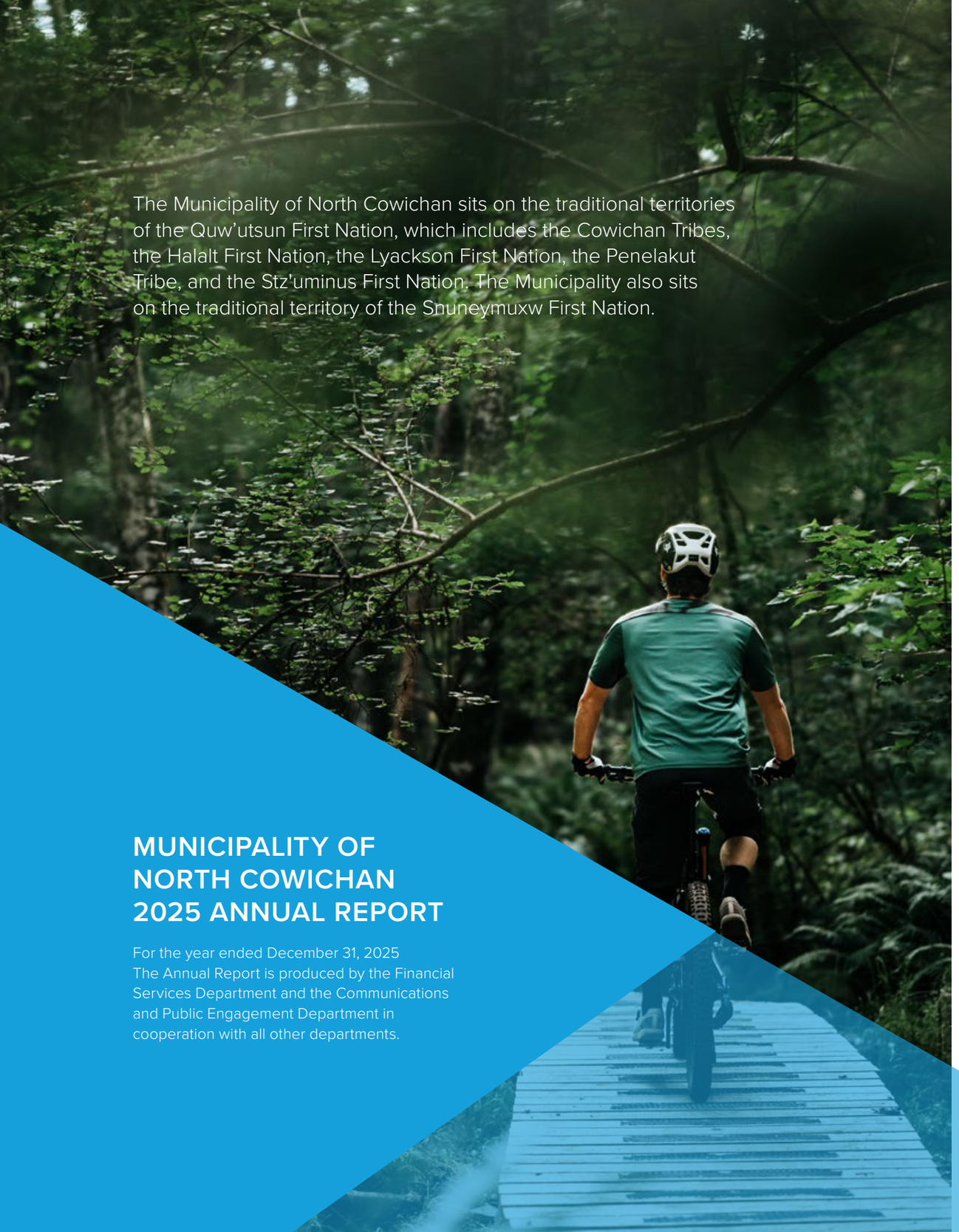


NORTH Cowichan

2025 ANNUAL REPORT

Municipality of North Cowichan, BC

For the year ended December 31, 2025



The Municipality of North Cowichan sits on the traditional territories of the Quw'utsun First Nation, which includes the Cowichan Tribes, the Halalt First Nation, the Lyackson First Nation, the Penelakut Tribe, and the Stz'uminus First Nation. The Municipality also sits on the traditional territory of the Snuneymuxw First Nation.

MUNICIPALITY OF NORTH COWICHAN 2025 ANNUAL REPORT

For the year ended December 31, 2025
The Annual Report is produced by the Financial Services Department and the Communications and Public Engagement Department in cooperation with all other departments.

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A MESSAGE FROM THE MAYOR



2025 was a year of meaningful progress in North Cowichan as we advanced critical infrastructure projects while maintaining the excellent service levels that residents, businesses, and visitors expect.

In April, Council welcomed Becky Hogg following a by-election held after Debra Toporowski resigned to take a seat in the provincial legislature. Councillor Hogg adds a fresh perspective to Council as we continue to address the major challenges facing our community.

After many decades of requests, Canada Post finally changed the mailing address for more than half of North Cowichan's residents and businesses – and municipal hall – allowing them to use North Cowichan rather than Duncan as their town name on mail and documents. This change represents an important step in strengthening North Cowichan's identity and ensuring our community is recognized appropriately.

In May, we celebrated the opening of the new Crofton Fire Hall. This $4.8 million project began in 2023 following several studies that identified the previous fire hall as requiring significant repairs and seismic upgrades. The new 3,600 square foot hall includes training and administration space, and dedicated storage space for equipment, gear, and electronics, as well as providing a place for the Crofton paid on-call firefighters to proudly call home.



After several years of planning and community engagement, automated curbside collection launched in June. The service introduced four new trucks, including three diesel and one electric, and delivery of more than 24,000 new garbage and organics carts to every curbside household. This transition marked a major operational achievement for the municipality, ensuring continued service excellence and a safer working environment for staff. The expansion of organics to include yard waste was a welcome addition to the service.

We continued to invest in critical infrastructure throughout the municipality. The Herd Road bridge over Richards Creek underwent significant rehabilitation, including surface repairs, rebar replacement, new bridge railings and deck joints, pile coating, and other structural upgrades to meet current standards. That project was coordinated with the construction of a new roundabout at Herd and Bell McKinnon Roads, in support of the new Quw'utsun Valley Hospital (Quw'utsun Hulitun-ew't-hw). The roundabout was built to accommodate higher speed vehicles such as ambulances.

Another major milestone was the opening of the new $86.7 million Quw'utsun Secondary School in January. Replacing the 75-year-old Cowichan Secondary School, this modern facility represents a significant provincial investment in education within North Cowichan and the Cowichan region. Designed for 1,100 students, the school includes capacity for future expansion to 1,500 students

Staff undertook emergency repairs to a significant watermain that crosses the Cowichan River. The pipe, which was previously buried under more than a metre of riverbed, had become exposed which greatly increased the likelihood of a rupture. The brief fish window in August and September – a time when salmon are least likely to be present in that portion of the river – meant work needed to move quickly and efficiently. The $4.5 million project was completed in one month, with $3.9 million funded by the Province as emergency repairs to critical infrastructure.

Together with Council, I thank residents for their engagement and support. We look ahead to 2026 with a strong commitment to serving North Cowichan residents.



Mayor Rob Douglas

A MESSAGE FROM THE CAO



North Cowichan staff continued to provide exemplary service while advancing Council's strategic priorities and meeting the expectations and needs of the community.

Ratification of a new collective agreement with CUPE Local 358 in July marked the conclusion of several months of negotiations and the support of a mediator. The three-year agreement provides members with extended health benefits, long-term disability coverage, and a general wage increase of five per cent in each of the three years.

Several significant projects were completed including rehabilitation of the Herd Road bridge over Richards Creek and the concurrently constructed roundabout on Bell McKinnon in support of the new Quw'utsun Valley Hospital (Quw'utsun Hulitun-ew't-hw). The rebuilt Crofton Fire Hall officially opened in May, and staff fabricated and installed a new waterwheel for Waterwheel Park, replacing the beloved local landmark.

Staff led successful emergency repairs to the watermain that runs under the Cowichan River. The pipe had been buried under more than a metre of riverbed, however had become exposed which greatly increased the risk of a major break. The $4.5 million project was done during a very brief one-month "fish window" – a time when spawning salmon are less likely to be present in that portion of the river. The watermain connects the Boys Road water treatment facility to more than 20,000 people in North Cowichan's south end.



A one-hectare wildfire broke out near homes along the Cowichan River in July, which was quickly brought under control through the rapid response by 26 North Cowichan firefighters, along with the support of B.C. Wildfire Service attack crews and helicopters. The 3,600-hectare Mount Underwood wildfire in the Alberni-Clayoquot Regional District jumped the regional border with the Cowichan Valley Regional District (CVRD) in August, triggering the establishment of a regional emergency operations centre (REOC). While the response needed within the CVRD was minimal, the opportunity for municipal staff to participate in a REOC was a valuable learning experience.

Response to climate change and resilience continued with the refitting of digital controls and water-to-water heat pumps at the Cowichan Aquatic Centre. That work resulted in a 71 per cent decrease in natural gas consumption. Fleet electrification expanded with the purchase of 12 electric vehicles, including an electric curbside collection truck.

A by-election in April marked the addition of Becky Hogg to council, replacing Debra Toporowski who resigned in 2024 following their election to the provincial legislature. Legislative Services staff led the by-election, which involves a very similar amount of time and effort that a general local election takes.

Staff, with the support of Council, undertook several initiatives to further support the response to street disorder and addressing the issues associated with the housing and fentanyl crises.

Indigenous relations and reconciliation continue to be at the forefront with numerous initiatives with First Nations partners, and as part of cultural learnings for staff. The first Indigenous Building Official Internship began in 2025, marking the start of a unique and valuable experience for both a First Nations intern as they embarked on a career as a building official, and for North Cowichan staff who provided day-to-day mentorship and support.

North Cowichan staff are the heart and soul of our municipality and continue to support our strong, inclusive, and resilient community through exemplary service and dedication.



Ted Swabey
Chief Administrative Officer



COMMUNITY PROFILE

North Cowichan is located on the east coast of Vancouver Island in the Cowichan Valley Regional District. It is centrally located between the cities of Victoria to the south, and Nanaimo to the north. Vancouver is located to the east, separated by the Salish Sea. Spanning 195 square kilometers, North Cowichan is the largest district municipality by area on Vancouver Island. North Cowichan is a community of communities, including Crofton, Chemainus, Maple Bay, Quamichan, Bell McKinnon, Berkey's Corner, and South End/University Village. Each unique area has its own history and values, as well as natural and built environments that define its character. North Cowichan's Official Community Plan recognizes and addresses specific needs at the neighbourhood or community level to celebrate that character.

North Cowichan's approximately 32,000 residents enjoy all the pleasures of a relaxed, active lifestyle in a mostly rural setting which also affords many of the amenities of city life. North Cowichan offers the best of both worlds, making it one of the most desirable places to call home. The incredible landscape and location can be attributed to North Cowichan quickly becoming known as a hub for outdoor recreation, sports, and eco-tourism.



31,990
Total population (2021)

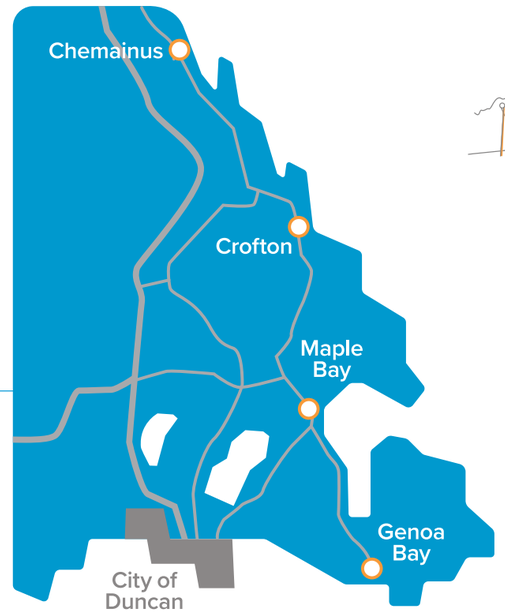
0-14 13.9%
15-64 57.4%
65+ 28.7%

Average age **47.3**



$78,500 Median family income (2020)

The Municipality of North Cowichan





Chemainus

Seaside artisan hub, renowned Chemainus Theatre, fishing and swimming at Fuller Lake, Old Town, Waterwheel Park, Chemainus Lake, Kinsmen Beach Park, and access to water front.



Crofton

1.5km oceanfront seawalk, warm, swimmable waters at Osborne Bay Park, 20-minute ferry to Salt Spring Island, outdoor community pool (summer), easy access to Maple Mountain.



Maple Bay and Genoa Bay

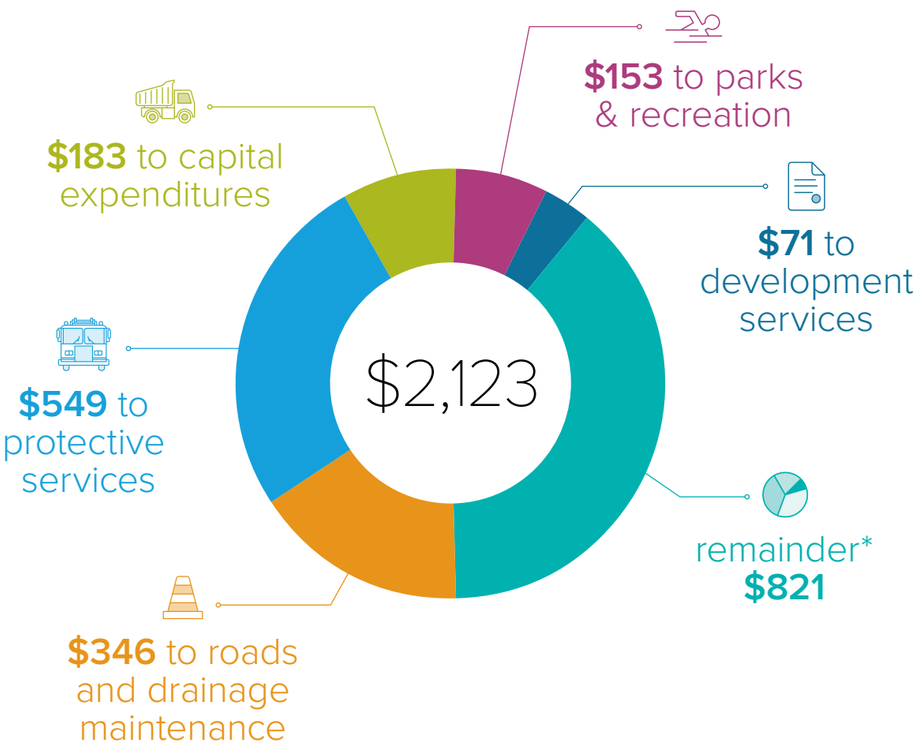
Seaside villages, marinas, beach walking, easy access to hiking and mountain biking at Mount Tzouhalem, Maple Mountain and Stoney Hill Park, and multiple kayak access points.



South End

Urban meets rural with markets, local vineyards, brewpubs and distilleries, and the retail hub in downtown Duncan. Also home to Cowichan Campus of Vancouver Island University, Queen Margaret's School and Quw'utsun Secondary School. Recreation opportunities at sports fields, Sportsplex, Cowichan Aquatic Centre, and Cowichan Community Centre.

Breakdown of municipal tax for 2025:



A homeowner in North Cowichan whose home had an average assessed value of $761,839 paid **$2,123** in *municipal* property taxes in 2025.

*General government, debt repayment, library services, reserve fund, and energy and environment.





MAYOR AND COUNCIL

The Municipality of North Cowichan is governed by an elected Mayor and six Councillors, each elected for a four-year term. The current Council was elected in the fall of 2022 for the 2022-2026 term. The responsibility of municipal governments is set out in the Community Charter, mandating Council set the direction and adopt the policies and budget to guide our community. Our Council meets regularly, on the first and third Wednesday of every month. Residents have the option of attending all open Council and Committee of the Whole meetings either in-person at Municipal Hall or by video conference using the Cisco Webex platform. Council encourages public participation and feedback to foster two-way dialogue and open, participatory governance.



