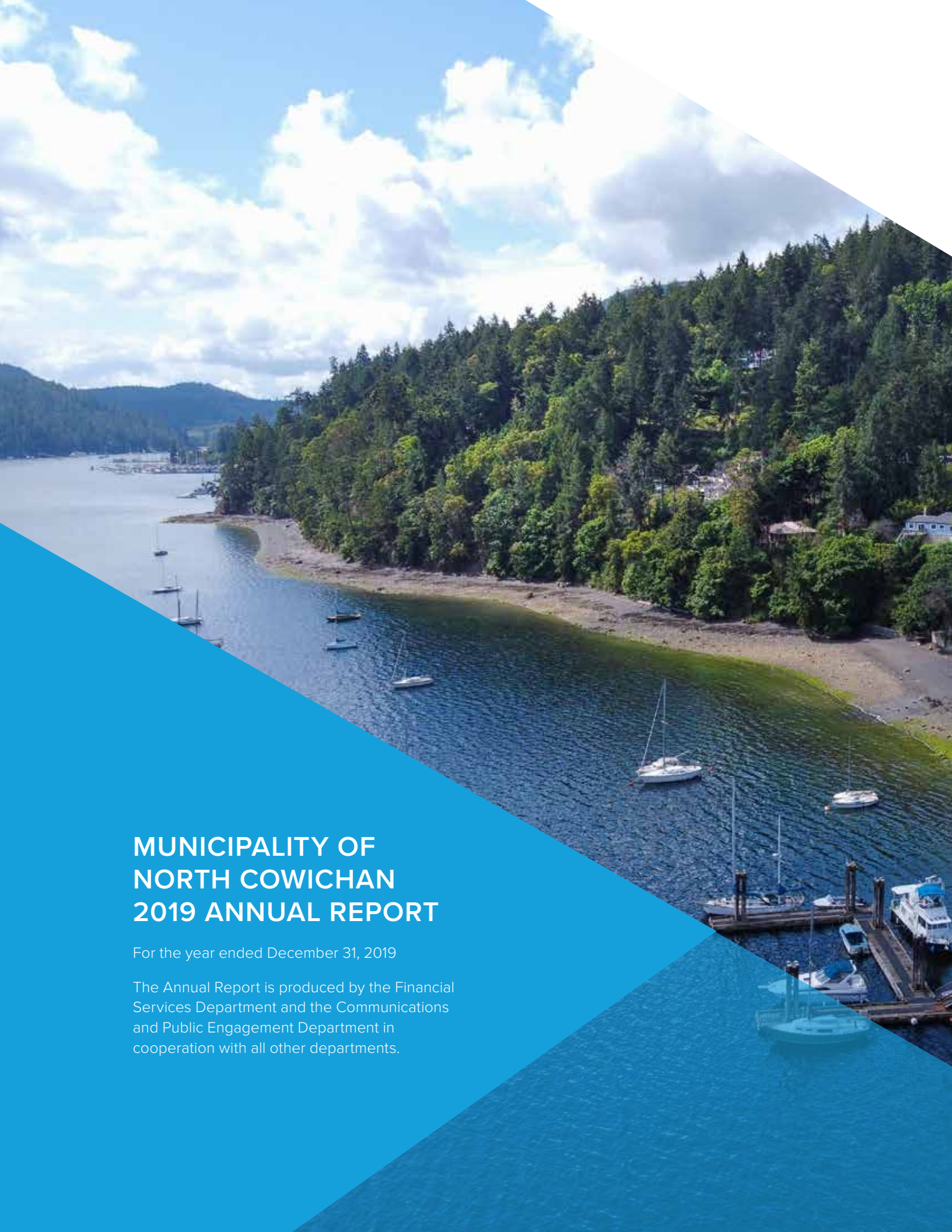


An aerial photograph of a valley in North Cowichan, BC. The foreground shows a mix of green fields and dense evergreen forests. In the middle ground, a large blue lake is visible, surrounded by more trees and some buildings. The background features rolling hills and mountains under a blue sky with scattered white clouds. The image is partially overlaid by a large blue geometric shape in the bottom right corner.

# 2019 ANNUAL REPORT

Municipality of North Cowichan, BC  
For the year ended December 31, 2019



# MUNICIPALITY OF NORTH COWICHAN 2019 ANNUAL REPORT

For the year ended December 31, 2019

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**



As I sit down to write this preamble to our Annual Report, our Municipality – indeed our entire country – is still in the midst of the COVID-19 emergency. My focus for the past 3 months has been on this new reality, and that makes 2019 seem like ancient history. But the purpose of the Annual Report is to look at our progress in achieving our social, economic, and policy goals for the Municipality during the previous calendar year, and 2019 was clearly an exciting one for us.

As a governing body, our Council learned to coalesce and work together as we spent our first full calendar year together, planning for the balance of the electoral term. We clarified our goals and vision through adoption of the 2019-2022 Council Strategic Plan, which focuses on providing excellent service in the areas of **Community, Economy, Environment, Engagement,** and **Housing**. Throughout the year, we focused on policy decisions to advance these broad goals, and our staff, led by CAO Ted Swabey, created a work plan to specifically align the operational decisions with that new plan.

This Annual Report is presented as a reflection of Council's Strategic Plan, outlining the projects and measures aligning with each of the core priority areas, and highlights some of the successes we achieved in 2019. For example, you'll see that the initiation of reviews of our Official Community Plan, our Forestry Program, and our Climate Action and Energy Plan, include a focus on fulsome and thorough public engagement. Some of the highlights of the year that I want to make sure you don't overlook include a new economic emphasis on sports tourism and recreation. For example, 2019 was the year when North Cowichan was chosen to replace the Resort Municipality of Whistler as the anchor stop for the BC Bike Race. Another economic highlight was the announcement from Rowing Canada that they were relocating their National Training Centre to our community.

There is still much work to be done, particularly on the housing file. This one took up a lot of my time as mayor in 2019, particularly in the context of working to help our most vulnerable populations. We developed a new model of cooperation on this file, working with other levels of government and our regional partners. This required collaboration, engagement, and cooperation, and I am proud of the work we have done and continue to do. While 2019 did not produce any ultimate solutions on this file, I am confident that the efforts we undertook during the year will bear fruit before the end of 2020 in the form of both new housing alternatives and enhanced services for our at-risk population.

But the pillar in our Strategic Plan that underlies all the others is **Service**, and I'm proud of the fact that staff are delivering our services as efficiently and cost-effectively as possible. I want to thank them for the excellent work done in 2019, and I look forward to continuing to work together as we strive to do the best we can for our community.

Mayor Al Siebring

# A MESSAGE FROM THE CAO



I am pleased to present the District of North Cowichan's 2019 Annual Report. This year was focused on cultural transformation as we worked to align with Council's newly defined vision through the adoption of the Council Strategic Plan. I am proud of the ability of our staff to shift their priorities to support Council by implementing new business planning and budget processes and coalescing around a new Operational Strategic Plan. These changes were essential to aligning our work with our newly elected Council's priorities, which focus largely on protecting the environment and doing our part to address the climate emergency.

It is challenging to review 2019 without mentioning the contentious Vancouver Island Motorsport Circuit (VIMC) rezoning because of the enormous resources and commitment it took for Council and staff to process this application. The two public hearings necessitated by the application consisted of over 20 hours of submissions for Council to consider and spanned over three days. The VIMC application was the center of an emotional divide in the community. In the end, Council rezoned phase one of the motorsport circuit only. This decision ended years of uncertainty around the legality of the track for both the community and the owners of VIMC.

In 2019, Council initiated two extensive public engagement processes; one to review the Official Community Plan and another examining our Forestry Operations. These two processes will define how we manage growth and ancillary recreational uses in our 5,000 plus hectare Municipal Forest Reserve. In addition, engagement on the Forest Reserve will determine how we move forward with our forestry operations for years to come.

2019 also saw North Cowichan's first-ever Citizen Satisfaction Survey. This statistically valid survey sought to determine residents' overall satisfaction with the municipality. It was rewarding and validating for staff to find out that the service provided to the community was valued. Residents overwhelmingly responded to the survey with an 89% overall satisfaction rate with the Municipality. This is a testament to the hard work, community-mindedness of staff, and superb leadership provided by the Management Team.

A handwritten signature in black ink, appearing to read 'Ted Swabey'. The signature is fluid and cursive, with a large initial 'T' and 'S'.

Ted Swabey



29,676  
Total population (2016)

0-14 14.6%  
15-64 60.4%  
65+ 24.9%

Average age  
45.8



\$64,169 Median family income (2015)

# COMMUNITY PROFILE

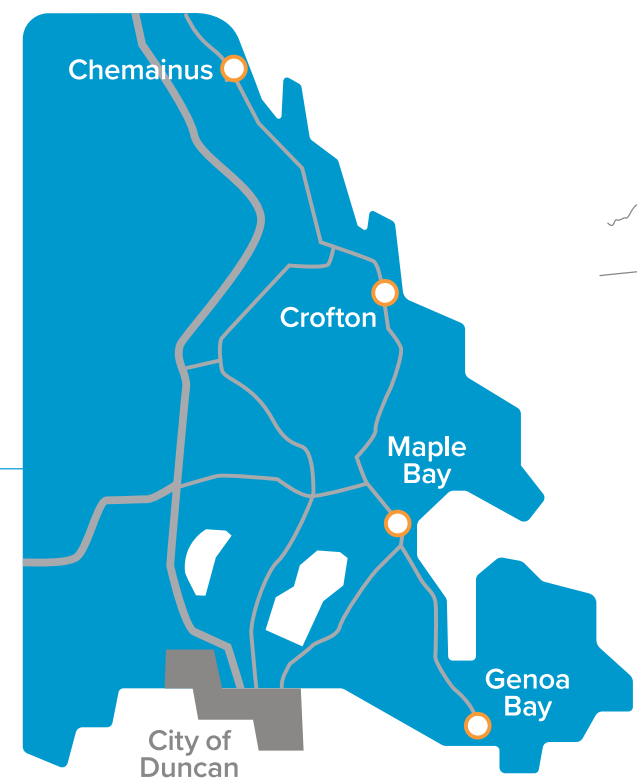
North Cowichan is located on the east coast of Vancouver Island in the Cowichan Valley Regional District. It is centrally located between the cities of Victoria to the south, and Nanaimo to the north. Vancouver is located to the east, separated by the Salish Sea. Spanning 195 square kilometers, North Cowichan is the largest District Municipality by area on Vancouver Island.

**A community of communities,** North Cowichan is made up of a number of unique communities that include **Chemainus, Crofton, Maple Bay and Genoa Bay**, and the **South End** which is comprised of smaller neighbourhoods that are centered around the greater-Duncan area.

Our approximately 30,000 residents (2016 Census) 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. Our awesome landscape and location can be attributed to North Cowichan fast becoming known as a hub for recreation, sports, and eco-tourism.



## The Municipality of North Cowichan



**Chemainus**  
Artisan hub, renowned Chemainus Theatre, fishing and swimming at Fuller Lake, Old Town and high-school and elementary school.



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

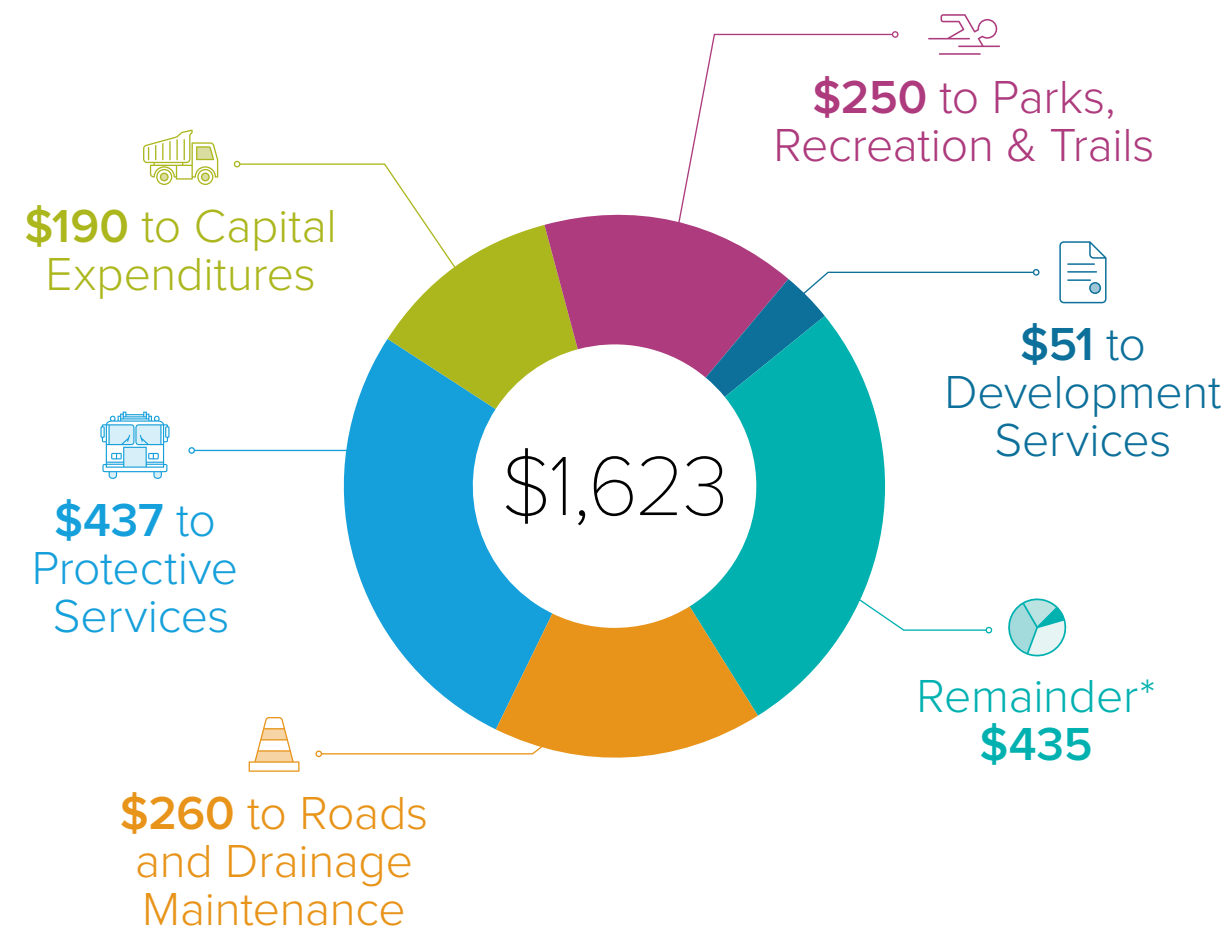


**Maple Bay and Genoa Bay**  
Seaside villages, marinas, beach walking, easy access to hiking and mountain biking at Mount Tzouhalem, Maple Mountain and Stoney Creek Park.



**South End**  
Urban meets rural with Saison Market Vineyard, the Duncan Farmers Market, local vineyards, brewpubs and distilleries and the community's retail hub in downtown Duncan. Also home to Cowichan Campus of Vancouver Island University, Queen Margaret's School and Cowichan High School.

## Breakdown of Municipal Tax for 2019:



A homeowner in North Cowichan whose home had an average assessed value of \$445,352 paid **\$1,623** in *municipal* property taxes in 2019.

\*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 responsibility of municipal governments is set out in the *Community Charter*, mandating that 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. The public

is welcomed to attend all open meetings. Council encourages public participation and feedback to foster two-way dialogue and open, participatory governance.

In the fall of 2018, North Cowichan residents elected our current council for the 2018-2022 term. Subsequently, in early 2019, Council set out to establish their vision and goals to guide the Municipality.



**Al Siebring**  
Mayor



**Rob Douglas**  
Councillor



**Christopher Justice**  
Councillor



**Tek Manhas**  
Councillor



**Kate Marsh**  
Councillor



**Rosalie Sawrie**  
Councillor



**Debra Toporowski**  
Councillor



# OUR PLAN

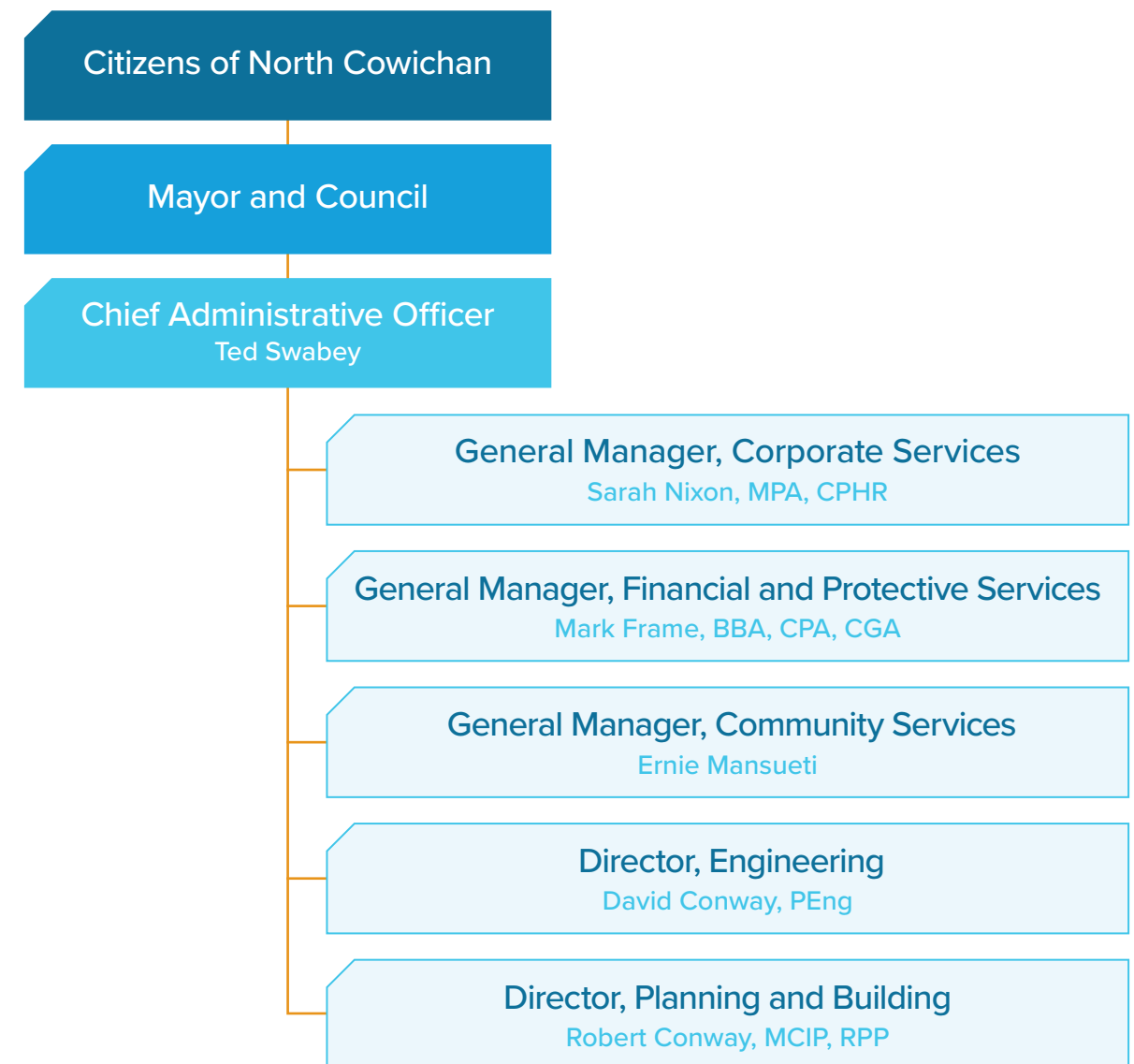
2019 was a year of planning and goal setting. Council established the first-ever Council Strategic Plan to detail what they will achieve during their term. The Plan has approximately 50 action items and is based on six strategic priorities: **Engagement, Housing, Environment, Economy, Community, and Service.**

The 2019-2022 Council Strategic Plan supports Council's vision and goals and provides clear direction to staff on how they are expected to support Council in their work. This document serves as a critical

foundation for decision making; budgeting; annual work and project planning; workforce planning; and performance measurement and management.

