounting standards.



Peter de Verteuil, CPA, CGA
Chief Administrative Officer

Independent Auditor's Report

To the Corporation of the City of Duncan:

Opinion

We have audited the consolidated financial statements of the City of Duncan (the "City"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets and cash flows and schedule 1, 2, 3a, 3b, 5, 6, 7, 8 and 14 for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2020, and the results of its consolidated operations and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information, including Schedules 1 to 14, has been presented for purposes of additional analysis. The supplementary information in Schedules 1, 2, 3a, 3b, 5, 6, 7, 8 and 14 has been subjected to the auditing procedures applied in the consolidated financial statements and, in our opinion, this supplementary information is presented fairly, in all material respects, in relation to the consolidated financial statements taken as a whole. We do not express an opinion on Schedules 3, 4, 9, 10, 11, 12 and 13 because our examination did not extend to the detailed information therein.

Other Information

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

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the City'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 City or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 City'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 City'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 consolidated 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 City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the City to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Duncan, British Columbia

May 10, 2021

MNP LLP

Chartered Professional Accountants

MNP
LLP

THE CORPORATION OF THE CITY OF DUNCAN

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**THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020**

	2020	2019
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 2,130,689	\$ 853,889
Accounts receivable (Note 4)	1,233,042	1,069,647
Portfolio investments (Note 3)	18,202,770	15,771,822
Deposit - Municipal Finance Authority (Note 5)	18,698	18,321
Loan receivable (Note 6)	80,028	94,900
	21,665,227	17,808,579
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	599,527	835,882
Sick and severance liabilities (Note 13(b))	563,832	517,912
Refundable deposits (Note 8)	429,133	182,065
Deferred revenue (Notes 3 & 9)	2,514,371	2,399,092
Restricted revenue (Notes 3 & 10)	2,240,925	2,148,755
Debenture debt (Note 11)	683,651	782,756
	7,031,438	6,866,462
NET FINANCIAL ASSETS	14,633,789	10,942,117
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 6)	32,771,112	32,536,253
Inventories of supplies	138,028	129,021
Prepaid expenses	26,759	31,117
	32,935,899	32,696,391
ACCUMULATED SURPLUS (Schedule 2)	\$ 47,569,688	\$ 43,638,508

COMMITMENTS AND CONTINGENCIES (Note 12)

SIGNIFICANT EVENTS (Note 18)

Grossman

Director of Finance

See accompanying notes to the consolidated financial statements

**THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF OPERATIONS
Year Ended December 31, 2020**

	2020 Budget (Note 14)	2020 Actual	2019 Actual
REVENUE (Schedule 3)			
Taxation and grants in lieu of taxes	\$ 4,312,261	\$ 4,309,070	\$ 4,206,002
Sale of services	4,387,333	4,301,738	4,322,825
Licenses, permits, penalties and fines	765,769	843,494	681,960
Return on investments	92,700	214,287	290,030
Grants	11,000	21,178	12,700
Government transfers	557,000	2,128,793	557,725
Funds contributed from other governments	14,205	14,561	14,205
Gas Tax funds utilized	869,105	339,954	99,218
Developer contributions	-	12,000	63,610
Gain on disposal of tangible capital assets	-	43,416	21,790
Tangible capital assets contributed by developers	-	77,935	675
Increase (decrease) in proportionate share of Joint Utilities Board assets	-	-	211
Total revenue	11,009,373	12,306,426	10,270,951
EXPENSES (Schedule 5)			
General government services	1,421,030	1,426,655	1,367,646
Protective services	960,768	929,828	862,750
Public works & engineering	1,790,107	1,912,815	1,844,395
Environmental health services	282,415	310,710	306,301
Environmental development services	260,150	202,135	179,280
Recreation and cultural services	1,057,463	989,482	1,121,886
Water services	1,770,123	1,785,757	1,747,164
Sewer services	949,286	817,864	902,551
Total expenses (Note 16)	8,491,342	8,375,246	8,331,972
ANNUAL SURPLUS	2,518,031	3,931,180	1,938,979
ACCUMULATED SURPLUS, BEGINNING OF YEAR	43,638,508	43,638,508	41,699,529
ACCUMULATED SURPLUS, END OF YEAR	\$ 46,156,539	\$ 47,569,688	\$ 43,638,508

See accompanying notes to the consolidated financial statements

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year Ended December 31, 2020

	2020 Budget (Note 14)	2020 Actual	2019 Actual
ANNUAL SURPLUS	<u>\$ 2,518,031</u>	<u>\$ 3,931,180</u>	<u>\$ 1,938,979</u>
Purchase of tangible capital assets	(6,450,048)	(1,722,792)	(2,335,838)
Tangible capital assets acquired in kind	-	(77,935)	(675)
Amortization of tangible capital assets	1,605,551	1,624,343	1,559,702
Decrease (increase) in proportionate share of Joint Utilities Board tangible capital assets	-	(67,159)	(60,546)
Gain on disposal of tangible capital assets	-	(43,416)	(21,790)
Proceeds of sale of tangible capital assets	-	52,100	30,801
Decrease (increase) in inventory of supplies	-	(9,007)	4,379
Decrease in prepaid expenses	-	4,358	1,482
	<u>(4,844,497)</u>	<u>(239,508)</u>	<u>(822,485)</u>
CHANGE IN NET FINANCIAL ASSETS	(2,326,466)	3,691,672	1,116,494
NET FINANCIAL ASSETS, Beginning of Year	<u>10,942,117</u>	<u>10,942,117</u>	<u>9,825,623</u>
NET FINANCIAL ASSETS, End of Year	<u>\$ 8,615,651</u>	<u>\$ 14,633,789</u>	<u>\$ 10,942,117</u>

See accompanying notes to the consolidated financial statements

**THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended December 31, 2020**

	<u>2020</u>	<u>2019</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 3,931,180	\$ 1,938,979
Non-cash items included in annual surplus:		
Amortization	1,624,343	1,559,702
Tangible capital assets acquired in-kind	(77,935)	(675)
Increase (decrease) in proportionate share of Joint Utilities Board tangible capital assets	(67,159)	(60,546)
Actuarial adjustment on debenture debt	(26,690)	(40,459)
Gain on disposal/write down of tangible capital assets	(43,416)	(21,790)
	<u>5,340,323</u>	<u>3,375,211</u>
Changes in non-cash items:		
Accounts receivable	(163,395)	119,897
Deposit - Municipal Finance Authority	(377)	8,495
Loan receivable	14,872	14,514
Inventory of supplies	(9,007)	4,379
Prepaid expenses	4,358	1,482
Accounts payable and accrued liabilities	(236,356)	128,127
Sick and severance liability	45,920	50,218
Refundable deposits	247,068	39,419
Deferred revenue	115,279	398,149
Restricted revenue	92,170	87,085
	<u>5,450,855</u>	<u>4,226,976</u>
CAPITAL TRANSACTIONS		
Proceeds on disposal of tangible capital assets	52,100	30,801
Purchases of tangible capital assets	(1,722,792)	(2,335,838)
	<u>(1,670,692)</u>	<u>(2,305,037)</u>
INVESTING TRANSACTIONS		
Net increase in portfolio investments	(2,430,948)	(1,614,567)
FINANCING TRANSACTIONS		
Principal repaid - long term debt	(72,415)	(86,337)
INCREASE IN CASH AND CASH EQUIVALENTS		
	1,276,800	221,035
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR		
	853,889	632,854
CASH AND CASH EQUIVALENTS, END OF YEAR		
	<u>\$ 2,130,689</u>	<u>\$ 853,889</u>

See accompanying notes to the consolidated financial statements

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

1. General

The Corporation of the City of Duncan ("the City") is incorporated under the provisions of the British Columbia *Local Government Act*. Its principal activities are the provision of local government services to the City, as governed by the *Community Charter* and the *Local Government Act*.

The consolidated financial statements have been prepared by management in accordance with Canadian accounting standards as recommended by the Public Sector Accounting Board (PSAB) of CPA Canada. The notes to the consolidated financial statements are an integral part of these statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis for these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the consolidated financial statements.

