

THE CORPORATION OF THE CITY OF DUNCAN

December 31, 2021

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

To the Mayor and Council of 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, 2021, and the consolidated statements of operations, changes in net financial assets and cash flows and schedules 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, 2021, and the results of its consolidated operations, changes in its net financial assets 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, have been presented for purposes of additional analysis. The supplementary information in schedules 1, 2, 3a, 3b, 5, 6, 7, 8 and 14 have been subjected to the auditing procedures applied in the consolidated financial statements and, in our opinion, the 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 an 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 do 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 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.

Nanaimo, British Columbia

May 9, 2022

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, 2021**

	2021	2020
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 2,311,376	\$ 2,130,689
Accounts receivable (Note 4)	1,700,041	1,233,042
Portfolio investments (Note 3)	21,970,400	18,202,770
Deposit - Municipal Finance Authority (Note 5)	-	18,698
Loan receivable (Note 6)	64,791	80,028
	<u>26,046,608</u>	<u>21,665,227</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	1,438,371	599,527
Sick and severance liabilities (Note 13(b))	559,895	563,832
Refundable deposits (Note 8)	1,373,552	429,133
Deferred revenue (Notes 3 & 9)	2,897,375	2,514,371
Restricted revenue (Notes 3 & 10)	2,458,638	2,240,925
Debenture debt (Note 11)	-	683,651
	<u>8,727,830</u>	<u>7,031,438</u>
NET FINANCIAL ASSETS	<u>17,318,778</u>	<u>14,633,789</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1)	32,934,771	32,771,112
Inventories of supplies	154,643	138,028
Prepaid expenses	62,571	26,759
	<u>33,151,985</u>	<u>32,935,899</u>
ACCUMULATED SURPLUS (Schedule 2)	<u>\$ 50,470,763</u>	<u>\$ 47,569,688</u>

COMMITMENTS AND CONTINGENCIES (Note 12)

SIGNIFICANT EVENTS (Note 18)

Glossman

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, 2021**

	2021 Budget (Note 14)	2021 Actual	2020 Actual
REVENUE (Schedule 3)			
Taxation and grants in lieu of taxes	\$ 4,458,604	\$ 4,447,644	\$ 4,309,070
Sale of services	4,476,142	5,051,212	4,301,738
Licenses, permits, penalties and fines	1,001,308	1,107,178	843,494
Return on investments	77,700	165,772	214,287
Grants	2,457,802	75,231	21,178
Government transfers	560,000	617,043	2,128,793
Funds contributed from other governments	14,850	14,574	14,561
Gas Tax funds utilized	473,208	222,095	339,954
Developer contributions	-	319,936	12,000
Gain on disposal of tangible capital assets	-	2,600	43,416
Tangible capital assets contributed by developers	-	279,520	77,935
Total revenue	<u>13,519,614</u>	<u>12,302,805</u>	<u>12,306,426</u>
EXPENSES (Schedule 5)			
General government services	1,746,061	1,653,665	1,426,655
Protective services	994,357	1,013,813	929,828
Public works & engineering	2,062,248	2,272,950	1,912,815
Environmental health services	294,668	296,151	310,710
Environmental development services	343,500	254,245	202,135
Recreation and cultural services	1,155,339	1,234,366	989,482
Water services	1,909,697	1,938,248	1,785,757
Sewer services	927,523	738,292	817,864
Total expenses (Note 16)	<u>9,433,393</u>	<u>9,401,730</u>	<u>8,375,246</u>
ANNUAL SURPLUS	<u>4,086,221</u>	<u>2,901,075</u>	<u>3,931,180</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>47,569,688</u>	<u>47,569,688</u>	<u>43,638,508</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 51,655,909</u>	<u>\$ 50,470,763</u>	<u>\$ 47,569,688</u>

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, 2021

	2021 Budget (Note 14)	2021 Actual	2020 Actual
ANNUAL SURPLUS	\$ 4,086,221	\$ 2,901,075	\$ 3,931,180
Purchase of tangible capital assets	(9,635,220)	(1,211,937)	(1,722,792)
Tangible capital assets acquired in kind	-	(279,520)	(77,935)
Amortization of tangible capital assets	1,676,200	1,614,770	1,624,343
Decrease in proportionate share of			
Joint Utilities Board tangible capital assets	-	(287,373)	(67,159)
Gain on disposal of tangible capital assets	-	(2,600)	(43,416)
Proceeds of sale of tangible capital assets	-	3,000	52,100
Decrease (increase) in inventory of supplies	-	(16,614)	(9,007)
Decrease (increase) in prepaid expenses	-	(35,812)	4,358
	<u>(7,959,020)</u>	<u>(216,086)</u>	<u>(239,508)</u>
CHANGE IN NET FINANCIAL ASSETS	(3,872,799)	2,684,989	3,691,672
NET FINANCIAL ASSETS, Beginning of Year	<u>14,633,789</u>	<u>14,633,789</u>	<u>10,942,117</u>
NET FINANCIAL ASSETS, End of Year	<u><u>\$ 10,760,990</u></u>	<u><u>\$ 17,318,778</u></u>	<u><u>\$ 14,633,789</u></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, 2021**

	<u>2021</u>	<u>2020</u>
OPERATING TRANSACTIONS		
Annual surplus	\$ 2,901,075	\$ 3,931,180
Non-cash items included in annual surplus:		
Amortization	1,614,770	1,624,343
Tangible capital assets contributed by developers	(279,520)	(77,935)
Increase (decrease) in proportionate share of Joint Utilities Board tangible capital assets	(287,373)	(67,159)
Actuarial adjustment on debenture debt	(30,654)	(26,690)
Gain on disposal/write down of tangible capital assets	(2,600)	(43,416)
	<u>3,915,698</u>	5,340,323
Changes in non-cash items:		
Accounts receivable	(466,999)	(163,395)
Deposit - Municipal Finance Authority	18,698	(377)
Loan receivable	15,237	14,872
Inventory of supplies	(16,614)	(9,007)
Prepaid expenses	(35,812)	4,358
Accounts payable and accrued liabilities	838,844	(236,356)
Sick and severance liability	(3,937)	45,920
Refundable deposits	944,419	247,068
Deferred revenue	383,004	115,279
Restricted revenue	217,713	92,170
Cash provided by operating transactions	<u>5,810,251</u>	<u>5,450,855</u>
CAPITAL TRANSACTIONS		
Proceeds on disposal of tangible capital assets	3,000	52,100
Purchases of tangible capital assets	(1,211,937)	(1,722,792)
Cash applied to capital transactions	<u>(1,208,937)</u>	<u>(1,670,692)</u>
INVESTING TRANSACTIONS		
Net increase in portfolio investments	<u>(3,767,630)</u>	<u>(2,430,948)</u>
FINANCING TRANSACTIONS		
Principal repaid - long term debt	<u>(652,997)</u>	<u>(72,415)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	180,687	1,276,800
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,130,689</u>	<u>853,889</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 2,311,376</u></u>	<u><u>\$ 2,130,689</u></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, 2021

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 2021 (2020 - 31.13%).