Throughout 2019, staff began to take action on operationalizing Council's plan. Our Strategic Priorities, as presented in this Annual Report, beginning on page 17, satisfies the Council Strategic Plan Administration Policy by showing annual progress toward achieving the objectives laid out in Council's Strategic Plan.

## ORGANIZATIONAL STRUCTURE as of December 31, 2019







# OUR STRATEGIC PRIORITIES

Our 2019 Annual Report highlights some of our successes and progress toward our strategic priorities. Here's a look at what we did in 2019.

ENGAGEMENT

HOUSING

ENVIRONMENT

ECONOMY

COMMUNITY

SERVICE



# ENGAGEMENT

We focused on creating a two-way, open, dialogue through public engagement that was underpinned by transparent communication to provide valuable, reliable, and timely information to residents.

We built collaborative working relationships and engaged other levels of government. We put emphasis on creating a positive relationship with indigenous peoples and governments according to the Truth and Reconciliation Commission's Calls to Action. To facilitate this, we struck a First Nations Relations Advisory Committee in November.

First Nations engagement was a large focus of engagement activities undertaken, including the Joint Utilities Sewage Treatment Outfall Relocation Project, and engagement on the future of the Municipal Forest Reserve. All First Nations engagement has been done on a government to government level, respecting the indigenous right to self-governance.



20%  
increase in reach  
on social media



43%  
increase in  
number of official  
media releases

In order to serve our community better, in 2019, we carried out our first-ever Citizen Satisfaction Survey. We asked, the community answered, and we listened. The important information we received will help us improve service delivery and continually strive for better results.

In the fall, we kicked off the Official Community Plan (OCP) Update Project by forming an Advisory Committee and Community Ambassador Group to help shape the OCP's public engagement process. Then we sought public feedback on Council's strategic priorities to help inform the 2020 budget process, whereby holding three open houses, and a concurrent online engagement.

67% of residents feel they get enough information from North Cowichan




# HOUSING

Like many communities in BC, North Cowichan is struggling with affordability and a tight housing supply. We actively took steps to address these issues in 2019.

To help address the short supply of rental housing in the Cowichan Valley, hundreds of rental units previously endorsed by Council became available. Council changed the Zoning Bylaw to allow more secondary suites – focusing growth within existing urban neighbourhoods. In addition several residential apartment buildings were constructed, significantly increasing North Cowichan's available rental units.

In our South End, construction of the Berkey's Corner commercial centre has commenced and is expected to be completed in 2020. This is a 6.5 acre commercial parcel with a new 50,000 square foot grocery-anchored retail centre. There are over 800 residential units planned in the Berkey's Corner neighbourhood, which will be comprised of rental apartments; ground-oriented multi-family units; congregate and community care housing; single and two family dwellings; and secondary suites. This will greatly increase housing options for families and individuals in our community.



**340**  
new dwelling units authorized by building permit

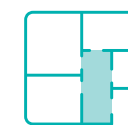
**146**  
dwelling units at "The Hamlets", a senior's care facility on Beverly Street

**125**  
single family dwelling permits issued.  
The remainder were secondary suites, duplexes and multi-family dwellings.



**176** rental apartment units constructed

(Green and Paddle Roads)



**27**

subdivision applications finalized



**270**

building permits issued



**44,790** trees planted  
in the Municipal Forest Reserve

# ENVIRONMENT

In 2019, Mayor and Council acknowledged the existing climate crisis and committed to applying an environmental lens to all we do from major projects, right down to departmental business planning.

One of Council's key actions under the strategic pillar of *Environment* is to update the Climate Action and Energy Plan. This project was kicked off in 2019 and was 80% funded by a grant from the Federation of Canadian Municipalities' for Climate Innovation Program. The main goal of this project is to develop an updated climate action strategy by updating corporate and community greenhouse gas emissions modelling, including agricultural and industrial based emissions. Council directed staff to model emissions and develop strategies to achieve a target of an 80% reduction in GHGs by 2050. The updated GHG emission modelling will be instrumental in informing the environmental policies that will be addressed in the Official Community Plan Update Project.

A Management Plan for Somenos Creek was finalized in 2019 to help address remediation of the invasive plant species, Parrots Feather. The Management Plan incorporated feedback from consultation with Cowichan Tribes, stakeholders, and local waterfront property owners. Staff have now developed a partnership with the Somenos Marsh Wildlife Society and Cowichan Tribes. A five-year work plan was collaboratively created to manage Parrots Feather and improve water quality in Somenos Lake and Creek.

improving water quality and reducing the occurrence of Cyanobacteria blooms.

An important step in determining future actions to further address water quality challenges on Quamichan Lake was carried out in 2019, with staff completing the water quality sampling program. This program included baseline data from monitoring the lake and potential strategies for

The Joint Utilities Board Sewage Outfall Relocation Project made significant progress in 2019, including a Stage Two Environmental Impact Study of both the outfall terminus location, and marine pipeline route. Extensive consultation was carried out with six local First Nations that ultimately elicited their support and tentative agreement on a new proposed outfall location. North Cowichan made an agreement with local First Nations to make every effort to move the outfall from its current location in the Cowichan River. Despite the fact the outfall is currently well treated, moving it to a location in deeper water will benefit our partnership with indigenous government, and have a positive impact on the Cowichan River estuary.



**700** downloads of the  
MNC Curbside App



# ECONOMY

North Cowichan is committed to creating a vibrant economy where local businesses can thrive.

We took steps to help facilitate introduction of the federally legalized cannabis industry, allowing residents and businesses to access new economic opportunities. In doing so, Council amended the Zoning Bylaw to permit cannabis production within specified industrial and commercial zones. The amendment also harmonized zoning regulations for cannabis production on agricultural land with Agricultural Land Commission regulations. In January, Council adopted a Retail Cannabis Sales Policy that established criteria for retail cannabis sales applications. In July Council amended this policy to relax some requirements, thereby increasing the number of potential retail cannabis sales sites.

Early in the year, Rowing Canada Aviron announced they would be relocating their National Training Centre to North Cowichan. In responding to Rowing Canada's call for proposals from communities across Canada, North Cowichan worked hard with local partners, like the Cowichan Valley Regional District, to show that we were the right place for Rowing Canada to call home. Our proposal included plans for a boathouse facility, new docks, dryland training space, a dining area, and a buoyed course on Quamichan Lake. In preparation for the 2021 Olympic Games rowers are currently training on the lake and their families already relocating to the Cowichan Valley.

North Cowichan is committed to supporting local business and tourism, each year we partner with Tourism Cowichan and benefit from advertising opportunities and greater exposure of our trails and ample recreational amenities. As a member municipality of the Cowichan Regional Valley District, North Cowichan benefits from Economic Development Cowichan who supports and promotes local business in the Cowichan Valley. Local businesses are the backbone of our economy, as such it's necessary our Cowichan Valley businesses are able to access tools and programs to help them thrive. Economic Development Cowichan helps lobby other levels of government, and works with agencies like the Vancouver Island Economic Alliance (VIEA), to provide key supports for all local businesses.



**132** new business licenses in 2019



# COMMUNITY

North Cowichan is a community of communities. We are a mix of unique, inspiring, sustainable, and safe neighbourhoods enjoyed by residents, businesses, and visitors alike. In 2019, we undertook a series of initiatives to make sure North Cowichan remains a great place to work, live, and play.

Like many communities in BC, North Cowichan has grappled with the addiction, homeless, and opioid crises. Fostering a safe community is very important, so we responded to these crises by collaborating with other local and indigenous governments. Together, we forged the Safer Community Plan and opened the Corridor Safety Office to provide extra bylaw patrol and security services to businesses and residents on the Trans-Canada Highway Corridor between Beverly Street and Boys Road.

In September, we secured a \$1,067,684 grant from the Government of Canada and the Province of British Columbia through the Investing in Canada Infrastructure Program.

This grant will go towards construction of a new field house that will significantly improve the quality of the well-used and loved community amenity, the Cowichan Sportsplex. An additional \$388,316 to contribute to this upgrade was raised locally by the Chesterfield Sports Society.

North Cowichan is home to exceptional recreational facilities, outdoor sports fields, and trail systems that are enjoyed and frequented by both locals and visitors. Like most local governments we own, manage, and maintain our recreational facilities; but we also own, sanction, and maintain our own trail system. Some of these trails are located within our Municipal Forest Reserve. North Cowichan is one of very few Municipalities in North America that owns forest land, making our plentiful trails and recreational opportunities highly unique.

Maintenance of these trails is extremely important to safe community access, especially with such a high volume of use. Each year we strive to improve our trail system and safety in collaboration with the Cowichan Trail Stewards Society. In 2019 we completed a signage project to better mark sanctioned trails on Mount Tzouhalem. This included kiosks at the base of trails, along with trail markers and intersection signage throughout the trail network. The new trail signage clarifies which trails should be used for hiking, biking, equestrian, or mixed-use and includes a legend to determine length and difficulty.

In order to provide more features for avid skateboarders in our community we undertook the X-treme Skateboard Park Expansion, taking a popular community Skate Park from a bowl and ramp style to a 'street style' course that includes ramps, rails, stairs, and pump areas.



Deemed the ultimate singletrack experience, the BC Bike Race once again came to North Cowichan in 2019. We were extremely proud to host the first stage of the race for the second year in a row. Starting from the Properties field (adjacent to Maple Bay School), a group of 500 international racers tackled the trails of Mount Tzouhalem and Maple Mountain before ending in Crofton. From there, they continued on to Cumberland and beyond.

To complete the 2011 Chemainus Town Revitalization Centre Plan, in 2019 we began a major project to upgrade Chemainus Road. This included replacement of

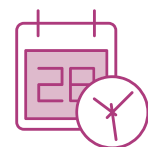
underground servicing, and road resurfacing from Henry Road to Victoria Street. While the first phase of this project began in 2019, there will be more work completed in 2020, including a new roundabout at River Road to help ease congestion and improve the flow of traffic in Chemainus.

In 2019, the Osborne Bay Road backup water station was completed to provide the community of Crofton with greater water security in the event that their primary water source, the Crofton Mill, is unable to service the community. This water system also provides increased fire protection.



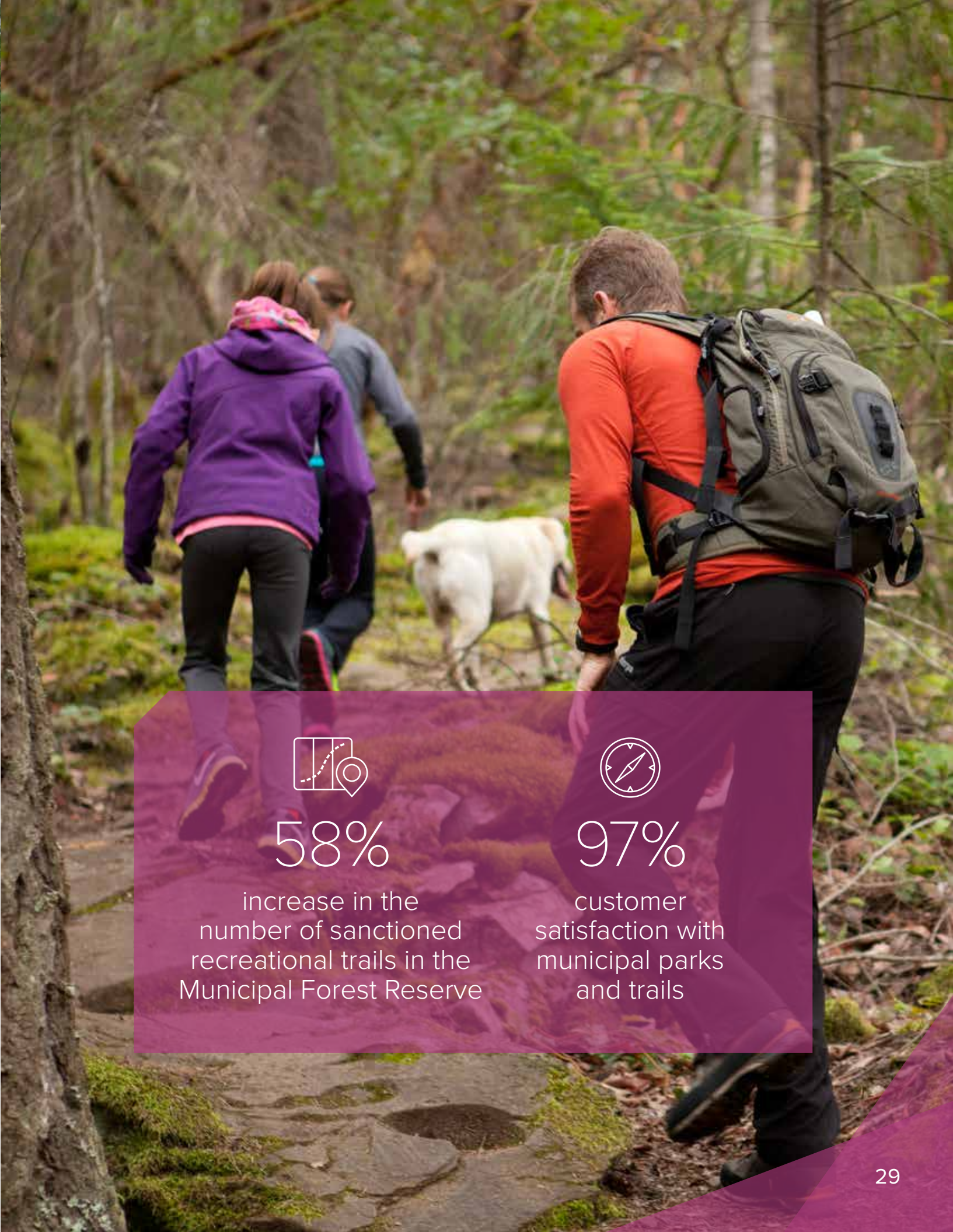
**271,370**

drop-in visits to the Cowichan Aquatic Centre, an average of 3.39 per resident in the Cowichan Valley



**1,275**

rental hours at Fuller Lake Arena



**58%**

increase in the number of sanctioned recreational trails in the Municipal Forest Reserve



**97%**

customer satisfaction with municipal parks and trails



# SERVICE

Service underpins all that we do and is at the core of all of Council’s strategic priorities. We strive to provide responsive, efficient, transparent, and engaged service that adds value to the community. In 2019, we undertook our first-ever Citizen Satisfaction Survey to explore how we could provide more value to the community, and improve our service delivery.

We learned that the overall satisfaction rate with the Municipality is 89%, and 97% of residents rated the overall quality of life in North Cowichan as good or very good. While we were thrilled with these results, we want to continue to improve on this score!

In order to meet the needs of the community, who called for efficient and transparent management of our Municipal Forest Reserve, Council engaged UBC, 3GreenTree Consulting, and the Coastal Douglas Fir Conservation Partnership to undertake a review of current forest management practices and make a recommendation for the best short and long-term management options for the forest reserve. The Long Term Forest Management Plan is anticipated to be implemented in 2022 and will reflect feedback from public engagement and a government to government engagement with First Nations.

To better support our employees and focus on increased employee engagement, we created a 2019/2020 Corporate Employee Engagement Action Plan. We know that engaged and valued employees are better able to serve their community. We strive to make sure our staff have the tools they need to be successful in a safe, respectful, and inclusive workplace that aligns with our corporate values. Some of the work done at Municipal Hall is not always visible to the public, but is extremely important and fundamental to good public service. Our Corporate Services staff delivered many key projects in 2019 that supported Council and staff. For example, our Corporate Services staff undertook an Administrative Services Review to identify new opportunities to improve customer service and internal efficiency.

While 2019 was a planning-focused year for Council, this was also largely true for staff. In order to align staff’s work with Council’s strategic priorities, and operationalize Council’s Strategic Plan, staff created and implemented an Operational Strategic Plan for the 2019-2022 period. As part of our corporate planning framework, we also

created departmental business plans to be implemented in 2020. These will inform the budget process and ensure that all work done from a departmental, and individual level, supports Council’s vision and goals. Our Information Technology (IT) Department implemented a huge network infrastructure upgrade to help staff better serve the public. This included a replacement of our entire phone system. While this project was no small feat, it has drastically improved the way we do business. With the upgraded network infrastructure, IT also implemented additional network security software to make us less vulnerable to an external malware attack.

To help access homeowner grants with more ease, we implemented a new online grant application process. Staff also made changes to ensure industry stakeholders could access property and building permit applications online, and implemented a monthly Building Newsletters to communicate important information directly with local builders and developers. Coupled with this, we launched mobile building inspections to support overall improved customer service and efficiency.