2. Significant Accounting Policies

a) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. The accrual basis of accounting also recognizes the effect of transactions and events in the period in which they occur, regardless of whether there has been a receipt or payment of cash or its equivalent. Liabilities are recognized until the obligation or condition(s) underlying the liability is partly or wholly satisfied. Assets are recognized until the future economic benefit underlying the asset is partly or wholly used or lost. Revenue recognition policy is described in Note 2(i). Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the creation of a legal obligation to pay. Budget information has been aggregated to comply with these reporting standards.

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and changes in fund balances and financial position of the City. These financial statements consolidate the following operations:

General Revenue Fund
General Capital Fund
Reserve Funds

Waterworks Utility Revenue Fund
Waterworks Utility Capital Fund
Sewer Utility Revenue Fund
Sewer Utility Capital Fund

b) Reporting Entity

The City has a partnership agreement with the Municipality of North Cowichan for the operation of the Joint Utilities Board, and as such, consistent with Canadian public sector accounting standards for government partnerships, the Joint Utilities Board is accounted for on a proportionate consolidation basis whereby the City's pro-rata share of the assets, liabilities, revenues and expenses are combined on a line by line basis in the consolidated financial statements. Inter-partnership balances and transactions have been eliminated. The City's proportionate share of the Duncan-North Cowichan Joint Utilities Board fluctuates based on current capacity units being used which is 31.13% for 2020 (2019 - 31.13%).

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

2. Significant Accounting Policies (continued)

c) Cash and Cash Equivalents

Cash equivalents include short-term highly liquid investments that are cashable on demand or have a term to maturity of 90 days or less at acquisition. Cash equivalents also include investment in the Municipal Finance Authority (MFA) of British Columbia Money Market Funds, which are recorded at cost plus earnings reinvested in the funds.

d) Portfolio Investments

Portfolio investments are long-term investments, with an original maturity date of more than a year. The carrying values of portfolio investments is based on the cost method whereby the cost of the investment is adjusted to reflect investment income, which is accruing. Declines in the market values of investments are considered to be other than temporary when the carrying value exceeds market value for more than three years.

e) Loans and Receivables

Loans and receivables are measured at cost less an appropriate allowance for doubtful receivables. The allowance for doubtful receivables represents the City's estimates of incurred losses arising from the failure or inability of customers to make payments when due. These estimates are based on the ageing of customer balances, specific credit circumstances and the City's historical bad debt experience. Additions to the allowance for doubtful accounts are made by recording charges to bad debt expense reported in operations. Receivables are charged to the allowance for doubtful accounts when an account is deemed to be uncollectible.

f) Inventory

Inventory is recorded at the lower of cost and net realizable value, determined on an average cost basis.

g) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. 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.

h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information is not available have been recorded at current fair market values discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The City does not capitalize interest charges as part of the cost of its tangible capital assets. The cost, less residual value, of tangible capital assets (excluding land) is amortized on a straight-line basis over the estimated useful life of the asset, commencing in the year that the asset is put into service. In the year that the asset is put into service, amortization is claimed for a proportionate number of in-service months. Assets under construction are not amortized until the asset is available for productive use. Estimated useful lives are as follows:

**THE CORPORATION OF THE CITY OF DUNCAN
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 As at December 31, 2020**

2. Significant Accounting Policies (continued)

General Tangible Capital Assets

Land	Indefinite
Land Improvements	10 to 50 years
Buildings and Leasehold Improvements	
Buildings	15 to 50 years
Leasehold improvements	Life of lease
Vehicles and Equipment	
Vehicles	10 to 20 years
Machinery, equipment and furniture	5 to 15 years
Maintenance and road construction equipment	15 years
Computer Hardware and Software	5 years

Infrastructure Assets

Land	Indefinite
Road surface	10 to 20 years
Road grade	60 years
Sidewalk grade	60 years
Sidewalk surface	20 to 30 years
Bridges	50 years
Traffic lights and equipment	30 years
Water and Sewer	
Underground networks	40 to 80 years
Dams and other surface water structures	50 to 60 years

Repairs and maintenance costs are expensed. Betterments which extend the estimated useful life of the asset or enhance the service potential of the asset are capitalized.

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

2. Significant Accounting Policies (continued)

Certain assets which have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. The City's Totem collection has been recorded as a capital asset due to its integral relationship to the economic and tourism strategy and identity of the City. The Totem collection has been recorded at cost. Intangibles and crown lands that have not been purchased by the City, such as forests, water and other natural resources are not recognized as tangible capital assets.

i) Revenue Recognition

Tax revenues are recognized in the year that they are levied. Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Sewer and water fees are recognized when the service has been received by the customer. Interest revenue is recognized as earned. Other sales of service and other revenue from own sources are recognized when the service is provided or the amount is earned and when the amount can be estimated and when collection is reasonably assured.

Externally restricted grant and other operating revenues received from other organizations in advance of specified future expenses are deferred until they are earned by being matched against those expenses.

Development Cost Charges are imposed for the sole purpose of providing funds for the City to pay the capital cost of providing, altering, or expanding sewage, water, drainage and highway facilities and for acquiring park land, in order to serve directly or indirectly, the development in respect of which the charges are imposed. Development revenues and other levies which are restricted by the legislation of senior governments or by agreement with external parties for specified future expenses are deferred and reported as restricted revenues. When qualifying expenses are incurred, restricted revenues are brought into revenue at equal amounts. These revenues are comprised of the amounts shown in Notes 9 and 10.

j) Financial Instruments

The City's financial instruments consist of cash and cash equivalents, portfolio investments, accounts receivable, loans receivable, accounts payable and accrued liabilities, refundable deposits and debenture debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, credit or currency risks arising from these financial instruments.

**THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020**

2. Significant Accounting Policies (continued)

k) Use of Estimates

Preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Significant areas requiring the use of management estimates relate to the useful lives of tangible capital assets, valuation of contributed tangible capital assets, determination of accrued sick benefits, collectability of accounts receivable, accrued liabilities and contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement. These estimates and assumptions are periodically reviewed and any adjustments necessary are reported in operations in the period in which they become known. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City is responsible for.

l) Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when: contamination exceeding an environmental standard exists, the City is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2020.

At each financial reporting date, the City reviews the carrying amount of the liability. Any revisions required to the amount previously recognized are accounted for in the period revisions are made. The City continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

3. Cash, Cash Equivalents and Portfolio Investments

Cash and cash equivalents are comprised of the following:

	<u>2020</u>	<u>2019</u>
Bank Deposits	\$ 2,130,689	\$ 850,604
Municipal Finance Authority - Money Market Fund	3,312	3,285
	<u>\$ 2,130,689</u>	<u>\$ 853,889</u>

Portfolio investments include funds invested in guaranteed investment certificates with Scotia Bank, Island Savings Credit Union, Coast Community Credit Union, Raymond James, Canaccord Genuity and investments held by the Joint Utilities Board. The investments are carried at market value which approximates cost. The Guaranteed Investment Certificates and term deposits mature at various dates between March 10, 2021 and December 12, 2022. Interest rates vary from 0.80% to 1.45% (2019 – 2.15% to 2.55%).

Included in portfolio investments are funds held for deferred and restricted revenues totalling \$4,755,297 (2019 - \$4,547,848) and funds held for statutory reserve funds and reserve accounts totaling \$9,340,725 (2019 -\$7,349,518). Details of the reserve balance can be found on Schedule 8.