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

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, 2021

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, 2021

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, 2021

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, 2021.

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, 2021

3. Cash, Cash Equivalents and Portfolio Investments

Cash and cash equivalents are comprised of the following:

	<u>2021</u>	<u>2020</u>
Bank Deposits	\$ 2,308,059	\$ 2,127,377
Municipal Finance Authority - Money Market Fund	3,317	3,312
	<u>\$ 2,311,376</u>	<u>\$ 2,130,689</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 August 26, 2022 and August 10, 2023. Interest rates vary from 0.85% to 1.46% (2020 – 0.8% to 1.45%).

Included in portfolio investments are funds held for deferred and restricted revenues totalling \$5,356,013 (2020 - \$4,755,296) and funds held for statutory reserve funds and reserve accounts totaling \$10,205,064 (2020 -\$9,340,725). Details of the reserve balance can be found on Schedule 9.

4. Accounts Receivable

	<u>2021</u>	<u>2020</u>
Property taxes	\$ 193,749	\$ 233,466
Water and sewer fees	1,172,358	816,140
Provincial government	26,318	21,394
Federal government	67,997	30,295
Other municipalities and regional governments	135,349	42,781
Other receivables	104,915	89,606
	<u>1,700,686</u>	<u>1,233,682</u>
Less: allowance for doubtful receivables	(645)	(640)
	<u>\$ 1,700,041</u>	<u>\$ 1,233,042</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>2021</u>	<u>2020</u>
Cash deposits	\$ -	\$ 18,698

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, 2021

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>2021</u>	<u>2020</u>
Other municipalities and regional governments	<u>\$ 64,791</u>	<u>\$ 80,028</u>

7. Accounts Payable and Accrued Liabilities

	<u>2021</u>	<u>2020</u>
Trade accounts and accrued liabilities	\$ 471,061	183,558
Contractor holdbacks	127,897	-
Salaries and wages	216,968	119,725
Other municipalities and regional governments	<u>622,445</u>	<u>296,244</u>
	<u>\$ 1,438,371</u>	<u>\$ 599,527</u>

8. Refundable Deposits

	<u>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 429,133	\$ 182,065
Deposits received	1,047,079	475,673
Deposits and interest refunded/recognized as revenue	(102,862)	(227,395)
Increase (decrease) in interest payable	<u>202</u>	<u>(1,210)</u>
Balance, end of the year	<u>\$ 1,373,552</u>	<u>\$ 429,133</u>

9. Deferred Revenue

	<u>2020</u>	<u>Receipts & Interest</u>	<u>Recognized as Revenue</u>	<u>2021</u>
Federal Gas Tax agreement funds	\$ 880,233	560,630	(222,095)	\$ 1,218,768
Prepaid property taxes	622,209	671,286	(622,209)	671,286
Grants	45,322	-	(38,585)	6,737
Other revenue prepaid	<u>966,607</u>	<u>419,232</u>	<u>(385,254)</u>	<u>1,000,584</u>
	<u>\$ 2,514,371</u>	<u>\$ 1,651,148</u>	<u>\$ (1,268,143)</u>	<u>\$ 2,897,375</u>

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

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>2021</u>	<u>2020</u>
Opening balance of unspent funds	\$ 880,233	\$ 937,933
Less: Gas Tax Funds utilized	(222,095)	(339,954)
Add: amount received during the year	548,802	263,327
Add: interest earned during the year	<u>11,828</u>	<u>18,927</u>
Closing balance of unspent funds	<u>\$ 1,218,768</u>	<u>\$ 880,233</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>2021</u>	<u>2020</u>
Balance, beginning of year	\$ 2,240,925	\$ 2,148,755
Contributions from developers	193,855	52,025
Return on investments	<u>23,858</u>	<u>40,145</u>
Balance, end of the year	<u>\$ 2,458,638</u>	<u>\$ 2,240,925</u>

11. Debenture Debt

General Fund:

Debenture debt for the 2008 Cowichan Aquatic Centre, interest at 3.25%, retired early in 2021 - MFA Issue #117

	<u>2021</u>	<u>2020</u>
	<u>\$ -</u>	<u>\$ 683,651</u>

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

11. Debenture Debt (continued)

Interest expense includes \$47,125 (2020 - \$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, 2021 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, 2021

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, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent 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 \$228,849 (2020 - \$207,358) for employer contributions to the plan in fiscal 2021 while employees contributed \$202,608 (2020 - \$184,749) 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 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 2.0% (2020 - 2.0%)
- discount rate is 2.58% (2020 - 3%)
- 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, 2021 is \$559,895 (2020 - \$563,832).

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

14. Budget Figures

Budget figures represent the Financial Plan Bylaw No. 3214 adopted by Council on May 3, 2021. 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	653,000
Transfers to reserves	(62,969)
Capital expenditures	9,635,220
Less:	
Budgeted transfers from accumulated surplus	
General	(433,296)
Sewer	(406,800)
Water	(1,720,386)
Capital	(260,678)
Budgeted transfers from own reserves	
General	
Sewer	-
Water	-
Capital	(1,641,670)
Amortization	(1,676,200)
Adjusted Annual Surplus	<u><u>\$ 4,086,221</u></u>

THE CORPORATION OF THE CITY OF DUNCAN
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2021

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, 2021

16. Operating Expenses By Object

	<u>2021</u>	<u>2020</u>
Amortization	\$ 1,614,770	\$ 1,624,343
Capital fund expenses	745,075	288,746
Contract services	1,090,217	973,510
Fuel	77,863	65,538
Goods and services	925,900	993,320
Grants in aid	94,804	106,468
Hydro	401,217	368,037
Insurance	118,605	127,693
Interest	38,485	49,544
Leases	32,397	42,681
Professional fees	190,644	119,646
Travel, conference and training	89,422	58,413
Wages and benefits	4,012,985	3,583,843
Write down of account receivable to net realizeable value	-	154
Actuarial adjustment to debt	<u>(30,654)</u>	<u>(26,690)</u>
	<u>\$ 9,401,730</u>	<u>\$ 8,375,246</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

The global outbreak of COVID-19 (coronavirus) 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 City of Duncan did not experience any significant monetary effects from COVID-19 and has responded to the pandemic by implementing health protection measures, using technology systems to allow for remote work and meetings, and managing health related risks.

