



Regional District of Central Okanagan

Audit final report to the Board of Directors for
the year ended December 31, 2021

START



To the Board of Directors of Regional District of Central Okanagan

We are pleased to provide you with the results of our audit of Regional District of Central Okanagan (the "Regional District") financial statements for the year ended December 31, 2021.

The enclosed final report includes our approach to your audit, including: significant risks identified and the nature, extent, and results of our audit work. We will also report any significant internal control deficiencies identified during our audit and reconfirm our independence.

During the course of our audit, management made certain representations to us—in discussions and in writing. We documented these representations in the audit working papers.

The business environment has changed for us all during the time of COVID-19. Cash flow, strategy, operations: each has received a rethink. As your auditors, we have relied on our digital audit suite to stay connected—among ourselves, with management, and with you.

We look forward to discussing our audit conclusions with you. In the meantime, please feel free to contact us if you have any questions or concerns.

Yours truly,

BDO Canada LLP
June 27, 2022



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Audit at a glance

Preliminary materiality was \$1,730,000. Final materiality remained unchanged from our preliminary assessment.

If you have become aware of changes to processes or are aware of any instances of actual, suspected, or alleged fraud since our discussions held at planning, please let us know.

We have complied with relevant ethical requirements and are not aware of any relationships between Regional District of Central Okanagan and our Firm that may reasonably be thought to bear on our independence.

**LEAD
PARTNER
ON YOUR
AUDIT**

Markus Schrott

Email: mschrott@bdo.ca

Direct: 250-275-8852

**START
DATE**

November 1, 2021

END DATE

June 20, 2022



Status of the audit

We have substantially completed our audit of the year ended December 31, 2021 financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See [Appendix A](#) for our final independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Report to the Board of Directors dated November 25, 2021.

For the year ended December 31, 2021



Audit findings

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Regional District's accounting practices, including accounting policies, accounting estimates and financial statements disclosures. We look forward to exploring these topics in depth and answering your questions. A summary of the key discussion points are below:

Financial statement areas	Risks noted	Audit findings
Management Override of Controls	<p>Management is in a unique position to directly or indirectly change accounting records without oversight and prepare financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>This risk is required to be addressed for all audits pursuant to Canadian audit standards.</p>	<p>In order to mitigate this risk, we performed the following procedures:</p> <ul style="list-style-type: none">Tested the appropriateness of journal entries recorded in the general ledger, reviewed key estimates and other adjustments made in the preparation of the financial statements. <p>All audit testing in this area was executed as planned with no issues to be reported.</p>



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We use BDO Portal to help you collaborate with your audit team in a seamless way—placing everything you need in one accessible, secure place.

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Internal control matters

- ▶ During the audit, we performed the following procedures regarding the Regional District's internal control environment:
- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.
- ▶ We considered the results of these procedures in determining the extent and nature of audit testing required.



We are required to report to you in writing about any significant deficiencies in internal control that we have identified during the audit.

A significant deficiency is defined as a deficiency or combination of deficiencies in internal control that merits the attention of those charged with governance.

The audit expresses an opinion on the Regional District's financial statements. As a result, it does not cover every aspect of internal controls—only those relevant to preparing the financial statements and designing appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss.



Adjusted and unadjusted differences

Summary of unadjusted differences

There were no unadjusted differences noted during the course of our audit engagement.

Summary of adjusted differences

Entries were corrected by management during the course of our audit engagement. These entries have been discussed and will be provided separately.



Other required communications

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

Issue	BDO response
Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.	None noted.
Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.	None noted.
Disagreements with management about matters that, individually or in the aggregate, could be significant to the entity's financial statements or our audit report.	None noted.
Matters involving non-compliance with laws and regulations.	None noted.
Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.	None noted.
Management consultation with other accountants about significant auditing and accounting matters.	None noted.



How we audit financial statements: Our six-step audit process

IDENTIFY AND ASSESS RISK

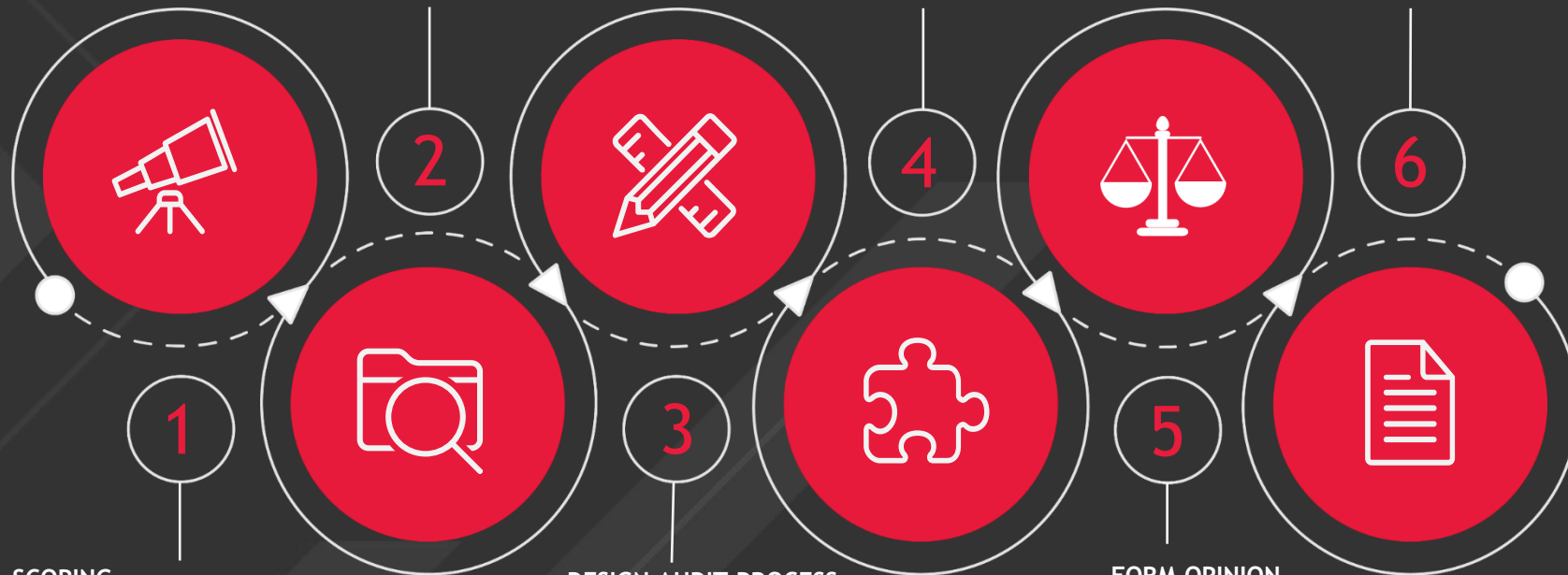
Focus on those areas of financial statements that contain potential material misstatements as a consequence of the risks you face