4. Accounts Receivable

	<u>2020</u>	<u>2019</u>
Property taxes	\$ 233,466	\$ 199,131
Water and sewer fees	816,140	707,002
Provincial government	21,394	3,730
Federal government	30,295	50,352
Other municipalities and regional governments	42,781	54,547
Other receivables	89,606	55,385
	<u>1,233,682</u>	<u>1,070,147</u>
Less: allowance for doubtful receivables	(640)	(500)
	<u>\$ 1,233,042</u>	<u>\$ 1,069,647</u>

5. Municipal Finance Authority - Reserve Deposits

The City issues debt instruments through the Municipal Finance Authority (MFA). As a condition of these borrowings, a portion of the debenture proceeds are withheld by the MFA as a debt reserve fund. The City also executes demand notes in connection with each debenture whereby the City may be required to loan certain amounts to the MFA. The details of the cash deposits and demand notes at year end are as follows:

	<u>2020</u>	<u>2019</u>
Cash deposits	<u>\$ 18,698</u>	<u>\$ 18,321</u>

The demand note will only be recorded as an asset and liability if a local government, under the joint and several agreement of the regional district, defaults on their loan obligation. Upon this action of default, the MFA may call the outstanding demand notes of the deficient regional district at which point the demand notes then become both an asset and a liability of the associated members. Once the defaulting local government repays in full the defaulted position, the MFA will refund all called demand notes.

**THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020**

6. Loan Receivable

Pursuant to the 2014 Fire Suppression agreement between the City and Cowichan Tribes, the latter is responsible for its share of the costs of the 2015 Fire Hall upgrade project. The City has agreed to finance the balance due over 10 years, with interest at 2.46% and payments to be made annually, commencing in 2016. There are no terms of forgiveness or other conditions attached to the loan.

	<u>2020</u>	<u>2019</u>
Other municipalities and regional governments	<u>\$ 80,028</u>	<u>\$ 94,900</u>

7. Accounts Payable and Accrued Liabilities

	<u>2020</u>	<u>2019</u>
Trade accounts and accrued liabilities	<u>\$ 183,558</u>	341,537
Contractor holdbacks	-	339,301
Salaries and wages	<u>119,725</u>	83,232
Other municipalities and regional governments	<u>296,244</u>	71,812
	<u>\$ 599,527</u>	<u>\$ 835,882</u>

8. Refundable Deposits

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	<u>\$ 182,065</u>	\$ 142,646
Deposits received	<u>475,673</u>	187,743
Deposits and interest refunded/recognized as revenue	<u>(227,395)</u>	(149,635)
Increase (decrease) in interest payable	<u>(1,210)</u>	1,311
Balance, end of the year	<u>\$ 429,133</u>	<u>\$ 182,065</u>

9. Deferred Revenue

	<u>2019</u>	<u>Receipts & Interest</u>	<u>Recognized as Revenue</u>	<u>2020</u>
Federal Gas Tax agreement funds	\$ 937,933	282,254	(339,954)	<u>\$ 880,233</u>
Prepaid property taxes	557,913	622,209	(557,913)	<u>622,209</u>
Grants	-	49,000	(3,678)	<u>45,322</u>
Other revenue prepaid	903,246	298,933	(235,572)	<u>966,607</u>
	<u>\$ 2,399,092</u>	<u>\$ 1,252,396</u>	<u>\$ (1,137,117)</u>	<u>\$ 2,514,371</u>

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

9. Deferred Revenue (continued)

Federal Gas Tax Agreement Funds

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the City and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated projects, as specified in the funding agreement. These amounts are recognized as revenue in the period in which the corresponding expenditures are incurred.

Federal Gas Tax Continuity:

	<u>2020</u>	<u>2019</u>
Opening balance of unspent funds	\$ 937,933	\$ 484,271
Less: Gas Tax Funds utilized	(339,954)	(99,218)
Add: amount received during the year	263,327	536,283
Add: interest earned during the year	<u>18,927</u>	<u>16,597</u>
Closing balance of unspent funds	<u>\$ 880,233</u>	<u>\$ 937,933</u>

10. Restricted Revenue

Receipts that are restricted by the legislation of senior governments are initially deferred and reported as liabilities. Included in liabilities is the Development Cost Charges Reserve, the use of which, together with any earnings thereon, is restricted by legislation. These amounts are recognized as revenue in the period in which corresponding expenditures are incurred.

Development Cost Charges:

	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 2,148,755	\$ 2,061,670
Contributions from developers	52,025	35,518
Return on investments	<u>40,145</u>	<u>51,567</u>
Balance, end of the year	<u>\$ 2,240,925</u>	<u>\$ 2,148,755</u>

11. Debenture Debt

	<u>2020</u>	<u>2019</u>
General Fund:		
Debenture debt for the 2008 Cowichan Aquatic Centre, interest at 3.25%, maturing 2026 - MFA Issue #117	<u>\$ 683,651</u>	<u>\$ 782,756</u>

**THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020**

11. Debenture Debt (continued)

Principal payments in the next five years are as follows:

2021	<u><u>\$ 683,651</u></u>
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Interest expense includes \$47,125 (2019 - \$47,125) with respect to these obligations.

12. Commitments and Contingencies

a) Commitment

The Cowichan Aquatic Centre is jointly owned by the City of Duncan and the Municipality of North Cowichan. Per an operating agreement, the City contributes towards the ongoing operations of the Centre. This agreement commits the City to contribute to the costs of the Centre based on the City's proportionate share of property tax assessments.

b) Contingent Liabilities

The Cowichan Valley Regional District debt is, under the provisions of the *Local Government Act*, a direct, joint and several liability of the Regional District and each member municipality within the Regional District, including the Corporation of the City of Duncan. The loan agreements with the Cowichan Valley Regional District and the Municipal Finance Authority provide that if any time the scheduled payments provided for in the agreements are not sufficient to meet the Authority's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the City.

As at December 31, 2020 there existed claims against the City. In the opinion of management and legal counsel, the outcome of the claims, now pending, is not determinable. As the outcome is not determinable at this time, no amount has been accrued in the financial statements. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.

c) Reciprocal Insurance Exchange Agreement

The City is a subscribed member of the Municipal Insurance Association of British Columbia (The "Exchange") as provided by Section 3.02 of the *Insurance Act* of the Province of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact on any subscriber. Under the Reciprocal Insurance Exchange Agreement the City is assessed a premium and specific deductible for its claims based on population. The obligation of the City with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, and not joint and several.

**THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020**

13. Retirement Benefits

a) Pension Liability

The City of Duncan and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for 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 City paid \$207,358 (2019 - \$196,797) for employer contributions to the plan in fiscal 2020 while employees contributed \$184,749 (2019 - \$175,420) to the plan in fiscal 2020.

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

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

b) Sick Leave and Severance Liability

The City provides compensated absences and pays out sick time on retirement to a maximum of six months pay. The City also provides severance pay on retirement or disability at the rate of one or one half or two days per total years of continuous service. The estimated sick leave and severance liability has been calculated by management under the following actuarial assumptions:

- annual inflation rate is 2% (2019 - 2.0%)
- discount rate is 3% (2019 - 3.5%)
- the probability of staff remaining for the required vesting period of 20 years is 100%

Based on these assumptions, sick leave and severance benefits accrued at December 31, 2020 is \$563,832 (2019 - \$517,912).

**THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020**

14. Budget Figures

Budget figures represent the Financial Plan Bylaw No. 3207 adopted by Council on May 4, 2020. The financial plan anticipated the use of surpluses accumulated in previous years to balance against current year expenses in excess of current year revenues. The following schedule reconciles the consolidated surplus as presented in the Financial Plan approved by Council to the consolidated surplus as shown on the consolidated Statement of Operations.

Financial Plan Bylaw surplus for the year	\$	-
Add back:		
Principal debt repayments		72,415
Transfers to reserves		1,132,174
Capital expenditures		6,450,048
Less:		
Budgeted transfers from accumulated surplus		
General		(304,683)
Sewer		(134,522)
Water		(1,091,600)
Capital		-
Budgeted transfers from own reserves		
General		
Sewer		-
Water		-
Capital		(2,000,250)
Amortization		(1,605,551)
Adjusted Annual Surplus	<u>\$</u>	<u>2,518,031</u>

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

15. Segmented Information

The City is a diversified local government institution that provides a wide range of services to its citizens, including the provision of water, sewer, drainage, fire protection, garbage collection, recreation and parkland. Distinguishable functional segments are separately disclosed in the body of the consolidated financial statements. The segments are categorized as follows:

General Government

General government operations provide the functions of corporate administration, finance, human resources, legislative services, building services and maintenance, and other functions not categorized to a specific department. It includes general revenues and transfers not allocated to a specific function.