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended December 31, 2021

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	2021	2020
Cost											
Opening costs	\$ 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	\$ 61,077,366
Additions during the year	-	36,672	99,133	20,614	38,101	388,131	358,617	525,491	24,698	1,491,457	1,800,727
Disposals and write-downs				(33,598)		(57,585)	(3,963)	(832)		(95,978)	(325,598)
Closing cost	<u>2,350,258</u>	<u>4,214,031</u>	<u>8,377,816</u>	<u>6,830,933</u>	<u>4,191,277</u>	<u>15,997,939</u>	<u>17,141,043</u>	<u>3,970,686</u>	<u>873,992</u>	<u>63,947,974</u>	<u>62,552,495</u>
Accumulated Amortization											
Opening accumulated amortization	-	2,251,231	4,009,163	3,912,647	1,951,943	10,835,616	5,886,287	1,944,424	-	30,791,312	29,511,856
Amortization:											
General government		103	38,686	90,456	49	715				130,009	127,720
Protective services			37,326	127,463			773			165,562	170,283
Public works and engineering		19,796	13,313	164,643	64,813	379,789	3,855	1,298		647,507	644,717
Environmental health				4,845						4,845	25,386
Recreation and culture		175,561	61,766	4,916		7,676				249,919	245,161
Water		677	47,553	9,809			289,199			347,238	342,573
Sewer							77	41,640		41,717	40,530
Total amortization	-	196,137	198,644	402,132	64,862	388,180	293,904	42,938	-	1,586,797	1,596,370
Disposals and write-downs				(33,598)	-	(57,585)	(3,563)	(832)		(95,577)	(316,916)
Closing accumulated amortization	<u>-</u>	<u>2,447,368</u>	<u>4,207,808</u>	<u>4,281,181</u>	<u>2,016,805</u>	<u>11,166,211</u>	<u>6,176,628</u>	<u>1,986,530</u>	<u>-</u>	<u>32,282,532</u>	<u>30,791,310</u>
Net Book Value of											
Tangible Capital Assets (Excluding Joint Utility Board)	<u>\$ 2,350,258</u>	<u>\$ 1,766,663</u>	<u>\$ 4,170,008</u>	<u>\$ 2,549,752</u>	<u>\$ 2,174,472</u>	<u>\$ 4,831,728</u>	<u>\$ 10,964,415</u>	<u>\$ 1,984,156</u>	<u>\$ 873,992</u>	<u>\$ 31,665,443</u>	<u>\$ 31,761,185</u>
										<u>1,269,328</u>	<u>1,009,928</u>
										<u>32,934,771</u>	<u>32,771,112</u>

Contributed Assets			
Storm	\$	12,663	\$ 13,408
Water	\$	47,418	
Sewer	\$	-	\$ 14,348
Roads & Sidewalks	\$	219,439	\$ 50,179
	\$	279,520	\$ 77,935

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS
Year Ended December 31, 2021

SCHEDULE 2
Audited

	2021	2020
OPERATING FUNDS		
Unappropriated		
General	\$ 1,189,320	\$ 1,041,699
Waterworks utility	3,216,748	2,213,677
Sewer utility	2,283,885	2,286,065
Total Unappropriated	6,689,953	5,541,441
Appropriated		
Sewer utility: Joint Utilities Board Reserve	640,974	600,061
Total Appropriated	640,974	600,061
Total Operating Funds	7,330,927	6,141,502
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Net book value tangible capital assets (Schedule 1)	32,934,771	32,771,112
Less: Long term debt	-	(683,651)
Total Net Investment in Tangible Capital Assets	32,934,771	32,087,461
RESERVE FUNDS		
Sale of real property	219,336	223,828
Underground utilities	104,536	28,911
Parking improvement	209,848	224,119
Parking improvement - Restricted	145,544	128,115
Municipal Finance Authority debt issue refunds	27,570	27,287
Operating reserves	577,316	398,114
Machinery and equipment	2,271,854	1,730,857
Capital works and other miscellaneous reserves	1,297,278	1,574,250
General capital	7,742	7,662
Police bridging capital	3,230,699	3,133,548
Downtown revitalization	19,349	19,149
Melba Schappert bequest	20,241	20,145
Pioneer Park	-	-
Public art	10,727	10,618
Waterworks utility	1,288,155	1,059,419
Sewer utility	774,870	754,703
Total Reserve Funds	10,205,065	9,340,725
Total Accumulated Surplus	\$ 50,470,763	\$ 47,569,688

**THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021**

**SCHEDULE 3
Unaudited**

	2021 Budget	2021 Actual	2020 Actual
Taxation (Schedule 3a)	\$ 4,917,965	\$ 4,907,035	\$ 4,754,682
Grants in Lieu of Taxation:			
Federal government	12,175	12,145	12,173
Collection for Other Governments			
School authorities levy	1,815,000	2,067,377	1,467,520
Provincial policing levy	347,414	354,774	347,415
Cowichan Valley Regional District levy	1,661,463	1,661,463	1,648,534
Regional Hospital District levy	622,363	612,569	622,363
	4,446,240	4,696,183	4,085,832
Joint boards and commissions:			
Municipal Finance Authority levy	241	255	242
British Columbia Assessment Authority levy	53,908	56,918	53,905
	54,149	57,173	54,147
Less: Transfers to other governments and others	(4,500,389)	(4,753,356)	(4,139,979)
Less: Transfers to BIA	(220,000)	(220,000)	(215,000)
Less: Transfers to VIRL	(251,536)	(251,536)	(242,785)
Total Taxation and Grants in Lieu of Taxes	4,458,604	4,447,644	4,309,070