## Citizen Satisfaction



 **2,239** calls for service received by our Community Services Department

## Water

- 240 km** of pipe with 10,000 connections
- 2** major watersheds
- 7** pump stations
- 5** dams
- 16** reservoirs

## Road and Sidewalk Maintenance

- 280 kms** of roads
- 237 kms** of sidewalks
- 150 kms** of ditching
- 160 kms** of storm pipes
- 1,000** culverts to maintain

## Service Performance Metrics



**41** Freedom of Information Requests

**92% CLOSED WITHIN 30 DAYS**

**89** Council and Committee of the Whole meetings in 2019, generating over **89,010** pages produced to support Council and Committee meetings



**4,579** Information Technology Help Desk Tickets opened

**4,827 TICKETS CLOSED**



**1,368** job applications processed



**163** job interviews conducted

**107** vacant positions filled

**9%** exempt employee turnover



**1,765** initial human resources/health and safety service requests



**0** work safe orders



# FINANCIAL REPORT



# REPORT FROM THE GENERAL MANAGER OF FINANCIAL AND PROTECTIVE SERVICES

Mayor and Council  
District of North Cowichan

Your Worship and Members of Council,

I am pleased to present the District of North Cowichan's 2019 Annual Financial Report for the fiscal year ended December 31, 2019, as required by section 98 of the Community Charter.

This report includes the auditor's report, the 2019 financial statements, and supplementary information for the District of North Cowichan.

The Consolidated Financial Statements are the responsibility of the management of the District of North Cowichan and were prepared 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, and have been applied on a basis consistent with that of the preceding year.

The District maintains a system of internal accounting controls designed to safeguard the assets of the Corporation and to provide reliable financial information. We confirm and test these systems on a cyclical basis by contracted audit services.

The audit firm Grant Thornton was appointed by Council and is responsible for expressing an opinion as to whether the consolidated financial statements fairly present the financial position of the District of North Cowichan and the results of its 2019 operations.

The 2019 audited financial statements were presented to and approved by Council.

As of December 31, 2019, the District had accumulated surplus of \$308 million, an increase of \$7 million for the year. This is largely composed of net investments in tangible capital assets (\$272 million), which includes land, roads, buildings, utility assets and park infrastructure. Debenture debt decreased by \$1.4 million to \$19 million. Principal repayments were \$1 million and the actuarial adjustment to debt was \$0.4 million.

Consolidated Revenues decreased by \$1.1 million from \$58.4 million to \$57.3 million. The decrease is largely due to fewer gains received on the sale of assets and a lower value in developer contributions. Expenses increased by \$2.2 million from \$47.9 million to \$50.1 million, and were under budget by \$1 million.

Capital expenditures for the year were \$6.7 million (2018 - \$8.3 million), including \$1.1 million on water capital, \$0.6 million on sewer capital, \$0.4 million on information technologies, \$1.9 million on roads projects, \$0.6 million on vehicles and equipment, \$0.3 million on drainage projects, \$0.8 million on parks projects and \$0.5 million on the Fuller Lake Arena.

Overall capital expenditures were under budget by \$28.6 million. This was due to projects being incomplete or postponed during the year. The Cowichan Aquatic Centre renovation was postponed another year (\$2.8 million) as was the Sportsplex Field House project (\$1.4 million). The Joint Utilities Board Outfall Relocation project schedule has been revised to include more consultation (\$1 million), \$3.8 million of roads projects were postponed due to land acquisition difficulties or scope changes such as the Chemainus Road upgrades and the Canada Avenue settlement repairs. The new RCMP building construction start was delayed to 2020 due to the final decisions on the service model of the building (\$11 million).

In 2019, North Cowichan's budget for tax-supported capital was \$3.7 million. This amounted to 12.4% of 2019 property taxes allocated to general capital compared to 11.9% in 2018. This is consistent with Council's Revenue, Tax and Budget Policy adopted in 2010 requiring adequate capital funding of 10-15% of property tax revenues.

Respectfully,

Mark Frame, CPA, CGA  
General Manager of Financial and Protective Services  
May 6, 2020

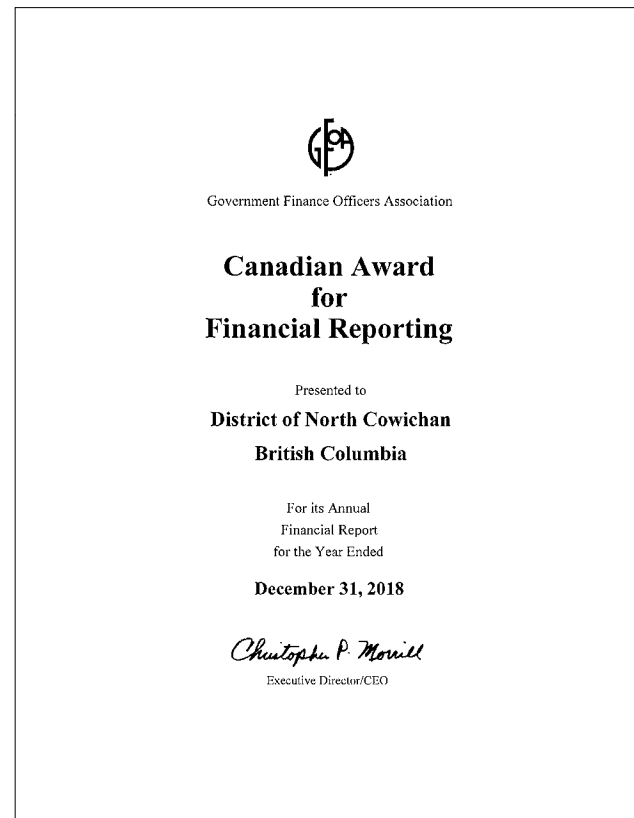
# FINANCIAL REPORTING AWARD

## Canadian Award For Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the District of North Cowichan for its Annual Report of the fiscal year ended December 31, 2018. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles, and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



## The Corporation of The District of North Cowichan

# CONSOLIDATED FINANCIAL STATEMENTS

(Audited) December 31, 2019



# STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the District of North Cowichan and have been prepared in compliance with legislation, and 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.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative control designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The North Cowichan Municipal Council met with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters before approving the consolidated financial statements.

Grant Thornton LLP, as the Municipality's appointed external auditors, has audited the consolidated financial statements. The Auditor's report is addressed to the Mayor and members of Council and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the consolidated financial statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector accounting standards.

Mark Frame  
General Manager,  
Financial and Protective Services  
May 6, 2020

## Independent auditor's report

To the Mayor and members of Council 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 December 31, 2019, and the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of The District of North Cowichan as at December 31, 2019, and the results of operations, its changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the District's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

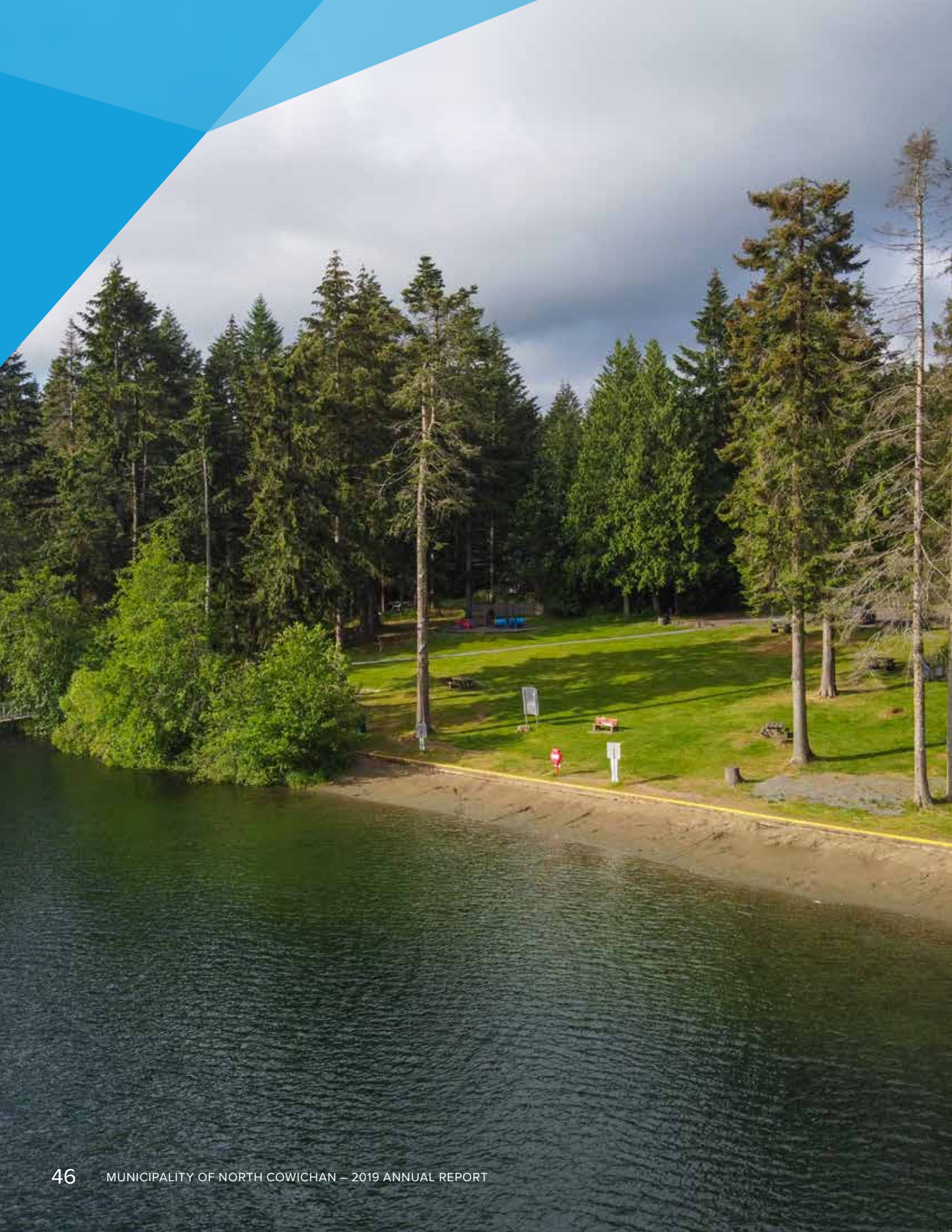
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of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

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



Duncan, Canada  
May 6, 2020

Chartered Professional Accountants



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2019, with comparative figures for 2018

	2019 ACTUAL	2018 ACTUAL
<b>Financial Assets</b>		
Cash (Notes 2 and 4)	\$ 2,266,463	\$ 3,720,166
Temporary investments (Notes 2 and 4)	73,350,782	63,950,386
Accounts receivable (Note 5)	3,469,410	3,544,544
Deposit - Municipal Finance Authority (Note 8)	1,229,904	1,220,984
	<b>80,316,559</b>	<b>72,436,080</b>
<b>Financial Liabilities</b>		
Accounts payable and Accrued liabilities (Note 6)	4,657,259	4,843,070
Employee future benefits and compensation payable (Note 2)	3,901,220	3,811,400
Unearned revenue (Note 7)	5,826,092	5,986,952
Reserve - Municipal Finance Authority (Note 8)	1,229,904	1,220,984
Restricted reserves (Note 10)	11,848,893	10,168,279
Debenture debt (Note 12)	19,012,952	20,407,420
	<b>46,476,320</b>	<b>46,438,105</b>
	<b>33,840,239</b>	<b>25,997,975</b>
<b>Net Financial Assets</b>		
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule X)	271,565,986	272,162,777
Inventory of supplies (Note 2)	539,943	539,270
Prepaid items	121,491	175,488
Property acquired for taxes (Note 2)	2,341,505	2,341,505
	<b>274,568,925</b>	<b>275,219,040</b>
	<b>\$ 308,409,164</b>	<b>\$ 301,217,015</b>

Commitments and Contingent Liabilities (Note 13) and Subsequent Event (Note 19)

Approved by:

M. Frame  
General Manager, Financial and Protective Services

See accompanying notes to the financial statements.



# CONSOLIDATED STATEMENT OF OPERATIONS

As at December 31, 2019, with comparative figures for 2018

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
<b>Revenues</b>			
Taxation (Schedule I)	\$ 36,149,919	\$ 36,103,076	\$ 34,589,122
Sales of services (Schedule II)	10,566,021	11,525,631	11,036,880
Other revenue from own sources (Schedule III)	1,573,572	1,964,092	1,802,377
Return on investments	710,292	1,401,890	1,070,860
Grants and government transfers (Schedule IV)	6,328,700	3,286,917	2,774,959
Collections from developers and others	889,943	2,595,164	4,230,918
Actuarial adjustments to debt	-	379,897	328,399
Net gain on sale of tangible capital assets	-	63,759	2,561,425
	<b>56,218,447</b>	<b>57,320,426</b>	58,394,940
<b>Expenses</b>			
General government services (Schedule V)	6,171,154	6,043,676	5,176,681
Protective services (Schedule VI)	10,417,545	10,015,012	9,449,524
Engineering and public works (Schedule VII)	10,681,665	10,340,134	10,088,860
Environmental health services (Schedule VIII)	1,647,508	1,746,068	1,512,928
Forestry	1,518,561	1,328,549	1,185,156
Community development	1,131,698	1,168,797	1,295,591
Recreation and cultural services (Schedule IX)	10,726,130	10,800,755	10,826,990
Net loss on sale and write-downs of tangible capital assets	-	140,780	80,992
Water	4,263,949	4,612,909	4,514,520
Sewer	4,520,214	3,931,597	3,739,979
	<b>51,078,424</b>	<b>50,128,277</b>	47,871,221
<b>Annual Surplus</b>	<b>\$ 5,140,023</b>	<b>7,192,149</b>	10,523,719
<b>Accumulated surplus, beginning of year (Note 14)</b>		<b>301,217,015</b>	290,693,296
<b>Accumulated surplus, end of year (Note 14)</b>		<b>\$ 308,409,164</b>	\$ 301,217,015

See accompanying notes to the financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

As at December 31, 2019, with comparative figures for 2018

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
<b>Annual Surplus</b>	<b>\$ 5,140,023</b>	<b>\$ 7,192,149</b>	\$ 10,523,719
Acquisition of tangible capital assets	(35,285,035)	(6,707,957)	(8,321,503)
Contributed tangible capital assets	-	(2,411,588)	(4,178,385)
Amortization of tangible capital assets	9,612,200	9,569,240	9,452,760
Net gain on sale of tangible capital assets	-	(63,759)	(2,561,425)
Net loss on sale of tangible capital assets	-	15,963	80,992
Proceeds on sale of tangible capital assets	-	70,074	3,053,365
Write-downs of tangible capital assets	-	124,817	-
	<b>(25,672,835)</b>	<b>596,790</b>	(2,474,196)
Decrease (increase) in prepaids	-	53,998	(67,801)
Decrease in inventories	-	(673)	(23,692)
	-	<b>53,325</b>	(91,493)
<b>Change in net financial assets</b>	<b>(20,532,812)</b>	<b>7,842,264</b>	7,958,030
<b>Net financial assets at beginning of year</b>	<b>25,997,975</b>	<b>25,997,975</b>	18,039,945
<b>Net financial assets at end of year</b>	<b>\$ 5,465,163</b>	<b>\$ 33,840,239</b>	\$ 25,997,975

See accompanying notes to the financial statements.



# CONSOLIDATED STATEMENT OF CASH FLOWS

As at December 31, 2019, with comparative figures for 2018

	2019 ACTUAL	2018 ACTUAL
<b>Operating transactions</b>		
Annual surplus	<b>\$ 7,192,149</b>	\$ 10,523,719
<b>Non-cash items included in surplus:</b>		
Amortization	<b>9,569,240</b>	9,452,760
Actuarial adjustment to debt	<b>(379,897)</b>	(328,399)
Write-downs of tangible capital assets	<b>124,818</b>	-
Net gain on sale of tangible capital assets	<b>(63,759)</b>	(2,561,425)
Net loss on sale of tangible capital assets	<b>15,963</b>	80,992
Contributed tangible capital assets	<b>(2,411,588)</b>	(4,178,385)
	<b>14,046,926</b>	12,989,262
Accounts receivable	<b>75,134</b>	(74,887)
Inventory of supplies	<b>(673)</b>	(23,692)
Prepaid items	<b>53,997</b>	(67,802)
Accounts payable	<b>(185,811)</b>	614,340
Employee future benefits and compensation payable	<b>89,820</b>	68,189
Unearned revenue	<b>(160,860)</b>	612,967
Restricted reserves	<b>1,680,614</b>	1,328,640
Cash provided by operating transactions	<b>15,599,147</b>	15,447,017
<b>Capital transactions</b>		
Proceeds on sale of tangible capital assets	<b>70,074</b>	3,053,365
Cash applied to acquire tangible capital assets	<b>(6,707,957)</b>	(8,321,503)
Cash applied to capital transactions	<b>(6,637,883)</b>	(5,268,138)
<b>Investing transactions</b>		
Temporary investments	<b>(9,400,396)</b>	(10,107,369)
Cash applied to investing transactions	<b>(9,400,396)</b>	(10,107,369)
<b>Financing transactions</b>		
Repayment of debenture debt	<b>(1,014,571)</b>	(1,013,626)
Cash provided by financing transactions	<b>(1,014,571)</b>	(1,013,626)
<b>Change in cash and cash equivalents</b>	<b>(1,453,703)</b>	(942,116)
<b>Cash and Cash equivalents, beginning of year</b>	<b>3,720,166</b>	4,662,282
<b>Cash and Cash equivalents, end of year</b>	<b>\$ 2,266,463</b>	\$ 3,720,166

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2019

## 1. GENERAL

The Corporation of the District of North Cowichan (the Corporation) 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.

## 2. SIGNIFICANT ACCOUNTING POLICIES

It is the Corporation's policy to follow Canadian public sector accounting standards and to apply such principles consistently. The following is a summary of the Corporation's significant policies:

### a) BASIS OF PRESENTATION

These consolidated financial statements consolidate the following operations:

- General Capital Fund
- General Revenue Fund
- Reserve Fund
- Water Systems Capital Fund
- Water Systems Revenue Fund
- Sewer Systems Capital Fund
- Sewer Systems Revenue Fund

The Corporation has an interest in a significant cost sharing arrangement: the Duncan - North Cowichan Joint Utilities Board. Adjustments have been made to these consolidated statements to include the Corporation's proportionate share of assets, liabilities and net revenues over expenditures of the administrative body at approximately the following percentage: **Duncan-North Cowichan Joint Utilities Board 53.69%**

### b) BASIS OF ACCOUNTING

The Corporation 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 the delivery of goods or services and/or upon 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) INVESTMENTS

Investments are recorded at cost which at December 31, 2019, would approximate market 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.

