

TOWN OF LADYSMITH

2023

ANNUAL REPORT

Fiscal year ending December 31, 2023

 **OPEN** for
BUSINESS
2019 Award Finalist



Town of Ladysmith staff don their Orange Shirts in acknowledgment of the lost and missing children and the lasting impact of residential schools and colonization on Indigenous people, their families and communities.

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An aerial view of Forrest Field. In 2023, The Town of Ladysmith invested \$680,000 to upgrade the popular outdoor facility. Upgrades include a new practice/warm up pitch, a new scoreboard, the installation of outdoor fitness equipment and the expansion of an accessible walkway.

ABOUT OUR COMMUNITY

Nestled on the eastern shores of spectacular Vancouver Island, Ladysmith features all the warmth and charm of a small town, yet offers its residents a full range of services, amenities and world class municipal infrastructure typically found in larger urban centres. Ladysmith is a growing community (population 8,990 in 2023) located just 88 km (55 miles) north of Victoria and 23 km (14 miles) south of Nanaimo.

Ladysmith residents place a very high value on preserving the storied chronicle of this community, actively celebrating the Town's intriguing heritage while respectfully acknowledging the more than 5,000 years of history of the first residents of this land, the Stz'uminus First Nation.

The Town's strong sense of pride for its past is also evident in its well-maintained architecture and colourful streetscapes. 1st Avenue, a major thoroughfare, was nationally recognized in 2017 as Canada's Great Street by the Canadian Institute of Planners.

As a progressive municipal leader, the Town of Ladysmith places a strong emphasis on the importance of bringing the past to life while simultaneously forging ahead on new initiatives. These values are reflected in the way the Ladysmith Heritage Walks link the vibrant history of its buildings and artifacts with the burgeoning waterfront area and Transfer Beach Park.

Whether the Town is focused on restoring an old building or planning a new development, Council and staff always do so in a thoughtful, balanced and sustainable manner.





THE MAYOR'S MESSAGE

On behalf of Council, it is my privilege to provide this message for the Town of Ladysmith's 2023 Annual Report. It has been a year of change and opportunity.

We continue to find success and strengthen our reputation as a strong and vibrant community that is addressing key challenges and realizing the benefits of the many opportunities we have worked so hard, together, to create.

Additional cost pressures placed on local governments by the Province of BC, combined with rapidly rising costs, continued to stress the Town's financial resources as Council focused attention on making substantive progress on our Strategic Priorities while keeping taxes down.

We entered this first full year of our term of office with a focus on fostering community resilience, creating a foundation for economic opportunity and preparing for an uncertain climate future. We completed and adopted our new Official Community Plan, Ladysmith Unparalleled - Vision 2049, which won the Silver Medal Award of Excellence from the Planning Institute of British Columbia and Yukon for communities of up to 80,000 people. This is a big achievement for our little town, with gratitude to the hundreds of residents, business owners and community groups that contributed to the plan. This plan details how we plan to accommodate growth to support our community and deliver on our core infrastructure priorities and other projects to advance accessibility, sustainability, and community vitality. As a rapidly growing community, our new OCP reflects current challenges and future opportunities that will guide growth and ensure community priorities are front and centre as we continue moving forward.

We thankfully received \$10.85 million in funding from the Investing in Canada Infrastructure Program to complete necessary upgrades to our water supply infrastructure. This will ensure our supply of clean drinking water in the face of climate change and support our long-term growth. We also continue to be very successful in securing additional funding opportunities for other key infrastructure projects without passing the full burden of cost onto property owners. On this note, I share gratitude for our Town staff for managing our budgets to balance the need for fiscal responsibility with necessary investments to lay the foundation for a stable and vibrant future.

Revenue from new developments as well as the use of remaining COVID-19 relief funds continue to assist in managing increased costs and cushioning additional financial burden resulting from new Provincial Government legislation and increasing RCMP policing and library costs.

I applaud the work of Ladysmith's volunteers and service clubs for your outstanding commitment to our community. Throughout Ladysmith, volunteers continue to invest their time, energy, and funds to enhance our community. We are so grateful.

We continue to make progress on implementing the Waterfront Area Plan, having successfully transferred over \$3,000,000 in grant funding to continue upgrades to the Machine Shop, which will return Arts and Culture Programs to the building while vastly improving energy efficiency and safety. Work continues with Provincial authorities on remediation approvals to unlock the vast potential of the waterfront area and the entirety of the Town owned uplands. Just down the road at Transfer Beach Park, we completed projects (funded with a \$701,552 Provincial grant) to improve accessibility and including upgrades to the public washroom, picnic shelters, additional seating and tables, accessible pathways to the waters edge, and food truck concession areas. All these investments support our priority to make Ladysmith more accessible and enjoyable for people of all ages, incomes, and abilities.

Through our work on the waterfront, we continue to prioritize reconciliation and working together with the Stz'uminus First Nation on our shared vision as articulated through our Naut'sa mawt Community Accord, our Memorandum of Understanding and Waterfront Area Plan (Itst uw'hw-nuts' ul-wum - we are working as one). Understanding the realities and opportunities inherent in the process of reconciliation is critical to the most successful future for both Ladysmith and Stz'uminus. We continue working together with this understanding and in the spirit of Naut'sa mawt (Working together as one). Our communities also gathered at Transfer Beach to celebrate

Stz'uminus culture and reflect on our past, present and future as we marked Indigenous Peoples Day and the National Day for Truth and Reconciliation. Increased record turn-out for both days continues to reflect the strong and growing bond between Ladysmith and Stz'uminus and broad support for our work together. We are fortunate to be part of this journey together.

Together, through our shared motivation and mutual respect, we are on the path to building a better future for everyone. We celebrate the many achievements of 2023 and the progress highlighted within the Annual Report with our staff, partners, volunteers and residents. Thank you.

Mayor Aaron Stone



THE CAO'S MESSAGE

Thank you for your interest in the Town of Ladysmith's 2023 Annual Report. This report is a snapshot of the past year's achievements in alignment with the Council's 2023-2026 Strategic Plan.

I would like to express my sincere appreciation to the entire Town staff for the outstanding level of pride you take in your work. The results shine through as we continue to deliver high quality service to our residents.

As you delve into the Town's 2023 Annual Report, we hope it is conveyed how all Town departments delivered impressive achievements in 2023.

I am grateful to work on the unceded territory of the Stz'uminus First Nation. Together we continue to move forward in a good way.

It is a privilege to work collaboratively with Mayor Stone and Councillors Gourlay, Jacobson, McKay,

Paterson, Stevens, and Virtanen. In today's challenging political environment Ladysmith Council work respectfully with each other, Town staff and the public. They genuinely love their community and work tirelessly in advocating for our wonderful Town. They listen to the residents and do their best to give thoughtful, thorough and careful consideration when making decisions. From an inside view, I would like the community to know Ladysmith Council is always keeping the residents' interests top of mind.

In closing, I would like to thank Ladysmith Mayor and Council for entrusting me to lead our hardworking and dedicated staff. I look forward to accomplishing important things together.

Allison McCarrick, CAO







LADYSMITH COUNCIL

The Mayor and Council of the Town of Ladysmith were each elected for a four-year term in the municipal election held in October 2022. Each member is appointed to standing portfolios, Town and regional committees.

In 2023, Council adopted the 2023-2026 Strategic Plan. The major projects undertaken over the coming years will all help to accomplish the larger plan. The Town's budgets and ongoing work plans are guided by these key priorities.

Council recognizes that a significant portion of the Town's resources must be allocated to the core services that keep our community running - roads, sidewalks, water supply, sewage treatment, solid waste, parks and trails, fire/rescue, policing, and recreation programs.

Ladysmith's Strategic Plan is Council's vision for how best to invest the remaining resources to build the kind of community we envision for our citizens and future generations.

» **Vision:**

Ladysmith is a diverse and well-managed municipality that reflects the quality of its people, where we work together as stewards of our assets, environment and economy.



Ray Gourlay
Councillor



Amanda Jacobson
Councillor



Tricia McKay
Councillor

» **Mission:**

A safe, caring and vibrant economy.



Duck Paterson
Councillor



Marsh Stevens
Councillor



Jeff Virtanen
Councillor

50

Council
meetings

404

Resolutions
adopted

50.5

Hours in
open Council
session

LADYSMITH COMMITTEES

Council appoints citizens to serve on local advisory commissions and committees. Their role is to review matters referred by Council, and to make recommendations to help Council conduct its business.

Committee of the Whole

The Committee of the Whole is responsible for advising and making recommendations to Council on a broad spectrum of issues related to departmental matters.

Amanda Jacobson Chair, Nov. 2022 - Apr. 2023
 Duck Paterson Chair, May - Oct. 2023
 Marsh Stevens Chair, Nov. 2023 - Dec. 2023
 All members of Council

Jane Nettleton Member
 Lucy Partington Youth Rep
 Kelly Daniels Area H Rep
 Pamela Walker Area H Rep
 Vacant Area G Rep
 Vacant Stz'uminus First Nation
 Chris Barfoot Mgmt Liaison
 Kim Cheang Staff Liaison
 Duck Paterson Council Liaison
 Jeff Virtanen Alt. Council Liaison

Community Planning Advisory Committee - Jan.-Nov., 2023

Jason Harrison Chair
 Jason Robertson Member
 Brian Childs Member
 Steve Frankel Member
 Tamara Hutchinson Member
 Jennifer Sibbald Member
 Abbas Farahbakhsh Member
 Julika Pape Member
 Jennifer Aker Member
 Anthony Price Member
 Tonya Soules Member
 John Scott Member
 Keona Wiley Member
 Julie Thompson Staff Liaison
 Jake Belobaba Mgmt Liaison
 Marsh Stevens Council Liaison
 Amanda Jacobson Alt. Council Liaison

Protective Services Committee - Jan.-Nov., 2023

Tricia McKay Chair
 Chris Geiger Fire Chief
 Andrea Hainrich Rec. Secretary
 April Diver CVRD
 Robb Schouler CVRD
 Ryan Wainwright CVRD
 Jim Hall COPS
 Harold Cowie COPS
 Faye Hjort S&R - alternate liaison
 Tim Chadwick S & R
 S/Sgt. Wes Olsen RCMP
 Steve VanderMinne Ambulance - Unit Chief
 vacant Youth Coordinator
 Krista Perrault SFN
 Stephen Adam RCM SAR
 Sue Wisely (alt) RCM SAR
 Allison McCarrick Mgmt Liaison
 Ryan Bouma Mgmt Liaison
 Amanda Jacobson Alt Liaison

Parks, Recreation & Culture Advisory Committee - Jan.-

Nov., 2023

Colleen Butcher Member
 Gordon Filewych Member
 Terri-Merritt-Worden Member
 Lynda Baker Member
 Geoff Dean Member
 Bruce Mason Member
 Jacquiline Huard Member
 Kimberly Nakahara Member