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 3
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Sale of Services			
General Revenue Fund			
Garbage and recycling fees	224,583	221,332	224,163
Cowichan Tribes fire protection	101,379	106,695	102,337
CVRD - Eagle Heights fire protection	238,414	240,875	213,135
Other - fire protection	500	101,893	2,300
Administration recoveries	16,650	46,855	41,524
Public Works miscellaneous recoveries	11,000	11,180	15,400
Cowichan Tribes roads contribution	400	368	358
Sports field user fees	2,500	6,824	2,434
	<u>595,426</u>	<u>736,022</u>	<u>601,651</u>
Waterworks Utility Revenue Fund			
Sale of water	2,484,768	2,804,647	2,334,813
Service charges	20,000	25,605	9,385
Water studies	2,000	10,711	200
	<u>2,506,768</u>	<u>2,840,963</u>	<u>2,344,398</u>
Sewer Utility Revenue Fund			
Sewer fees	1,373,898	1,381,645	1,312,223
Service charges	50	-	-
	<u>1,373,948</u>	<u>1,381,645</u>	<u>1,312,223</u>
Capital Connection Fees			
General Capital	-	932	14,192
Water Capital	-	91,650	27,064
Sewer Capital	-	-	2,210
	<u>-</u>	<u>92,582</u>	<u>43,466</u>
Total Sale of Services	<u>4,476,142</u>	<u>5,051,212</u>	<u>4,301,738</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 3
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Licences, Permits, Rentals and Penalties			
Trade licences	90,000	99,143	91,510
Delivery vehicle licences	-	-	1,281
Building permits and other fees	45,900	227,480	55,054
Dog licences	9,500	10,195	8,141
	<u>145,400</u>	<u>336,818</u>	<u>155,986</u>
Equipment charges less operating costs	283,997	217,777	209,737
Parking and bylaw infraction fines	23,650	22,292	18,085
Parking permits and revenues	64,100	64,520	53,478
Rentals	190,107	196,678	180,281
Penalties and interest on taxes	47,000	25,100	47,000
	<u>608,854</u>	<u>526,367</u>	<u>508,581</u>
Donations and contributions	200,000	200,000	125,000
Other revenues and fees	47,054	43,993	53,927
	<u>247,054</u>	<u>243,993</u>	<u>178,927</u>
Total Licences, Permits, Rentals and Penalties	<u>1,001,308</u>	<u>1,107,178</u>	<u>843,494</u>

**THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF REVENUES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021**

**SCHEDULE 3
Unaudited**

	2021 Budget	2021 Actual	2020 Actual
Other Income			
Return on Investments			
General Fund	12,700	22,525	13,925
Waterworks Fund	30,000	20,903	30,717
Sewer Fund	35,000	23,699	32,378
Reserve Fund	-	98,646	137,268
	<u>77,700</u>	<u>165,772</u>	<u>214,287</u>
Asset Disposal			
Gain(Loss) on Disposal of Tangible Capital Assets	-	2,600	43,416
Assets Contributed by Developers			
General Capital	-	279,520	77,935
Funds Contributed from Other Governments			
Joint Parks	14,850	14,574	14,561
Capital Contributions from Developers			
Water Infrastructure	-	319,936	12,000
Gas Tax Funds Utilized	473,208	222,095	339,954
Government Transfers (Schedule 3b)	560,000	617,043	2,128,793
Grants	2,457,802	75,231	21,178
Total Other Income	<u>3,583,560</u>	<u>1,696,771</u>	<u>2,852,124</u>
Total Revenue	<u>\$ 13,519,614</u>	<u>\$ 12,302,805</u>	<u>\$ 12,306,426</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, 2021**

**SCHEDULE 3a
Audited**

	2021 Budget	2021 Actual	2020 Actual
Taxation			
Property taxes - general	\$ 4,295,549	\$ 4,285,022	\$ 4,146,661
Special assessments			
Business Improvement Area (BIA)	220,000	220,000	215,000
Vancouver Island Regional Library (VIRL)	251,536	251,536	242,785
Utilities	106,000	105,657	105,356
Frontage and parcel taxes	44,880	44,820	44,880
	<u>622,416</u>	<u>622,013</u>	<u>608,021</u>
Taxation	<u>\$ 4,917,965</u>	<u>\$ 4,907,035</u>	<u>\$ 4,754,682</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 3b
Audited

	2021 Budget	2021 Actual	2020 Actual
Government Transfers			
Unconditional Transfers from Other Governments			
Municipal sewer contribution	\$ -	\$ 69,763	\$ -
Provincial revenue sharing	555,000	546,000	554,869
	<u>-</u>	<u>615,763</u>	<u>554,869</u>
Conditional Transfers from Other Governments			
Provincial government	5,000	1,280	1,573,924
	<u>5,000</u>	<u>1,280</u>	<u>1,573,924</u>
Total Government Transfers	<u>\$ 560,000</u>	<u>\$ 617,043</u>	<u>\$ 2,128,793</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 4
Unaudited

