

DISTRICT OF UCLUELET

2021 ANNUAL REPORT



DISTRICT OF
UCLUELET

2021 ANNUAL REPORT CONTENTS

Overview	04
Message from the Mayor	06
Message from CAO	08
Organizational Structure	09
Community Planning	10
Parks & Recreation	12
Fire & Emergency Services	14
Public Works	16
Finance & Corporate Services	18
Small Craft Harbour	20
Sustainability and Climate Action	22
Barkley Community Forest	22
Consolidated Statement of Financial Position	24
Permissive Tax Exemptions	46



2021 Annual Report
January 1 to December 31, 2021

This document was prepared by the Corporate Services Department,
with departmental information provided by each Department Head.

OVERVIEW

2021 ANNUAL REPORT

Our Community, Our Future

A true West Coast working harbour, home to approximately 2,000 residents, Ucluelet is a place rich in tradition and natural beauty. Located on the West Coast of Vancouver Island within the traditional lands of the Yuułu?il?ath First Nation, Ucluelet sits on the edge of the Wild Pacific Ocean. Our community offers visitors and residents the opportunity to live in and explore one of the world's most pristine coastlines, and although pleasantly remote, enjoys excellent physical and digital access to the rest of the world.

The people who make up the town of Ucluelet are known for being a friendly, hardworking, resourceful, and welcoming group of citizens who are fiercely protective of the land and sea, and the resources which have sustained the community for generations. Ucluelet has been recognized as a town committed to carefully managing its growth to ensure that, as it changes over time, the natural environment is protected, the social fabric of the community is strengthened, and the local economy becomes more diverse and vibrant.

Our Role

The District of Ucluelet provides leadership in the community with emphasis on inclusive and strategic planning for the future. We play a role in unifying the community towards a common vision and communicating with our residents on issues that are important to them and the District. We collaborate with our neighbors to enhance our collective provision of services and to ensure effective advocacy on issues that affect our region. We are committed to the respectful and responsible stewardship of its natural resources and to the preservation of the local environment for future generations to come. Ultimately, our role is to pursue the aspirations of our community and leave a legacy for future generations.

Our Commitment

- Lead by example
- Own our decisions and the outcomes
- Be prepared and informed as we make decisions
- Be collaborative with our partners
- Have an open mind
- Be consistent

MESSAGE

FROM THE MAYOR

This term has been very difficult on all levels of my life, and I know my fellow Councillors have their own stories to share as well. In a public position such as this one, it's been important to have good friends and acquaintances, ensuring a network of positive, forward-thinking support around us, as we led our community through another challenging year during a global pandemic. We are also pleased to be supported by a dedicated and competent team of staff, assisting Council as we move forward with our Strategic Plan and goals for the future of this community.

We are very fortunate to be both a Resort Municipality and proud partners in a Community Forest with the Toquaht Nation. This partnership with the residents of Macoah brings two communities, and for me personally life-long friends, together in a unique and special way, to help encourage the growth of a sustainable, diverse, and vibrant economy in a place we get to call home.

Our Resort Municipality status provides us with access to additional funding for our community to invest in amenities. I believe investing in attractions and amenities, not only better the living experience for those of us that call this place home, but for visitors to the region as well. I find there is a "different person" travelling to visit Ucluelet these days, those seeking the simple and quiet experience that a rural community provides. During COVID, many people are attracted to the more rural regions as they now understand better what simple and quiet truly means. Ucluelet continues to provide not only this desirable, calmer lifestyle but also the essentials such as high-speed internet, Amazon delivery and 5-star dining experiences.

Although I cannot begin to list all the accomplishments we have seen during 2021, I am proud to highlight a few including the hiring of a CAO, the installation of more EV chargers, the creation of heritage signage, the expansion of the cemetery, the rezoning of lands to provide for more affordable housing in the near future, a new Harbour Master Plan, and the installation of a Tsunami Warning System.

I would like to recognize everyone that consistently works hard to better our community, from the senior staff at the municipal office, to all the District employees, to the various contractors and community members we engage with on a regular basis. My fellow Council members have been amazing to work with and I am very thankful for the relationships we have created. I sincerely appreciate each one of them for their commitment to the community; it's remarkable how much time and effort each of them puts in towards the betterment of our town.

As I complete the final months of my term, I would like to extend my deepest thanks to those in the community that have supported both myself as Mayor, and our Council in making 2021 another positive and productive year.

Thank you!
Mayor Mayco Noël



MAYOR MAYCO NOËL

COUNCILLOR RACHELLE COLE

COUNCILLOR JENNIFER HOAR

COUNCILLOR LARA KEMPS

COUNCILLOR MARILYN McEWEN

MESSAGE

FROM THE CAO

I am very pleased to be able to provide Ucluelet with this year's annual report. It is a privilege to join Ucluelet as the Chief Administrative Officer and support an exceptional staff that is working to improve and enhance your community services. Ucluelet is an amazing place to live, work and play and it is an honour to be a part of this wonderful community.

The Community and municipal staff have seen a significant amount of change and challenges over the past year with the continued pressures from Covid-19, changes in administration, a lack of housing and increased levels of visitors. Your staff at the District have worked extremely hard this past year and continue to do so during these challenging times.

Ucluelet has recently adopted its updated Official Community Plan and I commend the entire community for engaging in this very challenging process which has led to the development of a guide to how Ucluelet will grow and transform over the next 30-years. While we enter a new period of growth, the OCP will ensure we preserve the small-town feel, our resource rich history, a connection to our First Nations neighbours and that an appreciation of the land and ocean is maintained and kept as a central focus as we move forward.

I invite you to read this report to better understand how your tax dollars are used to enhance and improve the services we provide to the community. Beyond the basics of water, sewer, roads, parks and recreation, we are working on significant high priority projects. Ucluelet has received several key grants that will help enhance and improve our water system, expand and update our village green park and downtown core, improve sidewalks, parking and biking along Peninsula Road, and redevelop the Amphitrite Lighthouse. We are also working hard on increasing regional planning and focusing on addressing the continued and ongoing need for affordable and attainable housing.

Thank you for taking the time to review this report and learning about the many services, projects and initiatives completed in 2021 and those projects planned in 2022 and beyond for the benefit of current and future generations of Ucluelet residents.