Robert Douglas
Mayor



Mike Cajiouw
Councillor



Bruce Findlay
Councillor



Becky Hogg
Councillor



Chris Istace
Councillor



Christopher Justice
Councillor



Tek Manhas
Councillor



COUNCIL'S STRATEGIC PLAN

Council's Strategic Plan sets out several years' worth of projects and initiatives to realize Council's vision and objectives for their term, based on the following strategic priorities: **Engagement**, **Housing**, **Environment**, **Economy**, **Community**, **Service**, and **Inclusion**.

The plan serves as a critical foundation for decision making, budgeting, annual work and project planning, workforce planning, and performance measurement. This aligns with the Council Strategic Plan Administrative Policy that establishes a clear process to support Council's oversight role of monitoring staff progress towards implementing the strategic plan. Under the policy, staff provide quarterly updates to Council each year to outline progress towards meeting the Strategic Plan's objectives. This annual report highlights, beginning on page 17, the progress made within each of Council's strategic priority areas, from January 1 through December 31, 2025.

ORGANIZATIONAL STRUCTURE

as of December 31, 2025





COUNCIL'S STRATEGIC PRIORITIES

Our 2025 Annual Report highlights successes of each council priority area, key performance indicators, and progress. Here's a look at what we did in 2025.

- ENGAGEMENT
- HOUSING
- ENVIRONMENT
- ECONOMY
- COMMUNITY
- SERVICE
- INCLUSION





ENGAGEMENT

682,400 website views

53.5% of users access the site on a mobile device

Through collaborative relationships with other governments, Indigenous Peoples, stakeholder partners and engaging the community at large, we achieve optimum outcomes for all.

25 engagement projects

In 2025, North Cowichan strengthened relationships with Indigenous governments, regional partners, community organizations, and residents, while council and staff continued to focus on trust, collaboration, and shared outcomes.

North Cowichan worked closely with Cowichan Tribes, Halalt First Nation, Lyackson First Nation, and Penelakut Tribe through cultural events, traffic safety coordination, emergency response, housing initiatives, and land stewardship discussions. The municipal forest reserve co management process with Quw'utsun Nation was reaffirmed and work with a consultant is restarting through ongoing staff-to-staff meetings. In January, the old RCMP detachment at 6060 Canada Avenue was sold to Cowichan Tribes as the new home of their growing public works and emergency services department.

North Cowichan, Naut'sa mawt Tribal Council, and in collaboration with the Building Officials' Association of BC, launched the Indigenous Building Official Internship. The program began with a nine-month pilot phase, which provided an Indigenous intern with hands-on mentorship and on-the-job training alongside North Cowichan's building department, and certification pathways to become a building official.

Staff and management completed multiple training sessions focused on Indigenous history, culture, and its relevance to municipal operations. These sessions supported stronger day-to-day working relationships and more informed decision-making.

Public engagement continued across several initiatives, including off leash dog areas, recreation amenities, housing projects, and neighbourhood concerns. Staff responded directly to resident feedback on trail safety, pickleball noise, and public disorder. Regional collaboration remained central to safer community work through joint efforts with the City of Duncan, RCMP, and service providers.

A significant art installation was unveiled in Chemainus at Waterwheel Park in June, during National Indigenous History Month. Shq'apthut, designed and fabricated by Penelakut artist Maynard Thii Hawqwtun Johnny Jr. The gateway, light by changing LED lights, features eagles, herons, and salmon, signifying balance.

22.6K Connect North Cowichan views

3.1 million Facebook views





HOUSING

We have sustainable housing opportunities that represent the interests of all our citizens.

26 new lots created by subdivisions

Housing remained a priority for Council in 2025, with a focus on affordability, long term security, and partnerships.

In August, Council adopted the comprehensive Affordable Housing Policy and Implementation Plan. Key components of the policy include using municipal land for affordable housing projects, co-locating housing opportunities with the development of municipal facilities, providing financial incentives, such as Development Cost Charge (DCC) reductions and permissive tax exemptions, protecting existing rental housing through tenant protection measures and monitoring short-term rentals, and supporting homelessness initiatives, including shelter spaces and supportive housing. The policy also encourages collaboration through partnerships with key housing entities and organizations in order to leverage funding and advance projects.

517 new dwelling units authorized by building permit

Progress continued on multiple affordable housing projects. Council endorsed and later issued a development permit for a 28 unit affordable apartment building on Vian Street, including long term affordability protections for residents supported by Clements Centre.

Work advanced on affordable housing planning in Chemainus, including Phase 2 planning for the Elliott Street site. Construction began on the Sherman Road co-operative housing development which will include 92 units (34 three-bedroom family townhomes and 58 apartments including 19 fully accessible suites), in collaboration with the Community Land Trust of BC.

Council and staff also responded to provincial housing legislation by adjusting bylaws and implementation timelines to align with the Bill 44 requirements. These changes supported growth while managing risk and infrastructure capacity.

Work on an interim Community Amenity Contribution (CAC) policy progressed and was adopted by Council in early 2026. The CAC policy provides funding in support of short-term infrastructure and affordable housing. The policy will be in effect until an updated Development Cost Charges bylaw is adopted.

7 subdivision applications approved

330 building permits issued





ENVIRONMENT

We lead in environmental policies and practices to support the future health of our community.

1,920
trees planted

Environmental stewardship remained a core focus in 2025. North Cowichan delivered measurable progress on energy efficiency, climate action, and watershed health. The net zero RCMP detachment received a provincial Climate and Energy Action Award, reflecting leadership in sustainable building design.

The Biodiversity Protection Policy was drafted and brought forward for Council and committee input and expected adoption in 2026. The policy was developed through field assessments, public engagement, and engagement with First Nations, Elders, and their communities.

693 downloads of the MNC Curbside App

The Natural Assets Management Plan also made progress with significant field work, and engagement with Cowichan Tribes, Penelakut Tribe, and Lyackson First Nation. A draft report on Bings Creek and the inventory and risk assessment report will be presented to Council and committees in 2026.

Significant energy upgrades at the Cowichan Aquatic Centre reduced emissions and operating costs, including high efficiency boilers, digital controls, and heat pump optimization. Insulation upgrades also continued at Vimy Hall. These investments improved performance and reduced long term costs.

Provincial approval was received to proceed with oxygen saturation trials on Quamichan Lake, supported by new regional funding commitments for future water quality work. The trials aim to determine a scalable remedy to the ongoing cyanobacteria blooms present in the lake.

Trail and park improvements at Chemainus Lake and Mount Tzouhalem improved environmental protection while increasing safe public access.





ECONOMY

We attract and retain great talent and sustainable businesses and have opportunities for all.

In May, North Cowichan approved a new Economic Development Action Plan, its first in over a decade. The plan was developed through extensive research, consultation with businesses, local business support organizations, First Nations, and input from the Economic Development Committee. It identifies five strategic priorities focused on improving the business climate, supporting resilience of traditional industries, nurturing emerging economic opportunities, enhancing sense of place, and advancing regenerative economic principles.

In October, Council took the first step in transitioning away from the Cowichan Valley Regional District's (CVRD) economic development service. Establishing a municipal-led approach will position North Cowichan to better support economic investment, prepare industrial lands, improve infrastructure servicing, and strengthen partnerships in key sectors such as manufacturing and health care.

413 new business licences in 2025

Infrastructure planning supported future economic activity, including grant funded design work for water servicing to industrial lands near Highway 18. Council and staff also responded to changes affecting land development, including proposed provincial reliance models, to protect municipal interests.

Council adopted a Revitalization Tax Exemption bylaw, which encourages industrial investment, job creation, and economic growth. Under the program, qualifying industrial projects may receive a 100 per cent exemption on the improved portion of municipal property taxes for up to five years, followed by a 50 per cent reduction over the following five years.

Design work for an updated water servicing plan for parts of the South End, in particular the Drinkwater Road industrial area, received grant funding. These plans will support economic action plan goals that enable new development.

In December, Domtar announced the permanent closure of its Crofton pulp mill, which is North Cowichan's largest taxpayer. North Cowichan took immediate steps to assess and mitigate the impending tax revenue shortfall by advocating directly to senior government on economic impacts, on worker support, and regional economic stability.

Major events such as the BC Bike Race brought visitors, economic activity, and provincial attention to North Cowichan's outdoor recreation assets.





COMMUNITY

We are a mix of unique, inspiring, sustainable, and safe neighbourhoods enjoyed by residents, businesses, and visitors.

74 (139ha) actively maintained parks

Investment in safe, welcoming, and active communities continued throughout 2025. Significant upgrades were completed at arenas, aquatic facilities, parks, and trails. This included a new roof at Fuller Lake Arena, upgraded recreation equipment, new sport court fencing, and accessibility improvements across trails and public spaces.

The beloved waterwheel at Waterwheel Park in Chemainus was replaced. The original waterwheel was constructed as a centennial project in 1967 and was well past its life expectancy. The new waterwheel was fabricated and installed by North Cowichan staff and the project included maintenance and repairs of the pond.

2,457 rental hours at Fuller Lake Arena

A new year round off leash dog area opened in Chemainus, replacing the former seasonal location. Youth programming expanded through recreation services, youth rooms, and grant funded job training and equipment.

Staff responded to community safety concerns through enhanced cleaning services, public disorder response, and regional coordination under the Safer Community framework. Emergency response capacity was demonstrated during regional wildfire activity.

The Chemainus Community Garden was opened in a vacant lot on Willow Street, marking the start of a successful growing season, as well as the beginnings of a more permanent location for the garden on Elliott Street in 2026.

261,370 drop-in visits to the Cowichan Aquatic Centre

In October, six new inductees to the Sports Wall of Fame were celebrated at a gala event. The inductees include athletes, coaches, and builders representing rowing, softball, hockey, soccer, golf, and swimming.

In September, North Cowichan proposed a local area service in response to a community request to acquire land that has long been used as public park. The local area service failed following petitions from more than 50 per cent of the residents within the determined service boundary.

Following many decades of lobbying, Canada Post changed the mailing address for about one-third of residents to reflect North Cowichan. Previously, addresses in North Cowichan's south end were classified as Duncan. The change was also an opportunity to address housekeeping changes in North Cowichan's land and mapping databases.





SERVICE

We provide responsive, efficient, transparent, and engaged service that contributes value to the community.



Delivering reliable, efficient services remained a foundation for all work in 2025. Core services in engineering, operations, recreation, protective services, and administration continued at a high level. Major road and capital projects progressed or reached completion, including Canada Avenue, Herd Road bridge, Lakes Road, and Boys Road.

Council approved infrastructure modelling that clarified long term servicing capacity and informed future growth decisions. Steps were taken to manage risk, limit liability, and plan required investments.

After several years of planning and community engagement, automated curbside trucks rolled out in June. The new service includes four new trucks, including one electric, and involved the distribution of more than 24,000 new garbage and organics carts to every curbside customer.

Recycling services were strengthened through a new agreement with Recycle BC that ensures financial compensation for curbside collection. The sale of the former RCMP building generated $1.2 million for future land acquisition.

2,505 calls for service received by our Operations Department | **435** bylaw calls **1,773** fire incident calls

In May the new Crofton Fire Hall was officially opened. This $4.8 million project got underway in 2023 following several years of studies that found the old fire hall in need of significant repairs and seismic upgrades. The new 3,600 square foot hall includes training and administration space, and dedicated storage space for equipment, gear, and electronics.

Emergency repairs to a watermain that runs under the Cowichan River were successfully completed. The pipe had been buried under more than a metre of riverbed, however had become exposed which greatly increased the risk of a major break. The $4.5 million project was done during a very brief one-month “fish window” – a time when spawning salmon are less likely to be present in that portion of the river. The watermain connects the Boys Road water treatment facility to more than 20,000 people in North Cowichan’s south end.

The development of two much-needed child care facilities proceeded in 2025. The 44-space Eagles Nest facility in Chemainus and 158-space Parkside child care on Kingsview were both tendered, with construction following in 2026.

In September, a 20-bed residential treatment centre for people experiencing addiction, opened. The centre is operated by Together We Can who operate more than 400 treatment beds in B.C.

In January, North Cowichan led the efforts of 10 South Island municipalities in lobbying the provincial government on downloaded police dispatch costs for E-Comm. These costs, which will add as much as a six per cent increase in taxes for some municipalities, came into effect April 1. Later in the year the province shared the outcome of an operational and cost-management review of the province-wide service, with a promise to implement recommendations related to E-Comm’s governance.





Water

3 water systems

249 km of water mains

2 major watersheds

10 water booster pump stations

5 dams

16 reservoirs

Sanitary systems

25 Sanitary pump stations

159 km of sanitary mains and services

4 sewage treatment plants

Road and sidewalk maintenance

305 kms of roads

91 kms of sidewalks

306 crosswalks

7 bridges

16 roundabouts

11 kms of multi-use pathway

10 kms of cycle track

INCLUSION

Council will act to maintain and strengthen North Cowichan as an economically thriving and sustainable community of unique and inclusive towns and neighbourhoods.

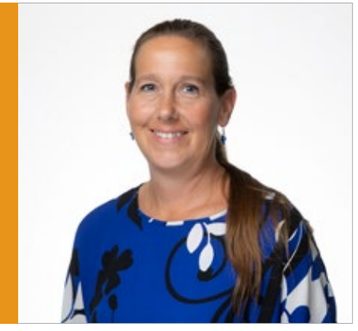
Inclusion in 2025 focused on action, recognition, and access. Council and staff supported inclusive community spaces through accessible facility upgrades, trail improvements, and recreation programming. Youth, seniors, and people facing barriers benefited from targeted supports across housing, recreation, and social services.

Workplace inclusion remained a priority, with staff recognition, wellness activities, and awareness initiatives such as Pink Shirt Day and International Women's Day. Management training with a First Nation focus supported more inclusive leadership and decision making.

Community inclusion also improved through expanded housing options, recovery services, and shelter capacity. The opening of the Together We Can recovery centre and funded winter shelter beds added critical supports for people facing addiction and homelessness.

In October, Council awarded freedom of municipality – a municipality's highest symbol of respect and esteem – to former mayor Graham P. Bruce in recognition of his lifelong dedication to the community. Mr. Bruce joins 13 other notable North Cowichan citizens who have been awarded freedom of the municipality.

FINANCIAL REPORT



REPORT FROM THE DIRECTOR OF FINANCIAL SERVICES

May 8, 2026
Mayor and Council
District of North Cowichan

Your Worship and Members of Council,

I am pleased to present the District of North Cowichan's (North Cowichan) 2025 Annual Financial Report for the fiscal year ended December 31, 2025, as required by section 98 of the *Community Charter*.

This report includes the auditor's report, the 2025 financial statements, and supplementary information for North Cowichan.

The preparation of the Consolidated Financial Statements is the responsibility of North Cowichan's management and has been carried out by municipal staff in accordance with Canadian public sector accounting standards for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These standards have been applied consistently with the prior year.

To ensure the integrity of financial reporting and the protection of municipal assets, North Cowichan maintains a system of internal accounting controls. These controls are regularly reviewed and tested through contracted audit services on a cyclical basis.

The audit firm KPMG was appointed by Council and is responsible for expressing an opinion as to whether the consolidated financial statements fairly present the financial position of North Cowichan and the results of its 2025 operations.

Total financial assets increased to $138.2 million in 2025, up from $111.9 million in 2024. Key changes include cash holdings rose significantly from $9.3 million to $20.9 million, indicating improved liquidity. Accounts receivable increased from $15.8 million to $17.4 million in 2025 and Portfolio investments increased from $86.8 million to $99.9 million. Total liabilities increased to $135.2 million in 2025 from $115.9 million in 2024. Non-financial assets grew to $374.5 million in 2025, up from $371.7 million in 2024. This increase was primarily driven by an increase in tangible capital assets, which rose from $368.1 million to $370.7 million, reflecting continued investment in infrastructure and community assets. The accumulated surplus increased by $9.9 million, reaching $377.5 million in 2025 compared to $367.6 million in 2024.