OBTAIN AUDIT EVIDENCE

Perform audit procedures while maintaining appropriate degree of professional skepticism, to conclude whether or not the financial statements are presented fairly

REPORT

Communicate our opinion and details of matters on which we are required to report



SCOPING

Complete a preliminary review to plan the audit, determine the materiality level, and define the audit scope

DESIGN AUDIT PROCESS

Design an appropriate audit strategy to obtain sufficient assurance and enable us to report on the financial statements

FORM OPINION

Evaluate whether we have enough evidence to conclude that the financial statements are free from material misstatement, and consider the effect of any potential misstatements found

New Standard for Audit Quality



ISQM 1

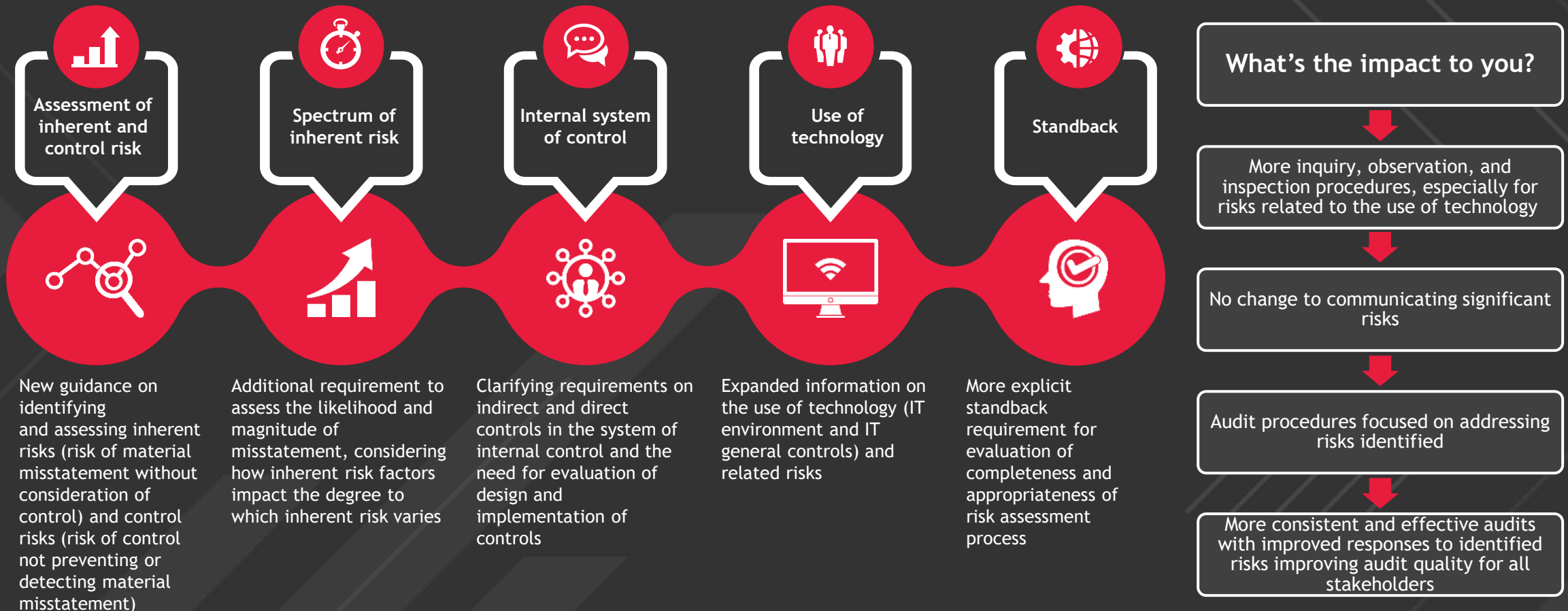
The quality of an audit depends not only on the people conducting it—but also on the systems underpinning it. These new rules up the ante for your audit quality.

[SEE THE STANDARD](#)



Coming soon: Updates to our audit process

Canadian Auditing Standard 315, *Identifying and Assessing the Risks of Material Misstatement*, was significantly revised with a greater focus on more robust risk identification, assessment and response procedures. The standard will be effective for periods beginning on or after December 15, 2021. Key enhancements include:





Our audit approach: Responsiveness in action

Our firm is deliberately structured to allow one partner to every six staff members. This means easy access to senior staff and the lead partner throughout your audit. It also helps our team gain a better understanding of your organization. Our audit process differs from the typical audit in our use of in-field reviews, subject to COVID-19 safety protocols. The benefit of these in-field reviews is that final decision-makers are on site ensuring issues are resolved and files closed quickly. We offer clients the full-service expertise of a national firm. Yet we maintain a local community focus. The comprehensive range of services we deliver is complemented by a deep industry knowledge gained from over 100 years of working within local communities.



Discover how we're accelerating audit quality



Audit Quality Report

We collected our core beliefs around audit quality, the very practical steps we take to sustain it, and the progress we have made to accelerate its quest.

[Follow our progress](#)

BDO's digital audit suite

Our digital audit suite of technologies enables our engagement teams to conduct consistent risk-based audits, both domestically and internationally, with maximum efficiency and minimal disruption to our clients' operations and people.



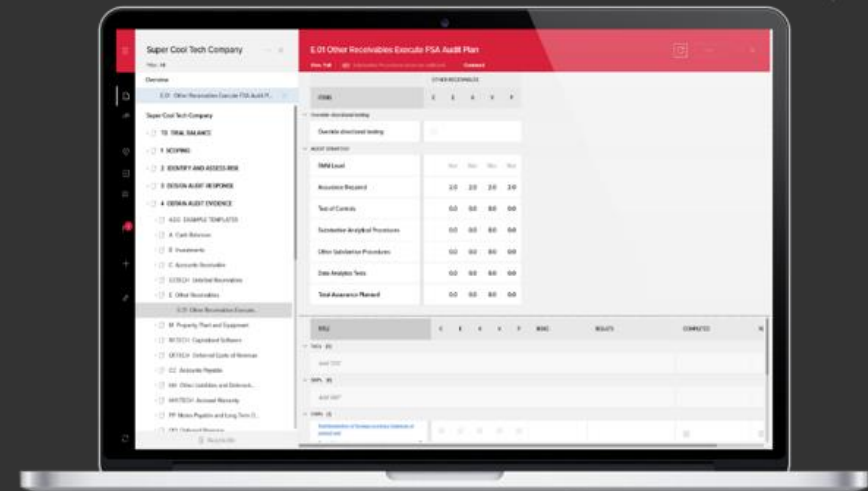
APT Next Gen

Our audit software and documentation tool, APT, is an integral part of our audit methodology. Our professionals engage APT to devise and perform appropriate, risk-based audit procedures and testing based on applicable Canadian Auditing Standards (CASs), as well as to factor in engagement and industry-specific objectives and circumstances.