Duane Lawrence
Chief Administrative Officer

2021 ORGANIZATIONAL STRUCTURE



Community Planning

PLANNING DUTIES:

- Prepare long range land use plans and policies
- Process development permits, board of variance referrals, rezoning and subdivision applications
- Serve the community by responding to a wide range of inquiries and applications related to the use and development of land
- Plan and design improvements for public pathways, roads, trails and open space
- Building Inspection services and permit administration

BYLAW DUTIES:

- Bylaw enforcement and business licensing
- Administer land use bylaws, standards and policies in light of legislation and other approving agency jurisdictions
- Provide public education and respond to inquiries



Photo credit: Joe Barnett

DEPARTMENT OVERVIEW

The Community Planning Department provides professional and technical advice to Council on current and future uses of land in the District and on issues concerning housing, the environment, culture and heritage preservation, transportation, tourism, harbour and managed water uses, and socioeconomic policies. The planning division of this Department is responsible for the administration of zoning, land use and development applications. Community planning, parks and trail network systems, streamside protection, and long-term visions such as the Official Community Plan (OCP) all help to guide the yearly work plans and objectives of this Department. The building, license and bylaw division of this Department maintains the quality of life for the District of Ucluelet's citizens, by ensuring safety through compliance with established building codes and the community's adopted bylaws. This division also receives and processes complaints and coordinates the bylaw enforcement activities for the District.

2021 COMPLETED PROJECTS

- ✓ West Coast Housing Need and Demand Study
- ✓ Lot 16 housing development rezoning
- ✓ Transfer of provincial Statutory Right of Way for pedestrian path at Small Craft Harbour
- ✓ OCP Growth Scenarios Analysis

2021 COVID-19 RESPONSE

- TUP Pilot project - Seasonal Worker RV spaces

2022 PLANNED PROJECTS

- OCP Bylaw adoption
- Interim policy for early referrals to Yuułu?it?ath Government
- Interim policy on Tsunami Flood Risk
- Village Green Phase I design & tendering
- Larch Road Multi-Use Path grant applications
- Secondary Suites/Cottage Dwelling zoning project



Parks & Recreation

KEY RESPONSIBILITIES:

- Community health & safety
- Adaptable programming
- Special events & partnerships
- Support for Community Services
- Tourism & Recreation facilities and amenities
- Tourism partnerships and planning
- Trails & green space maintenance and planning
- Beautification of green spaces and recreation facilities
- Playground maintenance and planning
- Public Realm Projects (parks, paths, facilities)

DEPARTMENT OVERVIEW

The Parks and Recreation Department provides the fundamental building blocks for a healthy and flourishing community. Our focus is to provide excellent, accessible programs through community involvement and outstanding facilities. Ucluelet Parks and Recreation Department is committed to ensuring a high level of excellence in its service to the community and continues to strive to promote an atmosphere of friendly, effective, and inclusive service. The Department also supports and plans various tourism infrastructure projects with its focus on the Resort Development Strategy.

2021 COMPLETED PROJECTS

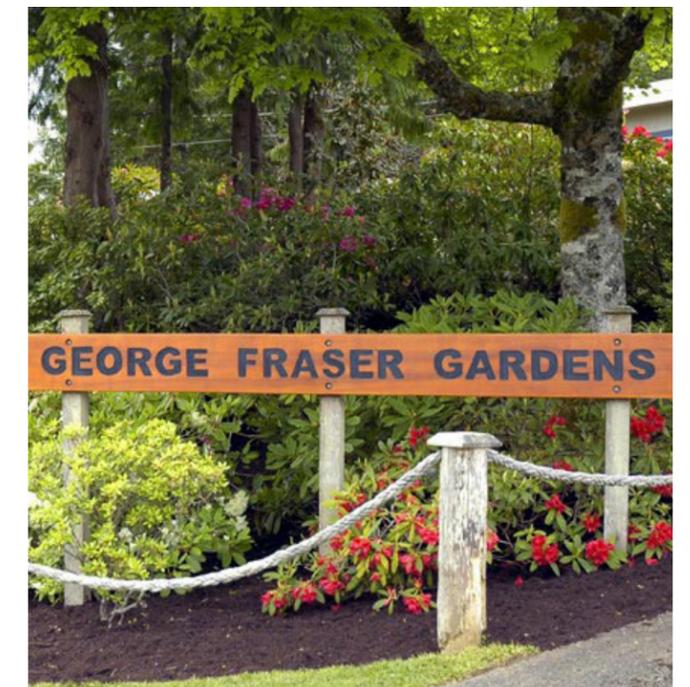
- ✓ Wayfinding program
- ✓ Additional heritage signage
- ✓ Repair and refurbish community signs
- ✓ Cemetery expansion
- ✓ Wild Pacific Trail standards

2021 COVID-19 RESPONSE

- Online recreational programming
- Virtual special events
- Recreation Recreated online platform community support and activity

2022 PLANNED PROJECTS

- Amphitrite Lightkeeper's House Phase II
- Hard Sports Facility Design
- Village Green Playground Community Design
- Wayfinding signage installed
- EV Stations installed
- Tourism Master Plan
- Additional heritage signage
- Lighting skatepark and basketball court
- Edna Batchelor Park pathway
- Wild Pacific Trail upgrade
- Kayak Launch



Fire & Emergency Services

KEY RESPONSIBILITIES:

- Response to callouts for fire, rescue, motor vehicle incidents and medical first responder calls in Ucluelet and contracted areas
- Fire prevention and public education
- First safety inspections
- Community emergency preparedness
- Emergency Support Services (ESS)
- Ucluelet Emergency Network (UEN)
- Emergency Operations Centre (EOC)



DEPARTMENT OVERVIEW

The Fire and Emergency Services Department supports and maintains community emergency management through mitigation, preparedness, response, and recovery. Ucluelet Fire Rescue (UFR) has been providing fire services for the community of Ucluelet since 1949. Each year UFR responds to an average of 150 callouts for fire, rescue, motor vehicle incidents, and medical first responder calls.

The Emergency Support Services (ESS) team of volunteers is responsible for coordinating the provision of shelter, food, clothing, transportation, medical services, and reunification services to victims of emergencies and disasters for up to 72 hours.

The Ucluelet Emergency Network (UEN) is a multi-jurisdictional emergency planning committee that consists of representatives from the District of Ucluelet, Ucluelet Fire Rescue, BC Emergency Health Services, Canadian Rangers, Emergency Support Services, Pacific Rim National Park, RCMP, Royal Canadian Marine Search & Rescue, School District #70, Toquaht Nation, West Coast Inland Search & Rescue and Yuułu?it?ath Government (Ucluelet First Nation).