Protective Services

Protective services is comprised of fire and rescue services, bylaw enforcement, animal control, and building inspection services. The Duncan Volunteer Fire Department provides fire suppression services, fire prevention programs and detection and extinguishment of fires. Bylaw enforcement administers, monitors and seeks compliance with the bylaws enacted by Mayor and Council to regulate the conduct of affairs in the City. The building inspection segment provides enforcement of municipal bylaws and the Provincial Building Code and regulations.

Public Works & Engineering

The City's Public Works department is responsible for general roadway maintenance and upgrades, street lighting, sidewalks and other general duties. The department ensures that transportation infrastructure is safe and well maintained.

Environmental Health Services

The environmental health function includes garbage, organics, yard waste and recycling collection and the operations of public washrooms in City parks. The expenditures of the City's Environment Committee are also included in this segment.

Environmental Development Services

Development services provides planning assistance to guide property owners in complying with the City's zoning bylaws, Official Community Plan and development procedures for subdividing lands and providing the necessary infrastructure to support these developments.

Recreation and Cultural Services

The recreation and culture function contributes to the quality of life in the community through the provision of a variety of programs, services and facilities. These include an extensive network of parks, the Cowichan Aquatic Centre, Seniors' Centre and the Cowichan Valley Museum.

Water Services

The City's Public Works department is responsible for environmental programs including the engineering and operation of the potable water system to obtain, treat and deliver water. The City's water system services approximately 15,000 people, extending into portions of the Municipality of North Cowichan, the Cowichan Valley Regional District Electoral Areas D and E and Cowichan Tribes territory. Water services are a self-funding utility.

Sewer Services

The City's Public Works department is responsible for environmental programs including the engineering and operation of the sewer and waste water collection system, treatment and disposal. The City collects sewer and waste water for treatment at the Joint Utilities Board (JUB) lagoons. Sewer services are a self-funding utility.

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2020

16. Operating Expenses By Object

	<u>2020</u>	<u>2019</u>
Amortization	\$ 1,624,343	\$ 1,559,702
Capital fund expenses	288,746	316,332
Contract services	973,510	932,029
Fuel	65,538	72,561
Goods and services	993,320	1,137,384
Grants in aid	106,468	86,643
Hydro	368,037	392,110
Insurance	127,693	119,177
Interest	49,544	54,470
Leases	42,681	8,003
Professional fees	119,646	110,883
Travel, conference and training	58,413	128,838
Wages and benefits	3,583,843	3,453,894
Write down of account receivable to net realizable value	154	405
Actuarial adjustment to debt	<u>(26,690)</u>	<u>(40,459)</u>
	<u>\$ 8,375,246</u>	<u>\$ 8,331,972</u>

17. Environmental Regulations

The City is subject to environmental regulations which apply to a number of its operations. These regulations may require future expenditures to meet applicable standards and subject the City to possible penalties for violations. Amounts required to meet these obligations will be charged to operations when incurred and/or when they can be reasonably estimated.

18. Significant Events

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on municipalities through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, municipal operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the City of Duncan as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, office closures and disruptions, and quarantine/isolation measures that are currently, or maybe be put, in place by Canada and other countries to fight the virus.

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 1
Audited

	General Capital Assets				Infrastructure				Totals		
	Land	Land Improvements and Parks	Buildings and Leasehold Improvements	Vehicles and Equipment	Storm Water Engineering Structures	Roads & Sidewalks	Water	Sewer	Assets Under Construction	2020	2019
Cost											
Opening costs	\$ 2,339,585	\$ 4,113,519	\$ 8,180,284	\$ 6,468,251	\$ 4,061,275	\$ 15,331,614	\$ 16,317,203	\$ 3,429,018	\$ 836,618	\$ 61,077,366	\$ 58,990,825
Additions during the year	10,673	63,840	98,399	650,659	92,880	385,095	469,496	17,009	12,676	1,800,727	2,336,513
Disposals and write-downs				(274,993)	(979)	(49,316)	(310)			(325,598)	(249,973)
Closing cost	2,350,258	4,177,359	8,278,683	6,843,917	4,153,176	15,667,393	16,786,389	3,446,027	849,294	62,552,495	61,077,365
Accumulated Amortization											
Opening accumulated amortization	-	2,057,289	3,816,563	3,773,942	1,889,671	10,474,360	5,597,358	1,902,673	-	29,511,856	28,221,090
Amortization:											
General government			35,805	91,151	50	715				127,720	121,250
Protective services			37,327	132,955						170,283	168,896
Public works and engineering		18,671	13,313	154,736	63,201	393,498		1,298		644,717	583,178
Environmental health				25,386						25,386	24,895
Recreation and culture		174,594	58,603	4,288		7,676				245,161	244,115
Water		677	47,552	5,182			289,162			342,573	340,578
Sewer							77	40,453		40,530	48,816
Total amortization	-	193,942	192,600	413,698	63,251	401,889	289,239	41,751	-	1,596,370	1,531,728
Disposals and write-downs				(274,993)	(979)	(40,633)	(310)			(316,916)	(240,962)
Closing accumulated amortization	-	2,251,231	4,009,163	3,912,647	1,951,943	10,835,616	5,886,287	1,944,424	-	30,791,310	29,511,856
Net Book Value of Tangible Capital Assets	\$ 2,350,258	\$ 1,926,128	\$ 4,269,520	\$ 2,931,270	\$ 2,201,233	\$ 4,831,777	\$ 10,900,102	\$ 1,501,603	\$ 849,294	\$ 31,761,184	\$ 31,565,511

Contributed Assets

Storm	\$	13,408	\$	-
Sewer	\$	14,348		
Roads & Sidewalks	\$	50,179	\$	675
	\$	77,935	\$	675

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
Year Ended December 31, 2020

SCHEDULE 2
Audited

	2020	2019
OPERATING FUNDS		
Unappropriated		
General	\$ 1,041,699	\$ 483,211
Waterworks utility	2,213,677	1,732,081
Sewer utility	2,286,065	1,767,259
Total Unappropriated	5,541,441	3,982,551
Appropriated		
Sewer utility: Joint Utilities Board Reserve	600,061	552,942
Total Appropriated	600,061	552,942
Total Operating Funds	6,141,502	4,535,493
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Net book value tangible capital assets (Schedule 6)	32,771,112	32,536,253
Less: Long term debt	(683,651)	(782,756)
Total Net Investment in Tangible Capital Assets	32,087,461	31,753,497
RESERVE FUNDS		
Sale of real property	223,828	230,238
Underground utilities	28,911	28,385
Parking improvement	224,119	239,139
Parking improvement - Restricted	128,115	125,786
Municipal Finance Authority debt issue refunds	27,287	26,790
Operating reserves	398,114	365,612
Machinery and equipment	1,730,857	1,793,208
Capital works and other miscellaneous reserves	1,574,250	274,436
General capital	7,662	7,523
Police bridging capital	3,133,548	2,438,608
Downtown revitalization	19,149	18,801
Melba Schappert bequest	20,145	19,779
Pioneer Park	-	1,466
Public art	10,618	10,424
Waterworks utility	1,059,419	1,028,342
Sewer utility	754,703	740,981
Total Reserve Funds	9,340,725	7,349,518
Total Accumulated Surplus	\$ 47,569,688	\$ 43,638,508

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Taxation (Schedule 3a)	4,759,546	4,754,682	4,645,168
Grants in Lieu of Taxation:			
Federal government	10,500	12,173	10,353
Collection for Other Governments			
School authorities levy	1,815,000	1,467,520	1,814,953
Provincial policing levy	311,842	347,415	311,842
Cowichan Valley Regional District levy	1,648,534	1,648,534	1,557,064
Regional Hospital District levy	533,000	622,363	560,476
	4,308,376	4,085,832	4,244,335
Joint boards and commissions:			
Municipal Finance Authority levy	220	242	222
British Columbia Assessment Authority levy	46,900	53,905	46,884
	47,120	54,147	47,106
Less: Transfers to other governments and others	(4,355,496)	(4,139,979)	(4,291,441)
Less: Transfers to BIA	(215,000)	(215,000)	(210,000)
Less: Transfers to VIRL	(242,785)	(242,785)	(239,520)
Total Taxation and Grants in Lieu of Taxes	4,312,261	4,309,070	4,206,002