LADYSMITH BY THE NUMBERS

Households

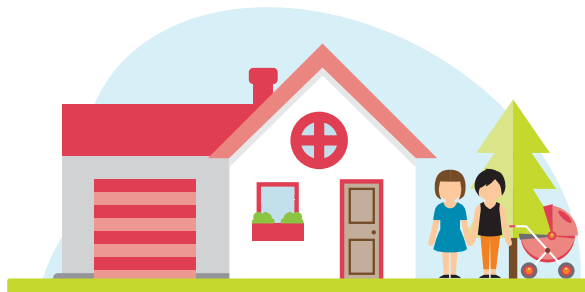
Ladysmith has

2,540 SINGLE DETACHED HOUSES,
945 ATTACHED DWELLINGS, and
225 MOBILE DWELLINGS



Ladysmith has
an average of

2.3 people
PER HOUSEHOLD



Location

Ladysmith is
**CONVENIENTLY
LOCATED**

88 km
to Victoria and
23 km
to Nanaimo



Sources: BC Stats (2019), Statistics Canada (2016)

ORGANIZATIONAL STRUCTURE

Mayor and Council

Chief Administrative Officer

Executive Liaison

Community

Core

Corporate

Protective

Director of Development Services

Director of Parks, Rec. & Culture

Director of Infrastructure Services

Manager of Corporate Services

Director of Financial Services

Manager of Human Resources

Fire Chief/ Manager of Protective Services

Planning
Economic Development
Building
Bylaw

Aquatics
Fitness
Community
Facility Maintenance
Administration

Public Works
Utilities
Parks
Maintenance
Engineering

Communication
Administration
Records Management

Financial Services
Information Technology

Human Resources

Fire Rescue
Bylaw

STRATEGIC PRIORITIES

In the 2023-2026 Strategic Plan, Ladysmith Council has set a vision and path to guide the organization and community over the coming years.

The five strategic priorities identified by Council include: Core Infrastructure, Official Community Plan Implementation, Waterfront Area Plan, Economy and Leadership.

The Strategic Plan strikes a balanced approach to fiscal management, advancing projects that are sustainable and manage future growth, while also preserving our community's character and protecting our natural assets.

Mitigating the impacts of climate change is also an important theme represented in current and future projects.

We invite you to explore the progress Council has made in achieving its strategic priorities as part of the 2023 Annual Report.

Celebrate Our Present.

Embrace Our Future.

Honour Our Past.





Infrastructure

Community Plan

Waterfront

Economy

Leadership



CORE INFRASTRUCTURE

In 2023, Ladysmith Council continued to prioritize capital projects that renew our aging infrastructure and accommodate the steady growth of the community in recent years.

The year was highlighted by the completion of the 4th Avenue Reconstruction Project.

Construction broke ground in the spring and the project scope included construction of a roundabout, replacement of underground utilities, paving, lamp standards and landscaping.

The Colonia Drive - Delcourt Avenue Active Transportation project moved steadily forward towards completion during the spring and summer months.

The dedicated sidewalks along Delcourt Avenue and Colonia Avenue now provide a preferred option for pedestrians who are walking in this area.

Additionally, a signalized flashing crosswalk installed at the entry to Brown Drive Park/ Kinsmen Playground as a component of this project enhances traffic control measures and

pedestrian safety.

The Town received a Federal/Provincial grant to help fund the completion of the Colonial/Delcourt project.

The Town completed the full replacement of the watermain along High Street between the Trans-Canada Highway and 1st Avenue.

The new watermain replaced a cast iron pipe and provides quality drinking water to area residents and businesses in the downtown.

Council continues to allocate capital funds towards paving projects across town and staff are carefully prioritizing this work based on several factors.

Over the summer, the Town and Cowichan Valley Regional District completed several key infrastructure upgrades to the Stocking Lake Dam, continuing the ongoing investment in the preservation of our respective communities' drinking water.

The work completed involved two phases



– addressing a leak that was identified over the winter and further strengthening the dam itself.

The Town received a \$3,000,000 grant from the UBCM Community Emergency Preparedness Fund for the decommissioning and improvement of old weirs on the lower portion of Holland Creek.

The Town and CVRD continue to explore funding opportunities from senior levels of government for the dam replacement.

Towards the end of 2023, the Town issued a Request for Proposals for a consultant to assess the Holland Lake Dams to determine appropriate options to increase reservoir capacity, design the improvements, work with the Town and regulators to obtain approvals, prepare a tender, and administer the contract for construction.

Looking ahead to 2024, and beyond:

- ▶ Ongoing renewal of infrastructure to mitigate the impacts of climate change
- ▶ Holland Lake and Stocking Lake Dam replacement
- ▶ Implementation of new GIS system



OFFICIAL COMMUNITY PLAN

In spring 2023, Ladysmith Council adopted the new Official Community Plan (OCP) - updating policies to ensure growth and development within our boundaries to proceed in a way that meets our goals.

As an influential policy document for the Town, which was created following a collaborative public engagement process with the community, Council opted to list the OCP implementation among its strategic priorities for this term.

With an initial step in the OCP implementation, Council adopted new regulations to increase the density, height and range of permitted uses in the downtown which are consistent with the OCP's policies.

The OCP identifies the downtown as a priority growth area, where development is to be incentivized and concentrated.

The new bylaw includes changes to setback, height, lot coverage and density. As an example, Residential use will be allowed above the first storey along 1st Avenue and on any storey along other streets.

Furthermore, the permitted height was increased to allow for 18-metres (approximately five-storey) buildings on parcels fronting only 1st Avenue and 21-metre, (approximately six-storey) buildings on corner lots on 1st Avenue and lots with frontages on other Downtown streets.

To reflect the practicalities of constructing to the new permitted heights and densities, on the Downtown's small lots, lot coverage has been increased to 100% and the rear setback has been removed.

Council's decision to permit higher density development in the community's core will help reduce greenhouse gas emissions from transportation and the built environment.

In the summer of 2023, staff initiated a parking study with the aim of collecting data over the summer and winter of 2023.

The OCP calls for a parking study to be completed every two years to determine if parking utilization exceeds 85%. The 85% threshold represents the



optimal balance between parking supply and demand.

The parking study will consist of four components:

1. Inventorying and categorizing existing parking spaces in the Downtown.
2. Conducting car counts at regular intervals to determine utilization.
3. Compiling and analyzing collected data.
4. Summarizing and reporting the findings of the study.

In total, there are 739 public parking spaces in the Downtown. 542 of these spaces are defined spaces and the majority of spaces (667) are on-street spaces.

The OCP specifies related policies if the parking occupancy threshold consistently exceeds the established benchmark.

The results of the study will be presented to Council for further consideration in 2024.



Did You Know:

Ladysmith's new Official Community Plan received the Excellence in Policy Planning – Small Town & Rural Areas Award from the Planning Institute of British Columbia?



WATERFRONT AREA PLAN

Ladysmith's stunning waterfront, and in particular Transfer Beach Park, underwent many significant amenity improvements in 2023. The waterfront continues to be a key destination for events, tourists and local residents alike.

The Town's abandonment of the water lot lease on Ladysmith's waterfront to the province, prior to its end date in 2029 recognized the reconciliation commitments established by the Provincial government, as well as the 'one heart + one mind' vision expressed in the WAP.

The Town and Stz'uminus continue to work together on building a shared legacy in the spirit of mutual respect and benefit.

In 2023, the Town received \$299,200 through the Island Coastal Economic Trust's Capital and Innovation Program for the Artist Studio, a component of the Arts & Heritage Hub as outlined in the Waterfront Area Plan.

The Town previously received a \$3,307,500 Federal grant to fund the construction of the studio

and other components of the Hub.

In August 2023, interested parties were invited to review the tender documents for the studio project and submit a competitive bid based on the scope of the work.

The Town retained a consultant in December 2022 to prepare a cost estimate for the studio before tendering the project.

Under the direction of Council, staff continue to explore grant funding opportunities where possible for capital projects to offset the financial burden on taxpayers.

Council is proud of the design and values of the work done to date, such as the collaboration among project steering committee members as well as with Stz'uminus Elders.

Moving forward, Ladysmith Council directed that staff discuss next steps with the funders.

The Town further improved public amenities at Transfer Beach Park through the paving of



an accessibility walkway connecting areas of key interest.

The Town previously received \$701,552 in Provincial funding to complete tourism upgrades at the park.

The walkway connects from the newly renovated public washroom - also funded through the tourism grant - and extends to both the Sportsman Shelter and beachfront.

Furthermore, the Town installed rollout walkway over the summer, improving visitors' access and enjoyment of our beautiful waterfront.

In the first season since extensive renovations as part of the grant, the Sportsman and Kinsmen shelters received almost 200 rentals.

Looking ahead to 2024, and beyond:

- ▶ Installation of Saddlespan tent at Transfer Beach amphitheatre
- ▶ Continue exploring funding opportunities to complete Machine Shop upgrades
- ▶ Work with Stz'uminus First Nation on our shared interests as identified through the Waterfront Area Plan



ECONOMY

Council's success on achieving its strategic priorities in the area of Economy was highlighted by the adoption of the new Official Community Plan, which includes 'local economy' as a core policy direction in addition to supporting areas of focus.

Strategies contained within the new OCP are specific, but not limited to, supporting green economic development activities and ongoing implementation of the Ladysmith Economic Development Strategy, supporting Stz'uminus First Nation in their economic development endeavors, protection and expansion of industrial land supply.

The Town completed several projects in 2023 to refresh downtown amenities, supporting local businesses and economic development, while also creating a more inclusive and welcoming gathering space for all.

As a result of a \$407,455 Federal grant, The Town will complete many key initiatives because of the funding, including:

- Installation of a new Level 2 electric vehicle charging station.
- Improvements to existing heritage artifact signage.
- Design and manufacturing of new tourism and wayfinding signage.
- Replacement of some interlocking brick paving.
- Refreshing bike racks and benches.

The addition of new tourism and wayfinding signage, as well as improvements to sidewalks and benches, will allow for an inviting pedestrian experience, as the public explore the streets on foot and visit many of the local sites.

In addition to these improvements, the Town of Ladysmith and BGC Central Vancouver Island have officially opened a new building addition to the non-profit childcare provider's 220 High Street location, helping facilitate the creation of 12 infant/toddler spaces for the working families in our community.



An overarching goal of Council's Strategic Plan is for Ladysmith to be a place where people from all walks of life can call home, with access to affordable and appropriate housing and services that reduce barriers, including for those who face systemic discrimination.

As such, the Town continues to implement the recommendations from the Poverty Reduction Strategy and received UBCM funding in 2023 to complete some of these initiatives, including: community dinner, film and discussion events, and a two-part workshop on systemic racism.

The Strategy is being implemented through the work of agencies as part of the Poverty Reduction Task Force and is carrying on in a subsequent phase into 2024.