2021 COMPLETED PROJECTS

- ✓ Completion of the District of Ucluelet Emergency Evacuation Route Plan. This was funded 100% through a Union of BC Municipalities grant
- ✓ Updated fire services agreement with the Yuułu?it?ath Government. The updated agreement provides more services to Yuułu?it?ath and will increase revenue to the District of Ucluelet
- ✓ Establishment of a fire services agreement that will support Toquaht Nation with training, apparatus, equipment, and fire suppression support

- ✓ Establishment of a partnership with the Canadian Red Cross to provide oversight of the District of Ucluelet's Emergency Support Services (ESS) Team
- ✓ Enhancements to the Emergency Support Services disaster hub trailer
- ✓ Addition of a new office space at the firehall;
- ✓ Minor renovations to the firehall training room / emergency operations centre (EOC)
- ✓ Firehall roof repairs
- ✓ Low-Angle technical rope rescue training with funding provided by the Fire Chief's Association of BC
- ✓ Air brakes training course for fire department members
- ✓ First Responder certification training for fire department members

2022 PLANNED PROJECTS

- Completion of the emergency kiosk at Tugwell Field
- Development of a community wildfire resilience plan. This is funded 100% through a Union of BC Municipalities grant
- Joint UBCM grant application with the ACRD and District of Tofino. If successful this will provide training and upgrades to the District's EOC communication / technology equipment
- Fire Hall feasibility study completion
- Installation of a carport roof to protect the ESS trailer
- Installation of the emergency back-up generator at Ucluelet Secondary School
- Continuation of the fire safety inspection program
- EOC Training for staff and volunteers provided by Emergency Management BC (EMBC)
- Joint wildfire training with Parks Canada and the District of Tofino
- 2022 Recruits begin National Fire Protection Association 1001 Firefighter 2 training program

Public Works

KEY RESPONSIBILITIES:

- Management and maintenance of the municipal water, wastewater, and storm networks as well as all District roads, sidewalks, streetlights, facilities, and fleet
- Infrastructure support and development for the District’s growing utilities needs
- 24-hour emergency services for the community’s public works



DEPARTMENT OVERVIEW

The Ucluelet Public Works department is on call 365 days a year ensuring the community’s infrastructure is in a state of good repair and providing the necessary services to locals, visitors and businesses.

In addition to daily infrastructure, facility maintenance, and long-term infrastructure planning, the Public Works department takes on key projects each year.

2021 COMPLETED PROJECTS

- ✓ Well #4 upgrade
- ✓ SCADA water
- ✓ Bay Street duplex elimination
- ✓ Installation of speed humps using Gas Tax Funding

2022 PLANNED PROJECTS

- Initiation of the new Water Treatment Facility
- Full implementation of Ucluelet’s Clean Drinking Water Action Plan including reservoir and District-wide pipe flushing, a Water Conservation Plan, and updated testing records available on the District website
- Completion of two Master Plans: Storm and Sewer
- Completion of road and sidewalk maintenance including the replacement of the damaged school sidewalk
- Full implementation of digital Service and Maintenance Management using Citywide including updated District rounds and inspections to include full portfolio integration

- Procurement of new Fleet vehicles including janitorial van, Building Inspector vehicle, backhoe, small, large tractor, and a new fleet storage structure
- Utilities upgrades to provide services for Lot 16 including sewer and water along Victoria Road, Matterson and in-between Matterson and Otter
- Installation of Cedar Hub Washroom
- Initiation of Peninsula Road Safety and Revitalization Project in unison with the Planning and Parks Departments
- Ongoing maintenance and state of good repair for all Public Works portfolio



Finance & Corporate Services

KEY RESPONSIBILITIES:

Finance Services:

- Financial planning and budgeting
- Financial reporting and fiscal management
- Procurement and purchasing
- Treasury and taxation
- Manage business licensing
- Accounting for transactions
- Support services to all departments

Corporate Services:

- Corporate leadership and administrative support to Council and Chief Administrative Officer
- Management, information and support services to Council, Committees, and Boards
- Information Technology services, Legislative Services and Records Management
- Human Resources and Communications
- Freedom of Information, land acquisitions, legal and risk management



Photo credit: Jen McLeod

DEPARTMENT OVERVIEW

The Finance and Corporate Services department's primary responsibility is to maintain the business foundation of the District. Its objective is to provide accurate, timely information and support to the community, District departments, and Council. The department invests a considerable portion of time and resources to Council-decision support and managing the financial, administrative, and legislative responsibilities of the District of Ucluelet. Additionally, the department provides Human Resources services and IT-related support to improve the effectiveness of internal and external communications, as well as exploring and incorporating technology-based information management and reporting tools to ensure accountability and transparency in all of the District's practices.

2021 COMPLETED PROJECTS

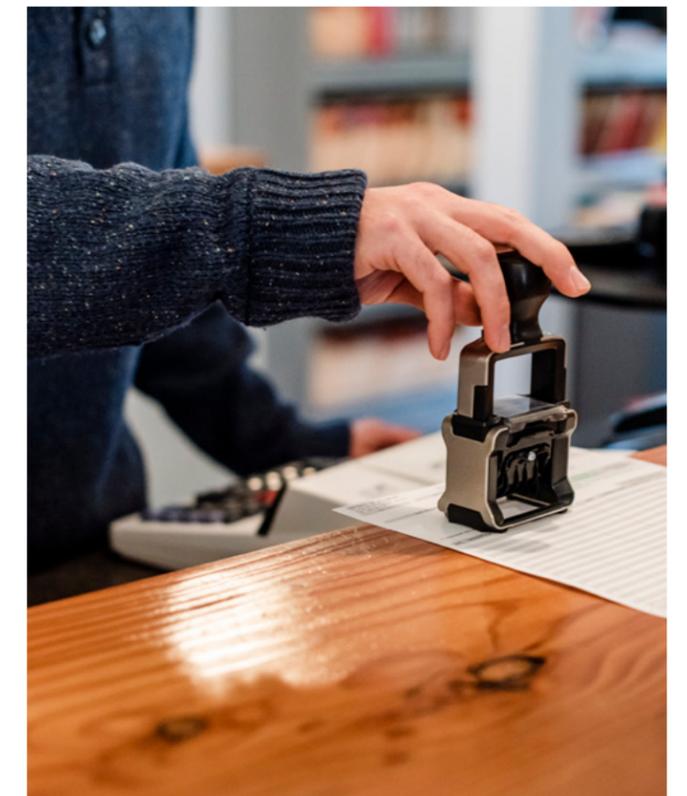
- ✓ CAO Hiring
- ✓ Bylaw/Policy Gap Analysis
- ✓ Council Procedure Bylaw update

2021 COVID-19 RESPONSE

- Regular COVID-19 related communications
- Enhanced virtual Council meeting and public hearing processes
- COVID-19 related HR policies and protocols

2022 PLANNED PROJECTS

- AAP for Water System and Filtration Improvements Project
- 20-year Capital Plan
- Reserves and Surplus Policy
- Development Cost Charges (DCC) Bylaw update
- Business License fees and regulation review
- Single-use Items Regulation update
- 2022 Municipal Election
- District server update and migration
- Continued Indigenous awareness training



Small Craft Harbour

KEY RESPONSIBILITIES:

- Support of Commercial Fisheries
- Support of Recreational Fisheries & Businesses
- Harbour Master Plan recommendations
- Provision of safe, clean, and clear dock ways
- Support of navigable waterways
- Beautification of assets
- Environmental health & safety
- User education



Photo credit: Paula Mason

DEPARTMENT OVERVIEW

Ucluelet's Small Craft Harbour is the West Coast's most comprehensive marine facility. Our Small Craft Harbour is a classic example of a true working harbour, situated on the outskirts of Barkley Sound. The jurisdictional boundary for the District of Ucluelet extends approximately 200 metres into the Pacific Ocean surrounding the Ucluth Peninsula. The facilities include, the Boat Basin, Whiskey Dock and 52 Steps and are all within walking distance of the village center. The Small Craft Harbour is overseen by the Ucluelet Harbour Authority and the Department of Fisheries and Oceans.