APT enables us to deliver an audit that fits your organization—whether large or small; complex or basic.

This sophisticated tool also amplifies two key attributes of our audits: consistency and quality. The quality framework that we developed measures our audit performance with hard quality indicators and reflects our indispensable culture for quality. To see our audit quality and consistency in action, look no further than how our teams share best audit practices for continuous improvement.

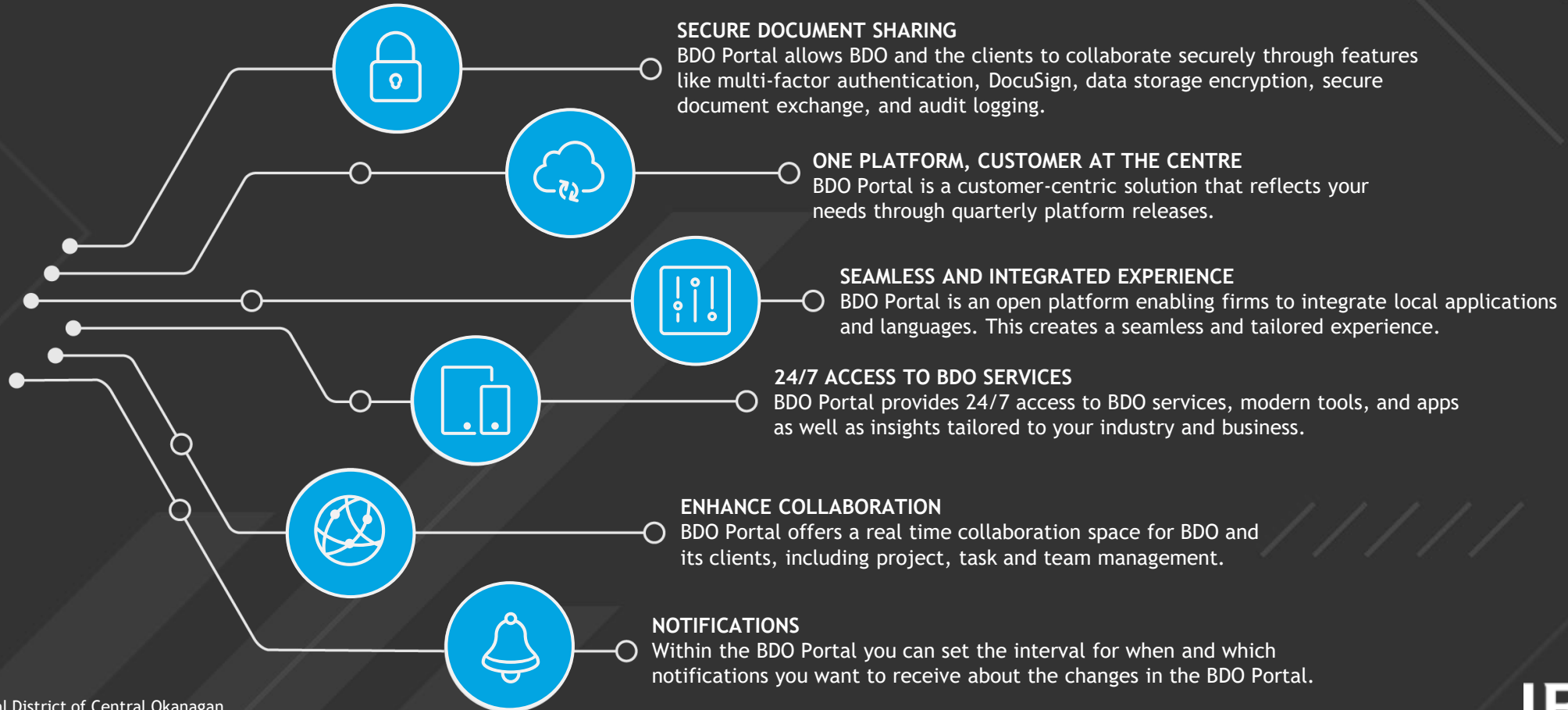
Through a strategic alliance with Microsoft and the introduction of new technology, this global, cloud-based application can now streamline and focus the audit process in even more ways for BDO professionals and their clients.





BDO Portal

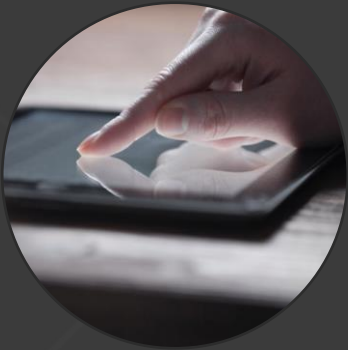
BDO Portal transforms and enhances your digital experience with your BDO advisors. Available at any time, Portal enables you to access all services, tools, apps, and information and to collaborate with your advisors in a seamless way through a flexible, appealing, and secure environment.





Recommended resources

Key changes to financial reporting



When the rules of reporting change, you may need to fine-tune how to present financial statements and govern the organization.

**ACCESS OUR
KNOWLEDGE CENTRE**

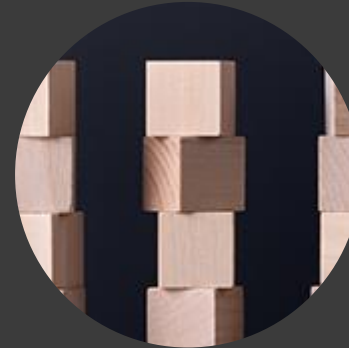
The latest tax pointers



Corporate. Commodity. Transfer pricing. International tax. Government programs. Together they add up to immense differences on the organization's bottom line. Our tax collection keeps you current.

STAY ON TOP OF TAXES

7 powerful steps to financial audit readiness



Getting and staying prepared for an audit simplifies the process, cuts turnaround time, and improves your chances of overall success. Learn how you can be audit ready.

7 STEPS

Asset Retirement Obligations (ARO): A Practical Approach to Section PS 3280



This publication will walk through a practical approach to applying Section PS 3280 including: identification, recognition and measurement of an obligation, and the different options available to entities on transition.