Looking ahead to 2024, and beyond:

- ▶ Continue developing and implementing a strategy to enhance and promote Ladysmith's trails for hiking and cycling
- ▶ Implement recommendations from the Ladysmith Economic Development Strategy
- ▶ Refresh Town assets in the downtown core



LEADERSHIP

Council's Strategic Priority in the area of Leadership is guided by the spirit and intent of reconciliation.

The Town's fleet of vehicles now carry the 'Every Child Matters' decal designed by Stz'uminus artist John Marston as we raise awareness about the impact of residential schools.

Marston's decal design represents an eagle holding a child.

An event was held on June 20th at City Hall in advance of National Indigenous Peoples Day and included the raising of the Stz'uminus First Nation flag, which will now be flown permanently in front of the civic building.

The gathering was attended by Ladysmith Council, Stz'uminus Councillors Herb Seymour and Leona Smith, as well as Marston and invited guests.

As part of the Town's participation in this FortisBC initiative, Council authorized that \$1,000 be donated to the Indian Residential School Survivor Society.

The Town made the donation in memory and acknowledgement of the late Mike Charlie, Penelakut School survivor, who collaborated with Marston on this initiative.

Earlier in June, it was announced that Marston was fabricating a new 'Welcome to Ladysmith' and territorial acknowledgement sign.

The new 'Welcome to Ladysmith' sign will be located near Baker Road –and is set against the scenic backdrop of Ladysmith Harbour.

The Town gratefully acknowledges the receipt of Douglas Fir timbers donated by Western Forest Products for the completion of the new greeting sign.

In September, new crosswalks were unveiled at 1st Avenue and Gatacre Street, now known as Harmony Square. The themes are 'Ladysmith Remembers', a tribute to our veterans and 'Every Child Matters', helping to raise awareness of the victims and survivors of the residential school system.

In October, Mayor and Council welcomed Minister



of Municipal Affairs Anne Kang and members of her team to Ladysmith, where they were taken on a tour of the Machine Shop and the proposed area for the Arts & Heritage Hub.

Mayor and Council also formed an Accessibility Advisory Committee (AAC) in mid-2023. The goal of the committee is to help the Town identify barriers to individuals within the organization or those who are interacting with it, and to advise the organization on how to remove and prevent these barriers.

Looking ahead to 2024, and beyond:

- ▶ Advocate for the Province to fund services mandated by the Province
- ▶ Strengthen communication and meaningful collaboration with our partners Stz'uminus First Nation and the Cowichan Valley Regional District
- ▶ Demonstrate Council's leadership and continued excellence in governance

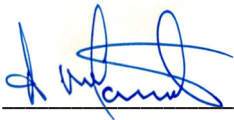
FINANCIAL STATEMENTS
for
FISCAL YEAR ENDING
December 31, 2023

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

The accompanying Consolidated Financial Statements are the responsibility of the management of the Town of Ladysmith and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting standards.

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.

MNP LLP as the Municipality'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 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 Municipality in accordance with Canadian Public Sector Accounting Standards.



Allison McCarrick
Chief Administration Officer



Independent Auditor's Report

To the Mayor and Council of the Town of Ladysmith:

Opinion

We have audited the consolidated financial statements of the Town of Ladysmith (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations net financial assets and cash flows for the year then ended, and notes and schedules 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 Town as at December 31, 2023, and the results of its consolidated operations 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 Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

Our opinion on the 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 Town'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 Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town'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 Town'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 Town'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 Town 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 Town 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

April 16, 2024

MNP LLP

Chartered Professional Accountants

MNP
LLP

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

		<u>2023</u>	<u>2022</u>
Financial Assets			
Cash and short-term deposits	(Note 3)	\$ 45,156,809	\$ 40,683,632
Accounts receivable	(Note 5)	2,423,885	2,704,470
		<u>47,580,694</u>	<u>43,388,102</u>
Liabilities			
Accounts payable and accrued liabilities	(Note 6)	2,544,282	2,862,982
Post-employment benefits	(Note 7)	334,200	288,800
Deferred revenue	(Note 8)	2,016,048	2,327,152
Refundable deposits and other	(Note 9)	2,102,252	2,683,721
Restricted reserves	(Note 10)	535,460	510,976
Development cost charge reserve	(Note 11)	8,944,041	7,966,939
Canada Community-Building reserve	(Note 12)	1,690,208	1,972,401
Equipment financing	(Note 13)	2,763,478	2,834,578
Debenture debt	(Note 14)	13,670,140	14,511,912
Asset Retirement obligation	(Note 15)	3,086,870	-
		<u>37,686,979</u>	<u>35,959,461</u>
Net Financial Assets		<u>9,893,715</u>	<u>7,428,641</u>
Non-Financial Assets			
Tangible Capital Assets	(Schedule II)	121,941,879	116,279,171
Prepays		90,502	114,569
Inventory		87,215	84,600
		<u>122,119,596</u>	<u>116,478,340</u>
Accumulated Surplus	(Note 20)	<u>\$ 132,013,311</u>	<u>\$ 123,906,981</u>

Commitments and Contingencies (Note 16)



Director of Financial Services

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF OPERATIONS
AS AT DECEMBER 31, 2023

	2023	Budget 2023 (Note 21)	2022
Revenue			
Taxation (Note 23)	\$ 12,896,686	\$ 12,887,337	\$ 12,810,369
Sale of Services (Note 24)	5,103,849	4,756,112	4,724,280
Investment Income	1,792,143	650,000	899,100
Licence, Permits, Rentals & Penalties (Note 25)	1,306,204	907,475	1,161,641
Grants (Note 26)	6,104,747	19,993,976	2,401,280
Donations and contributed tangible capital assets	4,681,127	3,647,598	954,078
Loss on foreign exchange	(2,752)	-	12,300
Gain (loss) on disposal of tangible capital assets	(670,565)	-	57,755
Development fees	307,100	3,396,165	-
Canada Community-Building funds utilized (Note 12)	830,201	1,221,299	639,367
	<u>32,348,740</u>	<u>47,459,962</u>	<u>23,660,170</u>
Expenses			
General government services	3,294,048	7,829,720	2,697,917
Protective services	2,812,208	2,920,836	2,130,266
Transportation services	2,880,132	3,855,879	2,669,338
Garbage services	552,275	619,271	501,989
Cemetery services	44,236	33,013	40,640
Development services	827,332	1,144,275	910,441
Recreation and cultural services	3,936,935	3,698,994	3,233,520
Parks operation services	1,086,114	1,376,147	1,035,279
Sewer	2,981,962	4,440,567	3,207,547
Water	5,827,168	5,402,534	3,679,395
	<u>24,242,410</u>	<u>31,321,236</u>	<u>20,106,332</u>
Annual Surplus	8,106,330	16,138,726	3,553,838
Accumulated Surplus, beginning of year	<u>123,906,981</u>	<u>123,906,981</u>	<u>120,353,143</u>
Accumulated Surplus - end of year	<u>\$ 132,013,311</u>	<u>\$ 140,045,707</u>	<u>\$ 123,906,981</u>

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT DECEMBER 31, 2023

	<u>2023</u>	<u>2022</u>
Operating Transactions		
Annual Surplus	\$ 8,106,330	\$ 3,553,838
Less non-cash items included in surplus:		
Amortization	4,419,318	4,210,987
Loss on disposal of tangible capital assets	670,565	(57,755)
Actuarial adjustments on debenture debt	(81,554)	(73,075)
Asset Retirement Obligations	3,086,870	-
Contributed tangible capital assets	(4,515,891)	(899,546)
	<u>11,685,638</u>	<u>6,734,447</u>
Change in		
Accounts receivable	280,585	(360,196)
Prepaid expenses	24,067	(11,430)
Inventory	(2,615)	1,763
Accounts payable and accrued liabilities	(318,700)	(509,168)
Post employment benefits	45,400	(25,800)
Deferred revenues	(311,104)	(1,153,890)
Refundable deposits and other	(581,469)	324,653
Restricted reserves	24,484	15,240
Development cost charge reserve	977,102	1,080,805
Canada Community-Building reserve	(282,193)	(147,727)
Cash provided by operating transactions	<u>11,541,195</u>	<u>5,948,696</u>
Capital Transactions		
Proceeds on sale of tangible capital assets	35,315	184,050
Cash used to acquire tangible capital assets	(6,272,015)	(6,097,589)
Cash used by capital transactions	<u>(6,236,700)</u>	<u>(5,913,539)</u>
Repayment of long-term debt and equipment financing		
Proceeds of equipment loans	-	2,100,000
Repayment of debt	(831,318)	(1,764,363)
Net Decrease in cash from financing	<u>(831,318)</u>	<u>335,637</u>
Increase in Cash and Short-Term Deposits	4,473,177	370,794
Cash and Short-Term Deposits - Beginning of Year	<u>40,683,632</u>	<u>40,312,838</u>
Cash and Short-Term Deposits - End of Year	<u>\$ 45,156,809</u>	<u>\$ 40,683,632</u>

TOWN OF LADYSMITH
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
AS AT DECEMBER 31, 2023

	<u>2023</u>	<u>Budget 2023</u> (Note 21)	<u>2022</u>
Annual Surplus	\$ 8,106,330	\$ 16,138,726	\$ 3,553,838
Acquisition of tangible capital assets	(10,787,906)	(29,611,059)	(6,997,135)
Amortization of tangible capital assets	4,419,318	4,210,984	4,210,984
Loss (gain) on sale of tangible capital assets	670,565	-	(57,755)
Proceeds from sale of tangible capital assets	35,315	-	184,050
Decrease (Increase) in inventories	(2,615)	-	1,763
Increase (Decrease) in prepaids	24,067	-	(11,430)
Change in Net Financial Assets	<u>2,465,074</u>	<u>(9,261,349)</u>	<u>884,315</u>
Net Financial Assets, beginning of year	<u>7,428,641</u>		<u>6,544,326</u>
Net Financial Assets, end of year	<u>\$ 9,893,715</u>		<u>\$ 7,428,641</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

The Town of Ladysmith (the Town) was incorporated in 1904 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services in the Town, as governed by the *Community Charter* and the *Local Government Act*.

Note 1 – Change in Accounting Policies

Asset retirement obligations

Effective January 1, 2023, the Town adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of a liability for asset retirement obligations under PS 3280 Asset Retirement Obligations. The new standard establishes when to recognize and how to measure a liability for an asset retirement obligation, and provides the related financial statement presentation and disclosure requirements.

Under the new standard, a liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset when certain criteria are met, as described in Note 2(k).

Pursuant to the recommendations, the change was applied prospectively and prior periods have not been restated. As such, the Town recognized asset retirement obligations for those arising on or after January 1, 2023, as well as for those arising prior to January 1, 2023 but for which an obligation was not previously recognized.

The cumulative effect in the current year of adopting this new standard is to increase liabilities by \$3,086,870 and increase expenses by \$3,086,870.