2021 COMPLETED PROJECTS

- ✓ Harbour Master Plan Final
- ✓ Small Craft Harbour beautification work
- ✓ Washroom painting and upgrade
- ✓ Cleaning station education signage
- ✓ Whiskey Dock ramp
- ✓ New pilings at Whiskey Dock
- ✓ Small Craft Harbour beautification work

2022 PLANNED PROJECTS

- Harbour Master Plan Roll Out
- Additional new pilings at Whiskey Dock
- Small Craft Harbour beautification work
- Water's Edge Pathway
- Asphalt pathways
- Boat launch design
- EV charger install



Sustainability and Climate Action

In January 2021, the District of Ucluelet adopted its first Climate Change Adaptation Plan. This Adaptation Plan builds upon existing actions taken by the District to address climate change and allows the District to proactively identify opportunities for action that advance the community further toward climate resiliency of its social, economic, built and natural systems.

Barkley Community Forest

The Barkley Community Forest (BCF) was established in 2004 in a joint partnership between the Toquaht Nation and the District of Ucluelet, to enhance community stability and quality of life for local residents through community control of forest resources.

In March 2021, District of Ucluelet Council received a Land Use Demand Study, which was a collaborative undertaking between the local, regional, and First Nations governments on the West Coast of Vancouver Island. The study was a thorough analysis of land use demand and growth, as well as possible implications of growth on infrastructure and servicing, with the goal of working to ensure that future growth respects the unique environmentally sensitive nature of the West Coast.

In April 2021, Council passed an amendment bylaw adding Polystyrene to the list of single-use items already prohibited in Ucluelet. The ban specifically applies to prepared foods delivered in disposable containers such as takeout containers. The continued regulation of these items (and future items) by our Council, supports the ongoing efforts of CleanBC's Plastics Action Plan as well as initiatives being brought forth for adoption in Ucluelet's upcoming Official Community Plan.

Throughout 2021, Staff and Council worked diligently to update the Official Community Plan which was adopted in early 2022. This document provides a long-term vision for the District of Ucluelet, setting out broad objectives and policies that will guide planning and land use decisions within the District, while still respecting the community's existing character. The OCP charts a growth management course that supports Ucluelet's quality of life, enhances economic prosperity and advances environmental sustainability. Some of the objectives mentioned above include encouraging active and electric forms of transportation as a viable and routine alternative to the private automobile by developing a network of safe bicycle and pedestrian routes throughout the District, therefore reducing GHG emissions.

Barkley Community Forest

This corporation provides employment and utilizes forest resources in a diverse manner that is environmentally, socially, and economically sustainable. The District periodically receives dividends from the BCF when harvesting occurs, beginning with the first harvest in 2017. We are proud to be part of forest management practices that protect ecosystems, promote forest regeneration, and ensure a sustainable base

for future generations to benefit from. District of Ucluelet Council is considering a creating a Legacy Fund which will ensure that any funds realized, will be used to support the long-term goals of the community with a priority on community-based projects.

For more information about the Barkley Community Forest, please visit barkleyforest.ca



Financial Statements

District of Ucluelet
December 31, 2021

Management's Responsibility

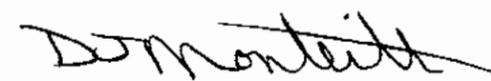
The accompanying consolidated financial statements of the District of Ucluelet (the "District") are the responsibility of management and have been prepared in compliance with applicable legislation, and in accordance with generally accepted accounting standards for local governments as established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of significant accounting policies is described in Note 1 to the consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

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

The consolidated financial statements have been audited by MNP LLP; independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's consolidated financial statements.

May 31, 2022



Donna Monteith
Chief Financial Officer

Independent Auditor's Report

To the Mayor and Council of District of Ucluelet:

Opinion

We have audited the consolidated financial statements of District of Ucluelet (the "District"), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations, changes in net financial assets and cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2021, and the results of its consolidated operations, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we 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 District's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 District's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 District 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 District 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.

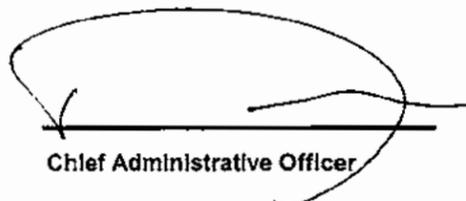
Nanaimo, British Columbia



District of Ucluelet
Consolidated Statement of Financial Position
As at December 31, 2021

	2021		2020
Financial Assets			
Cash and cash equivalents	\$ 5,701,168	\$	5,036,975
Investments (Note 2)	8,242,966		8,208,742
Accounts receivable (Note 3)	520,439		716,635
Investment in Government Business Enterprise (Note 4)	1,723,371		738,305
	\$ 16,187,944	\$	14,700,657
Financial Liabilities			
Accounts payable and accrued liabilities (Note 5)	\$ 812,345	\$	1,689,659
Refundable deposits (Note 6)	221,064		97,500
Deferred revenue (Note 7)	2,151,297		1,078,420
Prepaid property taxes and utilities	75,526		69,090
Development cost charges (Note 8)	1,038,469		824,943
Equipment financing (Note 9)	143,825		183,811
Debt (Note 10)	1,754,565		1,849,048
	\$ 6,197,091	\$	5,792,471
Net Financial Assets	\$ 9,990,853	\$	8,908,186
Non-Financial Assets			
Tangible capital assets (Note 11, Schedule 1)	\$ 40,979,160	\$	41,265,691
Inventory of supplies	20,944		20,944
Prepaid expenses	83,988		66,008
	\$ 41,084,092	\$	41,352,643
Accumulated Surplus (Note 12)	\$ 51,074,945	\$	50,260,829

Commitments and contingencies (Note 17)
 Significant event (Note 20)


 Chief Administrative Officer

District of Ucluelet
Consolidated Statement of Operations
For the year ended December 31, 2021

	2021 Budget (Note 18)		2021		2020
Revenue					
Taxation, net (Note 14)	\$ 3,418,406	\$	3,426,783	\$	3,335,494
Sale of services	2,022,412		1,838,444		1,762,572
Other revenue from own sources	46,800		372,999		346,837
Investment income	38,500		48,562		61,814
Grants and contributions	8,227,063		1,061,452		1,506,312
Ministry and Regional District Tax	250,000		545,737		366,338
Earnings from Investment in Government Business Enterprise (Note 4)	-		985,066		466,140
	\$ 14,003,181	\$	8,279,043	\$	7,845,507
Expenses					
General government services	\$ 1,682,430	\$	1,278,282	\$	1,286,764
Protective services	385,067		564,529		418,048
Transportation services	1,316,144		1,432,303		1,199,419
Planning and environmental services	790,726		452,855		606,475
Recreation and cultural services	2,147,540		2,316,108		1,926,767
Water utility	1,224,437		709,383		643,553
Sewer utility	948,400		711,467		597,202
	\$ 8,494,744	\$	7,464,927	\$	6,678,228
Annual surplus	5,508,437		814,116		1,167,279
Accumulated surplus, Beginning of the year	50,260,829		50,260,829		49,093,550
Accumulated surplus, End of the year	\$ 55,769,266	\$	51,074,945	\$	50,260,829