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**d) LIABILITY FOR CONTAMINATED SITES**

The Corporation recognizes a liability for remediation of a contaminated site when the site is no longer in productive use or an unexpected event resulting in contamination has occurred and the following criteria are satisfied: contamination exceeds an environmental standard, the Corporation is either directly responsible or has accepted responsibility for remediation, it is expected future economic benefits will be given up and a reasonable estimate of the amount can be made. Future economic benefits are expected to be given up if the Corporation has an external obligation to remediate a site or has commenced remediation on its own accord.

The Corporation has determined that no owned properties meet the criteria to recognize a liability for contaminated sites.

**e) REVENUE RECOGNITION**

- i) Taxation revenues are recognized at the time of issuing the property tax notices for the fiscal year.
- ii) Sale of services and user fee revenues are recognized when the service or product is rendered by the Corporation.
- iii) Grant revenues are recognized when the funding becomes receivable.
- iv) Revenue unearned in the current period is recorded as deferred revenue.
- v) Government transfers are recognized 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.

**f) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of cash on deposit in qualifying institutions as defined in the community charter.

**g) PROPERTY ACQUIRED FOR TAXES - DEEDED TO MUNICIPALITY**

Property acquired for taxes is presented at estimated historical values as either financial assets or non-financial 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.

	2019	2018
<b>Properties not available for sale</b>	<b>\$ 2,341,505</b>	\$ 2,341,505

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**h) EMPLOYEE FUTURE BENEFITS AND COMPENSATION PAYABLE**

The Corporation and its employees make contributions to the Municipal Pension Plan. The Corporation's contributions are expensed as paid.

Sick leave cash-out and severance benefits accrue to the Corporation's employees. The liability relating to these benefits is determined in accordance with Section PS 3255 of the Public Sector Accounting Handbook of the Chartered Professional Accountants of Canada. Actuarial gains and losses are amortized on a straight-line basis over the average remaining service life of employees.

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

	2019	2018
<b>Lieu time payable</b>	<b>\$ 890,820</b>	\$ 846,300
<b>Sick leave cash-out and severance benefits</b>	<b>3,010,400</b>	2,965,100
	<b>\$ 3,901,220</b>	\$ 3,811,400

Under the terms of the union contract, sick leave not taken in a year is carried forward to a maximum accumulation for 180 working days for each employee. On retirement or termination of employment after 5 years of service, sick leave accumulated is paid out at the employee's prevailing wage rate.

The Corporation 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 cash-out and severance benefits are based on an actuarial valuation as at December 31, 2019.

	2019	2018
<b>Accrued benefit obligation</b>	<b>\$ 2,954,000</b>	\$ 2,866,200
<b>Unamortized actuarial gain/(loss)</b>	<b>56,400</b>	98,900
<b>Accrued benefit liability</b>	<b>3,010,400</b>	2,965,100
<b>Benefit expense:</b>		
<b>Current service cost</b>	<b>262,100</b>	253,800
<b>Interest cost</b>	<b>91,000</b>	85,600
<b>Amortization of net actuarial (gain)/loss</b>	<b>(2,100)</b>	(400)
	<b>\$ 351,000</b>	\$ 339,000

**h) EMPLOYEE FUTURE BENEFITS AND COMPENSATION PAYABLE (continued)**

Significant actuarial assumptions as at December 31st include:

	2019	2018
<b>Valuation interest rate</b>	<b>2.40%</b>	<b>3.20%</b>
<b>Rate of compensation increase</b>	<b>2.25%</b>	<b>2.75%</b>
<b>Expected coverage remaining service life (in years)</b>	<b>10</b>	<b>10</b>

**i) APPROPRIATED SURPLUS - GENERAL REVENUE FUND**

General Revenue Fund appropriations are non-statutory reserves established at the discretion of Council. These reserves are outlined in Note 14.

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

**j) USE OF ESTIMATES**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles as recommended by PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. Significant areas requiring the use of management estimates relate to the determination of accrued sick benefits and retirement liability, collectability of accounts receivable, amortization of capital assets, deferred charges and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

**k) 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.

**l) NON-FINANCIAL ASSETS**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

**m) TANGIBLE CAPITAL ASSETS**

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. Certain tangible capital assets for which historical cost information was not available were recorded at the current fair market values, in the year of recognition, discounted by a relevant inflation factor. Certain assets are disclosed at a nominal value as the determination of current fair market value was not available. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Land	Indefinite
Land Improvements	10 to 30 years
Buildings	15 to 50 years
Engineering Structures	10 to 60 years
Machinery & Equipment	5 to 40 years
Capital Works In Progress	Life determined when complete

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.

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

Tangible capital assets received as contributions are recorded at their estimated fair value at the date the Corporation acquires ownership and are recorded as revenue.

Land and infrastructure assets contributed to the Corporation in 2019 totaled \$2,411,588 (2018 - \$4,178,385) and were capitalized at their fair value at the time of receipt.

**n) MATERIALS AND SUPPLIES**

Inventories of materials and supplies are valued at weighted average cost with allowance made for damaged or obsolete goods.

**3. FINANCIAL INSTRUMENTS**

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

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

**4. CASH AND INVESTMENTS**

Cash and investments are comprised of cash on hand, cash on deposit at financial institutions and investments held in Municipal Finance Authority of British Columbia investment funds.

	2019	2018
<b>Cash</b>	<b>\$ 2,266,463</b>	\$ 3,720,166
<b>Temporary investments</b>	<b>73,350,782</b>	63,950,386
	<b><u>\$ 75,617,245</u></b>	<u>\$ 67,670,552</u>

Temporary Investments consist of short-term investments in the Municipal Finance Authority of BC money market and intermediate funds and CIBC high interest savings and the market value is equal to the carrying value. Temporary Investments have yields ranging from 1.86% to 2.46%.

Included in investments are the following restricted amounts that can only be expended in accordance with the terms of the Reserve and Restricted Reserve Funds.

	2019	2018
<b>Restricted investments</b>	<b><u>\$ 29,167,218</u></b>	<u>\$ 24,283,110</u>

**5. ACCOUNTS RECEIVABLE**

	2019	2018
<b>Property taxes</b>	<b>\$ 1,929,934</b>	\$ 1,757,315
<b>Water rates</b>	<b>296,064</b>	228,064
<b>Federal government</b>	<b>314,076</b>	232,813
<b>Provincial government</b>	<b>252,479</b>	624,155
<b>Local government</b>	<b>491,537</b>	326,910
<b>General</b>	<b>185,320</b>	375,287
	<b><u>\$ 3,469,410</u></b>	<u>\$ 3,544,544</u>

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2019	2018
<b>General</b>	<b>\$ 4,226,731</b>	\$ 4,209,428
<b>Wages and salaries</b>	<b>288,105</b>	479,802
<b>Accrued interest</b>	<b>142,423</b>	153,840
	<b><u>\$ 4,657,259</u></b>	<u>\$ 4,843,070</u>

**7. UNEARNED REVENUE**

	2018	Contributions and interest	Revenue earned or refunded	2019
<b>Prepaid taxes and licenses</b>	\$ 2,544,877	\$ 5,163,191	\$ 5,165,488	<b>\$ 2,542,580</b>
<b>Service fees and deposits</b>	3,087,924	1,574,622	1,657,036	<b>3,005,510</b>
<b>Aquatic Centre unearned revenue</b>	234,436	356,773	408,057	<b>183,152</b>
<b>General unearned revenues</b>	119,715	11,061	35,926	<b>94,850</b>
	<b><u>\$ 5,986,952</u></b>	<u>\$ 7,105,647</u>	<u>\$ 7,266,507</u>	<b><u>\$ 5,826,092</u></b>

**8. MUNICIPAL FINANCE AUTHORITY - RESERVE DEPOSITS**

The Corporation 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. The Corporation also executes demand notes in connection with each debenture whereby the Corporation may be required to loan certain amounts to the Municipal Finance Authority.

The details of the cash deposits and demand notes at year end are as follows:

	2019	2018
<b>Cash deposits</b>	<b>\$ 391,880</b>	\$ 382,960
<b>Demand notes</b>	<b>838,024</b>	838,024
	<b><u>\$ 1,229,904</u></b>	<u>\$ 1,220,984</u>

**9. FUNDS HELD IN TRUST**

These funds account for assets, which must be administered as directed by agreement or statute for certain beneficiaries. In particular, these funds are for the Cemetery Trust Fund. In accordance with PSAB recommendations on financial statement presentation for local governments, trust funds are not included in the Corporation's Consolidated Financial Statements. A summary of trust fund activities by the Corporation is as follows:

	2019	2018
<b>Assets</b>		
<b>Cash and short term investments</b>	<b>\$ 406,419</b>	\$ 386,200
	<b>406,419</b>	386,200
<b>Equity</b>		
<b>Opening balances</b>	<b>386,200</b>	370,678
<b>Contributions</b>	<b>20,219</b>	15,522
	<b>\$ 406,419</b>	\$ 386,200

**10. 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.

	2019	2018
<b>Development Cost Charges</b>		
<b>Opening</b>	<b>\$ 10,168,279</b>	\$ 8,839,639
<b>Contributions</b>	<b>1,497,948</b>	1,148,414
<b>Return on investment</b>	<b>246,666</b>	180,226
<b>Amount spent</b>	<b>(64,000)</b>	-
	<b>\$ 11,848,893</b>	\$ 10,168,279

**11. FEDERAL GAS TAX AGREEMENT FUNDS**

Gas Tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Corporation and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements. Included in the amount received during the year was a one-time payment of \$1,327,987.

	2019	2018
<b>Federal Gas Tax Agreement Funds</b>		
<b>Opening balance of unspent funds</b>	<b>\$ 104,901</b>	\$ 201,114
<b>Add: Amount received during the year</b>	<b>2,632,266</b>	1,327,987
<b>Add: Return on investment</b>	<b>8,865</b>	3,787
<b>Less: Amount spent</b>	<b>(1,104,279)</b>	(1,427,987)
	<b>\$ 1,641,753</b>	\$ 104,901

**12. DEBENTURE DEBT**

The Corporation issues debt instruments through MFA, 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.

	M.F.A. Issue Number	Interest Rate	Maturity Date	Originally Approved	2019 Net Unmatured	2018 Net Unmatured
<b>General Capital Fund</b>						
<b>Maple Bay Fire Hall</b>	95	1.80%	Apr 12, 2025	\$ 1,600,000	<b>\$ 611,818</b>	\$ 702,063
<b>Maple Bay Fire Hall</b>	103	2.65%	Apr 23, 2028	500,000	<b>273,552</b>	298,407
<b>Cowichan Aquatic Ctr</b>	104	2.90%	Nov 20, 2028	15,000,000	<b>8,206,571</b>	8,952,209
<b>Cowichan Aquatic Ctr</b>	106	2.25%	Oct 12, 2029	2,265,500	<b>1,352,082</b>	1,460,367
<b>Duncan Curling Club</b>	N/A	4.00%	Jan 15, 2032	551,500	<b>382,836</b>	406,980
<b>Tier 2 Flood Protection</b>	121	2.90%	Oct 4, 2032	745,475	<b>547,746</b>	579,423
<b>Tier 2 Flood Protection</b>	124	3.15%	Apr 8, 2033	1,000,000	<b>777,253</b>	818,110
<b>Municipal Hall Expansion</b>	126	3.85%	Sep 26, 2033	1,500,000	<b>1,165,880</b>	1,227,166
<b>Stoney Hill Road</b>	131	2.20%	Apr 8, 2040	2,000,000	<b>1,783,571</b>	1,840,501
<b>Tier 4 Flood Protection</b>	137	2.60%	Apr 19, 2036	1,700,000	<b>1,513,273</b>	1,577,668
<b>Tier 4 Flood Protection</b>	141	2.80%	Apr 7, 2037	200,000	<b>184,890</b>	192,557
				27,062,475	<b>16,799,472</b>	18,055,451
<b>Water Capital Fund</b>						
<b>Chemainus</b>	110	4.50%	April 8, 2030	1,750,000	<b>1,128,070</b>	1,208,498
<b>Crofton</b>	106	2.25%	Oct 13, 2029	530,000	<b>316,311</b>	341,644
<b>Chemainus</b>	137	2.60%	Apr 19, 2036	864,000	<b>769,099</b>	801,827
				3,144,000	<b>2,213,480</b>	2,351,969
				<b>\$ 30,206,475</b>	<b>\$ 19,012,952</b>	\$ 20,407,420

**12. DEBENTURE DEBT** (continued)

Future payments on net outstanding debt over the next five years and thereafter are as follows:

	General	Water	Total
<b>Principal repayments:</b>			
<b>2020</b>	\$ 908,437	\$ 107,118	\$ <b>1,015,555</b>
<b>2021</b>	909,461	107,118	<b>1,016,579</b>
<b>2022</b>	910,526	107,118	<b>1,017,644</b>
<b>2023</b>	911,635	107,118	<b>1,018,753</b>
<b>2024</b>	912,789	107,118	<b>1,019,907</b>
<b>Thereafter</b>	5,363,380	808,224	<b>6,171,604</b>
	<u>9,916,228</u>	<u>1,343,814</u>	<u><b>11,260,042</b></u>
<b>Actuarial sinking fund earnings:</b>			
<b>2020</b>	396,666	36,746	<b>433,412</b>
<b>2021</b>	446,691	42,332	<b>489,023</b>
<b>2022</b>	498,676	48,134	<b>546,810</b>
<b>2023</b>	552,699	54,163	<b>606,862</b>
<b>2024</b>	608,839	60,426	<b>669,265</b>
<b>Thereafter</b>	4,379,673	627,865	<b>5,007,538</b>
	<u>6,883,244</u>	<u>869,666</u>	<u><b>7,752,910</b></u>
	<u>\$ 16,799,472</u>	<u>\$ 2,213,480</u>	<u><b>\$ 19,012,952</b></u>

Interest paid during the year was \$936,729 (2018 - \$1,257,163).

**13. COMMITMENTS AND CONTINGENT LIABILITIES**

- a) The Cowichan Valley Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the Corporation and other local governments within the Cowichan Valley Regional District.
- b) Loan agreements with the Cowichan Valley Regional District and the Municipal Finance Authority provide that if at any time the scheduled payments provided for in the agreements are not sufficient to meet the Municipal Finance Authority's obligations in respect to such borrowings; the resulting deficiencies become a liability of the Corporation.
- c) The Corporation has guaranteed a commercial loan to a maximum of \$400,000 to the Duncan-Cowichan Chamber of Commerce. The loan matures January 1, 2025 at an annual interest rate of 3.75%.
- d) The Corporation and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2018 the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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, 2018 indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

The Corporation paid \$1,253,377 (2018 - \$1,196,010) for employer contributions while employees contributed \$1,115,108 (2018 - \$1,048,365) to the Plan in fiscal 2019.

- e) At the end of the year the Corporation was involved in a number of legal actions the outcomes of which are indeterminate at this time. The Corporation carries liability insurance with a current deductible of \$25,000.



**14. ACCUMULATED SURPLUS**

Operating Funds	2019	2018
<b>Unappropriated:</b>		
General	\$ 4,071,994	\$ 3,308,704
Water Systems	4,164,137	3,732,812
Sewer Systems	15,064,228	13,978,592
	<b>23,300,359</b>	21,020,108
<b>Appropriated:</b>		
Reserves for property acquired for taxes	2,341,505	2,341,505
Reserves for future expenditures	10,052,275	9,223,372
Reserve for uncollected taxes	1,295,091	1,295,091
Reserve for Joint Utilities Board	953,434	871,614
	<b>14,642,305</b>	13,731,582
	<b>37,942,664</b>	34,751,690
<b>Capital Funds</b>		
General Capital	197,772,583	197,043,591
Water Capital	31,584,622	31,110,455
Sewer Capital	22,116,948	22,578,450
Joint Utilities Board Capital	1,674,020	1,617,996
	<b>\$ 253,148,173</b>	\$ 252,350,492

**14. ACCUMULATED SURPLUS (continued)**

Reserve Funds	2019	2018
Land Sales	4,217,773	4,146,465
Machinery and Equipment	3,558,998	3,030,045
Local Area Service	1,019,925	882,701
Forest	2,145,499	2,012,439
Park Development	221,194	216,215
Parkland Purchase	553,755	442,143
Chemainus Parking	167,137	155,419
Agriculture	265,031	226,779
Self-Insurance	123,652	120,868
Climate Action and Energy Plan	494,610	398,762
Maple Bay Sewer	91,820	89,753
Cowichan Aquatic Centre	452,426	328,609
Evans Park	171,339	167,483
Fuller Lake Arena	72,537	70,904
Harbours General	41,659	26,743
Harbours Chemainus	391,378	373,800
Mural Protection	39,797	28,931
Gas Tax	1,641,753	104,901
Quamichan Lake	52,511	-
Infrastructure Replacement	1,028,913	761,380
Gravel Pits	523,702	490,996
Affordable Housing	42,918	39,497
	<b>17,318,327</b>	14,114,833
<b>Accumulated Surplus</b>	<b>\$ 308,409,164</b>	\$ 301,217,015





**15. BUDGET DATA**

The budget data presented in these financial statements is based upon the 2019-2023 Financial Plan Bylaw adopted by council May 1, 2019. The chart below reconciles the approved budget to the budget figures reported in these financial statements.

	<b>2019</b>
<b>Financial Plan Bylaw surplus for the year</b>	\$ -
<b>Add back:</b>	
<b>Principal debt repayment</b>	<b>1,086,673</b>
<b>Capital expenditures</b>	<b>35,285,035</b>
<b>Less:</b>	
<b>Amortization</b>	<b>(9,612,200)</b>
<b>Proceeds from borrowing</b>	<b>(10,000,000)</b>
<b>Budgeted transfers to reserve funds</b>	<b>(1,073,559)</b>
<b>Budgeted transfers from accumulated surplus</b>	<b>(10,545,926)</b>
<b>Adjusted Annual Surplus</b>	<b>\$ 5,140,023</b>

**16. JOINT UTILITIES BOARD**

Financial results for the Joint Utilities Board are consolidated into the Corporation's financial statements proportionately based on the units owned by each partner. In 2019, the Corporation's proportion for consolidation purposes was 53.69% (2018 – 53.69%). Condensed financial information for the Joint Utilities Boards is as follows:

	<b>2019</b>	<b>2018</b>
<b>Net Financial Assets</b>	<b>\$ 1,776,069</b>	\$ 1,623,485
<b>Non-Financial Assets</b>	<b>3,118,061</b>	3,013,719
<b>Accumulated Surplus</b>	<b>4,894,130</b>	4,637,204
		-
<b>Revenues</b>	<b>\$ 1,494,661</b>	\$ 1,615,680
<b>Expenses</b>	<b>1,237,735</b>	1,562,450
<b>Annual Surplus</b>	<b>256,926</b>	53,230
<b>North Cowichan Proportionate Share:</b>		
<b>Net Financial Assets</b>	<b>\$ 953,424</b>	\$ 871,614
<b>Non-Financial Assets</b>	<b>1,674,020</b>	1,618,001
<b>Accumulated Surplus</b>	<b>2,627,444</b>	2,489,615
<b>Revenues</b>	<b>\$ 802,452</b>	\$ 867,424
<b>Expenses</b>	<b>664,513</b>	838,845
<b>Annual Surplus</b>	<b>\$ 137,939</b>	\$ 28,579

**16. JOINT UTILITIES BOARD (continued)**

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. The Corporation's proportionate share of the future minimum lease payments is \$212,795 per annum with an estimated annual increase of 2.2%.