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Sale of Services			
General Revenue Fund			
Garbage and recycling fees	224,448	224,163	221,093
Cowichan Tribes fire protection	113,032	102,337	110,272
CVRD - Eagle Heights fire protection	221,702	213,135	222,288
Other - fire protection	1,000	2,300	1,400
Administration recoveries	11,500	41,524	35,101
Public Works miscellaneous recoveries	12,500	15,400	8,825
Cowichan Tribes roads contribution	400	358	299
Sports field user fees	9,000	2,434	10,142
	<u>593,582</u>	<u>601,651</u>	<u>609,420</u>
Waterworks Utility Revenue Fund			
Sale of water	2,435,493	2,334,813	2,348,489
Service charges	20,000	9,385	23,689
Water studies	2,000	200	2,600
	<u>2,457,493</u>	<u>2,344,398</u>	<u>2,374,778</u>
Sewer Utility Revenue Fund			
Sewer fees	1,336,158	1,312,223	1,249,108
Service charges	100	-	-
	<u>1,336,258</u>	<u>1,312,223</u>	<u>1,249,108</u>
Capital Connection Fees			
General Capital	-	14,192	7,704
Water Capital	-	27,064	68,919
Sewer Capital	-	2,210	12,896
	<u>-</u>	<u>43,466</u>	<u>89,519</u>
Total Sale of Services	<u>4,387,333</u>	<u>4,301,738</u>	<u>4,322,825</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Licences, Permits, Rentals and Penalties			
Trade licences	84,000	91,510	84,282
Delivery vehicle licences	-	1,281	1,108
Building permits and other fees	37,700	55,054	72,250
Dog licences	10,000	8,141	7,638
	<u>131,700</u>	<u>155,986</u>	<u>165,278</u>
Equipment charges less operating costs	273,643	209,737	147,044
Parking and bylaw infraction fines	23,400	18,085	20,527
Parking permits and revenues	67,600	53,478	64,148
Rentals	180,516	180,281	178,555
Penalties and interest on taxes	44,000	47,000	49,590
	<u>589,159</u>	<u>508,581</u>	<u>459,864</u>
Donations and contributions	-	125,000	2,750
Other revenues and fees	44,910	53,927	54,069
	<u>44,910</u>	<u>178,927</u>	<u>56,819</u>
Total Licences, Permits, Rentals and Penalties	<u><u>765,769</u></u>	<u><u>843,494</u></u>	<u><u>681,961</u></u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Other Income			
Return on Investments			
General Fund	30,700	13,925	52,360
Waterworks Fund	30,000	30,717	28,276
Sewer Fund	32,000	32,378	36,443
Reserve Fund	-	137,268	172,951
	<u>92,700</u>	<u>214,287</u>	<u>290,030</u>
Asset Disposal			
Gain(Loss) on Disposal of Tangible Capital Assets	-	43,416	21,790
Assets Contributed by Developers			
General Capital	-	77,935	675
Funds Contributed from Other Governments			
Joint Parks	14,205	14,561	14,205
Capital Contributions from Developers			
Water Infrastructure	-	12,000	63,610
Gas Tax Funds Utilized	869,105	339,954	99,218
Government Transfers (Schedule 3b)	557,000	2,128,793	557,726
Grants	11,000	21,178	12,700
Total Other Income	<u>1,544,010</u>	<u>2,852,124</u>	<u>1,059,954</u>
Total Revenue	<u>\$ 11,009,373</u>	<u>\$ 12,306,426</u>	<u>\$ 10,270,741</u>

* Government Transfers detail found on Schedule 3b

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF TAXATION
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3a
Audited

	2020 Budget	2020 Actual	2019 Actual
Taxation			
Property taxes - general	\$ 4,149,967	4,146,661	\$ 4,043,347
Special assessments			
Business Improvement Area (BIA)	215,000	215,000	210,000
Vancouver Island Regional Library (VIRL)	242,785	242,785	239,520
Utilities	107,134	105,356	107,641
Frontage and parcel taxes	44,660	44,880	44,660
	<u>609,579</u>	<u>608,021</u>	<u>601,821</u>
Taxation	<u>4,759,546</u>	<u>4,754,682</u>	<u>4,645,168</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 3b
Audited

	2020 Budget	2020 Actual	2019 Actual
Government Transfers			
Unconditional Transfers from Other Governments			
Provincial revenue sharing	552,000	554,869	552,167
Conditional Transfers from Other Governments			
Federal government	-	-	1,764
Provincial government	5,000	1,573,924	3,795
	<u>5,000</u>	<u>1,573,924</u>	<u>5,559</u>
Total Government Transfers	<u>557,000</u>	<u>2,128,793</u>	<u>557,726</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 4
Unaudited

	2020 Budget	2020 Actual	2019 Actual
General Government Services			
Legislative	\$ 171,047	\$ 163,222	\$ 185,604
General administration:			
Salaries and benefits	940,900	939,683	897,628
Advertising	5,400	5,237	6,107
Accounting and audit	21,000	20,449	19,950
City Hall maintenance and operation	63,850	62,932	73,915
Communications and consulting	87,725	71,665	95,742
Computer services	91,372	94,911	84,914
Insurance	53,418	56,871	50,534
Legal	27,000	44,592	23,600
Office supplies and miscellaneous	26,975	29,246	24,377
Sick leave and severance expense	50,000	90,747	50,218
Telephone, internet and postage	13,650	13,805	15,329
Travel, conference, training	38,682	32,268	44,637
Internal recoveries	(517,357)	(517,357)	(499,225)
	<u>902,615</u>	<u>945,049</u>	<u>887,726</u>
Other:			
Grants to organizations	120,800	54,394	18,494
Margaret Moss building	6,713	1,512	1,275
Operation and maintenance	4,202	3,906	4,661
Elections and Amalgamation Referendum	-	-	-
Sundry	6,800	2,769	5,096
Tourism	69,667	36,135	69,130
Write down of account receivable to net realizeable value	-	154	405
	<u>208,182</u>	<u>98,870</u>	<u>99,060</u>
Total General Government Services	<u>1,281,844</u>	<u>1,207,141</u>	<u>1,172,390</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 4
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Protective Services			
Fire:			
Chief and officers' honorarium	29,700	28,379	27,832
Call pay	135,750	132,859	149,632
Wages and benefits - clerical staff	20,706	6,152	12,378
Training	49,750	19,437	58,951
Insurance	7,100	6,643	6,808
Telephone and radio alarm system	9,850	8,902	7,923
Fire hall maintenance and operation	38,235	34,463	34,694
Vehicle maintenance and operation	35,121	34,984	31,742
Fire investigation and prevention	42,700	33,253	22,249
Hydrant rental	19,000	19,125	19,083
Other	89,935	80,519	86,373
	<u>477,847</u>	<u>404,716</u>	<u>457,665</u>
Other protection:			
Animal control	22,100	21,118	20,572
Building inspection:			
Salaries and benefits	74,000	88,132	84,277
Other	(569)	(1,253)	(1,283)
Security patrols	201,000	212,502	104,935
	<u>296,531</u>	<u>320,499</u>	<u>208,501</u>
Total Protective Services	<u>774,378</u>	<u>725,215</u>	<u>666,166</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 4
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Public Works & Engineering			
Common services:			
Public works administration salaries and benefits	338,800	325,875	323,197
Other administration costs	82,640	70,560	66,082
Operation and maintenance of workshop and yard	53,820	54,789	66,412
Small tools and equipment	6,855	2,632	5,072
Engineering	325,730	339,258	246,311
Public works administration recoveries	(450,758)	(450,757)	(421,514)
	<u>357,087</u>	<u>342,357</u>	<u>285,560</u>
Street maintenance	72,850	72,478	66,750
Sidewalk maintenance	69,000	30,166	24,045
Drainage	68,330	52,319	105,807
Flood control and storm water quality testing	7,000	9,281	4,139
Street sweeping	56,300	44,582	71,726
Snow removal	48,900	104,090	111,851
Boulevard and median maintenance	64,100	64,410	82,247
Tree maintenance	33,500	12,763	41,283
Totem maintenance	20,593	22,263	18,907
Traffic lines and signs	83,000	75,624	83,032
Street lighting	98,950	109,588	121,837
Traffic light maintenance and control	39,275	56,053	67,909
Off street free parking lots	10,820	11,409	10,946
Other	3,420	5,805	6,755
	<u>676,038</u>	<u>670,831</u>	<u>817,234</u>
Parking:			
Parking control	51,800	45,736	49,817
Off street paid parking lots	6,550	24,081	10,089
	<u>58,350</u>	<u>69,817</u>	<u>59,906</u>
Other:			
Bylaw enforcement	64,904	81,458	93,687
	<u>64,904</u>	<u>81,458</u>	<u>93,687</u>
Total Public Works & Engineering	<u>1,156,379</u>	<u>1,164,463</u>	<u>1,256,387</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 4
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Environmental Health Services			
Solid waste collection and disposal	224,448	243,520	238,694
Comfort stations	32,115	41,669	37,975
Environmental programs	1,000	-	-
	<u>257,563</u>	<u>285,189</u>	<u>276,669</u>
Environmental Development Services			
Planning salaries and benefits	206,000	183,177	164,852
Materials and contracted services	54,150	18,958	14,428
	<u>260,150</u>	<u>202,135</u>	<u>179,280</u>
Recreation and Cultural Services			
Parks and playgrounds	451,879	478,215	499,624
Joint Parks contributions	6,000	6,041	5,899
Joint Cowichan Aquatic Centre contributions	274,486	220,121	275,576
Senior Citizens' Activity Centre	6,774	9,878	5,598
Museum	10,250	9,631	9,905
	<u>749,389</u>	<u>723,886</u>	<u>796,602</u>
Interest			
Interest in General Fund			
General government	2,500	2,419	3,660
Recreation and cultural services	47,125	47,125	47,125
	<u>49,625</u>	<u>49,544</u>	<u>50,785</u>
Interest in Sewer Fund	-	-	3,685
	<u>49,625</u>	<u>49,544</u>	<u>54,470</u>
Water and Sewer Services			
Waterworks	1,490,819	1,409,283	1,356,180
Sewer	865,644	836,271	846,140
	<u>2,356,463</u>	<u>2,245,554</u>	<u>2,202,320</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 4
Unaudited