Financial instruments

Effective January 1, 2023, the Town adopted the Public Sector Accounting Board's (PSAB) new recommendations for the recognition, measurement, presentation and disclosure of financial assets, financial liabilities and derivatives under Section PS 3450 Financial Instruments. The new Section is applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies

The notes to the consolidated financial statements are an integral part of these financial statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis of these statements. They also provide relevant supplementary information and explanations which cannot be expressed in the consolidated financial statements.

(a) Basis of Presentation

It is the Town's policy to follow Canadian public sector accounting standards for local governments and to apply such principles consistently. The financial resources and operations of the Town have been consolidated for financial statement purposes and include the accounts of all of the funds of the Town.

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. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

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

General Revenue Fund	General Capital Fund
Water Revenue Fund	Water Capital Fund
Sewer Revenue Fund	Sewer Capital Fund
Reserve Fund	

(b) Reporting Entity

The consolidated financial statements include the assets, liabilities, revenue and expenses of the reporting entity. The reporting entity is comprised of all the funds, agencies, local boards, and committees of the Council which are controlled by the Town. Control is defined as the power to govern the financial and reporting policies of another organization with the expected benefits of risk of loss to the Town. The controlled organizations are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the Town. Interfund and intercompany balances and transactions have been eliminated. The controlled organizations include Ladysmith Harbour Economic Development Corporation (formally DL 2016 Holdings Corporation), a wholly owned subsidiary of the Town.

These notes form an integral part of these consolidated financial statements.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies (continued)**(c) Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost 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 Town does not capitalize interest charges as part of the cost of its tangible capital assets.

Tangible capital assets are amortized over their estimated useful life on the straight-line method at the following annual rates:

General Tangible Capital Assets

Land	Indefinite
Land Improvements	15 to 75 years
Buildings	25 to 40 years
Equipment, Furniture and Vehicles	5 to 60 years

Engineering Structures

Roads and Sidewalks	20 to 75 years
Storm and Sewer	25 to 75 years
Water	20 to 80 years

Constructions in progress contain capital projects underway but not yet complete or put into use. Once put into use, the asset will be amortized based on the above annual rates for the applicable category of work performed.

Certain assets have historical or cultural value including works of art, historical documents as well as historical and cultural artifacts that are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Intangibles, Crown lands and other natural resources are not recognized as tangible capital assets.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies (continued)

(d) Cash and Short-Term Deposits

Cash and short-term deposits have maturities of three months or less from the date of acquisition, reported in Canadian funds using the exchange rate of the prescribed bank as of December 31.

(e) Restricted Reserves and Deferred Revenues

Receipts which are restricted by the legislation of senior governments or by agreement with external parties are deferred and reported as restricted reserves. When qualifying expenses are incurred, restricted reserves are brought into revenue at equal amounts, in accordance with Revenue Recognition Note 2 (g). These revenues are comprised of the amounts shown in Note 10, 11 and 12.

Revenues received from non-government sources in advance of expenses which will be incurred in a later period are deferred until the associated purchase or expense is incurred.

(f) Use of Estimates

The 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 revenue and expense during the reporting period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, accrued liabilities, post-employment benefits, asset retirement obligations, provisions for contingencies and amortization rates, useful lives and salvage values for determining tangible capital asset values. Actual results could differ from those estimates. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Town is responsible for. Adjustments, if any, will be reflected in operations in the period of settlement.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies (continued)

(g) Revenue Recognition

Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year. Sales of services revenue are recognized when the services are rendered. Investment income is accrued as earned. Licences, permits, rentals and penalty revenues are recognized when the service has been provide or the amount is earned and when collection is reasonably assured.

Other revenues are recognized when earned in accordance with the terms of the agreement, when the amounts are measurable and when collection is reasonably assured.

The Town recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. Grants and donations are recognized in the financial statements in the period which the events giving rise to the transfer occur, eligibility criteria are met, and reasonable estimates of the amount can be made. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability (deferred revenue). In such circumstances, the Town recognizes the revenue as the liability is settled.

Deferred revenue represents user charges and other fees which have been collected, for which the related services have yet to be provided. These amounts will be recognized as revenue in the fiscal year the services are provided.

(h) Non-financial Assets

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

(i) Inventory

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

TOWN OF LADYSMITH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies (continued)

(j) 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 Town of Ladysmith 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, 2023.

Included in tangible capital assets are specific properties that have been determined to be contaminated in excess of Provincial environmental standards and that require remediation activities. As the Town has not accepted responsibility for the contamination, no liability has been recorded for the estimated remediation costs. Future events may confirm the Town's responsibility, at which point a liability would be recorded. Any remediation activities that occur prior to the determination of responsibility will be expensed as incurred.

(k) Asset Retirement Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the Town to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at December 31, 2023. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 2 - Significant Accounting Policies - (l) Asset Retirement Obligations (continued)

At each financial reporting date, the Town reviews the carrying amount of the liability. The Town recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The Town 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.

(m) Financial Instruments

The Town recognizes its financial instruments when the Town becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Town may irrevocably elect to subsequently measure any financial instrument at fair value. The Town has not made such an election during the year.

The Town subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The Town has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 3 - Cash and Short-Term Deposits

Cash and short-term deposits were comprised as follows:

	<u>2023</u>	<u>2022</u>
Cash	\$ 44,283,003	\$ 39,851,882
Short-term deposits	<u>873,806</u>	<u>831,750</u>
	<u>\$ 45,156,809</u>	<u>\$ 40,683,632</u>

Included in Cash is a deposit of \$199,850 (the equivalent of \$151,377 US Funds based on the exchange rate at the Ladysmith and District Credit Union on December 31, 2023) (\$199,031 equivalent of \$145,149 US Funds - 2022). Short-term deposits consist of short-term investments in the Municipal Finance Authority of B.C. money market fund. The market value is equal to the carrying value.

Included in cash and short-term deposits are the following restricted amounts that are expended in accordance with the terms of the restricted reserves.

	<u>2023</u>	<u>2022</u>
Restricted reserves	\$ 535,460	\$ 510,976
Canada Community-Building Fund reserve	1,690,208	1,972,401
Development cost charges reserve	<u>8,928,374</u>	<u>7,951,271</u>
Total restricted cash	<u>\$ 11,154,042</u>	<u>\$ 10,434,648</u>

TOWN OF LADYSMITH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Note 4 - Financial Instruments

The Town as part of its operations carries a number of financial instruments. It is management's opinion the Town is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. The Town is exposed to currency risk on its US dollar bank account. Unless otherwise noted in Note 3, the fair value of these financial instruments approximates their carrying values.

Note 5 - Accounts Receivable

	<u>2023</u>	<u>2022</u>
Employee receivables	\$ 6,563	\$ 1,989
Other government	464,628	698,877
Property taxes	850,529	972,621
User fees and other	1,102,165	1,030,983
	<u>\$ 2,423,885</u>	<u>\$ 2,704,470</u>

Note 6 - Accounts Payable and Accrued Liabilities

	<u>2023</u>	<u>2022</u>
General	\$ 1,439,952	\$ 1,803,410
Other governments	814,885	555,118
Salaries and wages	173,903	203,457
Contractor holdbacks	20,215	202,355
Accrued interest	95,327	98,642
	<u>\$ 2,544,282</u>	<u>\$ 2,862,982</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 7 - Post-Employment Benefits

The Town provides compensated absences to its employees to a maximum of 120 days. The Town also allows employees to defer unused vacation without any maximum. Any deferred vacation time remaining at retirement or termination is paid out at that time. The amount recorded for these benefits is based on an actuarial evaluation done by an independent firm using a projected benefit actuarial valuation method prorated on services. The last actuarial valuation was calculated at November 1, 2023 and has been extrapolated to December 31, 2023. The change in the liability in the financial statements in respect of obligations under the plan amounts to \$45,400 (-\$25,800 - 2022).

The accrued post-employment benefits are as follows:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 288,800	\$ 314,600
Current service costs	38,600	38,900
Benefits paid	(91,700)	(14,200)
Actuarial gain	98,500	(50,500)
Balance, end of year	<u>\$ 334,200</u>	<u>\$ 288,800</u>

The significant actuarial assumptions adopted in measuring the Town's post-employment benefits are as follows:

	<u>2023</u>	<u>2022</u>
Discount Rate	4.10%	4.40%
Expected Inflation Rate and Wage & Salary Increases	2.50%	2.50%

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 8 - Deferred Revenue

	<u>2023</u>	<u>2022</u>
Licence fees & charges	\$ 14,914	\$ 21,239
Rental payments	14,165	13,330
Property tax prepayments	742,298	676,873
Subdivisions prepayments	189,700	170,950
Recreation prepayments	38,536	28,628
Utilities prepayments	34,131	27,086
Government grant prepayments	970,086	1,385,546
Other	12,218	3,500
	<u>\$ 2,016,048</u>	<u>\$ 2,327,152</u>

Note 9 - Refundable Deposits and Other

	<u>2023</u>	<u>2022</u>
Developer performance deposits	\$ 1,048,182	\$ 1,205,416
Damage deposits	359,265	422,990
Other	694,805	1,055,315
	<u>\$ 2,102,252</u>	<u>\$ 2,683,721</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 10 - Restricted Reserves

There are two reserves, LRCA Capital and B&G Capital for the replacement of specific building components located at 630 2nd Avenue and 220 High Street. The Town renewed the operating leases with the Ladysmith Seniors Society and the Ladysmith Resources Community Association (LRCA) in 2021.

Description	Balance		Contributions	Expenditures	Balance	
	Dec. 31, 2022	Interest			Dec. 31, 2023	
Parking	\$ 112,677	\$ 7,735	\$ -	\$ -	\$ 120,412	
Green Streets	1,595	93	-	(1,688)	-	
Amphitheatre	11,186	796	700	-	12,682	
B&G - Capital	68,422	4,008	5,064	-	77,494	
LRCA/Seniors - Capital	317,094	5,185	2,594	-	324,872	
TOTAL	\$ 510,976	\$ 17,816	\$ 8,358	\$ (1,688)	\$ 535,460	

Note 11 - Development Cost Charges Reserve

Restricted reserves include Development Cost Charges (DCC's) which are charged to developers and utilized for infrastructure development.

Description	Balance		Contributions	Expenditures	Balance	
	Dec. 31, 2022	Interest			Dec. 31, 2023	
DCC - Water	\$ 2,574,053	\$ 160,107	\$ 422,445	\$ -	\$ 3,156,605	
DCC - Parks	913,070	64,790	60,293	(50,000)	988,153	
DCC - Parks Dedication	502,558	17,001	-	-	519,559	
DCC - Roads	1,633,802	87,701	127,179	(257,100)	1,591,582	
DCC - Sewer	1,816,991	108,732	176,161	-	2,101,884	
DCC - Storm	526,465	30,730	29,064	-	586,259	
TOTAL	\$ 7,966,939	\$ 469,061	\$ 815,142	\$ (307,100)	\$ 8,944,041	

Developers may be entitled to DCC credits in certain circumstances. There were no DCC credits provided in 2023 (\$13,024 for all DCC programs - 2022).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 12 – Canada Community-Building Fund Reserve

The Canada Community-Building (CCB) funding (formally known as Gas Tax funding) is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Town and the Union of British Columbia Municipalities. Canada Community-Building funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. The funds are recorded on the consolidated financial statements as a restricted reserve.