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 2019 the Corporation recorded a write up of assets in the amount of \$0 (2018 - \$0).

**17. SEGMENT REPORTING**

The Corporation's operations and activities are organized and reported by fund. Services are provided by departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information, which is outlined in Schedule XI, along with the services they provide as follows:

**General Government Services**

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 the Corporation's infrastructure, including drainage and transportation systems.

**Environmental Health Services**

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

**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.

**Recreation And Culture 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.

**17. SEGMENT REPORTING** (continued)

**Water**

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

**Sewer**

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

**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.

**18. LISTING OF OPERATING EXPENDITURES BY OBJECT TYPE**

The following provides a summary of operating expenses by object:

	2019	2018
<b>Salaries, wages and benefits</b>	<b>\$ 19,350,926</b>	\$ 18,535,062
<b>Contract services</b>	<b>14,008,575</b>	13,055,682
<b>Amortization</b>	<b>9,569,240</b>	9,452,760
<b>Materials and supplies</b>	<b>6,122,027</b>	5,489,563
<b>Interest</b>	<b>936,729</b>	1,257,162
<b>Loss on sale, write downs and transfer of TCA</b>	<b>140,780</b>	80,992
<b>Total expense</b>	<b>\$ 50,128,277</b>	\$ 47,871,221

**19. SUBSEQUENT EVENT**

Since December 31, 2019, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, include travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

In March 2020, the District closed all Municipal recreational facilities, closed the Municipal Hall to the public and moved to essential service provision only in response to the COVID-19 pandemic. Management is currently assessing the risk to the organization and developing plans to respond to those risks. This includes revising financial plans to consider the impacts related to COVID-19 on all areas of the District.

The District has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended December 31, 2019 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time.



# TAXATION

For the year ended December 31, 2019

## SCHEDULE I

	2019 BUDGET	2019	2018
<b>Municipal Purposes:</b>			
General taxation	\$ 30,020,821	\$ 30,011,990	\$ 28,743,000
Business Improvement Area	104,300	106,940	104,361
Local Area Service	95,348	95,348	95,348
Utilities	1,065,500	1,065,554	985,116
Grants-in-lieu of taxes	250,720	241,416	251,102
Water systems	2,061,757	2,051,052	1,959,150
Sewer systems	2,551,473	2,530,776	2,451,045
<b>Total Municipal Taxes</b>	<b>36,149,919</b>	<b>36,103,076</b>	<b>34,589,122</b>
<b>Collections for Other Governments:</b>			
School	12,241,000	12,286,609	11,892,401
Cowichan Valley Regional Hospital District	3,738,000	3,703,379	3,394,360
Cowichan Valley Regional District	7,792,000	8,750,061	8,120,734
BC Assessment	359,000	345,836	332,048
Municipal Finance Authority	1,100	1,469	1,312
<b>Total Collections for Other Governments</b>	<b>24,131,100</b>	<b>25,087,354</b>	<b>23,740,855</b>
	60,281,019	61,190,430	58,329,977
Deduct: requisitions remitted to other taxing authorities	(24,131,100)	(25,087,354)	(23,740,855)
<b>Total Taxes Levied</b>	<b>\$ 36,149,919</b>	<b>\$ 36,103,076</b>	<b>\$ 34,589,122</b>

# SALES OF SERVICES

For the year ended December 31, 2019

## SCHEDULE II

	2019 BUDGET	2019	2018
General government service	\$ 121,500	\$ 125,935	\$ 178,688
Protective services	247,336	248,164	253,012
Fire protection	199,338	219,387	203,413
Engineering and public works	275,941	343,629	334,745
Residential garbage - municipal	1,263,840	1,304,755	1,225,360
Forestry	1,382,660	1,609,091	1,463,809
Cowichan Aquatic Centre	2,020,895	2,054,025	1,993,623
Fuller Lake Arena	300,520	268,877	284,575
Other recreation	57,300	62,172	75,809
Wharves	232,020	219,880	220,445
Miscellaneous	115,461	103,802	115,851
Cemetery	124,740	139,804	113,700
Water	2,528,965	2,892,951	2,811,020
Sewer	1,695,505	1,933,159	1,762,830
	\$ 10,566,021	\$ 11,525,631	\$ 11,036,880

# OTHER REVENUE FROM OWN SOURCES

For the year ended December 31, 2019

## SCHEDULE III

	2019 BUDGET	2019	2018
Licences and permits	\$ 943,709	\$ 1,278,595	\$ 1,149,627
Tax penalties and interest	330,000	370,615	338,034
Fines	4,500	8,320	4,202
Rentals	285,304	295,395	299,141
Water	10,059	11,167	11,373
	\$ 1,573,572	\$ 1,964,092	\$ 1,802,377

# GRANTS AND GOVERNMENT TRANSFERS

For the year ended December 31, 2019

## SCHEDULE IV

	2019 BUDGET	2019	2018
<b>Operating Grants</b>			
Traffic fines revenue	\$ 270,000	\$ 254,242	\$ 271,673
Other grants	312,070	237,770	83,331
	582,070	492,012	355,004
<b>Capital Grants</b>			
Fuel tax	3,705,000	2,632,266	1,327,987
<b>Infrastructure Grants (Prov/Fed)</b>			
Water	287,430	120,039	1,077,668
Sewer	667,000	-	-
Other	1,067,200	-	-
	2,021,630	120,039	1,077,668
<b>Provincial and Other Grants</b>			
ICBC grants	20,000	42,600	14,300
	20,000	42,600	14,300
	\$ 6,328,700	\$ 3,286,917	\$ 2,774,959

# GENERAL GOVERNMENT SERVICES

For the year ended December 31, 2019

## SCHEDULE V

	2019 BUDGET	2019	2018
Legislative	\$ 322,068	\$ 350,358	\$ 255,952
Administrative	2,473,006	2,341,553	1,905,534
Financial services	2,735,462	2,711,414	2,399,104
Common services	999,958	1,044,939	814,284
Miscellaneous	158,290	124,858	282,370
Administration recoveries	(794,920)	(794,940)	(760,304)
Interest	57,750	57,750	57,750
Amortization	219,540	207,744	221,991
	\$ 6,171,154	\$ 6,043,676	\$ 5,176,681



# PROTECTIVE SERVICES

For the year ended December 31, 2019

## SCHEDULE VI

	2019 BUDGET	2019	2018
<b>Police protection:</b>			
R.C.M.P. contract	\$ 5,417,129	\$ 4,993,901	\$ 4,617,418
Municipal employees	1,489,395	1,459,929	1,461,757
Crime prevention	7,450	7,100	7,100
Building maintenance	241,090	300,581	310,324
Bylaw enforcement	331,636	405,195	218,469
	7,486,700	7,166,706	6,615,068
<b>Fire protection:</b>			
General fire protection	238,198	200,490	108,006
Chemainus fire hall	333,576	335,557	375,915
Crofton fire hall	296,370	346,917	315,438
Maple Bay fire hall	302,815	365,115	303,662
South End fire hall	435,780	433,023	416,715
	1,606,739	1,681,102	1,519,736
<b>Other protection:</b>			
Building and plumbing inspections	492,576	462,317	588,413
Animal control	173,550	154,171	150,992
Weed control	3,240	2,973	7,357
Mosquito control	20,000	17,404	18,547
	689,366	636,865	765,309
Interest	136,050	42,050	45,160
Amortization	498,690	488,289	504,251
	634,740	530,339	549,411
	\$ 10,417,545	\$ 10,015,012	\$ 9,449,524

# ENGINEERING AND PUBLIC WORKS

For the year ended December 31, 2019

## SCHEDULE VII

	2019 BUDGET	2019	2018
Administration	\$ 1,673,582	\$ 1,464,507	\$ 1,099,249
Small tools and equipment	55,810	56,330	55,958
Workshop and yard maintenance	185,104	207,342	200,658
Roads - construction	226,595	67,863	437,683
Roadway and surfaces maintenance	1,527,767	1,224,265	1,206,828
Snow and ice removal	376,115	606,540	288,736
Bridge - maintenance	5,800	11,085	2,267
Street lighting	461,090	479,307	486,945
Signs and line painting	326,380	332,055	334,078
Drainage	716,082	577,846	658,890
Sidewalk maintenance	20,390	4,088	8,472
Other transportation	279,020	341,986	177,498
Administration recoveries	(611,680)	(578,044)	(367,048)
Interest	146,920	146,919	146,919
Amortization	5,292,690	5,398,045	5,351,727
	\$ 10,681,665	\$ 10,340,134	\$ 10,088,860



# ENVIRONMENTAL HEALTH SERVICES

For the year ended December 31, 2019

## SCHEDULE VIII

	2019 BUDGET	2019	2018
Garbage collection and recycling	\$ 1,117,486	\$ 1,316,239	\$ 1,102,804
Cemetery	149,420	173,935	172,982
Energy Manager	159,762	134,211	94,832
Energy Upgrades Buildings	132,000	45,762	52,479
Amortization	88,840	75,921	89,831
	<b>\$ 1,647,508</b>	<b>\$ 1,746,068</b>	\$ 1,512,928

# RECREATION AND CULTURAL SERVICES

For the year ended December 31, 2019

## SCHEDULE IX

	2019 BUDGET	2019	2018
Administration	\$ 193,329	\$ 142,307	\$ 126,643
Crofton swimming pool	73,773	71,667	81,440
Cowichan Aquatic Centre	3,793,240	3,897,481	3,635,336
Fuller Lake Arena	977,410	962,470	1,040,223
Parks common services	59,840	69,119	66,482
Community recreation program	119,210	136,013	105,044
Chemainus parks and playgrounds	461,198	408,623	421,194
Crofton parks and playgrounds	207,287	198,253	193,086
South End parks and playgrounds	1,275,545	1,303,538	1,313,422
Wharves	165,210	163,995	157,358
Library	1,485,123	1,485,124	1,425,076
Grants-in-aid	220,630	218,099	254,026
Interest	544,405	535,144	844,900
Amortization	1,149,930	1,208,922	1,162,760
	<b>\$ 10,726,130</b>	<b>\$ 10,800,755</b>	\$ 10,826,990



# TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2019

## SCHEDULE X

	COST				BALANCE December 31, 2019	ACCUMULATED AMORTIZATION			BALANCE December 31, 2019	NET BOOK VALUE	
	BALANCE December 31, 2018	2019 Additions	2019 Disposals	2019 Write-downs		BALANCE December 31, 2018	2019 Additions	2019 Disposals		2018	2019
Land	\$ 43,876,297	\$ 2,041,521	-	\$ -	\$ 45,917,818	\$ -	\$ -	\$ -	\$ -	\$ 43,876,297	\$ 45,917,818
Land Improvements	13,466,271	590,632	19,500	-	14,037,403	5,758,638	619,732	19,500	6,358,870	7,707,633	7,678,533
Buildings	47,523,531	664,548	8,030	-	48,180,049	19,066,091	1,205,013	8,030	20,263,074	28,457,440	27,916,975
Engineering Structures	290,693,749	5,235,417	54,884	-	295,874,282	123,749,894	5,902,716	47,059	129,605,551	166,943,855	166,268,731
Machinery & Equipment	41,430,771	4,224,555	481,208	-	45,174,118	22,374,523	1,841,780	466,754	23,749,549	19,056,248	21,424,569
Work In Progress	6,121,304	1,479,490	5,116,617	124,817	2,359,360	-	-	-	-	6,121,304	2,359,360
	\$ 443,111,923	\$ 14,236,163	\$ 5,680,239	\$ 124,817	\$ 451,543,030	\$ 170,949,146	\$ 9,569,240	\$ 541,343	\$ 179,977,044	\$ 272,162,777	\$ 271,565,986



# OPERATIONS BY SEGMENT

For the year ended December 31, 2019

## SCHEDULE XI

	General government services	Protective services	Engineering and public works	Environmental health services	Forestry services	Community development	Recreation and cultural services	Water	Sewer	Reserve Funds	Capital	Consolidated
<b>Revenues</b>												
Taxation	\$ 5,114,966	\$ 8,827,164	\$ 5,251,432	\$ 181,489	\$ -	\$ 1,005,683	\$ 8,066,153	\$ 2,051,052	\$ 2,530,776	\$ 1,815,696	\$ 1,258,665	\$ 36,103,076
Sales of services	229,737	467,551	343,629	1,444,559	1,609,091	-	2,604,954	2,892,951	1,933,159	-	-	11,525,631
Other revenue from own sources	396,895	1,183,727	246,224	-	-	112,762	13,317	11,167	-	-	-	1,964,092
Return on investments	116,927	201,785	120,045	4,149	-	22,989	184,389	85,831	322,540	343,235	-	1,401,890
Grants and government transfers	-	269,291	2,713,817	-	-	155,700	28,070	120,039	-	-	-	3,286,917
Collections from developers and others	-	-	-	-	-	-	-	-	-	-	2,595,164	2,595,164
Actuarial adjustments to debt	10,913	39,492	24,005	-	-	-	274,117	31,370	-	-	-	379,897
Net gain on sale of tangible capital assets	-	-	63,759	-	-	-	-	-	-	-	-	63,759
	5,869,438	10,989,010	8,762,911	1,630,197	1,609,091	1,297,134	11,171,000	5,192,410	4,786,475	2,158,931	3,853,829	57,320,426
<b>Expenses</b>												
Salaries, wages and benefits	4,547,593	3,251,099	2,831,887	570,762	332,630	908,098	4,787,989	1,285,213	835,654	-	-	19,350,926
Contract services	1,264,504	5,544,032	1,176,455	747,389	900,958	186,414	2,428,118	631,014	1,129,691	-	-	14,008,575
Materials and supplies	(33,915)	689,542	786,828	351,996	83,747	74,285	1,840,582	1,485,291	843,671	-	-	6,122,027
Amortization	207,744	488,289	5,398,045	75,921	11,214	-	1,208,922	1,080,192	1,098,914	-	-	9,569,240
Interest	57,750	42,050	146,919	-	-	-	535,144	131,199	23,667	-	-	936,729
<b>Expenditures before losses, write downs and transfers</b>	6,043,676	10,015,012	10,340,134	1,746,068	1,328,549	1,168,797	10,800,755	4,612,909	3,931,597	-	-	49,987,497
Loss on sale, write downs and transfer of TCA	-	-	60,380	-	-	-	31,490	1,919	46,991	-	-	140,780
	6,043,676	10,015,012	10,400,514	1,746,068	1,328,549	1,168,797	10,832,245	4,614,828	3,978,588	-	-	50,128,277
	(174,238)	973,998	(1,637,603)	(115,871)	280,542	128,337	338,755	577,582	807,887	2,158,931	3,853,829	7,192,149
<b>Excess of revenues over expenses</b>	<b>\$ (174,238)</b>	<b>\$ 973,998</b>	<b>\$ (1,637,603)</b>	<b>\$ (115,871)</b>	<b>\$ 280,542</b>	<b>\$ 128,337</b>	<b>\$ 338,755</b>	<b>\$ 577,582</b>	<b>\$ 807,887</b>	<b>\$ 2,158,931</b>	<b>\$ 3,853,829</b>	<b>\$ 7,192,149</b>



# OPERATIONS BY SEGMENT

For the year ended December 31, 2018

## SCHEDULE XI

	General government services	Protective services	Engineering and public works	Environmental health services	Forestry services	Community development	Recreation and cultural services	Water	Sewer	Reserve Funds	Capital	Consolidated
<b>Revenues</b>												
Taxation	\$ 3,875,561	\$ 7,577,920	\$ 5,314,970	\$ 131,220	\$ -	\$ 893,833	\$ 7,494,928	\$ 1,959,150	\$ 2,451,045	\$ 1,479,299	\$ 3,411,196	\$ 34,589,122
Sales of services	294,539	456,425	334,745	1,339,060	1,463,809	-	2,574,452	2,811,020	1,762,830	-	-	11,036,880
Other revenue from own sources	377,105	1,067,825	189,702	-	-	152,232	4,140	11,373	-	-	-	1,802,377
Return on investments	76,896	150,355	105,455	2,604	-	17,735	148,708	73,858	263,876	231,373	-	1,070,860
Grants and government transfers	-	294,173	1,175,025	-	-	-	28,093	1,277,668	-	-	-	2,774,959
Collections from developers and others	-	-	-	-	-	-	-	-	-	-	4,230,918	4,230,918
Actuarial adjustments to debt	8,556	35,484	16,889	-	-	-	241,274	26,196	-	-	-	328,399
Net gain on sale of tangible capital assets	-	-	2,561,425	-	-	-	-	-	-	-	-	2,561,425
	4,632,657	9,582,182	9,698,211	1,472,884	1,463,809	1,063,800	10,491,595	6,159,265	4,477,751	1,710,672	7,642,114	58,394,940
<b>Expenses</b>												
Salaries, wages and benefits	4,235,876	3,033,513	2,804,261	500,421	408,285	843,129	4,696,068	1,280,647	732,861	-	-	18,535,061
Contract services	851,776	5,139,116	1,171,931	579,216	674,540	382,913	2,419,627	676,585	1,159,978	-	-	13,055,682
Materials and supplies	(190,712)	727,484	614,022	343,460	91,907	69,549	1,703,635	1,380,061	750,158	-	-	5,489,564
Amortization	221,991	504,251	5,351,727	89,831	10,424	-	1,162,760	1,041,085	1,070,690	-	-	9,452,759
Interest	57,750	45,160	146,919	-	-	-	844,900	136,142	26,292	-	-	1,257,163
<b>Expenditures before losses, write downs and transfers</b>	5,176,681	9,449,524	10,088,860	1,512,928	1,185,156	1,295,591	10,826,990	4,514,520	3,739,979	-	-	47,790,229
Loss on sale, write downs and transfer of TCA	-	-	65,262	-	-	-	-	4,232	11,498	-	-	80,992
	5,176,681	9,449,524	10,154,122	1,512,928	1,185,156	1,295,591	10,826,990	4,518,752	3,751,477	-	-	47,871,221
<b>Excess of revenues over expenses</b>	<b>\$ (544,024)</b>	<b>\$ 132,658</b>	<b>\$ (455,911)</b>	<b>\$ (40,044)</b>	<b>\$ 278,653</b>	<b>\$ (231,791)</b>	<b>\$ (335,395)</b>	<b>\$ 1,640,513</b>	<b>\$ 726,274</b>	<b>\$ 1,710,672</b>	<b>\$ 7,642,114</b>	<b>\$ 10,523,719</b>



**Duncan - North Cowichan  
Joint Utilities Board**

**FINANCIAL  
STATEMENTS**

(Audited) December 31, 2019



# STATEMENT OF RESPONSIBILITY

The accompanying consolidated financial statements are the responsibility of the management of the Duncan - North Cowichan Joint Utilities Board and have been prepared in compliance with legislation, and 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.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative control designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The North Cowichan Municipal Council met with management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters before approving the financial statements.