Total consolidated revenues increased from $80 million in 2024 to $86.2 million in 2025. Taxation remained stable at $49.2 million ($45.5M in 2024), and Sales of services also remained stable at $14.3 million. Return on investments increased from $2.6 million in 2024 to $3.7 million in 2025. Total expenses rose to $76 million in 2025, up from $69.5 million in 2024. Protective services grew to $18.9 million from $16.8 million and Recreation and cultural services increased to $15.6 million. North Cowichan recorded an annual surplus of $10.1 million, slightly down from $10.5 million in 2024.

In 2025, investment values declined further, increasing accumulated unrealized losses from $0.7 million to $1 million, although these losses were not realized and did not affect the year's surplus or cash position.

North Cowichan's financial position strengthened significantly in 2025. Although the annual surplus declined slightly from $10.5 million in 2024 to $10.1 million in 2025, the overall change in net financial assets nearly doubled, increasing from $3.7 million to $7.3 million. This improvement reflects more favorable capital and working capital impacts in 2025, including lower net cash outflows related to capital assets despite continued investment, and relatively stable operating timing adjustments. As a result, North Cowichan moved from a net debt position of $4 million at the end of 2024 to positive net financial assets of $3 million at the end of 2025, indicating a materially stronger year-end financial position.

In 2025, total tangible capital assets increased modestly as $27.7 million in capital additions, primarily in engineering structures, machinery, buildings, and work-in-process, outweighed disposals of $9.2 million and a $4.6 million change in estimate. Accumulated amortization was $13.8 million, reflecting continued use of existing assets. Overall, net book value increased slightly from $368.1 million in 2024 to $370.7 million in 2025, indicating that capital investment marginally exceeded asset consumption during the year.

Respectfully,

Teri Vetter, CPA, CGA, BCom
Director, Financial Services



The Municipality of North Cowichan

CONSOLIDATED FINANCIAL STATEMENTS

(Audited) December 31, 2025



STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements of The Corporation of the District of North Cowichan (the "North Cowichan") are the responsibility of management and have been prepared in compliance with applicable legislation and in accordance with public sector accounting principles for local governments established by The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The North Cowichan'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 auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their acceptance of the consolidated financial statements.

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

Teri Vetter, CPA, CGA, BCom
Chief Financial Officer
May 7, 2026

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councilors of The Corporation of the District of North Cowichan

Opinion

We have audited the consolidated financial statements of the Corporation of the District of North Cowichan (the "District"), which comprise:

- the consolidated statement of financial position as at end of December 31, 2025
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the District as at December 31, 2025 and its consolidated results of operations, its consolidated changes in 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 Financial Statements***" section of our auditor's report.

We are independent of the 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.

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

Management is responsible for the preparation and fair presentation of the 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

In preparing the 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 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 the 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
May 7, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets		
Cash (note 2)	**$ 20,878,018**	$ 9,307,715
Temporary investments	**99,924,553**	86,762,957
Accounts receivable (note 3)	**17,422,522**	15,809,064
	138,225,093	111,879,736
Liabilities		
Accounts payable and accrued liabilities (note 4)	**7,879,121**	8,369,287
Employee benefits payable (note 5)	**5,222,797**	4,532,035
Unearned revenue (note 6)	**20,656,280**	18,791,811
Asset retirement obligation (note 8)	**24,698,242**	28,215,854
Restricted reserves (note 9)	**27,036,660**	24,403,609
Debt (note 10)	**49,743,782**	31,584,655
	135,236,882	115,897,251
Net financial assets (debt)	**2,988,211**	(4,017,515)
Non-financial assets		
Tangible capital assets (note 11)	**370,652,408**	368,084,191
Inventory of supplies	**670,057**	674,475
Prepaid items	**648,398**	566,119
Property acquired for taxes	**2,567,323**	2,341,177
	374,538,186	371,665,962
Commitments and contingencies (note 14)		
Accumulated surplus (note 12)	**$ 377,526,397**	$ 367,648,447

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the North Cowichan:

Teri Vetter, CPA, CGA, BCom
Chief Financial Officer

CONSOLIDATED STATEMENT OF OPERATIONS

Year ended December 31, 2025, with comparative information for 2024

	Financial Plan (note 16)	2025	2024
Revenues			
Taxation (note 19)	$ 49,923,138	**$ 49,154,370**	$ 45,512,849
Sales of services	13,925,265	**14,252, 151**	14,247,632
Other revenue from own sources	3,188,487	**4,479,067**	4,212,448
Return on investments (note 13)	1,820,000	**3,654,984**	2,570,478
Grants and government transfers (note 13)	28,402,962	**7,275,056**	4,756,109
Collections from developers and others	12,090,552	**6,573,422**	7,978,045
Actuarial adjustments to debt	-	**769,553**	678,221
	109,350,404	**86,158,603**	79,955,782
Expenses			
General government	7,989,840	**8,592,556**	8,099,336
Protective services	20,346,391	**18,943,721**	16,783,167
Engineering and public works	12,539,392	**12,252,038**	12,436,221
Environmental health services	5,205,720	**4,819,877**	2,988,444
Recreation and cultural services	14,404, 121	**15,549,942**	14,506,934
Water utility	6,674,445	**6,548,220**	6,081,653
Sewer utility	4,878,680	**6,619,153**	6,058,036
Other	2,794,913	**2,686,864**	2,532,921
	74,833,502	**76,012,371**	69,486,712
Annual Surplus	34,516,902	**10,146,232**	10,469,070
Accumulated surplus, beginning of year	367,648,447	**367,648,447**	356,064,530
Remeasurement gains (losses) for the period	-	**(268,282)**	1,114,847
Accumulated surplus, end of year	$ 402,165,349	**$ 377,526,397**	$ 367,648,447

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Accumulated remeasurement losses at the beginning of the year	**$ (689,613)**	$ (1,804,460)
Unrealized gains (losses) attributable to:		
Unrealizd gains (losses) on portfolio investments	**(268,282)**	241,841
Realized losses reclassified to Statement of Operations	**-**	873,006
Accumulated remeasurement losses at the end of the year	**$ (957,895)**	$ (689,613)

The accompanying notes are an integral part of these consolidated financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS (DEBT)

Year ended December 31, 2025, with comparative information for 2024

	Financial Plan (Note 16)	2025	2024
Annual Surplus	$ 34,516,902	**$ 10,146,232**	$ 10,469,070
Acquisition of tangible capital assets	(1,166,000)	**(19,718,061)**	(17,894,592)
Contributed capital assets	-	**(1,392,060)**	(4,442,976)
Amortization of tangible capital assets	1,378,436	**13,773,963**	12,710,677
Gain on disposal	-	**(1,140,102)**	(35,462)
Proceeds on sale of tangible capital assets	-	**1,229,808**	86,778
Asset retirement obligation	-	**4,617,686**	2,860,662
Write-downs of tangible capital assets	-	**60,549**	44,207
	212,436	**(2,568,217)**	(6,670,706)
Acquisition of prepaid expenses	-	**(82,279)**	(106,607)
Acquisition and consumption of inventory	-	**4,418**	(13,836)
Property acquired for taxes	-	**(226,146)**	-
	-	**(304,007)**	(120,443)
Change in net financial assets	34,729,338	**7,274,008**	3,677,921
Decrease in accumulated remeasurement gain	-	**(268,282)**	(8,810,259)
Net debt, beginning of year	(4,017,515)	**(4,017,515)**	1,114,823
Net financial assets (debt), end of year	$ 30,711,823	**$ 2,988,211**	$ (4,017,515)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Annual surplus	**$ 10,146,232**	$ 10,469,070
Items not involving cash:		
Amortization of tangible capital assets	**13,773,963**	12,710,677
Gain on disposal of tangible capital assets	**(1,140,102)**	(35,462)
Contributed tangible capital assets	**(1,392,060)**	(4,442,976)
Write-downs of tangible capital assets	**60,549**	44,207
Accretion on asset retirement obligation	**1,100,074**	1,226,594
Actuarial adjustment on debt	**769,553**	(678,221)
Changes in non-cash operating assets and liabilities:		
Accounts receivable	**(1,613,458)**	(6,465,991)
Inventory of supplies	**4,418**	(13,836)
Prepaid items	**(82,279)**	(106,603)
Accounts payable and accrued liabilities	**(490,166)**	(961,484)
Employee benefits payable	**690,762**	243,728
Unearned revenue	**1,864,469**	1,440,538
Restricted reserves	**2,633,051**	3,184,188
	26,325,006	16,614,429
Capital activities:		
Acquisition of tangible capital assets	**(19,718,061)**	(17,894,592)
Proceeds on sale of tangible capital assets	**1,229,808**	86,778
	(18,488,253)	(17,807,814)
Investing activities:		
Investments	**(13,429,878)**	9,482,932
Property acquired for taxes	**(226,146)**	-
	(13,656,024)	9,482,932
Financing activities:		
Debt proceeds	**21,000,000**	-
Debt repayments	**(3,610,426)**	(2,011,320)
	(17,389,574)	(2,011,320)
Increase in cash	**11,570,303**	6,278,227
Cash, beginning of year	**9,307,715**	3,029,488
Cash, end of year	**$ 20,878,018**	$ 9,307,715

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended December 31, 2025

The Corporation of the District of North Cowichan ("North Cowichan" or the "District") was incorporated in 1873 under a statute of the Province of British Columbia and operates under the provisions of the Local Government Act and the Community Charter of British Columbia. The principal activities include community development, parks and recreation, police and fire protection, road transportation, forestry management, cemetery, solid waste, water utility, sewer utility, and fiscal services.

1. Significant accounting policies:

The consolidated financial statements of North Cowichan are prepared by management in accordance with Canadian public sector accounting principles for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the North Cowichan are as follows:

(a) Reporting entity:

The consolidated financial statements reflect the combination of all the assets, liabilities, revenues, expenses, and changes in net financial assets of North Cowichan. The consolidated financial statements of North Cowichan includes its interest in the Duncan - North Cowichan Joint Utilities Board, an organization jointly controlled by the District. Adjustments have been made to these consolidated statements to include the District's proportionate share of assets, liabilities and net revenues over expenditures of the administrative body of 53.69%. Interfund transactions and balances have been eliminated.

(b) Basis of accounting:

North Cowichan 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. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash on deposit in qualifying institutions as defined in the *Community Charter*.

(d) Financial instruments:

Investments are recorded at fair value. Investments consist of cash on deposit in the Municipal Finance Authority (“MFA”) investment funds that are highly liquid, readily convertible to cash, and are subject to an insignificant risk of change in value.

North Cowichan's financial instruments consists of cash, portfolio investments, accounts receivable, accounts payable and accrued liabilities, restricted reserves, temporary financing and debt. The carrying amount of these financial instruments approximates the fair value because they are short-term in nature or because they bear interest at market rates.

1. Significant accounting policies: (continued)

(d) Financial instruments: (continued)

Financial instruments are recorded at fair value on initial recognition. Derivative instruments, equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has elected to carry MFA Pooled Investment Funds (PIF) at fair value.

Unrealized changes in fair value are recognized in the Consolidated Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Consolidated Statement of Operations.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method or effective interest rate method. All financial assets are assessed for impairment on an annual basis.

When a decline is determined to be other than temporary, the amount of the loss is reported in the Statement of Operations and any unrealized gain is adjusted through the Consolidated Statement of Remeasurement Gains and Losses. When the asset is sold, the unrealized gains and losses previously recognized on the Consolidated Statement of Remeasurement Gains and Losses are reversed and recognized in the Consolidated Statement of Operations.

(e) Asset retirement obligations:

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that North Cowichan will be required to settle. The District recognizes asset retirement obligations when there is a legal obligation to incur retirements costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities. Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset being amortized with the buildings following the amortization policies.

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

1. Significant accounting policies: (continued)

(f) Revenue recognition:
Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year.

Sale of services and user fee revenues are recognized when the service or product is rendered by North Cowichan. Building permit revenue is recognized when/as performance obligations are satisfied.

Grant revenues are recognized when the funding becomes receivable.

Revenue unearned in the current period is recorded as unearned revenue.

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. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which eligible expenses are incurred provided they are authorized and meet eligibility criteria.

(g) Property acquired for taxes:
Property acquired for taxes is presented at estimated historical values as either financial assets or nonfinancial assets. Properties that are presented as a financial asset are those which are readily available for sale during the subsequent period. Properties that are presented as non-financial assets are those that are either not saleable or will not be ready for sale within the subsequent period.

(h) 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 retirement benefits are also available to North Cowichan's employees. The cost of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary increases. The obligation under these benefit plans is accrued based on project benefits as the employees render services necessary to earn the future benefits.

(i) 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.

1. Significant accounting policies: (continued)

(i) Tangible capital assets
Tangible capital assets are recorded at cost which includes amounts that are directly attributable to 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:

Land improvements	10 to 30 years
Buildings	15 to 50 years
Engineering structures	10 to 60 years
Machinery and equipment	5 to 40 years

Amortization is charged on a monthly basis, starting the month following the date of acquisition and ending in the month of disposition. Capital works in progress are not amortized until the asset is available for productive use.

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 future economic benefits associated with the asset are less than the book value of the asset.

(ii) Contributions of tangible capital assets
Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Works of art and cultural and historic assets
Works of art and cultural and historic assets are not recorded as assets in these financial statements.

(iv) Interest capitalization
North Cowichan does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

(v) Contaminated sites
The District records a liability in its financial statements when contamination on nonactive property exceeds an accepted environmental standard and the District is directly responsible, or accepts responsibility for the damage. The liability is measured at the District's best estimate of the costs directly attributable to remediation of the contamination.

No contaminated sites liabilities have been recorded in these financial statements.

1. Significant accounting policies: (continued)

(j) Leases:
Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses incurred.

(k) Loan guarantees:
Periodically North Cowichan provides loan guarantees on specific debt issued by related authorities and other entities not consolidated in North Cowichan's financial statements. Loan guarantees are accounted for as contingent liabilities and no amounts are accrued in the consolidated financial statements of North Cowichan until North Cowichan considers it likely that the borrower will default on the specific loan obligation. Should a default occur, North Cowichan's liability would be recorded in the consolidated financial statements.

(l) Appropriated surplus:
General Revenue Fund appropriations are non-statutory reserves established at the discretion of Council. These reserves are outlined in Note 19.

- The reserve for property acquired for taxes is an amount set aside to offset the carrying value of property acquired for taxes.
- Reserves for future expenditures are amounts set aside from past and current operations for future operating and capital expenditures.
- The reserve for uncollected taxes is an amount set aside to offset uncollected taxes.
- The reserve for the Joint Utilities Board is an amount set aside for future capital expenditures, established at the discretion of the Board.

(m) Use of estimates:
The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets, asset retirement obligations and in estimating provisions for accrued liabilities including employee future benefits. Actual results could differ from these estimates.

2. Cash and investments:

	2025	2024
Property taxes	**$ 20,878,018**	$ 9,307,715
Utility rates	**99,924,582**	86,762,957
	$ 120,802,600	$ 96,070,672

Investments consist of short-term investments in the Municipal Finance Authority of BC, Government Focused Ultra-short bond fund, CIBC high interest savings, Canaccord, and Raymond James and the market value is equal to the carrying value. Investments have yields ranging from 3.40% to 5.66%.

Included in investments are the restricted amounts totalling $52,102,901 (2024 - $51,035,246) that can only be expended in accordance with the terms of the Reserve and Restricted Reserve Funds.

3. Accounts receivable:

	2025	2024
Property taxes	**$ 2,761,776**	$ 2,569,654
Utility rates	**3,143,980**	2,983,318
Federal government	**2,393,849**	2,256,974
Provincial government	**4,252,551**	2,443,388
Local government	**2,469,478**	1,090,026
Other	**2,400,888**	4,465,704
	$ 17,422,522	$ 15,809,064

4. Accounts payable and accrued liabilities:

	2025	2024
General	**$ 6,256,728**	$ 7,047,282
Wages and salaries	**1,016,554**	909,227
Accrued interest	**605,839**	412,778
	$ 7,879,121	$ 8,369,287

5. Employee future benefits and compensation:
North Cowichan and its employees make contributions to the Municipal Pension Plan. North Cowichan's contributions are expensed as paid.