	2020 Budget	2020 Actual	2019 Actual
Amortization			
General government services	136,686	127,720	121,250
Protective services	186,390	170,283	168,960
Transportation services	633,728	644,717	583,608
Environmental health services	24,852	25,386	24,895
Recreation and cultural services	260,949	245,161	244,115
Water services	279,304	342,573	340,192
Sewer services	83,642	40,530	48,709
	<u>1,605,551</u>	<u>1,596,370</u>	<u>1,531,729</u>
Other			
Capital expense	-	288,746	316,332
Actuarial debt adjustment	-	(26,690)	(40,459)
	<u>-</u>	<u>262,056</u>	<u>275,873</u>
Total Expenses	<u>\$ 8,491,342</u>	<u>\$ 8,461,553</u>	<u>\$ 8,411,886</u>

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2020

SCHEDULE 5
Audited

	General Government		Protective Services		Public Works & Engineering		Environmental Health Services		Environmental Development Services		Recreation and Cultural Services		Water Services		Sewer Services		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUE																		
Taxation and grants in lieu of taxes	\$ 4,309,070	\$ 4,206,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,309,070	\$ 4,206,002
Sale of services	\$ 41,524	35,101	317,772	333,960	29,950	16,828	224,163	221,093	-	-	2,434	10,142	2,371,462	2,443,696	1,314,433	1,262,004	4,301,738	4,322,824
Licenses, permits, penalties and fines	\$ 562,194	450,242	-	-	281,300	231,719	-	-	-	-	-	-	-	-	-	-	843,494	681,961
Return on investments	\$ 151,193	225,311	-	-	-	-	-	-	-	-	-	-	30,717	28,276	32,378	36,443	214,288	290,030
Grants	\$ 3,678	12,700	-	-	-	-	-	-	-	-	-	-	-	-	17,500	-	21,178	12,700
Government transfers	\$ 2,128,793	557,725	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,128,793	557,725
Funds contributed from other governments	\$ 14,561	14,205	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,561	14,205
Gas Tax funds utilized	\$ -	-	339,954	99,218	-	-	-	-	-	-	-	-	-	-	-	-	339,954	99,218
Developer contributions	\$ -	-	-	-	-	-	-	-	-	-	-	-	12,000	63,610	-	-	12,000	63,610
Gain(Loss) on disposal of assets	\$ -	-	-	-	43,416	21,790	-	-	-	-	-	-	-	-	-	-	43,416	21,790
Assets contributed by developers	\$ -	-	-	-	77,935	675	-	-	-	-	-	-	-	-	-	-	77,935	675
Increase (decrease) in proportionate share of JUB assets	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211	-	211
Total revenue	\$ 7,211,013	\$ 5,501,286	\$ 657,726	\$ 433,178	\$ 432,601	\$ 271,012	\$ 224,163	\$ 221,093	\$ -	\$ -	\$ 2,434	\$ 10,142	\$ 2,414,179	\$ 2,535,582	\$ 1,364,311	\$ 1,298,658	\$ 12,306,426	\$ 10,270,951
EXPENSES																		
Operating expenses																		
Payroll	\$ 1,275,053	\$ 1,177,023	\$ 396,734	\$ 361,606	\$ 1,042,589	\$ 1,041,015	\$ 24,797	\$ 23,721	\$ 183,177	\$ 164,818	\$ 316,444	\$ 334,553	\$ 292,774	\$ 296,448	\$ 74,036	\$ 74,529	3,605,604	\$ 3,473,713
Other	(67,912)	(4,633)	328,481	304,560	121,874	215,372	260,392	252,948	18,958	14,462	407,442	462,049	1,116,509	1,059,732	647,955	663,724	2,833,699	2,968,214
Total operating expenses	1,207,141	1,172,390	725,215	666,166	1,164,463	1,256,387	285,189	276,669	202,135	179,280	723,886	796,602	1,409,283	1,356,180	721,991	738,253	6,439,303	6,441,927
Capital fund expenses	89,375	70,346	34,330	27,624	103,635	4,400	135	4,737	-	-	-	56,922	33,901	50,793	27,370	101,512	288,746	316,332
Amortization	127,720	121,250	170,283	168,960	644,717	583,608	25,386	24,895	-	-	245,161	244,115	342,573	340,192	68,503	76,682	1,624,343	1,559,702
Interest	2,419	3,660	-	-	-	-	-	-	-	-	47,125	47,125	-	-	-	3,685	49,544	54,470
Actuarial adjustment to debt	-	-	-	-	-	-	-	-	-	-	(26,690)	(22,878)	-	-	-	(17,581)	(26,690)	(40,459)
Total expenses	\$ 1,426,655	\$ 1,367,646	\$ 929,828	\$ 862,750	\$ 1,912,815	\$ 1,844,395	\$ 310,710	\$ 306,301	\$ 202,135	\$ 179,280	\$ 989,482	\$ 1,121,886	\$ 1,785,757	\$ 1,747,165	\$ 817,864	\$ 902,551	\$ 8,375,246	\$ 8,331,972
Surplus (Deficit)	\$ 5,784,357	\$ 4,133,640	\$ (272,102)	\$ (429,572)	\$ (1,480,214)	\$ (1,573,383)	\$ (86,547)	\$ (85,208)	\$ (202,135)	\$ (179,280)	\$ (987,048)	\$ (1,111,744)	\$ 628,422	\$ 788,417	\$ 546,447	\$ 396,107	\$ 3,931,180	\$ 1,938,979

* The general government category includes revenues and expenses that cannot be attributed to a particular segment.