Grant Thornton LLP, as the Duncan - North Cowichan Joint Utilities Board's appointed external auditors, has audited the financial statements. The Auditor's report is addressed to the Duncan - North Cowichan Joint Utilities Board and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the Duncan - North Cowichan Joint Utilities Board in accordance with Canadian public sector accounting standards.

Mark Frame  
General Manager,  
Financial and Protective Services  
May 6, 2020

## Independent auditor's report

To the Duncan – North Cowichan Joint Utilities Board

### Opinion

We have audited the financial statements of the Duncan - North Cowichan Joint Utilities Board ("the Partnership"), which comprise the statement of financial position as at December 31, 2019, the statement of operations for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Duncan - North Cowichan Joint Utilities Board as at December 31, 2019, and the results of operations for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Partnership 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 these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Partnership or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership'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 Partnership'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 Partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Duncan, Canada  
May 6, 2020

Chartered Professional Accountants

# STATEMENT OF FINANCIAL POSITION

As at December 31, 2019, with comparative figures for 2018

	2019 ACTUAL	2018 ACTUAL
<b>Financial Assets</b>		
Investments (Notes 3 and 5)	\$ 4,343,491	\$ 4,145,875
<b>Financial Liabilities</b>		
Unearned revenue	2,567,422	2,522,390
<b>Net Financial Assets</b>	<b>1,776,069</b>	1,623,485
<b>Non-Financial Assets</b>		
Tangible capital assets (Schedule I)	3,118,061	3,013,719
<b>Accumulated Surplus</b>	<b>\$ 4,894,130</b>	\$ 4,637,204

Approved by:



M. Frame  
General Manager, Financial and Protective Services

See accompanying notes to the financial statements.

# STATEMENT OF OPERATIONS

As at December 31, 2019, with comparative figures for 2018

	2019 BUDGET	2019 ACTUAL	2018 ACTUAL
<b>Revenues</b>			
The Corporation of the District of North Cowichan	\$ 839,971	\$ 757,977	\$ 733,815
The Corporation of the City of Duncan	501,752	447,810	434,964
Cowichan Valley Regional District	210,237	221,087	213,606
Cowichan Tribes	30,394	30,402	29,791
Return on investments	-	37,385	27,880
Grants and government transfers	667,000	-	175,624
	2,249,354	1,494,661	1,615,680
<b>Expenses</b>			
Administration	42,950	59,765	57,670
Amortization	-	89,849	89,849
Sewer lagoon operations and maintenance	1,091,204	1,088,121	1,414,928
	1,134,154	1,237,735	1,562,447
<b>Annual Surplus</b>	\$ 1,115,200	256,926	53,233
<b>Accumulated surplus, beginning of year</b>	4,637,204	4,637,204	4,583,971
<b>Accumulated surplus, end of year</b>	\$ 5,752,404	\$ 4,894,130	\$ 4,637,204

See accompanying notes to the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

## 1. SUMMARY OF OPERATIONS

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.

## 2. SIGNIFICANT ACCOUNTING POLICIES

It is the Board's policy to follow Canadian public sector accounting standards and to apply such principles consistently. The following is a summary of the Board's significant policies:

### 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 the delivery of goods or services and/or upon 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) REVENUE RECOGNITION

- i) Contributions from partners are recognized when invoiced.
- ii) Government transfers are recognized 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.

### c) CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on deposit in qualifying institutions as defined in the community charter.

### d) USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian generally accepted accounting principles as recommended by PSAB requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the reporting period. A significant area requiring the use of management estimates relate to the determination of amortization of capital assets. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### e) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

### f) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are recorded at their estimated fair value upon acquisition. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	15 to 50 years
Engineering Structures	10 to 60 years
Machinery & 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.

## 3. INVESTMENTS

Investments are carried at cost, which at December 31, 2019, would approximate market value. The balance of investments has been internally restricted by the Board and is to be expended in accordance with the terms of the reserve for capital expenditure.

## 4. OPERATING LEASE

The Board leased the sewage lagoon lands under an operating lease which expires July 31, 2060. Future minimum lease payments are \$396,340 per annum with an estimated annual increase of 2.2%.

## 5. FINANCIAL INSTRUMENTS

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

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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

**6. 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:

	2019	2018
<b>Balances, beginning of year</b>	<b>\$ 1,623,485</b>	\$ 1,480,404
<b>Add: transfers from current operations</b>	<b>152,584</b>	143,081
<b>Balance, end of year</b>	<b>\$ 1,776,069</b>	\$ 1,623,485

**7. LISTING OF OPERATING EXPENDITURES BY OBJECT TYPE**

The following provides a summary of operating expenses by object:

	2019	2018
<b>Salaries, wages and benefits</b>	<b>\$ 210,872</b>	\$ 171,670
<b>Contract services</b>	<b>37,420</b>	350,452
<b>Amortization</b>	<b>89,849</b>	89,849
<b>Materials and supplies</b>	<b>520,133</b>	524,679
<b>Land rent</b>	<b>379,461</b>	425,797
<b>Total expense</b>	<b>\$ 1,237,735</b>	\$ 1,562,447

**8. STATEMENT OF CASH FLOWS**

A statement of cash flows has not been prepared as it is not considered to provide any additional information.



# TANGIBLE CAPITAL ASSETS

For the year ended December 31, 2019

## SCHEDULE I

	COST				BALANCE December 31, 2019	ACCUMULATED AMORTIZATION			NET BOOK VALUE		
	BALANCE December 31, 2018	2019 Additions	2019 Disposals	2019 Write-downs		BALANCE December 31, 2018	2019 Additions	2019 Disposals	BALANCE December 31, 2019	2018	2019
Buildings	\$ 192,388	\$ -	\$ -	\$ -	\$ 192,388	\$ 5,211	\$ 4,810	\$ -	\$ 10,021	\$ 187,177	\$ 182,367
Engineering Structures	2,485,490	-	-	-	2,485,490	327,256	49,710	-	376,966	2,158,234	2,108,524
Machinery & Equipment	706,581	-	-	-	706,581	38,273	35,329	-	73,602	668,308	632,979
Work In Progress	-	194,191	-	-	194,191	-	-	-	-	-	194,191
	\$ 3,384,459	\$ 194,191	\$ -	\$ -	\$ 3,578,650	\$ 370,740	\$ 89,849	\$ -	\$ 460,589	\$ 3,013,719	\$ 3,118,061







# STATISTICAL INFORMATION

Five-Year Statistical Review 2015-2019

# TAXABLE ASSESSMENTS OF LAND AND IMPROVEMENTS

(in thousands)

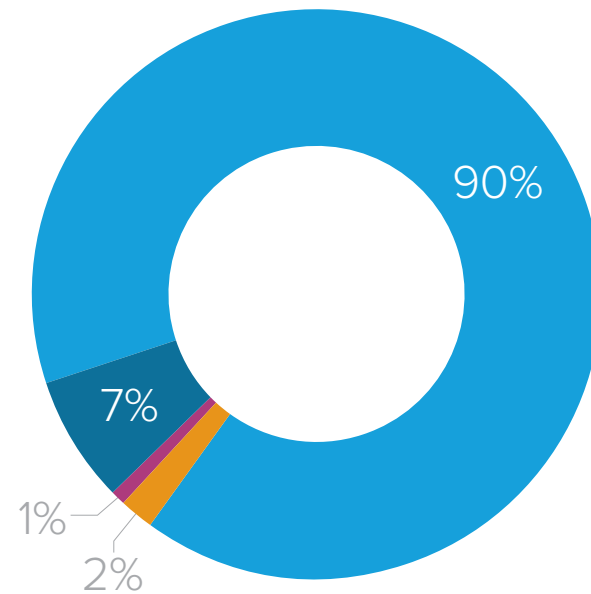
Property Class	2015	2016	2017	2018	2019
Residential	\$ 3,722,536	\$ 3,828,667	\$ 4,210,437	\$ 4,796,482	\$ 5,550,950
Utilities	4,683	4,898	4,945	5,074	6,711
Major Industry	134,286	134,226	138,082	140,525	144,613
Light Industry	50,327	49,346	50,965	55,577	62,067
Business	336,459	347,478	381,765	416,935	415,602
Managed Forest	2,201	2,436	2,665	2,956	3,299
Recreation	17,405	16,892	18,044	16,389	17,328
Farm	8,352	8,401	8,605	8,805	8,795
	<b>\$ 4,276,249</b>	<b>\$ 4,392,344</b>	<b>\$ 4,815,508</b>	<b>\$ 5,442,743</b>	<b>\$ 6,209,365</b>

# TAX REVENUE BY PROPERTY CLASS

Property Class	2015	2016	2017	2018	2019
Residential	\$ 16,990,317	\$ 17,719,680	\$ 18,581,552	\$ 19,349,627	\$ 20,237,836
Utilities	166,089	178,185	184,022	188,430	200,314
Major Industry	3,982,720	4,099,828	4,221,578	4,336,947	4,473,299
Light Industry	1,063,172	930,383	929,968	923,638	983,708
Business	3,347,424	3,536,949	3,694,795	3,796,950	3,974,130
Managed Forest	43,497	45,476	45,153	45,603	47,333
Recreation	54,998	63,172	66,083	66,121	63,183
Farm	36,604	37,496	37,992	35,684	32,187
	<b>\$ 25,684,821</b>	<b>\$ 26,611,169</b>	<b>\$ 27,761,143</b>	<b>\$ 28,743,000</b>	<b>\$ 30,011,990</b>

## 2019 Assessment by Property Class

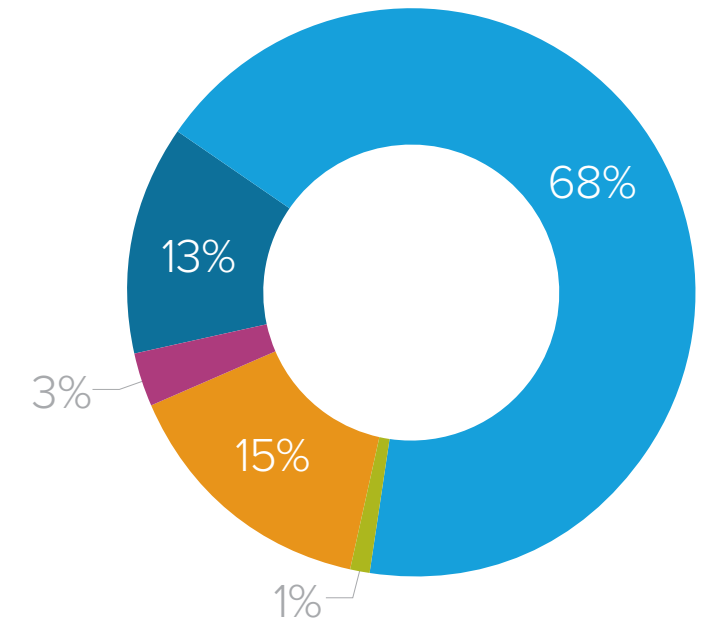
- Residential
- Utilities 0%
- Major Industry
- Light Industry
- Business
- Managed Forest 0%
- Recreation 0%
- Farm 0%



Source: North Cowichan Financial Services

## 2019 Tax Revenue by Property Class

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



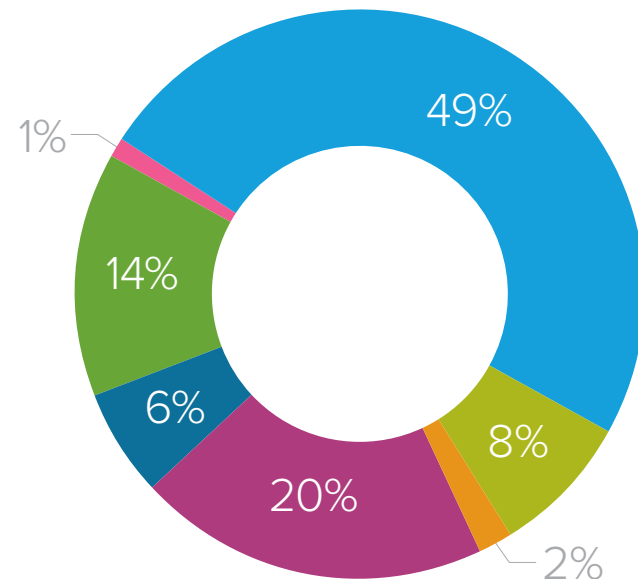
Source: North Cowichan Financial Services

# PROPERTY TAX LEVIED AND COLLECTED

	2015	2016	2017	2018	2019
Municipal Taxes	\$ 25,684,821	\$ 26,611,169	\$ 27,761,143	\$ 28,743,000	\$ 30,011,990
Parcel Taxes	4,067,800	4,298,945	4,411,862	4,609,904	4,784,116
Utility Taxes and Grants in Lieu	1,191,734	1,237,191	1,240,958	1,236,218	1,306,970
Provincial School Taxes	12,214,842	11,940,758	11,697,782	11,892,401	12,286,609
Cowichan Valley Regional Hospital District	2,823,891	3,128,740	3,122,486	3,394,360	3,703,379
Cowichan Valley Regional District	7,090,899	7,341,902	7,827,059	8,120,734	8,750,061
BC Assessment	363,022	346,992	320,973	332,048	345,836
Municipal Finance Authority	1,050	1,078	1,176	1,312	1,469
	<b>\$ 53,438,059</b>	<b>\$ 54,906,775</b>	<b>\$ 56,383,439</b>	<b>\$ 58,329,977</b>	<b>\$ 61,190,430</b>
Total Current Taxes Levied	\$ 53,438,059	\$ 54,906,775	\$ 56,383,439	\$ 58,329,977	\$ 61,190,430
Total Current Taxes Collected	51,995,426	53,498,333	55,203,987	57,052,819	59,868,904
Outstanding	\$ 1,442,633	\$ 1,408,442	\$ 1,179,452	\$ 1,277,158	\$ 1,321,526
Percentage Collected	97.3%	97.4%	97.9%	97.8%	97.8%

## 2019 Property Tax by Type

- Municipal Taxes
- Parcel Taxes
- Utility Taxes and Grants in Lieu
- Provincial School Taxes
- Cowichan Valley Regional Hospital District
- Cowichan Valley Regional District
- BC Assessment
- Municipal Finance Authority 0%



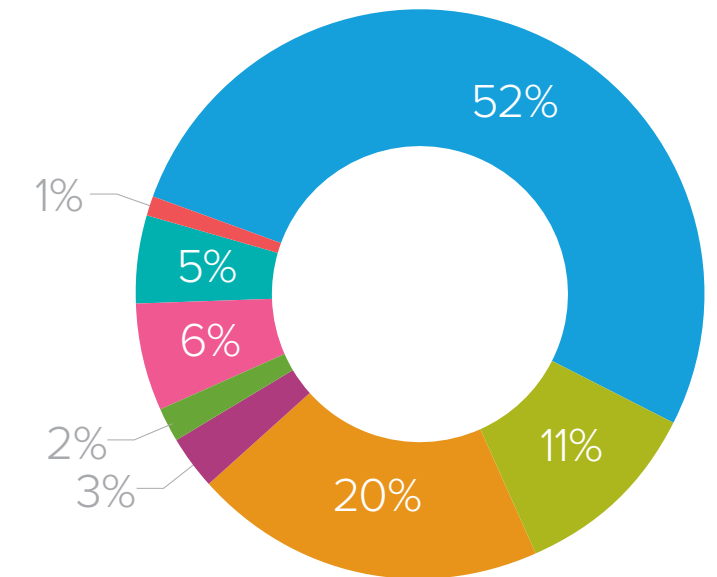
Source: North Cowichan Financial Services

# SOURCES OF REVENUE

	2015	2016	2017	2018	2019
General Taxation	\$ 25,684,821	\$ 26,611,169	\$ 27,761,143	\$ 28,743,000	\$ 30,011,990
Other Taxation	5,259,534	5,536,136	5,652,820	5,846,122	6,091,086
Sales of Services	9,934,036	10,315,697	10,765,559	11,036,880	11,525,631
Other Revenue from Own Source	1,290,799	2,446,109	3,364,980	1,802,377	1,964,092
Net Gain on Sale	-	-	-	2,561,425	63,759
Return on Investment	537,184	482,739	490,440	1,070,860	1,401,890
Grants	3,044,440	4,915,296	3,417,282	2,774,959	3,286,917
Developer & Other	1,445,735	1,847,256	1,551,330	4,230,918	2,595,164
Actuarial Adjustment to Debt	318,574	367,322	368,446	328,399	379,897
	<b>\$ 47,515,123</b>	<b>\$ 52,521,724</b>	<b>\$ 53,372,000</b>	<b>\$ 58,394,940</b>	<b>\$ 57,320,426</b>

## 2019 Sources of Revenue

- General Taxation
- Other Taxation
- Sales of Services
- Other Revenue from Own Source
- Net Gain on Sale 0%
- Return on Investment
- Grants
- Developer & Other
- Actuarial Adjustment to Debt