The following amounts are the accrued liabilities in respect of Employee Future Benefits and wages payable:

	2025	2024
Lieu time payable	**$ 1,616,497**	$ 1,329,335
Sick leave cash-out and severance benefits	**3,606,300**	3,202,700
	$ 5,222,797	$ 4,532,035

5. Employee future benefits and compensation: (continued)

Under the terms of the union contract, sick leave not taken in a year is carried forward to a maximum accumulation of 180 working days for each employee. On retirement or termination of employment, after 10 years of service, sick leave accumulated is paid out at the employee's prevailing wage rate.

Following 5 years of service North Cowichan also provides 30 days of paid leave at retirement, as prescribed by the Pension (Municipal) Act, at the employee's prevailing wage rate.

The liabilities for sick leave payouts and severance benefits are based on an actuarial valuation as at December 31, 2025.The District provides sick leave and certain benefits to its employees. These amounts are included in wages and benefits payable and are as follows:

	2025	2024
Accrued benefit obligation	**$ 3,713,800**	$ 3,351,300
Unamortized actuarial loss	**(107,500)**	(148,600)
Accrued benefit liability	**$ 3,606,300**	$ 3,202,700
Benefit expense:	**$ 463,200**	$ 440,900
Current service cost	**145,500**	128,800
Interest cost	**31,300**	26,400
Amortization of net actuarial (gain) loss	**$ 640,000**	$ 596,100

The significant actuarial assumptions adopted in measuring the District's accrued benefit obligations are as follows:

	2025	2024
Discount rates	**4.30%**	4.20%
Rate of compensation increase	**5.00%**	3.00%
Expected coverage remaining service life (in years)	**9.8**	8.9

6. Unearned revenue:

Deferred revenue, reported on the consolidated statement of financial position, is made up of the following:

	2024	Contributions and interest	Revenue or refund	2025
Prepaid taxes and licenses	$ 3,461,952	$ 7,861,443	$ (7,216,021)	**$ 4,107,374**
Service fees and deposits	4,980,367	953, 110	(1,912,772)	**4,020,705**
Aquatic Centre unearned revenue	228,387	474,723	(462,764)	**240,346**
General unearned revenues	10,121,105	4,001,705	(1,834,955)	**12,287,855**
	$ 18,791,811	$ 13,290,981	$ (11,426,512)	**$ 20,656,280**

7. Municipal Finance Authority - reserve deposits:

North Cowichan issues debt instruments through the Municipal Finance Authority. As a condition of these borrowings, a portion of the debenture proceeds are withheld by the Municipal Finance Authority as a debt reserve fund. North Cowichan also executes demand notes in connection with each debenture.

The debt reserve funds are included in North Cowichan's financial statements as MFA cash deposits. If the debt is repaid without default, the deposits are refunded to North Cowichan. The notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon the maturity of a debt issue, the demand notes are released and debt reserve funds refunded to North Cowichan. As at December 31, 2025, there were contingent demand notes of $2,114,814 (2024 - $1,456,895) which are not included in the financial statements of North Cowichan.

8. Asset retirement obligations:

North Cowichan owns and operates buildings that are known to contain asbestos and lead paint, which an environmental hazard upon demolition or renovation of the asset and there is a legal obligation related to the removal and disposal of the hazardous materials. Following the adoption of PS 3280 - Asset Retirement Obligations, North Cowichan recognized an obligation relating to the removal of asbestos and lead paint in these buildings as estimated at January 1, 2023. The buildings had an estimated useful life of 20 to 50 years when purchased or constructed.

North Cowichan has adopted this standard prospectively. Under the prospective method, the discount rate and assumptions used on initial recognition are those at the date of adoption of the standard. Estimated costs have been discounted using the present value calculation with a discount rate of 4.76% (2024 - 4.53%).

	2025	2024
Balance, beginning of year	**$ 28,215,854**	$ 29,849,921
Change in estimated cash flows	**(4,617,686)**	(2,860,661)
Accretion expense	**1,100,074**	1,226,594
Balance, end of year	**$ 24,698,242**	$ 28,215,854

9. Restricted reserves:

Receipts which are restricted by the legislation of senior governments are deferred and reported as liabilities. Included in liabilities are reserves for development cost charges, the use of which, with any earnings thereon, is restricted by legislation or agreement with external parties. These amounts are recognized as revenue in the period in which corresponding expenditures are incurred.

	2025	2024
Development cost charges		
Opening	**$ 24,403,609**	$ 21,219,421
Contributions	**1,679,811**	2,077,258
Investment income	**953,240**	1,106,930
	$ 27,036,660	$ 24,403,609

10. Debt:

North Cowichan holds debt through the Municipal Finance Authority, pursuant to security issuing bylaws under the authority of the Community Charter, to finance certain capital expenditures. Sinking fund balances, managed by MFA, are used to reduce long-term debt.

	Issue	Rate	Maturity	Original	**2025**	2024
General Capital Fund						
Maple Bay Fire Hall	95	0.91%	Apr 2025	$ 1,600,000	**$ -**	$ 109,901
Maple Bay Fire Hall	103	3.79%	Apr 2028	500,000	**102,097**	133,547
Cowichan Aquatic Centre	104	4.30%	Nov 2028	15,000,000	**3,062,941**	4,006,411
Cowichan Aquatic Centre	106	4.10%	Oct 2029	2,265,500	**605, 101**	742,116
Duncan Curling Club	-	2.11%	Jan 2032	551,500	**215,851**	246,534
Tier 2 Flood Protection	121	3.39%	Oct 2032	745,475	**327,107**	367,733
Tier 2 Flood Protection	124	4.52%	Apr 2033	1,000,000	**493,287**	545,941
Municipal Hall Expansion	126	4.52%	Sep 2033	1,500,000	**739,930**	818,911
Stoney Hill Road	131	2.20%	Apr 2040	2,000,000	**1,397,616**	1,467,598
Tier 4 Flood Protection	137	2.60%	Apr 2036	1,700,000	**1,076,710**	1,155,868
Tier 4 Flood Protection	141	2.80%	Apr 2037	200,000	**133,813**	142,967
RCMP Building	158	4.09%	Sep 2042	22,000,000	**19,583,532**	20,416,884
RCMP Building	164	2.31%	Feb 2045	10,000,000	**9,750,000**	-
RCMP Building	166	2.07%	Jun 2045	11,000,000	**11,000,000**	-
					48,487,985	30,154,411
Water Capital Fund						
Crofton	106	4.10%	Oct 13, 2029	530,000	**141,560**	173,613
Chemainus	110	1.28%	April 8, 2030	1,750,000	**567,014**	669,178
Chemainus	137	2.60%	Apr 19, 2036	864,000	**547,222**	587,453
					1,255,796	1,430,244
					$ 49,743,781	$ 31,584,655

10. Debt: (continued)

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

	General	Water	Acturarial Adjustment	**Total**
2026	$ 2,530,413	$ 112,683	$ 816,284	**$ 3,459,380**
2027	2,531,663	112,683	924,884	**3,569,230**
2028	2,532,964	112,683	1,037,528	**3,683,175**
2029	2,010,866	112,683	534,367	**2,657,916**
2030	1,939,131	94,885	498,119	**2,532,135**
Thereafter	23,699,137	183,315	9,959,493	**33,841,945**
	$ 35,244,174	$ 728,932	13,770,675	**$ 49,743,781**

Interest expense:

Total interest expense during the year was $2,691,449 (2024 - $1,953,325).



11. Tangible capital assets:

	Land	Land improvements	Buildings	Engineering structures	Machinery	Work-in process	**Total 2025**	Total 2024
Cost:								
Balance, beginning of year	$ 62,563,529	$ 20,125,228	$ 100,617,976	$ 351,071,258	$ 54,800,146	$ 12,053,392	**$ 601,231,529**	$ 582,371,841
Additions	520,556	366,482	5,819,841	9,785,825	5,393,221	5,839,787	**27,725,712**	65,467,826
Disposals	24,010	83,800	1,651,393	329,747	446,940	6,676,437	**9,212,327**	46,608,138
Change in estimate	-	-	-	(4,616,236)	-	-	**(4,616,236)**	-
Balance, end of year	63,060,075	20,407,910	104,786,424	355,911,100	59,746,427	11,216,742	**615,128,678**	601,231,529
Accumulated amortization:								
Balance, beginning of year	-	9,838,513	28,002,779	162,136,462	33,169,584	-	**233,147,338**	220,958,351
Disposals	-	83,800	1,651,393	261,706	448,132	-	**2,445,031**	521,690
Amortization	-	877,087	3,086,939	7,005,390	2,804,547	-	**13,773,963**	12,710,677
Balance, end of year	-	10,631,800	29,438,325	168,880,146	35,525,999	-	**244,476,270**	233,147,338
Net book value, end of year	$ 63,060,075	$ 9,776,110	$ 75,348,099	$ 187,030,954	$ 24,220,428	$ 11,216,742	**$ 370,652,408**	$ 368,084,191



11. Tangible capital assets: (continued)

(a) 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. Land is the only category to which nominal values can be assigned.

(b) Works of art and historical treasures:

The North Cowichan manages and controls various works of art and non-operational historical cultural assets including artifacts, paintings and sculptures located at North Cowichan sites and public display areas. These assets are not recorded as tangible capital assets and are not amortized.

(c) Write-down of tangible capital assets:

The write-down of tangible capital assets during the year was $6,862 (2024 - $8,745).

12. Accumulated surplus:

Accumulated surplus consists of unappropriated operating funds, various appropriated operating funds and reserve funds.

Operating Funds	2025	2024
Unappropriated:		
General	**$ 6,824,035**	$ 3,910,134
Water Systems	**6,668,100**	7,699,610
Sewer Systems	**26,074,330**	25,382,794
	39,566,465	36,992,538
Appropriated:		
Reserves for property acquired for taxes	**2,567,323**	2,341,177
Reserves for future expenditures	**11,592,611**	(9,289,704)
Reserve for uncollected taxes	**1,295,091**	1,295,091
Reserve for Joint Utilities Board	**(21,978,300)**	(25,639,300)
Balance forward	**(6,523,275)**	(31,292,736)
	33,043,190	5,699,802
Capital Funds		
General Capital	**237,175,151**	255,076,580
Water Capital	**39,837,915**	34,260,514
Sewer Capital	**20,107,692**	20,307,493
Joint Utilities Board Capital	**22,873,131**	26,362,036
	$ 319,993,889	$ 336,006,623

12. Accumulated surplus: (continued)

	2025	2024
Reserve Funds		
Land Sales	**$ 4,900,491**	$ 3,684,548
Machinery and Equipment	**3,212,365**	4,231,630
Local Area Service	**1,650,591**	1,631,114
Forest	**439,624**	559,936
Park Development	**440,657**	241,009
Parkland Purchase	**610,441**	223,489
Chemainus Parking	**203,541**	196,098
Agriculture	**400,004**	362,929
Self-Insurance	**190,379**	183,417
Climate Action and Energy Plan	**573,606**	721,109
Maple Bay Sewer	**106,811**	102,905
Cowichan Aquatic Centre	**455,198**	381,967
Evans Park	**126,851**	122,212
Fuller Lake Arena	**737,954**	539,851
Harbours Crofton	**110,477**	111,585
Harbours Chemainus	**514,500**	482,715
Mural Protection	**26,061**	2,968
Canada Community-Building Fund	**4,278,325**	4,809,495
Quamichan Lake	**971,246**	832,081
IT Asset Management	**722,692**	727,198
Growing Community Fund	**1,348,961**	3,725,906
Infrastructure Replacement	**2,020,785**	1,702,435
Gravel Pits	**636,907**	613,616
Affordable Housing	**150,309**	138,945
Buildings	**618,437**	302,477
	25,447,213	26,631,635
Accumulated remeasurement losses	**(957,895)**	(689,613)
	$ 377,526,397	$ 367,648,447

13. Joint Utilities Board:

Financial results for the Joint Utilities Board are consolidated into North Cowichan's financial statements proportionately based on the units owned by each partner. In 2024, North Cowichan's proportion for consolidation purposes was 53.69% (2024 - 53.69%). Condensed financial information for the Joint Utilities Boards is as follows:

	2025	2024
Statement of financial position		
Net financial debt	**$ (40,937,357)**	$ (47,756,232)
Non-financial assets	**42,602,219**	49,102,417
	1,664,862	1,346,185
Proportionate share allocated to other parties		
Net financial assets	**18,958,090**	22,115,911
Non-financial assets	**(19,729,088)**	(22,739,330)
	(770,998)	(623,419)
Accumulated surplus	**893,864**	722,766
Statement of operations:		
Revenues	**4,780,652**	$ 2,114,933
Expenses	**(4,461,976)**	(4,846,780)
	318,676	(2,731,847)
Proportionate share allocated to other parties	**(147,579)**	1,265,118
Annual surplus (deficit)	**$ 171,097**	$ (1,466,729)

The Duncan – North Cowichan Joint Utilities Board is a government partnership that operates and maintains joint sewer lagoons on behalf of the City of Duncan and the District of North Cowichan. The distribution of expenditures related to operations is based on the number of users in each municipality as well as users from surrounding areas in the Cowichan Valley Regional District and the Cowichan Tribes.

The Joint Utilities Board leases the sewage lagoon lands under an operating lease which expires July 31, 2060. North Cowichan's proportionate share of the lease payments for 2025 is $237,539 and has an annual increase of 2.2%. The proportionate share of the the total lease payments over the remaining term are estimated at $12.8 million.

Because the percentage of units owned by the partners may change from year-to-year which produces different cost shares for each partner, there may be a write down or write up of asset balances. In 2025 North Cowichan recorded an adjustment to assets in the amount of $nil (2024 - $nil).

14. Commitments and contingencies:

(a) North Cowichan has guaranteed a commercial loan to a maximum of $400,000 to the Duncan-Cowichan Chamber of Commerce. The loan matures January 1, 2032 at an annual interest rate of 3.75%.

(b) North Cowichan and its employees contribute to the Municipal Pension Plan (a jointly trusted 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, 2025 the plan has about 286,000 active members and approximately 138,000 retired members. Active members include approximately 49,000 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 rate is based on an entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2024 indicated a $2,675 million funding surplus for basic pension benefits on a going concern basis. The next valuation will be at December 31, 2027.

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

North Cowichan paid $1,712,260 (2024 - $1,575,424) for employer contributions while employees contributed $1,576,674 (2024 - $1,452,206) to the Plan in fiscal 2025.

(c) At the end of the year North Cowichan was involved in a number of legal actions the outcomes of which are indeterminate at this time. North Cowichan carries liability insurance with a current deductible of $25,000, and believes it is adequately insured to mitigate any material financial impact.

15. Funds Held in Trust:

These funds account for assets, which must be administered as directed by agreement or statute for certain beneficiaries. In particular, these funds are for the Cemetery Trust Fund. Trust funds are not included in North Cowichan's Consolidated Financial Statements. A summary of trust fund activities by North Cowichan is as follows:

Financial position:	**2025**	2024
Assets		
Cash and short term investments	**$ 581,967**	$ 544,220
Total assets	**581,967**	544,220
Equity		
Opening balances	**544,220**	494,775
Contributions	**37,747**	49,445
Total equity	**$ 581,967**	$ 544,220

16. Financial plan data:

The budget data presented in these financial statements is based upon the 2025-2029 Financial Plan Bylaw adopted by council February 7, 2024. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

Financial Plan Bylaw surplus for the year	**$ -**
Add-back:	
Principal debt repayments	**2,302,615**
Capital expenditures	**69,478,597**
Deduct:	
Amortization	**(10,287,100)**
Proceeds from borrowing	**(504,830)**
Budgeted transfers to reserve funds	**(3,325,574)**
Budgeted transfers from accumulated surplus	**(23,146,806)**
	$ 34,516,902

17. Financial risk management:

The District has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, and market risk (foreign currency risk, interest rate risk, and other price risk). Management oversees the District's systems and practices of internal control and ensures that these controls contribute to the assessment and mitigation of risk. Management reports regularly to Council on its activities. The District has experienced no change in its risk exposure and has not made any changes to its risk management policies and procedures during the year.

(a) Credit risk:

Credit risk is the risk of a financial loss to the District if a counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss. Such risks arise principally from certain financial assets held by the District consisting of cash and cash equivalents, investments and receivables.