District of Ucluelet
Consolidated Statement of Change in Net Financial Assets
For the year ended December 31, 2021

	2021 Budget (Note 18)	2021	2020
Annual surplus	\$ 5,508,437	\$ 814,116	\$ 1,167,279
Acquisition of tangible capital assets	(8,809,102)	(1,014,296)	(1,619,534)
Loss on disposal of tangible capital assets	-	113	15,651
Amortization of tangible capital assets	1,167,665	1,300,714	1,184,015
Change in prepaid expenses	-	(17,980)	8,753
Increase (decrease) in Net Financial Assets	(2,133,000)	1,082,667	756,164
Net Financial Assets, Beginning of the year	8,908,186	8,908,186	8,152,022
Net Financial Assets, End of the year	\$ 6,775,186	\$ 9,990,853	\$ 8,908,186

District of Ucluelet
Consolidated Statement of Cash Flows
For the year ended December 31, 2021

	2021	2020
Operating Transactions		
Annual surplus	\$ 814,116	\$ 1,167,279
Non-cash items included in surplus:		
Amortization of tangible capital assets	1,300,714	1,184,015
Loss on disposal of tangible capital assets	113	15,651
Earnings from investment in Government Business Enterprise	(985,066)	(466,140)
Actuarial adjustment on debt	(22,169)	(13,326)
	\$ 1,107,708	\$ 1,887,479
Change in non-cash working capital balances related to operations		
Accounts receivable	\$ 196,196	\$ (4,870)
Accounts payable and accrued liabilities	(877,314)	874,897
Refundable deposits	123,564	(51,835)
Deferred revenue	1,072,877	437,557
Prepaid property taxes and utilities	6,436	27,415
Development cost charges	213,526	49,736
Prepaid expenses	(17,980)	8,753
	\$ 1,825,013	\$ 3,229,132
Capital Transactions		
Acquisition of tangible capital assets	\$ (1,014,296)	\$ (1,619,534)
Investment Transactions		
Decrease (increase) in investments	\$ (34,224)	\$ (64,951)
Dividends received from Government Business Enterprise	-	458,000
	(34,224)	393,049
Financing activities		
Proceeds from equipment financing	\$ -	\$ 200,000
Debt repaid	(112,300)	(88,503)
	\$ (112,300)	\$ 111,497
Net change in cash and cash equivalents	664,193	2,114,144
Cash and cash equivalents, Beginning of the year	5,036,975	2,922,831
Cash and cash equivalents, End of the year	\$ 5,701,168	\$ 5,036,975

The District of Ucluelet (the “District”) is a municipality in the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. The District’s principal activities include the provision of local government services to residents of the incorporated area.

1. Significant accounting policies

The consolidated financial statements of the District are prepared by management in accordance with Canadian public sector accounting standards, as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants Canada. Significant accounting policies adopted by the District are as follows:

(a) Reporting entity

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and accumulated surplus of the District. Inter-departmental balances and transactions have been eliminated.

The District’s business partnerships, jointly owned and controlled by the District but not dependent on the District for their continuing operations, are included in the consolidated financial statements using the modified equity method.

The modified equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the District. Thus, the District’s investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post acquisition losses and distributions received.

Entities accounted for by the modified equity basis include:

- Barkley Community Forest Limited Partnership (50% ownership)
- Ucluelet Economic Development Corporation (wholly owned)

The District administers certain trust assets on behalf of external parties which are excluded from the financial statements.

(b) Basis of presentation

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Government transfers

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made, except when and to the extent the transfer gives rise to an obligation that meets the definition of a liability.

(d) Property tax revenue

Property tax revenue is recognized on an accrual basis using the approved tax rates and the anticipated assessment related to the current year.

(e) Deferred revenue

Deferred revenue includes grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets are acquired, thereby extinguishing the related liability.

1. Significant accounting policies (continued)

(f) Development cost charges

Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

(g) Cash and cash equivalents

Cash and cash equivalents include short-term, highly liquid investments with a term to maturity of 90 days or less at acquisition.

(h) Deposits and repayments

Receipts restricted by third parties are deferred and recorded as deposits and are refundable under certain circumstances. Deposits and prepayments are recognized as revenue when qualifying expenditures are incurred.

(i) Employee future benefits

The District and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

Sick leave and other benefits are available to the District’s employees. The costs of these benefits are estimated based on accumulated sick leave and best estimates of future usage and expected future salary and wage increases. The obligations under these benefit plans are accrued based on projected benefits as the employees render services necessary to earn the future benefits.

(j) Investment income

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue, development cost charges and deposits and prepayments is added to the investment and forms part of the liability balance.

(k) Debt

Debt is recorded net of related payments and actuarial earnings.

(l) 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.

a. Tangible capital assets

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to the acquisition, construction, development, or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimated useful lives as follows:

Asset	Useful life - years
Buildings	10 - 60
Vehicles and Equipment	5 - 25
Other structures	15 - 50
Roads	20 - 60
Drainage structures	30 - 50
Water structures	10 - 50
Sewer structures	10 - 50

1. Significant accounting policies (continued)

Amortization is charged annually, including the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the District's ability to provide goods and services or when the value of the future economic benefits associated with the asset are less than the book value of the asset.

- b. Contributions of tangible capital assets
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.
- c. Natural resources
Natural resources that have not been purchased are not recognized as assets in the consolidated financial statements.
- d. Works of art and cultural historic assets
Works of art and cultural and historic assets are not recorded as assets in these consolidated financial statements.
- e. Interest capitalization
The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.
- f. Leased tangible capital assets
Leases which transfer substantially all the benefits and risks incidental to ownership of property are accounted for as operating leases and the related payments are charged to expenses as incurred.
- g. Inventory of supplies
Inventory of supplies held for consumption are recorded at lower of cost and replacement cost.

(m) Contaminated sites

A liability for remediation of 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 District is either directly responsible or accepts the responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2021.

At each financial reporting date, the District reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The District 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 made. As at December 31, 2021, the District has not recorded any liability for contaminated sites as no such sites exist.

(n) Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates relate to the collectability of accounts receivable, accrued liabilities, employee future benefits, provisions for contingencies and amortization, useful lives, and salvage values for determining tangible capital asset values. Actual results could differ from these estimates.