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED DETAILS AND RECONCILIATION TO CORE GOVERNMENT RESULTS
Year Ended December 31, 2020

SCHEDULE 6
Audited

	The Corporation of the City of Duncan		Joint Utilities Board (JUB) Proportionate Share		Total	
	2020	2019	2020	2019	2020	2019
STATEMENT OF FINANCIAL POSITION						
Portfolio investments (Note 3)	\$ 16,829,622	\$ 14,419,567	\$ 1,373,148	\$ 1,352,255	\$ 18,202,770	\$ 15,771,822
Deferred revenue (Note 9)	\$ 1,741,284	\$ 1,599,778	\$ 773,087	\$ 799,314	\$ 2,514,371	\$ 2,399,092
Tangible capital assets (Schedule 1)	\$ 31,761,184	\$ 31,565,511	\$ 1,009,928	\$ 970,742	\$ 32,771,112	\$ 32,536,253
Prepaid expenses	\$ 26,759	\$ 31,117	\$ -	\$ -	\$ 26,759	\$ 31,117
Equity in tangible capital assets (Schedule 7)	\$ 31,077,533	\$ 30,782,755	\$ 1,009,928	\$ 970,742	\$ 32,087,460	\$ 31,753,496
Accumulated surplus (Schedule 9)	\$ 45,959,698	\$ 42,114,824	\$ 1,609,989	\$ 1,523,683	\$ 47,569,687	\$ 43,638,507
INVESTMENT IN TANGIBLE CAPITAL ASSETS						
Acquisition of tangible capital assets (Schedule 1)	\$ 1,800,727	\$ 2,336,513	\$ (67,159)	\$ (60,546)	\$ 1,733,568	\$ 2,275,967
STATEMENT OF OPERATIONS						
Increase (decrease) in share of JUB assets	\$ -	\$ -	\$ -	\$ 211	\$ -	\$ 211
Total revenues (Schedule 3)	\$ 12,306,426	\$ 10,270,741		\$ 211	\$ 12,306,426	\$ 10,270,952
Sewer services expenses (Schedule 4)	\$ 836,271	\$ 846,140	\$ (114,280)	\$ (107,887)	\$ 721,991	\$ 738,253
Sewer services amortization (Schedule 4)	\$ 40,530	\$ 48,709	\$ 27,973	\$ 27,973	\$ 68,503	\$ 76,682
Total expenses (Schedule 4)	\$ 8,461,553	\$ 8,411,886	\$ (86,307)	\$ (79,914)	\$ 8,375,246	\$ 8,331,972

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EQUITY IN TANGIBLE CAPITAL ASSETS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 7
Audited

	<u>2020</u>	<u>2019</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Net Investment in Tangible Capital Assets (beginning of year)	\$ 30,782,755	\$ 29,860,185
Add: Purchase of tangible capital assets	1,722,792	2,335,838
Tangible capital assets acquired in-kind	77,935	675
Debt repayment	72,415	86,338
Actuarial adjustment to debt	26,690	40,459
Less: Amortization	(1,596,370)	(1,531,729)
Net book value of disposed of tangible capital assets	(8,684)	(9,011)
Net Investment in Tangible Capital Assets	<u>\$ 31,077,533</u>	<u>\$ 30,782,755</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 8
Audited

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Investment income	\$ -	\$ 137,268	\$ 172,951
Water capital contributions from developers	-	12,000	63,610
NET REVENUES	-	149,268	236,561
TRANSFERS			
Transfers from operating fund	1,132,174	2,507,144	1,166,908
Transfers to general capital fund	(2,000,250)	(665,205)	(1,140,785)
CHANGE IN RESERVE FUND BALANCES	(868,076)	1,991,207	262,684
FUND SURPLUS, BEGINNING OF YEAR	7,349,518	7,349,518	7,086,834
FUND SURPLUS, END OF YEAR	<u>\$ 6,481,442</u>	<u>\$ 9,340,725</u>	<u>\$ 7,349,518</u>

Individual reserve fund balances are detailed on the next page.

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF CHANGE IN RESERVE FUND BALANCES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 8
Audited

	2020	2019
	<u>Actual</u>	<u>Actual</u>
SUMMARY OF RESERVE FUND POSITIONS		
Sale of real property	*	230,238
Underground Utilities	223,828	28,385
Parking improvement	28,911	239,139
Parking improvement - Restricted	224,119	125,786
Municipal Finance Authority debt issue refunds	*	26,790
Operating reserves	128,115	365,612
Machinery and equipment	27,287	1,793,208
Capital works and other miscellaneous reserves	398,114	274,436
General capital cost contributions	1,730,857	7,523
Police bridging capital	1,574,250	2,438,608
Downtown revitalization	7,662	18,801
Melba Schappert bequest	3,133,548	19,779
Pioneer Park	19,149	1,466
Public Art	20,145	10,424
Water capital cost contributions	10,618	612,368
Water capital reserve	635,742	415,974
Sewer capital cost contributions	423,677	16,207
Sewer capital reserve	16,508	724,774
	738,195	
Total Reserve Fund Equity	\$ 9,340,725	\$ 7,349,518
RESERVES HELD AS LIABILITIES		
Federal Gas Tax funds (Note 9)	*	937,934
Restricted revenue (Note 10)	*	2,148,755
	880,233	
	2,240,925	
Total Reserve Funds	\$ 12,461,883	\$10,436,207

* Restricted cash and portfolio investments

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION - FUNDS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 9
Unaudited

	General Fund		Reserve Fund		Waterworks Utility Fund		Sewer Utility Fund		Equity in Capital Assets		2020	2019
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	Total	Total
FINANCIAL ASSETS												
Cash and cash equivalents (Note 3)	\$ 2,130,689	\$ 853,889	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,130,689	\$ 853,889
Accounts receivable (Note 4)	961,471	943,427	-	-	246,943	107,284	24,628	18,936	-	-	1,233,042	1,069,647
Portfolio investments (Note 3)	78,039	576,251	12,461,883	10,436,207	2,010,386	1,658,699	2,279,314	1,748,410	-	-	16,829,622	14,419,567
Deposits - Municipal Finance Authority (Note 5)	18,698	18,321	-	-	-	-	-	-	-	-	18,698	18,321
Loan receivable (Note 6)	80,028	94,900	-	-	-	-	-	-	-	-	80,028	94,900
	<u>\$ 3,268,925</u>	<u>\$ 2,486,788</u>	<u>\$ 12,461,883</u>	<u>\$ 10,436,207</u>	<u>\$ 2,257,329</u>	<u>\$ 1,765,983</u>	<u>\$ 2,303,942</u>	<u>\$ 1,767,346</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,292,079</u>	<u>\$ 16,456,324</u>
LIABILITIES												
Accounts payable and accrued liabilities (Note 7)	\$ 599,527	\$ 835,882	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 599,527	\$ 835,882
Sick and severance liabilities (Note 13(b))	563,832	517,912	-	-	-	-	-	-	-	-	563,832	517,912
Refundable deposits (Note 8)	429,133	182,065	-	-	-	-	-	-	-	-	429,133	182,065
Deferred revenue (Note 9)	799,522	627,855	880,233	937,934	43,652	33,902	17,877	87	-	-	1,741,284	1,599,778
Restricted revenue (Note 10)	-	-	2,240,925	2,148,755	-	-	-	-	-	-	2,240,925	2,148,755
Debtenture debt (Note 11)	-	-	-	-	-	-	-	-	683,651	782,756	683,651	782,756
	<u>2,392,014</u>	<u>2,163,714</u>	<u>3,121,158</u>	<u>3,086,689</u>	<u>43,652</u>	<u>33,902</u>	<u>17,877</u>	<u>87</u>	<u>683,651</u>	<u>782,756</u>	<u>6,258,352</u>	<u>6,067,149</u>
NET FINANCIAL ASSETS	<u>\$ 876,911</u>	<u>\$ 323,074</u>	<u>\$ 9,340,725</u>	<u>\$ 7,349,518</u>	<u>\$ 2,213,677</u>	<u>\$ 1,732,081</u>	<u>\$ 2,286,065</u>	<u>\$ 1,767,259</u>	<u>\$ (683,651)</u>	<u>\$ (782,756)</u>	<u>\$ 14,033,727</u>	<u>\$ 10,389,175</u>
NON-FINANCIAL ASSETS												
Tangible capital assets (Schedule 1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,761,184	\$ 31,565,511	\$ 31,761,184	\$ 31,565,511
Inventory of supplies	138,028	129,021	-	-	-	-	-	-	-	-	138,028	129,021
Prepaid expenses	26,759	31,117	-	-	-	-	-	-	-	-	26,759	31,117
	<u>164,787</u>	<u>160,138</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,761,184</u>	<u>31,565,511</u>	<u>31,925,971</u>	<u>31,725,649</u>
ACCUMULATED SURPLUS	<u>\$ 1,041,699</u>	<u>\$ 483,212</u>	<u>\$ 9,340,725</u>	<u>\$ 7,349,518</u>	<u>\$ 2,213,677</u>	<u>\$ 1,732,081</u>	<u>\$ 2,286,065</u>	<u>\$ 1,767,259</u>	<u>\$ 31,077,533</u>	<u>\$ 30,782,755</u>	<u>\$ 45,959,698</u>	<u>\$ 42,114,824</u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF GENERAL REVENUE FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 10
Unaudited