Cash and cash equivalents and investments are held with reputable financial institutions with investment grade external credit ratings. The majority of receivables are owing from government agencies. The District is able to recover delinquent taxes through tax sale of properties with unpaid property taxes.

The District assesses on a continuous basis its receivables and provides for any amounts that are collectible in an allowance for doubtful accounts. The maximum exposure to credit risk is the carrying value of financial assets.

(b) Liquidity risk:

Liquidity risk is the risk that the District will not be able to meet its financial obligations as they become due. The District's objective is to have sufficient liquidity to meet these liabilities when due. The District prepares financial plans, monitors its cash balance and cash flows to meet its liquidity requirements. Accounts payable and accrued liabilities are generally due within 30 days of receipt of an invoice.

(c) Market risk:

Market risk is the risk that changes in market price, such as foreign exchange rates, interest rates and other price risks, will affect the District's results of operations or the fair value of its holdings of financial instruments. In the normal course of operations, the District makes purchases denominated in US dollars. The District does not have any material transactions denominated in foreign currencies at year end.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The District is subject to interest rate risk on its cash and money market investments.

The imposition of tariffs from the US could result in increased costs for the District, impacting operations and capital projects. The District is continuously monitoring the potential impacts and options to mitigate the risks arising from tariffs.

18. 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

This segment includes Administration, Finance, Information Technology and other Corporate Services.

Protective Services

This segment includes police protection, fire protection, building and plumbing inspections, animal control, weed control, and other protective services.

Engineering and Public Works

This segment is responsible for the construction and maintenance of North Cowichan's infrastructure, including drainage and transportation systems.

Environmenal Health Services

This segment is comprised of garbage and recycling collection, energy management and the Mountain View Cemetery.

Recreation and Cultural Services

The Parks and Recreation department manages, facilitates, and maintains a system of services, facilities, and parks to enhance the quality of life for the citizens of North Cowichan.



18. Segmented information: (continued)

Water Utility

This segment includes all of the operating activities related to the treatment and distribution of water throughout North Cowichan.

Sewer Utility

This segment includes all of the operating activities related to the collection and treatment of wastewater (sewage) throughout North Cowichan.

Other

The segment includes the following funds:

- **Forestry Services:** This segment is responsible for the maintenance and management of the Municipal Forest Reserve.
- **Community Development:** This segment includes planning and development, which includes processing development applications and developing related policies and regulations.
- **Reserve Funds:** These funds have been created to hold assets for specific future requirements pursuant to the Community Charter. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Taxes, grants-in-lieu of taxes and any revenues not directly attributable to a segment are apportioned to the General Revenue Fund service based on the net annual budget. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1.



18. Segmented information: (continued)

2025	General government	Protective services	Engineering and public works	Environmental health services	Recreation and cultural services	Water Utility	Sewer Utility	Other	Total
Revenue:									
Taxation	$ 8,261,476	$ 13,455,491	$ 10,113,094	$ 2,356,723	$ 5,620,732	$ 2,800,403	$ 3,277,755	$ 3,268,696	$ 49,154,370
Sales of services	466,194	1,466,889	738,212	2,485,972	2,549,669	3,901,196	2,530,281	113,738	14,252,151
Other revenue from own sources	641,733	3,446,554	71,187	-	14,400	53,244	32,073	219,876	4,479,067
Return on investments	1,682,582	23,866	-	101,256	76,232	282,635	946,316	542,097	3,654,984
Grants and government transfers	221,000	691,857	7,290	261,769	461,047	15,881	232,448	5,383,764	7,275,056
Collections from developers and others	-	-	-	-	5,181,362	-	-	1,392,060	6,573,422
Actuarial adjustments to debt	23,838	114,770	68,503	-	500,679	61,763	-	-	769,553
Total revenue	11,296,823	19,199,427	10,998,286	5,205,720	14,404,121	7,115,122	7,018,873	10,920,231	86,158,603
Expenses:									
Salaries and wages	6,070,219	6,484,495	3,879,290	1,504,741	6,353,635	1,868,344	1,183,372	1,899,742	29,243,838
Contract services	1,976,236	8,345,202	1,973,070	2,169,564	3,939,841	1,299,032	1,128,657	630,040	21,461,642
Amortization	496,783	2,533,737	5,892,797	202,102	1,643,903	1,381,265	1,615,004	8,372	13,773,963
Materials and supplies	(23,298)	1,205,522	251,237	943,470	2,848,389	1,900,649	1,373,959	144,041	8,643,969
Accretion	4,816	2,630	2,447	-	16,985	3,062	1,070,134	-	1,100,074
Interest and other	67,800	1,580,279	192,017	-	747,189	95,299	4,196	4,669	2,691,449
Rent	-	-	-	-	-	-	237,538	-	237,538
Loss (gain) on capital assets	-	(1,208,144)	61,180	-	-	569	6,293	-	(1,140,102)
Total expenses	8,592,556	18,943,721	12,252,038	4,819,877	15,549,942	6,548,220	6,619,153	2,686,864	76,012,371
Annual surplus (deficit)	**$ 2,704,267**	**$ 255,706**	**$ (1,253,752)**	**$ 385,843**	**$ (1,145,821)**	**$ 566,902**	**$ 399,720**	**$ 8.233,367**	**$ 10,146,232**

18. Segmented information: (continued)

2024	General government	Protective services	Engineering and public works	Environmental health services	Recreation and cultural services	Water Utility	Sewer Utility	Other	Total
Revenue:									
Taxation	$ 5,716,037	$ 10,082,955	$ 5,355,725	$ 1,932,358	$ 9,112,410	$ 2,604,882	$ 3,089,652	$ 7,618,830	$ 45,512,849
Sales of services	726,033	1,392,501	936,716	2,297,755	2,686,709	3,567,102	2,518,897	121,919	14,247,632
Other revenue from own sources	673,136	3,039,229	158,384	-	14,400	53,018	31,865	242,416	4,212,448
Return on investments	870,936	22,567	582,518	95,359	71,867	365,074	1,128,710	-	2,570,478
Grants and government transfers	240,000	284,731	-	175,884	2,309,923	-	-	1,745,571	4,756,109
Collections from developers and others	-	-	-	-	3,510,027	-	-	4,468,018	7,978,045
Actuarial adjustments to debt	21,167	82,179	60,038	-	459,122	55,715	-	-	678,221
Total revenue	8,247,309	14,904,162	7,093,3811	4,501,356	18,164,458	6,645,791	6,769,124	14,196,754	79,955,782
Expenses:									
Salaries and wages	5,715,975	5,700,342	3,873,289	1,110,993	6,092,632	1,729,073	1,002,786	1,704,946	26,930,035
Contract services	2,011,559	7,196,346	1,948,878	1,194,700	3,421,318	1,134,163	1,217,353	667,292	18,791,609
Amortization	472,447	1,660,329	5,892,748	48,120	1,549,458	1,333,184	1,745,309	9,081	12,710,677
Materials and supplies	(176,779)	1,281,991	545,842	634,631	2,698,593	1,819,239	910,608	151,602	7,506,515
Accretion	8,334	4,659	4,233	-	29,384	5,297	1,174,687	-	1,226,594
Interest and other	67,800	939,500	164,272	-	715,549	58,911	7,293	-	1,953,325
Loss (gain) on capital assets	-	-	6,959	-	-	1,786	-	-	8,745
Total expenses	8,099,336	16,783,167	12,436,221	2,988,444	14,506,934	6,081,653	6,058,036	2,532,921	69,127,500
Annual surplus (deficit)	**$ 147,973**	**$ (1,879,005)**	**$ (5,342,840)**	**$ 1,512,912**	**$ 3,657,524**	**$ 564,138**	**$ 711,088**	**$ 11,663,833**	**$ 10,828,282**

19. Growing Community Fund (Unaudited):

The province of British Columbia distributed conditional Growing Community Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of $1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia. North Cowichan received $7,686,000 of GCF funding and will spend the grant in accordance with the guidelines provided by the province.

	2025	2024
Unspent funds, opening	**$ 3,725,906**	$ 6,760,855
Investment Income	**94,590**	281,817
Eligible costs:		
Fire Hall replacement	**(164,610)**	(3,316,766)
Garbage trucks and automation	**(1,934,993)**	-
Affordable Housing	**(371,932)**	-
	$ 1,348,961	$ 3,725,906

20. Canada Community-Building Fund (Unaudited):

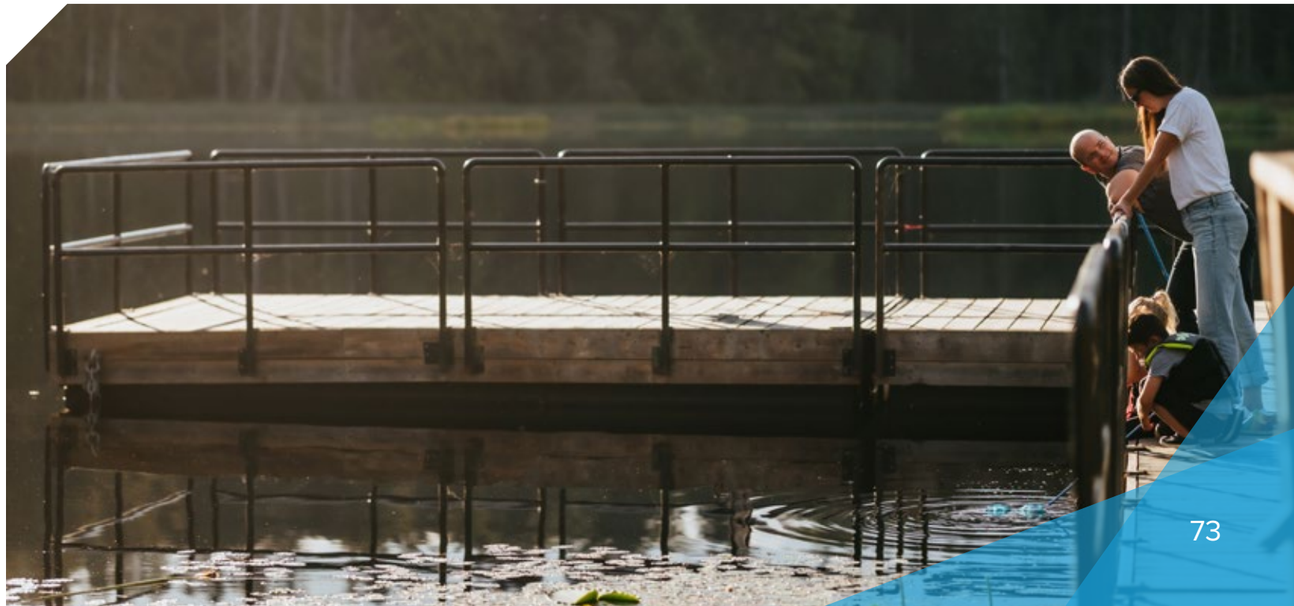
Canada Community-Building funding (CCBF) is provided by the Government of Canada. The use of the funding is established by a funding agreement between North Cowichan and the Union of British Columbia Municipalities. CCBF may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

	2025	2024
Unspent funds, opening	**$ 4,809,495**	$ 3,453,523
Amount received during the year	**1,520,040**	1,520,040
Investment Income	**182,551**	174,749
Eligible Costs	**(2,233,761)**	(338,817)
	$ 4,278,325	$ 4,809,495

21. Local Government Housing Initiative (Unaudited):

The Province of British Columbia distributed conditional Housing Initiative Fund grants to local governments in January 2024 to support and supplement local government activities and projects in meeting the new legislative requirements arising from Bill 44, 46, and 47. The Local Government Housing Initiative Fund provided a one time total of $51 million in funding to all 161 municipalities and 27 regional districts in British Columbia. North Cowichan received $299,774 in 2024 and will be expending the funding in accordance with the guidelines provided by the Province.

	2025	2024
Unspent funds, opening	**$ 200,093**	$ -
Amount received during the year	**-**	299,774
Eligible Costs	**(46,176)**	(99,681)
	$ 153,917	$ 200,093





Duncan - North Cowichan Joint Utilities Board

FINANCIAL STATEMENTS

(Audited) December 31, 2025



STATEMENT OF RESPONSIBILITY

The accompanying financial statements of Duncan - North Cowichan Joint Utilities Board (the "the Board") are the responsibility of management and have been prepared in compliance with applicable legislation and in accordance with public sector accounting principles for local governments established by The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The the Board'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 auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their acceptance of the consolidated financial statements.

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

Teri Vetter, CPA, CGA, BCom
Chief Financial Officer
May 7, 2026

KPMG LLP
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Victoria BC V8W 3Y7
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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councilors of Duncan - North Cowichan Joint Utilities Board

Opinion

We have audited the financial statements of the Duncan - North Cowichan Joint Utilities Board (the "Entity"), which comprise:

- the statement of financial position as at end of December 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025 and its results of operations, its changes in 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 auditor's report.

We are independent of the Entity 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.

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

Management is responsible for the preparation and fair presentation of the 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity'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 Entity'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 Entity 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.
- 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.

KPMG LLP

Chartered Professional Accountants

Victoria, Canada
May 7, 2026



STATEMENT OF FINANCIAL POSITION

As at December 31, 2025, with comparative information for 2024

	2025	2024
Financial assets:		
Investments and marketable securities	**$ 4,685,949**	$ 4,609,104
Liabilities:		
Deferred revenue	**1,775,857**	1,911,905
Asset retirement obligation (note 2)	**43,847,449**	50,453,431
	45,623,306	52,365,336
Net debt	**(40,937,357)**	(47,756,232)
Non-financial assets:		
Tangible capital assets (note 3)	**42,602,219**	49,102,417
Accumulated surplus (note 4)	**$ 1,664,862**	$ 1,346,185

Commitments and contingencies (note 5)

On behalf of the the Board:



Teri Vetter, CPA, CGA, BCom
Chief Financial Officer

See accompanying notes to the financial statements

STATEMENT OF OPERATIONS

For the year ended December 31, 2025, with comparative information for 2024

	Financial plan (note 7)	2025	2024
Revenues:			
The Corporation of the District of North Cowichan	$ 4,515,791	**$ 2,272,811**	$ 924,339
The Corporation of the City of Duncan	2,599,153	**1,266,649**	482,807
Cowichan Valley Regional District	1,144,975	**596,607**	256,409
Cowichan Tribes	259,928	**125,007**	43,123
Return on investments	-	**102,376**	124,357
Grants and government transfers	159,558	**417,202**	283,898
Total revenue	8,679,405	**4,780,652**	2,114,933
Expenses (note 6):			
Administration	74,680	**66,384**	63,847
Amortization	-	**1,070,924**	1,312,412
Accretion	-	**1,992,305**	2,186,492
Sewer lagoon operations and maintenance	1,419,969	**1,332,362**	1,284,029
Total expenses	1,494,649	**4,461,975**	4,846,780
Annual surplus (deficit)	7,184,756	**318,677**	(2,731,847)
Accumulated surplus, beginning of year	1,346,185	**1,346,185**	4,078,032
Accumulated surplus, end of year	$ 8,530,941	**$ 1,664,862**	$ 1,346,185

See accompanying notes to the financial statements

STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

As at December 31, 2025, with comparative information for 2024

	Financial plan (note 7)	**2025**	2024
Annual surplus (deficit)	$ 7,184,756	**$ 318,677**	$ (2,731,847)
Acquisition of tangible capital assets	(7,069,556)	**(3,169,013)**	(527,499)
Amortization of tangible capital assets	-	**1,070,924**	1,312,412
Accretion expense	-	**1,992,305**	2,186,492
Asset retirement obligation	-	**6,605,982**	3,141,828
	(7,069,556)	**6,500,198**	6,113,233
Change in net debt	115,200	**6,818,875**	3,381,386
Net debt, beginning of year	(47,756,232)	**(47,756,232)**	(51,137,618)
Net debt, end of year	$ (47,641,032)	**$ (40,937,357)**	$ (47,756,232)

See accompanying notes to the financial statements

STATEMENT OF CASH FLOWS

For the year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Annual surplus (deficit)	**$ 318,677**	$ (2,731,847)
Items not involving cash:		
Amortization of tangible capital assets	**1,070,924**	1,312,412
Accretion on asset retirement obligation	**1,992,305**	2,186,492
	26,325,006	767,057
Changes in non-cash operating assets and liabilities:		
Deferred revenue	**(136,048)**	(43,029)
	3,245,858	724,028
Capital activities:		
Proceeds on sale of tangible capital assets	**(3,169,013)**	(527,499)
Investing activities:		
Purchase of investments	**(76,845)**	(196,529)
Increase in cash	**-**	-
Cash, beginning of year	**-**	-
Cash, end of year	**$ -**	$ -

See accompanying notes to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2025

Duncan - North Cowichan Joint Utilities Board ("JUB" or "the Board") was formed by bylaw in 1977 by the Councils of The Corporation of the City of Duncan and The Corporation of the District of North Cowichan to exercise the provisions of the Municipal Act by entering into an agreement for the joint financing, construction, operation and maintenance of certain municipal utilities and sewerage facilities for the benefit of both municipalities. JUB is governed by two members from City of Duncan Council and two members from the Municipality of North Cowichan Council.