READ ARTICLE

Spotlight on sustainability

Fast-moving world events are pushing sustainability up the agenda of Canadian organizations. Now organizational leaders, investors, and customers are responding on three fronts: environmental, social, and governance (ESG).

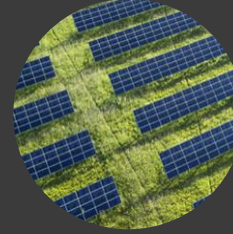
Regulators and issuers of standards are doing their part by supporting sustainability in the reporting ecosystem. Increasingly, organizations will need to go beyond the financials—and demonstrate sustainability with non-financial metrics.

5 reasons why businesses should care about ESG



SEE 5 REASONS

How climate change became a business issue worth reporting



READ ARTICLE

What executives need to do to align ESG with strategy



TAKE NEXT STEPS

ESG, and the business case for dealing with climate change



LEARN MORE

How does COVID-19 impact the environment?



BUILD BACK SUSTAINABLY

Why Canadian manufacturers should be reviewing ESG strategy



GET STARTED



Spotlight on public sector

PS 3280 is effective for March 31, 2023, and December 31, 2023, year ends, therefore entities must consider identification and recognition now to ensure a smooth transition. Check out the four-step approach below as an aid through the transition process:

IDENTIFICATION

Potential AROs:

- Solid waste landfill closure and post closure liabilities
- Removal of asbestos
- Retirement of sewage treatment plants
- Removal of fuel tanks
- Removal of customizations/leasehold improvements from a leased premises

Four-step approach to AROs

RECOGNITION

- There is a legal obligation to incur retirement costs
- The past transaction or event giving rise to the liability has occurred
- It is expected that future economic benefits will be given up
- A reasonable estimate can be made

INITIAL MEASUREMENT

Best estimate of future costs:

- Any costs directly attributable to the asset retirement activities
- Any costs required in existing agreements, contracts, legislation, etc.

A present value technique is often the best method to estimate the liability. Engineers or other experts will likely be needed for estimates.

SUBSEQUENT MEASUREMENT

Year-to-year changes in the liability from:

- Revisions to timing, the original estimate of undiscounted cash flows or the discount rate
- The passage of time as an accretion expense

PS 3280, Asset Retirement Obligations



It is important to understand the scope of the new standard and how it interacts with previous sections under PSAS, such as Section PS 3270 and Section PS 3260.

STANDARD AT A GLANCE



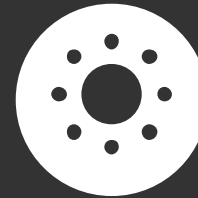
Spotlight on public sector

Key identification considerations include:



ASSET MANAGEMENT PLANS

Review any asset management plans in place for the retirement or remediation of assets and engage functions outside of finance (e.g. public works and engineering).



CONTAMINATED SITES

Determine if there are any known contaminations associated with assets that remain in productive use, which are scoped out of PS 3260, but scoped into PS 3280.



ASSESSMENT OF ASBESTOS

Complete an assessment of all buildings and other infrastructure to determine if there is any asbestos.



LEGISLATION, AGREEMENTS, CONTRACTS

Consider relevant legislation, lease agreements, contracts and obligation studies previously completed to identify any assets that require retirement or remediation.



REVIEW OF INFRASTRUCTURE FOOTPRINT

Complete a review of infrastructure footprint (e.g. survey maps, physical inspection, historical data, etc.) to determine if there are any unknown, off-book assets (e.g. equipment, subsurface infrastructure, etc.) that will require clean up or retirement.



MINISTRY CORRESPONDENCE

Consider any past correspondence from Ministries and legal counsel for legal obligations to retire an asset or regarding funding to remediate potential environmental obligations.



Spotlight on municipalities

A wave of accounting changes are on the horizon, the magnitude of impacts are as follows:

	SIGNIFICANT IMPACT	MODERATE IMPACT	MINOR IMPACT
Section PS 3280, Asset Retirement Obligations (effective April 1, 2022)			
Section PS 3250, Financial instruments and related standards (effective April 1, 2022)			
Section PS 3400, Revenue (effective April 1, 2023)			
Section PS 3160, Public Private Partnership (effective April 1, 2023)			
PSG-8, Purchased Intangibles (effective April 1, 2023)			



Appendices

- ▶ Appendix A: Independent auditor's report
- ▶ Appendix B: Representation letter
- ▶ Appendix C: Financial highlights



Appendix A: Independent auditor's report



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Independent Auditor's Report

To the Directors of the Regional District of Central Okanagan

Opinion

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

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

Basis for Opinion

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

Unaudited Information

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information included in the annual report or the information included in exhibits 1 through 28 of the Regional District's financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Chartered Professional Accountants

Kelowna, British Columbia
June 27, 2022



Appendix B: Representation letter

Regional District of the Central Okanagan
1450 K.L.O Road
Kelowna, BC
V1W 3Z4

June 27, 2022

BDO Canada LLP
Chartered Professional Accountants
2706 30th Avenue
Suite 202
Vernon British Columbia
V1T 2B6

This representation letter is provided in connection with your audit of the financial statements of Regional District of the Central Okanagan for the year ended December 31, 2021, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated October 28, 2021, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.

- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- Except as disclosed in the financial statements, there have been no changes to title, control over assets, liens or assets pledged as security for liabilities or collateral.
- The entity has complied with all provisions in its agreements related to debt and there were no defaults in principal or interest, or in the covenants and conditions contained in such agreements.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).
- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity, except as disclosed in the financial statements.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.
- The financial statements and any other information in the annual report provided to you prior to the date of this representation letter are consistent with one another, and there is no material misstatement of the other information. We have provided you with the final version of the document(s) comprising the annual report.
- (If some/all of the document(s) comprising the annual report will not be available until after the date of the auditor's report, include:) We will provide to you, when available and prior to issuance by the entity, the final version of the document(s) comprising the annual report.
- Management believes that \$116,314 is an accurate estimate of the final landfill closure costs required to remediate the Westside landfill. Of which all is expected to be expended in 2022.
- Management believes that \$31,000 is an appropriate estimate of the annual maintenance costs of closing the Westside landfill. It is expected that 20 yearly payments will be required as of December 31, 2021.
- Management contends that the Regional District of the Central Okanagan did not receive any significant contributions from outside parties in 2021.