	<u>2023</u>	<u>2022</u>
Opening balance of unspent funds	\$ 1,972,401	\$ 2,120,128
Add: Amounts received during the year	452,892	433,786
Interest earned	95,116	57,854
Less: Canada Community-Building funds utilized	(830,201)	(639,367)
Closing balance of unspent funds	<u>\$ 1,690,208</u>	<u>\$ 1,972,401</u>

Note 13 - Obligations under Equipment Financing

The total equipment financing outstanding with the Municipal Finance Authority of BC (MFABC) as at December 31, 2023 was \$2,763,478 (\$2,834,578 - 2022). This balance is made up of:

	<u>Balance Dec 31, 2022</u>	<u>Principal Payments</u>	<u>Balance Dec 31, 2023</u>
Spartan Fire Truck	\$ 145,409	\$ 33,861	\$ 111,548
Pumper Truck	589,425	6,875	582,550
Aerial Truck	2,099,744	30,364	2,069,380
	<u>\$ 2,834,578</u>	<u>\$ 71,100</u>	<u>\$ 2,763,478</u>

Interest in the consolidated statement of operations is calculated as \$146,568 (\$29,250 - 2022).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 13 - Obligations under Equipment Financing (continued)

- 1) A five-year equipment loan agreement with the MFABC renewed June of 2022 in the amount of \$166,214 for the purchase of a 2012 Spartan fire truck. The balance of the loan at December 31, 2023 was \$111,548 (\$145,410 - 2022). The remaining obligation will be repaid with monthly loan payments in the amount of \$3,388 including interest at a monthly varying rate (December, 2023 was 5.63%) (4.51% - 2022). Loan to is set to expire July 2026.
- 2) A five-year equipment loan agreement with the MFABC renewed October of 2023 in the amount of \$586,408 for the purchase of a 2018 Spartan fire truck. The balance of the loan at December 31, 2023 was \$582,550 (\$589,425 - 2022). The remaining obligation will be repaid with monthly loan payments in the amount of \$4,050 including interest at a monthly varying rate (December, 2023 was 5.63%) (4.51% - 2022). The loan is set to expire September 2028.
- 3) A new five-year equipment loan agreement with the MFABC renewed December of 2023 in the amount of \$2,069,380 for the purchase of an Aerial fire truck. The balance of the loan at December 31, 2023 was \$2,069,380 (\$2,099,744 - 2022). The remaining obligation will be repaid with monthly loan payments in the amount of \$13,116 including interest at a monthly varying rate (December, 2023 was 5.63%) (4.51% - 2022). The loan is set to expire December 2028.

The future minimum loan payments payable to MFABC for all three equipment loan obligations are as follows:

2024	\$	93,599
2025		99,432
2026		104,595
2027		69,451
2028		67,905
Thereafter		2,328,497

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 14 - Debenture Debt

The Town of Ladysmith secures its long-term borrowing through the Municipal Finance Authority of BC (MFABC). As a condition of each borrowing, a portion of the debenture proceeds is retained by the MFABC as a debt reserve fund. As at December 31, 2023, the cash balance of the Town's debt reserve funds was \$244,548 (\$237,176 - 2022). Debt reserve funds are not recorded elsewhere in the financial statements.

The total long-term debt issued and outstanding with MFABC as at December 31, 2023 was \$13,670,140 (\$14,511,912 as at December 31, 2022). This balance is made up of:

	Original Amount	Balance Dec 31, 2022	Principal Payments	Balance Dec 31, 2023	Interest Ra
<u>General Capital Fund</u>					
RCMP Building Issue #97 Term 2006-2031	\$ 2,750,000	\$ 1,308,863	\$ 123,679	\$ 1,185,184	1.75%
<u>Water Capital Fund</u>					
Water Improvements Issue #118 Term 2012-2037	1,000,000	711,710	38,266	673,444	3.39%
Water Filtration Plant Issue #147 Term 2019-2044	6,000,000	5,491,339	179,827	5,311,512	2.66%
<u>Sewer Capital Fund</u>					
Sewer Treatment Plant Issue #138 Term 2016-2036	10,000,000	7,000,000	500,000	6,500,000	1.38%
	<u>\$ 19,750,000</u>	<u>\$ 14,511,912</u>	<u>\$ 841,772</u>	<u>\$ 13,670,140</u>	

Debt interest, net of actuarial adjustment included in the consolidated statement of operations, is calculated at \$386,847 (\$408,692 - 2022).

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 14 - Debenture Debt (continued)

The following principal payments are payable over the next five years:

	General		Water		Sewer		Total
	Principal Repayment	Actuarial Sinking Fund Earnings	Principal Repayment	Actuarial Sinking Fund Earnings	Principal Repayment	Actuarial Sinking Fund Earnings	Net
2024	66,033	62,593	194,185	30,451	500,000	-	853,262
2025	66,033	67,738	194,185	37,190	500,000	-	865,146
2026	66,033	73,088	194,185	44,132	500,000	-	877,438
2027	66,033	78,653	194,185	51,281	500,000	-	890,152
2028	66,033	84,441	194,185	58,645	500,000	-	903,304
Thereafter	198,099	290,409	2,899,633	1,892,699	4,000,000	-	9,280,840

On February 18, 2020, the electors approved an additional \$6.2 million dollars in long-term debt to increase the Town's water supply. This new debt has not been executed. In February of 2024, the Town initiated a borrowing of \$13.5 million dollars in long-term debt to redevelop the Buller Street lot. This new debt has not been approved at this time.

Note 15 - Asset Retirement Obligations

The Town has buildings containing asbestos, lead paint, and other hazardous materials and is legally required to remove the noted items when it becomes necessary to repair or replace the buildings. The Town recognized a liability of \$336,870 for the asset retirement obligation and a corresponding amount has been expense as the effective buildings have been fully amortized.

The Town has a water course with several waters weir and is legally required to decommission the weirs as they have reached the end of there useful life. The Town recognized a liability of \$2,750,000 for the asset retirement obligation and a corresponding amount has been expensed.

The Town estimated the amount of the liabilities using undiscounted future expenditures estimated to retire the tangible capital asset.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 16 - Commitments and Contingencies

(a) Contingent Liabilities

- i) The Town, as a member of the Cowichan Valley Regional District, is jointly and severally liable for operational deficits or long term debt related to functions in which it participates.
- ii) The loan agreements with the Municipal Finance Authority provide that if the Authority does not have sufficient funds to meet payments on its obligations it shall make payments from the Debt Reserve Fund which in turn is established by a similar Debt Reserve Fund in the Town and all other borrowing participants. If the Debt Reserve Fund is deficient the Authority's obligations become a liability of the regional district and may become a liability of the participating municipalities.
- iii) There were various claims made against the Town as at December 31, 2023 for incidents that arose in the ordinary course of operations. In the opinion of management and legal counsel, the outcomes of the lawsuits, now pending, are not determinable. As the outcomes are 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.

(b) Pension Liability

The Town 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, 2022, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 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.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 16 - Commitments and Contingencies - (b) Pension Liability (continued)

The most recent actuarial valuation for the Municipal Pension Plan as of December 31, 2021, indicated a \$3.761 billion funding surplus for basic pension benefits on a going concern basis.

The Town of Ladysmith paid \$484,189 (2022 - \$506,763) for employer contributions to the plan in fiscal 2023.

The next valuation will be as at December 31, 2024.

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

(c) Reciprocal Insurance Exchange Agreement

The Town 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 upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the Town is assessed a premium and specific deductible for its claims based on population. The obligation of the Town 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 Town irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 16 - Commitments and Contingencies (continued)**(d) Service Agreements & Rental Payments**

Service Agreements

	<u>2023</u>	<u>2022</u>
Ladysmith & District Historical Society	\$ 29,627	\$ 29,04
Ladysmith Resources Centre Association	45,608	44,71
Ladysmith Chamber of Commerce & Visitor Centre	<u>60,400</u>	<u>60,40</u>
	<u>\$ 135,635</u>	<u>\$ 134,15</u>

In 2022, the Town renewed a 2-year Service Agreement with the Ladysmith & District Historical Society (LDHS) for the occupancy, operation and management of the museum and archives and with the Ladysmith Resources Centre Association (LRCA). Both agreements may be renegotiated in 2024.

The Town provides the Ladysmith Chamber of Commerce & Visitor Centre annual funding to operate the visitor centre and provide support services for local businesses. The agreement is year-to-year. In 2022 and 2023, the Town provided an additional \$17,000 to the Ladysmith Chamber of Commerce to promote economic development and tourism services.

Rental payments under operating leases are expensed as incurred.

Rental Payments

	<u>2023</u>	<u>2022</u>
132c Roberts Street - office space	\$ 32,277	\$ 31,97
17 & 25 Roberts Street - parking lot	<u>9,900</u>	<u>9,60</u>
	<u>\$ 42,177</u>	<u>\$ 41,57</u>

In December of 2023, the Town signed a 2-year lease with Ivory Tower Investments Ltd for the use of office space at 132c Roberts Street which expires January of 2026. The future monthly payments are \$2,872 for the term of the agreement.

In December of 2023, the Town signed a 5-year lease agreement with Paul Jorjorian for the rental of the 17 & 25 Roberts Street Parking Lot which expires December 2028. The future monthly payments are 2024 for \$900, 2025 for \$950, 2026 for \$1,000, 2027 for \$1,000 and 2028 for \$1,000.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 17 - Significant Taxpayers

The Town is reliant upon 10 taxpayers for approximately 12.82% (11.31% - 2022) of the total property tax revenue which includes Western Forest Products at approximately 7.05% (6.25% - 2022) of the total property tax revenue.

Note 18 - Funds Held in Trust

These funds account for assets which must be administered as directed by agreement or statute for certain beneficiaries; in particular, these funds are for the Cemetery Trust Fund. In accordance with PSAB recommendations on financial statement presentation, trust funds are not included in the Town's Financial Statements.