The Board operates and maintains joint sewer lagoons on behalf of the City of Duncan and the District of North Cowichan. The distribution of expenditures related to operations is based on the number of users in each municipality.

1. Significant accounting policies:

The financial statements of the Board are prepared by management in accordance with Canadian public sector accounting principles for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the the Board are as follows:

(a) Basis of accounting:

The Board 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. Expenses paid in the current period and attributable to a future period are recorded as prepaid.

(b) Financial instruments:

The Board's financial instruments consist of investments. The carrying amount of these financial instruments approximates the fair value because they are short-term in nature or because they bear interest at market rates.

Financial instruments are recorded at fair value on initial recognition. Derivative instruments, equity instruments that are quoted in an active market are reported at fair value. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized, when they are transferred to the Statement of Operations. There are no unrealized gains or losses and accordingly, a separate statement of remeasurement gains and losses has not been included in these financial statements.

1. Significant accounting policies: (continued)

(b) Financial instruments: (continued)

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method or effective interest rate method. All financial assets are assessed for impairment on an annual basis.

When a decline is determined to be other than temporary, the amount of the loss is reported in the Statement of Operations and any unrealized gain is adjusted through the Statement of Remeasurement Gains and Losses. When the asset is sold, the unrealized gains and losses previously recognized on the Statement of Remeasurement Gains and Losses are reversed and recognized in the Statement of Operations.

Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest or credit risks arising from these financial instruments.

(c) Asset retirement obligations:

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that North Cowichan will be required to settle. The District recognizes asset retirement obligations when there is a legal obligation to incur retirements costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire a tangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities. Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset being amortized with the buildings following the amortization policies.

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

1. Significant accounting policies: (continued)

(d) Revenue recognition:

Revenues from transactions without performance obligations are recognized when the Board has the right to claim or retain an inflow of economic resources received or receivable and there is a past transaction or event that gives rise to the economic resources. Revenues from transactions with performance obligations are recognized when (at a point in time) or as (over a period of time) the Board satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

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. Government transfers with stipulations restricting their use are recognized in the financial statements as revenues in the period in which eligible expenses are incurred provided they are authorized and meet eligibility criteria.

(e) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses incurred.

(f) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Estimates include assumptions used in estimating historical cost and useful lives of tangible capital assets and asset retirement obligations. Actual results could differ from these estimates.

2. Asset retirement obligations:

The Board has a lease obligation that requires the full remediation of the land it leases to operate and maintain joint sewer lagoons to be returned to its original state at the end of the lease. Following the adoption of PS 3280 - Asset retirement obligations, the Board recognized an obligation relating to full remediation of the leased lands as estimated at January 1, 2023. The lease term was for 49 years and expires on July 31, 2060. Estimated costs have been discounted using the present value calculation with a discount rate of 4.53% (2024-4.17%) The increase in these capital assets is amortized on a straight-line basis over the remaining term of the lease.

Discount and inflation rates in the future are estimates and subject to change. These changes can impact ARO's value significantly when being applied over an extended period of time.

	2025	2024
Balance, beginning of year	**$ 50,453,4317**	$ 53,595,259
Change in estimated cash flows	**(8,598,287)**	(5,328,320)
Accretion expense	**1,992,305**	2,186,492
Balance, end of year	**$ 43,847,449**	$ 50,453,431

3. Tangible capital assets:

	Buildings	Engineering structures	Machinery	Work-in process	**2025**	2024
Cost:						
Balance, beginning of year	$ 192,388	$ 48,606,972	$ 706,581	$ 3,097,823	**$ 52,603,764**	$ 57,404,585
Additions	-	-	-	3,169,013	**3,169,013**	527,499
Change in estimate	-	8,598,287	-	-	**8,598,287**	5,328,320
Balance, end of year	192,388	40,008,685	706,581	6,266,836	**47,174,490**	52,603,764
Accumulated amortization:						
Balance, beginning of year	34,069	3,217,031	250,247	-	**3,501,347**	2,188,935
Amortization	4,809	1,030,786	35,329	-	**1,070,924**	1,312,412
Balance, end of year	38,878	4,247,817	285,576	-	**4,572,271**	3,501,347
Net book value, end of year	$ 153,510	$ 35,760,868	$ 421,005	$ 6,266,836	**$ 42,602,219**	$ 49,102,417

4. Capital reserve funds:

Included in the accumulated surplus are capital reserve funds. The Capital reserve funds are non-statutory reserves, for the purpose of future capital expenditures, established at the discretion of the Board. Balances and changes are outlined as follows:

	2025	2024
Balances, beginning of year	**$ 2,697,198**	$ 2,457,641
Add: transfers from current operations	**217,576**	239,557
Balance, end of year	**$ 2,914,774**	$ 2,697,198

5. Commitments and contingencies:

The Board leases the sewage lagoon lands under an operating lease which expires July 31, 2060. Lease payments for 2025 were $442,426 (2024 - $432,902) and have an annual increase of 2.2%. The total lease payments over the remaining term are estimated at $23.5 million.

6. Classification of expenditure by object:

The Board leases the sewage lagoon lands under an operating lease which expires July 31, 2060. Lease payments for 2025 were $442,426 (2024 - $432,902) and have an annual increase of 2.2%. The total lease payments over the remaining term are estimated at $23.5 million.

	2025	2024
Salaries, wages and employee benefits	**$ 269,962**	$ 272,061
Contract services	**36,717**	65,805
Amortization	**1,070,924**	1,312,412
Accretion	**1,992,305**	2,186,492
Materials and supplies	**649,642**	577,108
Land rent	**442,426**	432,902
Total expenditure by object	**$ 4,461,976**	$ 4,846,780

7. Financial plan data:

The budget data presented in these financial statements is based upon the 2025-2029 Financial Plan Bylaw adopted by council February 7, 2024. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

Financial Plan Bylaw surplus for the year	$ -
Add-back:	
Capital expenditures	7,069,556
Budgeted transfers to reserve funds	115,200
	$ 7,184,756



STATISTICAL INFORMATION

Five-Year Statistical Review 2021-2025

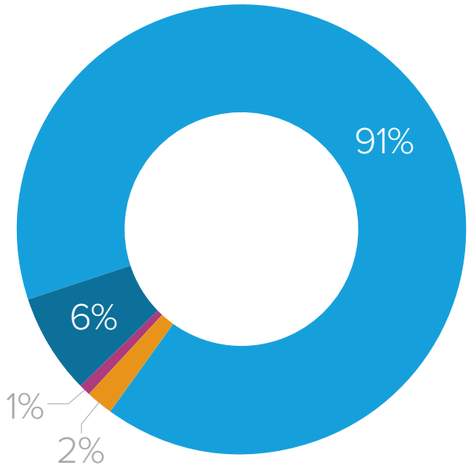
TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS

(in thousands)

Property Class	2021	2022	2023	2024	**2025**
Residential	$ 6,509,352	$ 8,916,434	$ 10,246,957	$ 10,171,688	**$10,216,261**
Utilities	7,345	8,118	9,003	9,717	**10,231**
Major Industry	152,940	160,298	172,253	183,014	**200,027**
Light Industry	84,007	104,474	132,346	143,209	**150,763**
Business	463,139	546,013	613,122	630,090	**690,775**
Managed Forest	3,278	3,119	3,251	3,413	**3,567**
Recreation	20,663	20,823	21,566	22,189	**24,045**
Farm	8,776	8,830	8,573	8,558	**8,719**
	$ 7,249,500	$ 9,768,109	$ 11,207,071	$ 11,171,878	**$ 11,304,388**

2025 Assessment by Property Class

- Residential
- Utilities 0%
- Major Industry
- Light Industry
- Business
- Managed Forest 0%
- Recreation 0%
- Farm 0%



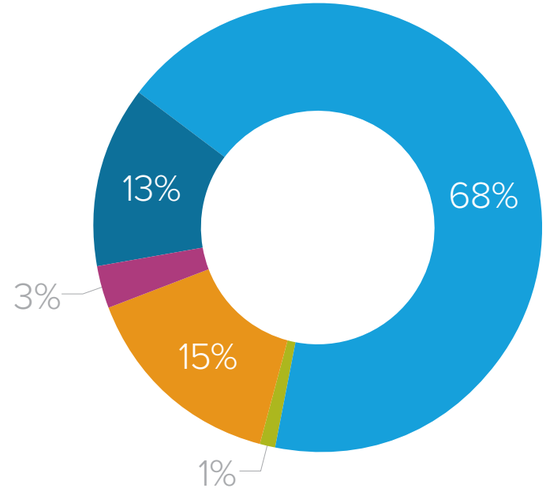
Source: North Cowichan Financial Services

TAX REVENUE BY PROPERTY CLASS

Property Class	2021	2022	2023	2024	**2025**
Residential	$ 21,849,015	$ 22,977,758	$ 24,204,481	$ 26,065,098	**$ 28,462,948**
Utilities	208,252	324,640	360,120	366,861	**409,216**
Major Industry	4,636,703	5,019,030	5,431,855	5,545,892	**5,983,058**
Light Industry	1,041,584	1,118,286	1,191,828	1,250,972	**1,343,961**
Business	4,246,377	4,446,116	4,640,479	4,918,124	**5,444,821**
Managed Forest	49,037	57,468	62,184	67,258	**75,606**
Recreation	72,815	53,660	54,928	59,463	**66,991**
Farm	29,587	22,756	22,962	24,003	**24,293**
	$ 32,133,370	$ 34,019,714	$ 35,968,837	$ 38,297,671	**$ 41,810,894**

2025 Tax Revenue by Property Class

- Residential
- Utilities
- Major Industry
- Light Industry
- Business
- Managed Forest 0%
- Recreation 0%
- Farm 0%

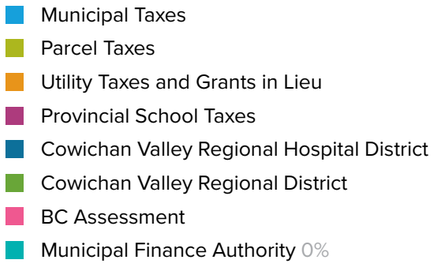


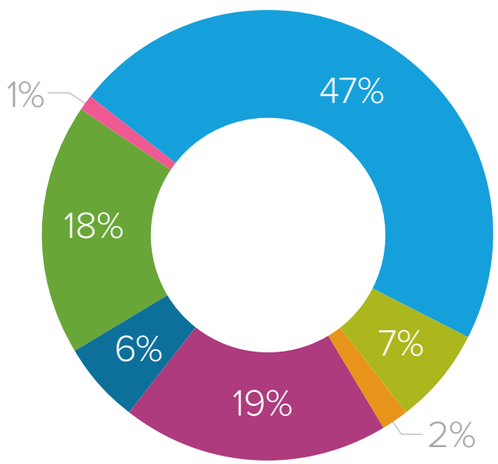
Source: North Cowichan Financial Services

PROPERTY TAX LEVIED AND COLLECTED

	2021	2022	2023	2024	**2025**
Municipal Taxes	$ 32,133,370	$ 34,012,776	$ 35,936,040	$ 38,297,672	**$ 41,991,867**
Parcel Taxes	5,186,852	5,388,380	5,624,831	5,936,168	**5,990,576**
Utility Taxes and Grants in Lieu	1,199,453	1,019,303	1,413,582	1,279,009	**1,692,244**
Provincial School Taxes	13,910,383	14,973,302	16,188,739	17,015,675	**17,015,675**
Cowichan Valley Regional	4,103,334	4,220,903	4,385,764	4,678,491	**4,974,858**
Hospital District					
Cowichan Valley	9,621,701	10,129,087	11,764,010	14,563,995	**16,264,843**
Regional District					
BC Assessment	410,462	461,238	502,693	514,778	**542,193**
Municipal Finance Authority	1,703	2,241	2,565	2,572	**2,627**
	66,567,258	70,207,230	75,818,224	82,288,360	**88,474,883**
Total Current Taxes Levied	66,567,258	70,207,230	75,818,224	82,288,360	**88,474,883**
Total Current Taxes Collected	65,119,490	67,829,926	74,279,656	80,527,417	**88,474,883**
Outstanding	$ 1,447,768	$ 2,377,304	$ 1,538,568	$ 1,760,943	**$ -**
Percentage Collected	97.8%	96.6%	98.0%	97.9%	**100%**

2025 Property Tax by Type



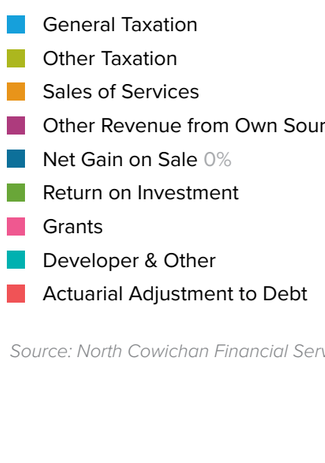


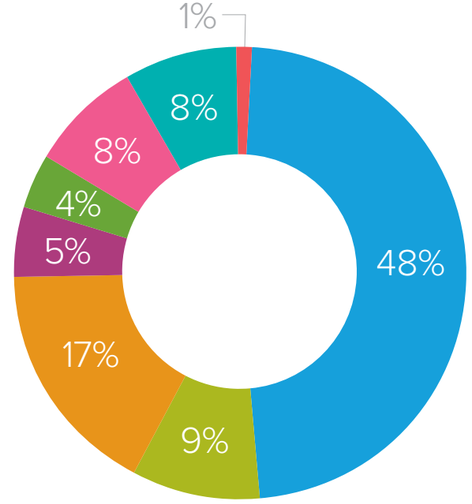
Source: North Cowichan Financial Services

SOURCES OF REVENUE

	2021	2022	2023	2024	**2025**
General Taxation	$ 32,133,370	$ 34,012,776	$ 35,936,040	$ 38,297,671	**$ 41,784,829**
Other Taxation	6,386,305	6,407,683	7,038,413	7,215,178	**7,369,541**
Sales of Services	10,728,853	11,301,521	13,610,860	14,247,632	**14,252,151**
Other Revenue from Own Source	2,230,498	2,394,225	3,228,027	4,212,448	**4,479,067**
Net Gain on Sale	-	-	-	-	**-**
Return on Investment	192,667	3,152,733	3,085,324	2,570,478	**3,654,984**
Grants	4,546,075	3,445,852	11,976,566	4,756,109	**7,275,056**
Developer & Other	1,889,214	3,574,846	7,063,829	7,978,045	**6,573,422**
Actuarial Adjustment to Debt	480,087	537,057	594,727	678,221	**769,553**
	$ 58,587,069	$ 64,826,693	$ 82,533,786	$ 79,955,782	**$ 86,158,603**