	2021 Budget	2021 Actual	2020 Actual
General Government Services			
Legislative	\$ 179,913	\$ 170,189	\$ 163,222
General administration:			
Salaries and benefits	972,500	1,047,163	939,683
Advertising	5,400	6,457	5,237
Accounting and audit	22,000	21,973	20,449
City Hall maintenance and operation	68,200	89,521	62,932
Communications and consulting	395,925	97,613	71,665
Computer services	98,200	102,397	94,911
Insurance	59,138	51,507	56,871
Legal	30,000	79,063	44,592
Office supplies and miscellaneous	28,325	28,441	29,246
Sick leave and severance expense	57,000	49,832	90,747
Telephone, internet and postage	14,150	11,566	13,805
Travel, conference, training	37,932	37,915	32,268
Internal recoveries	(561,530)	(561,528)	(517,357)
	<u>1,227,240</u>	<u>1,061,920</u>	<u>945,049</u>
Other:			
Grants to organizations	116,160	37,176	54,394
Margaret Moss building	6,713	531	1,512
Operation and maintenance	4,285	4,179	3,906
Sundry	6,500	4,111	2,769
Tourism	68,550	33,733	36,135
Write down of account receivable to net realizeable value	-	-	154
	<u>202,208</u>	<u>79,730</u>	<u>98,870</u>
Total General Government Services	<u>1,609,361</u>	<u>1,311,839</u>	<u>1,207,141</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 4
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Protective Services			
Fire:			
Chief and officers' honorarium	30,200	29,295	28,379
Call pay	137,900	175,004	132,859
Wages and benefits - clerical staff	21,100	15,098	6,152
Training	49,750	32,677	19,437
Insurance	7,100	6,573	6,643
Telephone and radio alarm system	9,650	11,378	8,902
Fire hall maintenance and operation	38,537	51,485	34,463
Vehicle maintenance and operation	37,449	41,778	34,984
Fire investigation and prevention	42,825	24,464	33,253
Hydrant rental	19,000	20,243	19,125
Other	91,799	87,907	80,519
	<u>485,310</u>	<u>495,902</u>	<u>404,716</u>
Other protection:			
Animal control	22,100	21,288	21,118
Building inspection:			
Salaries and benefits	104,100	119,680	88,132
Other	(2,762)	(3,283)	(1,253)
Security patrols	206,609	178,496	212,502
	<u>330,047</u>	<u>316,181</u>	<u>320,499</u>
Total Protective Services	<u>815,357</u>	<u>812,083</u>	<u>725,215</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 4
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Public Works & Engineering			
Common services:			
Public works administration salaries and benefits	372,050	313,321	325,875
Other administration costs	87,875	100,664	70,560
Operation and maintenance of workshop and yard	54,250	90,056	54,789
Small tools and equipment	6,855	4,533	2,632
Engineering	345,412	352,344	339,258
Public works administration recoveries	(484,872)	(484,872)	(450,757)
	<u>381,570</u>	<u>376,046</u>	<u>342,357</u>
Street maintenance	81,850	79,196	72,478
Sidewalk maintenance	60,000	51,988	30,166
Drainage	68,372	62,079	52,319
Flood control and storm water quality testing	11,000	7,284	9,281
Street sweeping	64,710	49,351	44,582
Snow removal	57,100	135,592	104,090
Boulevard and median maintenance	71,850	70,337	64,410
Tree maintenance	33,850	33,955	12,763
Totem maintenance	19,848	13,450	22,263
Traffic lines and signs	83,910	84,539	75,624
Street lighting	100,955	116,983	109,588
Traffic light maintenance and control	39,640	54,684	56,053
Off street free parking lots	12,205	13,645	11,409
Other	3,690	8,080	5,805
	<u>708,980</u>	<u>781,163</u>	<u>670,831</u>
Parking:			
Parking control	60,270	57,853	45,736
Off street paid parking lots	37,929	18,969	24,081
	<u>98,199</u>	<u>76,822</u>	<u>69,817</u>
Other:			
Bylaw enforcement	196,499	194,381	81,458
	<u>196,499</u>	<u>194,381</u>	<u>81,458</u>
Total Public Works & Engineering	<u>1,385,248</u>	<u>1,428,412</u>	<u>1,164,463</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 4
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Environmental Health Services			
Solid waste collection and disposal	224,583	241,266	243,520
Comfort stations	33,085	43,611	41,669
Environmental programs	10,000	3,050	-
	<u>267,668</u>	<u>287,927</u>	<u>285,189</u>
Environmental Development Services			
Planning salaries and benefits	274,400	239,478	183,177
Materials and contracted services	69,100	14,767	18,958
	<u>343,500</u>	<u>254,245</u>	<u>202,135</u>
Recreation and Cultural Services			
Parks and playgrounds	458,053	548,529	478,215
Joint Parks contributions	6,185	6,645	6,041
Joint Cowichan Aquatic Centre contributions	370,000	370,821	220,121
Senior Citizens' Activity Centre	6,876	8,189	9,878
Museum	10,100	9,616	9,631
	<u>851,214</u>	<u>943,800</u>	<u>723,886</u>
Interest			
Interest in General Fund			
General government	2,700	1,689	2,419
Recreation and cultural services	47,125	36,796	47,125
	<u>49,825</u>	<u>38,485</u>	<u>49,544</u>
Interest in Sewer Fund			
	-	-	-
	<u>49,825</u>	<u>38,485</u>	<u>49,544</u>
Water and Sewer Services			
Waterworks	1,549,997	1,434,651	1,409,283
Sewer	885,023	889,383	836,271
	<u>2,435,020</u>	<u>2,324,034</u>	<u>2,245,554</u>

THE CORPORATION OF THE CITY OF DUNCAN
NON-CONSOLIDATED SCHEDULE OF EXPENSES
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 4
Unaudited

	2021 Budget	2021 Actual	2020 Actual
Amortization			
General government services	134,000	130,009	127,720
Protective services	179,000	165,562	170,283
Transportation services	677,000	647,507	644,717
Environmental health services	27,000	4,845	25,386
Recreation and cultural services	257,000	249,919	245,161
Water services	359,700	347,238	342,573
Sewer services	42,500	41,717	40,530
	<u>1,676,200</u>	<u>1,586,797</u>	<u>1,596,370</u>
Other			
Capital expense	-	745,075	288,746
Actuarial debt adjustment	-	(30,654)	(26,690)
	<u>-</u>	<u>714,421</u>	<u>262,056</u>
Total Expenses	<u>\$ 9,433,393</u>	<u>\$ 9,702,043</u>	<u>\$ 8,461,553</u>