2. Investments

Investments include funds invested in Guaranteed Investment Certificates and Money Market funds with CIBC Wood Gundy and the Municipal Finance Authority of B.C. The investments are carried at market value which is equal to the carrying value.

3. Accounts receivable

	2021	2020
Property taxes	\$ 147,796	\$ 149,908
Due from other governments	39,425	54,380
User fee and other	333,218	512,347
	\$ 520,439	\$ 716,635

4. Investment in Government Business Enterprise

The Barkley Community Forest Limited Partnership is a limited partnership owned by the District and Toquaht Nation as limited partners and Barkley Community Forest Corporation as the general partner. The objective and purpose of the partnership is to hold one or more Community Forest Agreements and to carry on such business and activities as may be desirable and permitted under the Community Forest Agreements.

The following table provides condensed supplementary financial information for the limited partnership at December 31, 2021.

	2021	2020
Financial position		
Assets	\$ 4,519,020	\$ 1,660,883
Liabilities		
Current	\$ 600,746	\$ 25,000
Silviculture accrual	471,532	159,272
	1,072,278	184,272
Equity		
Retained earnings	3,446,742	1,476,611
	\$ 4,519,020	\$ 1,660,883
Operations		
Revenue	\$ 2,588,909	\$ 1,698,161
Expenses	618,778	765,881
	\$ 1,970,131	\$ 932,280

The District's share of income from the government business enterprise was a total of \$985,066 (2020 - \$466,140). During 2021, the District received nil (2020 - \$458,000) dividends from the government business enterprise, which was recorded as a reduction in its investment in the prior year. No other transactions occurred between the two entities.

5. Accounts payable and accrued liabilities

	2021		2020	
Trade accounts payable	\$	490,016	\$	515,216
Salaries and wages payable		118,041		137,529
Employee future benefits		112,414		70,326
Due to other governments		74,901		949,615
Accrued interest		16,973		16,973
	\$	812,345	\$	1,689,659

6. Refundable deposits

	2021		2020	
Damage deposits	\$	113,150	\$	97,500
Developer performance deposits		107,914		-
	\$	221,064	\$	97,500

7. Deferred revenue

Deferred revenue consists of the following balances:

	Opening balance	Interest	Receipts	Revenue Recognized	Ending balance
Resort Municipality Initiative	\$ 1,010,621	\$ 4,248	\$ 361,398	\$ 317,920	\$ 1,058,347
Other	67,799	-	1,088,882	63,731	1,092,950
	\$ 1,078,420	\$ 4,248	\$ 1,450,280	\$ 381,651	\$ 2,151,297

8. Development cost charges

Development cost charges represent funds received from developers and deposited into a separate fund for capital expenditures. The District records these funds as a liability upon receipt which is then recognized as revenue when the related costs are incurred.

	Opening balance	Interest	Receipts	Revenue recognized	Ending balance
Roads	\$ 79,035	\$ 329	\$ 42,614	\$ -	\$ 121,978
Storm water	210,140	745	-	-	210,885
Sewer	219,933	836	54,756	-	275,525
Water	126,251	536	76,654	-	203,441
Parks	189,584	721	36,335	-	226,640
	\$ 824,943	\$ 3,167	\$ 210,359	\$ -	\$ 1,038,469

9. Equipment financing

The District is party to an equipment loan financed through the Municipal Finance Authority for the acquisition of vehicles. The loan has a term of five years and bears interest at a rate of 1.22%. The vehicles under this loan have a carrying value of \$166,771 (2020 - \$196,201) and are recorded as non-financial assets in the consolidated financial statements.

Principal payments on the debt for the next four years are as follows:

2022	\$	40,051
2023		40,376
2024		40,943
2025		22,455

10. Debt

The District obtains debenture debt through the Municipal Finance Authority (MFA), pursuant to security issuing bylaws under authority of the Local Government Act, to finance capital expenditures.

	Interest Rate	Original Amount	Repayments and actuarial earnings	Balance 2021	Balance 2020
MFA issue 1074	2.90%	\$ 1,948,000	\$ 561,589	\$ 1,386,411	\$ 1,452,987
MFA issue 1195	2.65%	475,000	106,846	368,154	396,061
		\$ 2,423,000	\$ 668,435	\$ 1,754,565	\$ 1,849,048

As a condition of the borrowing through MFA, a portion of the debenture proceeds is retained by the MFA as a debt reserve fund. As at December 31, 2021, the cash balance of the District's debt reserve funds was \$30,778 (2020 - \$30,263). Debt reserve funds are not recorded elsewhere in the consolidated financial statements.

The loan agreements with the Alberni-Clayoquot Regional District and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the District.

Principal payments on debt for the next five years are as follows:

2022	\$	77,734
2023		77,734
2024		77,734
2025		77,734
2026		77,734

Interest paid during the year was \$76,610 (2020 - \$76,610).

11. Tangible capital assets

(a) Contributed tangible capital assets

Contributed tangible capital assets of nil (2020 – nil) were recognized during the year.

(b) Tangible capital assets disclosed at nominal values

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

(c) Write-down of tangible capital assets

No write-down of tangible capital assets occurred during the year.

(d) Work in progress

During the year there were net transfers from work in progress of \$2,948,482 (2020 - \$865,537 net additions). Amortization of work in progress commences in the year the asset is transferred to tangible capital assets and is put into service.

12. Accumulated surplus

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

	2021	2020
Investment in tangible capital assets	\$ 39,080,774	\$ 39,232,562
Reserves (Note 13)	6,258,399	6,460,368
Unrestricted surplus	5,735,772	4,567,899
	\$ 51,074,945	\$ 50,260,829

13. Reserves

	Opening balance	Interest allocated	Contributions	Funding	Ending balance
Barkley Community Reserve	\$ 2,966,019	\$ 11,849	\$ -	\$ 174,803	\$ 2,803,065
Community Works Fund	1,250,929	5,196	260,880	237,885	1,279,120
COVID-19 Safe Restart fund	550,514	1,797	-	227,605	324,706
Small Craft Harbours	340,806	1,384	45,000	53,994	333,196
Affordable Housing	745,780	3,383	152,064	-	901,227
Land sale	62,513	157	-	-	62,670
Social	121,843	309	-	-	122,152
Recreation	11,723	27	9,000	-	20,750
Park Dedication	322,974	730	-	-	323,704
Parking	19,496	90	-	-	19,586
Sewer debt	56,144	139	-	-	56,283
Equipment	11,627	313	-	-	11,940
	\$ 6,460,368	\$ 25,374	\$ 466,944	\$ 694,287	\$ 6,258,399

13. Reserves (continued)

The Community Works Fund (Gas Tax) is provided by the Government of Canada. The use of the funding is established by a funding agreement between the District and the Union of British Columbia Municipalities. Gas Tax funding may be used toward designated public transit, community energy, water, wastewater, solid waste, and capacity building projects, as specified in the funding agreements.