Yours truly,

Signature

Position

Signature

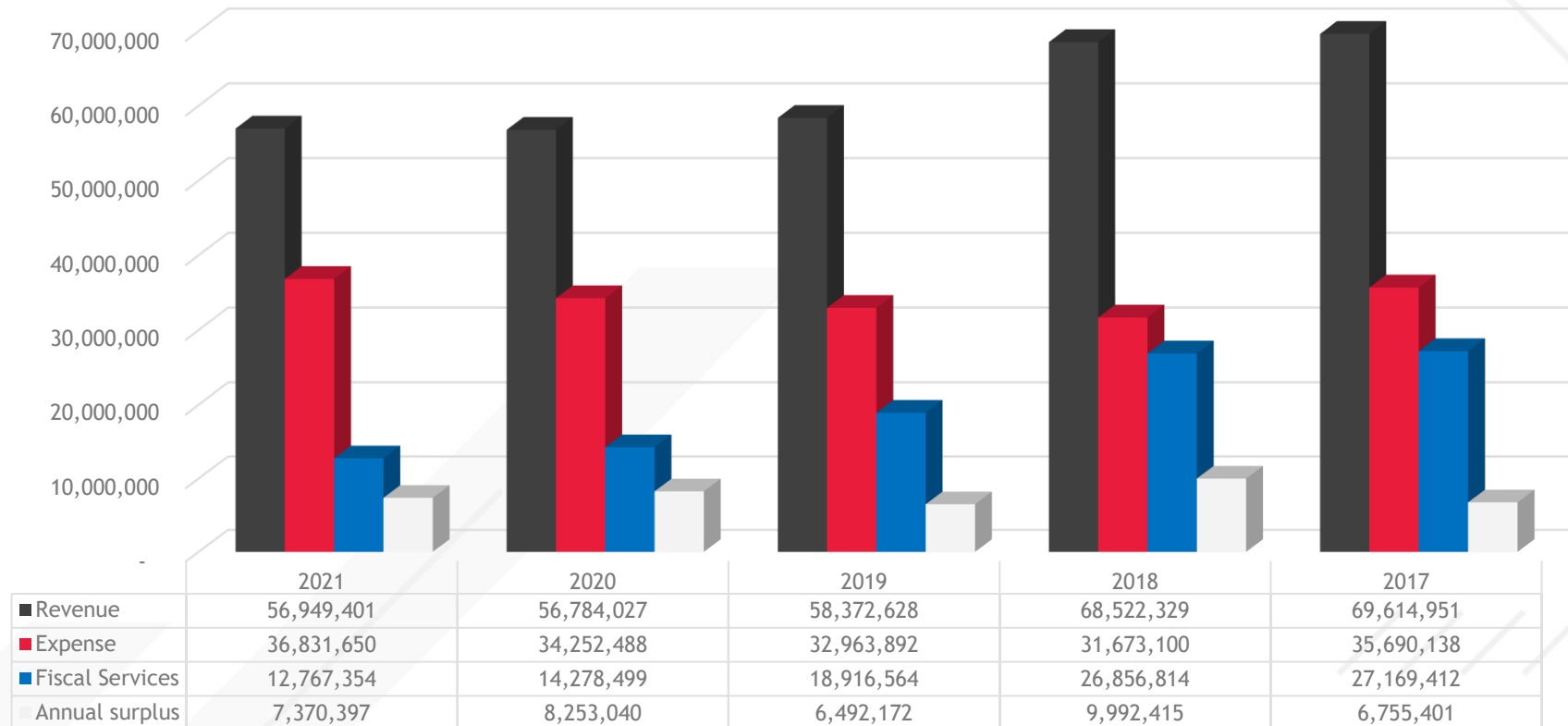
Position



Appendix C: Financial Highlights

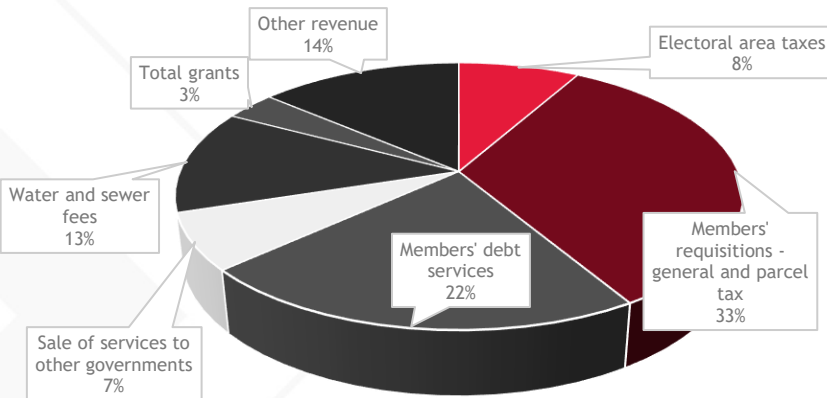
Appendix C: Financial Highlights

TOTAL REVENUE, EXPENSES, AND ANNUAL SURPLUS



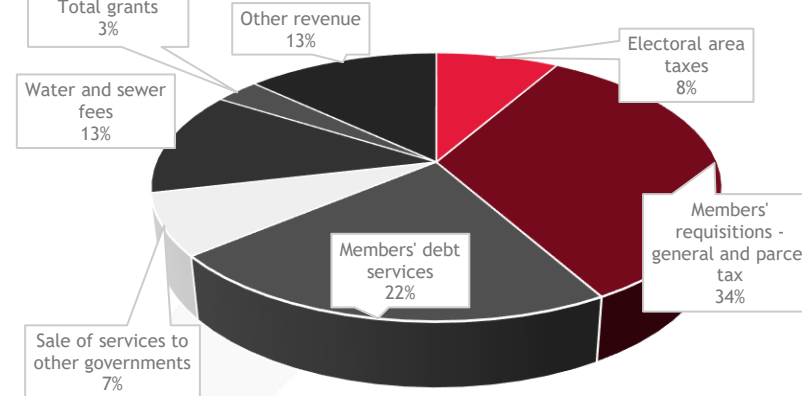
REVENUE ANALYSIS

2021 Actual Revenue



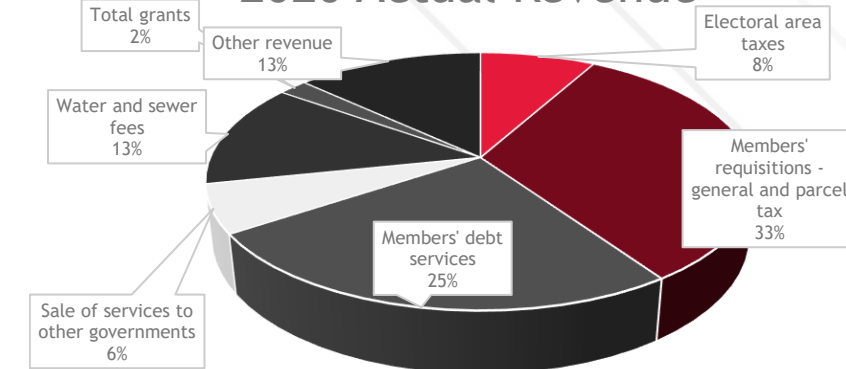
- Electoral area taxes
- Members' requisitions - general and parcel tax
- Members' debt services
- Sale of services to other governments
- Water and sewer fees
- Total grants