THE CORPORATION OF THE CITY OF DUNCAN
CONSOLIDATED STATEMENT OF OPERATIONS BY PROGRAM
Year Ended December 31, 2021

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	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
REVENUE																		
Taxation and grants in lieu of taxes	\$ 4,447,644	\$ 4,309,070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,447,644	\$ 4,309,070
Sale of services	\$ 46,855	41,524	449,463	317,772	12,480	29,950	221,332	224,163	-	-	6,824	2,434	2,932,613	2,371,462	1,381,645	1,314,433	5,051,212	4,301,738
Licenses, permits, penalties and fines	\$ 802,589	562,194	-	-	304,589	281,300	-	-	-	-	-	-	-	-	-	-	1,107,178	843,494
Return on investments	\$ 121,171	151,193	-	-	-	-	-	-	-	-	-	-	20,903	30,717	23,699	32,378	165,773	214,286
Grants	\$ 38,585	3,678	-	-	18,905	-	-	-	-	-	-	-	-	-	17,741	17,500	75,231	21,178
Government transfers	\$ 547,280	2,128,793	-	-	-	-	-	-	-	-	-	-	-	-	69,763	-	617,043	2,128,793
Funds contributed from other governments	\$ 14,574	14,561	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,574	14,561
Gas Tax funds utilized	\$ -	-	222,095	339,954	-	-	-	-	-	-	-	-	-	-	-	-	222,095	339,954
Developer contributions	\$ -	-	-	-	-	-	-	-	-	-	-	-	319,936	12,000	-	-	319,936	12,000
Gain(Loss) on disposal of assets	\$ -	-	-	-	2,600	43,416	-	-	-	-	-	-	-	-	-	-	2,600	43,416
Assets contributed by developers	\$ -	-	-	-	279,520	77,935	-	-	-	-	-	-	-	-	-	-	279,520	77,935
Increase (decrease) in proportionate share of JUB assets	\$ -	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	\$ 6,018,698	\$ 7,211,013	\$ 671,558	\$ 657,726	\$ 618,094	\$ 432,601	\$ 221,332	\$ 224,163	\$ -	\$ -	\$ 6,824	\$ 2,434	\$ 3,273,452	\$ 2,414,179	\$ 1,492,848	\$ 1,364,311	\$ 12,302,805	\$ 12,306,425
EXPENSES																		
Operating expenses																		
Payroll	\$ 1,370,314	\$ 1,275,053	\$ 447,876	\$ 396,734	\$ 1,207,707	\$ 1,042,589	\$ 24,770	\$ 24,797	\$ 239,424	\$ 183,177	\$ 368,346	\$ 316,444	\$ 329,135	\$ 292,774	\$ 96,193	\$ 74,036	\$ 4,083,765	\$ 3,605,604
Other	(58,475)	(67,912)	364,207	328,481	220,705	121,874	263,157	260,392	14,821	18,958	575,454	407,442	1,105,516	1,116,509	464,904	647,955	2,950,289	2,833,699
Total operating expenses	1,311,839	1,207,141	812,083	725,215	1,428,412	1,164,463	287,927	285,189	254,245	202,135	943,800	723,886	1,434,651	1,409,283	561,097	721,991	7,034,054	6,439,303
Capital fund expenses	210,128	89,375	36,168	34,330	197,031	103,635	3,379	135	-	-	34,505	-	156,359	33,901	107,505	27,370	745,075	288,746
Amortization	130,009	127,720	165,562	170,283	647,507	644,717	4,845	25,386	-	-	249,919	245,161	347,238	342,573	69,690	68,503	1,614,770	1,624,343
Interest	1,689	2,419	-	-	-	-	-	-	-	-	36,796	47,125	-	-	-	-	38,485	49,544
Actuarial adjustment to debt	-	-	-	-	-	-	-	-	-	-	(30,654)	(26,690)	-	-	-	-	(30,654)	(26,690)
Total expenses	\$ 1,653,665	\$ 1,426,655	\$ 1,013,813	\$ 929,828	\$ 2,272,950	\$ 1,912,815	\$ 296,151	\$ 310,710	\$ 254,245	\$ 202,135	\$ 1,234,366	\$ 989,482	\$ 1,938,248	\$ 1,785,757	\$ 738,292	\$ 817,864	\$ 9,401,730	\$ 8,375,246
Surplus (Deficit)	\$ 4,365,033	\$ 5,784,358	\$ (342,255)	\$ (272,102)	\$ (1,654,856)	\$ (1,480,214)	\$ (74,819)	\$ (86,547)	\$ (254,245)	\$ (202,135)	\$ (1,227,542)	\$ (987,048)	\$ 1,335,204	\$ 628,422	\$ 754,556	\$ 546,447	\$ 2,901,075	\$ 3,931,179

* 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, 2021

SCHEDULE 6
Audited

	The Corporation of the City of Duncan		Joint Utilities Board (JUB) Proportionate Share		Total	
	2021	2020	2021	2020	2021	2020
STATEMENT OF FINANCIAL POSITION						
Portfolio investments (Note 3)	\$ 20,645,628	\$ 16,829,622	\$ 1,324,772	\$ 1,373,148	\$ 21,970,400	\$ 18,202,770
Deferred revenue (Note 9)	\$ 2,213,577	\$ 1,741,284	\$ 683,798	\$ 773,087	\$ 2,897,375	\$ 2,514,371
Tangible capital assets (Schedule 1)	\$ 31,665,443	\$ 31,761,184	\$ 1,269,328	\$ 1,009,928	\$ 32,934,771	\$ 32,771,112
Prepaid expenses	\$ 62,571	\$ 26,759	\$ -	\$ -	\$ 62,571	\$ 26,759
Equity in tangible capital assets (Schedule 7)	\$ 31,665,443	\$ 31,077,533	\$ 1,269,328	\$ 1,009,928	\$ 32,934,770	\$ 32,087,460
Accumulated surplus (Schedule 9)	\$ 48,560,460	\$ 45,959,697	\$ 1,910,303	\$ 1,609,989	\$ 50,470,763	\$ 47,569,686
INVESTMENT IN TANGIBLE CAPITAL ASSETS						
Acquisition of tangible capital assets (Schedule 1)	\$ 1,491,457	\$ 1,800,727	\$ 287,373	\$ (67,159)	\$ 1,778,830	\$ 1,733,568
STATEMENT OF OPERATIONS						
Increase (decrease) in share of JUB assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues (Schedule 3)	\$ 12,302,805	\$ 12,306,426	\$ -	\$ -	\$ 12,302,805	\$ 12,306,426
Sewer services expenses (Schedule 4)	\$ 889,383	\$ 836,271	\$ (328,286)	\$ (114,280)	\$ 561,097	\$ 721,991
Sewer services amortization (Schedule 4)	\$ 41,717	\$ 40,530	\$ 27,973	\$ 27,973	\$ 69,690	\$ 68,503
Total expenses (Schedule 4)	\$ 9,702,043	\$ 8,461,553	\$ (300,313)	\$ (86,307)	\$ 9,401,730	\$ 8,375,246

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, 2021

SCHEDULE 7
Audited

	<u>2021</u>	<u>2020</u>
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS		
Net Investment in Tangible Capital Assets (beginning of year)	\$ 31,077,533	\$ 30,782,755
Add: Purchase of tangible capital assets	1,211,937	1,722,792
Tangible capital assets acquired in-kind	279,520	77,935
Debt repayment	652,997	72,415
Actuarial adjustment to debt	30,654	26,690
Less: Amortization	(1,586,797)	(1,596,370)
Net book value of disposed of tangible capital assets	<u>(400)</u>	<u>(8,684)</u>
Net Investment in Tangible Capital Assets	<u>\$ 31,665,443</u>	<u>\$ 31,077,533</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, 2021

SCHEDULE 8
Audited

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Investment income	\$ -	\$ 98,646	\$ 137,268
Water capital contributions from developers	-	319,936	12,000
NET REVENUES	-	418,582	149,268
TRANSFERS			
Transfers from operating fund	(62,969)	515,801	2,507,144
Transfers to general capital fund	(1,641,670)	(70,043)	(665,205)
CHANGE IN RESERVE FUND BALANCES	(1,704,639)	864,340	1,991,207
FUND SURPLUS, BEGINNING OF YEAR	9,340,725	9,340,725	7,349,518
FUND SURPLUS, END OF YEAR	\$ 7,636,086	\$ 10,205,065	\$ 9,340,725