A summary of trust fund activities by the Town is as follows:

	<u>2023</u>	<u>2022</u>
Assets		
Cash and short term investment	\$ 179,999	\$ 174,827
Equity		
Opening balance	\$ 174,827	\$ 169,227
Interest	10,024	4,717
Transfer interest to fund cemetery costs	(10,024)	(4,717)
Contributions	5,387	5,600
Refunds	(215)	-
Balance, end of year	<u>\$ 179,999</u>	<u>\$ 174,827</u>

Note 19 - Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 20 - Accumulated Surplus

The Town segregates its accumulated surplus in the following categories:

	<u>2023</u>	<u>2022</u>
Appropriated Equity <i>(Note 27)</i>		
Continuing projects	\$ 6,077,954	\$ 6,887,947
General fund	8,539,308	6,983,188
Water fund	-	2,153,202
Sewer fund	1,257,743	737,965
	<u>15,875,005</u>	<u>16,762,303</u>
Unappropriated Equity		
General fund	2,576,163	2,771,233
Water fund	104,470	593,612
Sewer fund	1,413,079	1,411,885
General capital fund	345,846	304,084
Sewer capital fund	32,529	32,529
Water capital fund	-	446,073
	<u>4,472,086</u>	<u>5,559,414</u>
Reserve Funds		
Reserve funds <i>(Note 27)</i>	<u>6,157,953</u>	<u>2,652,577</u>
Equity in Tangible Capital Assets	<u>105,508,266</u>	<u>98,932,686</u>
Total Accumulated Surplus	<u>\$ 132,013,311</u>	<u>\$ 123,906,981</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 21 - Annual Budget

Fiscal plan amounts represent the Financial Plan Bylaw adopted by Council on May 2nd, 2023.

The Financial Plan anticipated the use of surpluses accumulated in previous years to balance against current year expenses in excess of current year revenues. In addition, the Financial Plan anticipated capital expenses rather than amortization expense.

The following shows how these amounts were combined:

Financial Plan Balance for the year	\$ -
Add back:	
Amortization	(4,210,984)
Proceeds from new debt	(4,088,725)
Transfers to/from own funds	(6,188,341)
Less:	
Principal payments on debt	1,015,717
Capital expenditures per budget	38,050,368
Capital Expenditures expensed according to Tangible Capital Asset Policy	(8,439,309)
Adjusted Annual Surplus	<u>\$ 16,138,726</u>

Note 22 - Ladysmith Harbour Economic Development Corporation

The Town of Ladysmith has an investment in the Ladysmith Harbour Economic Development Corporation (formerly DL 2016 Holdings Corporation or DL 2016), a wholly owned subsidiary company of the Town.

Up until December 31, 2023, the Town of Ladysmith leased portions of its waterfront from the Province of British Columbia parts of which were subleased to the Corporation which entered in an operating and maintenance agreement with Ladysmith Maritime Society (LMS). A portion of the moorage revenues from LMS are owed to the Corporation.

As of December 31, 2023, the Town no longer leases the area from the Province of British Columbia.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 23 - Taxation

	Actuals	Actuals
	2023	2022
Taxes Collected:		
General municipal purposes	\$ 9,449,418	\$ 9,459,445
Grants in lieu and 1% utility tax	194,031	180,092
Water and sewer parcel tax	3,253,237	3,170,831
School district	4,270,577	3,934,148
Regional hospital district	1,142,384	1,101,390
Regional district	2,529,286	1,782,845
BCAA and MFA	121,721	111,385
Library	486,749	444,033
	<u>21,447,403</u>	<u>20,184,171</u>
 Less transfer to other governments		
Province of BC (school taxes)	4,270,577	3,934,148
Cowichan Valley Regional Hospital District	1,142,384	1,101,390
Cowichan Valley Regional District	2,529,286	1,782,845
BC Assessment & Municipal Finance Authority	121,721	111,385
Vancouver Island Regional Library	486,749	444,033
	<u>8,550,718</u>	<u>7,373,802</u>
Net taxation for municipal purposes	<u>\$ 12,896,686</u>	<u>\$ 12,810,369</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 24 - Sale of Services

	Actuals 2023	Budget 2023	Actuals 2022
Administration recoveries	\$ 82,010	\$ 20,600	\$ 44,180
Cemetery services	47,375	34,140	40,135
Fire service agreements	199,498	121,762	129,159
Public Works recoveries	39,657	-	35,935
Recreation services	640,590	514,958	503,183
Sewer utility fees	1,791,907	1,751,960	1,701,741
Solid waste fees	735,650	692,492	710,377
Water utility fees	1,567,162	1,620,200	1,559,570
	<u>\$ 5,103,849</u>	<u>\$ 4,756,112</u>	<u>\$ 4,724,280</u>

Note 25 - Licences, Permits, Rentals & Penalties

	Actuals 2023	Budget 2023	Actuals 2022
Facility Rentals & Leases	\$ 440,948	\$ 316,325	\$ 365,417
Fines	6,495	2,450	3,745
Licences	100,352	103,000	111,726
Penalties and interest	156,624	130,830	128,718
Permits, Licences & Fees	601,785	354,870	552,035
	<u>\$ 1,306,204</u>	<u>\$ 907,475</u>	<u>\$ 1,161,641</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 26 – Grants

	Actuals 2023	Budget 2023	Actuals 2022
Operating Grants			
Traffic Fines Revenue	\$ 43,000	\$ 37,933	\$ 53,393
Small Communities	436,000	446,000	567,000
Growing Communities Fund	3,406,000	3,406,000	-
Climate Action Program	99,082	-	99,082
CVRD Recreation	810,565	810,565	174,990
Community to Community	-	5,000	-
Other	16,966	17,698	30,238
	<u>4,811,613</u>	<u>4,723,196</u>	<u>924,703</u>
Capital Grants			
Arts & Heritage Hub - Phase 1	123,804	3,187,836	270,747
Childcare Space Creation	348,866	348,865	508,793
Colonia/Delcourt Active Transportation	304,693	270,793	25,550
Dogwood Bike Lanes Design	23,754	25,752	11,248
Downtown Refresh	247,809	390,622	16,833
4th Ave Improvement (Root to White St)	44,700	-	-
OCP Review - Phase 1	-	-	18,351
Poverty Reduction - Stream 2	19,445	25,000	25,000
Poverty Reduction - Stream 3	24,800	50,000	-
Stocking Lake Dam Repair	-	-	21,544
Tourism - Transfer Beach	113,913	113,913	547,807
Transfer Beach Railing	-	-	10,000
Transfer Beach Spray Park Resurfacing	-	-	20,704
Amphitheatre Event Tent	41,350	-	-
Water Supply Infrastructure	-	10,857,999	-
	<u>1,293,134</u>	<u>15,270,780</u>	<u>1,476,577</u>
Total Grants	<u>\$ 6,104,747</u>	<u>\$ 19,993,976</u>	<u>\$ 2,401,280</u>

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 27 – Reserves & Appropriated Equity

	Balance Dec 31, 2022	Interest Allocated	Contributions	Funding	Balance Dec 31, 2023
Reserves					
Amenity Funds	\$ 126,395	\$ 9,998	\$ 48,000	\$ -	\$ 184,393
Covid Safe Restart	1,422,311	-	-	(100,000)	1,322,311
Growing Communities (Note 29)	-	-	3,406,000	-	3,406,000
Climate Action Program	99,082	-	99,082	(45,064)	153,100
Municipal Office reserve	595,000	-	60,000	-	655,000
Filming reserve	580	31	22	-	633
Perpetual Safety Fund	14,254	951	-	-	15,205
Sale Real Property	366,311	24,444	-	-	390,755
Tax Sale	28,645	1,911	-	-	30,556
Total Reserves	\$ 2,652,577	\$ 37,336	\$ 3,613,104	\$ (145,064)	\$ 6,157,953
Appropriated Equity					
General Operating Fund					
Continuing Projects	3,895,748	-	2,009,683	(3,895,748)	2,009,683
Future Projects	3,118,278	-	636,852	(181,531)	3,573,599
Equipment	1,694,732	-	571,111	(83,670)	2,182,173
Land & Building	448,637	-	137,144	(23,708)	562,073
Tax Contingency	7,986	-	-	-	7,986
Snow & Ice Removal	50,000	-	40,000	-	90,000
Infrastructure Deficit	683,917	-	279,731	-	963,648
Solid Waste	979,638	-	180,191	-	1,159,829
	10,878,936	-	3,854,712	(4,184,657)	10,548,991
Water Operating Fund					
Continuing Projects	1,200,639	-	1,949,515	(1,200,639)	1,949,515
Future Projects	1,629,127	-	421,084	(2,050,211)	-
MFA Surplus Refunds	524,076	-	-	(524,076)	-
Water Operating Fund Total	3,353,841	-	2,370,600	(3,774,926)	1,949,515
Sewer Operating Fund					
Continuing Projects	1,791,560	-	2,118,756	(1,791,560)	2,118,756
Future Projects	737,965	-	545,778	(26,000)	1,257,743
Sewer Operating Fund	2,529,526	-	2,664,534	(1,817,561)	3,376,499
Total Appropriated Equity	\$ 16,762,303	\$ -	\$ 8,889,846	\$ (9,777,144)	\$ 15,875,005
Total Reserves & Appropriated Equity	\$ 19,414,881	\$ 37,336	\$ 12,502,949	\$ (9,922,207)	\$ 22,032,958

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 28 - Segmented Information

The Town is a diversified municipal government institution that provides a wide range of services to its citizens such as roads, water, sewer and drainage infrastructure, fire protection, police protection (RCMP), cemetery, recreation centre, garbage collection and parkland. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are:

General Government Services

General Government provides the administrative and legislative activities that supports Council and the departments of the Town. Also included in General Government Services is the financial planning and reporting, Information Technology, Human Resources, and Waterfront Area Plan Implementation.

Protective Services

Fire protection, includes a full-time Fire Chief and the fire department consists of paid on-call fire fighters who volunteer their service and receive compensating for each callout in which they take part. The fire department oversees a fleet a fire vehicles necessary to respond to calls.

Policing services is provided under contract with the RCMP. The Town is responsible for funding eight of the members within the detachment. The detachment occupies a building located in and owned by the Town of Ladysmith.

Bylaw enforcement administers, monitors, and seeks compliance with the bylaws enacted by the Mayor and Council to regulate the conduct of affairs in the Town of Ladysmith.

Transportation, Solid Waste and Cemetery Services

The Transportation (Public Works) Department is responsible for the infrastructure of the Town. Public works provides and maintains Town's roads, sidewalks, streetlights, signage and line markings, storm drainage and hydrants.

Solid Waste (Public Works) is responsible for the garbage collection, kitchen organics and recycling programs operating in the Town of Ladysmith. Solid waste collection is performed by a contractor.

TOWN OF LADYSMITH

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Note 28 - Segmented Information (continued)

Cemetery (Public Works) provides cemetery services including the maintenance of the cemetery grounds.

Development Services

The Development Services Department provides short-term and long-term land use planning services. Long-term Planning includes work with the community on reviewing the Town's Official Community Plan, developing new Neighborhood Plans, the Trail Plan and the review of relevant bylaws. Short term Planning includes the processing of development applications.

Recreation and Cultural Services

The Parks, Recreation and Culture Department contribute to the quality of life and personal wellness of the community through the provision of a variety of special events, programs, services and facilities. The Frank Jameson Community Centre (FJCC) is the location where the majority of the programs are offered. Funding from the regional partially funds the FJCC facility.