2025 Sources of Revenue



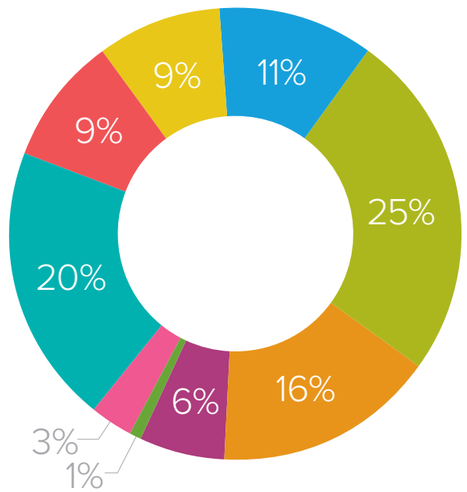


Source: North Cowichan Financial Services

EXPENSES BY FUNCTION

	2021	2022	2023	2024	**2025**
General Government	$ 6,573,706	$ 6,860,885	$ 7,891,059	$ 8,099,336	**$ 8,592,556**
Protective Services	10,902,877	12,411,129	13,206,802	16,783,167	**18,943,721**
Transportation	12,090,247	12,660,741	13,102,715	12,436,221	**12,252,038**
Garbage and Recycling	1,906,683	2,237,035	2,575,071	2,762,994	**4,819,877**
Cemetery	210,128	271,979	238,146	225,450	**219,453**
Forestry	640,730	568,976	708,551	465,466	**653,068**
Community Development	1,393,651	1,424,693	1,596,649	2,067,455	**2,033,796**
Parks, Recreation & Culture	12,103,772	12,753,804	13,689,445	14,506,934	**15,549,942**
Water Services	5,092,167	5,054,610	5,786,918	6,081,653	**6,548,220**
Sewer Services	3,739,484	3,825,056	5,974,431	6,058,036	**6,619,153**
	$ 54,653,445	$ 58,068,908	$ 64,769,787	$ 69,486,712	**$ 76,231,824**

2025 Expenses by Function



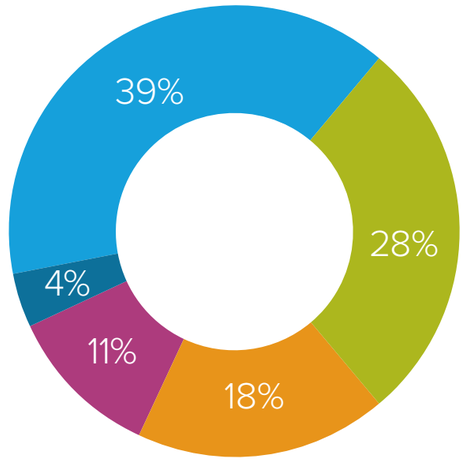
- General Government
- Protective Services
- Transportation
- Garbage and Recycling
- Cemetery 0%
- Forestry
- Community Development
- Parks, Recreation & Culture
- Water Services
- Sewer Services

Source: North Cowichan Financial Services

EXPENSES BY OBJECT

	2021	2022	2023	2024	**2025**
Salaries, wages and benefits	$ 21,886,551	$ 23,334,870	$ 24,930,892	$ 27,289,247	**$ 29,243,838**
Contract services	14,409,164	15,037,609	16,822,612	18,791,609	**21,461,642**
Amortization	10,101,494	10,428,914	12,374,329	12,710,677	**13,773,963**
Materials and supplies	7,316,666	7,860,657	7,511,105	7,506,515	**8,643,969**
Interest	819,130	1,225,773	1,754,962	1,953,325	**2,691,449**
Other	120,440	181,085	1,375,887	1,235,339	**197,510**
	$ 54,653,445	$ 58,068,908	$ 64,769,787	$ 69,486,712	**$ 76,012,371**

2025 Expenses by Object

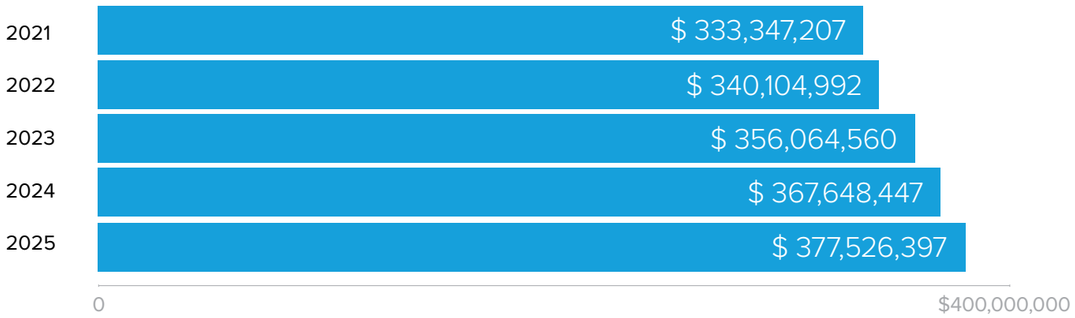


- Salaries, wages and benefits
- Contract services
- Amortization
- Materials and supplies
- Interest
- Other 0%

Source: North Cowichan Financial Services

ACCUMULATED SURPLUS

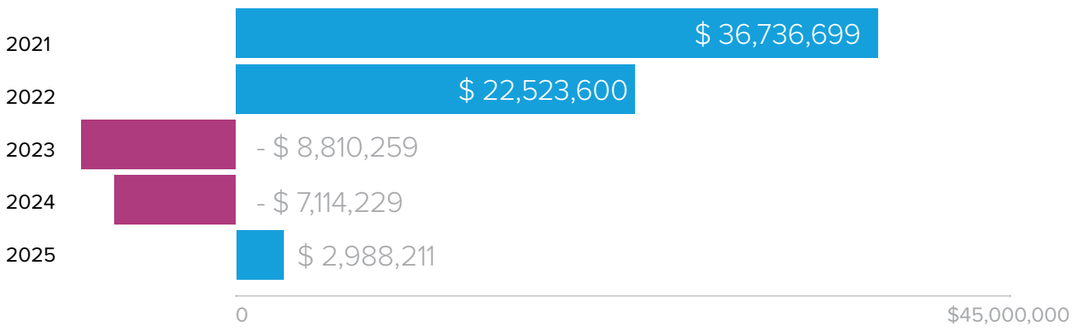
	2021	2022	2023	2024	**2025**
Accumulated Surplus	$ 333,347,207	$ 340,104,992	$ 356,064,560	$ 367,648,447	**$ 377,526,397**
Annual Surplus	$ 3,933,624	$ 6,757,785	$ 17,763,999	$ 10,469,070	**$ 10,146,232**



Source: North Cowichan Financial Services

NET FINANCIAL ASSETS

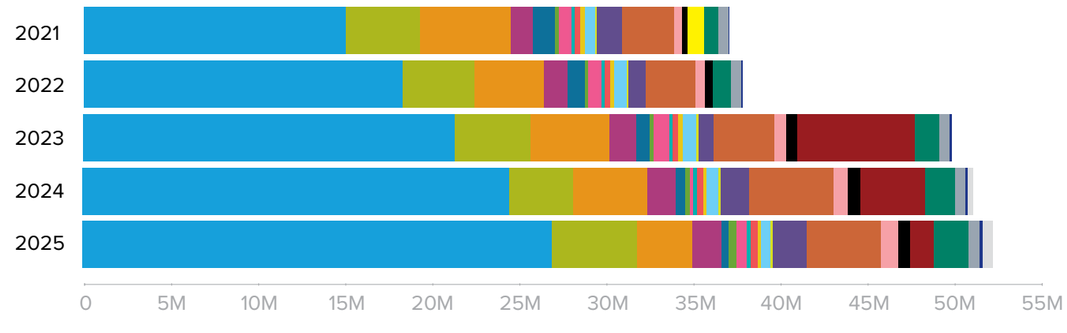
	2021	2022	2023	2024	**2025**
Net Financial Assets	$ 36,736,699	$ 22,523,600	$ (8,810,259)	$ (4,017,515)	**$ 2,988,211**



Source: North Cowichan Financial Services

RESERVE FUND BALANCES

	2021	2022	2023	2024	**2025**
DCC Restricted Reserves	$ 14,979,078	$ 18,183,512	$ 21,219,421	$ 24,403,609	**$ 27,036,660**
Land Sales	4,210,978	4,136,630	4,317,566	3,684,548	**4,900,491**
Machinery and Equipment	5,220,108	3,969,641	4,528,884	4,231,630	**3,212,365**
Local Area Service	1,257,457	1,347,999	1,500,071	1,631,114	**1,650,591**
Forest	1,250,600	957,750	792,775	559,936	**439,624**
Park Development	225,689	219,031	229,401	241,009	**440,657**
Parkland Purchase	734,755	749,763	866,761	223,489	**610,441**
Chemainus Parking	178,531	178,215	186,654	196,098	**203,541**
Agriculture	330,417	329,833	345,449	362,929	**400,004**
Self-Insurance	226,163	225,764	236,453	183,417	**190,379**
Climate Action & Energy Plan	603,355	693,855	803,831	721,109	**573,606**
Maple Bay Sewer	93,686	93,521	97,949	102,905	**106,811**
Recreation Facilities	1,484,685	1,006,661	898,527	1,641,298	**1,971,041**
Gas Tax Reserve	2,977,771	2,842,317	3,453,524	4,809,495	**4,278,325**
Quamichan Lake	418,744	556,836	683,200	832,081	**971,246**
IT Asset Management	301,998	418,465	618,278	727,198	**722,692**
Growing Community Fund	-	-	6,760,855	3,725,906	**1,348,961**
COVID-19 Safe Restart Grant	951,635	-	-	-	**-**
Infrastructure Replacement	830,878	1,079,411	1,380,516	1,702,435	**2,020,785**
Gravel Pits	558,647	557,660	584,063	613,616	**636,907**
Affordable Housing	75,320	114,019	119,418	138,945	**150,309**
Buildings	-	-	-	302,477	**618,437**
	$ 36,910,495	$ 37,660,883	$ 49,623,596	$ 51,035,244	**$ 52,483,873**



Source: North Cowichan Financial Services

DEBENTURE DEBT

	2021	2022	2023	2024	**2025**
Local Area Service Debt *	$ 3,794,263	$ 3,581,790	$ 3,133,855	$ 2,897,842	**$ 2,653,411**
Tax Supported Debt	13,769,721	12,990,284	31,140,338	28,686,813	**47,090,370**
Total Debenture Debt	$ 17,563,984	$ 16,572,074	$ 34,274,193	$ 31,584,655	**$ 49,743,781**
Debt per Capita	531	494	1019	924	**1441**

* includes water and sewer local area services and Stoney Hill Road local area service

Source: North Cowichan Financial Services

LIABILITY SERVICING

	2021	2022	2023	2024	**2025**
Liability Servicing Limit	$ 13,003,525	$ 14,395,257	$ 15,737,816	$ 16,486,792	**$ 15,676,695**
Total Liability Servicing Cost	6,093,492	4,903,473	6,115,677	6,333,243	**2,071,320**
Liability Servicing Capacity Available	$ 6,910,033	$ 9,491,784	$ 9,622,139	$ 10,153,549	**$ 13,605,375**

Source: North Cowichan Financial Services

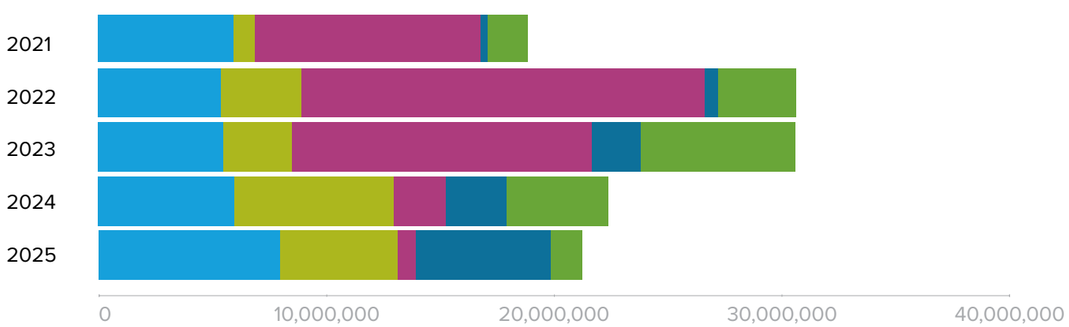
TAXES COLLECTED FOR OTHER AGENCIES

	2021	2022	2023	2024	**2025**
School	$ 13,910,383	$ 14,973,302	$ 16,188,739	$ 17,015,674	**$ 17,871,597**
CVRHD	4,103,334	4,220,903	4,385,764	4,678,491	**4,974,858**
CVRD	9,621,701	10,129,087	11,764,010	14,563,995	**16,264,843**
BC Assessment	410,462	461,238	502,693	514,778	**542,193**
MFA	1,703	2,241	2,565	2,572	**2,627**
	$ 28,047,583	$ 29,786,771	$ 32,843,771	$ 36,775,510	**$ 39,656,118**

Source: North Cowichan Financial Services

CAPITAL EXPENDITURES BY SOURCES OF FINANCING

	2021	2022	2023	2024	**2025**
Operating Funds	$ 5,920,289	$ 5,515,744	$ 5,609,437	$ 5,949,092	**$ 7,893,659**
Reserve Funds	954,392	3,610,028	3,087,720	6,984,798	**5,153,032**
DCC	-	-	-	-	**-**
Debt	9,861,612	18,163,164	13,489,447	2,295,583	**791,018**
Grants	321,935	596,792	2,173,005	2,665,119	**5,880,056**
Developer / Other Contribution	1,767,497	3,481,509	6,982,329	4,442,976	**1,392,060**
	$ 18,825,725	$ 31,367,237	$ 31,341,938	$ 22,337,568	**$ 21,109,825**



Source: North Cowichan Financial Services

NEW CONSTRUCTION

	2021	2022	2023	2024	**2025**
Building Permits Issued	329	257	228	240	**297**
Construction Value	$ 116,931,000	$ 162,473,385	$ 309,714,042	$ 107,576,044	**$179,851,028**

Source: North Cowichan Financial Services

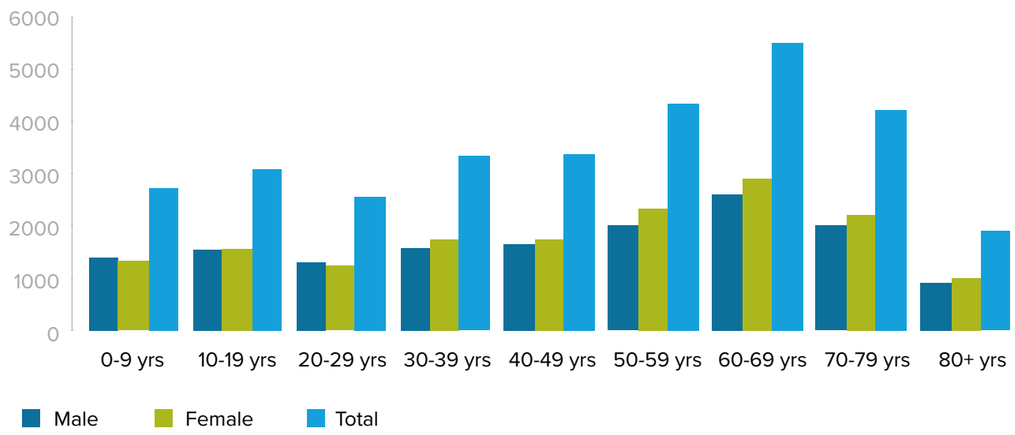
TOTAL POPULATION

	2021	2022	2023	2024	**2025**
Total population estimates	33,087	33,673	33,737	34,495	**34,525**
% Change from prior year	1.4%	1.8%	0.2%	2.2%	**1.0%**