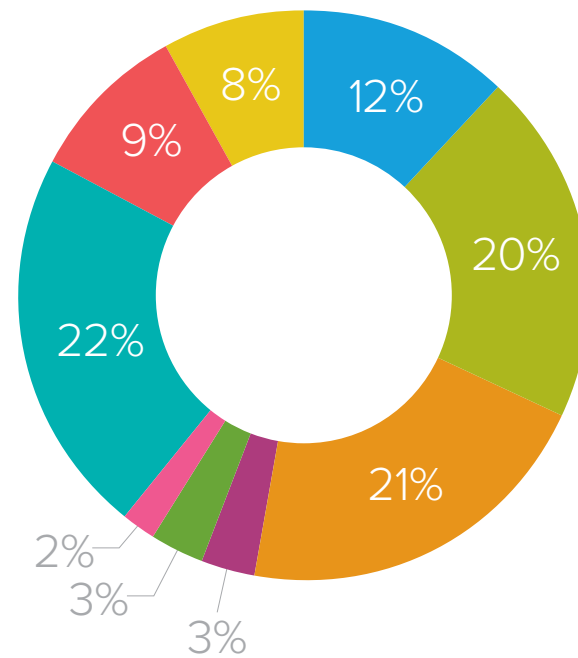
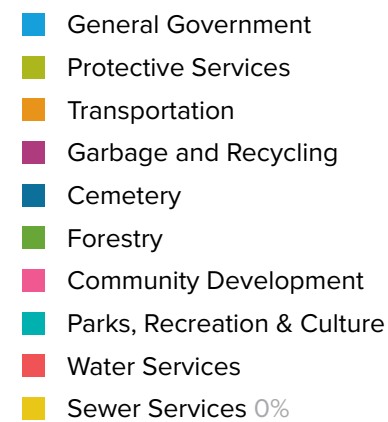


Source: North Cowichan Financial Services

## EXPENSES BY FUNCTION

	2015	2016	2017	2018	2019
General Government	\$ 3,524,570	\$ 3,900,171	\$ 4,640,908	\$ 5,176,681	\$ 6,043,676
Protective Services	8,204,382	9,094,204	9,017,816	9,449,524	10,015,012
Transportation	9,560,297	9,943,610	10,724,931	10,154,122	10,400,514
Garbage and Recycling	1,216,257	1,283,764	1,288,498	1,339,946	1,572,133
Cemetery	146,198	135,551	148,941	172,982	173,935
Forestry	1,293,708	1,154,654	1,116,165	1,185,156	1,328,549
Community Development	1,101,461	928,399	1,031,805	1,295,591	1,168,797
Parks, Recreation & Culture	10,620,440	10,855,716	11,009,482	10,826,990	10,832,245
Water Services	3,991,686	4,057,931	4,395,652	4,518,752	4,614,828
Sewer Services	3,692,865	3,591,150	3,455,356	3,751,477	3,978,588
	<b>\$ 43,351,864</b>	<b>\$ 44,945,150</b>	<b>\$ 46,829,554</b>	<b>\$ 47,871,221</b>	<b>\$ 50,128,277</b>

### 2019 Expenses by Function

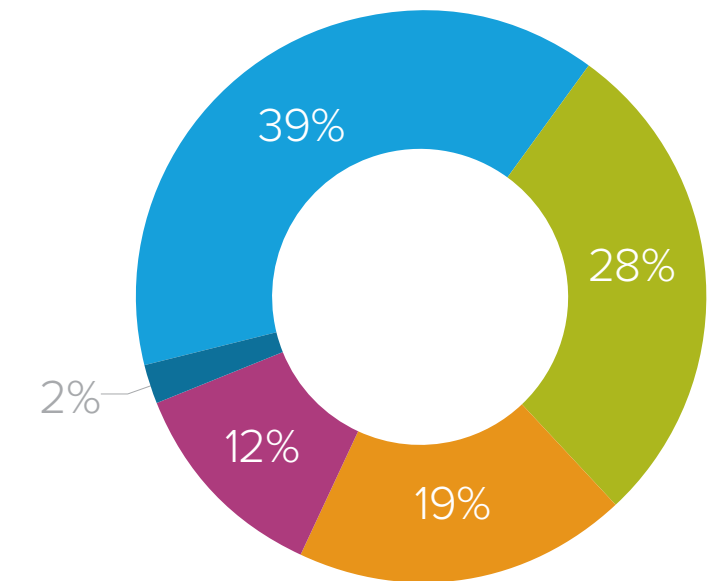
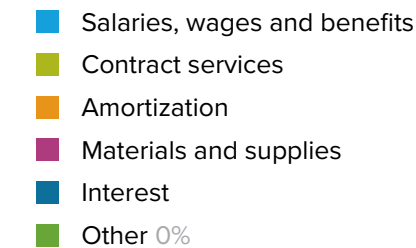


Source: North Cowichan Financial Services

## EXPENSES BY OBJECT

	2015	2016	2017	2018	2019
Salaries, wages and benefits	\$ 16,055,345	\$ 16,942,613	\$ 17,515,182	\$ 18,535,062	\$ 19,350,926
Contract services	12,160,941	11,933,440	12,569,146	13,055,682	14,008,575
Amortization	8,678,052	8,954,565	9,048,503	9,452,760	9,569,240
Materials and supplies	4,837,885	5,579,720	6,188,939	5,489,563	6,122,027
Interest	1,393,717	1,402,564	1,334,321	1,257,162	936,729
Other	225,924	132,248	173,463	80,992	140,780
	<b>\$ 43,351,864</b>	<b>\$ 44,945,150</b>	<b>\$ 46,829,554</b>	<b>\$ 47,871,221</b>	<b>\$ 50,128,277</b>

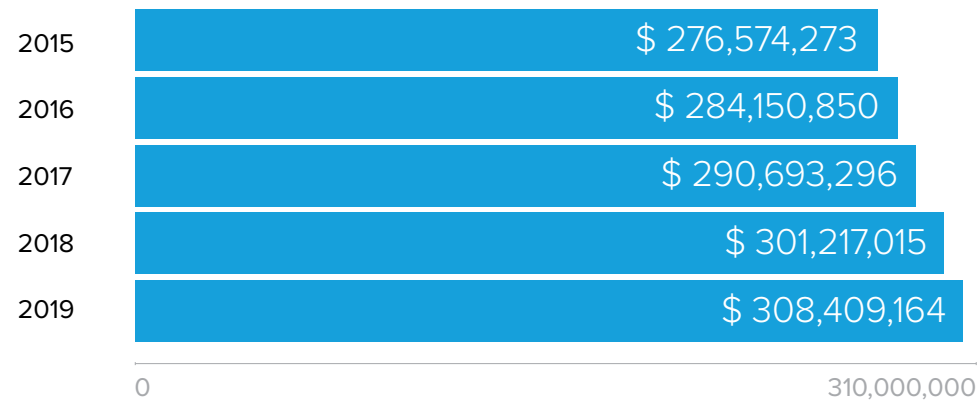
### 2019 Expenses by Object



Source: North Cowichan Financial Services

# ACCUMULATED SURPLUS

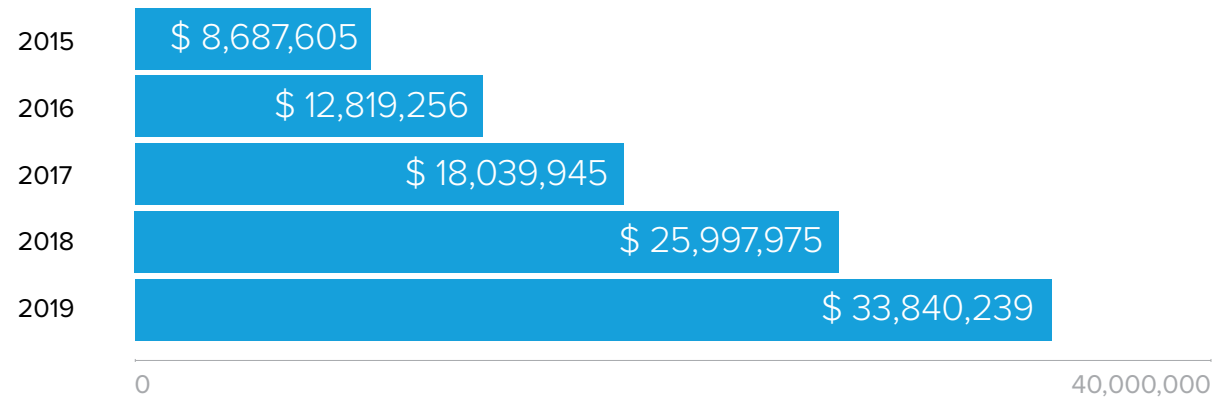
	2015	2016	2017	2018	2019
Accumulated Surplus	\$ 276,574,273	\$ 284,150,850	\$ 290,693,296	\$ 301,217,015	\$ 308,409,164
Annual Surplus	\$ 4,163,259	\$ 7,576,574	\$ 6,542,446	\$ 10,523,719	\$ 7,192,149



Source: North Cowichan Financial Services

# NET FINANCIAL ASSETS

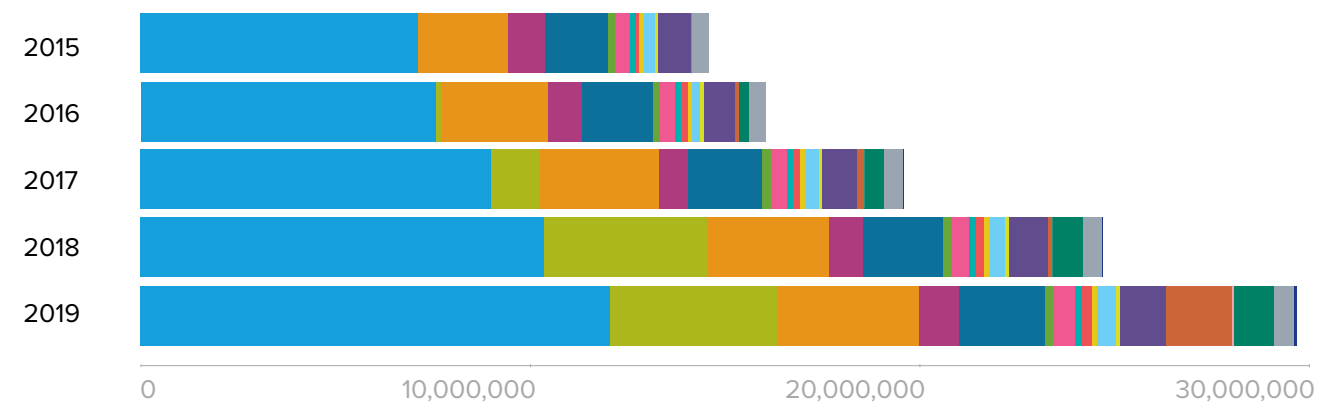
	2015	2016	2017	2018	2019
Net Financial Assets	\$ 8,687,605	\$ 12,819,256	\$ 18,039,945	\$ 25,997,975	\$ 33,840,239



Source: North Cowichan Financial Services

# RESERVE FUND BALANCES

	2015	2016	2017	2018	2019
DCC Restricted Reserves	\$ 6,989,093	\$ 7,440,263	\$ 8,839,639	\$ 10,168,279	\$ 11,848,893
Land Sales	-	138,257	1,232,543	4,146,465	4,217,773
Machinery and Equipment	2,274,357	2,675,089	2,982,186	3,030,045	3,558,998
Local Area Service	938,331	881,380	752,833	882,701	1,019,925
Forest	1,571,361	1,773,911	1,864,667	2,012,439	2,145,499
Park Development	195,792	197,931	212,218	216,215	221,194
Parkland Purchase	373,298	377,377	405,359	442,143	553,755
Chemainus Parking	149,743	151,379	152,547	155,419	167,137
Agriculture	80,953	161,894	193,142	226,779	265,031
Self-Insurance	116,454	117,726	118,634	120,868	123,652
Climate Action & Energy Plan	279,395	197,966	348,593	398,762	494,610
Maple Bay Sewer	86,475	87,420	88,094	89,753	91,820
Recreation Facilities	829,802	784,201	863,910	996,470	1,169,136
Gas Tax Reserve	-	100,340	201,114	104,901	1,641,753
Quamichan Lake	-	-	-	-	52,511
Infrastructure Replacement	-	250,000	501,928	761,380	1,028,913
Gravel Pits	428,920	433,606	474,363	490,996	523,702
Affordable Housing	-	-	22,081	39,497	42,918
<b>Total</b>	<b>\$ 14,313,974</b>	<b>\$ 15,768,740</b>	<b>\$ 19,253,851</b>	<b>\$ 24,283,112</b>	<b>\$ 29,167,220</b>



Source: North Cowichan Financial Services

## DEBENTURE DEBT

	2015	2016	2017	2018	2019
Local Area Service Debt *	\$ 4,215,751	\$ 4,461,545	\$ 4,380,790	\$ 4,192,470	\$ 3,997,051
Tax Supported Debt	17,574,522	18,520,163	17,368,656	16,214,950	15,015,901
<b>Total Debenture Debt</b>	<b>\$ 21,790,273</b>	<b>\$ 22,981,708</b>	<b>\$ 21,749,446</b>	<b>\$ 20,407,420</b>	<b>\$ 19,012,952</b>
<b>Debt per Capita</b>	<b>724</b>	<b>747</b>	<b>696</b>	<b>642</b>	<b>592</b>

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

Source: North Cowichan Financial Services

## LIABILITY SERVICING

	2015	2016	2017	2018	2019
Liability Servicing Limit	\$ 10,764,589	\$ 11,423,301	\$ 12,079,962	\$ 12,200,913	\$ 12,821,970
Total Liability Servicing Cost	2,670,299	4,087,297	2,583,908	2,631,766	2,021,114
<b>Liability Servicing Capacity Available</b>	<b>\$ 8,094,290</b>	<b>\$ 7,336,004</b>	<b>\$ 9,496,054</b>	<b>\$ 9,569,147</b>	<b>\$ 10,800,856</b>

Source: North Cowichan Financial Services

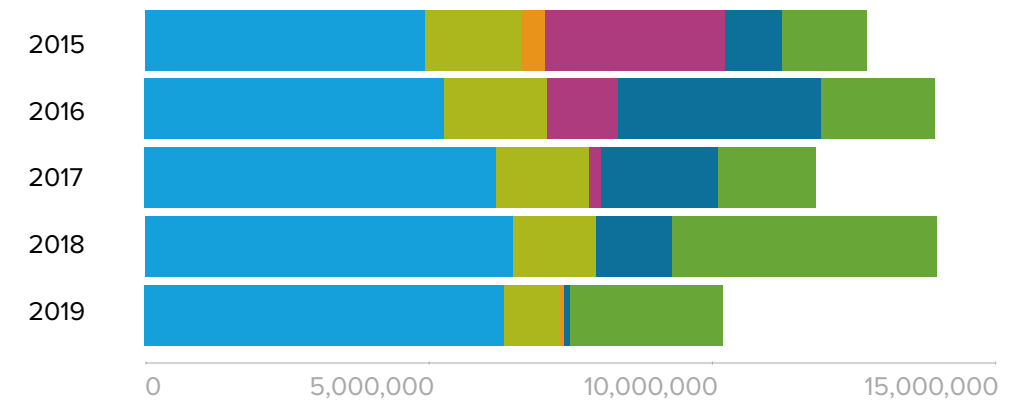
## TAXES COLLECTED FOR OTHER AGENCIES

	2015	2016	2017	2018	2019
School	\$ 12,214,842	\$ 11,940,758	\$ 11,697,782	\$ 11,892,401	\$ 12,286,609
CVRHD	2,823,891	3,128,740	3,122,486	3,394,360	3,703,379
CVRD	7,090,899	7,341,902	7,827,059	8,120,734	8,750,061
BC Assessment	363,022	346,992	320,973	332,048	345,836
MFA	1,050	1,078	1,176	1,312	1,469
<b>Total</b>	<b>\$ 22,493,704</b>	<b>\$ 22,759,470</b>	<b>\$ 22,969,476</b>	<b>\$ 23,740,855</b>	<b>\$ 25,087,354</b>

Source: North Cowichan Financial Services

## CAPITAL EXPENDITURES BY SOURCES OF FINANCING

	2015	2016	2017	2018	2019
Operating Funds	\$ 4,413,185	\$ 4,718,359	\$ 5,541,462	\$ 5,802,144	\$ 5,668,683
Reserve Funds	1,529,485	1,622,366	1,457,148	1,314,598	868,674
DCC	372,000	-	-	-	64,000
Debt	2,824,800	1,121,522	200,000	-	-
Grants	913,323	3,199,385	1,840,781	1,191,968	106,600
Developer / Other Contribution	1,337,959	1,797,256	1,549,520	4,191,180	2,411,588
<b>Total</b>	<b>\$ 11,390,752</b>	<b>\$ 12,458,888</b>	<b>\$ 10,588,911</b>	<b>\$ 12,499,890</b>	<b>\$ 9,119,545</b>



Source: North Cowichan Financial Services

## NEW CONSTRUCTION

	2015	2016	2017	2018	2019
Building Permits Issued	249	331	324	336	277
Construction Value	\$ 32,299,000	\$ 39,992,424	\$ 47,344,829	\$ 67,257,000	\$ 85,833,000

Source: North Cowichan Financial Services

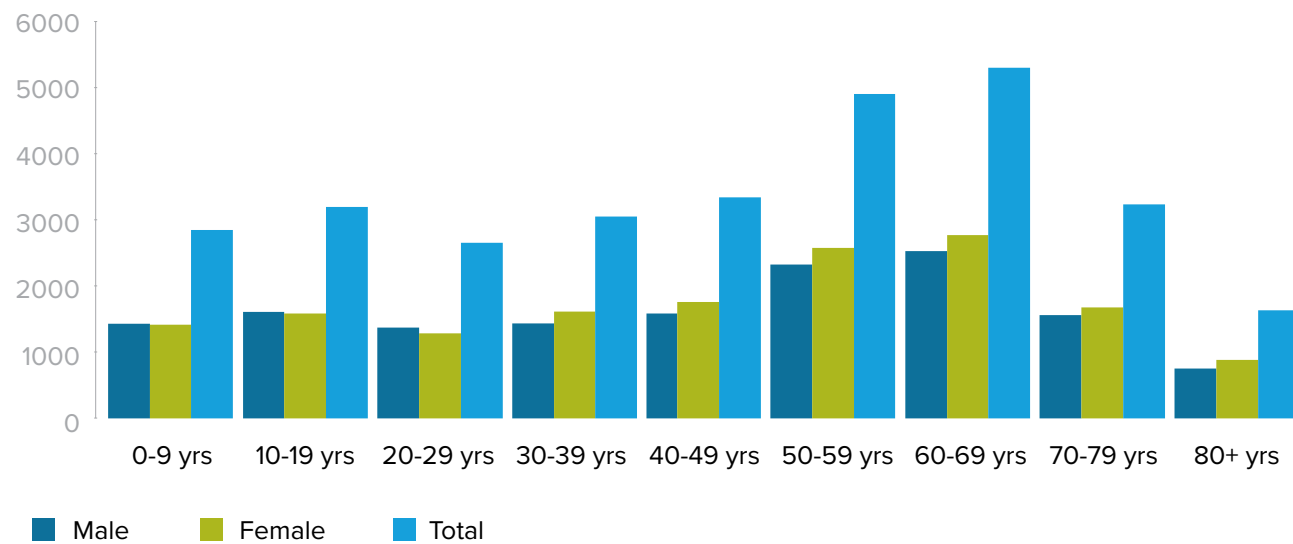
## TOTAL POPULATION

	2015	2016	2017	2018	2019
Total population estimates	30,091	30,760	31,236	31,782	32,120
% Change from prior year	1.1%	2.2%	1.5%	1.7%	1.1%