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, 2021

SCHEDULE 8
Audited

	2021	2020
	Actual	Actual
SUMMARY OF RESERVE FUND POSITIONS		
Sale of real property	*	223,828
Underground Utilities	219,336	28,911
Parking improvement	104,536	224,119
Parking improvement - Restricted	*	128,115
Municipal Finance Authority debt issue refunds	145,544	27,287
Operating reserves	27,570	398,114
Machinery and equipment	577,316	1,730,857
Capital works and other miscellaneous reserves	2,271,854	1,574,250
General capital cost contributions	1,297,278	7,662
Police bridging capital	7,742	3,133,548
Downtown revitalization	3,230,699	19,149
Melba Schappert bequest	19,349	20,145
Public Art	20,241	10,618
Water capital cost contributions	10,727	635,742
Water capital reserve	860,073	423,677
Sewer capital cost contributions	428,082	16,508
Sewer capital reserve	28,999	738,195
Total Reserve Fund Equity	\$ 10,205,065	\$ 9,340,725
RESERVES HELD AS LIABILITIES		
Federal Gas Tax funds (Note 9)	*	880,233
Restricted revenue (Note 10)	*	2,240,925
Total Reserve Funds	\$ 13,882,471	\$12,461,883

* 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, 2021

SCHEDULE 9
Unaudited

	General Fund		Reserve Fund		Waterworks Utility Fund		Sewer Utility Fund		Equity in Capital Assets		2021	2020
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	Total	Total
FINANCIAL ASSETS												
Cash and cash equivalents (Note 3)	\$ 2,311,376	\$ 2,130,689	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,311,376	\$ 2,130,689
Accounts receivable (Note 4)	1,189,155	961,471	-	-	477,580	246,943	33,306	24,628	-	-	1,700,041	1,233,042
Portfolio investments (Note 3)	1,727,295	78,039	13,882,471	12,461,883	2,784,961	2,010,386	2,250,901	2,279,314	-	-	20,645,628	16,829,622
Deposits - Municipal Finance Authority (Note 5)	-	18,698	-	-	-	-	-	-	-	-	-	18,698
Loan receivable (Note 6)	64,791	80,028	-	-	-	-	-	-	-	-	64,791	80,028
	<u>\$ 5,292,617</u>	<u>\$ 3,268,925</u>	<u>\$ 13,882,471</u>	<u>\$ 12,461,883</u>	<u>\$ 3,262,541</u>	<u>\$ 2,257,329</u>	<u>\$ 2,284,207</u>	<u>\$ 2,303,942</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,721,836</u>	<u>\$ 20,292,079</u>
LIABILITIES												
Accounts payable and accrued liabilities (Note 7)	\$ 1,438,371	\$ 599,527	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,438,371	\$ 599,527
Sick and severance liabilities (Note 13(b))	559,895	563,832	-	-	-	-	-	-	-	-	559,895	563,832
Refundable deposits (Note 8)	1,373,552	429,133	-	-	-	-	-	-	-	-	1,373,552	429,133
Deferred revenue (Note 9)	948,694	799,522	1,218,768	880,233	45,793	43,652	322	17,877	-	-	2,213,577	1,741,284
Restricted revenue (Note 10)	-	-	2,458,638	2,240,925	-	-	-	-	-	-	2,458,638	2,240,925
Debt (Note 11)	-	-	-	-	-	-	-	-	-	683,651	-	683,651
	<u>4,320,511</u>	<u>2,392,014</u>	<u>3,677,406</u>	<u>3,121,158</u>	<u>45,793</u>	<u>43,652</u>	<u>322</u>	<u>17,877</u>	<u>-</u>	<u>683,651</u>	<u>8,044,033</u>	<u>6,258,352</u>
NET FINANCIAL ASSETS	<u>\$ 972,106</u>	<u>\$ 876,911</u>	<u>\$ 10,205,065</u>	<u>\$ 9,340,725</u>	<u>\$ 3,216,748</u>	<u>\$ 2,213,677</u>	<u>\$ 2,283,885</u>	<u>\$ 2,286,065</u>	<u>\$ -</u>	<u>\$ (683,651)</u>	<u>\$ 16,677,803</u>	<u>\$ 14,033,727</u>
NON-FINANCIAL ASSETS												
Tangible capital assets (Schedule 1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,665,443	\$ 31,761,184	\$ 31,665,443	\$ 31,761,184
Inventory of supplies	154,643	138,028	-	-	-	-	-	-	-	-	154,643	138,028
Prepaid expenses	62,571	26,759	-	-	-	-	-	-	-	-	62,571	26,759
	<u>217,214</u>	<u>164,787</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,665,443</u>	<u>31,761,184</u>	<u>31,882,657</u>	<u>31,925,971</u>
ACCUMULATED SURPLUS	<u>\$ 1,189,320</u>	<u>\$ 1,041,699</u>	<u>\$ 10,205,065</u>	<u>\$ 9,340,725</u>	<u>\$ 3,216,748</u>	<u>\$ 2,213,677</u>	<u>\$ 2,283,885</u>	<u>\$ 2,286,065</u>	<u>\$ 31,665,443</u>	<u>\$ 31,077,533</u>	<u>\$ 48,560,460</u>	<u>\$ 45,959,698</u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF GENERAL REVENUE FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 10
Unaudited

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Taxation	\$ 4,446,429	\$ 4,435,499	\$ 4,296,897
Grants in lieu of taxes	12,175	12,145	12,173
Sale of services	595,426	736,023	601,651
Other revenue from own sources	1,001,308	1,107,178	843,494
Return on investments	12,700	22,525	13,925
Grants	-	38,585	3,678
Government transfers	560,000	547,280	2,128,793
Funds contributed from other governments	14,850	14,574	14,561
Total revenue	<u>6,642,888</u>	<u>6,913,809</u>	<u>7,915,172</u>
EXPENSES			
General government	1,609,361	1,311,839	1,207,141
Protective services	815,357	812,083	725,215
Public works & engineering	1,385,248	1,428,412	1,164,463
Environmental health services	267,668	287,927	285,189
Environmental development services	343,500	254,245	202,135
Recreation and cultural services	851,214	943,800	723,886
Interest	49,825	38,485	49,544
Total expenses	<u>5,322,173</u>	<u>5,076,791</u>	<u>4,357,573</u>
NET REVENUES	1,320,715	1,837,018	3,557,599
TRANSFERS			
Transfers to general capital fund	(1,119,100)	(475,758)	(374,653)
Transfers to reserve fund	62,969	(515,801)	(2,507,144)
Transfers to sewer revenue fund - parcel tax	(44,880)	(44,840)	(44,900)
Long term debt repayment	(653,000)	(652,997)	(72,415)
NET INCREASE (DECREASE) IN FUND	(433,296)	147,621	558,487
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>1,041,699</u>	<u>1,041,699</u>	<u>483,212</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 608,403</u>	<u>\$ 1,189,320</u>	<u>\$ 1,041,699</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, 2021