The COVID-19 Safe Restart Grant for Local Governments was provided to local governments to assist with the increased operating costs and revenue short-falls as a result of the COVID-19 pandemic. The COVID-19 Safe Restart Grant may be used towards specific eligible costs for funding such as addressing revenue short-falls, facility reopening and operating costs, emergency planning and response costs, bylaw enforcement and protective services, computer and other technology costs, and services for vulnerable persons.

The District of Ucluelet received \$764,000 in COVID-19 Safe Restart Grant in 2020 and reports the balance in a reserve fund until it is used to fund eligible costs.

	2021	2020
Opening balance of unspent funding	\$ 550,514	\$ -
Add: funding received during the year	-	764,000
Add: interest	1,797	-
Less: amount spent on projects		
Lost recreation and other revenue	141,058	206,627
Information technology	-	6,859
Temporary part-time janitor	14,660	-
RCMP reservist/Bylaw officer	37,888	-
Temporary sanitation labourer	33,999	-
	\$ 324,706	\$ 550,514

14. Taxation

Taxation revenue, reported on the consolidated statement of operations, is comprised of the following:

	2021	2020
Municipal purposes		
General	\$ 3,083,572	\$ 3,003,600
Utility	46,114	44,810
Parcel taxes	244,695	248,160
Grants in lieu of taxes	52,402	38,924
	3,426,783	3,335,494
Taxes levied for other authorities		
School authorities	1,552,895	1,195,862
RCMP	180,265	178,710
Regional Hospital	171,241	168,947
Regional District	381,216	365,384
BC Assessment Authority	37,954	36,164
Vancouver Island Regional Library	122,169	120,115
Municipal Finance Authority	178	167
	2,448,918	2,065,349
Total taxes collected	\$ 5,872,701	\$ 5,400,843

15. Trust funds

Trust funds administered by the District have not been included in the consolidated statement of financial position nor have their operations been included in the consolidated statement of operations. The District holds trust funds under British Columbia law for the purposes of maintaining a public cemetery.

	2021		2020	
Opening balance	\$	26,267	\$	25,656
Interest earned		60		611
Ending balance	\$	26,327	\$	26,267

16. Pension plan

The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$207,974 (2020 - \$205,108) for employer contributions to the plan in fiscal 2021.

17. Commitments and contingencies

- (a) Debt issued by the Alberni Clayoquot Regional District (ACRD), under provisions of the Local Government Act, is a direct, joint and several liability of the ACRD and each member municipality within the ACRD, including the District.
- (b) In the normal course of a year, claims for damages are made against the District. The District records an accrual in respect to legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The District is self-insured for general liability claims through membership in the Municipal Insurance Association of British Columbia. Under this program, member municipalities are to share jointly for general liability claims against any member in excess of \$5,000. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with the other participants, would be required to contribute towards the deficit.

18. Budget

The budget presented in these consolidated financial statements includes both operating and capital budgets. The District of Ucluelet budget was approved by Council on April 27, 2021, with the adoption of the Five-Year Financial Plan (2021 – 2025) Bylaw No 1289, 2021. The chart below reconciles the approved budget to the budget figures reported in these financial statements. Cemetery expenses are included in the budget but excluded from the annual surplus because these funds are held in trust and not reported in the consolidated financial statements of the District (Note 15).

	2021 Budget
Consolidated Budgeted Surplus, per District of Ucluelet Financial Plan Bylaw 1289	\$ -
Add	
Acquisition of tangible capital assets	8,809,102
Debt repayment	171,106
Transfers to reserves	55,000
Net cemetery expenses	9,867
Less	
Proceeds of borrowing	-
Transfers from reserves	(2,368,973)
Amortization	(1,167,665)
Consolidated Budgeted Deficit, per Consolidated Statement of Operations	\$ 5,508,437

19. Segmented information

The District is a diversified municipal organization that provides a wide range of services to its citizens. District services are provided by departments and their activities reported separately. Certain functions that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

General government services

The general government operations provide the functions of corporate administration and legislative services and any other functions categorized as non-departmental.

Protective services

Protective services are comprised of three different functions, including the District's emergency management agency, fire, and regulatory services. The emergency management agency prepares the District to be more prepared and can respond to, recover from, and be aware of, the devastating effects of a disaster or major catastrophic event that will impact the community. The fire department is responsible for providing critical, life-saving services in preventing or minimizing the loss of life and property from fire and natural or man-made emergencies. The mandate of the regulatory services function is to promote, facilitate and enforce general compliance with the provisions of bylaws that pertain to the health, safety and welfare of the community and provide a full range of planning services related to zoning, development permits, variance permits, and current regulatory issues.

Transportation services

Transportation services is responsible for a wide variety of transportation functions such as roads and streets. As well, services are provided around infrastructure, transportation planning, pedestrian and cycling issues, harbour facilities, and on-street parking regulations, including street signs and painting.

19. Segment information (continued)

Planning and environmental services

Planning works to achieve the District’s community planning goals through the official community plan, and other policy initiatives. Environmental services were established to assist the Emergency, Planning, Public Works, and Recreation Departments with programs associated with the maintenance or improvement of the natural ecosystem.

Recreation and cultural services

Parks is responsible for the maintenance and development of all park facilities. Cultural services facilitate the provision of recreation and wellness programs and services.

Water and Sewer utilities

The water and sewer utilities operate and distribute the water and sewer networks. They are responsible for the construction and maintenance of the water and sewer distribution systems, including mains and pump stations.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. Taxation revenue is recognized as general government revenue and has not been allocated to other segments.

20. Significant event

In early 2020, there was an outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial, and municipal governments regarding travel, municipality operations and isolation/quarantine orders. In the current year the effects of COVID-19 on the District included staff vacancies, supply chain issues, escalating costs, and delays of capital projects. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the District as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographical spread of the disease and the duration of the outbreak, including the duration of travel restrictions, office closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

Schedule 1

District of Ucluelet
Consolidated Schedule of Tangible Capital Assets
Year ended December 31, 2021