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Taxation	\$ 4,301,761	\$ 4,296,897	\$ 4,195,648
Grants in lieu of taxes	10,500	12,173	10,353
Sale of services	593,582	601,651	609,420
Other revenue from own sources	765,769	843,494	681,961
Return on investments	30,700	13,925	52,360
Grants	-	3,678	-
Government transfers	557,000	2,128,793	557,726
Funds contributed from other governments	14,205	14,561	14,205
Total revenue	<u>6,273,517</u>	<u>7,915,172</u>	<u>6,121,673</u>
EXPENSES			
General government	1,281,844	1,207,141	1,172,390
Protective services	774,378	725,215	666,166
Public works & engineering	1,156,379	1,164,463	1,256,387
Environmental health services	257,563	285,189	276,669
Environmental development services	260,150	202,135	179,280
Recreation and cultural services	749,389	723,886	796,602
Interest	49,625	49,544	50,785
Total expenses	<u>4,529,328</u>	<u>4,357,573</u>	<u>4,398,279</u>
NET REVENUES	1,744,189	3,557,599	1,723,394
TRANSFERS			
Transfers to general capital fund	(799,623)	(374,653)	(522,700)
Transfers to reserve fund	(1,132,174)	(2,507,144)	(1,166,908)
Transfers to sewer revenue fund - parcel tax	(44,660)	(44,900)	(44,660)
Long term debt repayment	(72,415)	(72,415)	(72,415)
NET INCREASE (DECREASE) IN FUND	(304,683)	558,487	(83,289)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>483,212</u>	<u>483,212</u>	<u>566,500</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 178,529</u>	<u>\$ 1,041,699</u>	<u>\$ 483,212</u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF WATERWORKS UTILITY REVENUE FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 11
Unaudited

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Sale of water	\$ 2,435,493	\$ 2,334,813	\$ 2,348,489
Water studies	2,000	200	2,600
Service charges	20,000	9,385	23,689
Return on investments	30,000	30,717	28,276
Total revenue	<u>2,487,493</u>	<u>2,375,115</u>	<u>2,403,054</u>
EXPENSES			
Administration	764,862	691,304	718,720
Transmission and distribution	465,017	468,610	378,741
Pumping	260,940	249,369	258,719
Total expenses	<u>1,490,819</u>	<u>1,409,283</u>	<u>1,356,180</u>
NET REVENUES	996,674	965,832	1,046,874
TRANSFERS			
Transfers to waterworks utility capital fund	<u>(2,088,274)</u>	<u>(484,236)</u>	<u>(590,702)</u>
NET INCREASE (DECREASE) IN FUND	(1,091,600)	481,596	456,172
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>1,732,081</u>	<u>1,732,081</u>	<u>1,275,909</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 640,481</u>	<u>\$ 2,213,677</u>	<u>\$ 1,732,081</u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF SEWER UTILITY REVENUE FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 12
Unaudited

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Sewer fees	\$ 1,336,158	\$ 1,312,223	\$ 1,249,108
Service charges	100	-	-
Return on investments	32,000	32,378	36,443
Total revenue	<u>1,368,258</u>	<u>1,344,601</u>	<u>1,285,551</u>
EXPENSES			
Administration	318,334	295,622	280,718
Collection and disposal	175,110	167,461	160,608
Cost sharing - municipal government	(27,800)	(29,039)	(26,863)
Joint Utilities Board	400,000	402,227	431,677
Interest on debenture debt	-	-	3,685
Total expenses	<u>865,644</u>	<u>836,271</u>	<u>849,825</u>
NET REVENUES	502,614	508,330	435,726
TRANSFERS			
Transfers to sewer capital fund	(681,796)	(34,424)	(165,745)
Transfers from general revenue fund - parcel tax	44,660	44,900	44,660
Long-term debt repayment	-	-	(13,923)
NET INCREASE (DECREASE) IN FUND	(134,522)	518,806	300,718
ACCUMULATED SURPLUS, BEGINNING OF YEAR	1,767,259	1,767,259	1,466,541
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 1,632,737</u>	<u>\$ 2,286,065</u>	<u>\$ 1,767,259</u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF CAPITAL FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2020

SCHEDULE 13
Unaudited

	2020 Budget	2020 Actual	2019 Actual
REVENUE			
Connection fees			
General Capital	\$ -	\$ 14,192	\$ 7,704
Water Capital	-	27,064	68,919
Sewer Capital	-	2,210	12,896
Grants	11,000	17,500	12,700
Gas Tax Funds utilized	869,105	339,954	99,218
Gain (Loss) on disposal of tangible capital assets	-	43,416	21,790
Assets constructed by Developers			
General Capital	-	77,935	675
Total revenue	880,105	522,271	223,903
EXPENSES (not capitalized) (Schedule 5)			
General government services	-	89,375	70,346
Protective services	-	34,330	27,624
Transportation services	-	103,635	4,400
Environmental health services	-	135	4,737
Recreation and cultural services	-	-	56,922
Water services	-	33,901	50,793
Sewer services	-	27,370	101,511
Total expenses	-	288,746	316,332
NET REVENUES	880,105	233,525	(92,430)
TRANSFERS			
Transfers from general operating fund	799,623	374,653	522,700
Transfers from water operating fund	2,088,274	484,236	590,702
Transfers from sewer operating fund	681,796	34,424	165,745
Transfers from general reserve funds	2,000,250	665,205	1,140,785
Transfers from water reserve funds	-	-	-
Transfers from sewer reserve funds	-	-	-
Tangible capital asset purchases	(6,450,048)	(1,722,792)	(2,335,838)
Tangible capital assets acquired in-kind	-	(77,935)	(675)
Net book value of disposed of tangible capital assets	-	8,684	9,011
NET INCREASE (DECREASE) IN FUND	-	0	-
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	-	-
ACCUMULATED SURPLUS, END OF YEAR	\$ -	\$ 0	\$ -

THE CORPORATION OF THE CITY OF DUNCAN
 COVID SAFE RESTART GRANT CONTINUITY SCHEDULE
 (Excluding Joint Utilities Board Financial Information)
 Year Ended December 31, 2020

SCHEDULE 14
 Audited

	2020 Budget	2020 Actual	2019 Actual
FUNDS RECEIVED	\$ -	\$ 1,570,000	\$ -
FUNDS SPENT			
Revenue shortfalls	-	(97,433)	-
Facility reopening and operating	-	(86,515)	-
Emergency planning and response	-	(1,450)	-
Bylaw enforcement and protective services	-	(66,156)	-
Computers and other IT	-	(2,750)	-
Other related costs	-	(64,149)	-
Total spending	-	(318,453)	-
INTEREST EARNED	-	1,786	-
BALANCE, end of year	-	\$ 1,253,333	-