2021 Budgeted Revenue



- Electoral area taxes
- Members' requisitions - general and parcel tax
- Members' debt services
- Sale of services to other governments
- Water and sewer fees
- Total grants

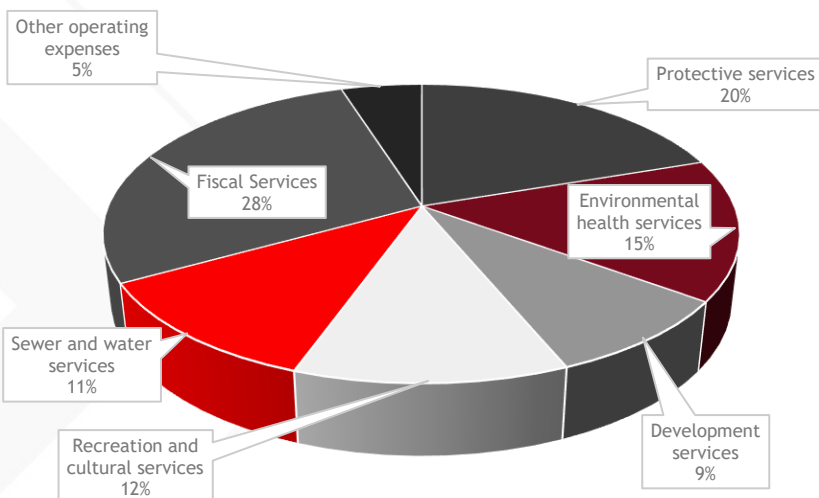
2020 Actual Revenue



- Electoral area taxes
- Members' requisitions - general and parcel tax
- Members' debt services
- Sale of services to other governments
- Water and sewer fees
- Total grants

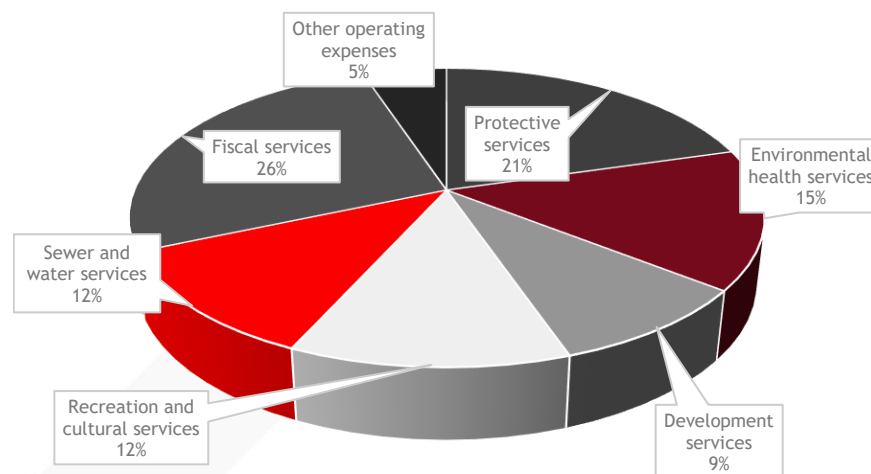
OPERATING EXPENSES BY FUNCTION

2021 Actual Expenses



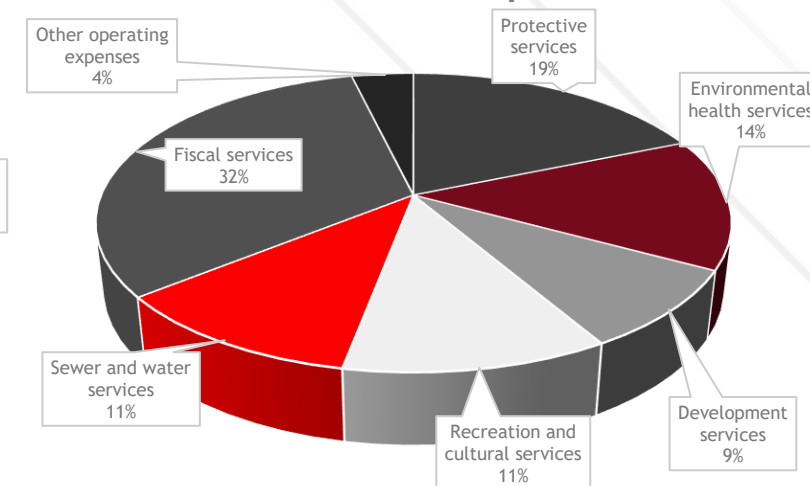
- Protective services
- Environmental health services
- Development services
- Recreation and cultural services
- Sewer and water services
- Fiscal Services
- Other operating expenses