Parks Operation Services

Parks includes and provides maintenance of beach area, trails, golf course, spray-park, ball parks, and any other civic grounds.

Water Services

Water includes all of the operating activities related to the treatment and distribution of water throughout the Town as well as ensuring clean and safe water to the Town, supplied through underground pipes and reservoirs,

Sewer Services

Sewer includes all of the operating activities related to the collection and treatment of wastewater (sewage) and bio-solids composting throughout the Town as well as maintaining a separate system of underground pipes to collect sewer or waste water for proper treatment prior to discharging it.

TOWN OF LADYSMITH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

Note 29 – Growing Communities Fund

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The Town of Ladysmith received \$3,406,000 of GCF funding in March 2023.



TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE I

	General Government		Protective Services		Transportation, Garbage & Cemetery Services		Development Services	
	2023	2022	2023	2022	2023	2022	2023	2022
REVENUE								
Tax	\$ 9,643,448	\$ 9,639,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of services	33,718	31,423	200,498	129,159	833,548	791,662	36,134	2,146
Investment income	1,792,143	899,100	-	-	-	-	-	-
Licence, Permits, Rentals & Penalties	108,947	84,855	210,999	191,340	231,951	188,238	434,822	428,613
Grants	3,941,082	666,082	43,000	53,393	625,649	58,803	-	18,351
Donations & contributed property	48,000	5,000	-	-	3,279,902	699,771	-	-
Loss on foreign exchange	- 2,752	12,300	-	-	-	-	-	-
Gain (loss) on disposal	- 685,052	47,390	-	-	32,640	14,050	-	-
Development fees	-	-	-	-	257,100	-	-	-
CCB funds utilized	-	-	-	-	520,894	369,316	11,137	180,933
Total revenue	14,879,534	11,385,688	454,497	373,892	5,781,684	2,121,839	482,093	630,042
EXPENSES								
Contracted Services	577,329	319,045	1,819,005	1,422,875	968,655	792,636	51,825	226,237
Service Agreements/Grants In Aid	196,594	197,277	-	-	-	-	-	-
Insurance	81,901	77,772	16,024	16,294	-	-	-	-
Interest	-	19,834	130,997	18,367	-	-	-	-
Materials & Supplies	51,918	48,017	96,866	80,688	162,998	145,580	18,525	22,849
Utilities & Telephone	13,930	12,092	10,049	4,680	132,908	135,625	4,091	4,944
Wages & Benefits	2,082,667	1,964,709	416,794	325,702	1,092,543	1,095,282	741,674	644,351
Other	(12,502)	(223,934)	56,618	31,256	65,082	74,359	8,872	9,714
Amortization	302,212	283,106	265,854	230,405	1,054,456	968,486	2,345	2,345
Total expenses	3,294,048	2,697,918	2,812,208	2,130,267	3,476,643	3,211,967	827,332	910,442
Surplus (Deficit)	\$ 11,585,486	\$ 8,687,769	\$ (2,357,711)	\$ (1,756,375)	\$ 2,305,040	\$ (1,090,129)	\$ (345,239)	\$ (280,399)

TOWN OF LADYSMITH
STATEMENT OF OPERATIONS BY SEGMENT
FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE I – CONTINUED

Recreation & Culture Services		Parks Operations Services		Sewer Operations Services		Water Operations Services		Total Actual	Total Actual
2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
\$ -	\$ -	\$ -	\$ -	\$ 1,393,920	\$ 1,336,300	\$ 1,859,317	\$ 1,834,531	\$ 12,896,686	\$ 12,810,369
640,590	503,183	-	-	1,792,199	1,702,104	1,567,162	1,564,602	5,103,849	4,724,280
-	-	-	-	-	-	-	-	1,792,143	899,100
272,846	225,226	-	-	24,544	22,982	22,095	20,387	1,306,204	1,161,641
1,379,972	1,509,912	124,854	73,196	9,810	-	-	21,544	6,104,747	2,401,280
28,350	15,800	27,343	33,732	620,187	86,445	677,346	113,330	4,681,127	954,078
-	-	-	-	-	-	-	-	(2,752)	12,300
2,675	-	-	-	11,607	-	(9,221)	(3,685)	(670,565)	57,755
-	-	50,000	-	-	-	-	-	307,100	-
-	-	298,170	89,118	-	-	-	-	830,201	639,367
<u>2,324,432</u>	<u>2,254,121</u>	<u>500,367</u>	<u>196,046</u>	<u>3,809,433</u>	<u>3,147,832</u>	<u>4,116,699</u>	<u>3,550,709</u>	<u>32,348,740</u>	<u>23,660,171</u>
571,284	388,691	70,868	78,692	260,454	383,225	368,882	946,903	4,688,304	4,558,304
-	-	-	-	-	-	-	-	196,594	197,277
60,817	49,747	5,717	4,704	45,672	40,053	33,996	29,525	244,127	218,095
-	-	-	-	134,185	143,494	169,591	172,978	434,774	354,673
192,694	182,388	90,821	82,458	272,228	282,975	320,804	334,421	1,206,854	1,179,377
215,323	222,694	7,098	6,952	153,759	147,930	61,165	56,100	598,324	591,017
2,243,960	2,102,991	542,003	489,339	675,300	730,308	850,460	857,667	8,645,401	8,210,348
26,599	37,279	104,373	117,926	193,251	227,830	279,554	311,828	721,846	586,257
626,258	249,730	265,235	255,207	1,247,112	1,251,732	3,742,716	969,973	7,506,188	4,210,984
<u>3,936,935</u>	<u>3,233,521</u>	<u>1,086,114</u>	<u>1,035,279</u>	<u>2,981,962</u>	<u>3,207,546</u>	<u>5,827,168</u>	<u>3,679,396</u>	<u>24,242,411</u>	<u>20,106,332</u>
<u>\$ (1,612,503)</u>	<u>\$ (979,401)</u>	<u>\$ (585,747)</u>	<u>\$ (839,233)</u>	<u>\$ 827,471</u>	<u>\$ (59,715)</u>	<u>\$ (1,710,469)</u>	<u>\$ (128,686)</u>	<u>\$ 8,106,329</u>	<u>\$ 3,553,839</u>

SCHEDULE II

	Land		Land Improvements		Buildings		Vehicle Furniture & Equipment		Transportation
	2023	2022	2023	2022	2023	2022	2023	2022	2023
COST									
Opening Balance	\$ 11,301,637	\$ 11,024,061	\$ 9,666,056	\$ 9,697,268	\$ 26,164,840	\$ 25,624,351	\$ 11,551,037	\$ 9,050,929	\$ 31,709,150
Add: Additions	1,225,141	277,576	861,354	126,409	1,260,382	641,111	377,437	2,585,773	4,603,225
Less: Disposals	-	-	-	157,621	-	100,622	672,290	85,665	138,926
Less: Write-downs	-	-	-	-	-	-	-	-	-
Closing Balance	<u>12,526,779</u>	<u>11,301,637</u>	<u>10,527,410</u>	<u>9,666,056</u>	<u>27,425,221</u>	<u>26,164,840</u>	<u>11,256,181</u>	<u>11,551,037</u>	<u>36,173,448</u>
ACCUMULATED AMORTIZATION									
Opening Balance	-	-	4,435,315	4,229,121	9,360,140	8,701,678	5,148,608	4,705,258	18,569,654
Add: Amortization	-	-	295,849	281,657	760,606	730,632	574,874	517,015	721,665
Less: Write-downs	-	-	-	-	-	-	-	-	10
Less: Disposals	-	-	-	75,463	-	72,170	490,771	73,665	119,031
Closing Balance	<u>-</u>	<u>-</u>	<u>4,731,164</u>	<u>4,435,315</u>	<u>10,120,746</u>	<u>9,360,140</u>	<u>5,232,711</u>	<u>5,148,608</u>	<u>19,172,278</u>
Net Book Value	<u>\$ 12,526,779</u>	<u>\$ 11,301,637</u>	<u>\$ 5,796,246</u>	<u>\$ 5,230,741</u>	<u>\$ 17,304,475</u>	<u>\$ 16,804,700</u>	<u>\$ 6,023,470</u>	<u>\$ 6,402,429</u>	<u>\$ 17,001,170</u>

FOR THE YEAR ENDED DECEMBER 31, 2023

SCHEDULE II (CONTINUED)

Linear Infrastructure

Transportation	Sanitary Sewer		Storm		Water		Assets Under Construction		Total	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
\$ 31,362,370	\$ 38,151,666	\$ 38,013,008	\$ 10,814,918	\$ 10,693,928	\$ 35,319,407	\$ 34,270,128	\$ 2,652,856	\$ 961,579	\$ 177,331,569	\$ 170,697,621
346,781	878,920	138,658	1,857,938	120,990	1,382,140	1,068,560	356,989	1,822,695	12,803,526	7,128,553
-	24,427	-	18,877	-	23,047	19,281	2,015,614	131,415	2,893,181	494,604
-	-	-	-	-	-	-	473,564	-	473,564	-
<u>31,709,150</u>	<u>39,006,158</u>	<u>38,151,666</u>	<u>12,653,980</u>	<u>10,814,918</u>	<u>36,678,499</u>	<u>35,319,407</u>	<u>520,664</u>	<u>2,652,856</u>	<u>186,768,342</u>	<u>177,331,569</u>
17,906,451	12,606,005	11,604,971	2,990,638	2,835,174	7,942,036	7,095,653	-	-	61,052,396	57,078,306
663,203	1,008,783	1,001,034	172,112	155,464	884,724	861,979	-	-	4,419,318	4,210,984
-	-	-	-	-	-	-	-	-	10,00	-
-	12,820	-	7,930	-	13,983	15,596	-	-	645,240	236,894
<u>18,569,654</u>	<u>13,601,968</u>	<u>12,606,005</u>	<u>3,154,820</u>	<u>2,990,638</u>	<u>8,812,777</u>	<u>7,942,036</u>	<u>-</u>	<u>-</u>	<u>64,826,464</u>	<u>61,052,396</u>
<u>\$ 13,139,496</u>	<u>\$ 25,404,190</u>	<u>\$ 25,545,661</u>	<u>\$ 9,499,160</u>	<u>\$ 7,824,280</u>	<u>\$ 27,865,722</u>	<u>\$ 27,377,371</u>	<u>\$ 520,664</u>	<u>\$ 2,652,856</u>	<u>\$ 121,941,879</u>	<u>\$ 116,279,171</u>