Source: BC Stats

## 2016 Population by Age Group

Median age of population 47.1 years



Source: Statistics Canada Census

## TOP 10 PRINCIPAL CORPORATE TAXPAYERS

Taxpayer	INDUSTRY	TAX CONTRIBUTION
Catalyst Paper Corporation	Industry	\$ 4,044,389
Western Forest Products Inc	Industry	613,928
Calloway Reit (Cowichan) Inc	Retail	600,305
Fiera Properties Core Fund GP Inc	Retail	453,954
Beverly Corners Management Ltd	Retail	269,496
Chemainus Village Square Ltd	Retail	131,837
Island Timberlands GP Ltd	Industry	115,522
Centra Gas BC Inc	Utility	111,402
Baljet Car Co. Ltd	Retail	106,392
Duncan Storage Ltd	Retail	94,652

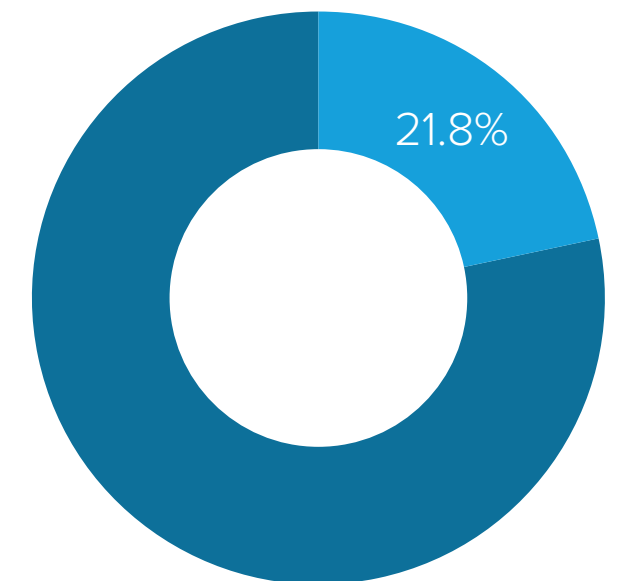
**Total Tax Contribution from Top 10 Taxpayers** \$ 6,541,879

**Total Municipal Tax** \$ 30,011,990

**Proportion of municipal tax paid by top ten** 21.8%

## 2019 Principle Corporate Taxpayers Percentage Paid

■ Corporate Taxpayers  
■ Other



Source: North Cowichan Financial Services



# OTHER INFORMATION



# PERMISSIVE TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
00001-000	5800 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	\$ 893
00016-000	1843 Tzouhalem Rd	Vancouver Island Providence Community Assoc	5,221
00016-002	Donnay Dr	Vancouver Island Providence Community Assoc	3,409
00022-200	1501 Khenipson Rd	Nature Conservancy of Canada	4,605
00172-001	Rail Corridor	Island Corridor Foundation	868
00180-001	Rail Corridor	Island Corridor Foundation	496
00180-002	Rail Corridor	Island Corridor Foundation	886
00184-001	Rail Corridor	Island Corridor Foundation	664
00184-002	Rail Corridor	Island Corridor Foundation	569
00186-001	Rail Corridor	Island Corridor Foundation	191
00197-100	Trans Canada Hwy	Nature Trust of B.C.	3,103
00197-101	Trans Canada Hwy	Nature Trust of B.C.	6,446
00200-000	6045 Trans Canada Hwy	Nature Trust of B.C. & Ducks Unlimited	1,415
00206-100	Beverly St	Cowichan Green Community	1,710
00362-000	5795 Church Rd	Anglican Synod Diocese of BC (St. Peter's Anglican Church)	9,175
00403-000	5905 Indian Rd	Abbeyfield Houses Society of Duncan	3,088
00433-000	2004 & 2030 Crescent Rd	St. Peter's Crescent Society	1,422
00476-000	1839 Tzouhalem Rd	New Life Community Baptist Church	5,086
00477-000	1815 Tzouhalem Rd	Church of Jesus Christ of Latter-day Saints	3,178
00830-000	3210 Sherman Rd	Vancouver Island Sikh Cultural Soc	3,274
00899-001	Rail Corridor	Island Corridor Foundation	616
00900-001	Rail Corridor	Island Corridor Foundation	427
00947-000	2246 and 2244 Moose Rd	Duncan Community Lodge Society (Loyal Order of the Moose)	5,619
00977-000	5814 Banks Rd	Clements Centre Society	3,728
01038-001	Beverly St	Chesterfield Sports Society	1,572
01038-002	5847 Chesterfield Ave	Chesterfield Sports Society	3,449
01049-001	Beverly St	Nature Trust of BC	634
01081-012	101-5822 Garden St	Cowichan District Hospital Foundation	2,452
01082-000	5810 Garden St	Cowichan Valley Basket Society	1,646
01095-000	5848 Clements St	Clements Centre Society	999
01180-025	Rail Corridor	Island Corridor Foundation	346
01180-050	Rail Corridor	Island Corridor Foundation	438
01232-003	Rail Corridor	Island Corridor Foundation	551
01232-004	Rail Corridor	Island Corridor Foundation	474
01232-005	Rail Corridor	Island Corridor Foundation	78
01232-006	Rail Corridor	Island Corridor Foundation	125
01232-007	Rail Corridor	Island Corridor Foundation	1,328
01232-008	Rail Corridor	Island Corridor Foundation	66
01232-009	Rail Corridor	Island Corridor Foundation	6
01232-010	Rail Corridor	Island Corridor Foundation	1,263
01232-011	Rail Corridor	Island Corridor Foundation	1,728
01242-020	Beverly St	Nature Trust of BC	2,497

# PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
01313-000	#2 - 5855 York Rd	Canadian Red Cross	1,062
01572-001	2704 James St	Trinity Evangelical Lutheran Church	1,326
01587-000	5856 Clements St	Clements Centre Society	15,764
01587-000	5856 Clements St	Cowichan Valley Association for Community Living	15,764
01640-005	5990 Indian Rd	Maple Bay Rowing Club	1,875
01791-020	5855 Clements St	Cowichan Agricultural Society & Farmers Institute	3,165
01881-000	3441 Gibbins Rd	BC Corporation of Seventh-Day Adventist Church (Duncan)	4,787
01920-000	5860 Banks Rd	Cowichan Valley Hospice Society	1,237
02197-001	3045 Gibbins Rd	Cowichan Valley Division of Family Practice	751
02222-001	Rail Corridor	Island Corridor Foundation	452
02227-000	3968 Gibbins Rd	Vimy Community Club	2,081
02246-005	2731 Boys Rd	Freshwater Fisheries Society of B.C.	487
02310-000	3036 Sherman Rd	Cowichan Valley Church of the Nazarene	1,798
03931-010	Cowichan Bay	Nature Trust of B.C.	65
03995-000	Rail Corridor	Island Corridor Foundation	9,283
03995-001	Rail Corridor	Island Corridor Foundation	434
03995-002	Rail Corridor	Island Corridor Foundation	2,788
03995-003	Rail Corridor	Island Corridor Foundation	3,582
03995-004	Rail Corridor	Island Corridor Foundation	1,728
03995-007	Rail Corridor	Island Corridor Foundation	3,373
03995-008	Rail Corridor	Island Corridor Foundation	3,462
03995-009	Rail Corridor	Island Corridor Foundation	2,588
03995-010	Rail Corridor	Island Corridor Foundation	1,719
03995-011	Rail Corridor	Island Corridor Foundation	1,713
03995-012	Rail Corridor	Island Corridor Foundation	3,164
03995-013	Rail Corridor	Island Corridor Foundation	3,970
03995-014	Rail Corridor	Island Corridor Foundation	612
03995-015	Rail Corridor	Island Corridor Foundation	2,868
03995-016	Rail Corridor	Island Corridor Foundation	2,809
03995-017	Rail Corridor	Island Corridor Foundation	2,152
03995-018	Rail Corridor	Island Corridor Foundation	1,507
03995-019	Rail Corridor	Island Corridor Foundation	3,821
03995-020	Rail Corridor	Island Corridor Foundation	9
03995-021	Rail Corridor	Island Corridor Foundation	1,289
03995-022	Rail Corridor	Island Corridor Foundation	615
03996-000	Rail Corridor	Island Corridor Foundation	8,507
05033-000	Mt. Prevost	Cowichan War Memorial Trustees	-
05038-012	3540 Auchinachie Rd	The Oasis Church Society	1,856
05084-000	Trans Canada Hwy	Nature Trust of B.C.	2,519
05099-000	7380 Trans Canada Hwy	Cowichan Exhibition	43,258
05105-060	7550 Bell McKinnon Rd	BC S.P.C.A.	5,986
05359-005	6124 Ryall Rd	Clements Centre Society	1,666

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
05359-006	6124 Ryall Rd	Clements Centre Society	4,317
05373-000	3248 Cowichan Valley Hwy	Somenos Community Association	1,778
05469-001	2892 Drinkwater Rd	BC Forest Discovery Centre	3,741
05469-005	2986 Drinkwater Rd	Duncan-Cowichan Chamber of Commerce	2,811
05567-000	6137 Somenos Rd	Cowichan Valley Soccer Assn.	1,615
05977-000	Drinkwater Rd	BC Forest Discovery Centre	1,761
05999-000	3253 Sherman Rd	Cowichan Valley Soccer Assn.	4,226
06000-000	3191 Sherman Rd	Duncan Curling Club	7,585
06038-000	2382 Calais Rd	Franciscans of Western Canada	3,158
06503-000	6118 Lane Rd	Christian Science Society, Duncan	813
08076-000	PID 009-625-399	Camp Qwanoes	2,975
08314-000	6722 Beaumont Ave	Friends of Cowichan Cadets Society	1,259
08328-000	6735 Beaumont Ave	Maple Bay Rowing Club	2,419
08333-020	Morgan St	Crofton Community Centre Society	2,691
08333-100	8003 York Ave	Crofton Community Centre Society	3,322
08338-000	8104 Musgrave St	Crofton Community Centre Society	4,750
08548-000	1860 Herd Rd	Cowichan Rugby Club	4,209
08595-000	Maple Bay Rd	Nature Conservancy of Canada	8,041
08595-001	1241 Maple Bay Rd	Nature Conservancy of Canada	1,723
08597-000	Aitken Rd	Nature Conservancy of Canada	3,428
08630-000	1148 Barnes Rd	Camp Qwanoes	4,664
08630-001	Water Licence 106188	Camp Qwanoes	4
08630-002	Water Licence 108939	Camp Qwanoes	639
08630-050	1148 Barnes Rd	Camp Qwanoes	828
08633-000	1148 Smith Rd	Camp Qwanoes	14,179
08633-001	1 - 1148 Smith Rd	Camp Qwanoes	128
09119-000	6337 Genoa Bay Rd	Maple Bay Yacht Club	2,104
09542-000	1186 Barnes Rd	Camp Qwanoes	2,082
12266-200	Tsussie Rd	Penelukut Development Society	498
12316-010	1507 Joan Ave	Crofton Old School Museum	2,212
12316-011	1507 Joan Ave	Crofton Seniors Society	4,692
12395-000	1675 Robert St	Crofton Community Centre Society	1,609
13951-003		Ducks Unlimited	1,510
15004-005	Rifle Range	Chemainus Rod & Gun Club	482
15054-115	9799 Waterwheel Cres	Chemainus Valley Historical Society	405
15086-200	9574 Bare Point Rd	Chemainus Theatre Festival Society	19,633
15103-001	9745 Chemainus Rd	Chemainus Theatre Festival Foundation	2,346
15105-100	9737 Chemainus Rd	Chemainus Theatre Festival Society	27,927
15117-000	Victoria Rd	Anglican Synod Diocese of BC (St. Michael's and All Angels' Anglican Church)	2,078
15148-005	9910 Esplanade St	Steeples Housing Society	-
15148-010	9906 Esplanade St	Chemainus Health Care Foundation	-

PERMISSIVE TAX EXEMPTIONS (continued)

ROLL #	PROPERTY ADDRESS	OWNER OR OCCUPANT	TAXES
15152-100	9867 Maple St	Chemainus Health Care Auxiliary	9,625
15103-001	Chemainus Rd	Chemainus Theatre Foundation	2,346
15592-000	9471 Chemainus Rd	Pentecostal Assemblies (Chemainus Tabernacle)	529
15642-001	9796 Willow St	Cowichan Valley Neighbourhood House Association	-
15642-005	9796 Willow St	Chemainus Chamber of Commerce	-
15644-001	Units 1 & 3,9806 Willow St	Cowichan Neighbourhood House Association	3,524
15646-000	9814 Willow St	Trustees of the Chemainus/Crofton Pastoral Charge	824
15656-000	9824 Willow St	Chemainus Seniors Drop-In Centre Society	8,495
15736-000	9775 Chemainus Rd	Royal Canadian Legion (Chemainus Legion)	3,885
15791-000	2828 Pine St	Harbour View Housing Society	669
15798-101	9758 Chemainus Rd	Chemainus Rotary Club	3,352
16124-000	2852/2858 Mill St	Anglican Synod Diocese of BC (St. Michael's and All Angels' Anglican Church)	1,468
16273-000	9877 Esplanade St	Harbour View Housing Society	9,823
16321-020	2816 Henry Rd	Mount Brenton Golf Course Ltd	3,767
16487-000	3318 River Rd	Canadian Baptists of Western Canada (Calvary Baptist Church)	6,093
17849-001		Ducks Unlimited	1,564
17849-002		Ducks Unlimited	118
18008-002	Rail Corridor	Island Corridor Foundation	24
24001-000	3790 Gibbins Rd	744 (Cowichan) Squadron Admin Society	1,505
24017-000	2558 Mt Sicker Rd	Westholme School Society	2,744
24018-000	3039 Sprott Rd	Parkside Academy Society	23,464
<b>TOTAL</b>			<b>\$ 492,095</b>



# REVITALIZATION TAX EXEMPTIONS

ROLL #	PROPERTY ADDRESS	EXTENT OF EXEMPTION	TERM	TAXES
01081-011	2728 James St	Class 1 or 6 land and improvements	2015 - 2019	\$ 5,210
01081-012	101-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	2,452
01081-013	102-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	2,193
01081-014	201-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	1,288
01081-015	202-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	879
01081-016	203-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	900
01081-017	204-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	739
01081-018	205-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	729
01081-019	206-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	890
01081-020	207-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	803
01081-021	302-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	890
01081-022	303-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	911
01081-023	304-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	748
01081-024	305-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	736
01081-025	306-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	904
01081-026	307-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	811
01081-027	401-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	999
01081-028	402-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	1,006
01081-029	403-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	933
01081-030	404-5822 Garden St	Class 1 or 6 land and improvements	2015 - 2019	1,014
05319-575	6157 Scott Rd	Class 5 or 6 improvements	2015 - 2024	6,666
05319-610	6200 Scott Rd	Class 5 or 6 improvements	2016 - 2025	4,894
12117-102	201-1533 Joan Ave	Class 1 improvements	2017 - 2021	624
12117-103	202-1533 Joan Ave	Class 1 improvements	2017 - 2021	656
12117-104	203-1533 Joan Ave	Class 1 improvements	2017 - 2021	598
12117-105	204-1533 Joan Ave	Class 1 improvements	2017 - 2021	664
12117-106	205-1533 Joan Ave	Class 1 improvements	2017 - 2021	594
12117-107	301-1533 Joan Ave	Class 1 improvements	2017 - 2021	682
12117-108	302-1533 Joan Ave	Class 1 improvements	2017 - 2021	656
12117-109	303-1533 Joan Ave	Class 1 improvements	2017 - 2021	620
12117-110	304-1533 Joan Ave	Class 1 improvements	2017 - 2021	664
12117-111	305-1533 Joan Ave	Class 1 improvements	2017 - 2021	594
12117-112	401-1533 Joan Ave	Class 1 improvements	2017 - 2021	682
12117-113	402-1533 Joan Ave	Class 1 improvements	2017 - 2021	656
12117-114	403-1533 Joan Ave	Class 1 improvements	2017 - 2021	620
12117-115	404-1533 Joan Ave	Class 1 improvements	2017 - 2021	664
12117-116	405-1533 Joan Ave	Class 1 improvements	2017 - 2021	594
16522-002	3400 Smiley Rd	Class 5 or 6 improvements	2018 - 2022	8,004
<b>TOTAL</b>				<b>\$ 54,166</b>

# CHEMAINUS OFF-STREET PARKING

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

January 1, 2019	\$ 155,419
Interest	3,718
Current Year Contributions	8,000
Current Year Expenditures	-
<b>December 31, 2019</b>	<b>\$ 167,137</b>



# DEVELOPMENT COST CHARGES

Report prepared as required under section 937.01 of the Local Government Act

	Jan. 1, 2019	Interest	Current Year Contributions	Current Year Expenditures	Current Year Amounts Waived	Dec. 31, 2019
<b>Roads</b>	\$ 1,254,605	\$ 32,965	\$ 490,416	\$ -	\$ (64,000)	\$ 1,713,986
<b>Parks</b>	625,196	15,806	198,538	-	-	839,540
<b>Chemainus</b>						
Water	451,142	10,440	3,651	-	-	465,234
Sewer	235,795	5,452	1,538	-	-	242,785
	686,937	15,892	5,189	-	-	708,018
<b>Crofton</b>						
Water	120,853	2,869	9,531	-	-	133,252
Sewer	65,269	1,592	9,010	-	-	75,871
	186,122	4,460	18,541	-	-	209,124
<b>South End</b>						
Drainage	283,086	7,177	82,610	-	-	372,872
Water	1,734,758	42,739	337,363	-	-	2,114,860
Sewer	5,397,574	127,626	365,292	-	-	5,890,492
	7,415,418	177,542	785,264	-	-	8,378,225
<b>Total</b>	<b>\$ 10,168,279</b>	<b>\$ 246,666</b>	<b>\$ 1,497,948</b>	<b>\$ -</b>	<b>\$ (64,000)</b>	<b>\$ 11,848,893</b>

# NIL REPORT 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*.



Michelle Martineau  
Corporate Officer  
May 6, 2020



MUNICIPALITY OF  
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Cowichan

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