2021 Budgeted Expenses



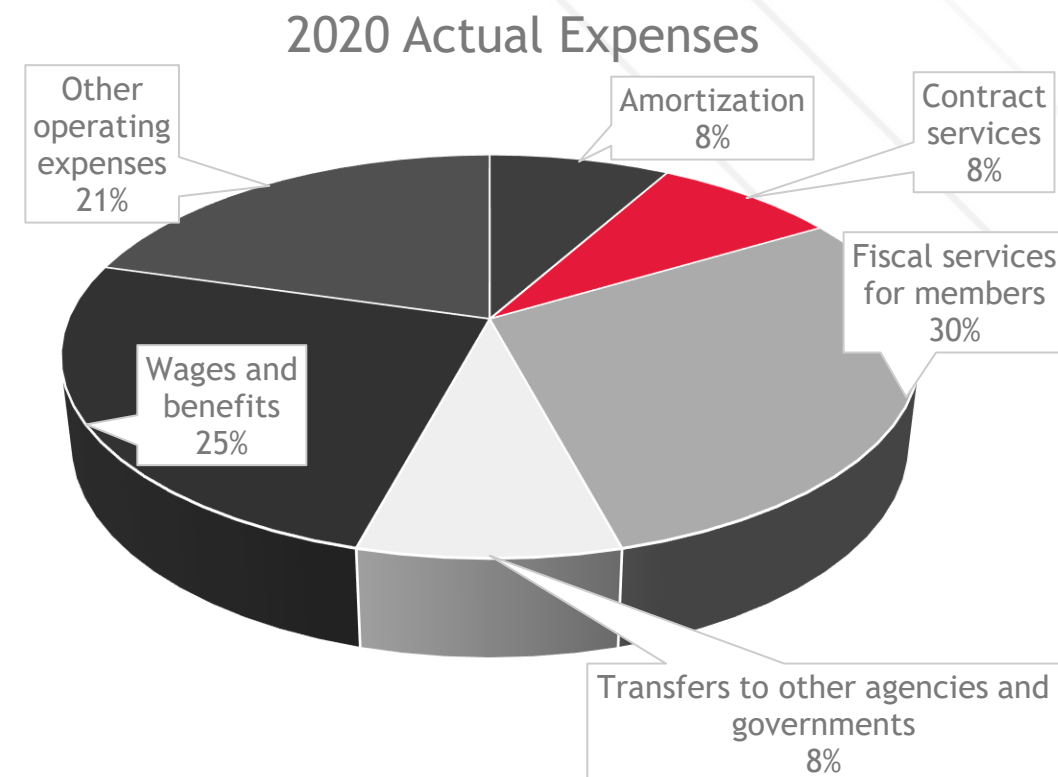
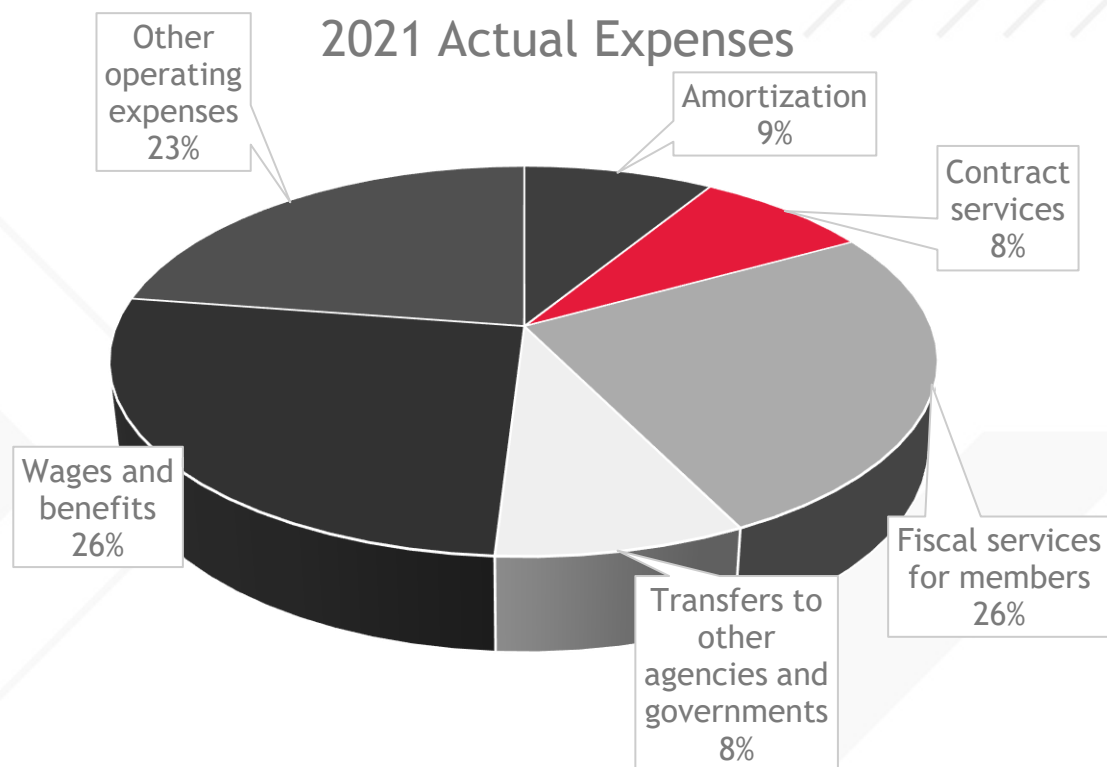
- Protective services
- Environmental health services
- Development services
- Recreation and cultural services
- Sewer and water services
- Fiscal services
- Other operating expenses

2020 Actual Expenses



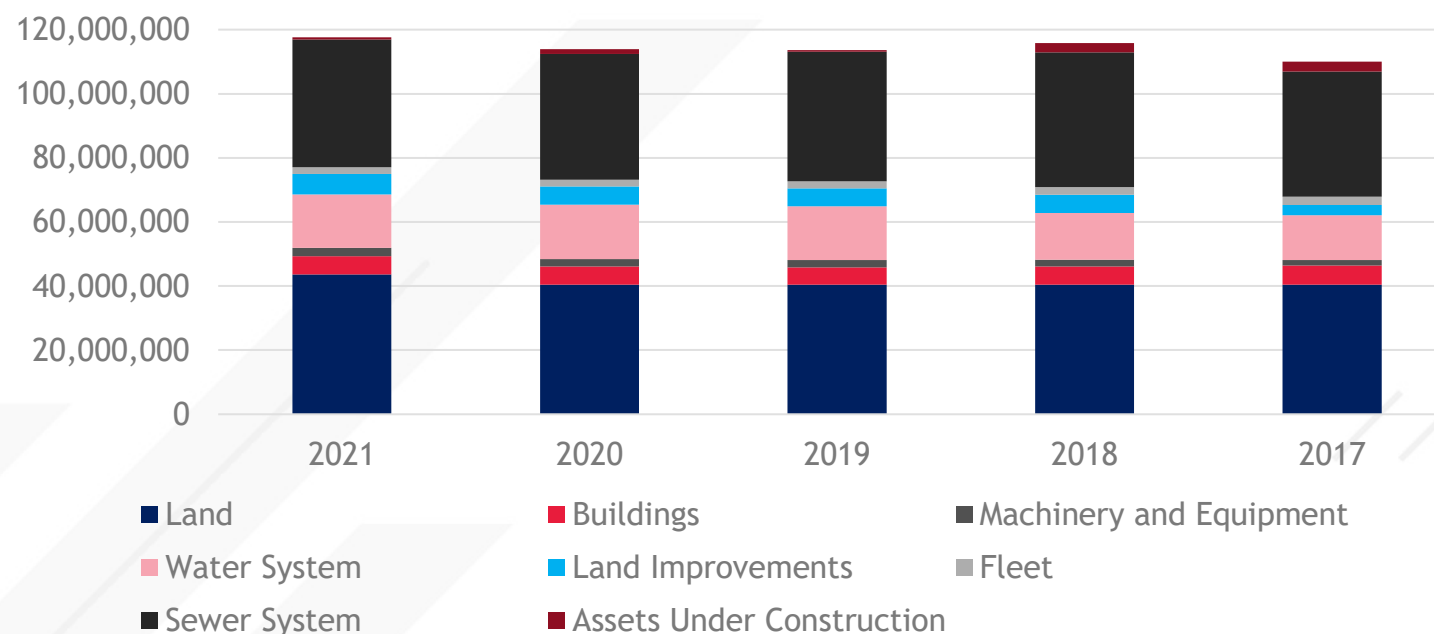
- Protective services
- Environmental health services
- Development services
- Recreation and cultural services
- Sewer and water services
- Fiscal services
- Other operating expenses