2021	Land	Buildings	Vehicles and equipment	Other structures	Roads	Drainage structures	Water structures	Sewer Structures	Work in progress	Total 2021
Cost										
Opening balance	\$ 14,718,568	\$ 11,014,552	\$ 3,438,325	\$ 3,674,962	\$ 8,041,384	\$ 1,609,012	\$ 6,218,483	\$ 9,188,270	\$ 3,821,425	\$ 61,724,981
Add: Additions	-	14,568	-	143,887	323,215	-	108,277	24,131	400,218	1,014,296
Less: Disposals	-	-	(18,288)	-	-	-	-	-	-	(18,288)
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	1,575	559,484	-	184,791	2,602,850	(3,348,700)	-
Closing balance	14,718,568	11,029,120	3,420,037	3,820,424	8,924,083	1,609,012	6,511,551	11,815,251	872,943	62,720,989
Accumulated Amortization										
Opening Balance	-	3,082,699	2,137,360	2,166,101	4,227,071	758,697	3,066,289	5,021,073	-	20,459,290
Add: Amortization	-	229,233	151,955	170,154	213,885	36,584	214,840	284,063	-	1,300,714
Less: Write-downs	-	-	(18,175)	-	-	-	-	-	-	(18,175)
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	3,311,932	2,271,140	2,336,255	4,440,956	795,281	3,281,129	5,305,136	-	21,741,829
Net Book Value	\$ 14,718,568	\$ 7,717,188	\$ 1,148,897	\$ 1,484,169	\$ 4,483,127	\$ 813,731	\$ 3,230,422	\$ 6,510,115	\$ 872,943	\$ 40,979,160
2020										
Cost										
Opening balance	\$ 14,718,568	\$ 11,004,081	\$ 2,982,021	\$ 3,602,097	\$ 7,866,781	\$ 1,609,012	\$ 6,218,210	\$ 9,164,441	\$ 2,955,888	\$ 60,121,099
Add: Additions	-	10,471	455,705	72,865	8,827	-	273	-	1,071,393	1,619,534
Less: Disposals	-	-	-	-	-	-	-	-	(15,652)	(15,652)
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	599	-	165,776	-	-	23,829	(190,204)	-
Closing balance	14,718,568	11,014,552	3,438,325	3,674,962	8,041,384	1,609,012	6,218,483	9,188,270	3,821,425	61,724,981
Accumulated Amortization										
Opening Balance	-	2,853,102	2,002,933	2,003,607	4,033,486	722,114	2,860,813	4,799,220	-	19,275,275
Add: Amortization	-	229,597	134,427	162,494	193,585	36,583	205,476	221,853	-	1,184,015
Less: Write-downs	-	-	-	-	-	-	-	-	-	-
Less: Disposals	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	3,082,699	2,137,360	2,166,101	4,227,071	758,697	3,066,289	5,021,073	-	20,459,290
Net Book Value	\$ 14,718,568	\$ 7,931,853	\$ 1,300,965	\$ 1,508,861	\$ 3,814,313	\$ 850,315	\$ 3,152,194	\$ 4,167,197	\$ 3,821,425	\$ 41,265,691

Schedule 2

District of Ucluelet
Consolidated Schedule of Segment Disclosure by Service
Year ended December 31, 2021

	General Government Services	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2021 Actual
Revenue								
Taxation, net	\$ 3,182,088	\$ -	\$ -	\$ -	\$ -	\$ 118,640	\$ 126,055	\$ 3,426,783
Sale of services	7,030	-	401,429	29,253	287,234	633,661	479,837	1,838,444
Grants and contributions	695,871	25,300	7,000	-	333,281	-	-	1,061,452
Investment income	48,562	-	-	-	-	-	-	48,562
Other revenue from own sources	1,058,153	26,532	-	228,378	545,737	42,609	2,393	1,903,802
	4,991,704	51,832	408,429	257,631	1,166,252	794,910	608,285	8,279,043
Expenses								
Salaries and wages	\$ 759,004	\$ 231,990	\$ 401,967	\$ 304,211	\$ 920,876	\$ 253,955	\$ 165,226	\$ 3,037,229
Contracted services	73,056	35,595	322,785	26,038	148,982	78,933	123,319	808,708
Materials and supplies	47,398	169,934	174,469	9,024	179,938	74,208	75,072	730,043
Interest and other	282,015	94,391	41,908	59,697	615,003	22,732	3,396	1,119,142
Audit and legal	56,922	-	-	53,885	-	-	-	110,807
Telephone and utilities	59,887	32,619	88,751	-	51,921	64,714	60,392	358,284
Amortization	-	-	402,423	-	399,388	214,841	284,062	1,300,714
	1,278,282	564,529	1,432,303	452,855	2,316,108	709,383	711,467	7,464,927
Annual surplus (deficit)	\$ 3,713,422	\$ (512,697)	\$ (1,023,874)	\$ (195,224)	\$ (1,149,856)	\$ 85,527	\$ (103,182)	\$ 814,116

	General Government Services	Protective Services	Transportation Services	Planning and Environmental Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2020 Actual
Revenue								
Taxation, net	\$ 3,087,334	\$ -	\$ -	\$ -	\$ -	\$ 120,320	\$ 127,840	\$ 3,335,494
Sale of services	5,407	-	342,643	104,692	205,978	631,727	472,125	1,762,572
Grants and contributions	1,423,623	22,352	7,000	-	53,337	-	-	1,506,312
Investment income	61,814	-	-	-	-	-	-	61,814
Other revenue from own sources	567,759	17,439	-	213,954	366,338	6,990	6,835	1,179,315
	5,145,937	39,791	349,643	318,646	625,653	759,037	606,800	7,845,507
Expenses								
Salaries and wages	\$ 746,459	\$ 209,419	\$ 292,678	\$ 251,038	\$ 838,826	\$ 241,963	\$ 142,519	\$ 2,722,902
Contracted services	78,859	29,751	282,701	196,516	75,558	82,589	65,369	811,343
Materials and supplies	39,536	75,456	144,651	8,585	139,449	35,437	108,153	551,267
Interest and other	299,797	78,868	33,549	105,228	427,350	17,871	3,039	965,702
Audit and legal	67,219	-	384	45,108	-	-	-	112,711
Telephone and utilities	54,894	24,554	80,861	-	53,493	60,217	56,269	330,288
Amortization	-	-	364,595	-	392,091	205,476	221,853	1,184,015
	1,286,764	418,048	1,199,419	606,475	1,926,767	643,553	597,202	6,678,228
Annual surplus (deficit)	\$ 3,859,173	\$ (378,257)	\$ (849,776)	\$ (287,829)	\$ (1,301,114)	\$ 115,484	\$ 9,598	\$ 1,167,279

Permissive Tax Exemptions

ORGANIZATION NAME	2021 MUNICIPAL TAXES
Christ Community Church of Ucluelet	\$ 8,020.78
Bishop of Victoria	\$ 7,295.64
Ucluelet Congregation of Jehovah's Witnesses	\$ 5,962.13
Food Bank on the Edge	\$ 1,295.22
Westcoast Community Resources Centre	\$ 1,760.85
Westcoast Community Resources Centre	\$ 1,989.98
Nuu-Chah-Nulth First Nations	\$ 599.44
Ministry of Child and Family Development	\$ 599.44
Vancouver Island Regional Library	\$ 4,054.78
Ucluelet Daycare Society	\$ 1,848.62
Army & Navy Airforce Veterans - Ucluelet Unit #293	\$ 4,939.41
Ucluelet Aquarium Society	\$ 25,700.95
KUU-US Crisis Line Society	\$ 2,011.44
Ucluelet Consumers Co-operative	\$ 4,784.81

ADMINISTRATION OFFICE

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Photo credit: Barbara Schramm