Source: BC Stats

2021 Population by Age Group

Median age of population 47.1 years

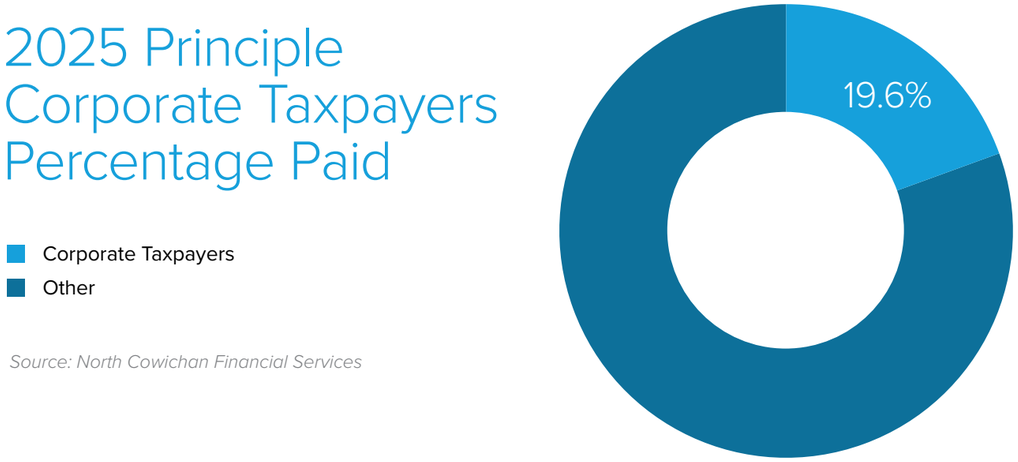


Source: Statistics Canada Census

2025 TOP 10 PRINCIPAL CORPORATE TAXPAYERS

Taxpayer	INDUSTRY	**TAX CONTRIBUTION**
Domtar Inc	Industry	**$ 5,308,284**
Western Forest Products Inc	Industry	**861,283**
Calloway Reit (Cowichan) Inc	Retail	**461,818**
Fiera Real Estate Core Fund GP Inc	Retail	**364,520**
Beverly Corners Management Ltd	Retail	**355,629**
Centra Gas BC Inc	Utility	**213,444**
Baljet Car Co. Ltd	Retail	**199,768**
Island Timberlands GP Ltd	Industry	**151,962**
Chemainus Village Square Ltd	Retail	**147,692**
Duncan Berkey's Corner GP Inc	Retail	**144,402**
Total Tax Contribution from Top 10 Taxpayers		**$ 8,208,800**
Total Municipal Tax		**$ 41,784,829**
Proportion of municipal tax paid by top ten		**19.6%**

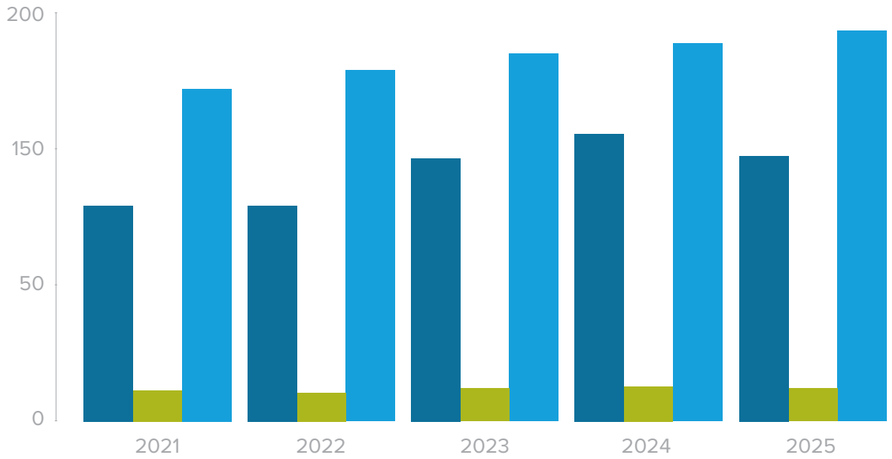
2025 Principle Corporate Taxpayers Percentage Paid



Source: North Cowichan Financial Services

EMPLOYEE STATISTICS

	2021	2022	2023	2024	**2025**
Casual employees	105	105	128	140	**129**
Part-time employees	15	14	16	17	**16**
Full-time employees	162	171	179	184	**190**



Source: North Cowichan Financial Services



OTHER INFORMATION

PERMISSIVE TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
24001.000	3790 Gibbins Rd	744 (Cowichan) Squadron Admin Society – Air Cadets	$ 2,209
00403.000	5905 Indian Rd	Abbeyfield Houses Society of Duncan	4,505
15117.000	Victoria St	Anglican Synod Diocese of BC (St. Michael's& All Angels' Anglican Church)	2,562
16124.000	2852 & 2858 Mill St	Anglican Synod Diocese of BC (St. Michael's& All Angels' Anglican Church)	1,676
00362.000	5795 & 5825 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	12,359
00001.000	5800 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	3,415
00001.000	5800 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	1,521
05105.060	7550 Bell McKinnon Rd	B.C. S.P.C.A.	7,338
01881.000	3441 Gibbins Rd	BC Corporation of the Seventh-Day Adventist Church (Duncan)	5,296
05469.001	2892 Drinkwater Rd	BC Forest Museum Society	4,810
05977.000	2892 Drinkwater Rd	BC Forest Museum Society	2,187
16487.000	3318 River Rd	Canadian Baptists of Western Canada (Calvary Baptist Church Society)	8,912
00823.000	#2 - 5855 York Rd	Canadian Red Cross	1,923
15152.100	9867 Maple St	Chemainus Health Care Auxiliary	11,216
15004.005	Rifle Range	Chemainus Rod & Gun Club	641
15798.101	9758 Chemainus Rd	Chemainus Rotary Club	871
15656.000	9824 Willow St	Chemainus Seniors Drop-In Centre Society	10,578
15086.200	9574 Bare Point Rd	Chemainus Theatre Festival Society	18,917
15103.001	9747 Chemainus Rd	Chemainus Theatre Festival Society	2,704
15105.100	9737 Chemainus Rd	Chemainus Theatre Festival Society	25,838
15054.115	Unit 101 – 9799 Waterwheel Cres	Chemainus Valley Historical Society	339
01038.001	Beverly St	Chesterfield Sports Society	2,722
01038.002	5847 Chesterfield Ave	Chesterfield Sports Society	7,149
06503.000	6118 Lane Rd	Christian Science Society, Duncan	1,010
00977.000	5814 Banks Rd	Clements Centre Society	6,637
01095.000	5848 Clements St	Clements Centre Society	1,209
01587.000	5856 Clements St	Clements Centre Society	17,443
05359.005	6124 Ryall Rd	Clements Centre Society	2,215
05359.006	6124 Ryall Rd	Clements Centre Society	4,544
07443.000	Rainbow Island	Cowichan Community Land Trust	118
01081.012	101-5822 Garden St	Cowichan District Hospital Foundation	79
05099.000	7380 Trans Canada Hwy	Cowichan Exhibition	52,045
00206.100	2431 Beverly Street	Cowichan Green Community	1,995
15644.001		Cowichan Neighbourhood House Association	3,689
08548.000	1860 Herd Rd	Cowichan Rugby Club	5,834
03504.003	2685 James Street	Cowichan Valley Arts Council	4,597
01082.001	5810 & 5804 Garden St	Cowichan Valley Basket Society	8,024
02310.000	3036 Sherman Rd	Cowichan Valley Church of the Nazarene	2,365
01920.000	5860 Banks Rd	Cowichan Valley Hospice Society	1,287
15040.000	2876 Fuller Lake Rd	Cowichan Valley Minor Hockey Assoc.	27,501

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
05567.000	6137 Somenos Rd	Cowichan Valley Soccer Association	1,897
05999.000	3253 Sherman Rd	Cowichan Valley Soccer Association	4,793
08333.020	Morgan St	Crofton Community Centre Society	2,956
08338.000	8104 Musgrave St	Crofton Community Centre Society	6,653
12395.000	1675 Robert St	Crofton Community Centre Society	2,349
08333.100	8003 York Ave	Crofton Community Centre Society	4,408
12316.010	1507 Joan Ave	Crofton Old School Museum Society	2,788
12316.011	1507 Joan Ave	Crofton Seniors Society	6,902
13951.003	Swallowfield Road	Ducks Unlimited	1,744
17849.001	District Lot 2	Ducks Unlimited	1,786
17849.002	District Lot 2A	Ducks Unlimited	133
00947.002	2246 & 2244 Moose Rd	Duncan Community Lodge Society	6,204
06000.000	3191 Sherman Rd	Duncan Curling Club	8,395
03504.003	2865 James Street	Duncan Dynamics Gymnastics Club	4,597
05469.005	2896 Drinkwater Rd	Duncan-Cowichan Chamber of Commerce	2,608
02246.005	2731 Boys Rd	Freshwater Fisheries Society of B.C.	1,268
08314.000	6722 Beaumont Ave	Friends of Cowichan Cadets Society	1,805
15791.000	2828 Pine St	Harbour View Housing Society	2,482
16273.000	9877 Esplanade St	Harbour View Housing Society	10,657
00172.001	Rail Corridor	Island Corridor Foundation	6,800
00180.001	Rail Corridor	Island Corridor Foundation	1,388
00180.002	Rail Corridor	Island Corridor Foundation	7,120
00184.001	Rail Corridor	Island Corridor Foundation	3,164
00184.002	Rail Corridor	Island Corridor Foundation	2,068
00186.001	Rail Corridor	Island Corridor Foundation	92
00899.001	Rail Corridor	Island Corridor Foundation	2,552
00900.001	Rail Corridor	Island Corridor Foundation	912
01180.025	Rail Corridor	Island Corridor Foundation	492
01180.050	Rail Corridor	Island Corridor Foundation	976
01232.003	Rail Corridor	Island Corridor Foundation	1,748
01232.004	Rail Corridor	Island Corridor Foundation	1,128
01232.005	Rail Corridor	Island Corridor Foundation	152
01232.006	Rail Corridor	Island Corridor Foundation	136
01232.007	Rail Corridor	Island Corridor Foundation	3,340
01232.008	Rail Corridor	Island Corridor Foundation	168
01232.009	Rail Corridor	Island Corridor Foundation	16
01232.010	Rail Corridor	Island Corridor Foundation	3,172
01232.011	Rail Corridor	Island Corridor Foundation	4,320
02222.001	Rail Corridor	Island Corridor Foundation	3,112
03995.000	Rail Corridor	Island Corridor Foundation	15,200
03995.001	Rail Corridor	Island Corridor Foundation	92
03995.002	Rail Corridor	Island Corridor Foundation	7,000
03995.003	Rail Corridor	Island Corridor Foundation	9,000
03995.004	Rail Corridor	Island Corridor Foundation	4,320

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
03995.007	Rail Corridor	Island Corridor Foundation	8,480
03995.008	Rail Corridor	Island Corridor Foundation	8,720
03995.009	Rail Corridor	Island Corridor Foundation	6,480
03995.010	Rail Corridor	Island Corridor Foundation	4,320
03995.011	Rail Corridor	Island Corridor Foundation	6,520
03995.012	Rail Corridor	Island Corridor Foundation	8,000
03995.013	Rail Corridor	Island Corridor Foundation	10,000
03995.014	Rail Corridor	Island Corridor Foundation	1,536
03995.015	Rail Corridor	Island Corridor Foundation	7,200
03995.016	Rail Corridor	Island Corridor Foundation	7,040
03995.017	Rail Corridor	Island Corridor Foundation	5,400
03995.018	Rail Corridor	Island Corridor Foundation	3,792
03995.019	Rail Corridor	Island Corridor Foundation	9,600
03995.020	Rail Corridor	Island Corridor Foundation	24
03995.021	Rail Corridor	Island Corridor Foundation	3,240
03995.022	Rail Corridor	Island Corridor Foundation	1,548
03995.200	Rail Corridor	Island Corridor Foundation	16,600
03996.000	Rail Corridor	Island Corridor Foundation	13,520
18008.002	Rail Corridor	Island Corridor Foundation	21
01640.005	5990 Indian Rd	Maple Bay Rowing Club	24
08328.000	6735 Beaumont Ave	Maple Bay Rowing Club	3,187
09119.000	6337 Genoa Bay Rd	Maple Bay Yacht Club	3,132
16321.020	2816 Henry Rd	Mount Brenton Golf Course Ltd	4,197
00022.200	1501 Khenipsen Rd	Nature Conservancy of Canada	5,848
08595.000	Maple Bay Rd	Nature Conservancy of Canada	10,757
08595.001	1241 Maple Bay Rd	Nature Conservancy of Canada	2,078
08597.000	Aitken Rd	Nature Conservancy of Canada	5,004
00173.000	3776 Gibbins Rd	Nature Trust of BC	3,268
00197.100	Trans Canada Hwy	Nature Trust of BC	3,900
00197.101	Trans Canada Hwy	Nature Trust of BC	3,040
01049.001	Beverly St	Nature Trust of BC	786
01242.020	Beverly St	Nature Trust of BC	3,152
03931.010	Cowichan Bay	Nature Trust of BC	66
05084.000	Trans Canada Hwy	Nature Trust of BC	1,190
00200.000	6045 Trans Canada Hwy	Nature Trust of BC	1,752
00476.000	1839 Tzouhalem Rd	New Life Community Baptist Church	12,864
05373.000	3248 Cowichan Valley Hwy	Somenos Community Association	1,672
00433.000	2004 & 2030 Crescent Rd	St. Peter's Crescent Society	6,162
15148.020	9910 Esplanade Street	Steeples Housing Society	8,113
00477.000	1815 Tzouhalem Rd	The Church of Jesus Christ of Latter-day Saints	7,691
05038.012	3540 Auchinachie Rd	The Oasis Church Society	5,889
15592.000	9471 Chemainus Rd	The Pentecostal Assemblies of Canada (Chemainus Tabernacle)	1,219
15736.000	9775 Chemainus Rd	The Royal Canadian Legion, Chemainus (Pacific No. 191)	8,024
01313.000	101-5855 York Rd	The Sword Ministries Society	1,907

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
15646.000	9814 Willow St	The Trustees of the Chemainus/Crofton Pastoral Charge of the United Church of Canada	1,277
01572.001	2704 James St	Trinity Evangelical Lutheran Church	2,209
00016.002	Donnay Drive	Vancouver Island Providence Community Association	4,004
00016.000	1843 Tzouhalem Rd	Vancouver Island Providence Community Association	4,920
00830.000	3210 Sherman Rd	Vancouver Island Sikh Cultural Society (Sikh Temple, Duncan)	9,848
06355.000	Wicks Rd	Vancouver Island Vipassana Association	6,055
06474.000	2359 Calais Rd	Vancouver Island Vipassana Association	3,141
02227.000	3968 Gibbins Rd	Vimy Community Club	2,519
24017.000	2558 Mt Sicker Rd	Westholme School Society	4,045
		TOTAL	**$ 698,152**



REVITILIZATION TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	EXTENT OF EXEMPTION	TERM	TAXES
05319-575	6157 Scott Rd	0938395 BC Ltd.	Class 5 or 6 improvements	2015 - 2024	-
05319-610	6200 Scott Rd	1401811 BC Ltd.	Class 5 or 6 improvements	2016 - 2025	5,313
				TOTAL	**$ 5,313**

CHEMAINUS OFF-STREET PARKING

Report prepared as required under section 906(9) of the *Local Government Act*

January 1, 2025	$ 196,098
Interest	7,443
Current Year Contributions	-
Current Year Expenditures	0
December 31, 2025	**$ 203,541**





DEVELOPMENT COST CHARGES

Report prepared as required under section 569 of the *Local Government Act*

	Jan. 1, 2025	Interest	Current Year Contributions	Current Year Expenditures	Current Year Amounts Waived	Dec. 31, 2025
Roads	$ 6,175,567	$ 244,486	$ 664,859	$ -	$ -	$ 7,084,912
Parks	2,096,517	83,636	265,119	-	-	2,445,272
Chemainus						
Water	846,635	32,265	14,460	(144,661)	-	748,699
Sewer	393,279	14,950	645	-	-	408,874
	1,239,914	47,215	15,105	(144,661)	-	1,157,573
Crofton						
Water	172,147	6,561	774	-	-	179,482
Sewer	113,328	4,335	960	-	-	118,623
	285,475	10,896	1,734	-	-	298,105
South End						
Drainage	807,327	31,517	53,649	-	-	892,493
Water	4,593,422	178,671	339,416	-	-	5,111,509
Sewer	9,205,386	356,811	484,598	-	-	10,046,795
	14,606,135	566,999	877,663	-	-	16,050,797
Total	**$ 24,403,609**	**$ 953,232**	**$ 1,824,480**	**$ (144,661)**	**$ -**	**$ 27,036,660**

DECLARATION OF DISQUALIFICATION FROM OFFICE

No application has been made for any Council or former Council member to be disqualified from office under section 111 of the *Community Charter*.

Tricia Mayea
Corporate Officer
May 22, 2026



NORTH Cowichan

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