STATISTICAL INFORMATION
for
FISCAL YEAR ENDING
December 31, 2023

unaudited

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023
DEBENTURE DEBT & LEASES

	2019	2020	2021	2022	2023
PROTECTIVE SERVICES	\$ 1,652,082	\$ 1,542,132	\$ 1,427,784	\$ 1,308,863	\$ 1,185,184
WATER	6,810,346	6,614,181	6,411,815	6,203,049	5,984,956
SEWER	8,500,000	8,000,000	7,500,000	7,000,000	6,500,000
SHORT TERM DEBT	952,700	952,700	952,700	-	-
CAPITAL LEASES	915,465	857,420	791,629	2,834,578	2,763,478
	<u>\$ 18,830,593</u>	<u>\$ 17,966,433</u>	<u>\$ 17,083,928</u>	<u>\$ 17,346,490</u>	<u>\$ 16,433,618</u>

LIABILITY SERVICING

	2019	2020	2021	2022	2023
Liability Servicing Limit	4,218,062	4,221,605	4,532,646	4,845,620	5,216,950
Total Liability Servicing Cost	1,074,034	1,717,239	1,700,987	2,702,388	1,920,741
Liability Servicing Capacity Available	<u>3,144,028</u>	<u>2,504,366</u>	<u>2,831,659</u>	<u>2,143,232</u>	<u>3,296,209</u>

Source: Ladysmith Financial Services

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023

GENERAL TAXABLE ASSESSMENTS

	2019	2020	2021	2022	2023
Residential	\$ 1,604,732,001	\$ 1,683,946,701	\$ 1,805,729,101	\$ 2,483,411,201	\$ 2,842,798,001
Utilities	1,557,500	1,653,100	1,685,200	2,195,570	2,064,765
Supportive Housing	-	-	-	-	-
Major Industry	10,161,500	10,727,800	11,679,700	12,397,600	13,608,000
Light Industry	3,264,500	4,456,200	6,831,100	8,269,300	10,100,500
Business and Other	93,104,100	106,926,600	105,142,650	125,817,400	140,544,800
Managed Forest Land	6,700	7,100	7,600	6,700	7,200
Recreation/Non-profit	9,249,000	10,036,000	10,528,000	12,079,000	12,409,200
Farmland	24,480	24,480	30,048	27,528	21,960
Total	\$ 1,722,099,781	\$ 1,817,777,981	\$ 1,941,633,399	\$ 2,644,204,299	\$ 3,021,554,426

Source: Ladysmith Financial Services & BC Assessment - Revised Roll

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023

PROPERTY TAX LEVIED AND COLLECTED

	2019	2020	2021	2022	2023
Municipal Taxes	\$ 7,129,762	\$ 7,404,636	\$ 7,563,140	\$ 8,001,810	\$ 7,855,039
Police Taxes	1,320,581	1,315,754	1,354,972	1,457,635	1,594,379
Library Taxes	414,149	429,596	425,760	444,033	486,749
Parcel Taxes	2,977,916	3,069,391	3,132,033	3,170,831	3,253,237
Grants in Lieu	26,776	30,174	30,580	33,236	33,394
1% Utility Tax	145,321	142,827	132,920	146,856	160,636
School Taxes	3,130,367	3,070,875	3,542,809	3,934,148	4,270,577
CVRD Hospital Taxes	971,645	1,056,358	1,048,123	1,101,390	1,142,384
CVRD Taxes	1,480,883	1,583,873	1,655,183	1,782,845	2,529,286
BC Assessment Taxes	81,433	92,941	96,385	110,800	121,054
MFA Taxes	384	408	435	584	668
	<u>\$ 17,679,217</u>	<u>\$ 18,196,833</u>	<u>\$ 18,982,340</u>	<u>\$ 20,184,169</u>	<u>\$ 21,447,402</u>
Total Current Taxes Collected	17,165,199	17,662,073	18,472,582	19,555,083	20,789,829
Outstanding	<u>\$ 514,017</u>	<u>\$ 534,760</u>	<u>\$ 509,758</u>	<u>\$ 629,087</u>	<u>\$ 657,573</u>
Percentage Collected	97.09%	97.06%	97.31%	96.88%	96.93%

Source: Ladysmith Financial Services

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023

ASSESSMENT BASED PROPERTY TAXATION BY CLASS (at time of Levy)

	2019	2020	2021	2022	2023
Residential	\$ 11,158,680	\$ 11,705,850	\$ 12,058,153	\$ 13,033,325	\$ 14,091,984
Utilities	234,588	237,740	240,746	255,810	254,864
Supportive Housing	-	-	-	-	-
Major Industry	1,128,756	1,135,867	1,178,352	1,203,769	1,204,915
Light Industry	86,137	90,100	136,494	157,479	171,392
Business and Other	1,855,786	1,733,912	2,002,143	2,097,347	2,200,994
Managed Forest Land	235	238	270	235	257
Recreation/Non-profit	57,311	44,083	60,983	61,559	63,194
Farmland	912	931	1,146	1,082	858
Total	14,522,405	14,948,721	15,678,287	16,810,607	17,988,459

Source: Ladysmith Financial Services

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023

EXPENSES BY FUNCTION

	2019	2020	2021	2022	2023
General government services	\$ 2,780,011	\$ 2,439,412	\$ 2,464,818	\$ 2,697,917	\$ 3,294,048
Protective services	1,443,022	1,935,494	1,740,430	2,130,266	2,812,208
Transportation services	2,250,325	2,383,547	2,423,148	2,669,338	2,880,132
Garbage services	527,606	429,609	495,217	501,989	552,275
Cemetery services	29,068	25,910	41,051	40,640	44,236
Development services	573,622	614,932	808,511	910,441	827,332
Recreation and cultural services	2,897,536	2,903,436	3,083,722	3,233,520	3,936,935
Parks operation services	1,093,968	958,428	1,095,001	1,035,279	1,086,114
Sewer	2,854,002	4,042,452	3,014,472	3,207,547	2,981,962
Water	1,778,406	3,063,352	3,704,990	3,679,395	5,827,168
	<u>\$ 16,227,566</u>	<u>\$ 18,796,572</u>	<u>\$ 18,871,360</u>	<u>\$ 20,106,332</u>	<u>\$ 24,242,410</u>

Source: Ladysmith Financial Services

STATISTICAL INFORMATION

FIVE - YEAR STATISTICAL REVIEW 2019-2023

CAPITAL EXPENDITURE BY SOURCES OF FINANCING

	2019	2020	2021	2022	2023
Operating Funds/Carry Forward	\$ 1,945,008	\$ 3,853,709	\$ 1,331,851	\$ 1,872,330	\$ 3,564,320
Reserve Funds	1,298,377	728,262	357,914	667,111	1,169,269
Development Cost Charges	67,000	78,447	10,395	-	307,100
Debt	4,671,213	-	-	2,085,969	-
Grants	6,138,063	1,323,965	441,047	1,476,578	1,283,324
Gas Tax	893,244	303,100	354,302	639,367	830,201
Other	215,507	248,899	203,545	233,082	149,976
	<u>\$ 15,228,412</u>	<u>\$ 6,536,382</u>	<u>\$ 2,699,054</u>	<u>\$ 6,974,437</u>	<u>\$ 7,304,190</u>

Source: Ladysmith Financial Services

PERMISSIVE TAX EXEMPTIONS

2023 Permissive Property Tax Exemptions

<u>Organization/ Property Owner</u>	<u>Address</u>	<u>2023 Municipal Tax Exemption</u>
Boys & Girls Club	220 High St	\$ 7,982
Canadian Legion Branch #171	621 1st Ave	\$ 306
Island Corridor Foundation		\$ 17,510
Ladysmith & District Historical Society Archives	1115A - 1st Ave	\$ 3,442
Ladysmith & District Historical Society - Roundhouse	612 & 614 Oyster Bay Dr	\$ 5,642
Ladysmith & District Historical Society - Museum	721 1st Ave	\$ 5,537
Ladysmith Fellowship Baptist Church	381 Davis Rd	\$ 1,432
Ladysmith Festival of Lights	1163 4th Ave	\$ 8,081
Ladysmith Golf Club Society	380 Davis Rd	\$ 3,306
Ladysmith Health Care Auxiliary	910 1st Ave	\$ 15,818
Ladysmith Maritime Society	616 Oyster Bay Dr	\$ 2,896
Ladysmith Resource Centre Association	630 2nd Ave	\$ 5,664
Ladysmith Resource Centre Association	314 Buller	\$ 20,917
Ladysmith Seniors Centre Society	630 2nd Ave	\$ 2,951
Ladysmith Senior Citizens Housing Society	207 Jamison Rd	\$ 4,124
Ladysmith Senior Citizens Housing Society	101 1st Ave	\$ 4,931
Municipal Parking lot	17 Roberts St	\$ 3,037
Municipal Parking lot	25 Roberts St	\$ 2,263
Pentecostal Assemblies	1149 4th Ave	\$ 2,785
St John's Masonic Temple	26 Gatacre St	\$ 2,478
St. Mary's Catholic Church	1135 4th Ave	\$ 8,617
United Church of Canada	232 High Street	\$ 1,482
Total		\$ 131,201
<u>Revitalization Exemptions</u>		
Mees, Adine and Van Seters, David	341 1st Ave	3,268
Arsenault + Huggins Health Inc	12 Roberts St	309
Atlas Shrugged Holdings	902 Ludlow Rd	44,057
Total		\$ 47,634
Total Exemptions		\$ 178,835

2023 GRANTS-IN-AID AWARDED

2023 Grants-in-Aid

Ladysmith Celebrations Society	\$ 10,000
Ladysmith Festival of Lights Society	10,000
Ladysmith Fire Rescue Santa Parade	1,500
Ladysmith Maritime Society	1,500
Ladysmith Show & Shine	2,000
Old English Car Club - Central Island Branch	600
Total Celebrations	25,600
Ladysmith & District Marine Rescue Society	2,500
Total Harbour Functions	2,500
Arts Council of Ladysmith & District	7,000
Ladysmith Downtown Business Association	5,000
Ladysmith & District Historical Society	6,000
Ladysmith Little Theatre	2,500
Total Other	20,500
257 RCACS Parent Committee	1,000
Cowichan Family Caregivers Support Society	1,000
Ladysmith Family and Friends (LaFF)	2,500
Big Brothers Big Sisters Central Vancouver Island	1,500
Total Social Services	6,000
Ladysmith Sec School - Frank Jameson Bursary	1,500
Total Youth, Education & Sport	1,500
Waiving of Fees	1,500
TOTAL	57,600





We Value Your Feedback

Successful civic engagement ensures that our citizens' and stakeholders' views, values, needs and concerns are identified before and during decision making.

Being part of this two-way process gives residents the opportunity to contribute and connect with the Town. We encourage our citizens to engage their family, friends and colleagues in discussions and actions that improve our community.

We want to hear what you have to say. Connect with us in the following ways:

-  Send an E-mail to info@ladysmith.ca
-  Send a letter to Town of Ladysmith City Hall, Box 220, Ladysmith, B.C. V9G 1A2
-  Follow us on Facebook www.facebook.com/LadysmithBC
-  Follow us on X [@TownOfLadysmith](https://twitter.com/TownOfLadysmith)
-  Call us 250.245.6400