OPERATING EXPENSES BY OBJECT



CAPITAL ASSET ANALYSIS - CATEGORY BREAKDOWN

	2021	2020	2019	2018	2017
Tangible capital assets					
Beginning of year	113,979,484	113,673,675	113,920,574	110,033,002	105,992,776
Purchases	8,513,221	4,306,528	3,741,562	8,843,074	8,475,428
Disposals	-584,938	-54,952	-56,856	-993,760	-692,810
Amortization	-4,358,088	-3,945,767	-3,931,605	-3,961,742	-3,742,392
End of year	117,615,881	113,979,484	113,673,675	113,920,574	110,033,002



CAPITAL ASSET ANALYSIS - TCA FINANCIAL INDICATOR

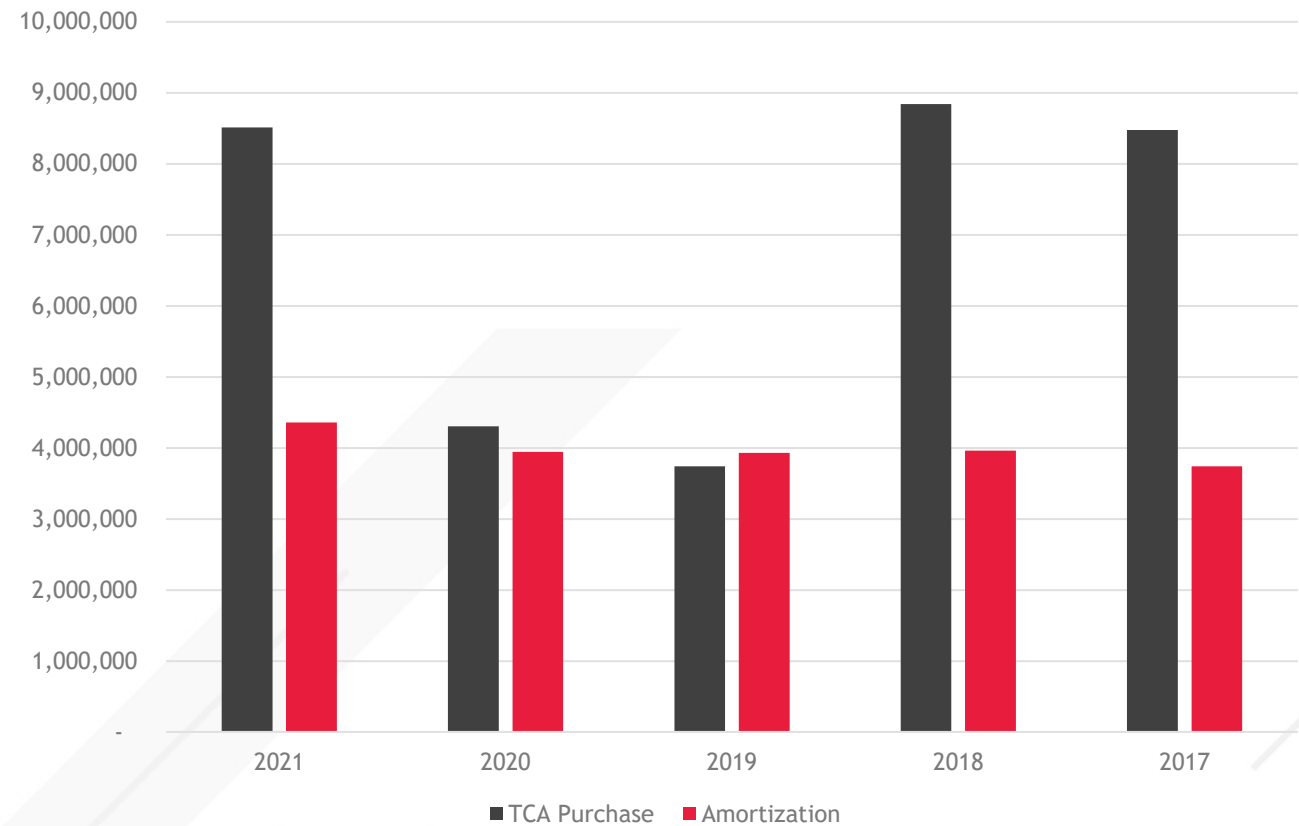
As assets age, the TCA Financial Indicator percentage will decrease. The newer the assets, the longer the remaining life of the asset and the higher the percentage.

The formula is as follows:

$$\text{Age of TCA Financial Indicator} = \frac{\text{Net Book Value of TCA}}{\text{Historical Cost of TCA}}$$

	2021	2020	2019	2018	2017
Buildings	42%	43%	44%	47%	50%
Sewer System	60%	61%	63%	65%	65%
Water System	70%	72%	72%	71%	71%
Fleet	29%	30%	33%	36%	40%
Miscellaneous	62%	65%	62%	64%	61%
Total	69%	70%	71%	72%	73%

CAPITAL ASSET ANALYSIS - TCA FINANCIAL INDICATOR (Continued)



RESERVE ANALYSIS

	2021	2020	2019	2018	2017
Statutory Reserve Funds					
Feasibility	176,560	175,072	173,054	160,486	148,105
Equipment replacement	4,977,366	5,677,130	5,776,461	5,795,961	5,330,103
Parks	901,850	1,577,839	1,566,933	1,579,995	1,554,986
Capital projects	24,395,404	20,109,491	14,544,378	10,886,850	8,021,053
Operating	8,316,137	4,023,665	2,927,803	2,509,646	2,062,040
	<u>38,767,317</u>	<u>31,563,197</u>	<u>24,988,629</u>	<u>20,932,938</u>	<u>17,116,287</u>