SCHEDULE 11
Unaudited

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Sale of water	\$ 2,484,768	\$ 2,804,647	\$ 2,334,813
Water studies	2,000	10,711	200
Service charges	20,000	25,605	9,385
Return on investments	30,000	20,903	30,717
Total revenue	<u>2,536,768</u>	<u>2,861,866</u>	<u>2,375,115</u>
EXPENSES			
Administration	799,083	786,343	691,304
Transmission and distribution	482,632	357,782	468,610
Pumping	268,282	290,526	249,369
Total expenses	<u>1,549,997</u>	<u>1,434,651</u>	<u>1,409,283</u>
NET REVENUES	986,771	1,427,215	965,832
TRANSFERS			
Transfers to waterworks utility capital fund	<u>(2,707,157)</u>	<u>(424,144)</u>	<u>(484,236)</u>
NET INCREASE (DECREASE) IN FUND	(1,720,386)	1,003,071	481,596
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>2,213,677</u>	<u>2,213,677</u>	<u>1,732,081</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>\$ 493,291</u></u>	<u><u>\$ 3,216,748</u></u>	<u><u>\$ 2,213,677</u></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, 2021

SCHEDULE 12
Unaudited

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Sewer fees	\$ 1,373,898	\$ 1,381,645	\$ 1,312,223
Service charges	50	-	-
Return on investments	35,000	23,699	32,378
Total revenue	<u>1,408,948</u>	<u>1,405,344</u>	<u>1,344,601</u>
EXPENSES			
Administration	337,526	324,290	295,622
Collection and disposal	174,897	200,845	167,461
Cost sharing - municipal government	(27,400)	(38,785)	(29,039)
Joint Utilities Board	400,000	403,033	402,227
Interest on debenture debt	-	-	-
Total expenses	<u>885,023</u>	<u>889,383</u>	<u>836,271</u>
NET REVENUES	523,925	515,961	508,330
TRANSFERS			
Transfers to sewer capital fund	(975,605)	(562,981)	(34,424)
Transfers from general revenue fund - parcel tax	44,880	44,840	44,900
NET INCREASE (DECREASE) IN FUND	(406,800)	(2,180)	518,806
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>2,286,065</u>	<u>2,286,065</u>	<u>1,767,259</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>\$ 1,879,265</u></u>	<u><u>\$ 2,283,885</u></u>	<u><u>\$ 2,286,065</u></u>

THE CORPORATION OF THE CITY OF DUNCAN
STATEMENT OF CAPITAL FUND OPERATIONS
(Excluding Joint Utilities Board Financial Information)
Year Ended December 31, 2021

SCHEDULE 13
Unaudited

	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Connection fees			
General Capital	\$ -	\$ 932	\$ 14,192
Water Capital	-	91,650	27,064
Sewer Capital	-	-	2,210
Grants	2,457,802	36,646	17,500
Government transfers		69,763	-
Development Cost Charges utilized	-	-	-
Gas Tax Funds utilized	473,208	222,095	339,954
Gain (Loss) on disposal of tangible capital assets	-	2,600	43,416
Assets constructed by Developers			
General Capital	-	279,520	77,935
Total revenue	<u>2,931,010</u>	<u>703,206</u>	<u>522,271</u>
EXPENSES (not capitalized) (Schedule 5)			
General government services	-	210,128	89,375
Protective services	-	36,168	34,330
Transportation services	-	197,031	103,635
Environmental health services	-	3,379	135
Recreation and cultural services	-	34,505	-
Water services	-	156,359	33,901
Sewer services	-	107,505	27,370
Total expenses	<u>-</u>	<u>745,075</u>	<u>288,746</u>
NET REVENUES	2,931,010	(41,869)	233,525
TRANSFERS			
Transfers from general operating fund	1,119,100	475,758	374,653
Transfers from water operating fund	2,707,157	424,144	484,236
Transfers from sewer operating fund	975,605	562,981	34,424
Transfers from general reserve funds	1,641,670	70,043	665,205
Transfers from water reserve funds	-	-	-
Transfers from sewer reserve funds	-	-	-
Tangible capital asset purchases	(9,635,220)	(1,211,937)	(1,722,792)
Tangible capital assets acquired in-kind	-	(279,520)	(77,935)
Net book value of disposed of tangible capital assets	-	400	8,684
NET INCREASE (DECREASE) IN FUND	(260,678)	(0)	(0)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	-	-
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ (260,678)</u>	<u>\$ (0)</u>	<u>(0)</u>

THE CORPORATION OF THE CITY OF DUNCAN
 COVID SAFE RESTART GRANT CONTINUITY SCHEDULE
 (Excluding Joint Utilities Board Financial Information)
 Year Ended December 31, 2021

SCHEDULE 14
 Audited

	2021 Budget	2021 Actual	2020 Actual
OPENING BALANCE	\$ -	\$ 1,253,333	\$ 1,570,000
FUNDS SPENT			
Revenue shortfalls	(24,500)	(14,738)	(97,433)
Facility reopening and operating	(95,000)	(95,000)	(86,515)
Emergency planning and response	-	-	(1,450)
Bylaw enforcement and protective services	(103,200)	(112,003)	(66,156)
Computers and other IT	(105,000)	(37,959)	(2,750)
Services for vulnerable persons	(7,000)	-	-
Other related costs	(451,900)	(75,300)	(64,149)
Total spending	<u>(786,600)</u>	<u>(335,000)</u>	<u>(318,453)</u>
Interest earned	-	13,032	1,786
BALANCE, end of year	<u>\$ (786,600)</u>	<u>\$ 931,365</u>	<u>\$ 1,253,333</u>